

Sagewood Property Owners Association, Inc.
Hayden, Colorado
Minutes of Specially Called Annual Meeting
May 14, 2004

CALL TO ORDER

In accordance with the notice sent to all owners, the first annual meeting of the Sagewood Property Owners Association was called to order by President Mark C. Sabatini at 6:00 pm on May 14, 2004 in the boardroom of the First Bank of the Rockies in Hayden, Colorado.

Present were board members Mark C. Sabatini and Mark Elting as well as Tom & Jan Hallin representing the developer. Other owners present were David Sheer, Tara Yohannan, John Yohannan, Jon Faulkner, Kathy Meyer (representing RALF), Heidi Nunnikhoven, and Jo Moore. Jack M. Walz was not able to attend, however he did send copy of proxy and ballot for the meeting . A quorum was established.

APPOINTMENT OF COUNSEL FOR THE ASSOCIATION

David Nagel, esq. from the law firm Feldman, Nagel, and Oliphant was also present.

It was agreed by voting members present that David Nagel be appointed by the Board as legal counsel for the Sagewood Property Owners Association. David will attend the annual meetings, maintain the legal records of the Association and assist the Board of Directors as requested.

FINANCIAL REPORT AND BUDGET

Preliminary financial reports as of September 30, 2003 consisting of an Income Statement for the year ending September 30, 2003 and a Balance Sheet. Also reviewed were an interim income statement and balance sheet for period ending April 2004. It was determined that no additional dues would be assessed this year other than those required at closings.

OTHER BUSINESS

The following activities were discussed by parties present at the meeting:

1. Weed control on the undeveloped portions of the property is a priority. Dave Zehner will provide an estimate of cost to manage weed control for the undeveloped portions of the property. The work will be completed this summer at the expense of the developer and shall conform to applicable regulations of the Town.
2. The maintenance of open space and the trails in Sagewood after construction is finished is the responsibility of the Town. There is evidence of minor erosion, and the presence of weeds along portions of both the dedicated open space and the trail systems on the property. The Association will contact the Town to further define/ refine responsibilities for maintenance of the trails and open space dedicated to the Town of Hayden.
3. The developer reported that Final Acceptance for the public improvements by the Town of Hayden is forthcoming for Phase I and Phase II is being added to the Association and will soon be under construction.

AMENDMENT OF COVENANTS

The members then discussed the proposed amendment to the Covenants (as attached) to allow fencing installations that exceed the current maximum height of 60". It was agreed that a 72" height was allowable. The amendment was approved by all present and our attorney was instructed to draft the necessary legal documents.

Another potential amendment concerning animals was discussed. The members present suggested that up to three (3) dogs may be housed on each property at Sagewood. The members present also determined that the 50' limit on location of fencing for animals on the rear yards is not practical and these rules should be changed.

REVIEW OF PROPOSED AGREEMENT WITH THE ROUTT AFFORDABLE LIVING FOUNDATION (RALF)

The Routt Affordable Living Foundation has obtained a grant in the amount of nearly \$ 400,000 to construct 24 homes in the next 24 months. RALF will utilize a "self help" program to do so. In accordance with the Covenants any/ all RALF Architectural Review submittals shall conform to the existing 12 point system now in place for review and Architectural approval. RALF has also granted the Association additional review authority.

Among the issues discussed were:

- 1) The siting of the smaller homes on selected lots,
- 2) A requirement for garages/ walled or freestanding carports and,
- 3) The provision of adequate space on each lot where RALF builds a home to construct a garage/ carport at a later date. It was agreed that each submittal be evaluated upon individual merits with general conformance to the existing Architectural review procedures in place.

As approvals are submitted, discussed and obtained, the Architectural Review Board may propose additional modifications to the Covenants that currently govern the review/ approval processes for the project.

ELECTION OF ONE (1) DIRECTOR TO THE BOARD

Jon Faulkner, a lot owner, was nominated to serve as a Director and a member of the Architectural Review Board. The election was unanimously approved. The members expressed their thanks to Brent Gilmour for his service on the Board and the Architectural Committee.

MISCELLANEOUS ITEMS

The Town of Hayden has indicated that no landscaping materials, and /or rocks shall be placed in the front yard easement located behind the concrete sidewalks abutting each lot. It was agreed that a duly authorized representative of the Board will contact the Town of Hayden in order to clarify the position of the Town on this matter.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:30 pm.

Respectfully submitted,

Mark Elting, Secretary