DISTRICT COURT, EL PASO COUNTY, COLORADO Court Address: 270 S. TEJON, COLORADO SPRINGS, CO, 80903	
Plaintiff(s) CRAIG PRYOR v. **Defendant(s)** RED ROCK RANCH HOMEOWNERS ASSOCIATION	DATE FILED April 8, 2026 10:05 AM CASE NUMBER: 2025CV30651 ⚠ COURT USE ONLY ⚠ Case Number: 2025CV30651 Division: 14 Courtroom:

Order re: Parties' Cross Motions for Summary Judgment

THIS MATTER is before the Court on the parties' cross Motions for Summary Judgment. After review of the Motions, Responses, Replies, exhibits, file, and the applicable law, and being otherwise fully appraised of the premises, the Court enters the following ORDER:

BACKGROUND

The present case is a dispute regarding the validity of various covenants, amendments, and affirmations filed over the years by the Red Rock Ranch Homeowners Association ("RRR HOA"). Plaintiff is a homeowner in the Red Rock Subdivision that is governed by the RRR HOA.

On December 8, 1989, restrictive covenants regarding the Red Rock Ranch Subdivision were recorded with the El Paso County Clerk and Recorder. Per ¶24 of the Declaration, the covenants and restrictions were to run with the land until January 1, 2010, at which time they terminated unless extended by agreement of a majority of the lot owners.

On June 19, 1995, additional restrictive covenants were filed that were also set to terminate on January 1, 2010, unless extended by agreement of a majority of the lot owners.

On April 16, 2002, the restrictive covenants were amended to add a restriction that "[n]o non-domestic animals, including horses, pigs, poultry, cattle, or goats, may be kept on any lot or property." The 2002 amended covenants were set to terminate on January 1, 2010. Again, by its terms, the 2002 amended covenants permitted an extension by agreement of a majority of the lot owners.

On May 24, 2010, the RRR HOA filed an amendment stating that the 2002 amended covenants were extended by an additional 10 years until January 1, 2020. The 2002 amended covenants had not been extended, renewed, or revived before their expiration and termination on January 1, 2010.

Plaintiff purchased his property within the Red Rock Subdivision in January of 2016. At the time of Plaintiff's purchase, the 1989, 1995, 2002, and 2010 restrictive covenants and amendments had all been recorded with the El Paso County Clerk and Recorder.

On March 8, 2017, the RRR HOA recorded an amendment adopting the 1995 restrictive covenants by agreement of a majority of lot owners. By its terms, the 2017 amendment is binding on lot owners until January 1, 2030, or such later date as may be fixed by extensions.

On March 3, 2020, in response to questions about the validity of the covenants raised by Plaintiff at a February 2020 Board meeting, the RRR HOA President, Elizabeth Lonnquist, sent Plaintiff a letter addressing the wording of the 2017 amendment.

On February 4, 2022, the RRR HOA sent a letter to member owners seeking to clarify the 2017 amendment and requesting an affirmation of extensions of the covenants to January 1, 2030.

On May 16, 2022, a limited amendment removing the single family restriction language in the 2017 amendment and affirming all other portions of the 2017 amendment was filed by the RRR HOA.

Plaintiff filed his Complaint on March 26, 2025. Plaintiff alleges that Defendant breached its duties of good faith and fair dealing. Plaintiff argues that the RRR HOA's covenants terminated on January 1, 2010, and that after-the-fact extensions and affirmations are invalid as a matter of law.

Defendant argues several legal bases establish that Plaintiff's case is without merit: 1) the statute of limitations has passed, 2) the claims are barred by laches, 3) the suit is invalid because Plaintiff failed to join indispensable parties, 4) Plaintiff lacks standing, 5) the RRR HOA's actions are protected under the business-judgment rule, and 6) Plaintiff's claims are barred by waiver.

LEGAL STANDARD

Summary judgment is appropriate only if the pleadings and supporting documents clearly demonstrate there is no genuine issue for trial as to any material fact and the moving party is entitled to judgment as a matter of law. C.R.C.P. 56. The burden is on the moving party to establish that no genuine issue of fact exists and that it is entitled to judgment. Once the moving party has satisfied this burden, the burden then shifts to the nonmoving party to present sufficient evidence to demonstrate the existence of a triable issue of fact.

The court's role is not to decide issues of fact but rather to determine whether there is an issue of fact to be tried and, if not, to resolve the question raised as a matter of law. *Coffman v. Williamson,* 348 P.3d 929, 939 (Colo. 2015). The nonmoving party must receive the benefit of all favorable inferences that may be reasonably drawn from the undisputed facts, and all doubts must be resolved in its favor. *Sanderson v. Am. Family Mut. Ins. Co.,* 251 P.3d 1213, 1216 (Colo. App. 2010).

STATUTE OF LIMITATIONS

The statute of limitations for all contract actions is three years. C.R.S. Â§ 13-80-101(1)(a). Because there is no specific statute of limitations applicable to declaratory judgment actions, the statute of limitations is two years. C.R.S. § 13-80-102(1)(i).

In Colorado the record of a deed of trust or other instrument is notice to those persons claiming under the same chain of title who are bound to search for it. *Greco v. Pullara*, 444 P.2d 383 (Colo. 1968). So long as a prior instrument is properly recorded, purchasers of real property have an obligation to find it on the record and are considered to have constructive notice of it. *See Franklin Bank, N.A. v. Bowling*, 74 P.3d 308, 313 (Colo. 2003). As a matter of law, a person who acquires an interest in real property is on constructive notice of all prior filings concerning that property. *Bolinger v. Neal*, 259 P.3d 1259 (Colo. App. 2010).

In some cases, equity will toll a statute of limitations if a party fails to disclose information that he or she is legally required to reveal and the other party is prejudiced. *Olson v. State Farm Mut. Auto. Ins. Co.*, 174 P.3d 849, 853 (Colo. 2007). Once the statute of limitations has been raised as a defense, the burden is upon the plaintiff to establish the defendant's actions prevented him or her from filing a timely claim. *Id.*

Issues such as when a cause of action accrues, whether a claim is barred by a statute of limitations, and whether a statute of limitations should be equitably tolled, are issues of fact. *Id*. However, if the undisputed facts show that a plaintiff discovered the existence of a claim as of a particular date, that a statute of limitations bars the filing of a claim, or that a plaintiff is not entitled to rely on the doctrine of equitable tolling, then summary judgment may be granted. *Id*.

The burden of establishing estoppel falls on the party asserting it, and all elements of equitable estoppel must be shown. *Black v. Southwestern Water Conservation Dist.*, 74 P.3d 462, 467 (Colo. App. 2003). The party to be estopped must know the facts and must intend that its representation be acted on so that the other party is justified in relying upon the represented facts. *Id*. Also, the party asserting estoppel must be ignorant of the actual facts and must have reasonably relied, to its own detriment, on the other party's conduct or misrepresentation. *Id*. The Colorado Supreme Court has held that under our state law, equitable estoppel is generally understood as arising where one party induces another to detrimentally change position in reasonable reliance on that party's actions through words, conduct, or silence.

ANALYSIS

Plaintiff purchased his property in January 2016, six years after the 1995 and 2002 covenants terminated by their terms and almost six years before the 2010 amendment extending such covenants was officially recorded. Plaintiff is deemed to have constructive notice of such documents. In fact, Plaintiff concedes in his Response that the covenants are recorded documents and provide notice of the information about the encumbrances on his property. Plaintiff argues, however, that the

recorded documents did not put Plaintiff on actual or constructive notice that the covenants terminated, were never revived, and were therefore void *ab initio* before any of the amendments purporting to extend them were recorded.

Having given Plaintiff the benefit of all favorable inferences that may be reasonably drawn from the facts of this case, the Court finds Plaintiff's argument unpersuasive. Even a cursory reading of the documents recorded as of the date of Plaintiff's purchase would have revealed that the 2002 covenants were extended after they terminated on January 1, 2010. The issues that give rise to Plaintiff's claims regarding the covenants' termination in 2010 could have been discovered with reasonable diligence prior to the purchase of his home. The Court finds that the statute of limitations for these claims began running no later than the date the purchase was finalized in January 2016. Therefore, claims related to the termination of the 1995 and 2002 covenants in 2010 and the subsequent 2010 amendment extending the covenants are barred by the statute of limitations.

Plaintiff's claims regarding the 2017 amendment are also barred by the statute of limitations. Plaintiff alleges that the notice to homeowners regarding the 2017 amendment was insufficient to permit each voter to reach an informed decision on the matter. Once passed, the 2017 amendment was filed with the El Paso County Clerk and Recorder on March 8, 2017. Plaintiff had constructive notice of such filing as of that date.

Additionally, even in absence of constructive notice of the recorded documents, Plaintiff raised questions about the validity of the extension of covenants as early as February 2020. The March 3, 2020, letter from RRR HOA to Plaintiff appears to answer specific questions Plaintiff had regarding the phrasing of the recorded 2017 amendment. Therefore, even if constructive notice did not apply, the Court finds that Plaintiff had actual notice of the contents of the 2017 amendment no later than March 3, 2020. Had the statute of limitations only begun to run as of March 3, 2020, Plaintiff's Complaint would still have been filed over 2 years after the end of the statute of limitations period.

Plaintiff argues that Defendant is estopped from asserting the statute of limitations based on the doctrine of equitable estoppel. Plaintiff alleges that the RRR HOA "represented that the covenants did not terminate as of the date Pryor purchased his property in 2016, via the recorded documents." Plaintiff's Response to Defendant's Summary Judgment Motion, p.5. Plaintiff states that "[t]he RRR HOA further represented that the Covenants had not previously terminated March 8, 2017, when it recorded an amendment purporting to adopt the 1995 Restrictive Covenants and extending the same until 2030, and again on May 16, 2022, when it recorded the Limited Amendment to the Restrictive Covenants affirming all other portions of the 2017 Amendment." *Id*.

Plaintiff's assertion of equitable estoppel fails because he presents no evidence that the recording of the 2017 and 2022 amendments amounts to a false representation or concealment of material facts. Plaintiff also fails to show that RRR HOA's actions in recording the 2017 and 2022 amendments was intended to induce Plaintiff's reasonable reliance in order to get him to change his position or course of action. Finally, Plaintiff cannot claim ignorance of the recorded covenants because, as discussed above, he is deemed to have constructive notice of the contents of the covenants.

To the extent that Plaintiff's claims allege a breach of the duties of good faith and fair dealing as it relates to the 2022 amendment and representations made by the RRR HOA related to the vote in 2022, genuine issues of material fact exist and those claims may proceed. Regarding the declaratory relief that is requested, it is difficult for the Court to determine what of Plaintiff's claims accrued within the two year statute of limitations. Only those claims that arose on or after March 26, 2023, if any, may proceed.

Plaintiff is hereby ORDERED to file notice of which claims he believes arose on or after March 26, 2023, within 21 days. Defendant shall have 14 days to respond if it disagrees with Plaintiff's assessment of which declaratory judgment claims fall into this timeframe. Plaintiff shall then have 7 days to reply. After the issue is fully pled, the Court will determine whether the other homeowners are indispensable parties that need to be joined in this case. Regarding the breach of contract claim, the Court agrees with Plaintiff that the RRR HOA can adequately represent the interests of the homeowners regarding issues related to the 2022 amendment so those homeowners need not be added to the case at this time.

Defendant's other arguments in favor of summary judgment - laches, standing, waiver, and the business-judgment rule - primarily addressed the issues with raising the validity of the 2010 amendment in this lawsuit. The Court does not find these arguments persuasive as it relates to the remaining claim asserting a breach of contract related to the 2022 amendment.

CONCLUSION

WHEREFORE, based on the foregoing, Plaintiff's Summary Judgment Motion is hereby DENIED. Defendant's Summary Judgment Motion is hereby GRANTED IN PART.

SO ORDERED.

Issue Date: 4/8/2026

HILARY GURNEY
District Court Judge