Bradley, I am very sorry for the slow response. I expected to get to this a couple of weeks ago, but badly underestimated the demands on my time through finals week and last week of school running both a school district and an expanded education org.

Thank you for this investigation. The attorney I work with referenced me to Kent Holsinger. I think the Farr lawfirm is the better choice based on rates and the straightforward plan they laid out at a reasonable fee.

Our HOA board meeting is Thu, June 8. I'll get a board vote Thu, and I'm pretty sure we can proceed with that. Warm regards,

Ken Witt | President | <u>Hawkridge HOA</u> 720.934.8365 | <u>president@hawkridgehoa.com</u>

Giday Ken: Second Request. I appreciate your plate is very full, but need some feedback please.

I had an excellent meeting with Ryan Farr and Chris Cummins this morning. Ryan Farr will be taking the lead initially. Then depending on the different scenarios that develop, Chris may become involved. Whenever possible, they will use staff at reduced billing cost.

MONSON, CUMMINS, SHOHET & FARR, LLC (MCSF)

13511 Northgate Estates Dr., Ste. 250

Colorado Springs, Colorado 80921

(719) 471-1212

cdc@cowaterlaw.com

www.cowaterlaw.com

I continue to remain very impressed with their working knowledge. They have confirmed with Great Divide Water Company (GDWC), that there is no conflict and they can represent us. They also feel GDWC will take some direction from them, with regards to the final working agreement between both HOA's and GDWC, because we are not a single HOA, which is what GDWC is used to dealing with.

Here is their proposed plan of action.

- By Friday 2 June they will provide us with a working agreement for each HOA, a
 Conflict Waiver because they are dealing with two separate HOA and Retainer
 requirements. It was agreed that as long as the HOA's paid the monthly invoice timely,
 (within 2 weeks) no retainer will be required. If either of the HOA falls behind, they will
 request a retainer from that HOA.
- 2. By Friday 9 June they will be in a position to provide us with a formal estimate of cost and a time line. Initially they are going to map out two approaches.
 - a. The first assumes full cooperation from the developers and is based on the legal concept of implied rights, given the 30 years of usage and intent of the existing documentation. This is more like a simple correction of some filings and legal

- documents. This would be the most cost effective. A reasonable cost and time estimate will be provided, but I suspect it may be below 10k.
- b. The second assumes the need to file some Quit Title Claims. This will draw the process out for up to a year, because of notice periods, response windows and possible opposing counsel who do not understand water rights. This would push the cost north of 20K.
- c. There are other more complex and costly avenues, but none of the law firms I interviewed believe we would end up there.
- 1. I will work on a draft Memorandum of understanding between the HOA's, that will define our working relationship and responsibilities as it pertains to the Water Rights, Annual Reporting and Stock ownership of the 200 shares in GDWC. Once the HOA's reach agreement it will be submitted to MCSF for review and legalization, once we have signed their working agreement. As previously discussed all cost will be split pro rata based on the number of lots per HOA; 89 for HR and 35 for HRW
- 2. I followed up with our developers Jeff and Peggy Puckett today with some questions that will help MCSF and us gain a better understanding of how cooperative they will actually be with this process.
- 3. MCSF has requested that both HOA's forward their: Covenants, Articles of Incorporation and By-Laws. They do not require the Policy and Procedures documents.
- 4. Ken attached above is a basic client contact sheet. Please fill out and submit to cdc@cowaterlaw.com at your convenience. I completed HRW at the office today.

Please let me know by COB Thursday 1 June if you are in agreement with the plan outlined above. I need time to draft MOU and send out around for comments before submitting next week. Do not hesitate to reach out with any questions, concerns or suggestions.

Thank You.

Yours in Good Health,
Bradley Rosenberg
Treasurer HRW HOA

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Thank You.

Yours in Good Health, Bradley Rosenberg

Treasurer HRW HOA