



CONDOMINIUM RENTAL RESTRICTIONS

By: James Orlando, Associate Attorney

QUESTION

What is the process under the Common Interest Ownership Act (CIOA) for condominiums to establish rental restrictions?

SUMMARY

CIOA specifies two ways for condominiums or other common interest communities to establish rental restrictions: through the declaration or a rule. An amendment to the declaration to enact a rental restriction generally requires at least 80% approval of association votes. A rule to enact a rental restriction requires executive board approval, and the law limits the types of such restrictions that can be enacted by rule.

CIOA does not specifically address rental restrictions in bylaws. But it does provide that, subject to the declaration and CIOA, the bylaws can provide for "other necessary or appropriate matters including matters that could be adopted as rules." An association's bylaws must specify how the bylaws can be amended ([CGS § 47-248](#)).

This report does not describe the general procedural requirements that apply to unit owner or executive board votes (e.g., notice requirements).

RENTAL RESTRICTIONS IN THE DECLARATION

Under CIOA, a common interest community's declaration must contain any restrictions on alienation of units, including any leasing restrictions that exceed those restrictions that executive boards may impose by law ([CGS § 47-224\(a\)\(12\)](#)). ([PA 14-215](#) made technical changes to this statute, correcting inaccurate statutory references.)

CIOA generally requires 80% of the association's votes for approval of declaration amendments which would prohibit or materially restrict the permitted uses or occupancy of a unit or the number or qualifications of people who may occupy units. The declaration can specify that (1) a larger percentage of votes is needed to approve such an amendment or (2) the amendment requires approval of 80% of owners of a specified group of units that would be affected by the amendment.

Such an amendment must provide reasonable protection for a use or occupancy that was allowed when the amendment was adopted ([CGS § 47-236\(f\)](#)).

RENTAL RESTRICTIONS IN RULES

CIOA allows an association to adopt rules affecting the use of, or behavior in, residential units for certain purposes. One permissible purpose is to restrict the leasing of residential units to the extent the rules are reasonably designed to meet underwriting requirements of institutional lenders that regularly make first mortgages on units or purchase such mortgages.

CIOA specifies that a rental restriction established by rule is not enforceable unless notice of it is recorded on the town's land records ([CGS § 47-261b](#)). (Declarations must also be recorded on the land records.)

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