COUTH T-BAR RANCE PROPERTY OWNERS ASSOCIATION

P.O. Box 1431 Cañon City, Colorado 81215-1431 **Board of Directors** 

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Saturday, July 12, 2003

Ron Walker trelk.1@juno.com

RE: Walker ranch parcels for sale at South T-Bar Ranch POA

Dear Ron.

I apologize for the late response to you regarding the sale of certain parcels of your ranch and the associated fees with South T-Bar Ranch.

The Board of Directors have had the opportunity to review and discuss the topic of your sale of portions of your ranch to new owners. The Property Owners Association (POA) perspective is that by purchasing property-from you, any new owners have joined the South T-Bar Ranch (STB) community and have at their disposal all of the Ranch's features. These features and benefits include; a STB resident member of the Tallahassee Volunteer Fire Department, use of all Ranch roads and the easements for BLM access (and maintenance), trash service, a future mail box site, access to the Ranch's fire fighting utility (on-site fire truck and cisterns), members only STB website access, annual meetings, and newsletters. The annual POA fee, currently \$395, has been charged to all current and past owners at the Ranch since the formation of the POA and has not been adjusted for any individual circumstances. The POA feels that the value and costs of all of these features and benefits are not adjustable based on their individual need or frequency of use. That is to say that regardless of any parcels state of development, size, use, location or address of the owner, the fee has remained the same. This has also held true for the six "adjacent property owners" that have easement agreements with the POA. These adjacent property owners have not been annexed into the POA, but have full use of all of the Ranch features. This classification of "adjacent property owner" would also extend to any parcels that you would be selling.

Where the annual road maintenance contract constitutes the lions share of the POA budget, other budgetary items support that maintenance as well. In addition to items already mentioned, those items include; insurance, procurement of road materials, gate maintenance/electrical and administrative fees. It bears noting that these costs and the annual fee do not take into consideration the initial infrastructure expenses that all initial Ranch owners paid, regardless of where they lived on the Ranch. It is easy to recognize that many of these features cannot be "turned on or off", they are in place and will be used whether an owner pays for them or not. An example is the firefighting utility. Regardless of the state of development of a parcel, its location, or if an owner has paid their fees or not, the Tallahassee VFD will use the Ranch's fire fighting utility to control all fires.

It is the POA's goal and intent that all Ranch owners and adjacent property owners pay the same annual fee. It is not practical for the POA to negotiate with each new owner or develop a variable rate structure for new or emerging easements based on individual circumstances. There are several ways that this can be assured, prior to any further sales. Perhaps one of the easier methods would be through a modification of the current easement you have with South T-Bar, or the drafting of a new easement to accompany each parcel sold.

Please let me know your thoughts on this. Unfortunately, I am preparing to go on vacation for two weeks, but you may fax or email me back at anytime and I will get back with you upon my return.

Sincerely, Tom Gore President, STB POA 688 Entrada Drive Golden, CO 80401 (303) 278-2527 (303) 278-2528, fax Rockyrockers@att.net