



ROOSEVELT RIDGE HOA

September 9, 2019

Dear Mr. Jaworski

Although most of the information that you requested in your letter is either: (a) public information; or (b) has previously been provided to all Members of the Roosevelt Ridge Homeowner's Association ("RRHOA"), the duly elected Roosevelt Ridge Board of Directors ("RRBOD") has determined that it is in the best interests of the RRHOA, the RRBOD and your clients, the Sharma's, to provide the following response. Please note that our responses are listed immediately following the questions as restated from your July 3, 2019 letter.

1) When did the period of declarant control end?

The RRBOD agrees that the Declarant's control period ended sometime prior to February 2018, at which time the Declarant appointed BOD was replaced. Your letter details your clients' interpretation that "the period of Declarant control ends when 75% of the permitted lots have been conveyed," and your clients can determine this date by examining the property records as recorded with the Gilpin County Clerk and Recorder's office.

a. Assuming the period of Declarant control has ended, please confirm whether an audit of the Association's financial records was performed pursuant to C.R.S. §38- 33.3-303 (9)(b) and when such audit occurred.

As stated above, the RRBOD acknowledges that the Declarant-controlled-BOD has ended. The RRBOD has requested on more than one occasion via email that the Declarant complete the statutorily required audit. The RRBOD has not received a completed audit and will continue to press the Declarant to provide same. The RRBOD may elect to engage an auditor and have the Declarant reimburse the RRHOA for the expense.

2) What is the justification for the annexation of Parcel D, when such annexation directly contradicts the plain language of the Declaration at Section 12.2(a)(iii) and Section 15.16(a)?

The RRBOD is not a party to the annexation of Parcel D.

Related to Parcel D, it is RRBOD's understanding that Lone Pine Real Estate, LLC exercised its development rights under the Declaration.

RRBOD has relied on the opinion of its own attorney as well as information provided by Gilpin County; copies of which were previously provided to all Members of the RRHOA. Having said that, the RRBOD believes that there is a clear distinction in the plain meaning of the terms "subdivide" and "annex".

3) What are the Board's current intentions regarding that certain real property depicted as Parcel C on the Roosevelt Ridge Exemption Plat (attached hereto)?

Please see the response to #2 above.

a. Does the Board and/or the Developer intend to attempt to annex this property into the subdivision?

Please see the response to #2 above. Since the RRBOD is not a party to any contemplated annexation of Parcel C, it does not possess any intent regarding Parcel C.



b. If so, what is the legal basis and board's justification for annexing one or more lots from a parcel that is approximately 6.24 acres (more than 10 acres less than the minimum lot size required by the Declaration)?

Please see the response to #2, and #3a. Above.

4) Has the Board analyzed the impact of the existence of undersized lots (under 17.5 acres) on the subdivision as a whole – particularly with regard to its impact on property values?

Since the RRBOD is not a party to Declarant's exercise of its remaining development rights, including the annexation of certain qualified lots; and, as such has not conducted an analysis of such annexations on "property values".

5) Did the Board follow proper conflict of interest protocol in approving the annexation of Lot D, when such annexation may have directly favored one or more Board members or their families? If so, please explain what protocols were followed.

As previously stated, the RRBOD is not a party to any annexation activity of the Declarant. The Members of the RRHOA were provided documents, including a letter from the HOA's attorney that are already responsive to this question.

6) Has the Board analyzed and fully evaluated the responsibility of the Developer to pay for all or a portion of the required water cistern and road upgrades?

The RRBOD is not aware of any basis upon which it can affirmatively assert that the Developer (Declarant?) can be held liable for the costs of the cistern, road "upgrades" or any other improvements to the common areas within Roosevelt Ridge ("RR"). If the RRBOD is presented with substantive information regarding this issue, it will, of course, evaluate the information.

7) Alternatively, has the Board analyzed whether the homeowners have potential claims against the Developer for the non-disclosure of the anticipated costs of cisterns and road improvements when marketing properties to current owners?

Please see response to #6 above. The RRBOD believes that individual Members have the right to pursue potential claims against the Developer/Declarant as they see fit.

Sincerely

Roosevelt Ridge Board of Directors