
From: AF 245

Sent: Wednesday, October 10, 2018 8:00 AM

To: Justin Wareham

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Subject: TERHA: Addressing Covenant Violations - Lot 9, Wareham

Mr. Wareham,

Regrettably, TERHA ACC has resolve to address repeated formal complaints regarding the covenant violations listed below. Our homeowners all follow the ideals of the covenants and they wish to preserve and legally uphold binding covenants for all lots. The homeowners conveyed their wishes of compliance during the 2013 annual meeting. Please consider complying with the covenants as soon as possible. Thank you.

The ACC would like to address your statement, "to amend the covenants to be be more realistic for the property we own and activities we have. With respect to the original intent of the covenants, times change and the HOA should be understanding to the needs of different people who have moved into our community" [sic].

Please consider that in 2013 TERHA homeowners have proclaimed violations must stop and then took further steps throughout 2013 to 2016 to address homeowners concerns by updating covenants to reflect the needs of different people.

The ACC does realize that if a homeowner has outgrown TERHA's covenants, it is then a homeowners decision to either comply with covenants, propose a new set of covenants, actively violate the covenants and incur fines, or vacate the property. The personal decision to disregard compliance with covenants certainly takes calculation, this letter provides a remedy to resolve each covenant violation.

You are welcomed to propose a change to TERHA covenants, 67% (11 of 15) of the homeowners will need to vote in favor of change.

Lot 9 TERHA History

Post 2017 Annual Meeting, a temporary structure was placed on Lot 9 to which TERHA responded with a [formal letter](#) of the Covenant 8 violation.

During the [2016 Annual Meeting](#), "Justin to provide a proposal to TERHA on changing the covenants to include temporary detached structures." No follow up action was initiated.

During the [2015 Annual Meeting](#), "The proposal to change Covenant #9 to allow Commercial use was not voted on due to lack of quorum (67%)."

During the [2014 Annual Meeting](#), Justin Wareham and Dean cross to provide Commercial Use addendum verbiage to the HOA Renewal Steering Committee.

During the [2013 Annual Meeting](#), a clear process was defined to address covenant violation.

During the [2008 Annual Meeting](#), an objection was raised to trailers, a car, and a boat being stored too visibly on Lot 9.

Moving forward.

Formal complaints have been communicated to me, and now the ACC and the homeowners, regarding multiple TERHA covenant violations regarding your property. A letter was sent to the ACC on 9-23-2018 outlining these covenant violations with feedback to proceed to action. A second letter was sent to the ACC on 10-6-2018 drafting this letter.

#1. NOTICE OF VIOLATION: The logs in your driveway will need to be removed within 30 days of the date of this notice (10-15-2018). Landscaping modifications were not presented to the ACC. The logs do not harmonize with subdivision entrances and also present a hazard. If the violation exists or continues after the expiration of the 30 day period, a separate \$50 (fifty dollar) per day levy will be enforced.

You have a few options with Covenant 21 violation.

- Remove the logs in your driveway by 11-15-2018
- Propose a change in TERHA covenants, specifically Covenants 21, if you believe that you can convince 67% of the homeowners to change these covenants.
- Keep the logs and incur fines of \$50 per day as per covenant guidelines.

Fines Start 11-15-2018

Covenant 21.1 No construction of any kind unless approved by ACC.

Covenant 21.2 ACC has the right to exercise judgement on construction and that the improvement harmonize with the environment.

Covenant 21.3 Plans must be submitted.

#2. NOTICE OF VIOLATION: Equipment, boats, trailers, campers stored on your property without screening will need to be removed from the property within 30 days of the date of this notice (10-15-2018). If the violation exists or continues after the expiration of the 30 day period, a separate \$50 (fifty dollar) per covenant, per day levy will be enforced.

You have a few options with Covenants 9, 12.3, 13.2 violations.

- Remove the (earth moving) equipment, boats, trailers, campers stored on your property by 11-15-2018.
- Propose a change in TERHA covenants, specifically Covenants 9, 12.3, 13.2, if you believe that you can convince 67% of the homeowners to change these covenants.
- Keep the equipment and incur fines of \$50 per day as per covenant guidelines.

Please comply with the TERHA covenants and remove the equipment, trailers, and campers.

Fines Start 11-15-2018

Referenced covenants applied to the outstanding violations, please see full Covenants found [here](#) and [here](#)

Covenant 9 No Commercial Use. There shall not be permitted or maintained upon any lot or any part thereof any trade, business, or industry, except "in house or cottage business" whose employees are limited to the immediate family of the owner, shall be permitted that when not required for the owners use.

Covenant 12.3 In the event of clothes lines, equipment, garbage cans, service yards, woodpiles, or storage areas are not screened from view by natural elements the ACC may require screening by planting or construction to conceal the same from view of neighboring lots and streets.

Covenant 13.2 No vehicles, boats, campers, trailers, snowmobiles, or other such recreational vehicles or devices shall be stored or permitted to remain for more than three (3) continuous days on any lot unless the same are stored in a garage or screened for view.

All homeowners are aware of the covenants as part of the acquisition of their property and rely on these covenants to to mitigate risk to protect property values.

These are violations of TERHA covenants and TERHA as a community will follow through with enforcement of the covenants.

Covenant 16, Enforcement of Covenants and Restrictions, defines the action TERHA will take if the violation is ignored. After the 30 period a penalty of \$50 will be levied per covenant violation until the violations have been corrected. That's about \$1500 per month and \$18,250 per year for a single covenant violation. The fines compound with multiple covenant violations.

Covenant 15, Collection of Assessments: Enforcement, defines when levies go unpaid, a lien will be placed on your property each quarter including any fees associated with interest of 1.5% per month. TERHA also has the right to take this to small claims court where TERHA would be entitled to any attorney's fees. From past TERHA legal discussions, the State of Colorado courts stand behind homeowners associations. A precedent is already in place to collect on lien. TERHA has exercised placing a lien on a property and collected upon sale of the property as state law is in favor of prioritizing lien payout prior to disbursement of funds.

Covenant 26, Notice to Lot owners, defines methods of written notices to include first class mail and email delivery.

Regards,

+Tony May

President, ACC member, Three Elk Run Homeowners Association

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