

Cerise Ranch Property Owners Association

RECORD OF PROCEEDINGS

Wednesday, October 8 2008, 6:00 P.M.,
Clubhouse, 0157 Cerise Ranch Road
Carbondale, Colorado

MEETING OF DIRECTORS

A meeting of the Directors of The Cerise Ranch Property Owners Association (the "Association") of Garfield County, Colorado was held on October 8, 2008, with the following persons present and acting:

- Eric Schmela, Association President, with written proxy from Gressett
- Brenda Broxton, Treasurer
- Charles Capobianco Director
- Keith Edquist, Association Manager
- Kristen Boothe, Secretary, Director, was unable to attend
- Todd Gressett, Vice President, was unable to attend.

Meeting topics: Appointment of director to serve until term dates expire in February 2009 or such other date as determined by Board action; Stumpf Lot 38 materials stored thereon; MKS and Lot 1 letters from Board and DRC regarding water feature and easement; real estate transfer assessment and reserve study.

Owner's Open Forum

No comments and no owners were present. Once again owner Richard Stumpf was unable to attend the meeting. Keith had sent email notification to him, as he wished to attend the Board meeting in regard to materials stored on lot 38.

Consideration

The minutes of the meeting of October 1, 2008 were reviewed and unanimously approved without changes or corrections.

Appointment of Director

The Directors appointed Todd Gressett to continue to serve as Vice President and Director of the Association until such time as the Association again elects directors to its Board. Directors Boothe and Broxton's terms expire February 28, 2009. Management recommends Board terms be adjusted to coincide with the dates of the annual meeting held in December. Todd's term expired August 11, 2008, as he was fulfilling the unexpired portion of former owner Bobby Schneider's term. This term conclusion was overlooked until shortly before the date of this meeting.

Management report

Keith noted installation of fire extinguishers in the Clubhouse kitchen and boiler room. He said he was seeking final approval of the letters to Lot 1 owner MKS

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Investments, in regard to the water feature on Lot 1 and the easement therefore and maintenance thereof. President Schmela to review.

Old Business

Directors discussed funding for the needs of the Association based on the Reserve Study from Borne Engineering, and determined to institute a transfer assessment as discussed in the two most recent Board meetings. Eric produced a "Notice of Levy of Real Estate Transfer Assessment" prepared by counsel and consistent with and based upon the power of the Board to institute such an assessment as described in the Declaration for Cerise Ranch. This document was reviewed and discussed. There was a motion, seconded and approved by the Board (Schmela voting Gressett's written proxy for this meeting in favor.) to finalize this document, sign it and institute thereby a real estate transfer assessment of one (1) percent on any sale of homes or lots in Cerise Ranch, occurring on or after January 1, 2009. Bona fide contracts for sale actually executed by both the buyer and seller before December 31, 2008 shall be exempt from the real estate transfer assessment so long as closing pursuant to such contract occurs prior to March 1, 2009.

The Board's discussion again addressed the need for budget preparation and a timeline to the annual meeting in December. The Board determined to meet again and then to hold a general meeting of owners in November to explain the reserve study conclusions and present the concept of a transfer assessment to the owners. Keith was asked to have Borne assist in clarifying their study, write a short overview of the reserve study for the owners, and to prepare for Eric's review a general email informing owners of the above decision regarding a transfer assessment. Shortly thereafter, owners could be mailed a proposed budget for fiscal year 2009.

New Business

There was brief discussion of the snow removal contract for the winter.

The date of the next Board meeting was proposed as November 5th at 6 pm. There being no further business to come before the meeting, the meeting was adjourned at 8:50 pm.

Respectfully submitted

Keith Edquist, EMRE LLC, Association Manager
CERISE RANCH PROPERTY OWNERS ASSOCIATION, INC.

Eric Schmela, President
