

**House Transportation, Housing & Local Government**

**02/11/2025 01:30 PM**

**HB25-1043 Owner Equity Protection in HOA Foreclosure Sales**

**Typed Text of Testimony Submitted**

<b>Name, Position, Representing</b>	<b>Typed Text of Testimony</b>
Daniela King Amend themselves	So, for 1043 as AMEND.  We propose that foreclosed homes be sold through the normal real estate market rather than a sheriff's sale, that attorney's fees be capped at the same levels allowed for FHA foreclosures, and that foreclosure actions not be initiated for amounts under \$10,000.
Tim Brrg For themselves	I support, Rep Ricks has done an excellent job for taxpayers
Stewart Squires Against themselves	Honorable Committee Members  Concerning HB25-1043, I want to talk about the burden imposed on the responsible homeowners in an association by this bill.  1. The burden of loss is shifted to responsible homeowners by this bill. The association is owned by the homeowners. When the General Assembly passes acts that lessen the burden on a favored group of homeowners (e.g. people who do not pay their dues on time or at all) it increases the cost to all those that do. The expense of supporting the association and its property do not disappear when some owners do not pay their dues in full and on time. The expenses continue, and increase. For example, the fire insurance an association must carry on its buildings and property must be paid and will increase. Utility cost is many times not related to use but assigned in an unmetered way to individual units within an association.  2. The bill is a bailout and rewards irresponsible owners for failing to pay dues agreed to (contractually within the Declaration). This is a further encroachment on contractual obligations following the passage of the 2022 HOA bill. Associations will not be able to effectively administer dues collection and violation fines payment from those who ignore their obligation to pay assessments and violate rules meant to ensure the quiet enjoyment of property by all the association owners. The bill is

	<p>fundamentally unfair to the responsible homeowners because it is they who have to expend resources (both financial and time) to collect the delinquencies from parasitic owners whereby adequate relief through lien enforcement is necessary. And it imposes financial exposure on the association and its volunteer board members to do it perfectly every time. The system is upside down.</p> <p>3. The 80% of FMV minimum bid is based on false assumptions and not a reflection of actual value at the time of forced sale to the associations. The first is that prices go up. In Colorado there is a cyclical history of housing price collapse. Coupled with the false assumption that prices go up is the assumption that appraisals are accurate. Appraisals are always backward looking and do not reflect the current market. That is, appraisals look at comparables for the past couple of years, if they can be found. As we know from prior housing collapse prices can plummet by more than 20% for a particular location in a year. The result under this bill is that dishonest homeowners could game the system in a falling market by intentionally failing to pay the assessments, run up fines, and then force the association to not only buy them out, but also pay off inferior liens, and then have to bear the costs associated with selling the property to recoup the money the association had to put up at the sale. In a falling market the association will actually lose money. Once again, this bill rewards the wrong people.</p> <p>4. The mechanics of the bill flips the foreclosure system on its head. In both statutory and judicial foreclosures superior liens are not foreclosed. The debt remains on the property and the maker of the note. So, if a tax lien exists, it is not wiped out. In an assessment lien situation only the association lien for 6 months of assessment immediately prior to filing the foreclosure has priority over a previously filed deed of trust or mortgage. Thus, if a homeowner would fail to pay the Deed of Trust and the public trustee would foreclose, the 1st DOT would have to satisfy tax bill and the HOA super lien for 6 months' worth of arrearages, to get clear title. The inferior liens and the homeowner would have their interest cancelled. Of course, if a junior lien thought there was more value in the property than the 1st DOT and costs, plus the super lien, it could bid in the property as well. But it would never be forced to bid in more than its lien plus superior liens to acquire a clean title. This bill flips that and makes an association take care of junior liens up front – and that is not how foreclosure works ever.</p> <p>Without meaningful methods (as established in the Declaration and agreed to by association and owner when owner purchases) for the association to deal with each owner independently and without creating unfair liability on other association members, associations will fail as more and more owners default put unfair purchase requirements on fewer and fewer owners.</p> <p>Best Regards Stewart Squires</p>
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<p>Natalie Plotkin For themselves</p>	<p>To Whom It May Concern,</p> <p>I am writing to you in support of the House Bill HB25-1043. While the bill does not go far enough in holding the HOAs in Colorado at bay, we are well past the point of needing to do something to stem the HOA abuse.</p> <p>We own a unit in Club Valencia, which is located in Denver, Arapaho County. There were two fires on November 3rd, 2022 and February 1st, 2023. Out of 329 total units, half have now been closed, with the owner been denied the use of their properties by the HOA (under the guise of county, allegedly, forbidding it).</p> <p>The HOA at Club Valencia has a history of neglecting the property, and, from the looks of it, potentially, embezzling the funds paid by the owners. The CO AG, the county, the city and other state agencies have been useless in actually helping those affected. While the HOA is now using the tactics, which could be potentially stemmed by a bill such as the HB25-1043, to take property away from the owners.</p> <p>The HOA has been ratcheting up the fees and assessments, while denying the owners the use of their property. Since it's now been years, quite a few of the owners are now unable to pay the fees, with the HOA then declaring that those owners are in forfeit, and using that as an excuse to put a lien on the owners' properties, and then taking them.</p> <p>For years, the HOA has been blocking the owners' request to examine the financial statements. For years, the HOA has been mismanaging the funds, as can be witnessed by the sharp decline in the state of the property's common areas.</p> <p>The severity of the fire and the potential exposure to the residents was drastically magnified by the lack of proper fire suppression and alarm system:</p> <p><a href="https://denvergazette.com/news/fire/firefighters-battled-blaze-at-aurora-apartments-three-hospitalized/article_a1ec4d6e-5bac-11ed-8276-d34356fef0c5.html">https://denvergazette.com/news/fire/firefighters-battled-blaze-at-aurora-apartments-three-hospitalized/article_a1ec4d6e-5bac-11ed-8276-d34356fef0c5.html</a></p> <p><a href="https://www.9news.com/article/news/local/south-parker-road-apartment-fire/73-504a5c80-b2ac-4ffe-bcd8-29ad9166240d">https://www.9news.com/article/news/local/south-parker-road-apartment-fire/73-504a5c80-b2ac-4ffe-bcd8-29ad9166240d</a></p> <p>Additionally, there is an ongoing litigation, with a potential of a multi-million dollar payout to Club Valencia to fix the damage caused by the fires. Yet, the HOA is</p>

	<p>blocking the owners from gleaning any information or having any say in how the outcome of the litigation will be handled.</p> <p>It is not outside the realm of impossible to assume that the HOA at Club Valencia is using a number of tactics, some of them potentially addressed in HB25-1043, to take the property and, eventually, hand it over to some developer entity for pennies on the dollar. While hundreds of people are looking at the possibility of loosing their hard-earned properties. While Colorado legislature keeps droning on about how people need more affordable housing and doing next to nothing to ensure that those abused by the HOAs in Colorado are protected.</p> <p>Again, we urge you to support the HB25-1043, AND to request that the proper authorities start the investigation of the potential fund embezzlement by the current (and, potentially former) sitting members of the Club Valencia HOA.</p> <p>Thank you,</p> <p>Natalie Plotkin</p> <p>nplotkin2436@msn.com</p> <p>720-277-5464</p>
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Honorable Committee Members

I wrote a detailed legal analysis of HB25-1043 and provided that to you last week. Today I want to talk about the burden imposed on the responsible home owners in an association.

**1. The bill shifts the burden of loss to responsible homeowners.** An association is not an amorphous organization divorced from its owner/members. The association is owned by the homeowners. When the General Assembly passes acts that lessen the burden on a favored group of homeowners (e.g. people who do not pay their dues on time or at all) it increases the cost to the responsible owners. The expense of supporting the association and its property do not disappear when some owners do not pay their dues in full and on time. The expenses continue, and increase. For example, the fire insurance an association must carry on its buildings and property must be paid and will increase.

**2. The bill rewards the wrong people.** With the passage of the 2022 HOA bill the system is now lopsided in favor of those who ignore their obligation to pay assessments and violate rules meant to ensure the quiet enjoyment of property by all the association owners. The bill is fundamentally unfair to the responsible homeowners because it is they who have to pay the freight to collect the delinquencies and jump through hoops and loops meant to insulate persons who are basically parasitic from ultimately having to pay up. And it imposes financial exposure on the association and its volunteer board members to do it perfectly every time. The system is upside down.

**3. The 80% of FMV minimum bid is based on false assumptions.** The first is that prices go up. That is not true at all. In Colorado we have a history of housing price collapses. Coupled with the false assumption that prices go up is the assumption that appraisals are accurate. They are not. Appraisals are always backward looking. That is, appraisals look at comparables for the past couple of years, if they can be found. As we know from prior housing collapses prices can plummet by more than 20% for a particular location in a year. The result under this bill is that dishonest homeowners could game the system in a falling market by intentionally failing to pay the assessments, run up fines, and then force the association to not only buy them out, but also pay off inferior liens, and then have to bear the costs associated with selling the property to recoup the money the association had to put up at the sale. In a falling market the association will actually lose money. Once again, this bill rewards the wrong people.

**4. The mechanics of the bill flips the foreclosure system on its head.** In both statutory and judicial foreclosures superior liens are not foreclosed. The debt remains on the property and the maker of the note. So, if a tax lien exists, it is not wiped out. In an assessment lien situation only the association lien for 6 months of assessment immediately prior to filing the foreclosure has priority over a previously filed deed of trust or mortgage. Thus, if a homeowner would fail to pay the Deed of Trust and the public trustee would foreclose, the 1<sup>st</sup> DOT would have to satisfy tax bill and the HOA super lien for 6 months' worth of arrearages, to get clear title. The inferior liens and the homeowner

would have their interest cancelled. Of course, if a junior lien thought there was more value in the property than the 1<sup>st</sup> DOT and costs, plus the super lien, it could bid in the property as well. But it would never be forced to bid in more than its lien plus superior liens to acquire a clean title. This bill flips that and makes an association take care of junior liens up front – and that is not how foreclosure works ever.

Best Regards

Herbert M Sampson III, JD, LLM



LCS Committees &lt;committees.lcs.ga@coleg.gov&gt;

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## For HB25-1043 Written Testimony- Muriel Williams-Thompson, Denver NAREB President

1 message

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**Muriel Williams** <murielwilliams@yahoo.com>  
To: committees.lcs.ga@coleg.gov

Tue, Feb 11, 2025 at 3:09 PM

Written Testimony of Muriel Williams-Thompson  
President, Denver Chapter of the National Association of Real Estate Brokers (NAREB)  
Submitted to the Colorado House Committee  
In Support of HB25-1043: Owner Equity Protection in HOA Foreclosure Sales  
February 11, 2025

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Thank you Chair and Members of the Committee,

My name is Muriel Williams-Thompson, and I am honored to serve as the President of the Denver Chapter of the National Association of Real Estate Brokers (NAREB). Thank you for the opportunity to submit testimony in strong support of HB25-1043: Owner Equity Protection in HOA Foreclosure Sales, introduced by Representative Ricks.

Homeownership is the foundation of generational wealth and economic stability for families across Colorado. However, the current legal framework surrounding HOA liens and foreclosures places homeowners at severe risk—not only of losing their homes but of having their hard-earned equity stripped away to satisfy debts that are often a fraction of the property's value.

Under Colorado law, HOA liens—also known as super liens—hold priority over nearly all other claims, including mortgages. While it is understandable that HOAs need the ability to collect unpaid dues, the disproportionate power of these liens has led to devastating consequences for homeowners. Families who may have fallen behind on HOA fees—sometimes for as little as a few hundred or a few thousand dollars—are seeing their homes foreclosed, sold for a fraction of their market value, and their remaining equity wiped out.

This practice is not just unjust; it is unnecessary. The purpose of an HOA lien should be to recover delinquent dues—not to strip a homeowner of their life's investment and force them into homelessness. There is no reason why a tool meant to ensure financial stability for an HOA should result in a family losing their home and wealth while the HOA or third-party investors reap a windfall.

HB25-1043 seeks to correct this fundamental imbalance by ensuring that homeowners receive their rightful equity after an HOA foreclosure sale. This bill does not prevent HOAs from collecting what they are owed; it simply ensures that after the debt is satisfied, the homeowner retains the remaining proceeds. This is a matter of basic fairness, property rights, and economic justice.

Homeowners should never lose everything over an HOA debt. HOAs should not have the power to make families homeless and steal their equity. Colorado must take a stand to protect homeownership, preserve generational wealth, and prevent the unjust financial ruin of our residents.

For these reasons, I urge this committee to support and pass HB25-1043. Thank you for your time and consideration. I am available for any questions.

Sincerely,

Muriel Williams-Thompson  
President, Denver Chapter of the National Association of Real Estate Brokers (NAREB)  
720-635-2135



HOMEOWNERS  
OF AMERICA  
**UNITED**

February 11, 2025

My name is Steve Horvath. *Homeowners of America (HOA) United* is a nonprofit organization funded entirely by member donations that connects homeowners to provide advocacy, collaboration, education, empowerment, and inspiration to create positive, transformative impacts for common interest communities. A number of our members are Colorado condo and HOA homeowners.

Thank you for considering testimony from *HOA United*.

Sincerely,

Steve Horvath  
Co-Founder, HOA United

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**Testimony for [HB25-1043](#)**  
***Owner Equity Protection in Homeowners' Association Foreclosure  
Sales***

***HOA United*** recommends a favorable vote on this bill because it helps close important gaps that will improve outcomes for owners faced with foreclosure by their condominium or homeowner's association (HOA). Critically, this bill ensures that homeowners have access to credit counseling and that their homes are purchased at or near fair market value.



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Thank you for considering testimony from *HOA United*.

Sincerely,

Steve Horvath  
Co-Founder, HOA United

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***HOA United*** recommends a favorable vote on this bill because it helps close important gaps that will improve outcomes for owners faced with foreclosure by their condominium or homeowner's association (HOA). Critically, this bill ensures that homeowners have access to credit counseling and that their homes are purchased at or near fair market value.

Dear Madam Chair and members of the committee. Thank you for the opportunity to submit this testimony on HB25-1043. I am Lora Ballweber. For transparency, I am President of our HOA but I am representing myself in these comments. I strongly oppose this bill for several reasons, the most compelling of which is the mandate of strict compliance (“...SHALL STRICTLY COMPLY WITH THIS SECTION AND ANY APPLICABLE PROVISIONS OF THIS TITLE 38 OR OTHER APPLICABLE LAW, THE DECLARATION, BYLAWS, ARTICLES, AND RULES AND REGULATIONS.”). This mandate creates a standard with which even Colorado’s own governing bodies are unable to comply. Case in point – HB23-1105 states “(b) (I) MEMBERS OF THE TASK FORCE SHALL BE DESIGNATED OR APPOINTED TO THE TASK FORCE PURSUANT TO SUBSECTION (3)(a) OF THIS HOUSE BILL 23-1105 SECTION ON OR BEFORE AUGUST 1, 2023.” However, a 2-month delay in appointments occurred, clearly violating the statute. This delayed the first Task Force meeting to October 24, 2023, in which a rushed discussion (~2 hour) on multiple topics occurred, with no vote as to what topics should become recommendations to be sent to the legislature. I am not suggesting HOAs do not comply with applicable laws/governing documents; I am saying that targeting a group of people and tasking them with strict compliance when even our own state’s governing people cannot meet that standard smacks of unreasonable discrimination against HOAs.

The requirement to send communications by email (electronic notice) presupposes all homeowners have email and overrides their individual choice as to whether or not they wish to be contacted via email. Email is not a prerequisite for home ownership and places an undue burden on certain classes of protected people, such as the elderly. Thus, if an owner does not have an email or specifically requests that the HOA not contact them via email, the Association would be unable to achieve strict compliance with section 38-33.3 through no fault of their own.

Forcing an HOA to hire an appraiser to determine fair market value and submit a bid on a house undergoing foreclosure imposes additional extraneous expenses on the HOA and by extension all HOA members. I have no desire for an owner to be shortchanged; however, I do strongly object to arbitrarily forcing HOAs into the complex residential real estate arena and levying an additional financial burden on all other HOA members. Please try to remember that HOAs are not faceless entities with millions in reserves but a collection of neighbors who are simply trying to protect the value of their largest investment - their home, while also meeting everyday expenses, which are expected to continue to skyrocket in the ongoing economic and political climate.

It is, primarily, for these reasons that I strongly oppose this bill. I would urge the committee to reach out to the many self-managed HOAs when considering additional draconian and unfunded mandates.

# mca

## CENTRAL PARK

February 10, 2025

Transportation, Housing & Local Government Committee  
Colorado House of Representatives  
200 E. Colfax Ave.  
Denver, CO 80203

Dear Members of the House Transportation, Housing & Local Government Committee,

The Master Community Association is the largest common interest community organization in the State of Colorado. The Association represents the nearly 30,000 residents of the Central Park neighborhood of Denver, which is the result of the Stapleton Airport Redevelopment.

We **OPPOSE** House Bill 25-1043, and you must vote **NO**. Homeowners association (HOA) assessment fees are not optional and exist as a covenant against all properties in a respective HOA. The fees fund critical infrastructure and contribute to the upkeep and good order of communities. This bill unfairly transfers the neglect of owners who refuse to pay their fees to the owners that do.

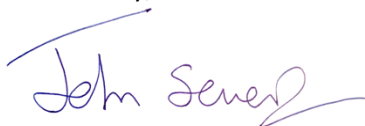
This bill creates a needlessly complicated collection process which is unlike any other industry in Colorado. HOA fees are in many ways the same as property taxes, as local governments have become accustomed to passing on the costs of infrastructure management to HOAs. HOAs provide similar municipal services as local governments do but, as proposed by the bill, would be forced to comply with a separate process for the collection of the fees.

Most concerning is the bills requirement that in order for an HOA to initiate collection proceedings it must make contact with a delinquent owner by both phone and email, despite the HOAs having no legal authority to compel owners to provide emails and phone numbers. In order for this bills provisions to be operationalized you must provide HOAs the authority to obtain the emails and phone numbers of owners or strip that requirement out of the bill.

When HOAs cannot collect on debt from delinquent owners, the non-delinquent owners end up shouldering the financial responsibility left by the delinquent owners neglect. This is not fair to anyone.

You must vote NO.

Sincerely,



Jack Seward  
Community Services Coordinator

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**HB25-1056**

1 message

**Audra Kirk** <audra.kirk@smartlinkgroup.com>

Tue, Feb 11, 2025 at 8:59 AM

To: "dan.graeve@coleg.gov" &lt;dan.graeve@coleg.gov&gt;

Cc: "meghan.lukens.house@coleg.gov" &lt;meghan.lukens.house@coleg.gov&gt;, "jennifer.bacon.house@coleg.gov" &lt;jennifer.bacon.house@coleg.gov&gt;, "dylan.roberts.senate@coleg.gov" &lt;dylan.roberts.senate@coleg.gov&gt;, "nick.hinrichsen.senate@coleg.gov" &lt;nick.hinrichsen.senate@coleg.gov&gt;

Good Morning Mr. Graeve,  
Please support HB25-1056 with a yes vote today. It would create consistency and improve efficiency across all jurisdictions within Colorado.

Thank you.

**Audra Kirk**

Real Estate Specialists III

 720-331-0822 [Audra.Kirk@smartlinkgroup.com](mailto:Audra.Kirk@smartlinkgroup.com) 10 Church Circle, Annapolis, MD 21401 [www.smartlinkgroup.com](http://www.smartlinkgroup.com)



Dan Graeve <dan.graeve@coleg.gov>

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## Yes on HB25-1056, Non-Substantial Modifications take way too long to get approved

1 message

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**Ryan Sagar** <rsagar@csainet.com>

Tue, Feb 11, 2025 at 10:13 AM

To: "dan.graeve@coleg.gov" <dan.graeve@coleg.gov>

Cc: "meghan.lukens.house@coleg.gov" <meghan.lukens.house@coleg.gov>, "jennifer.bacon.house@coleg.gov" <jennifer.bacon.house@coleg.gov>, "dylan.roberts.senate@coleg.gov" <dylan.roberts.senate@coleg.gov>, "nick.hinrichsen.senate@coleg.gov" <nick.hinrichsen.senate@coleg.gov>

Good Morning,

Please vote yes on HB25-1056. I have been working in the telecommunications field for 12 years. While it's true there's been a great deal of changes across the state to make it easier to complete permitting, it's also equally true that there are inconsistencies in codes, the shot clock is often tested, and communities are clear that they demand superior wireless coverage and capacity.

I point to the City and County of Denver as a great example of a technology improvement that has made permitting easier. They have streamlined the zoning permit process so that the online application produces an automatic approval if it's true that our upgrades are non-substantial (eligible facilities request). This is truly amazing, and something that would be great to see in all jurisdictions.

The problem is that we are still required to submit for a building permit on the same project even though the end result is often a no building permit required letter. Unfortunately, the building permit or no building permit required letter usually gets delayed because zoning staff are overburdened. This can make the building permit staff look slow but it's really coming back to the zoning side even though we always provide the automatic approval letter.

Another nice example is Jefferson County. They have combined their zoning and building permit process into one Telecom Permit application. I have seen them turn over approvals in less than 2 weeks and sometimes at the full 8 weeks, but overall the timelines are cleaned up because there is only one permit required. Something like this could be great across all communities if we didn't want to follow in Denver's footsteps.

Thank you to the committee and bill sponsors for considering this issue and looking for ways to make our communities stronger.

Sincerely,

**Ryan Sagar**

Vice President, Real Estate



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Suite 280

Littleton, CO 80127

Cell: 219-477-0099

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Transportation, Housing & Local Government Committee:

It is with great enthusiasm that we share our support from HB25-1056 on Local Government Permitting Wireless Telecommunications Facilities. As individuals who work across the state to help build the infrastructure for wireless networks alongside municipalities, cities and counties, we are appreciative of the work by state legislators to help expedite the construction and delivery of networks to serve people across Colorado.

The Colorado Wireless Association (COWA) is a non-profit professional association dedicated to being the voice of the wireless industry in the Centennial State. Our members represent wireless carriers, tower companies, network developers, and vendors supporting the industry. Our mission is to promote the creative talent and energy of our membership through education and relationship building within the wireless industry and with our Colorado communities.

More than anyone, we understand the frustration behind delays to permitting. These delays are the result of a jagged framework across the state. This bill looks to bring providers and jurisdictions together on common ground – helping each other to bring Colorado into a new generation of connectivity.

Delays in permitting can come from varied factors, and we know how burdensome these delays can become. These delays can cost precious time and resources, often forcing providers to re-evaluate and eliminate a portion of their planned network upgrades for every delay. Ultimately, these costs are passed along to consumers and users of the network, and that's everyday Coloradans like you and me. We know that jurisdictions and providers are both working towards the same goal of improved connectivity for everyone in Colorado – now it is time to show it.

HB25-1056 works to create a consistent permitting framework for wireless telecommunications facilities across the state. In doing so, it levels the playing field, giving providers the ability to efficiently upgrade and install new facilities across the state. The bill would shorten the shot clock for new wireless telecommunications facilities – and deem upgrades that aren't considered substantial changes to the facilities as approved after a notification.

Consumers and businesses increasingly rely on wireless networks and the services and devices the network facilitates. Wireless networks are increasingly displacing other communication technologies, and they serve a vital role in social and economic welfare, and public safety such as E911. Regulations should encourage and promote network deployment to achieve network coverage and capacity objectives.

We strongly support HB25-1056.

Tim Urband, President

Karen Clark, Vice President

Jeff Noseworthy, Treasurer

Brett Sorrells, Secretary

Colorado Wireless Association (COWA)

3440 Youngfield St #255, Wheat Ridge CO 80033