

Prospect Point Townhome Association

9-24-07

Memorandum to Prospect Point Townhome Owners

Re: Association Status and Policies pertaining to unit deck extensions and hot tub additions

Dear Prospect Point Townhome Owner,

This memorandum is sent to all Prospect Point Townhome owners in regards to unit deck extensions and hot tub additions at individual units. Please know that this is a fairly complex issue with the overall goal being a combination of meeting owners needs, wants and allowing a chance for all owners to benefit.

First, a quick summary of the situation as presented at the 2007 Annual Owner Meeting. When the complex was built, many units were built with tiny decks. Several years ago some owners requested permission to extend their decks. The Town initially stated there was an additional 4,000 sq.ft. that could be built out in addition to the existing complex. Initially, that meant about 100 sq.ft. for each unit and things were fine for the first seven or eight years. It was subsequently determined, however, that the 4,000 sq.ft. granted by the Town was an error as they originally forgot to include the existing small decks in their calculations. The amount of additional build-out was suddenly and drastically reduced. There are now about twenty-five units that have not added any square footage (please note that when referring to "adding square footage, this means extending unit decks and / or adding hot tubs outside of the existing footprint) and there is approximately 1000 sq. ft. of allowable build out remaining. Doing the math, you can see that 1000 sq. ft. divided amongst 25 units equally comes to 40 sq. ft. per unit. However, there are 5 units that physically can not complete any expansion or addition due to the 10 ft. "from the fence" setback requirement of the Town of Frisco; this allows the "per unit" available build out to be 50 sq. ft.

To this date, the following guidelines have been put in place for extensions and additions:

- Owners are asked to receive written permission from immediate neighbors (please note that this is an item of courtesy and to allow owners to work amongst themselves to reach an agreement of what appeases both owners. The Board of Directors has the ultimate power of approval);
- Owners must present the plan for the addition or extension to the Board of Directors for review. Owners can not proceed with the extension or addition until the Board of Directors has granted approval;
- Owners that have previously completed an extension or addition that have decreased the total available square footage as reported by the Town of Frisco are not permitted to complete additional extensions or additions that decrease the total available remaining square footage;
- Owners must use a licensed and insured contractor;
- All permits must be pulled and all work must be to code.

In an effort of fairness amongst all owners at the Townhomes, the following rules are now in effect:

- Owners that meet the above requirements are permitted to complete an addition or extension of equal to or less than 50 total sq. ft. Extensions and additions consuming more than 50 sq. ft. of the total remaining sq. ft. as recorded by the Town of Frisco are not permitted. Appeals to this policy can be made to the Board of Directors;
- Expansions or additions that fit within the existing footprint and do not decrease the total available square footage are generally acceptable subject to final approval by the Board of Directors.

The Board asks that you please review the policies when considering an expansion or addition. If you should have any questions, please contact Kevin Lovett with Summit Resort Group Property Management at 970-468-9137.

Sincerely,

Prospect Point Townhome Association