



## HOA Information and Resource Center

### Background

#### *What is the HOA Information and Resource Center?*

The HOA Information and Resource Center (Center) is housed in the Department of Regulatory Agencies' Division of Real Estate (Division). It serves as a clearinghouse of information related to homeowners' associations (HOAs) for HOA members, HOA governing boards and community association managers (CAMs). It also receives and tracks complaints and responds to general inquiries. It lacks the statutory authority to investigate or otherwise act on complaints.

#### *What is the scope of the sunset review?*

This sunset review focuses solely on the Center. It is not the product of a review of the Colorado Common Interest Ownership Act (CCIOA) or HOAs in general. It is also not a product of any type of evaluation of CAMs. Issues surrounding these topics can easily be conflated and often overlap, so it is useful to remember the focus of this review.

#### *What is an HOA?*

HOAs, or more broadly community associations, are real estate developments in which homeowners are bound to membership by deed to the development through a set of recorded governing documents that require compliance with a set of rules and the payment of assessments. Membership in the HOA is automatic and not voluntary. Membership only ends when the homeowner no longer holds title to their unit.

#### *How is it funded?*

HOAs are required to register with the Division annually and pay a fee. The fee for an initial registration is \$30, and it is \$27 to renew. HOAs with \$5,000 or less in revenues or that are not authorized to make assessments and have no revenue are exempt from paying the fee but must still register. In 2023, there were 8,042 active and 3,150 inactive registrations.

#### *What does it cost?*

In fiscal year 22-23, Center expenditures totaled \$216,503 and 2.0 full-time equivalent employees were dedicated to the program.

#### *What activity is there?*

In calendar year 2023, the Center received 902 complaints and 4,428 inquiries, distributed 44 communications and participated in 17 outreach events. That same year, 18,001 individuals visited the Center's website, for a total of 27,503 views.

### Key Recommendations

- **Continue the Center for 13 years, until 2038.**
- **Clarify that the Division Director is the appointing authority for the HOA Information Officer.**