



FOR RENT

Short-Term Rentals In Colorado HOAs

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Short-Term Rentals, which may range from nightly rentals up to six-month rentals, have become a problem in HOAs due to websites such as Airbnb and Vrbo. As you likely know, the Colorado Supreme Court has held that HOAs cannot restrict Short-Term Rentals unless their Declaration specifically allows such a restriction.

- If the **Declaration allows** restrictions on Short-Term Rentals, then, in order to uniformly enforce the restriction, the HOA could **adopt a policy** procedure for Short-Term Rentals.
- If the **Declaration prohibits** restrictions on rentals **or is silent** on Short-Term Rentals, then one way to impose restrictions on Short-Term Rentals is to **amend the HOA's Declaration** pursuant to the proper procedure. This is usually an expensive and time-consuming process without guaranteed results.

Is there another way to address short term rentals?

Yes. If the city the HOA is located in has a prohibition in their City Code/Ordinances against Short-Term Rentals, then your HOA can adopt a policy that prohibits Short-Term Rentals based on such rentals being a violation of the City Code. Most Declarations of HOAs provide that units within an HOA cannot be used unlawfully. An unlawful use would include any violation of the valid laws, ordinances, and regulations of all governmental bodies having jurisdiction over your HOA. Therefore, a Short-Term Rental Restriction Policy could be adopted based on the applicable city's prohibition on Short-Term Rentals, as the Short-Term Rental would be a violation of the Declaration's prohibition of unlawful use. The enforcement of this policy would follow the same covenant procedure for any other violations, or it could be referred to the city for a resolution.

Do you have any HOA questions?

Contact us at: info@westernlawgroup.com or give us a call at: (720) 542-8724

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