Watkins Farm HOA Board,

This letter is in response to the certified postal mail communication from the Watkins Farm HOA Board (Bob Essex, Lori Hasty, and Lacie Pachas) dated March 25, 2010.

1. The Board response on December 1, 2009 was with regard to the Covenant violation and not the ARC Appeal. This email response from the HOA Board offered no explanation as to application of the covenants applied to the violation but put the onus on community members with no authority to prove adherence to a non-existent policy.

2. The ARC Appeal did include the signatures of the McMillans and six other Watkins Farm residents. Neither the ARC Appeal nor Covenant Violation contains any reference to litigation, as it has no bearing on either. It should be noted that in a **response to a board request** as to the use of the "yet to be defined Good Neighbor Policy" that a neighbor-to-neighbor interaction with the Thorpe's resulted in litigation. As there are several Watkins Farm HOA Documents that reference "Good Neighbor Policy" we are formally requesting that a good neighbor policy be drafted and put into place so that there is a record of the proper steps to take in these situations. An example of a good neighbor policy sent as a reference to the HOA Board on 11-11-2009 can be found at http://www.watkinsfarminvolved.org/ht1.html.

   In review, the filed **Covenant Violation** references specific covenants and the Thorpe's non-compliance with those covenants. The **ARC Appeal** is focused on process, the Thorpe's blatant disregard for the ARC's request not to proceed with the submitted improvement to include the process in general by completing the improvement without ARC approval. Secondly, it seeks to address the current and immediate past board's complicit inappropriate behavior in the management and subsequent approval of an ARC Submittal for a sitting board member that had clearly violated ARC process while violating the covenants.

   Your reference to Mr. Lewand's email is out of context and attempts to suggest knowledge of the litigation has some bearing on the outcome of the ARC Appeal – it does not. Below find Mr. Lewand's complete response with all four points referenced with the bulleted item detailing specific behaviors:

- ***""Neighborly behavior should include reciprocity of respect between parties using existing process and procedure to avoid and if necessary resolve disagreement. The Thorpe's pattern of behavior has not demonstrated a neighborly demeanor:"***

1. *Vehicle parking in high numbers to include recreational trailers, boats, construction equipment, maintenance trailers, and trucks.*

2. *Not honoring easements consistent with the neighborhood norm and in clear violation of the existing Watkins Farm covenants concerning easements.*
3. *Disputes with WFHOA neighbors resulting in litigation.*
4. *Willful disregard for HOA process when asked in good faith by the ARC not to proceed with a submitted improvement. The request was ignored and the work proceeded without ARC Approval. The result of the home improvement being a clear contrast according the existing Watkins Farm covenants as illustrated in the ARC appeal submitted to the HOA Board on 11/09/2009. It should be noted that this was the conduct of a current HOA Board member.""*

You statement, "the Board will not engage nor endorse the characterization of a homeowners behavior". One of the Board's primary responsibilities is the evaluation of homeowner behavior in accordance with the documents governing community conduct. This Board and the previous Boards inability to grasp this fundamental concept and responsibility have brought us to this juncture of community division and HOA impotence.

The board's ***opinion*** *as to privacy concerns*, "protection of residents", and impacts to the Thorpe's are just that ***opinions***, with no substantive support offered, the concerns lack merit regarding the covenant violation and ARC Appeal. Both the Covenants and SB100 speak clearly to the transparency required under law pertaining to document request and review as a homeowner. This response, with its focus on a completely unrelated issue, is entirely self -serving and intentionally designed by the board to avoid accountability with complete disregard for the community as a whole.

The HOA Board's reference of "existing process and procedure to avoid and if necessary resolve disagreement".

1) We are formally requesting a copy of this disagreement process and procedure for our documentation and review.
2) We are requesting the implementation of this process and procedure pertaining to this issue as we have requested a mediated meeting with all interested parties to resolve this disagreement on several occasions without initiation by the current or previous HOA Boards.

We again strongly recommend a community meeting with a neutral third party attorney versed in HOA issues to begin a meaningful dialogue on proper HOA management and procedures in order to resolve a number of community issues. Your pronouncement **"the board considers this matter closed and your request for access to the referenced records is denied"** deepens community division, clearly illustrates ignorance on proper HOA management and the laws that govern Colorado HOA's, and demonstrates the inappropriate use of your position as Board members. Your finding is in violation of Article V, Section 6 of the "Declaration of Covenants, Conditions and Restrictions for

Watkins Farm". The SB100 sections that mandate the ability of all homeowners of Watkins Farm to review all HOA documents can be found in this thread: http://watkinsfarminvolved.forumotion.com/arc-community-responsibility-f5/observations-thorpe-arc-submittal-t36.htm

The Document request (filed on 12/2/2009 found here: http://www.watkinsfarminvolved.org/ht1.html) clearly illustrates the purpose which the documents were requested. Your conjecture that they may be used for a different reason(s) is irresponsible and irrelevant.

With no written response having been received presenting the ARC or Board's substantive explanation (governing document references) as to the process or covenant application in support of the ARC approval as it relates to the formally submitted (in accordance with documented process) Covenant Violation or ARC Appeal and the failure to produce records as provided for in the "Declaration of Covenants" – this matter will remain **unresolved and open**.

Adding greater definition to the ARC process that details ARC members methods taken to approve or disapprove would clearly set an example of leadership and help the community understand what is appropriate and what is not.

1) We are formally requesting the drafting and implementation of an arc process detailing methods used by sitting ARC and HOA Board members to approve and disapprove ARC submittals. There are many ARC process and procedure examples widely available on the internet.

We remain ready and willing to meet for a face-to-face discussion with the board regarding these issues. For nearly six months we have made numerous efforts to end conflict and establish a forum for ongoing dialogue that included approaching Bob Essek to aid in a potential mediation exercise.

In closing, Board service requires setting personal opinions aside and developing positions that address current community issues supported by those legal documents that provided for the establishment of Watkins Farm.

We require:

1. The convening of a special board session between the Board and all parties to the submitted ARC Appeal.
2. Identification of an independent third party attorney specializing in HOA's to meet with the board and community in an open discussion forum regarding HOA management practice.
3. Written responses to all covenant violations and ARC appeals submitted to date which uses HOA and State mandates and documentation versus personal opinion to include references to the following governing documents.

a. Articles of Incorporation
b. Bylaws
c. Declaration of Covenants, Conditions, and Restrictions for Watkins Farm
d. Senate Bill 100
e. Senate Bill 89
f. CCIOA

4. Drafting and implementation of a good neighbor policy that outlines the steps required for covenant enforcement, assessments and any pertinent general rules associated with the Watkins Farm Home Owners Association.
5. A written response no later than April 15, 2010 detailing a plan for addressing items 1 through 4.

Supporting documentation and all related correspondence can be found and will be posted on the Watkins Farm Involved website - www.watkinsfarminvolved.org.

Terry Lewand and Greg Lewallen

3/29/2010

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