

CHAPTER 422

PROPERTY

HOUSE BILL 24-1337

BY REPRESENTATIVE(S) Jodeh and Bacon, Bird, Boesecker, Brown, Epps, Froelich, Garcia, Herod, Kipp, Lindsay, Marvin, Sirota, Titone, Weissman, Duran, English, Hernandez, Mabrey, Ortiz, Parenti, Rutinel, Velasco, McCluskie;
also SENATOR(S) Coleman and Exum, Bridges, Buckner, Cutter, Gonzales, Hansen, Kolker, Marchman, Michaelson Jenet, Priola, Sullivan, Winter F.

AN ACT

CONCERNING THE RIGHTS OF A UNIT OWNER IN A COMMON INTEREST COMMUNITY IN RELATION TO THE COLLECTION OF AMOUNTS OWED BY THE UNIT OWNER TO THE COMMON INTEREST COMMUNITY.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 38-33.3-123, **amend** (1)(a), (1)(b), and (1)(c); and **add** (1)(f) and (1)(g) as follows:

38-33.3-123. Enforcement - limitation. (1) (a) If ~~any~~ A unit owner fails to timely pay assessments or any money ~~or sums due~~ OWED to the association, the association may require, WITHOUT THE NECESSITY OF COMMENCING A LEGAL PROCEEDING, reimbursement for THE FOLLOWING, IN ADDITION TO THE ASSESSMENTS OR OWED MONEY:

(I) ACTUAL collection costs ~~and~~ OF THE UNPAID ASSESSMENTS;

(II) Reasonable attorney fees INCURRED AS A RESULT OF THE FAILURE TO PAY; EXCEPT THAT THE ASSOCIATION IS NOT ENTITLED TO REIMBURSEMENT FOR ATTORNEY FEES THAT EXCEED FIVE THOUSAND DOLLARS OR FIFTY PERCENT OF THE ASSESSMENTS AND ANY MONEY OWED TO THE ASSOCIATION AS DESCRIBED IN THE INTRODUCTORY PORTION OF THIS SUBSECTION (1)(a), WHICHEVER IS LESS; and

(III) OTHER ACTUAL costs incurred as a result of ~~such~~ THE failure ~~without the necessity of commencing a legal proceeding~~ TO PAY.

(b) For any failure to comply with ~~the provisions of this article~~ THIS ARTICLE 33.3

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

or ~~any provision of the declaration, bylaws, articles, or rules and regulations, other than the payment of assessments or any money or sums due~~ OWED to the association, the association, any unit owner, or any class of unit owners adversely affected by the failure to comply may seek, WITHOUT THE NECESSITY OF COMMENCING A LEGAL PROCEEDING, reimbursement for:

(I) ACTUAL collection costs INCURRED AS A RESULT OF THE FAILURE TO COMPLY; and

(II) Reasonable attorney fees and costs incurred as a result of ~~such~~ THE failure to comply; ~~without the necessity of commencing a legal proceeding~~ EXCEPT THAT THE ASSOCIATION IS NOT ENTITLED TO REIMBURSEMENT FOR ATTORNEY FEES THAT EXCEED FIVE THOUSAND DOLLARS OR FIFTY PERCENT OF THE ACTUAL COSTS THE ASSOCIATION OR UNIT OWNER INCURRED AS A RESULT OF THE FAILURE TO COMPLY, WHICHEVER IS LESS.

(c) (I) In any civil action to enforce or defend ~~the provisions of this article or of~~ THIS ARTICLE 33.3 OR the declaration, bylaws, articles, or rules and regulations, the court shall award reasonable attorney fees, ACTUAL costs, and ACTUAL costs of collection to the prevailing party, EXCEPT AS PROVIDED IN SUBSECTION (1)(c)(II) OF THIS SECTION.

(II) IN CONNECTION WITH ANY CIVIL ACTION DESCRIBED IN SUBSECTION (1)(c)(I) OF THIS SECTION TO COLLECT MONEY OWED TO AN ASSOCIATION FROM A UNIT OWNER, THE COURT SHALL NOT AWARD ATTORNEY FEES TO THE ASSOCIATION IN AN AMOUNT IN EXCESS OF FIVE THOUSAND DOLLARS OR FIFTY PERCENT OF THE ACTUAL COSTS THE ASSOCIATION INCURRED AS A RESULT OF THE FAILURE TO COMPLY WITH THIS ARTICLE 33.3 OR WITH THE DECLARATION, BYLAWS, ARTICLES, OR RULES AND REGULATIONS, WHICHEVER IS LESS; EXCEPT THAT THE COURT MAY AWARD ATTORNEY FEES IN EXCESS OF THE LIMITATIONS, BASED ON THE COURT'S DISCRETION, IF THE COURT FINDS THAT THE UNIT OWNER WAS FINANCIALLY, PHYSICALLY, AND REASONABLY ABLE TO COMPLY WITH THE DECLARATION, BYLAWS, ARTICLES, OR RULES AND REGULATIONS BUT WILLFULLY FAILED TO COMPLY.

(f) IN DETERMINING REASONABLE ATTORNEY FEES PURSUANT TO THIS SUBSECTION (1) RELATING TO AN ASSOCIATION'S FORECLOSURE OF A LIEN AGAINST A UNIT OWNER FOR UNPAID ASSESSMENTS, THE COURT SHALL GIVE CONSIDERATION TO ALL RELEVANT FACTORS, INCLUDING:

(I) THE AMOUNT OF THE UNPAID ASSESSMENTS;

(II) WHETHER THE AMOUNT OF THE ATTORNEY FEES REQUESTED EXCEEDS THE AMOUNT OF THE UNPAID ASSESSMENTS;

(III) WHETHER THE AMOUNT OF TIME SPENT OR FEES INCURRED BY THE ATTORNEY ARE DISPROPORTIONATE TO THE NEEDS OF THE CASE, CONSIDERING THE COMPLEXITY OF THE CASE OR THE EFFORTS REQUIRED TO OBTAIN THE UNPAID ASSESSMENTS;

(IV) WHETHER THE FORECLOSURE ACTION WAS CONTESTED OR REQUIRED THE ASSOCIATION TO RESPOND TO UNMERITORIOUS DEFENSES; AND

(V) OTHER FACTORS TYPICALLY CONSIDERED IN DETERMINING AN AWARD OF ATTORNEY FEES.

(g) THE LIMITATIONS ON ATTORNEY FEES IN SUBSECTIONS (1)(a)(II), (1)(b)(II), AND (1)(c)(II) OF THIS SECTION ARE ADJUSTED FOR INFLATION ON AUGUST 1, 2025, AND EACH YEAR THEREAFTER. INFLATION IS MEASURED BY THE ANNUAL PERCENTAGE CHANGE IN THE UNITED STATES DEPARTMENT OF LABOR'S BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX, OR A SUCCESSOR INDEX, FOR DENVER-AURORA-LAKEWOOD FOR ALL ITEMS PAID BY URBAN CONSUMERS.

SECTION 2. In Colorado Revised Statutes, 38-33.3-209.5, **amend** (7)(a) introductory portion, (7)(a)(I), (7)(a)(III) introductory portion, and (7)(a)(III)(A) as follows:

38-33.3-209.5. Responsible governance policies - due process for imposition of fines - procedure for collection of delinquent accounts - enforcement through small claims court - definitions. (7) (a) An association shall not commence a legal action to initiate a JUDICIAL foreclosure proceeding based on a unit owner's delinquency in paying assessments unless:

(I) The association has complied with each of the requirements in this section and in ~~section 38-33.3-316.3~~ SECTIONS 38-33.3-316 AND 38-33.3-316.3 related to a unit owner's delinquency in paying assessments;

(III) ~~Within thirty days~~ After the association has provided the owner with a written offer to enter into a repayment plan, the unit owner has either:

(A) ~~Declined~~ FAILED TO ACCEPT the repayment plan WITHIN THIRTY DAYS AFTER THE WRITTEN OFFER WAS MADE; OR

SECTION 3. In Colorado Revised Statutes, 38-33.3-316, **amend** (11) introductory portion and (12); and **add** (10.5), (10.6), (10.7), and (13) as follows:

38-33.3-316. Lien for assessments - liens for fines, fees, charges, costs, and attorney fees - limitations. (10.5) TO FORECLOSE A LIEN DESCRIBED IN THIS SECTION:

(a) THE ASSOCIATION MUST HAVE OBTAINED A PERSONAL JUDGMENT AGAINST THE UNIT OWNER IN A CIVIL ACTION TO COLLECT THE AMOUNTS DUE;

(b) THE ASSOCIATION MUST HAVE ATTEMPTED TO BRING A CIVIL ACTION AGAINST THE UNIT OWNER BUT WAS PREVENTED BY THE DEATH OF OR INCAPACITY OF THE UNIT OWNER;

(c) THE ASSOCIATION MUST HAVE ATTEMPTED TO BRING A CIVIL ACTION AGAINST THE UNIT OWNER AND MADE A REASONABLE ATTEMPT TO SERVE THE UNIT OWNER BUT THE ASSOCIATION WAS UNABLE TO SERVE THE UNIT OWNER WITHIN ONE HUNDRED EIGHTY DAYS; OR

(d) THE UNIT OWNER MUST HAVE FILED A BANKRUPTCY PETITION OR MUST HAVE

AN INVOLUNTARY BANKRUPTCY PETITION FILED AGAINST THE UNIT OWNER, AND THE AMOUNT DUE THE ASSOCIATION IS SUBJECT TO THE BANKRUPTCY CIVIL ACTION.

(10.6) SUBSECTION (10.5) OF THIS SECTION:

(a) APPLIES EXCLUSIVELY TO A UNIT OWNED BY AN INDIVIDUAL WHO OCCUPIES THE UNIT AS THE UNIT OWNER'S PRINCIPAL RESIDENCE, UNLESS THE UNIT IS USED FOR WORKFORCE HOUSING;

(b) DOES NOT APPLY TO A UNIT OWNED BY AN ENTITY OTHER THAN AN INDIVIDUAL OR A UNIT THAT IS NOT OCCUPIED AS THE UNIT OWNER'S PRINCIPAL RESIDENCE, UNLESS THE UNIT IS USED FOR WORKFORCE HOUSING; AND

(c) APPLIES TO A UNIT USED FOR WORKFORCE HOUSING.

(10.7) (a) AT LEAST THIRTY DAYS BEFORE INITIATING LEGAL ACTION TO FORECLOSE A LIEN UNDER THIS SECTION, THE ASSOCIATION SHALL PROVIDE WRITTEN AND ELECTRONIC NOTICE TO THE UNIT OWNER OR THE UNIT OWNER'S DESIGNEE THAT THE UNIT OWNER HAS THE RIGHT TO ENGAGE IN MEDIATION PRIOR TO LITIGATION. TO INITIATE MEDIATION, THE UNIT OWNER MUST RESPOND WITHIN THIRTY DAYS AFTER THE DATE OF THE NOTICE.

(b) TO PARTICIPATE IN MEDIATION, BOTH PARTIES MUST:

(I) SELECT A MUTUALLY AGREEABLE MEDIATOR KNOWLEDGEABLE ABOUT THIS ARTICLE 33.3 AND COMMON INTEREST COMMUNITY DISPUTES; AND

(II) SCHEDULE THE MEDIATION SESSION WITHIN THIRTY DAYS AFTER THE NOTICE PROVIDED IN ACCORDANCE WITH SUBSECTION (10.7)(a) OF THIS SECTION.

(c) IF A UNIT OWNER FAILS TO COMPLY WITH SUBSECTION (10.7)(b) OF THIS SECTION WITHIN THIRTY DAYS AFTER THE NOTICE PROVIDED IN ACCORDANCE WITH SUBSECTION (10.7)(a) OF THIS SECTION, THIS SUBSECTION (10.7) DOES NOT BAR THE ASSOCIATION FROM FILING A CIVIL ACTION, WHICH IS SUBJECT TO THE REST OF THIS SECTION.

(d) AT LEAST THIRTY DAYS BEFORE INITIATING LEGAL ACTION TO FORECLOSE A LIEN UNDER THIS SECTION, THE ASSOCIATION SHALL PROVIDE WRITTEN AND ELECTRONIC NOTICE TO ALL LIENHOLDERS IDENTIFIED ON THE UNIT OWNER PROPERTY RECORDS OF THE PENDING LEGAL ACTION FOR FORECLOSURE. THE NOTICE MUST INCLUDE THE AMOUNT OF ANY OUTSTANDING ASSESSMENT AND OTHER MONEY OWED.

(11) SUBJECT TO SUBSECTION (10.5) OF THIS SECTION, the association's lien may be foreclosed by any of the following means:

(12) (a) If a unit has been foreclosed PURSUANT TO A LIEN SUBJECT TO THIS SECTION, THE FOLLOWING PERSONS SHALL NOT PURCHASE THE FORECLOSED UNIT:

(I) A member of the executive board;

(II) An employee of a community association management company representing the association;

(III) An employee of a law firm representing the association; ~~or~~

(IV) An immediate family member, as defined in section 2-4-401 (3.7), of ~~any such~~ an executive board member, community association management company employee, or law firm employee; ~~shall not purchase the foreclosed unit OR~~

(V) A COMMUNITY ASSOCIATION MANAGEMENT COMPANY REPRESENTING THE ASSOCIATION.

(b) THE PROHIBITION ON THE PURCHASE OF A FORECLOSED UNIT IN SUBSECTION (12)(a) OF THIS SECTION INCLUDES AN INDIVIDUAL OR A COMMUNITY ASSOCIATION MANAGEMENT COMPANY THAT WAS, AT ANY TIME DURING THE FIVE-YEAR PERIOD IMMEDIATELY PRECEDING THE SALE OF THE FORECLOSED UNIT, AN INDIVIDUAL OR A COMMUNITY ASSOCIATION MANAGEMENT COMPANY DESCRIBED IN SUBSECTION (12)(a) OF THIS SECTION. THE PROHIBITION IN THIS SECTION ALSO INCLUDES A BUSINESS ENTITY THAT WAS, AT ANY TIME DURING THE FIVE-YEAR PERIOD IMMEDIATELY PRECEDING THE SALE OF THE FORECLOSED UNIT, OWNED BY OR AFFILIATED WITH AN INDIVIDUAL OR COMMUNITY ASSOCIATION MANAGEMENT COMPANY DESCRIBED IN SUBSECTION (12)(a) OF THIS SECTION.

(13) A PERSON THAT PURCHASES A UNIT THROUGH THE FORECLOSURE OF A LIEN UNDER THIS SECTION ACQUIRES THE UNIT SUBJECT TO ANY COVENANTS OR LIMITATIONS ON THE USE OR SALE OF THE UNIT TO WHICH THE PREVIOUS UNIT OWNER WAS SUBJECT.

SECTION 4. In Colorado Revised Statutes, 38-33.3-316.3, **add** (3.5) as follows:

38-33.3-316.3. Collections - limitations - violations. (3.5) AN ASSOCIATION OR THE HOLDER OR ASSIGNEE OF THE ASSOCIATION'S DEBTS SHALL NOT FORECLOSE A LIEN CREATED UNDER SECTION 38-33.3-316 IF THE UNIT OWNER IS IN COMPLIANCE WITH THE TERMS OF A PAYMENT PLAN REQUIRED BY THIS SECTION.

SECTION 5. In Colorado Revised Statutes, 38-38-100.3, **add** (1.3), (4.3), (25), and (26) as follows:

38-38-100.3. Definitions. As used in articles 37 to 39 of this title 38, unless the context otherwise requires:

(1.3) "ALTERNATE LIENOR" MEANS A PERSON DEEMED A LIENOR BY SECTION 38-38-305.5 (1)(a).

(4.3) "COMMON INTEREST COMMUNITY" HAS THE MEANING SET FORTH IN SECTION 38-33.3-103 (8).

(25) "UNIT" HAS THE MEANING SET FORTH IN SECTION 38-33.3-103 (30).

(26) "UNIT ASSOCIATION LIEN" MEANS A LIEN IN A UNIT IN A COMMON INTEREST

COMMUNITY THAT IS HELD BY AN ASSOCIATION, AS DEFINED IN SECTION 38-33.3-103 (3).

SECTION 6. In Colorado Revised Statutes, 38-38-302, **amend** (1)(d) introductory portion and (4)(a); and **add** (11) as follows:

38-38-302. Redemption by lienor - procedure. (1) **Requirements for redemption.** A lienor or assignee of a lien is entitled to redeem if the following requirements are met to the satisfaction of the officer:

(d) The lienor has, within eight business days after the sale, filed a notice with the officer of the lienor's intent to redeem; EXCEPT THAT, IF THE PERSON IS DEEMED AN ALTERNATE LIENOR PURSUANT TO SECTION 38-38-305.5 AND THE LIEN BEING FORECLOSED IS A UNIT ASSOCIATION LIEN, THE ALTERNATE LIENOR HAS THIRTY DAYS TO FILE THE NOTICE WITH THE OFFICER OF THE ALTERNATE LIENOR'S INTENT TO REDEEM. A lienor may file a notice of intent to redeem more than eight business days after sale if:

(4) **Redemption period.** (a) (I) EXCEPT AS PROVIDED IN SUBSECTION (4)(a)(II) OF THIS SECTION, no sooner than fifteen business days nor later than nineteen business days after a sale under this ~~article~~ ARTICLE 38, the junior lienor having the most senior recorded lien on the sold property or any portion thereof OF THE SOLD PROPERTY, according to the records, having first complied with the requirements of subsection (1) of this section, may redeem the property sold by paying to the officer, no later than 12 noon on the last day of the lienor's redemption period, in the form specified in section 38-37-108, the amount for which the property was sold with interest from the date of sale, together with all sums allowed under section 38-38-301. Interest on the amount for which the property was sold ~~shall be~~ is charged at the default rate specified in the evidence of debt, deed of trust, or other lien being foreclosed or, if not so specified, at the regular rate specified in the evidence of debt, deed of trust, or other lien being foreclosed. If different interest rates are specified in the evidence of debt, deed of trust, or other lien being foreclosed, the interest rate specified in the evidence of debt ~~shall prevail~~ PREVAILS. If the evidence of debt does not specify an interest rate, including a default interest rate, THE applicable interest rate as specified in the deed of trust or other lien being foreclosed ~~shall apply~~ APPLIES.

(II) (A) IF THE LIEN BEING FORECLOSED IS IN A UNIT ASSOCIATION LIEN, AN ALTERNATE LIENOR'S REDEMPTION PERIOD COMMENCES UPON THE EXPIRATION OF ALL REDEMPTION RIGHTS AS SET BY THE OFFICER IN ACCORDANCE WITH SUBSECTION (4)(d) OF THIS SECTION AND IS NO SOONER THAN THIRTY-FIVE DAYS AFTER THE SALE. THIS SUBSECTION (4)(a)(II) DOES NOT OTHERWISE CHANGE THE REQUIREMENTS OF THIS SECTION FOR AN ALTERNATE LIENOR.

(B) NO SOONER THAN THIRTY-FIVE DAYS AND NO LATER THAN ONE HUNDRED EIGHTY DAYS AFTER A SALE OF A UNIT ASSOCIATION LIEN UNDER THIS ARTICLE 38, THE ALTERNATE LIENOR THAT FILED THE NOTICE WITH THE OFFICER OF THE ALTERNATE LIENOR'S INTENT TO REDEEM AND THAT HAS THE HIGHEST PRIORITY IN THE SOLD PROPERTY MAY REDEEM THE PROPERTY BY PAYING, IN THE FORM SPECIFIED IN SECTION 38-37-108, TO THE OFFICER, NO LATER THAN 12 NOON ON THE LAST DAY OF THE ALTERNATE LIENOR'S REDEMPTION PERIOD, THE AMOUNT FOR

WHICH THE PROPERTY WAS SOLD WITH INTEREST FROM THE DATE OF SALE, TOGETHER WITH ALL SUMS ALLOWED UNDER SECTION 38-38-107 AND, IF APPLICABLE, THE REDEMPTION AMOUNT PAID BY THE IMMEDIATELY PRIOR REDEEMING LIENOR, WITH INTEREST AT THE RATE SPECIFIED IN SUBSECTION (4)(a) OF THIS SECTION, PLUS THE AMOUNT CLAIMED IN THE STATEMENT DELIVERED BY THE IMMEDIATELY PRIOR REDEEMING LIENOR PURSUANT TO SUBSECTION (6) OF THIS SECTION, INCLUDING THE PER DIEM AMOUNTS THROUGH THE DATE WHEN THE PAYMENT IS MADE, OR IF NO PRIOR LIENOR HAS REDEEMED, THE REDEMPTION AMOUNT DETERMINED PURSUANT SUBSECTION (4)(a)(I) OF THIS SECTION.

(C) IF THE HIGHEST PRIORITY ALTERNATE LIENOR HAS NOT REDEEMED THE PROPERTY, EACH SUBSEQUENT ALTERNATE LIENOR THAT IS ENTITLED TO REDEEM, IN SUCCESSION BASED ON THE PRIORITY OF THE ALTERNATE LIENOR, HAS AN ADDITIONAL FIVE BUSINESS DAYS TO REDEEM THE PROPERTY. THE PRIORITY OF THE ALTERNATE LIENORS IS SET FORTH IN SECTION 38-38-305.5 (1)(a). THE ALTERNATE LIENOR MUST REDEEM BY PAYING THE REDEMPTION AMOUNT DETERMINED PURSUANT TO SUBSECTION (4)(a)(II)(B) OF THIS SECTION WITHIN THE FIVE-DAY PERIOD, OR, IF NO PRIOR LIENOR HAS REDEEMED, THE REDEMPTION AMOUNT DETERMINED PURSUANT TO SUBSECTION (4)(a)(I) OF THIS SECTION, TO THE OFFICER ON OR BEFORE 12 NOON OF THE LAST DAY OF THE ALTERNATE LIENOR'S REDEMPTION PERIOD.

(11) AS USED IN THIS SECTION, "UNIT ASSOCIATION LIEN" MEANS A LIEN IN A UNIT IN A COMMON INTEREST COMMUNITY THAT IS HELD BY AN ASSOCIATION, AS DEFINED IN SECTION 38-33.3-103 (3).

SECTION 7. In Colorado Revised Statutes, **add** 38-38-305.5 as follows:

38-38-305.5. Persons considered as lienors - redemption of property.

(1) (a) FOR THE PURPOSE OF THIS ARTICLE 38, THE FOLLOWING PEOPLE ARE DEEMED ALTERNATE LIENORS WITHOUT A LIEN AMOUNT:

(I) THE UNIT OWNER THAT HAS AN INTEREST APPEARING BY AN INSTRUMENT RECORDED IN THE OFFICE OF THE CLERK AND RECORDER OF THE COUNTY PRIOR TO THE RECORDING OF THE LIS PENDENS IS THE FIRST PRIORITY;

(II) A TENANT OF THE UNIT, IF THE TENANCY COMMENCED PRIOR TO THE RECORDING OF THE LIS PENDENS AND IF THE LEASE IS NOT RECORDED, IS THE SECOND PRIORITY;

(III) A NONPROFIT ENTITY THAT HAS A PRIMARY PURPOSE TO DEVELOP OR PRESERVE AFFORDABLE HOUSING IS THE THIRD PRIORITY;

(IV) A COMMUNITY LAND TRUST IS THE FOURTH PRIORITY;

(V) A COOPERATIVE HOUSING CORPORATION FORMED PURSUANT TO ARTICLE 33.5 OF THIS TITLE 38 IS THE FIFTH PRIORITY; AND

(VI) THE STATE OF COLORADO OR A POLITICAL SUBDIVISION OF THE STATE OF COLORADO IS THE SIXTH PRIORITY.

(b) AN ALTERNATE LIENOR'S ABILITY TO REDEEM THE PROPERTY IS SUBJECT TO:

- (I) A LIENOR THAT HOLDS EVIDENCE OF DEBT SECURED BY THE PROPERTY; OR
- (II) A PERSON THAT IS DEEMED A LIENOR UNDER SECTION 38-38-305.

(c) IF AN ALTERNATE LIENOR REDEEMS AFTER THE REDEMPTION OF A LESSEE OR EASEMENT HOLDER, THE ALTERNATE LIENOR, IN ACQUIRING THE PROPERTY, TAKES THE PROPERTY SUBJECT TO THE LEASE OR EASEMENT.

(2) THIS SECTION DOES NOT AFFECT THE RIGHTS UNDER THIS ARTICLE 38 OF A LESSEE WHOSE RESIDENTIAL LEASE IS RECORDED.

(3) THIS SECTION APPLIES TO THE FORECLOSURE OF A LIEN IN A UNIT IN A COMMON INTEREST COMMUNITY BY AN ASSOCIATION, AS DEFINED IN SECTION 38-33.3-103 (3).

SECTION 8. In Colorado Revised Statutes, 38-38-501, **add** (3) as follows:

38-38-501. Title vests upon expiration of redemption periods - confirmation deed - definition. (3) AS USED IN THIS SECTION, "REDEMPTION PERIODS" MEANS THE PERIODS OF TIME DURING WHICH A PERSON MAY REDEEM PROPERTY, AS DESCRIBED IN SECTION 38-38-302 (4); EXCEPT THAT THE REDEMPTION PERIOD IS THIRTY DAYS IF THE PROPERTY IS A UNIT IN A COMMON INTEREST COMMUNITY; THE LIEN BEING FORECLOSED IS HELD BY AN ASSOCIATION, AS DEFINED IN 38-33.3-103 (3); AND A LIENOR DOES NOT FILE A NOTICE WITH THE OFFICER OF THE LIENOR'S INTENT TO REDEEM.

SECTION 9. Act subject to petition - effective date - applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to debts accrued on or after the applicable effective date of this act.

Approved: June 5, 2024