

REAL ESTATE ADVISORY

COVID-19 Addendum to Colorado Real Estate Commission Approved Forms Adopted



As a result of COVID-19, many issues have been arising with real estate due diligence and closings:

- Inspectors, appraisers, etc. may not be available.
- Until a remote online notary bill is adopted at the federal or state level, it may not be possible to get closing documents notarized.
- Some title insurance underwriters, based on their analysis of the underwriting risk, are declining to insure some closings where the subject property is located in a county where the clerk's and recorder's offices are closed or operating with a skeleton crew.

In response to a request from the Colorado Association of Realtors, the Colorado Bar Association (CBA) has adopted the [COVID-19 Addendum \(COVID19-3-20\)](#), which is approved for use by real estate brokers, attorneys, and parties to pending real estate transactions. The form has not been approved by the Colorado Real Estate Commission (CREC) but is nevertheless available for such use pursuant to a Colorado rule that allows brokers to use a form approved by CBA and specifically designated for use by brokers in Colorado when a CREC-approved form does not exist or is not appropriate for the transaction (4 CCR 725-1 Section 7.1.E.). It is anticipated this form will be available on the CREC website very soon.



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The COVID-19 Addendum is intended to:

- Put a pause on outstanding dates and deadlines in the event a third party providing services or information required in connection with the contract closes its offices, suspends operations, or otherwise prevents the buyer or seller from timely performing under the contract as originally contemplated for the period of such delay (the "Delay Period").
- Provide for the parties to agree on an outside date after which the contract will terminate and earnest money will be refunded to the buyer if the Delay Period continues.
- Put a pause on outstanding dates and deadlines in the event either the buyer or seller is subject to a voluntary quarantine, mandatory quarantine, or shelter in place or equivalent order in accordance with Colorado or federal recommendations concerning COVID-19.

Nothing in the COVID-19 Addendum prevents a buyer and seller from mutually agreeing to amend or extend, in writing, any deadline or other provision in the contract or requires them to agree upon an outside date after which, if the Delay Period continues, the contract must terminate.

Please contact a member of Sherman & Howard's Real Estate Group for assistance with COVID-19-related matters affecting real estate purchase and sale contracts.