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Re. Highline Meadows

Highline Meadows Board of Directors,

I am in receipt of your Association Newsletter of December, 2007 in which you the Board of Directors have made severe false allegations against my firm ACCU, Inc..

This letter is being written to advise you that we are demanding a retraction of these false and misleading statements by 10-15-2007 in writing to all members of this association and any others who may have been given copies of this information unless you can provide evidence that any of these statements are true and can be collaborated. If this is not received I am notifying our counsel listed below to immediately file a claim against the Highline Meadows Board of Directors and their Directors and Officers Liability Insurance Policy.

I also have received documentation of your claim against Owens Corning and request for guaranty on a roof that only had a 10 year guaranty from the inception.

I do have information regarding other roofing that was done during our term at Highline Meadows and would be glad to share that with you once you have retracted these false accusations.

David W. Phifer

President
ACCU, Inc.

cc. Richard I. Brown Esq.
Rubin, Lottner, Fishman, Brown



HIGHLINE MEADOWS ("HMCA") TIMES

DECEMBER 2007

HOW DID WE GET HERE? Now what . . . and then what?

This is the first in a series of articles related to the overall question of how we got into the current financial situation and the steps being taken to remedy it.

Some History

Originally, your Highline Meadows Condominium Association (HMCA) was self-managed. Unfortunately, while the will and desire were there, it is apparent that the experience and skills were not. As a result, our property was neither properly nor consistently maintained. Sufficient money was never set aside in a Reserve account (as required by law) to provide for normal wear-and-tear or emergency maintenance and replacements. After a number of years, these shortcomings were finally recognized and a professional management company was contracted to provide guidance and services. By 2000, there was a great deal of dissatisfaction with the work being done by the then-contracted management company, ACCU, Inc., and with the 1999 Special Assessment which they had advocated and were then managing. Among other things, according to one source, the Assessment was originally an attempt "... to fix everything at once, had no financing in place and would have done more to harm our property than help it." During the late Spring and early summer of 2001 --- nearly one year after what some HMCA homeowners have called a "grass-roots revolution" which resulted in the wholesale replacement of the HMCA Board of Directors* --- three or four management companies were interviewed and TMMC was selected to be our management company in July 2001. One of the first things that TMMC did was renegotiate the loan for the 1999 Special Assessment to a lower interest rate --- which resulted in reducing your home owners' monthly

payments and paid off the loan earlier than scheduled. Unfortunately, most of the projects funded by the Assessment had already been completed or had been contracted for and there was virtually nothing which could be done to reevaluate or restructure the projects. *This was one of the few times a quorum was reached at an Annual Meeting. See also New Declarations in this issue.

The Special Assessment of 1999

Except for the current Emergency Special Assessment, the only Special Assessment levied by the HMCA in the last 10 years was in 1999 for a total of \$525,726. The original purpose for this assessment was to provide funds to paint the buildings, repair garage roofs and doors, rebuild the main roadway with a central drain, replace the Lift Station (sewage control unit), and replace two boilers and some smaller associated items. **NOTE: Replacement of the garages was not planned, implied or intended.** Simple arithmetic: the conservative 1999 estimate of the cost for garage replacements was just under \$1 million. The total assessment value --- for all projects --- was only \$525,726. 'Nuff said?

The final expenditures related to the 1999 Special Assessment were:

Painting - Condos & Townhomes	\$ 82,100
Repair Garage Roofs & Doors	\$ 31,000
Rebuild Main Road w/ drainage	\$404,000
Replace Lift Station	\$ 78,155
Replace Boilers	\$ 7,519
Slip Line (Root blockage preventive)	
Sewer Pipes	\$ 74,652
Emergency Sewer Line Repairs	\$ 71,349
Total	\$748,775
Assessment Value	\$525,726
Difference	\$223,049

Where did this "Difference \$223,049" get paid from? That pre-2000-election HMCA Board --- with the concurrence of and advice from the management company, ACCU, Inc. --- paid the excess bills from the Operating Budget funds of your Association. This was done instead of cutting back on some of the underestimated projects and properly placing money in the Reserve Fund, as required by law and as dictated by

prudent fiscal management (interesting to note that this action alone would, in great measure, have likely spared us from a great deal of the current dilemma).

The Resulting Fallout

This action --- not funding the Reserve Account --- coupled with inattention to the normal wear-and-tear repair and replacement needs of the entire Highline Meadows complex, left your new 2000 HMCA Board of Directors and your then-newly-contracted management company, TMMC, with some real problems: cash flow, legal Reserve Account requirements, ongoing as well as previously ignored normal wear-and-tear repairs and emergency repair and replacement needs.

The members of your new HMCA Board took on these problems using a critical-eye-approach, evaluating every activity, request and proposal in terms of their relative costs and benefits --- and their moral, ethical and legal responsibilities to the HMCA community --- of which they were also members. Probably the most significant factors in all of these activities were the extremely high levels of skill, integrity and professionalism of the TMMC property management staff.

- This article is to be continued in the January edition of the Newsletter -

**You can make special arrangements to pay the
Emergency Special Assessment by calling TMMC at
(303) 985-9623.**

NEW DECLARATIONS ... What & Why?

Yul Brinner played the King in "Anna and the King of Siam," on stage and in the film version. Whenever he came across something new or alien to his experience, the King exclaimed, "Is a puzzlement!" Is the need for a wholesale revision of our HMCA Declarations a "puzzlement" to you?

The Colorado Legislature passed two bills (SB100 and its "clean-up," SB89) three years ago. These brought the condo association-related laws into the current day

and provided many clarifications of your owners' rights and the associations' responsibilities to the owners. Your HMCA Declarations are being revised to reflect these legal changes. That portion is a "no-brainer."

Perhaps more important to you as a home owner, are the provisions that allow changes to *lower the quorum requirements for annual meetings, including elections*. There is also content that will permit your HMCA Board to go to court and seek a judgment, among other things, to no longer require the approval of 100% of your mortgage holders in order to *come up with a more equitably calculated apportionment of regular dues charges and any future assessments*.

These Declaration changes --- which you received copies of last April and which requested your review and comments --- are now ready for final distribution and voting on. You will soon receive copies and mail-in ballots.

**REPAIR REQUESTS—INQUIRIES
COMPLAINTS—COMPLIMENTS**

Telephone: TMMC at (303) 985-9623

E-mail: denise.haas@tmmc-management.com

FORECLOSURE . . . Are you in need of help?

You know that the financial problems being faced by many Highline Meadows owners are not confined to anything having to do with Highline Meadows itself. The widespread loss of equity, inflation, and the entire sub-prime loan and adjustable mortgage market problems have had dreadful consequences for all home owners everywhere.

Help is available if you find yourself in a possible foreclosure situation. *The Colorado Foreclosure Prevention Hotline* is a joint effort by government, industry and community groups to increase borrower contact with their lenders and increase positive outcomes when dealing with a foreclosure.

The Hotline encourages any homeowners in the following situations to call: Borrowers who have:

- (1) not yet missed a mortgage payment but are concerned that they might.
- (2) fallen behind in their payments.
- (3) received a notice of foreclosure.
- (4) trouble communicating with their mortgage lenders.

At least 4 out of 5 callers to the Hotline who have met with housing counselors have been able to avoid foreclosure.

Call the Hotline at 1-877-601-HOPE (4673)

BOARD MEETINGS - REMINDER

Under normal circumstances, the Highline Meadows Condominium Association (HMCA) Board meets in the Clubhouse at 7:00PM on the third Tuesday of every month. You are invited to attend the Homeowners' Forum which usually runs from 7 to 7:30PM. Coffee will be served.

Highline Meadows Condominium Association
c/o TMMC Property Management
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