



Hindman Sanchez

September 30, 2013

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Homeowners

Charter Homeowners Association

(a/k/a Lone Tree Homeowners Association)

Re: Charter HOA/ Compliance with Covenants
Our File No. 9912.0001

Dear Homeowner:

This firm represents the Charter Homeowners Association (a/k/a the Lone Tree Homeowners Association). The Board of Directors for the Association has requested we prepare this letter to provide clarification concerning the nature of the Association and the obligation of owners in the community to comply with the restrictions contained in the Association's governing documents.

We understand there has been confusion as to whether owning a home in the Charter community obligates owners to comply with certain covenants of the Association. In fact, several real estate agents have made representations to potential buyers indicating the Charter is not a covenant controlled community and owners can do "whatever they want" in the community. Please be advised that such statements are incorrect and homeowners do, as a matter of fact, have to comply with the various covenants set forth in the recorded Declaration.

The crux of the confusion is the lack of mandatory assessments in the community. In other words, owners have the option of paying assessments to the Association, but are not legally obligated to do so. Some individuals interpret this circumstance to mean there are no binding covenants or rules in the community. However, the determination of whether enforceable covenants and rules exist should be based on the contents of the recorded documents, not on the nature of assessments.

In this case, the Declaration of Covenants, Conditions and Restrictions of Lone Tree Filing No. 1 (the "Declaration") was recorded by the community's developer in the Douglas County Clerk and Recorder's office on December 9, 1981, which places all purchasers of homes in the community on legal notice of the restrictions and requirements set forth in the Declaration. Once the document was recorded, its terms became binding on all future owners of lots in the community. The Declaration includes numerous covenants affecting the community, including but not limited to regulation of animals in the community, construction of improvements, nuisances, parking, and trash disposal. All such covenants must be adhered to by owners in the community.

By way of example, Article III, Section 1 of the Declaration requires Architectural Covenant Committee approval before owners may undertake exterior changes or alterations to their homes. This requirement is binding upon all owners in the community, who can visit the Association website (www.thecharterhoa.com) for information about the process associated with getting approval. However, if an owner commences construction or installation of an exterior modification without the requisite Committee approval, such owner is subject to an enforcement action by either the Association or other owners in the community.

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Owners

Charter Homeowners Association

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Enforcement of the Declaration is authorized in Article IV, Section 1, which provides, in pertinent part, as follows:

The Committee, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants and reservations now or hereafter imposed by the provisions of this Declaration.

In other words, not only does the Association have a right to commence legal action against owners to enforce the terms of the Declaration, but so do other owners in the community, which makes all owners accountable to each other, as well as the Association for compliance with the covenants.

We hope the above information has clarified the nature of the Association and owners' obligations to comply with the covenants. However, should you have any additional questions or concerns, please contact any one of the members of the Board of Directors.

Sincerely,



Elina B. Gilbert, Esq.
HindmanSanchez P.C.

EBG/
c: Board of Directors (via email)
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