

**HOMESTEAD @ THREE PEAKS HOMEOWNERS ASSOCIATION
ANNUAL MEETING
NOVEMBER 5, 2007**

The regularly scheduled annual meeting of the Homestead @ Three Peaks Homeowners Association was held on November 5, 2007, and convened at 9:06 A.M. at the Wildernest Conference Center pursuant to written notice. Present from Wildernest Property Management [WPM] were Terry Bearson-Property Manager and Jonathan Kriegel-HOA Liaison.

ROLL CALL AND CERTIFICATION OF PROXIES

The following units represented in person, via teleconference or by proxy constituted the quorum requirement of 25% of all votes in the Association:

Unit #	Owner	In person	Teleconference	Proxy
3000	Claire Joyce		X	
3001	Chang & Shinn Wee			X
3002	Greg/Annmarie Neal			
3003	Matt Mathis		X	
3004	Dave/Norma Paynter		X	
3005	Steve Deppe		X	
3006	Mark West		X	
3007	Teresa Argenbright		X	
3008	David Prohl			X
3010	Steve Malkewicz			X

MANAGEMENT REPORT

Approval of Minutes – Minutes from the February 26, 2007 Organizational Meeting, as well as the July 7, 2007 Special Meeting, were included in the meeting packet and available on the website.

RESOLUTION: UPON MOTION MADE, DULY SECONDED AND UNANIMOUSLY PASSED, THE MINUTES OF THE FEBRUARY 26, 2007, ORGANIZATIONAL MEETING WERE APPROVED AS PRESENTED.

RESOLUTION: UPON MOTION MADE, DULY SECONDED AND UNANIMOUSLY PASSED, THE MINUTES OF THE JULY 7th, 2007 SPECIAL MEETING WERE APPROVED AS PRESENTED.

Senate Bills 100/89 – Pursuant to the February 26, 2007, motion the operational rules of the Association were reviewed for compliance with Senate Bills 100 and 89. The Association website at www.wildernesthoa.com will be the primary vehicle for compliance with the Senate Bills.

Financial Audit – The independent audit of the Association financials by Swift & Quant has been completed and is ready for distribution to the Board. President Malkewicz has been traveling and unable to sign the agreement. As soon as the agreement is signed the audit can be

released. The cost of the audit will be billed to the developer in accordance with Colorado statute.

Amendment to Bylaws – Prompted by statutory requirements in Senate Bills 100 and 89, as well as concerns about inappropriate language in the Association Bylaws, the Board, in conjunction with WPM, reviewed and prepared proposed Amendments to the Bylaws. Those Amendments were published to the membership on July 25, 2007, and include provisions that allow out-of-state owners to act as Directors.

RESOLUTION: UPON MOTION MADE, DULY SECONDED AND PASSED UNANIMOUSLY, THE PROPOSED AMENDMENTS TO THE BYLAWS WERE ADOPTED.

Amendment to Declarations – Proposed amendments to the Association Declarations were included in the November 5th President’s Report and briefly discussed. The general purpose of the amendments is to correctly define the maintenance and reserve responsibilities of the Association in a manner that is appropriate for a single-family home community.

RESOLUTION: UPON MOTION MADE, DULY SECONDED AND PASSED UNANIMOUSLY, IT WAS AGREED TO AMEND ARTICLE V, SECTION 5.1 (b) OF THE DECLARATIONS AND DEFINE ASSOCIATION MAINTENANCE RESPONSIBILITES TO INCLUDE: PERFORM PERIODIC EXPERIOR PAINTING AND ASSOCIATED SANDING AND MAINTENANCE, REPIAR AND REPLACEMENT TO THE DRIVEWAYS, WALKWAYS AND SIDEWALKS APPURTENANT TO THE LOTS; FURTHER TO PROCEED WITH THE NECESSARY LEGAL WORK TO FINALIZE THESE AMENDMENTS.

FINANCIAL MATTERS

Owners were reminded that monthly financials, including a posting journal showing all checks written on behalf of the Association, are available on the website at www.wildernesthoa.com. Mr. Kriegel reviewed the balance sheet current to September 30, 2007. Total assets are \$20,948, which primarily consists of two bank accounts totaling \$19, 623, both earning interest at over 5%. After deducting liabilities of \$353 this leaves total owners equity of \$20,595, which is an increase of \$9,808 over this time last year.

The Board approved budget mailed to the membership on October 29 was discussed at length, including the establishment of reserves for asphalt sealing, street light replacement, exterior staining, street and driveway replacement, dumpster replacement and repair. Comments were made about the impact of higher dues on marketability. Several owners indicated that they thought landscaping costs were too high and that more competitive contractors should be investigated.

RESOLUTION: UPON MOTION MADE, DULY SECONDED AND PASSED UNANIMOUSLY, THE BOARD APPROVED BUDGET WAS RATIFIED AS PRESENTED.

The board was asked to follow up on three things.

1. Investigate the feasibility of negotiating with the Town of Silverthorne for the maintenance of the road including snowplowing.

2. Investigate the feasibility of the trash company taking over maintenance of the trash enclosure. Also to reduce the frequency of trash pick up.
3. Examine budget category 671 (onsite maintenance) at the end of the year to see if the estimate of costs is overstated because it is based on 2007 expenses that included some deck/patio snow removal and security checks which are now owners expense items.

The budget will be reviewed and adjusted as appropriate.

OPERATIONAL MATTERS

Landscaping – WPM was directed to solicit bids from different landscaping contractors this spring.

Security Checks – Individual homeowners can contract with WPM directly for security checks on their homes. This service is not included in the monthly HOA fees.

Painting Issues/Developer Responsibility – There are concerns that the developer/subcontractor may have done an inadequate painting job and that this could lead to increased maintenance costs for the HOA. The painting subcontractor used by the developer has indicated to one homeowner that he does not believe the painting work done was sub par or requires additional attention by him. WPM was asked to gather information on normal life expectancy for the particular type of stain applied and help determine if the initial painting job was up to industry standard. Depending on how widespread the problem is, this may or may not be an HOA issue.

ELECTION OF DIRECTORS

RESOLUTION: UPON MOTION MADE, DULY SECONDED AND UNANIMOUSLY APPROVED, DAVID PAYNTER WAS RE-ELECTED AS DIRECTOR.

OTHER MATTERS

- WPM was asked to email an electronic copy of the meeting packet to any owners not participating in the meeting and to also make the packet available to all owners before future annual meetings.
- WPM was asked to email electronic copies of the homeowner's list and monthly property management reports to all owners.
- WPM was asked to investigate the possibility of Town of Silverthorne taking responsibility for street maintenance and plowing.

Next Meeting Date – Monday, November 3, 2008, at 9:00 A.M. at Wildernest Conference Center.

ADJOURNMENT

The meeting adjourned at 11:30 A.M.