

MINUTES OF ANNUAL MEETING
OF
Rocky Peak Village Owners Association

The first annual meeting of the Rocky Peak Village Owners Association was held at 155 Anglers Drive, Steamboat Springs, Colorado on June 25, 2011. The meeting was called to order at 10AM.

Owner attendance was as follows; a quorum was present.

<i>Present</i> Unit #1 – Sally Gradle Unit #2 – Rick Rymond (via teleconference) Unit #3 – Rocky Peak Development LLC (Peter Kreissig, Member) Unit #5 – Rocky Peak Development LLC (Peter Kreissig, Member) Units #7 thru #34 - Rocky Peak Development LLC (Peter Kreissig, Member)
<i>Not Represented</i> Unit #4 – Mary Jo Roth Unit #6 – Larry & Kay Edwards

Also present was Cheryl Garrity, bookkeeper for Rocky Peak Development LLC and default bookkeeper for the Owners Association. Cheryl was asked to participate by Peter Kreissig to provide input as financial reporter and secretary for meeting minutes.

The first order of business was a review of the minutes from the Organizational Meeting dated 12/31/2009. The minutes were approved by all present. A copy of the signed document is attached to these minutes as Exhibit A.

Financial Statements and Current Budget

The next item of business was a review of the current budget. This budget is balanced with annual income of \$21,600, annual money to reserves of \$8,000, and annual expenses of \$13,600. To date, the current budget is being met with only a minor overage of \$254. Details of this budget are attached to these minutes as Exhibit B. As part of this discussion, a Profit & Loss Statement, a Balance Sheet, and a copy of the latest bank statement were presented. A description of the normal operating expenses such as landscaping, snow plowing, etc. was provided by Cheryl Garrity. All numbers tied out and no questioning comments were recorded regarding the financial statements.

Proposed Budget

While the current budget tracks well for operating income and expenses, Peter Kreissig opened discussion regarding the slow buildup of reserve accounts. Shifts in the economy and the subsequent slow-down in the building of the next Rocky Peak Village homes have led to reserves building slower than needed. Kreissig expressed his opinion that the first re-staining of the building should begin next summer 2012. The anticipated cost for re-staining is roughly between \$5,000 and \$10,000 per building.

A go-forward budget was presented to allocate more funds to the reserve accounts. This proposed budget is included in these minutes as Exhibit C. The budget calls for an increase of

\$100 per month in monthly dues. This represents an increase from the currently dues amount of \$300 per month to \$400 per month. Rick Rymond called for a motion to approve this proposed budget. Sally Gradle seconded the motion. The motion was passed by unanimous consent. It is noted that 3rd Quarter billing for Owner Association dues will be mailed in early July and will reflect this increase.

Sales Activity & Developer's Plans for Remainder Parcel

Next on the agenda was a quick discussion of sales activity which is picking up. Showings are occurring at multiple times per week which represents a substantial increase as compared to a year ago. Broker feedback says that most prospective buyers rank Rocky Peak as one of their top 3 choices. As such, it is anticipated that at least one more home will sell this summer.

Next, Peter Kreissig discussed the developer's current move-forward plan for the remainder parcel. Kreissig shared that the developer has solid bank support to move forward. Kreissig plans to complete the remaining infrastructure this summer (2011) to include the park area with treed grassy area and a running path. Kreissig suggested that the installation of the playground equipment be delayed until more Rocky Peak Village homes are built so as to limit the use of such equipment by non-Rocky Peak neighbors. Kreissig offered that the developer could make a financial remuneration to the Owner Association to cover the cost of the playground equipment. Kreissig called for thoughts on this matter and Rick Rymond and Sally Rymond agreed that waiting on the playground equipment installation made sense.

Kreissig also reported high odds the developer will build a 4th Rocky Peak Village duplex this summer. The decision to go forward on this vertical build will depend on whether or not one additional completed unit sells. If this duplex is built, it will be located to the immediate left of Building #3 and across from Building #1 ("on the corner"). The building would carry forward the same look and feel as the current structures but would be smaller and will be offered at a lower price point. As well, individual lots will be available for sale for other builders or private owners who might wish to build their own Rocky Peak Village home. All construction throughout the development would need to adhere to strict architectural guidelines. Details on this will evolve should a lot-sale scenario present itself.

Election of Officers

While an election of a homeowner to the board is not mandated at this time by the Association Declaration, Peter Kreissig requested that at least one owner be elected to the board to as a matter of appropriateness. Sally Gradle noted that she and her husband John Gradle would be interested in such a nomination. Rick Rymond made a motion to nominated Sally and John Gradle to serve on the board and Peter Kreissig seconded the motion. The motion was unanimously approved by majority vote.

Conclusion

There then being no further business to come before the meeting, it was voted to adjourn at 10:45am.

Peter A. Kreissig
Board Member, Rocky Peak Village Owners Association
Managing Member, Rocky Peak Development LLC