

## A Guide to Researching Colorado HOA Law and Governance

This document created by HOA Management. It is a good tool in researching the Colorado Common Interest Ownership Act (CCIOA) and other governance issues with HOAs. **Note, this document may not be up-to-date with the latest legislative changes but is still an excellent tool for research. Always read your HOA's governing documents that may include more specific governance provisions and restrictions for your HOA.**

## HOW TO ESTABLISH AN HOA IN COLORADO

To form a common interest community in Colorado, Colorado Revised Statutes Section 38-33.3-201 requires the execution of the following:

- Record a declaration, in the same way as you would a deed, in all counties where the common interest community or any portion of it is located;
- Index the declaration in the grantee's index in the name of the association and common interest community and in the grantor's index in the name of the persons executing the declaration; and,
- Record a plat or map for the community association.

## COLORADO COMMON INTEREST OWNERSHIP ACT

There are two Acts that govern common interest communities in Colorado.

### COLORADO CONDOMINIUM OWNERSHIP ACT

The first is the Colorado Condominium Ownership Act, which is designed to oversee the creation, management, authority, and operation of associations established before July 1, 1992. You can find this Act within the Colorado Revised Statutes Sections 38-33-101 through 38-33-113.

- Short title
- Condominium ownership recognized
- Definitions
- Assessment of condominium ownership

- [Recording of declaration – certain rules and laws to apply](#)
- [Contents of declaration](#)
- [Condominium bylaws – contents – exemptions](#)
- [Records of receipts and expenditures – availability for examination](#)
- [Violations – penalty](#)
- [Unit owners' liability](#)
- [Time-sharing – definitions](#)
- [Special provisions applicable to time share ownership](#)
- [Notification to residential tenants](#)
- [License to sell condominiums and time shares](#)

## COLORADO COMMON INTEREST OWNERSHIP ACT

The second is the Colorado Common Interest Ownership Act (CCIOA), which oversees the creation, management, authority, and operation of all associations notwithstanding the date of creation. However, it is worth noting that some sections in this Act only apply to associations established after July 1, 1992. According to [Section 38-33.3-118](#) of this Act, associations can elect to be bound by the CCIOA provided they meet the requirements.

You can find this Act within the Colorado Revised Statutes Sections 38-33.3-101 through 38-33.3-402.

### PART 1 – GENERAL PROVISIONS

- [Short title](#)
- [Legislative declaration](#)
- [Definitions](#)
- [Variation by agreement](#)
- [Separate titles and taxation](#)
- [Applicability of local ordinances, regulations, and building codes](#)
- [Prohibitions contrary to public policy – patriotic and political expression – emergency vehicles – fire prevention – renewable energy generation devices – affordable housing – drought prevention measures – definitions](#)
- [Unreasonable restrictions on energy efficiency measures – definitions](#)
- [Unreasonable restrictions on electric vehicle charging systems – legislative declaration – definitions](#)
- [Eminent domain](#)
- [Supplemental general principles of law applicable](#)
- [Construction against implicit repeal](#)
- [Uniformity of application and construction](#)

- Severability
- Unconscionable agreement or term of contract
- Obligation of good faith
- Remedies to be liberally administered
- Applicability to new common interest communities
- Exception for new small cooperatives and small and limited expense planned communities
- Large planned communities – exemption from certain requirements
- Applicability to preexisting common interest communities
- Procedure to elect treatment under the “Colorado Common Interest Ownership Act”
- Exception for small preexisting cooperatives and planned communities
- Amendments to preexisting governing instruments
- Extension of declaration term
- Applicability to nonresidential planned communities
- Applicability to out-of-state common interest communities
- Enforcement – limitation
- Legislative declaration – alternative dispute resolution encouraged – policy statement required

## PART 2 – CREATION, ALTERATION, AND TERMINATION OF COMMON INTEREST COMMUNITIES

- Creation of common interest communities
- Unit boundaries
- Construction and validity of declaration and bylaws
- Description of units
- Contents of declaration
- Leasehold common interest communities
- Allocation of allocated interests
- Limited common elements
- Plats and maps
- Public disclosures required – identity of association – agent – manager – contact information
- Responsible governance policies – due process for imposition of fines – procedure for collection of delinquent accounts – definition
- Executive board member education
- Owner education
- Exercise of development rights
- Alterations of units
- Relocation of boundaries between adjoining units
- Subdivision of units
- Easement for encroachments
- Use for sales purposes

- Easement rights
- Amendment of declaration
- Termination of common interest community
- Rights of secured lenders
- Master associations
- Merger or consolidation of common interest communities
- Withdrawal from merged common interest community
- Addition of unspecified real estate
- Sale of unit – disclosure to buyer. (Repealed)

### PART 3 – MANAGEMENT OF THE COMMON INTEREST COMMUNITY

- Organization of unit owners' association
- Powers of unit owners' association
- Executive board members and officers – powers and duties – reserve funds – reserve study – audit
- Construction defect actions – disclosure
- Transfer of special declarant rights
- Termination of contracts and leases of declarant
- Bylaws
- Upkeep of the common interest community
- Meetings
- Quorums
- Voting – proxies
- Executive board – conflicts of interest – definitions
- Tort and contract liability
- Conveyance or encumbrance of common elements
- Insurance
- Surplus funds
- Assessments for common expenses
- Lien for assessments
- Collections – limitations
- Time share estate – foreclosure – definitions
- Association records
- Association as trustee
- Other applicable statutes

### PART 4 – REGISTRATION

- Registration – annual fees
- Manager licensing – condition precedent for enforcement of contract terms

# COLORADO HOA LAWS ON CORPORATE GOVERNANCE

The Colorado Revised Nonprofit Corporation Act governs the corporate procedure and structure of associations created as a nonprofit. You can find the Act within the Colorado Revised Statutes Articles 121 to 137.

- General Provisions
- Incorporation
- Purposes and Powers
- Name
- Office and Agent
- Members and Memberships
- Members' Meetings and Voting
- Directors and Officers
- Indemnification
- Amendment of Articles of Incorporation and Bylaws
- Merger
- Sale of Property
- Distributions
- Dissolution
- Foreign Nonprofit Corporations – Authority to Conduct Activities
- Records, Information, and Reports
- Transition Provisions

# COLORADO HOA LAWS ON PROPERTY USE RESTRICTIONS

Homeowners associations can place restrictions on how residents use and alter their individual properties. However, there are some things that Colorado law forbids associations to do.

- **Display of the American Flag.** According to [Colo. Rev. Stat. Section 38-33.3-106.5](#), HOAs can't prohibit homeowners from displaying the U.S. flag.
- **Political Signs.** The same section protects homeowners' rights to display political signs, though it allows HOAs to place certain limitations such as the size and placement of the signs as well as when they can display them.
- **Solar Rights.** According to the same section, associations can't forbid homeowners from [installing renewable energy devices](#).

- **Landscaping Rules.** The HOA laws of Colorado prohibit associations from adopting covenants that ban or restrict xeriscaping, require owners to use turf grass, or require owners to violate water use restrictions found in [Section 37-60-126](#).

## COLORADO HOA LAWS ON DELINQUENT ACCOUNTS

If a homeowner fails to pay their dues or assessments, HOAs must first provide a written notice to the delinquent owner prior to handing over the account to a [collections agency](#) or attorney. According to [Colo. Rev. Stat. Section 38-33.3-209.5](#), the notice must include the total amount due, instructions for how to remedy the delinquency, and a warning that the owner has 30 days to remedy the problem before the association takes further action, among other things.

According to [Colo. Rev. Stat. Section 38-33.3-316.3](#), associations should also give delinquent homeowners a chance to enter into a payment plan. But, if the owner has previously entered into a similar plan, then the association is not mandated to offer it again.

## COLORADO HOA LAWS ON FAIR DEBT COLLECTION

The state of Colorado has its own [Fair Debt Collection law](#). Under this law, debt collectors can't use deceptive, abusive, or unfair practices in their effort to collect a debt. The law works similarly to the federal [Fair Debt Collection Practices Act](#) (FDCPA).

If a homeowner feels that they have fallen victim to illegal collection practices, they can file a complaint with the [Federal Trade Commission](#), the [Consumer Finance Protection Bureau](#), or [Colorado's Attorney General](#). Alternatively, they can sue the debt collector in federal or state court. But, they must do so within a year from the date the violation occurred.

## LIMITS ON FORECLOSURE

In many states, homeowners associations can attach a lien on a delinquent owner's property and then subsequently foreclose on that lien. But, in Colorado, [Section 38-33.3-316](#) stipulates that HOAs may only initiate foreclosure if the total unpaid amount equals at least six months' worth of dues or assessments. Furthermore, the HOA board must hold a vote on the foreclosure and may only proceed if a majority of the board approves.

## FAIR HOUSING AND DISCRIMINATION

According to [Fair Housing laws](#) in Colorado, homeowners associations can't discriminate against persons based on their color, race, national origin, ancestry, sex, sexual orientation, religion, creed, retaliation, familial status, marital status, or disability. Moreover, familial status also extends to pregnant women and families with kids under 18 years old.

Additionally, [Colo. Rev. Stat. § 24-34-601](#) forbids discrimination in places of public accommodations based on disability, whether direct or indirect. The section works similarly to the [Americans with Disabilities Act](#).