

#### HOA FORUM:

The Nuts and Bolts of HOA

Complaints

Thank you for joining us, the presentation will begin shortly.



#### **DISCLAIMER**

The information provided during this presentation is for educational purposes only and is not meant to provide, nor should it be construed as, legal advice.



### THE COLORADO HOA INFORMATION & RESOURCE CENTER

Presented By:

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  Officer
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  - Amanda Lopez, Program

    Assistant



#### COLORADO

Department of Regulatory Agencies

Division of Real Estate

## WHAT IS THE HOA INFORMATION & RESOURCE CENTER?

#### What the HOA Information & Resource Center does:

- Provides information to homeowners regarding their basic rights and responsibilities under the Colorado Common Interest Ownership Act ("CCIOA").
- Gathers, analyzes, and reports information through complaints and HOA registrations.
- · Creates resource materials.
- · Provides education and forums.
- Provides a website with information for the public.
- Registers HOAs pursuant to §38-33.3-401(1), C.R.S.
- Provides an Annual Report to the Legislature.

#### What the HOA Information & Resource Center does not do:

- Is **not** a regulatory program.
- Does not mediate/arbitrate.
- Cannot provide legal advice.
- · Does not act as an advocate.
- Cannot assess fines or penalties.
- Does **not** enforce an HOA's failure to register.



#### **STATUTORY AUTHORITY**

- C.R.S. § 12-10-801
- Provide information and resources for homeowners and board members in Common Interest Communities
- Assist the public in understanding their rights and responsibilities under the Colorado Common Interest Ownership Act ("CCIOA")
- Register Common Interest Communities
- Track inquiries and complaints and report annually to the Director regarding the number and types of inquiries and complaints received
  - ► No investigative or enforcement capability to address complaints



• Mail



• Email



Online





#### By Mail

Physical complaint form

Mail to: Division of Real Estate

Attn: HOA Information and Resource Center

1560 Broadway, Suite 925

Denver, CO 80202



Download a copy of the complaint form at the following link:
 https://drive.google.com/file/d/0B1VD36mBqe1ES1V5YmpXbVhsdFE/view?resourcekey=0-EUtqDZwMlAw-cL3KV8m jQ





#### By Email

- Attach complaint form as PDF and email to:
- dora dre hoainquiries@state.co.us





#### Online

- Quickest and most efficient means
- <a href="https://apps.colorado.gov/dre/licensing/Activities/Complaint.as">https://apps.colorado.gov/dre/licensing/Activities/Complaint.as</a>
  <a href="mailto:px">px</a>





### HOW TO COMPLETE THE PHYSICAL COMPLAINT FORM

Section 1: Information about you, the Complainant

- First/Last Name
  - Note: the division also accepts anonymous complaints
- Mailing Address
  - Not necessarily the subject property of the complaint
- Telephone Number
- Email Address
- · Property Address which is the subject of the complaint
  - > Typically unit # within the HOA being complained about
- Owner or tenant?
  - Are you the owner, landlord, or the tenant of the subject property?
  - Are you a board member? If so, select Owner.

	n) in the spaces p	rovided.		
Middle Initial	Last Name			
er and Street) (A	Apt, Suite, Unit)	(City)	(State)	(Zip Code)
	_			
			_	
s the subject of this co	omplaint:(	Check here if s	ame as mailing a	address above)
(Apt, Suite, Unit)	(City)	(State)	(Zip Code)	
	ou (Complainant): Middle Initial er and Street) (A	ou (Complainant):Middle Initial Last Name er and Street) (Apt, Suite, Unit)	Middle Initial Last Name er and Street) (Apt, Suite, Unit) (City)	Du (Complainant): Middle Initial Last Name  er and Street) (Apt, Suite, Unit) (City) (State)



### HOW TO COMPLETE THE PHYSICAL COMPLAINT FORM

Section 2: Information about the HOA which is the subject of this complaint

- Does a Management Company manage your HOA?
- Who is your complaint about? We call this the "Respondent."
  - Board Member, Community Association Manager, Declarant?
- Name of HOA.
  - Complaints tracked by the association name, even if the Respondent is a manager or Declarant
  - Preferably as filed with the Colorado Secretary of State
  - Search for it here: https://www.coloradosos.gov/biz/BusinessEntityCriteriaExt.do
- Address of HOA
- Telephone Number/Email Address
  - The HOA's, not yours (if known)
- Type of HOA
  - Planned community usually single-family homes
  - Condominium
  - Cooperative
  - Timeshare
- Estimated # of units, lots or homes in your HOA
- Note, most of this information can be found by looking up the HOA/Management Company at https://apps.colorado.gov/dre/licensing/Lookup/LicenseLookup.aspx

2. Information about the HOA which is the subject of this complaint:
Does a Management Company manage your HOA? Yes No
Who is your complaint about? (Check all that apply) HOA Board Declarant/Developer
Name of HOA:
Address of HOA:
Phone Number: () Email Address:
Type of HOA: Condo Planned Community Cooperative Timeshare
The total (or estimated) number of units, lots or homes located in your HOA:



### HOW TO COMPLETE THE PHYSICAL COMPLAINT FORM

Section 3: Details about your Complaint

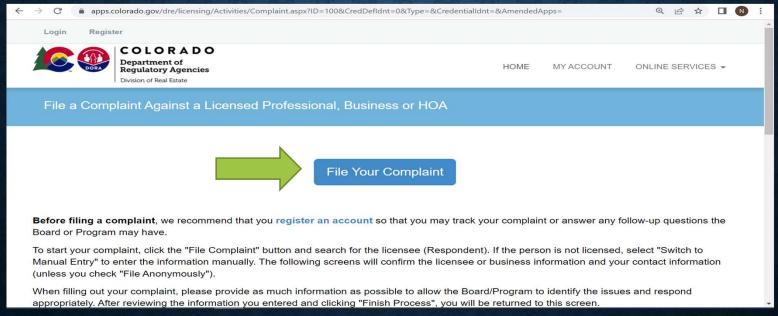
- Take time to organize your thoughts and information
- Explain your issues specifically and thoroughly
  - Tip: Include general topics, like "Board communications", "Records", or "Assessments" to help us properly track your complaint
- State your complaint as clearly as possible

3. Details about yo	a companic.
When filling out this	is complaint please explain your issues as specifically and thoroughly as possible.
	ubmit additional documentation, or you would like to supplement your complaint, yo arate written narrative explanation of the details surrounding your complaint (
	tation if necessary. You can mail, fax or email your complaint to the Center.



Step 1: Visit

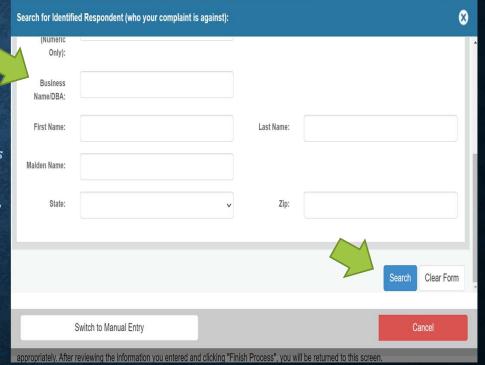
https://apps.colorado.gov/dre/licensing/Activ ities/Complaint.aspx





Step 2: Search for Identified Respondent

- Business Name/DBA: type in HOA legal name and click "Search"
  - ➤ Locate the legal name of the HOA as shown on the Colorado Secretary of State records OR on the HOA-specific Declaration/Covenants, Conditions, and Restrictions (CC&Rs). This is probably how it will show in our system.
  - You can use only keywords, such as "Nicks" in "NicksIncredibleHOA", and the system will still pick it up
  - If your complaint is against your property/community association manager, search for the name of the management company instead of the HOA
- Click "Search"





Step 3

Once found, Click "Detail"

7	Name	DBA	Credential	License Level	Company/Responsible Party	Address	City	State	Zip Code	Phone	Status
Detail Add	NicksIncredibleHOA		HOA56452	Home Owner's Association	Nick Altmann	1560 Broadway	Denver	CO	80202- 6000	(303) 894- 2518	Active



Step 3 (continued)

- What if the HOA is not registered or I can't find it in the system?
- Click "Switch to Manual Entry" and enter as much information as you know! The HOA Center should be able to locate your HOA.





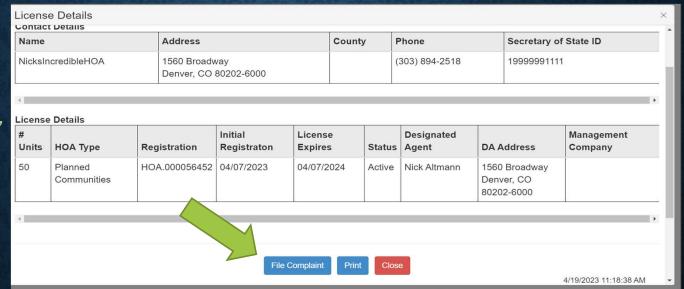
Name DBA Credential License Level Company/Responsible Party Address City State Zip Code Phone	one S	Statu
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Please Note: Mortgage company registration	ns are located by searching the NMLS Consumer Access Site.	
** Indicates a value is required.		
License # (Numeric Only):		
Business Name/DBA:		
First Name:	Last Name:	
Maiden Name:		
State:	Zip:	



#### Step 4

- Review HOA details
- Confirm
- Click "File Complaint"





Step 5

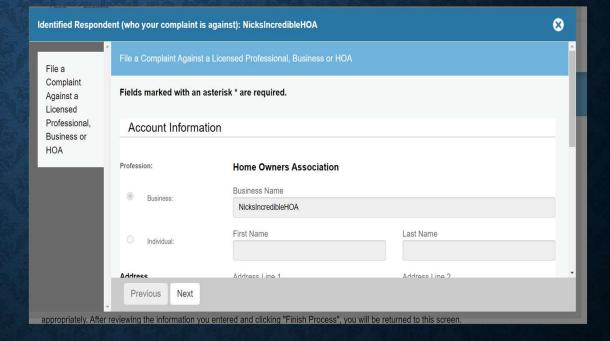
 Click the License Number, in this case, HOA.000056452





Step 6: File a Complaint Against A Licensed Professional, Business or HOA

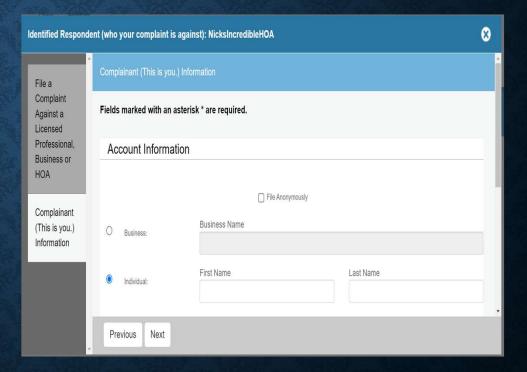
- Verify the information listed on this page matches the HOA you are filing a complaint against
  - Pro Tip: The 'Respondent' is the person/entity you are filing a complaint against
- Click "Next"





Step 7: Complainant (This is you)

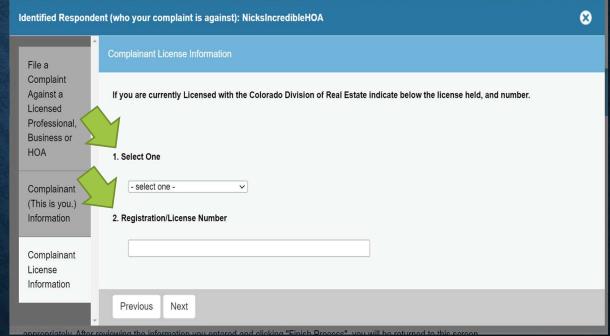
- Individual: enter your name
  - Pro tip: you might select "Business" if you are an HOA board complaining about your manager
- Address: enter the property address that is the subject of the complaint
  - > Enter the address of the complainant
- Email Address: enter your own email address
- Click "Next"





Step 8: Complainant License Information

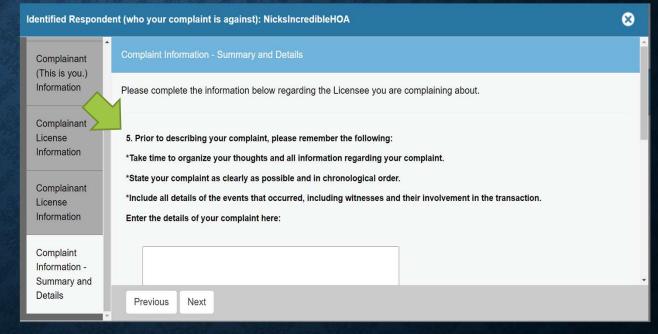
- 1. Not Applicable/Not Required
- 2. Not Applicable/Not Required





Step 9: Complaint Information – Summary and Details

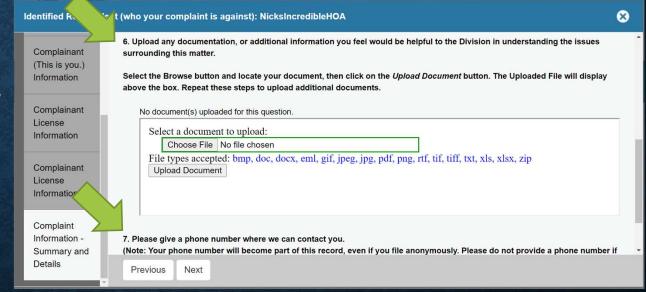
• 5. Enter the details of your complaint here. You do not need to include witnesses at this time.





Step 9: Complaint Information – Summary and Details (continued)

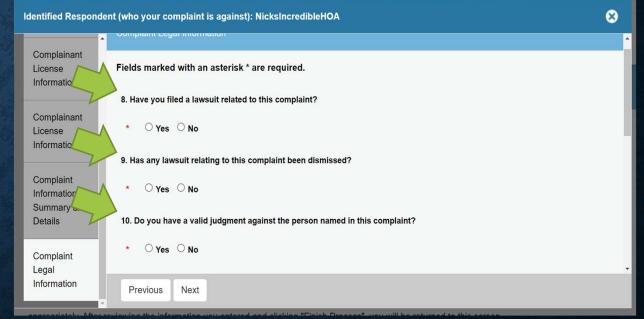
- 6. Upload any documentation you feel would be helpful to the HOA Information Office in understanding the issues surrounding your complaint.
- 7. Enter your telephone number (optional).





Step 9: Complaint Information – Summary and Details (continued)

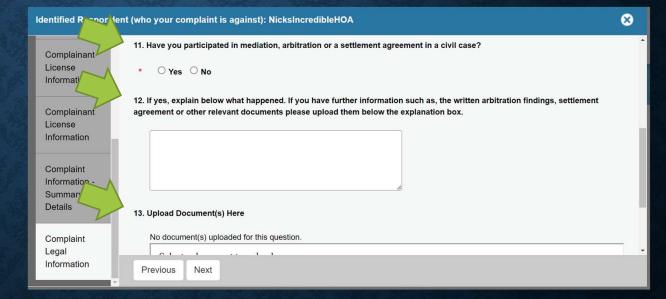
- 8. Enter "Yes" or "No"
- 9. Enter "Yes" or "No"
- 10. Enter "Yes" or "No"





Step 9: Complaint Information – Summary and Details (continued)

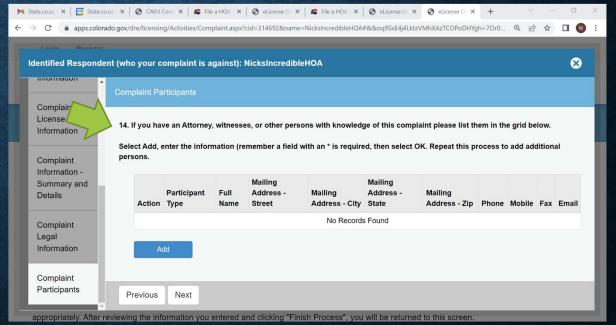
- 11. Enter "Yes" or "No"
  - ➤ Even though #'s 8-11 above are required fields, the answer you select will have no bearing on the tracking of your complaint
- 12. Not Applicable/Not Required
- 13. Not Applicable/Not Required





Step 10: Complaint Participants

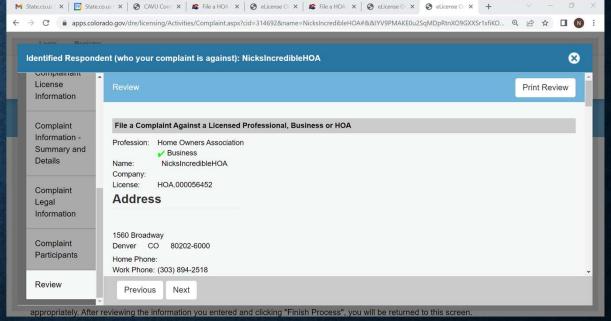
14. Not Applicable/Not Required





Step 11: Review

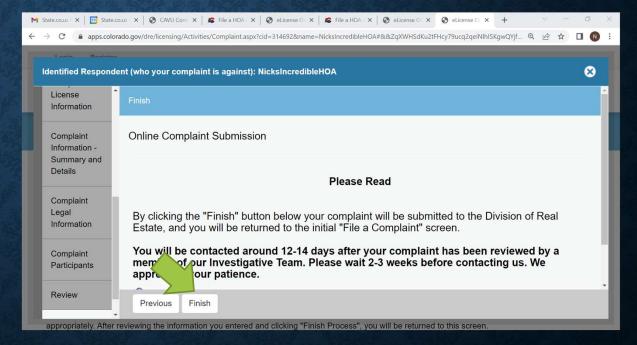
- Review all the information you submitted for accuracy
  - You may click "Previous" if you need to go back and make a correction





Step 11: Review (continued)

- Click "Finish"
  - ➤ The HOA Information Center tries to contact all complainants around 12-14 days after submittal.





### PROCESSING OF COMPLAINTS



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### HOW DOES THE HOA CENTER PROCESS YOUR COMPLAINT?

- We read every complaint!
- Complaint is "dissected" into various category types
- Tracked and analyzed for trends and patterns
- · Overall complaint data is presented to the Division Director and State General Assembly

annually through our Annual Reports (which are posted on our website)



# 22 DIFFERENT CATEGORY TYPES (OR "ISSUES")

- 1. Communication with Homeowners/Board
- 2. Elections & Voting
- 3. Reserves
- 4. Liens
- 5. Insurance
- 6. Nuisance
- 7. Conflicts of Interest
- 8. Xeriscaping/Landscaping
- 9. Parking
- 10. Miscellaneous (Green Energy (-), Pets (2), Pools (-),...
- 11. Diversion/Theft/Fraud/Misappropriation/ Deception
- 12. Discrimination

- 13. Meetings
- 14. Harassment/Retaliation/Intimidation
- 15. Failure to Produce Records
- 16. Not Following Governing Documents
- 17. Excessive Assessments or Fees
- 18. Accounting/Finances
- 19. Improper/Selective Enforcement of

Covenants

- 20. Regulatory Compliance, Registration &
- Health and Safety
- 21. Not Performing Repairs/Maintenance
- 22. Declarant



### #1 - COMMUNICATION WITH HOMEOWNERS/BOARD



- "My board/HOA never responds to my questions/concerns"
- "The board never informs us residents when they hold meetings"
- "I am trying to pay my assessments, but I have no idea who to send the payment to"



#### #2 - ELECTIONS & VOTING



- "The board held a 'secret election' which they never informed the homeowners of"
- "The HOA hasn't held an election in four years"
- The secretary is not honoring proxies"



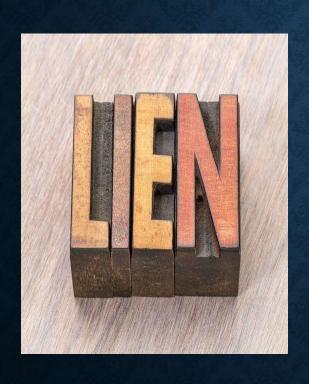
#### #3 - RESERVES



- "The HOA/board is not properly funding the reserve account"
- "The President is using monies from the reserve account to pay for personal expenses"
- "The board borrows from the reserve account without homeowner approval"



#### #4 - LIENS



- Question: "What happens if an HOA fails to register with the HOA Office?"
- Answer: "The HOA's ability to enforce a lien is suspended until they register"



#### #5 - INSURANCE

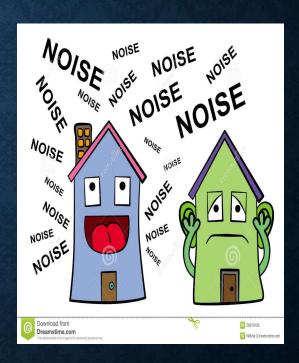


- "My unit flooded, and my HOA is refusing to cover repairs"
- "My HOA is refusing to provide a copy of their insurance policy"



## #6 - NUISANCE

- "The renters next door play music loudly late in the night"
- "The neighbor's basketball game is too loud"
- "The smell of marijuana smoke constantly enters my condo"





## #7 - CONFLICTS OF INTEREST

- "The husband and wife of 'Unit X' are on the board together. This is a huge conflict of interest"
- "The Treasurer of the HOA hired his brother's company to perform landscaping services for the community"

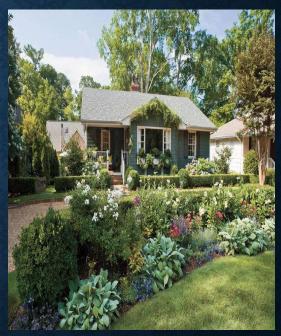


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## #8 - LANDSCAPING

- "The HOA said I can't have garden gnomes out front"
- "The grass is dead in the park and hasn't been watered all summer"
- "The manager hired a landscaper who cut my cherry tree down on purpose"



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## #9 - PARKING

- "The HOA towed my vehicle"
- "The same abandoned car has been sitting outside on the street for the past 12 months"
- "I have a disability and the HOA will refuse to give me a parking space close to my unit"





# #10 - MISCELLANEOUS (GREEN ENERGY, PETS, POOLS, ETC.)

- "I was fined for installing solar panels on the roof"
- "The HOA denied my application for solar panels"
- "There is dog poop all around the community that is never picked up"
- "The swimming pool is filthy"





# #11 – DIVERSION/THEFT/FRAUD/MISAPPROPRIATION



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- "The previous management company owes the HOA money"
- "The HOA is not performing services that I am paying dues for"



## **#12 - DISCRIMINATION**



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- HOA refusing to provide services for a certain protected class or excluding a protected class from a certain benefit
- Landlord in violation of fair housing laws



### #13 - MEETINGS



- "The HOA is not allowing people to speak prior to voting on a particular issue"
- "The HOA is holding secret meetings"
- "There is never any meeting notices sent out to the community"
- "During board meetings, homeowners are rude, belligerent, and disrespectful of others"



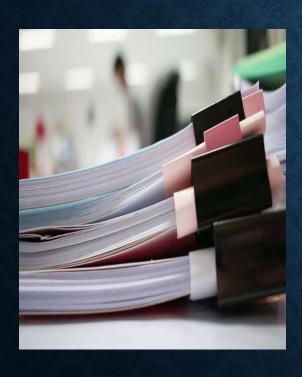
### #14 - HARASSMENT



- "The board President thinks he can do whatever he wants without any repercussion"
- "The HOA intimidates the homeowners by having the attorney present at annual meetings"
- "Every time I drive by my neighbors house, they snarl at me/give me nasty looks"



## #15 - FAILURE TO PRODUCE RECORDS



- "I do not know how to find my HOA governing documents"
- "I've asked for a copy of the contract with the snow plow company but never receive anything"
- "The management company sends terrible invoices with no contact information or breakdown of dues owed"



# #16 – NOT FOLLOWING GOVERNING DOCUMENTS



#### Examples:

• "The board is not following their own governing documents...the Declaration says the board has to take a unit owner vote to raise assessments, but they did not"



## #17 - EXCESSIVE ASSESSMENTS OR FEES

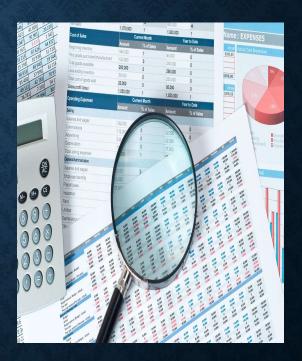
- "The HOA fined me for a completely arbitrary reason"
- "I was fined hundreds of dollars just to provide a status letter to the buyer"
- "Excessive attorney fees"





## #18 - ACCOUNTING/FINANCES

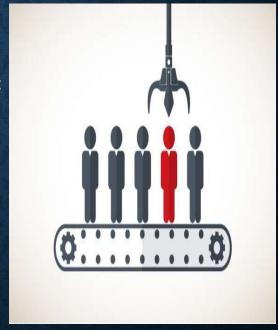
- "The HOA's balance sheet looks suspicious"
- "Out of no where, I was charged a special assessment"
- "An audit has not been conducted in years"





## #19 – IMPROPER/SELECTIVE ENFORCEMENT OF COVENANTS

- "I was fined for having weeds when my neighbor down the street has weeds bigger than mine, and he wasn't fined"
- "I am not allowed to have a shed while 'Ms. X' down the street is allowed to have one"





## #20 - REGULATORY COMPLIANCE

- "The HOA refuses to provide the records that I am entitled to as a homeowner under state law"
- "The association is not registered with the Colorado Division of Real Estate."





# #21 - NOT PERFORMING REPAIRS/MAINTENANCE

- "The common-area laundry room has been closed for 6 months now with no notification of when it will be fixed"
- "The snow is never plowed in my neighborhood"



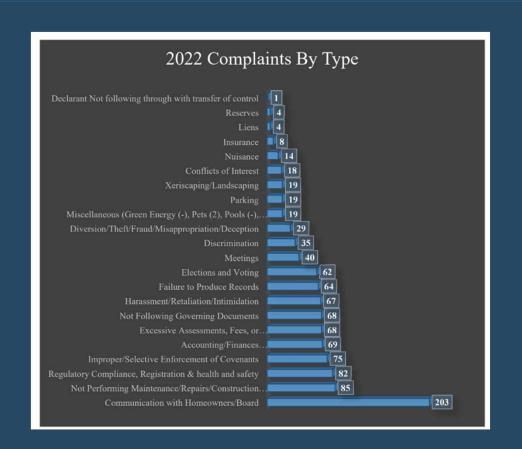


## #22 - DECLARANT

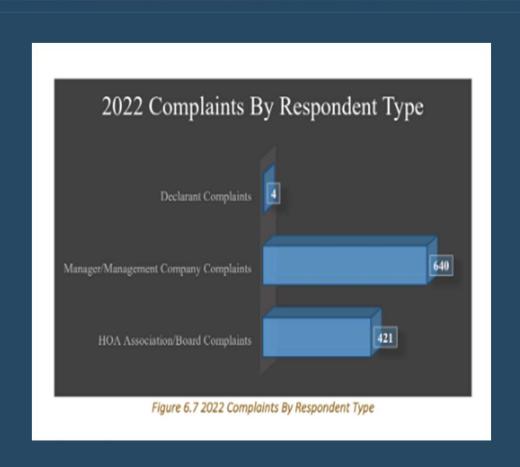
- "We are Pre-CCIOA and the developer did not finish constructing the community"
- "More than half the homes have been sold in the community but the Declarant still appoints all the board positions"







2022 COMPLAINT STATISTICS



2022 COMPLAINT TYPE STATISTICS



2022 COMPLAINT TYPE STATISTICS

# CONTACT YOUR LEGISLATOR



Find my Legislator tool
https://leg.colorado.gov/find-my-legislator

