

**Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 24-0096.02 Megan McCall x4215

**HOUSE BILL 24-1175**

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**A BILL FOR AN ACT**

101      **CONCERNING A LOCAL GOVERNMENT RIGHT OF FIRST REFUSAL OR**  
102              **OFFER TO PURCHASE QUALIFYING MULTIFAMILY PROPERTY FOR**  
103              **THE PURPOSE OF PROVIDING LONG-TERM AFFORDABLE HOUSING**  
104              **OR MIXED-INCOME DEVELOPMENT.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill creates 2 property rights for local governments to certain types of multifamily rental properties: A right of first refusal and a right of first offer. The right of first offer is temporary and terminates on

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing law.*  
*Dashes through the words or numbers indicate deletions from existing law.*

HOUSE  
3rd Reading Unamended  
April 8, 2024

HOUSE  
Amended 2nd Reading  
April 5, 2024

December 31, 2029. For multifamily rental properties that are existing affordable housing, a local government has a right of first refusal to match an acceptable offer for the purchase of such property, subject to the local government's commitment to using the property as long-term affordable housing. Existing affordable housing is housing that is currently receiving federal or local financial assistance.

The bill requires the seller of such property to give notice to the local government at least 2 years before the first expiration of an existing affordability restriction on the property and again when the seller takes certain actions as a precursor to selling the property. Upon receiving the notice indicating intent to sell the property or of a potential sale of the property, the local government has 14 calendar days to preserve its right of first refusal and an additional 60 calendar days to make an offer and must agree to close on the property within 120 calendar days of the acceptance of the local government's offer. If the price, terms, and conditions of an acceptable offer that has been communicated to the local government materially change, the seller must provide notice of the change within 7 days and the local government may exercise or re-exercise its right of first refusal. If the residential seller rejects an offer by the local government, the seller must provide a written explanation of the reasons and invite the local government to make a subsequent offer within 14 days.

For all other multifamily rental properties that are 20 years or older and have not more than 100 units and not less than 5 units in urban counties and 3 units in rural and rural resort counties, a local government has a right of first offer. A seller of such property must provide notice of intent to sell the property to the local government before the seller lists the property for sale. After receipt of the notice, the local government has 14 days to respond by either making an offer to purchase the property and stating an intent to perform due diligence and enter into a contract to purchase the property within 45 days of the date that the residential seller's notice was received or waiving its right to purchase the property. The local government's offer is subject to the property being used or converted for the purpose of providing long-term affordable housing or mixed-income development. If the local government does not provide a response in the 14-day period, the right of first offer is waived and the residential seller can proceed with listing and selling the property to any third-party buyer. The residential seller has 14 days to accept or reject the local government's offer and, if the offer is accepted, the local government has 30 days to close the transaction.

In exercising its right of first refusal or first offer, the local government may partner with certain other entities for financing of the transaction and may also assign either right to certain other entities that are then subject to all the rights and requirements of the local government in exercising either right.



1 RIGHT OF FIRST REFUSAL AS SET FORTH IN SECTION 29-4-1202, OR RIGHT  
2 OF FIRST OFFER AS SET FORTH IN SECTION 29-4-1203.

3 (4) "AREA MEDIAN INCOME" MEANS THE MEDIAN INCOME OF THE  
4 COUNTY IN WHICH A QUALIFYING PROPERTY IS LOCATED IN RELATION TO  
5 HOUSEHOLD SIZE, AS ESTABLISHED ANNUALLY BY THE UNITED STATES  
6 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

7 (5) "COLORADO HOUSING AND FINANCE AUTHORITY" MEANS THE  
8 COLORADO HOUSING AND FINANCE AUTHORITY CREATED IN SECTION  
9 29-4-704 (1).

10 [REDACTED]

11 (6) "EXISTING AFFORDABLE HOUSING" MEANS HOUSING THAT IS  
12 SUBJECT TO ONE OR MORE RESTRICTED USE COVENANTS OR SIMILAR  
13 RECORDED AGREEMENTS TO ENSURE AFFORDABILITY AND THAT IS  
14 CONSISTENT WITH AFFORDABLE HOUSING FINANCIAL ASSISTANCE  
15 REQUIREMENTS. "EXISTING AFFORDABLE HOUSING" DOES NOT INCLUDE  
16 PROPERTIES FOR WHICH ALL RESTRICTED USE COVENANTS OR  
17 AFFORDABILITY REQUIREMENTS HAVE EXPIRED AS OF JUNE 1, 2024.

18 [REDACTED]

19 (7) "LOCAL GOVERNMENT" MEANS:

20 (a) A CITY, CITY AND COUNTY, OR TOWN IF THE APPLICABLE  
21 QUALIFYING PROPERTY IS LOCATED WITHIN THE INCORPORATED AREA OF  
22 A CITY, A CITY AND COUNTY, OR A TOWN; AND

23 (b) A COUNTY IF THE APPLICABLE QUALIFYING PROPERTY IS  
24 LOCATED WITHIN THE UNINCORPORATED AREA OF A COUNTY.

25 [REDACTED]

26 (8) "LOCAL OR REGIONAL HOUSING AUTHORITY" MEANS A  
27 HOUSING AUTHORITY CREATED PURSUANT TO SECTION 29-4-204 (1),

1 29-4-306 (1), 29-4-402, OR 29-4-503 (1).

2 (9) (a) "LONG-TERM AFFORDABLE HOUSING" MEANS HOUSING FOR  
3 WHICH THE LOCAL GOVERNMENT ENSURES THAT AFFORDABILITY LEVELS  
4 AT AN APPLICABLE QUALIFYING PROPERTY ARE ON AVERAGE EQUAL TO OR  
5 GREATER THAN PREEXISTING LEVELS AT THE APPLICABLE QUALIFYING  
6 PROPERTY AND THAT THE AVERAGE ANNUAL RENTS AT THE APPLICABLE  
7 QUALIFYING PROPERTY DO NOT EXCEED THE RENT FOR HOUSEHOLDS OF A  
8 GIVEN SIZE AT A GIVEN AREA MEDIAN INCOME, AS ESTABLISHED  
9 ANNUALLY BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN  
10 DEVELOPMENT, FOR A MINIMUM OF FORTY YEARS, AND FOR WHICH THE  
11 LOCAL GOVERNMENT AGREES NOT TO RAISE RENT FOR ANY UNIT IN THE  
12 APPLICABLE QUALIFYING PROPERTY BY MORE THAN THE RENT INCREASE  
13 CAP; EXCEPT THAT THE RENT INCREASE CAP DOES NOT APPLY TO UNITS OF  
14 HOUSING THAT ARE SUBJECT TO RENT OR INCOME LIMITS ESTABLISHED  
15 PURSUANT TO LOCAL, STATE, FEDERAL, OR POLITICAL SUBDIVISION  
16 AFFORDABLE HOUSING PROGRAM GUIDELINES.

17 (b) NOTHING IN THIS SUBSECTION (9) PREVENTS A LOCAL  
18 GOVERNMENT FROM PROVIDING AFFORDABILITY REQUIREMENTS BEYOND  
19 FORTY YEARS OR FOR UNITS TO BE AFFORDABLE TO RENTERS WITH  
20 INCOMES BELOW EXISTING AFFORDABILITY LEVELS, IN WHICH CASE THE  
21 LOCAL GOVERNMENT'S REQUIREMENTS APPLY FOR PURPOSES OF THE  
22 DEFINITION OF "LONG-TERM AFFORDABLE HOUSING" AS SET FORTH IN  
23 SUBSECTION (9)(a) OF THIS SECTION.

24 (10) "MATCHED OFFER" MEANS AN OFFER OF SALE FOR A  
25 QUALIFYING PROPERTY, AS DEFINED IN SECTION 29-4-1202 (1), FOR A  
26 PRICE AND WITH OTHER MATERIAL TERMS AT LEAST AS FAVORABLE TO  
27 THOSE IN AN ARM'S-LENGTH, THIRD-PARTY OFFER THAT A RESIDENTIAL

1 SELLER HAS RECEIVED AND IS WILLING TO ACCEPT FOR THE SALE OF THE  
2 QUALIFYING PROPERTY; EXCEPT THAT, IN THE ABSENCE OF AN  
3 ARM'S-LENGTH, THIRD-PARTY OFFER, "MATCHED OFFER" MEANS AN OFFER  
4 OF SALE FOR A QUALIFYING PROPERTY FOR A PRICE AND WITH OTHER  
5 MATERIAL TERMS COMPARABLE TO THOSE FOR WHICH THE RESIDENTIAL  
6 SELLER WOULD SELL, AND A WILLING BUYER WOULD PURCHASE, THE  
7 QUALIFYING PROPERTY.

8 (11) "MIXED-INCOME PROJECT" MEANS AN AFFORDABLE HOUSING  
9 DEVELOPMENT IN WHICH A PERCENTAGE OF UNITS HAVE RESTRICTED  
10 AVAILABILITY TO HOUSEHOLDS AT OR BELOW GIVEN AREA MEDIAN INCOME  
11 LEVELS, PROPORTIONAL TO THE DEMONSTRATED HOUSING NEEDS OF THE  
12 LOCAL COMMUNITY. THE PERCENTAGE OF INCOME RESTRICTED UNITS AND  
13 AFFORDABILITY LEVELS MUST COMPLY WITH LAWS ENACTED BY LOCAL  
14 GOVERNMENTS PROMOTING THE DEVELOPMENT OF NEW AFFORDABLE  
15 HOUSING UNITS PURSUANT TO SECTION 29-20-104 (1).

16 (12) "RENT INCREASE CAP" MEANS A PERCENTAGE OF THE  
17 CURRENT ANNUAL RENT FOR AN APPLICABLE QUALIFYING PROPERTY THAT  
18 IS EQUAL TO THE GREATER OF:

19 (a) THE AVERAGE ANNUAL PERCENTAGE CHANGE FOR THE  
20 PREVIOUS TWELVE MONTHS AT THE TIME OF THE CALCULATION IN THE  
21 UNITED STATES DEPARTMENT OF LABOR'S BUREAU OF LABOR STATISTICS  
22 CONSUMER PRICE INDEX FOR DENVER-AURORA-LAKEWOOD FOR ALL  
23 ITEMS AND ALL URBAN CONSUMERS, OR ITS SUCCESSOR INDEX; OR

24 (b) THREE PERCENTAGE POINTS.

25 (13) "RESIDENTIAL SELLER" MEANS THE FEE SIMPLE OWNER OF AN  
26 APPLICABLE QUALIFYING PROPERTY. IF THERE IS MORE THAN ONE FEE  
27 SIMPLE OWNER OF AN APPLICABLE QUALIFYING PROPERTY, EACH FEE

1 SIMPLE OWNER IS REFERRED TO IN THIS PART 12 JOINTLY AND SEVERALLY  
2 AS THE "RESIDENTIAL SELLER".

3

4 **29-4-1202. Right of first refusal - eligibility - process - notice**  
5 **- tolling - definition. (1) Definition of qualifying property.** AS USED IN  
6 THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES, "QUALIFYING  
7 PROPERTY" MEANS A MULTIFAMILY RESIDENTIAL OR MIXED-USE RENTAL  
8 PROPERTY CONSISTING OF NOT LESS THAN FIVE UNITS THAT IS EXISTING  
9 AFFORDABLE HOUSING, EXCLUDING A MOBILE HOME PARK AS DEFINED IN  
10 SECTION 38-12-201.5 (6). FOR THE PURPOSE OF DETERMINING WHETHER  
11 A PROPERTY CONSISTS OF AT LEAST THE MINIMUM NUMBER OF UNITS SET  
12 FORTH IN THIS SUBSECTION (1) FOR A QUALIFYING PROPERTY, AN  
13 ACCESSORY DWELLING UNIT DOES NOT COUNT AS A UNIT.

14 (2) **Local government's right of first refusal.** (a) IN  
15 ACCORDANCE WITH THIS PART 12, THE LOCAL GOVERNMENT FOR THE  
16 JURISDICTION IN WHICH A QUALIFYING PROPERTY IS LOCATED HAS A RIGHT  
17 OF FIRST REFUSAL TO PURCHASE THE QUALIFYING PROPERTY WITH    A  
18 MATCHED OFFER.

19 (b) (I) ANY PURCHASE AND SALE AGREEMENT FOR THE  
20 CONVEYANCE OF A QUALIFYING PROPERTY BY A RESIDENTIAL SELLER IS  
21 CONTINGENT UPON THE RIGHT OF FIRST REFUSAL SET FORTH IN THIS  
22 SECTION.

23 (II) IF THE LOCAL GOVERNMENT PROVIDES NOTICE PURSUANT TO  
24 SUBSECTION (4)(a)(I) OF THIS SECTION TO A RESIDENTIAL SELLER THAT  
25 THE LOCAL GOVERNMENT MAY EXERCISE ITS RIGHT OF FIRST REFUSAL, THE  
26 RESIDENTIAL SELLER SHALL NOT PROCEED WITH THE SALE OF THE  
27 QUALIFYING PROPERTY TO ANY OTHER PARTY AND THE LOCAL

1 GOVERNMENT SHALL HAVE A RIGHT TO MAKE A MATCHED OFFER.

2 (III) FOR THE PURPOSE OF DETERMINING WHETHER AN OFFER BY  
3 THE LOCAL GOVERNMENT IS A MATCHED OFFER, IT IS IMMATERIAL HOW  
4 THE OFFER WOULD BE FINANCED IF THE LOCAL GOVERNMENT HAS SECURED  
5 THE FINANCING OR DEMONSTRATES APPROVAL OF THE FINANCING IN  
6 CONNECTION WITH MAKING THE OFFER, NOTWITHSTANDING ANY  
7 REQUIREMENT OF APPROPRIATION BY A GOVERNING BODY FOR THE  
8 FINANCING. FOR PURPOSES OF THIS SECTION, A RESIDENTIAL SELLER SHALL  
9 NEGOTIATE IN GOOD FAITH WITH THE LOCAL GOVERNMENT THAT MAKES  
10 A MATCHED OFFER. THIS INCLUDES, BUT IS NOT LIMITED TO, EVALUATING  
11 AN OFFER FROM THE LOCAL GOVERNMENT OR ITS ASSIGNEE WITHOUT  
12 CONSIDERATION OF:

- 13 (A) THE PERIOD FOR CLOSING;
- 14 (B) THE TYPE OF FINANCING OR PAYMENT METHOD;
- 15 (C) WHETHER OR NOT THE OFFER IS CONTINGENT ON A  
16 PARTICULAR FINANCING OR PAYMENT METHOD; EXCEPT THAT THE LOCAL  
17 GOVERNMENT MUST BE ABLE TO DEMONSTRATE THAT ITS FINANCING OR  
18 PAYMENT METHOD HAS BEEN APPROVED, NOTWITHSTANDING ANY  
19 REQUIREMENT OF APPROPRIATION BY A GOVERNING BODY FOR THE  
20 FINANCING OR PAYMENT METHOD; AND

21 (D) WHETHER OR NOT THE OFFER IS CONTINGENT ON AN  
22 APPRAISAL, INSPECTION, REVIEW OF TITLE, OBTAINING TITLE INSURANCE,  
23 OR OTHER CUSTOMARY CONDITIONS FOR THE SALE OF SIMILAR PROPERTY.

24 (IV) A RESIDENTIAL SELLER SHALL NOT COLLUDE WITH A  
25 POTENTIAL BUYER FOR THE PRIMARY PURPOSE OF INFLATING A SALES  
26 PRICE ABOVE THE MARKET PRICE OF A QUALIFYING PROPERTY.

27 (c) THE LOCAL GOVERNMENT'S RIGHT OF FIRST REFUSAL



1 CONCERNING THE QUALIFYING PROPERTY IS LIMITED TO PRESERVING OR  
2 CONVERTING THE QUALIFYING PROPERTY TO LONG-TERM AFFORDABLE  
3 HOUSING DIRECTLY OR THROUGH ANOTHER ENTITY TO WHICH THE LOCAL  
4 GOVERNMENT ASSIGNS ITS RIGHTS PURSUANT SUBSECTION (2)(f) OF THIS  
5 SECTION OR TRANSFERS THE QUALIFYING PROPERTY.

6 (d) IF A QUALIFYING PROPERTY IS CLASSIFIED AS MIXED-USE, THE  
7 LOCAL GOVERNMENT'S OFFER MUST INCLUDE ANY COMMERCIAL PORTION  
8 OF THE QUALIFYING PROPERTY, BUT ONLY THE RESIDENTIAL PORTION OF  
9 THE QUALIFYING PROPERTY IS SUBJECT TO AFFORDABILITY  
10 REQUIREMENTS.

11 (e) THE LOCAL GOVERNMENT, IN EXERCISING ITS RIGHT OF FIRST  
12 REFUSAL, MAY PARTNER WITH A NONPROFIT ENTITY, A PRIVATE ENTITY, A  
13 QUASI-GOVERNMENTAL ENTITY, OR ANOTHER GOVERNMENTAL ENTITY TO  
14 CO-FINANCE, LEASE, OR MANAGE THE QUALIFYING PROPERTY FOR THE  
15 PUBLIC PURPOSE OF MAINTAINING THE QUALIFYING PROPERTY AS  
16 LONG-TERM AFFORDABLE HOUSING AS LONG AS THE LOCAL GOVERNMENT  
17 OR ITS ASSIGNEE MAINTAINS OWNERSHIP OF THE QUALIFYING PROPERTY  
18 EITHER DIRECTLY OR THROUGH A SPECIAL PURPOSE ENTITY OR AFFILIATE.

19 (f) AT ANY TIME, THE LOCAL GOVERNMENT MAY ASSIGN THE RIGHT  
20 OF FIRST REFUSAL WITH RESPECT TO A SPECIFIC QUALIFYING PROPERTY OR  
21 WITH RESPECT TO ALL QUALIFYING PROPERTIES IN THE LOCAL  
22 GOVERNMENT'S JURISDICTION TO A HOUSING AUTHORITY THAT IS WITHIN  
23 THE LOCAL GOVERNMENT'S JURISDICTION, A REGIONAL HOUSING  
24 AUTHORITY THAT SERVES THE LOCAL GOVERNMENT'S JURISDICTION, OR  
25 THE COLORADO HOUSING AND FINANCE AUTHORITY, SUBJECT TO THE  
26 REQUIREMENTS THAT THE QUALIFYING PROPERTY IS USED TO PRESERVE OR  
27 BE CONVERTED TO LONG-TERM AFFORDABLE HOUSING AND THAT ALL

1 OTHER PROVISIONS OF THIS PART 12 APPLY TO THE ASSIGNEE. IF THE  
2 PROPOSED ASSIGNEE ACCEPTS THE ASSIGNMENT OF THE RIGHT OF FIRST  
3 REFUSAL IN WRITING, UPON ASSIGNMENT, THE ASSIGNEE ASSUMES ALL  
4 LIABILITY OF THE LOCAL GOVERNMENT REGARDING THE EXERCISE OF THE  
5 RIGHT OF FIRST REFUSAL AND IS RESPONSIBLE FOR PERFORMING ALL  
6 REQUIREMENTS PURSUANT TO THIS PART 12 WITH RESPECT TO A  
7 QUALIFYING PROPERTY AS IF THE ASSIGNEE WERE THE LOCAL  
8 GOVERNMENT. THE LOCAL GOVERNMENT MUST PROVIDE NOTICE OF ANY  
9 ASSIGNMENT AS FOLLOWS:

10 (I) IF THE LOCAL GOVERNMENT HAS ASSIGNED ITS RIGHT OF FIRST  
11 REFUSAL WITH RESPECT TO ALL PROPERTIES WITHIN ITS JURISDICTION, THE  
12 LOCAL GOVERNMENT MUST POST A NOTICE IN A CONSPICUOUS LOCATION  
13 ON ITS WEBSITE INDICATING THAT THE LOCAL GOVERNMENT HAS ASSIGNED  
14 ITS RIGHT OF FIRST REFUSAL AND LISTING THE ASSIGNEE'S NAME AND  
15 CONTACT INFORMATION TO RECEIVE NOTICES REQUIRED PURSUANT TO  
16 THIS SECTION. THE NOTICE POSTED IN ACCORDANCE WITH THIS  
17 SUBSECTION (2)(f)(I) MUST BE EFFECTIVE FOR AT LEAST THREE MONTHS  
18 AFTER IT IS POSTED AND MUST EXPLICITLY STATE THE DATE IT EXPIRES, IF  
19 ANY. ANY NOTICE POSTED BY THE LOCAL GOVERNMENT IN ACCORDANCE  
20 WITH THIS SUBSECTION (2)(f)(I) IS DEEMED CONSTRUCTIVE NOTICE TO THE  
21 RESIDENTIAL SELLER.

22 (II) IF THE LOCAL GOVERNMENT HAS NOT POSTED NOTICE IN  
23 ACCORDANCE WITH SUBSECTION (2)(f)(I) OF THIS SECTION AND ASSIGNS  
24 ITS RIGHT OF FIRST REFUSAL WITH RESPECT TO ALL QUALIFYING  
25 PROPERTIES IN ITS JURISDICTION OR WITH RESPECT TO A QUALIFYING  
26 PROPERTY THAT IS THE SUBJECT OF THE NOTICE PROVIDED BY A  
27 RESIDENTIAL SELLER IN ACCORDANCE WITH SUBSECTION (3)(b) OF THIS

1 SECTION AFTER RECEIPT OF SUCH NOTICE, THE LOCAL GOVERNMENT SHALL  
2 IMMEDIATELY NOTIFY THE RESIDENTIAL SELLER OF THE ASSIGNMENT AND  
3 OF THE ASSIGNEE'S ADDRESS TO RECEIVE ANY NOTICES THE RESIDENTIAL  
4 SELLER IS REQUIRED TO SEND IN ACCORDANCE WITH THIS SECTION; EXCEPT  
5 THAT, IF THE SALE OF THE QUALIFYING PROPERTY THAT IS THE SUBJECT OF  
6 THE NOTICE PROVIDED BY THE RESIDENTIAL SELLER IN ACCORDANCE WITH  
7 SUBSECTION (3)(b) OF THIS SECTION HAS CONCLUDED, THEN NO NOTICE BY  
8 THE LOCAL GOVERNMENT OF THE ASSIGNMENT IS REQUIRED.

9  
10 (g) (I) THE GOVERNING BODY OF A LOCAL GOVERNMENT HAS THE  
11 RIGHT TO WAIVE THE RIGHT OF FIRST REFUSAL PROVIDED IN THIS SECTION.

12 (II) (A) IF THE GOVERNING BODY OF A LOCAL GOVERNMENT HAS  
13 WAIVED ITS RIGHT OF FIRST REFUSAL, IT SHALL POST A NOTICE IN A  
14 CONSPICUOUS LOCATION ON ITS WEBSITE INDICATING THAT THERE IS A  
15 WAIVER AND THAT RESIDENTIAL SELLERS WITH QUALIFYING PROPERTIES  
16 WITHIN ITS JURISDICTION DO NOT HAVE AN OBLIGATION TO COMPLY WITH  
17 THIS SECTION. THE LOCAL GOVERNMENT SHALL ALSO PROVIDE WRITTEN  
18 NOTICE TO THE COLORADO HOUSING AND FINANCE AUTHORITY OF THE  
19 WAIVER.

20 (B) THE NOTICE POSTED OR PROVIDED IN ACCORDANCE WITH  
21 SUBSECTION (2)(g)(II)(A) OF THIS SECTION MUST BE EFFECTIVE FOR AT  
22 LEAST THREE MONTHS AFTER IT IS POSTED OR PROVIDED, AS APPLICABLE,  
23 AND MUST EXPLICITLY STATE THE DATE IT EXPIRES, IF ANY.

24 (C) FAILURE TO POST OR PROVIDE NOTICE PURSUANT TO THIS  
25 SUBSECTION (2)(g)(II) DOES NOT OTHERWISE AFFECT THE LOCAL  
26 GOVERNMENT'S RIGHT OF FIRST REFUSAL.

27 (3) **Notices by residential seller.** (a) (I) (A) NOT LESS THAN TWO

1 YEARS BEFORE THE FINAL EXPIRATION OF THE LAST REMAINING \_\_\_\_\_  
2 AFFORDABILITY RESTRICTION INCUMBENT TO A QUALIFYING PROPERTY'S  
3 FUNDING SOURCES, A RESIDENTIAL SELLER SHALL PROVIDE NOTICE TO THE  
4 COLORADO HOUSING AND FINANCE AUTHORITY AND THE GOVERNING  
5 BODY OF THE LOCAL GOVERNMENT IN WHICH THE QUALIFYING PROPERTY  
6 IS LOCATED OF THE EXPIRATION OF SUCH RESTRICTION. THE NOTICE MUST  
7 INCLUDE THE DATE OF EXPIRATION OF THE LAST REMAINING  
8 AFFORDABILITY RESTRICTION AND CONTACT INFORMATION FOR THE  
9 RESIDENTIAL SELLER.

10 (B) NOTWITHSTANDING SUBSECTION (3)(a)(I)(A) OF THIS SECTION,  
11 WHETHER NOTICE IS PROVIDED PURSUANT TO SUBSECTION (3)(a)(I)(A) OF  
12 THIS SECTION IS NOT RELEVANT TO DETERMINING A RESIDENTIAL SELLER'S  
13 OR LOCAL GOVERNMENT'S COMPLIANCE WITH THE REQUIREMENTS OF THIS  
14 PART 12 AND IS NOT SUBJECT TO ANY PROVISIONS SET FORTH IN SECTION  
15 29-4-1206. PROVISION OF THE NOTICE REQUIRED BY SUBSECTION  
16 (3)(a)(I)(A) OF THIS SECTION IS NOT A TRIGGERING EVENT PURSUANT TO  
17 SUBSECTION (3)(b)(I) OF THIS SECTION.

18 (II) NOT LESS THAN SIX MONTHS BEFORE THE FINAL EXPIRATION  
19 OF THE LAST REMAINING \_\_\_\_\_ AFFORDABILITY RESTRICTION INCUMBENT TO  
20 A QUALIFYING PROPERTY'S FUNDING SOURCES, A RESIDENTIAL SELLER  
21 SHALL PROVIDE NOTICE TO THE COLORADO HOUSING AND FINANCE  
22 AUTHORITY AND THE GOVERNING BODY OF THE LOCAL GOVERNMENT IN  
23 WHICH THE QUALIFYING PROPERTY IS LOCATED OF THE EXPIRATION OF  
24 SUCH RESTRICTION. THE NOTICE MUST INDICATE WHETHER THE  
25 RESIDENTIAL SELLER ANTICIPATES THAT IT WILL RECAPITALIZE AND  
26 CONTINUE TO OPERATE THE QUALIFYING PROPERTY AT AFFORDABILITY  
27 LEVELS AT LEAST ON AVERAGE EQUAL TO WHAT HAS BEEN PROVIDED AT

1 THE QUALIFYING PROPERTY, RETAIN OWNERSHIP OF THE QUALIFYING  
2 PROPERTY AND LET AFFORDABILITY REQUIREMENTS EXPIRE, OR SELL THE  
3 QUALIFYING PROPERTY UPON EXPIRATION OF THE RESTRICTIONS.

4 (III) THE NOTICES PROVIDED TO THE COLORADO HOUSING AND  
5 FINANCE AUTHORITY PURSUANT TO THIS SUBSECTION (3)(a) DO NOT  
6 CREATE AN OBLIGATION OR REQUIREMENT FOR THE COLORADO HOUSING  
7 AND FINANCE AUTHORITY TO TAKE ACTION WITH RESPECT TO THE  
8 QUALIFYING PROPERTY OR TO PROVIDE ANY ENFORCEMENT OR  
9 COMPLIANCE MONITORING OF ANY REQUIREMENTS OF THIS PART 12.

10 (b) (I) WITHIN FOURTEEN CALENDAR DAYS OF A TRIGGERING  
11 EVENT, A RESIDENTIAL SELLER SHALL PROVIDE NOTICE IN ACCORDANCE  
12 WITH THIS SUBSECTION (3)(b) AND SUBSECTION (3)(d) OF THIS SECTION TO  
13 THE GOVERNING BODY OF THE LOCAL GOVERNMENT IN WHICH THE  
14 QUALIFYING PROPERTY IS LOCATED AND SHALL MAKE A GOOD FAITH  
15 EFFORT TO ENSURE THE NOTICE IS RECEIVED BY THE LOCAL GOVERNMENT.

16 A TRIGGERING EVENT IS ANY TIME THE RESIDENTIAL SELLER:

17 (A) MATERIALLY DEPARTS FROM ANY REPRESENTATION MADE IN  
18 THE NOTICES REQUIRED PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION  
19 AFTER AFFORDABILITY RESTRICTIONS EXPIRE IN A MANNER THAT  
20 INDICATES AN INTENT TO SELL THE QUALIFYING PROPERTY;

21 (B) SIGNS A CONTRACT WITH A REAL ESTATE BROKER OR  
22 BROKERAGE FIRM TO LIST THE QUALIFYING PROPERTY FOR SALE OR TO  
23 SELL OR TRANSFER THE QUALIFYING PROPERTY;

24 (C) SIGNS A LETTER OF INTENT, OPTION TO SELL OR BUY, OR OTHER  
25 CONDITIONAL WRITTEN AGREEMENT WITH A POTENTIAL BUYER FOR THE  
26 SALE OR TRANSFER OF THE QUALIFYING PROPERTY, WHICH INCLUDES THE  
27 ESTIMATED PRICE, TERMS, AND CONDITIONS OF THE PROPOSED SALE OR

1 TRANSFER, EVEN IF THE PRICE, TERMS, OR CONDITIONS ARE SUBJECT TO  
2 CHANGE;

3 (D) SIGNS A CONTRACT WITH A POTENTIAL BUYER'S REAL ESTATE  
4 BROKER OR BROKERAGE FIRM RELATED TO THE POTENTIAL SALE OR  
5 TRANSFER OF THE QUALIFYING PROPERTY;

6 (E) PROVIDES A SIGNED PROPERTY DISCLOSURE FORM FOR THE  
7 QUALIFYING PROPERTY TO A POTENTIAL BUYER;

8 (F) LISTS THE QUALIFYING PROPERTY FOR SALE;

9 (G) MAKES A CONDITIONAL ACCEPTANCE OF AN OFFER FOR THE  
10 SALE OR TRANSFER OF THE QUALIFYING PROPERTY;

11 (H) TAKES ANY OTHER ACTION DEMONSTRATING AN INTENT TO  
12 SELL THE QUALIFYING PROPERTY; EXCEPT THAT ANY ACTION TAKEN TO  
13 ENGAGE WITH A POLITICAL SUBDIVISION OR A HOUSING AUTHORITY IN THE  
14 STATE TO FACILITATE NEGOTIATIONS BETWEEN THE RESIDENTIAL SELLER  
15 AND A THIRD-PARTY TO CREATE OR PRESERVE AFFORDABLE HOUSING FOR  
16 A QUALIFYING PROPERTY IS NOT A TRIGGERING EVENT UNTIL ANOTHER  
17 ACTION SET FORTH IN THIS SUBSECTION (3)(b)(I) OCCURS; OR

18 (I) RECEIVES A NOTICE THAT A CERTIFICATE OF LEVY HAS BEEN  
19 FILED RELATED TO THE QUALIFYING PROPERTY PURSUANT TO SECTION  
20 13-56-101.

21 (II) THE NOTICE REQUIRED PURSUANT TO THIS SUBSECTION (3)(b)  
22 MUST INCLUDE:

23 (A) A GENERAL DESCRIPTION OF THE QUALIFYING PROPERTY TO BE  
24 SOLD, INCLUDING THE ADDRESS AND NAME OF THE PROPERTY, IF ANY, AND  
25 ANY ADDITIONAL DESCRIPTIONS OF THE QUALIFYING PROPERTY ON FILE  
26 WITH THE OFFICE OF THE ASSESSOR IN THE COUNTY IN WHICH THE  
27 QUALIFYING PROPERTY IS LOCATED;

1           (B) THE RESIDENTIAL SELLER'S ADDRESS AND, IF AVAILABLE,  
2 ELECTRONIC MAILING ADDRESS TO RECEIVE NOTICES FROM THE LOCAL  
3 GOVERNMENT;

4           ==  
5           (C) THE PRICE, TERMS, AND CONDITIONS OF AN ACCEPTABLE OFFER  
6 THE RESIDENTIAL SELLER HAS RECEIVED TO SELL THE QUALIFYING  
7 PROPERTY OR THE PRICE, TERMS, AND CONDITIONS FOR WHICH THE  
8 RESIDENTIAL SELLER INTENDS TO SELL THE QUALIFYING PROPERTY;

9           (D) ANY TERMS OR CONDITIONS WHICH, IF NOT MET, WOULD BE  
10 SUFFICIENT GROUNDS, IN THE RESIDENTIAL SELLER'S DISCRETION AND IN  
11 COMPLIANCE WITH THIS PART 12 AND ANY OTHER APPLICABLE LAW, TO  
12 REJECT AN OFFER; AND

13           (E) IF THE RESIDENTIAL SELLER HAS ENTERED INTO A CONTINGENT  
14 PURCHASE AND SALE AGREEMENT WITH A PROSPECTIVE BUYER, A COPY OF  
15 THE AGREEMENT.

16           (III) THE PRICE, TERMS, AND CONDITIONS REQUIRED TO BE STATED  
17 IN THE NOTICE PURSUANT TO SUBSECTION (3)(b)(II)(C) OF THIS SECTION  
18 MUST BE UNIVERSAL AND APPLICABLE TO ALL POTENTIAL BUYERS AND  
19 MUST NOT BE SPECIFIC TO OR PROHIBITIVE OF THE LOCAL GOVERNMENT  
20 MAKING A SUCCESSFUL OFFER TO PURCHASE THE QUALIFYING PROPERTY,  
21 MUST NOT BE UNLAWFUL, AND MUST NOT INHIBIT THE EXERCISE OF THE  
22 RIGHT OF FIRST REFUSAL PROVIDED FOR IN THIS SECTION.

23           (c) IF THE PRICE, TERMS, OR CONDITIONS AS REQUIRED TO BE  
24 PROVIDED IN THE RESIDENTIAL SELLER'S NOTICE PURSUANT TO  
25 SUBSECTIONS (3)(b)(II)(C) AND (3)(b)(II)(D) OF THIS SECTION  
26 MATERIALLY CHANGE, THE RESIDENTIAL SELLER SHALL WITHIN SEVEN  
27 DAYS OF THE CHANGE PROVIDE NOTICE TO THE LOCAL GOVERNMENT OF

1 THE CHANGE AND THE LOCAL GOVERNMENT MAY EXERCISE, OR  
2 RE-EXERCISE, ITS RIGHT OF FIRST REFUSAL IN ACCORDANCE WITH THIS  
3 SECTION.

4 (d) THE NOTICES GIVEN PURSUANT TO THIS SUBSECTION (3) MUST  
5 BE DELIVERED TO THE APPLICABLE REPRESENTATIVE OF THE COLORADO  
6 HOUSING AND FINANCE AUTHORITY AND TO THE CLERK OF THE GOVERNING  
7 BODY OF THE LOCAL GOVERNMENT, AS APPLICABLE, BY ELECTRONIC MAIL;  
8 EXCEPT THAT, IF THERE IS NOT AN ELECTRONIC MAILING ADDRESS  
9 AVAILABLE FOR THE APPLICABLE REPRESENTATIVE OR THE CLERK, THEN  
10 BY HAND DELIVERY, UNITED STATES FIRST CLASS MAIL, OR OVERNIGHT  
11 DELIVERY.

12 (e) THE LOCAL GOVERNMENT MAY SHARE THE INFORMATION  
13 CONTAINED IN THE NOTICES REQUIRED PURSUANT TO THIS SUBSECTION (3)  
14 WITH ITS OFFICERS, EMPLOYEES, AGENTS, AND      PROSPECTIVE ENTITIES  
15 THAT THE LOCAL GOVERNMENT PARTNERS WITH OR PROSPECTIVE  
16 ASSIGNEES PURSUANT TO SUBSECTIONS (2)(e) AND (2)(f) OF THIS SECTION  
17 FOR THE PURPOSES OF EVALUATING OR OBTAINING FINANCING FOR THE  
18 PROSPECTIVE TRANSACTION. ANY INFORMATION CONTAINED IN THE  
19 NOTICES MUST BE KEPT CONFIDENTIAL IF THE RESIDENTIAL SELLER SO  
20 REQUESTS AND IS CONFIDENTIAL INFORMATION NOT SUBJECT TO PUBLIC  
21 DISCLOSURE; EXCEPT THAT THE OCCURRENCE OF A TRIGGERING EVENT,  
22 THE LOCATION OF THE QUALIFYING PROPERTY, AND THE IDENTITY OF THE  
23 RESIDENTIAL SELLER ARE NOT CONFIDENTIAL AND ARE SUBJECT TO PUBLIC  
24 DISCLOSURE.

25 (4) (a) **Notice by the local government to the residential seller.**

26 (I) THE LOCAL GOVERNMENT SHALL MAKE A GOOD FAITH EFFORT TO  
27 PROVIDE NOTICE TO THE RESIDENTIAL SELLER AS SOON AS POSSIBLE BUT



1 NOT LATER THAN FOURTEEN CALENDAR DAYS OF RECEIPT OF THE NOTICE  
2 REQUIRED PURSUANT TO SUBSECTION (3)(b) OR (3)(c) OF THIS SECTION OF  
3 THE LOCAL GOVERNMENT'S INTENT, WITH RESPECT TO THE QUALIFYING  
4 PROPERTY THAT IS THE SUBJECT OF THE NOTICE, TO EITHER PRESERVE ITS  
5 RIGHT OF FIRST REFUSAL PROVIDED IN THIS SECTION OR WAIVE ITS RIGHT  
6 OF FIRST REFUSAL. THE NOTICE MUST BE DELIVERED BY ELECTRONIC MAIL;  
7 EXCEPT THAT, IF THE RESIDENTIAL SELLER HAS NOT PROVIDED AN  
8 ELECTRONIC MAILING ADDRESS, THEN BY HAND DELIVERY, UNITED  
9 STATES FIRST CLASS MAIL, OR OVERNIGHT DELIVERY TO THE ADDRESS  
10 PROVIDED BY THE RESIDENTIAL SELLER PURSUANT TO SUBSECTION  
11 (3)(b)(II)(B) OF THIS SECTION.

12 (II) THE NOTICE GIVEN PURSUANT TO SUBSECTION (4)(a)(I) OF THIS  
13 SECTION IS NONBINDING ON THE LOCAL GOVERNMENT.

14 (III) IF NO NOTICE IS GIVEN BY THE LOCAL GOVERNMENT, IF THE  
15 LOCAL GOVERNMENT FAILS TO MAKE AN OFFER WITHIN THE TIME PERIOD  
16 PROVIDED IN SUBSECTION (5) OF THIS SECTION, OR IF THE OFFER IS  
17 OTHERWISE NOT MADE IN ACCORDANCE WITH SUBSECTION (5) OF THIS  
18 SECTION, THE RESIDENTIAL SELLER MAY PROCEED WITH THE SALE OF THE  
19 QUALIFYING PROPERTY TO ANY BUYER.

20 (IV) IF THE LOCAL GOVERNMENT INTENDS TO ASSIGN ITS RIGHT OF  
21 FIRST REFUSAL IN ACCORDANCE WITH SUBSECTION (2)(f) OF THIS SECTION,  
22 THE LOCAL GOVERNMENT MUST DISCLOSE THE POTENTIAL ASSIGNEE IN  
23 THE NOTICE REQUIRED PURSUANT TO SUBSECTION (4)(a)(I) OF THIS  
24 SECTION AND PROVIDE A COPY OF THE NOTICE TO THE PROPOSED  
25 ASSIGNEE, FOR THE PROPOSED ASSIGNEE'S CONSIDERATION IN  
26 DETERMINING WHETHER TO ACCEPT THE ASSIGNMENT.

27 ==

1           **(b) Notice by the local government to the Colorado housing**  
2           **and finance authority.** IN CONNECTION WITH THE LOCAL GOVERNMENT  
3           PROVIDING NOTICE TO THE RESIDENTIAL SELLER IN ACCORDANCE WITH  
4           SUBSECTION (4)(a)(I) OF THIS SECTION, THE LOCAL GOVERNMENT SHALL  
5           ALSO PROVIDE THE NOTICE TO THE COLORADO HOUSING AND FINANCE  
6           AUTHORITY INDICATING IF THE LOCAL GOVERNMENT INTENDS TO EITHER  
7           PRESERVE OR WAIVE ITS RIGHT OF FIRST REFUSAL WITH RESPECT TO THE  
8           QUALIFYING PROPERTY THAT IS THE SUBJECT OF THE NOTICE PROVIDED  
9           PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION AND IDENTIFYING ANY  
10           POTENTIAL ASSIGNEE THAT THE LOCAL GOVERNMENT INTENDS TO ASSIGN  
11           ITS RIGHT OF FIRST REFUSAL TO. THE NOTICE REQUIRED BY THIS  
12           SUBSECTION (4)(b) IS NONBINDING ON THE LOCAL GOVERNMENT.

13           **(5) Process to exercise right of first refusal.** (a) (I) EXCEPT AS  
14           OTHERWISE PROVIDED IN SUBSECTION (6) OF THIS SECTION, THE LOCAL  
15           GOVERNMENT HAS THIRTY CALENDAR DAYS FROM PROVIDING NOTICE  
16           PURSUANT TO SUBSECTION (4)(a)(I) OF THIS SECTION TO MAKE AN OFFER  
17           TO PURCHASE THE QUALIFYING PROPERTY AND SHALL AGREE TO CLOSE ON  
18           THE QUALIFYING PROPERTY AND EXECUTE THE NECESSARY AGREEMENTS  
19           TO FINALIZE THE SALE OF THE QUALIFYING PROPERTY TO THE LOCAL  
20           GOVERNMENT WITHIN SIXTY CALENDAR DAYS OF THE ACCEPTANCE BY A  
21           RESIDENTIAL SELLER OF THE LOCAL GOVERNMENT'S OFFER TO PURCHASE  
22           THE QUALIFYING PROPERTY AND THE EXECUTION OF THE NECESSARY  
23           AGREEMENTS IN CONNECTION WITH ACCEPTING THE OFFER.

24           (II) NOTWITHSTANDING SUBSECTION (5)(a)(I) OF THIS SECTION  
25           ANDEXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (6) OF THIS SECTION,  
26           IF A RESIDENTIAL SELLER HAS RECEIVED AN OFFER FROM A THIRD-PARTY  
27           BUYER THAT IS AN ENTIRELY CASH OFFER FOR THE THIRD-PARTY BUYER TO

1 PURCHASE THE QUALIFYING PROPERTY, THE LOCAL GOVERNMENT SHALL  
2 AGREE TO CLOSE ON THE QUALIFYING PROPERTY AND EXECUTE THE  
3 NECESSARY AGREEMENTS TO FINALIZE THE SALE OF THE QUALIFYING  
4 PROPERTY TO THE LOCAL GOVERNMENT WITHIN THE SAME TIME PERIOD AS  
5 IS SET FORTH IN THE THIRD-PARTY BUYER'S OFFER.

6 (b) IF A RESIDENTIAL SELLER REJECTS AN OFFER MADE BY THE  
7 LOCAL GOVERNMENT EXERCISING ITS RIGHT OF FIRST REFUSAL, THE  
8 RESIDENTIAL SELLER SHALL PROVIDE A WRITTEN EXPLANATION OF THE  
9 REJECTION AND SHALL INVITE THE LOCAL GOVERNMENT TO MAKE ONE  
10 SUBSEQUENT OFFER WITHIN FOURTEEN DAYS BY IDENTIFYING THE TERMS  
11 AND CONDITIONS THAT MUST BE INCLUDED IN THE SUBSEQUENT OFFER IN  
12 ORDER FOR THE RESIDENTIAL SELLER TO POTENTIALLY ACCEPT THE  
13 SUBSEQUENTLY MADE OFFER BY THE LOCAL GOVERNMENT AND THE LOCAL  
14 GOVERNMENT MAY RE-EXERCISE ITS RIGHT OF FIRST REFUSAL IN  
15 ACCORDANCE WITH THIS SECTION BY PROVIDING NOTICE OF ITS INTENT  
16 TO PRESERVE ITS RIGHT OF FIRST REFUSAL IN ACCORDANCE WITH  
17 SUBSECTION (4)(a) OF THIS SECTION.

18 (c) UPON ACCEPTING A LOCAL GOVERNMENT'S OFFER, THE  
19 RESIDENTIAL SELLER SHALL MAIL NOTICE TO EACH RESIDENT OF THE  
20 QUALIFYING PROPERTY THAT THE SALE OF THE QUALIFYING PROPERTY TO  
21 THE LOCAL GOVERNMENT IS PENDING. THE RESIDENTIAL SELLER SHALL  
22 ALSO POST A COPY OF THE NOTICE IN A CONSPICUOUS PLACE IN THE  
23 QUALIFYING PROPERTY. THE MAILED AND POSTED NOTICES MUST BE  
24 PROVIDED IN ENGLISH, SPANISH, AND ANY OTHER LANGUAGE KNOWN TO  
25 BE SPOKEN BY RESIDENTS AT THE QUALIFYING PROPERTY AND MUST  
26 INCLUDE CONTACT INFORMATION FOR THE LOCAL GOVERNMENT, OR IT'S  
27 ASSIGNEE, IF APPLICABLE, FOR RESIDENTS TO DIRECT QUESTIONS AND

1     INPUT TO.

2             **(6) Extension of time.** THE TIME PERIODS SET FORTH IN THIS  
3 SECTION MAY BE EXTENDED AND ANY TERMS OR CONDITIONS OF SALE MAY  
4 BE MODIFIED BY WRITTEN AGREEMENT BETWEEN THE LOCAL GOVERNMENT  
5 AND THE RESIDENTIAL SELLER OR, IF THE LOCAL GOVERNMENT HAS  
6 ASSIGNED ITS RIGHT OF FIRST REFUSAL, THE LOCAL GOVERNMENT'S  
7 ASSIGNEE AND THE RESIDENTIAL SELLER.

8

9             **(7) Certificate of compliance.** WITHIN FOURTEEN CALENDAR  
10 DAYS OF RECEIPT OF NOTICE REQUIRED BY EITHER SUBSECTION (3)(b) OR  
11 (3)(c) OF THIS SECTION OR, IF THE LOCAL GOVERNMENT INTENDS TO  
12 EXERCISE ITS RIGHT OF FIRST REFUSAL, WITHIN FOURTEEN CALENDAR  
13 DAYS OF EITHER ACCEPTANCE BY A RESIDENTIAL SELLER OF THE LOCAL  
14 GOVERNMENT'S OFFER OR REJECTION BY A RESIDENTIAL SELLER OF THE  
15 LOCAL GOVERNMENT'S OFFER IN ACCORDANCE WITH SUBSECTION (5)(b) OF  
16 THIS SECTION, THE LOCAL GOVERNMENT OR ITS ASSIGNEE SHALL EXECUTE  
17 AND RECORD A CERTIFICATE OF COMPLIANCE IN THE REAL PROPERTY  
18 RECORDS OF THE COUNTY IN WHICH THE QUALIFYING PROPERTY IS  
19 SITUATED. THE CERTIFICATE OF COMPLIANCE MUST INCLUDE THE NAME OF  
20 THE RESIDENTIAL SELLER, A LEGAL DESCRIPTION OF THE QUALIFYING  
21 PROPERTY, AND A STATEMENT THAT THE RESIDENTIAL SELLER HAS  
22 COMPLIED WITH ALL APPLICABLE PROVISIONS OF THIS SECTION. THE  
23 RECORDED CERTIFICATE OF COMPLIANCE IS PRIMA FACIE EVIDENCE OF THE  
24 RESIDENTIAL SELLER'S COMPLIANCE WITH THIS SECTION AND MAY BE  
25 RELIED UPON BY A RESIDENTIAL SELLER, ANY PERSON CLAIMING AN  
26 INTEREST IN THE QUALIFYING PROPERTY THROUGH A RESIDENTIAL SELLER,  
27 AND A TITLE INSURANCE ENTITY, AS DEFINED IN SECTION 10-11-102 (11).

1           **(8) Tenant qualifications.** (a) THE LOCAL GOVERNMENT OR ITS  
2 ASSIGNEE SHALL MAINTAIN AT THE QUALIFYING PROPERTY AFFORDABILITY  
3 LEVELS THAT ARE ON AVERAGE EQUAL TO OR GREATER THAN THE LEVELS  
4 PROVIDED AT THE TIME IT IS ACQUIRED BY THE LOCAL GOVERNMENT BOTH  
5 WITH RESPECT TO THE NUMBER OF AFFORDABLE UNITS AND THE AREA  
6 MEDIAN INCOMES USED TO DETERMINE RENT AND INCOME LIMITS. TENANT  
7 QUALIFICATIONS MUST COMPLY WITH FAIR HOUSING LAWS AND  
8 AFFORDABILITY REQUIREMENTS OF ANY NEW FUNDING SOURCES.


9           (b) NOTWITHSTANDING THE REQUIREMENTS AROUND LONG-TERM  
10 AFFORDABLE HOUSING SET FORTH IN THIS SECTION OR THE REQUIREMENTS  
11 IN SUBSECTION **(8)(a)** OF THIS SECTION, RESIDENTS AT THE QUALIFYING  
12 PROPERTY AT THE TIME IT IS ACQUIRED BY THE LOCAL GOVERNMENT  
13 PURSUANT TO THIS SECTION MAY CONTINUE TO RESIDE AT THE QUALIFYING  
14 PROPERTY IRRESPECTIVE OF THEIR INCOME LEVEL FOR AT LEAST THE  
15 DURATION OF THEIR TENANCY AGREEMENT PURSUANT TO THE TENANCY  
16 AGREEMENT'S TERMS IN EFFECT AT THE TIME THE LOCAL GOVERNMENT  
17 ACQUIRES THE QUALIFYING PROPERTY. A LOCAL GOVERNMENT OR ITS  
18 ASSIGNEE MAY ONLY DECLINE TO RENEW A TENANT'S LEASE IN ORDER TO  
19 COMPLY WITH GREATER AFFORDABILITY RESTRICTIONS AT THE  
20 QUALIFYING PROPERTY IN ACCORDANCE WITH SUBSECTION **(8)(a)** OF THIS  
21 SECTION OR IF THE RESIDENT IS DEMONSTRABLY VIOLATING ANY TERMS OF  
22 THE LEASE.

23           **(9) Application of a local government's right of first refusal**  
24 **laws.** NOTHING IN THIS PART 12 RESTRICTS OR SUPERSEDES THE  
25 AUTHORITY OF A LOCAL GOVERNMENT TO ENACT LAWS FOR ITS  
26 JURISDICTION PROVIDING FOR THE LOCAL GOVERNMENT'S RIGHT OF FIRST  
27 REFUSAL TO PURCHASE PROPERTY FOR AFFORDABLE HOUSING THAT AT A

1 MINIMUM COMPLY WITH THIS PART 12 AND IN THE EVENT OF CONFLICT  
2 BETWEEN A PROVISION IN THIS PART 12 AND A LOCAL GOVERNMENT'S  
3 LAWS, THE PROVISION MORE FAVORABLE TO THE LOCAL GOVERNMENT  
4 APPLIES; EXCEPT THAT THE PROVISIONS OF SUBSECTION (7) OF THIS  
5 SECTION AND THE PROVISIONS SET FORTH IN SECTION 29-4-1206 APPLY  
6 NOTWITHSTANDING ANY LAW ENACTED BY A LOCAL GOVERNMENT  
7 REGARDING THE LOCAL GOVERNMENT'S RIGHT OF FIRST REFUSAL.

8 **29-4-1203. Right of first offer - eligibility - process - notice -**  
9 **definition - repeal. (1) Definition of qualifying property.** AS USED IN  
10 THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES, "QUALIFYING  
11 PROPERTY" MEANS A MULTIFAMILY RESIDENTIAL OR MIXED-USE RENTAL  
12 PROPERTY CONSISTING OF NOT MORE THAN ONE HUNDRED UNITS AND NOT  
13 LESS THAN FIFTEEN UNITS AND EXCLUDING EXISTING AFFORDABLE  
14 HOUSING AND A MOBILE HOME PARK AS DEFINED IN SECTION 38-12-201.5  
15 (6). FOR THE PURPOSE OF DETERMINING WHETHER A PROPERTY CONSISTS  
16 OF AT LEAST THE MINIMUM NUMBER OF UNITS SET FORTH IN THIS  
17 SUBSECTION (1) FOR A QUALIFYING PROPERTY, AN ACCESSORY DWELLING  
18 UNIT DOES NOT COUNT AS A UNIT.

19 **(2) Local government's right of first offer. (a)** IN ACCORDANCE  
20 WITH THIS PART 12, THE LOCAL GOVERNMENT FOR THE JURISDICTION IN  
21 WHICH A QUALIFYING PROPERTY IS LOCATED HAS A RIGHT OF FIRST OFFER  
22 TO MAKE AN OFFER TO PURCHASE THE QUALIFYING PROPERTY BEFORE THE  
23 QUALIFYING PROPERTY IS LISTED FOR SALE TO THIRD PARTIES.

24   
25 **(b)** THE LOCAL GOVERNMENT'S RIGHT OF FIRST OFFER CONCERNING  
26 THE QUALIFYING PROPERTY IS LIMITED TO PRESERVING OR CONVERTING  
27 THE QUALIFYING PROPERTY TO LONG-TERM AFFORDABLE HOUSING OR A

1 MIXED-INCOME DEVELOPMENT DIRECTLY OR THROUGH ANOTHER ENTITY  
2 TO WHICH THE LOCAL GOVERNMENT ASSIGNS ITS RIGHTS PURSUANT TO  
3 SUBSECTION (2)(d) OF THIS SECTION OR TRANSFERS THE QUALIFYING  
4 PROPERTY. IF A QUALIFYING PROPERTY IS CLASSIFIED AS MIXED-USE, THE  
5 LOCAL GOVERNMENT'S OFFER MUST INCLUDE ANY COMMERCIAL PORTION  
6 OF THE QUALIFYING PROPERTY, BUT ONLY THE RESIDENTIAL PORTION OF  
7 THE QUALIFYING PROPERTY IS SUBJECT TO AFFORDABILITY  
8 REQUIREMENTS.

9 (c) THE LOCAL GOVERNMENT, IN EXERCISING ITS RIGHT OF FIRST  
10 OFFER, MAY PARTNER WITH A NONPROFIT ENTITY, A PRIVATE ENTITY, A  
11 QUASI-GOVERNMENTAL ENTITY, OR ANOTHER GOVERNMENTAL ENTITY TO  
12 CO-FINANCE, LEASE, OR MANAGE THE QUALIFYING PROPERTY FOR THE  
13 PUBLIC PURPOSE OF MAINTAINING THE QUALIFYING PROPERTY AS  
14 LONG-TERM AFFORDABLE HOUSING OR A MIXED-INCOME DEVELOPMENT IF  
15 THE LOCAL GOVERNMENT OR ITS ASSIGNEE MAINTAINS OWNERSHIP OF THE  
16 QUALIFYING PROPERTY EITHER DIRECTLY OR THROUGH A SPECIAL PURPOSE  
17 ENTITY OR AFFILIATE.

18 (d) AT ANY TIME, THE LOCAL GOVERNMENT MAY ASSIGN THE  
19 RIGHT OF FIRST OFFER REGARDING A QUALIFYING PROPERTY TO A LOCAL  
20 OR REGIONAL HOUSING AUTHORITY OR THE COLORADO HOUSING AND  
21 FINANCE AUTHORITY, SUBJECT TO THE REQUIREMENTS THAT THE  
22 QUALIFYING PROPERTY IS USED TO PRESERVE OR BE CONVERTED TO  
23 LONG-TERM AFFORDABLE HOUSING OR A MIXED-INCOME DEVELOPMENT  
24 AND THAT ALL OTHER PROVISIONS OF THIS PART 12 APPLY TO THE  
25 ASSIGNEE. THE ASSIGNEE MUST IMMEDIATELY NOTIFY THE RESIDENTIAL  
26 SELLER OF ANY ASSIGNMENT PURSUANT TO THIS SUBSECTION (2)(d), AND  
27 THE NOTICE MUST INCLUDE THE ASSIGNEE'S ADDRESS TO RECEIVE ANY

1 NOTICES THAT THE RESIDENTIAL SELLER IS REQUIRED TO SEND IN  
2 ACCORDANCE WITH THIS SECTION. THE LOCAL GOVERNMENT REMAINS  
3 LIABLE FOR OBLIGATIONS PURSUANT TO THIS PART 12 ACCRUING PRIOR TO  
4 THE ASSIGNMENT AND UPON ASSIGNMENT, THE ASSIGNEE ASSUMES ALL  
5 LIABILITY OF THE LOCAL GOVERNMENT REGARDING THE EXERCISE OF THE  
6 RIGHT OF FIRST OFFER AND IS RESPONSIBLE FOR PERFORMING ALL  
7 REQUIREMENTS PURSUANT TO THIS PART 12, IN EACH CASE ACCRUING  
8 FROM AND AFTER THE ASSIGNMENT, WITH RESPECT TO A QUALIFYING  
9 PROPERTY AS IF THE ASSIGNEE WERE THE LOCAL GOVERNMENT.

10 (e) (I) THE GOVERNING BODY OF A LOCAL GOVERNMENT HAS THE  
11 RIGHT TO WAIVE THE RIGHT OF FIRST OFFER PROVIDED IN THIS SECTION.

12 (II) (A) IF THE GOVERNING BODY OF A LOCAL GOVERNMENT HAS  
13 WAIVED ITS RIGHT OF FIRST OFFER, IT SHALL POST A NOTICE IN A  
14 CONSPICUOUS LOCATION ON ITS WEBSITE INDICATING THAT THERE IS A  
15 WAIVER AND THAT RESIDENTIAL SELLERS WITH QUALIFYING PROPERTIES  
16 WITHIN ITS JURISDICTION DO NOT HAVE AN OBLIGATION TO COMPLY WITH  
17 THIS SECTION.

18 (B) THE NOTICE POSTED IN ACCORDANCE WITH SUBSECTION  
19 (2)(e)(II)(A) OF THIS SECTION MUST BE EFFECTIVE FOR AT LEAST THREE  
20 MONTHS AFTER IT IS POSTED AND MUST EXPLICITLY STATE THE DATE IT  
21 EXPIRES, IF ANY.

22 (C) FAILURE TO POST NOTICE PURSUANT TO THIS SUBSECTION  
23 (2)(e)(II) DOES NOT OTHERWISE AFFECT THE LOCAL GOVERNMENT'S RIGHT  
24 OF FIRST OFFER.

25 (f) NOTWITHSTANDING ANYTHING IN THIS SECTION TO THE  
26 CONTRARY, AT ANY TIME PRIOR TO THE RESIDENTIAL SELLER AND THE  
27 LOCAL GOVERNMENT ENTERING INTO A CONTRACT FOR THE PURCHASE OF



1 THE QUALIFYING PROPERTY BY THE LOCAL GOVERNMENT, THE  
2 RESIDENTIAL SELLER MAY REJECT THE LOCAL GOVERNMENT'S OFFER AND  
3 OTHERWISE TERMINATE NEGOTIATIONS WITH THE LOCAL GOVERNMENT.

4 (g) IF THE LOCAL GOVERNMENT WAIVES OR IS DEEMED TO HAVE  
5 WAIVED ITS RIGHT OF FIRST OFFER IN ACCORDANCE WITH THIS SECTION OR  
6 IF A RESIDENTIAL SELLER REJECTS THE LOCAL GOVERNMENT'S OFFER IN  
7 ACCORDANCE WITH SUBSECTION (2)(f) OF THIS SECTION, THE RESIDENTIAL  
8 SELLER HAS NO OBLIGATION TO PROVIDE INITIAL OR ADDITIONAL NOTICE,  
9 AS APPLICABLE, TO THE LOCAL GOVERNMENT OR OTHERWISE OFFER OR  
10 RE-OFFER, AS APPLICABLE, THE QUALIFYING PROPERTY TO THE LOCAL  
11 GOVERNMENT PURSUANT TO ANY PROVISION OF THIS SECTION UNLESS A  
12 TRANSACTION FOR THE SALE OF THE QUALIFYING PROPERTY DOES NOT  
13 CLOSE WITHIN TWELVE MONTHS OF EITHER THE LOCAL GOVERNMENT'S  
14 WAIVER OR DEEMED WAIVER OR REJECTION BY THE RESIDENTIAL SELLER  
15 OF THE LOCAL GOVERNMENT'S OFFER, WHICHEVER IS EARLIER; EXCEPT  
16 THAT, IF THE CONTRACT FOR SALE TO A THIRD PARTY HAS A DURATION  
17 LONGER THAN TWELVE MONTHS, THEN THE TWELVE MONTH PERIOD IS  
18 EXTENDED TO MATCH THE TERM OF THE CONTRACT.

19 (3) **Notice requirements generally.** (a) (I) ANY NOTICES  
20 REQUIRED TO BE PROVIDED TO THE LOCAL GOVERNMENT PURSUANT TO  
21 THIS SECTION MUST BE DELIVERED TO THE CLERK OF THE GOVERNING  
22 BODY OF THE LOCAL GOVERNMENT BY ELECTRONIC MAIL; EXCEPT THAT IF  
23 THERE IS NOT AN ELECTRONIC MAILING ADDRESS AVAILABLE FOR THE  
24 CLERK, THEN BY HAND DELIVERY, UNITED STATES FIRST CLASS MAIL, OR  
25 OVERNIGHT DELIVERY.

26 (II) NOTWITHSTANDING SUBSECTION (3)(a)(I) OF THIS SECTION, IF  
27 THE LOCAL GOVERNMENT ASSIGNS ITS RIGHT OF FIRST OFFER AND THE

1 ASSIGNEE PROVIDES NOTICE OF THE ASSIGNMENT TO THE RESIDENTIAL  
2 SELLER PURSUANT TO SUBSECTION (2)(d) OF THIS SECTION, THEN UPON  
3 AND AFTER RECEIPT OF NOTICE OF THE ASSIGNMENT, THE RESIDENTIAL  
4 SELLER SHALL SEND BY ELECTRONIC MAIL ANY REQUIRED NOTICES  
5 PURSUANT TO THIS SECTION TO THE ADDRESS SPECIFIED BY THE ASSIGNEE;  
6 EXCEPT THAT, IF THERE IS NOT AN ELECTRONIC MAILING ADDRESS  
7 PROVIDED BY THE ASSIGNEE, THEN BY HAND DELIVERY, UNITED STATES  
8 FIRST CLASS MAIL, OR OVERNIGHT DELIVERY.

9 (b) ANY NOTICES PROVIDED TO THE RESIDENTIAL SELLER  
10 PURSUANT TO THIS SECTION MUST BE DELIVERED TO THE PHYSICAL  
11 ADDRESS PROVIDED BY THE RESIDENTIAL SELLER IN ACCORDANCE WITH  
12 SUBSECTION (5)(a)(II) OF THIS SECTION OR, UPON ELECTION BY THE  
13 RESIDENTIAL SELLER, BY ELECTRONIC MAIL TO THE ELECTRONIC MAILING  
14 ADDRESS PROVIDED BY THE RESIDENTIAL SELLER TO THE LOCAL  
15 GOVERNMENT.

16 (c) ANY NOTICE PROVIDED PURSUANT TO THIS SECTION IS DEEMED  
17 DELIVERED ON THE DATE IT IS SENT BY ELECTRONIC MAIL, THE DATE IT IS  
18 HAND DELIVERED, THE DATE AFTER THE DAY IT IS DEPOSITED FOR  
19 DELIVERY BY OVERNIGHT DELIVERY, OR THE DATE THAT IS TWO BUSINESS  
20 DAYS AFTER THE DAY IT IS DEPOSITED IN THE UNITED STATES MAIL, AS  
21 APPLICABLE.

22 (4) **Notice by residential seller, local government's intent, and**  
23 **nondisclosure agreement.** (a) BEFORE A RESIDENTIAL SELLER ENTERS  
24 INTO AN AGREEMENT WITH A LICENSED BROKER TO SOLICIT AND PROCURE  
25 PURCHASERS FOR A QUALIFYING PROPERTY OR OTHERWISE LISTS A  
26 QUALIFYING PROPERTY FOR SALE ON THE MULTIPLE LISTING SERVICE, THE  
27 RESIDENTIAL SELLER SHALL PROVIDE NOTICE TO THE GOVERNING BODY OF

1 THE LOCAL GOVERNMENT IN WHICH THE QUALIFYING PROPERTY IS  
2 LOCATED THAT THE RESIDENTIAL SELLER INTENDS TO SELL THE  
3 QUALIFYING PROPERTY.

4 (b) THE LOCAL GOVERNMENT HAS SEVEN CALENDAR DAYS FROM  
5 THE DATE OF RECEIVING THE NOTICE REQUIRED BY SUBSECTION (4)(a) OF  
6 THIS SECTION TO PROVIDE A WRITTEN RESPONSE TO THE RESIDENTIAL  
7 SELLER INDICATING THAT THE LOCAL GOVERNMENT EITHER:

8 (I) IS INTERESTED IN RECEIVING DUE DILIGENCE INFORMATION ON  
9 THE QUALIFYING PROPERTY SO THAT IT CAN EVALUATE WHETHER IT  
10 WANTS TO MAKE AN OFFER TO PURCHASE THE QUALIFYING PROPERTY,  
11 WHICH RESPONSE MUST CONTAIN A NONDISCLOSURE AGREEMENT IN A  
12 FORM ACCEPTABLE TO THE RESIDENTIAL SELLER THAT THE LOCAL  
13 GOVERNMENT HAS EXECUTED; OR

14 (II) WAIVES ANY RIGHT OF THE LOCAL GOVERNMENT TO PURCHASE  
15 THE QUALIFYING PROPERTY.

16 (c) IF THE LOCAL GOVERNMENT DOES NOT RESPOND WITHIN THE  
17 SEVEN-DAY PERIOD REQUIRED BY SUBSECTION (4)(b) OF THIS SECTION, IT  
18 IS DEEMED TO HAVE WAIVED ITS RIGHT OF FIRST OFFER WITH RESPECT TO  
19 THE QUALIFYING PROPERTY.

20 (5) **Residential seller's notice of terms.** (a) IF THE LOCAL  
21 GOVERNMENT PROVIDES NOTICE IN ACCORDANCE WITH SUBSECTION (4)(b)  
22 OF THIS SECTION, THE RESIDENTIAL SELLER HAS FIVE CALENDAR DAYS  
23 FROM RECEIPT OF THE NOTICE TO PROVIDE A NOTICE TO THE LOCAL  
24 GOVERNMENT THAT INCLUDES:

25 (I) THE ADDRESS AND NAME OF THE QUALIFYING PROPERTY, IF  
26 ANY, AND THE LEGAL DESCRIPTION OF THE QUALIFYING PROPERTY;

27 (II) THE RESIDENTIAL SELLER'S ADDRESS AND, IF AVAILABLE,

1 ELECTRONIC MAILING ADDRESS TO RECEIVE NOTICES FROM THE LOCAL  
2 GOVERNMENT;

3 (III) A RENT ROLL FOR THE QUALIFYING PROPERTY SHOWING  
4 THE AMOUNT OF RENT CHARGED TO TENANTS AT THE QUALIFYING  
5 PROPERTY;

6 (IV) THE VACANCY RATE, OPERATING EXPENSES AND INCOME, AND  
7 COMMON AREA AMENITIES AT THE QUALIFYING PROPERTY;

8 (V) ANY MARKETING MATERIALS THAT THE RESIDENTIAL SELLER  
9 HAS PREPARED ON OR BEFORE THE DATE OF SUCH NOTICE AND  
10 ANTICIPATES USING IN CONNECTION WITH LISTING THE QUALIFYING  
11 PROPERTY FOR SALE;

12 (VI) A CURRENT TITLE COMMITMENT; AND

13 (VII) THE RESIDENTIAL SELLER'S EXECUTED VERSION OF THE  
14 NONDISCLOSURE AGREEMENT.

15 (b) SUBJECT TO AND PURSUANT TO THE NONDISCLOSURE  
16 AGREEMENT EXECUTED IN ACCORDANCE WITH SUBSECTION (4)(b) OF THIS  
17 SECTION, THE LOCAL GOVERNMENT MAY SHARE THE INFORMATION  
18 CONTAINED IN THE NOTICES REQUIRED PURSUANT TO THIS SUBSECTION (5)  
19 WITH ITS OFFICERS, EMPLOYEES, AGENTS, AND PROSPECTIVE ASSIGNEES OR  
20 PROSPECTIVE ENTITIES THAT THE LOCAL GOVERNMENT PARTNERS WITH  
21 PURSUANT TO SUBSECTIONS (2)(c) AND (2)(d) OF THIS SECTION FOR THE  
22 PURPOSES OF EVALUATING OR OBTAINING FINANCING FOR THE  
23 PROSPECTIVE TRANSACTION. THE INFORMATION CONTAINED IN THE NOTICE  
24 MUST BE KEPT CONFIDENTIAL AND IS CONFIDENTIAL INFORMATION NOT  
25 SUBJECT TO PUBLIC DISCLOSURE.

26 (6) **Notice by the local government.** (a) A LOCAL GOVERNMENT  
27 HAS FOURTEEN CALENDAR DAYS FROM THE DATE OF RECEIVING THE

1 NOTICE REQUIRED BY SUBSECTION (5)(a) OF THIS SUBSECTION TO PROVIDE  
2 A WRITTEN RESPONSE TO THE RESIDENTIAL SELLER THAT EITHER:

3 (I) MAKES AN OFFER TO PURCHASE THE QUALIFYING PROPERTY  
4 SETTING FORTH THE PRICE, TERMS, AND CONDITIONS OF THE OFFER; OR

5 (II) WAIVES ANY RIGHT OF THE LOCAL GOVERNMENT TO PURCHASE  
6 THE QUALIFYING PROPERTY.

7 (b) IF THE LOCAL GOVERNMENT DOES NOT PROVIDE A RESPONSE  
8 WITHIN THE FOURTEEN-DAY PERIOD SET FORTH IN SUBSECTION (6)(a) OF  
9 THIS SECTION, THE LOCAL GOVERNMENT'S RIGHT OF FIRST OFFER IS  
10 DEEMED WAIVED.

11 (7) **Process after offer is made.** (a) THE RESIDENTIAL SELLER HAS  
12 FOURTEEN CALENDAR DAYS AFTER RECEIPT OF THE LOCAL GOVERNMENT'S  
13 OFFER MADE PURSUANT TO SUBSECTION (6)(a)(I) OF THIS SECTION TO  
14 NOTIFY THE LOCAL GOVERNMENT THAT IT EITHER ACCEPTS OR REJECTS  
15 THE OFFER. DURING THIS PERIOD, THE RESIDENTIAL SELLER MAY INITIATE  
16 NEGOTIATIONS IN GOOD FAITH WITH THE LOCAL GOVERNMENT WHICH MAY  
17 INCLUDE DISCUSSING ALTERNATIVE PRICE, TERMS, OR CONDITIONS FOR  
18 THE PURCHASE OF THE QUALIFYING PROPERTY. IF THE RESIDENTIAL  
19 SELLER DOES NOT PROVIDE NOTICE OF ITS ACCEPTANCE OR REJECTION OF  
20 THE LOCAL GOVERNMENT'S OFFER IN THE FOURTEEN DAY PERIOD  
21 PURSUANT TO THIS SUBSECTION (7)(a), THE OFFER IS DEEMED REJECTED.

22 (b) IF THE RESIDENTIAL SELLER ACCEPTS THE LOCAL  
23 GOVERNMENT'S OFFER OR ACCEPTS AN OFFER NEGOTIATED WITH THE  
24 LOCAL GOVERNMENT, THE LOCAL GOVERNMENT AND THE RESIDENTIAL  
25 SELLER HAVE THIRTY CALENDAR DAYS AFTER THE DATE OF THE  
26 RESIDENTIAL SELLER'S RECEIPT OF THE LOCAL GOVERNMENT'S NOTICE  
27 PROVIDED IN ACCORDANCE WITH SUBSECTION (6)(a)(I) OF THIS SECTION

1 TO NEGOTIATE AND EXECUTE A CONTRACT FOR THE PURCHASE OF THE  
2 QUALIFYING PROPERTY BY THE LOCAL GOVERNMENT. THE CONTRACT  
3 MUST REQUIRE THE TRANSACTION TO CLOSE NO LATER THAN SIXTY DAYS  
4 AFTER ITS EXECUTION, UNLESS BOTH PARTIES AGREE TO OTHER TERMS.

5 (8) **Certificate of compliance.** WITHIN FOURTEEN CALENDAR  
6 DAYS OF RECEIPT OF NOTICE REQUIRED BY SUBSECTION (4)(a) OF THIS  
7 SECTION UNLESS THE LOCAL GOVERNMENT PROVIDES NOTICE PURSUANT  
8 TO SUBSECTION (4)(b) OF THIS SECTION AND THEN WITHIN FOURTEEN  
9 CALENDAR DAYS OF RECEIPT OF THE NOTICE REQUIRED BY SUBSECTION  
10 (5)(a) OF THIS SECTION, THE LOCAL GOVERNMENT OR ITS ASSIGNEE SHALL  
11 EXECUTE AND RECORD A CERTIFICATE OF COMPLIANCE IN THE REAL  
12 PROPERTY RECORDS OF THE COUNTY IN WHICH THE QUALIFYING PROPERTY  
13 IS SITUATED. THE CERTIFICATE OF COMPLIANCE MUST INCLUDE THE NAME  
14 OF THE RESIDENTIAL SELLER, A LEGAL DESCRIPTION OF THE QUALIFYING  
15 PROPERTY, AND A STATEMENT THAT THE RESIDENTIAL SELLER HAS  
16 COMPLIED WITH ALL THE APPLICABLE PROVISIONS OF THIS SECTION. THE  
17 RECORDED CERTIFICATE OF COMPLIANCE IS PRIMA FACIE EVIDENCE OF THE  
18 RESIDENTIAL SELLER'S COMPLIANCE WITH THIS SECTION AND MAY BE  
19 RELIED UPON BY A RESIDENTIAL SELLER, ANY PERSON CLAIMING AN  
20 INTEREST IN THE QUALIFYING PROPERTY THROUGH A RESIDENTIAL SELLER,  
21 AND A TITLE INSURANCE ENTITY, AS DEFINED IN SECTION 10-11-102 (11).

22 (9) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31,  
23 2029.

24 **29-4-1204. General provisions applicable to a local  
25 government's right of first refusal and right of first offer.**

26 (1) NOTHING IN THIS PART 12 REQUIRES A LOCAL GOVERNMENT TO  
27 EXERCISE ITS RIGHT OF FIRST REFUSAL SET FORTH IN SECTION 29-4-1202

1 OR ITS RIGHT OF FIRST OFFER SET FORTH IN SECTION 29-4-1203 AND A  
2 LOCAL GOVERNMENT MUST PROMPTLY NOTIFY A RESIDENTIAL SELLER OF  
3 ITS INTENT NOT TO EXERCISE ITS RIGHT OF FIRST OFFER AS SET FORTH IN  
4 SECTIONS 29-4-1203 (4)(b)(II) AND (6)(a)(II).

5 (2) ANY ACTION BY THE LOCAL GOVERNMENT REQUIRED OR  
6 PERMITTED PURSUANT TO THIS PART 12 MAY BE PERFORMED, AS IS  
7 APPLICABLE AND TO THE EXTENT PERMITTED BY LAW, BY THE COUNTY  
8 MANAGER OF A COUNTY, THE MAYOR OR CITY MANAGER OF A CITY OR  
9 TOWN, OR ANOTHER OFFICER DESIGNATED BY THE GOVERNING BODY OF  
10 THE LOCAL GOVERNMENT.

11 (3) ANY ACTIONS OF AN AGENT WORKING ON BEHALF OF A  
12 RESIDENTIAL SELLER FOR PURPOSES OF THIS PART 12 ARE ATTRIBUTABLE  
13 TO THE RESIDENTIAL SELLER. NOTWITHSTANDING ANY OTHER PROVISION  
14 OF THIS PART 12 TO THE CONTRARY, A POLITICAL SUBDIVISION OR A  
15 HOUSING AUTHORITY IN THE STATE THAT ENGAGES IN ACTIVITIES TO  
16 CREATE OR PRESERVE AFFORDABLE HOUSING FOR AN APPLICABLE  
17 QUALIFYING PROPERTY IS NOT CONSIDERED AN AGENT WORKING ON  
18 BEHALF OF A RESIDENTIAL SELLER FOR PURPOSES OF THIS PART 12.

19 (4) NOTHING WITHIN THIS PART 12 LIMITS THE LOCAL  
20 GOVERNMENT'S ABILITY TO CONDEMN AN APPLICABLE QUALIFYING  
21 PROPERTY ACQUIRED PURSUANT TO THIS PART 12 TO THE EXTENT  
22 PERMITTED BY APPLICABLE LAW.

23 (5) IF A LOCAL GOVERNMENT HAS ADOPTED LONG-TERM  
24 AFFORDABILITY REQUIREMENTS THAT ARE GREATER THAN THE  
25 REQUIREMENTS SET FORTH IN THIS PART 12, THE LOCAL GOVERNMENT'S  
26 REQUIREMENTS APPLY TO THIS PART 12. NOTHING IN THIS PART 12  
27 OVERRIDES ANY LOCAL AFFORDABLE HOUSING LAWS.

1           **29-4-1205. Exemptions - repeal.** (1) THIS PART 12 DOES NOT  
2 APPLY TO ANY SALE, TRANSFER, OR CONVEYANCE OF AN APPLICABLE  
3 QUALIFYING PROPERTY BY A RESIDENTIAL SELLER:

4           (a) MADE TO, IF WHOLLY OR MAJORITY OWNED, DIRECTLY OR  
5 INDIRECTLY, BY, BENEFICIALLY HELD, ALL OR IN PART, IN COMMON WITH,  
6 OR UNDER COMMON OWNERSHIP OR CONTROL WITH THE RESIDENTIAL  
7 SELLER, ONE OR MORE PARTNERSHIPS, LIMITED LIABILITY COMPANIES,  
8 CORPORATIONS, OR OTHER ENTITIES, MADE FOR TAX OR ESTATE PURPOSES  
9 BETWEEN CLOSELY HELD PARTNERS, MEMBERS OF ONE OR MORE LIMITED  
10 LIABILITY COMPANIES, MEMBERS OF ONE OR MORE CORPORATIONS, OR  
11 MEMBERS, TRUSTEES, MANAGERS, OR PARTNERS OF ONE OR MORE OTHER  
12 ENTITIES, OR IF THE UNITED STATES, OR ANY AGENCY OR  
13 INSTRUMENTALITY THEREOF, OR THE STATE, OR ANY POLITICAL  
14 SUBDIVISION OF THE STATE, IS THE RESIDENTIAL SELLER OF OR IS A  
15 THIRD-PARTY BUYER OF THE APPLICABLE QUALIFYING PROPERTY;

16           (b) MADE TO THE STATE, A LOCAL GOVERNMENT, THE COLORADO  
17 HOUSING AND FINANCE AUTHORITY, ANY PUBLIC HOUSING AUTHORITY,  
18 AND ANY OTHER POLITICAL SUBDIVISION OF THE STATE;

19           (c) MADE TO AN AFFORDABLE HOUSING PROVIDER THAT HAS  
20 PROVIDED NOTICE OF INTENT TO PURCHASE THE APPLICABLE QUALIFYING  
21 PROPERTY AND COMMITS TO PROVIDING LONG-TERM AFFORDABLE  
22 HOUSING;

23           (d) IF THE APPLICABLE QUALIFYING PROPERTY IS SOLD,  
24 TRANSFERRED, OR CONVEYED IN A FORECLOSURE ACTION OR BY A DEED IN  
25 LIEU OF FORECLOSURE, IF THE APPLICABLE QUALIFYING PROPERTY IS SOLD,  
26 TRANSFERRED, OR CONVEYED BY A PARTY THAT ACQUIRES THE  
27 APPLICABLE QUALIFYING PROPERTY IN A FORECLOSURE ACTION OR BY A



1 DEED IN LIEU OF FORECLOSURE, OR IF THE APPLICABLE QUALIFYING  
2 PROPERTY IS SUBSEQUENTLY TRANSFERRED BY A  
3 GOVERNMENT-SPONSORED ENTERPRISE TO A DIRECT OR INDIRECT WHOLLY  
4 OWNED SUBSIDIARY, AFFILIATED LENDER, OR OTHER THIRD PARTY;

5 (e) IF, ON OR AFTER THE EFFECTIVE DATE OF THIS PART 12, THE  
6 APPLICABLE QUALIFYING PROPERTY HAS A PREEXISTING AGREEMENT THAT  
7 BESTOWS A RIGHT OF FIRST REFUSAL, RIGHT OF FIRST OFFER, OR OTHER  
8 CONTINGENT PROPERTY RIGHT REGARDING THE APPLICABLE QUALIFYING  
9 PROPERTY TO A THIRD PARTY; EXCEPT THAT, UPON EXPIRATION OF THE  
10 AGREEMENT, THE PROVISIONS OF THIS PART 12 APPLY TO ANY SALE,  
11 TRANSFER, OR CONVEYANCE OF THE APPLICABLE QUALIFYING PROPERTY  
12 BY THE RESIDENTIAL SELLER; OR

13 (f) IF THE RESIDENTIAL SELLER HAS APPLIED FOR, IS IN THE  
14 PROCESS OF, OR HAS SUCCESSFULLY RESYNDICATED OR RECAPITALIZED  
15 THE APPLICABLE QUALIFYING PROPERTY IN CONNECTION WITH AN  
16 AFFORDABLE HOUSING PROGRAM OFFERED BY THE FEDERAL, STATE, OR  
17 LOCAL GOVERNMENT OR A POLITICAL SUBDIVISION OR ANY PUBLIC ENTITY,  
18 AND THE RESIDENTIAL SELLER PROVIDES NOTICE AND DEMONSTRABLE  
19 EVIDENCE OF THIS TO THE LOCAL GOVERNMENT; EXCEPT THAT, IF THE  
20 RESIDENTIAL SELLER IS NOT SUCCESSFUL IN RESYNDICATING OR  
21 RECAPITALIZING AN APPLICABLE QUALIFYING PROPERTY IN CONNECTION  
22 WITH AN AFFORDABLE HOUSING PROGRAM OFFERED BY THE FEDERAL,  
23 STATE, OR LOCAL GOVERNMENT OR A POLITICAL SUBDIVISION OR ANY  
24 PUBLIC ENTITY THEN THE RIGHT OF FIRST REFUSAL OR THE RIGHT OF FIRST  
25 OFFER, AS APPLICABLE, AND THE REQUIREMENTS SET FORTH IN THIS PART  
26 12 APPLY.

27 (2) (a) THE RIGHT OF FIRST OFFER SET FORTH IN SECTION

1 29-4-1203 DOES NOT APPLY TO ANY SALE, TRANSFER, OR CONVEYANCE OF  
2 A QUALIFYING PROPERTY, AS DEFINED IN SECTION 29-4-1203 (1), BY A  
3 RESIDENTIAL SELLER:

4 (I) MADE TO A FAMILY MEMBER, AS DEFINED IN SECTION  
5 8-13.3-503 (11), OF THE RESIDENTIAL SELLER;

6 (II) MADE TO A TRUST IF THE BENEFICIARY OF THE TRUST IS THE  
7 SPOUSE, PARTNER IN A CIVIL UNION, LEGALLY RECOGNIZED CHILD, OR  
8 OTHER FAMILY MEMBER OF THE RESIDENTIAL SELLER;

9 (III) MADE PURSUANT TO A WILL, DESCENT, OR INTESTATE  
10 DISTRIBUTION;

11 (IV) MADE PURSUANT TO AN ACTION IN EMINENT DOMAIN OR IN  
12 RESPONSE TO A THREAT OF EMINENT DOMAIN;

13 (V) MADE PURSUANT TO A COURT ORDER;

14 (VI) MADE BETWEEN JOINT TENANTS OR TENANTS IN COMMON;

15 (VII) IF THE FIRST CERTIFICATE OF OCCUPANCY FOR THE  
16 QUALIFYING PROPERTY WAS ISSUED WITHIN THIRTY YEARS PRECEDING THE  
17 DATE THAT THE RESIDENTIAL SELLER WILL LIST THE QUALIFYING  
18 PROPERTY FOR SALE;

19 (VIII) IF THE QUALIFYING PROPERTY IS BEING SOLD, TRANSFERRED,  
20 OR CONVEYED AS PART OF A TRANSACTION INVOLVING MULTIPLE  
21 PROPERTIES WHICH INCLUDES AT LEAST ONE PROPERTY LOCATED IN A  
22 JURISDICTION THAT IS OUTSIDE OF THE JURISDICTION OF THE LOCAL  
23 GOVERNMENT;

24 (IX) THAT DOES NOT INVOLVE THE SALE, TRANSFER, OR  
25 CONVEYANCE OF ALL OR SUBSTANTIALLY ALL OF THE QUALIFYING  
26 PROPERTY; OR

27 (X) THAT IS A SALE, TRANSFER, OR CONVEYANCE, DIRECTLY OR

1       INDIRECTLY, OF OWNERSHIP INTERESTS IN THE RESIDENTIAL SELLER.

2           (b) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE DECEMBER 31,  
3       2029.

4           **29-4-1206. Remedies for noncompliance.**

5       (1) (a) NOTWITHSTANDING SUBSECTION (1)(b) OF THIS SECTION AND  
6       SUBJECT TO THE AVAILABILITY OF RESOURCES, IT IS THE RESPONSIBILITY  
7       OF THE ATTORNEY GENERAL'S OFFICE TO ENFORCE THE PROVISIONS OF THIS  
8       PART 12, AND THE ATTORNEY GENERAL MAY INTERVENE IN ANY ACTION  
9       BROUGHT PURSUANT TO SUBSECTION (1)(b) OF THIS SECTION.

10       █  
11       (b) THE ATTORNEY GENERAL'S OFFICE, THE LOCAL GOVERNMENT,  
12       OR THE LOCAL GOVERNMENT'S ASSIGNEE MAY BRING A CIVIL ACTION  
13       AGAINST A RESIDENTIAL SELLER █ FOR ANY VIOLATION OF THIS PART 12.

14       (c) THE REMEDIES FOR ANY ACTION BROUGHT PURSUANT TO THIS  
15       SUBSECTION (1) ARE LIMITED TO MONETARY DAMAGES AND STATUTORY  
16       PENALTIES AGAINST THE RESIDENTIAL SELLER. ANY PERSON CLAIMING AN  
17       INTEREST IN AN APPLICABLE QUALIFYING PROPERTY THROUGH A  
18       RESIDENTIAL SELLER SHALL TAKE TITLE TO THE APPLICABLE QUALIFYING  
19       PROPERTY FREE OF ANY RIGHTS OR CLAIMS SET FORTH IN THIS PART 12.

20       █ █  
21       (2) IF A COURT FINDS THAT A RESIDENTIAL SELLER IS IN MATERIAL  
22       VIOLATION OF THIS PART 12, THE COURT SHALL AWARD A STATUTORY  
23       PENALTY THAT IS NOT LESS THAN TEN THOUSAND DOLLARS FOR A FIRST  
24       OFFENSE AND NOT LESS THAN THIRTY THOUSAND DOLLARS FOR ANY  
25       SUBSEQUENT OFFENSES; EXCEPT THAT THE COURT SHALL NOT AWARD A  
26       STATUTORY PENALTY THAT IS MORE THAN ONE HUNDRED THOUSAND  
27       DOLLARS.

1 (3) A COURT MAY ALSO AWARD REASONABLE ATTORNEY FEES AND  
2 COSTS TO A PREVAILING PARTY.

3 (4) THE REMEDIES PROVIDED IN THIS SECTION ARE THE SOLE  
4 AND EXCLUSIVE REMEDIES PURSUANT TO A CIVIL ACTION BROUGHT  
5 PURSUANT TO THIS SECTION FOR A VIOLATION OF THIS PART 12 BY A  
6 RESIDENTIAL SELLER.

7 **29-4-1207. Termination of right of first offer.** THE RIGHT OF  
8 FIRST OFFER ESTABLISHED IN THIS PART 12 TERMINATES ON DECEMBER 31,  
9 2029.

10 **SECTION 2.** In Colorado Revised Statutes, 24-31-101, **amend**  
11 (1)(i)(XVII) and (1)(i)(XVIII); and **add** (1)(i)(XIX) as follows:

12 **24-31-101. Powers and duties of attorney general.** (1) The  
13 attorney general:

14 (i) May independently initiate and bring civil and criminal actions  
15 to enforce state laws, including actions brought pursuant to:

16 (XVII) The "Rental Application Fairness Act", part 9 of article 12  
17 of title 38; and

18 (XVIII) The "Reproductive Health Equity Act", part 4 of article  
19 6 of title 25; AND

20 (XIX) PART 12 OF ARTICLE 4 OF TITLE 29.

21 **SECTION 3. Act subject to petition - effective date -**  
22 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
23 the expiration of the ninety-day period after final adjournment of the  
24 general assembly; except that, if a referendum petition is filed pursuant  
25 to section 1 (3) of article V of the state constitution against this act or an  
26 item, section, or part of this act within such period, then the act, item,  
27 section, or part will not take effect unless approved by the people at the

1 general election to be held in November 2024 and, in such case, will take  
2 effect on the date of the official declaration of the vote thereon by the  
3 governor.

4 (2) This act applies to all qualifying properties for the right of first  
5 refusal that are listed for sale on or after the effective date of this act but  
6 for which a residential seller has not accepted an offer to purchase the  
7 qualifying property and executed the necessary agreements in connection  
8 with accepting the offer and to all qualifying properties for the right of  
9 first offer on or after the effective date of this act that do not have active  
10 listings as of the effective date of this act.