

**WILDHORSE AT PROSPECT ASSOCIATION, INC.
ANNUAL HOMEOWNERS MEETING
MINUTES FROM JULY 31, 2017
QUEEN OF ALL SAINTS MEETING ROOM
CRESTED BUTTE**

Call to Order

Chris Cappy, President, called the meeting to order at 9:05 am. Chris Cappy welcomed everyone to the meeting and thanked owners for their help at the BBQ the evening before.

Proof of Notice

Proof of Notice was mailed to owners on June 28, 2017.

Minutes of Prior Meeting

John Low made a motion to approve the minutes of the July 29, 2016 meeting. Bob Erbrick seconded the motion and it was unanimously approved.

Owners Present in Person

Jim Wickham	42 Wildhorse Trail
Chris Cappy	29 Wildhorse Trail
Vic & Shelley Wisner	7 Stetson Drive
Robert Erbrick	5 Stetson Drive
Grant Bennett	Wildhorse Homes, LLC
Matt Boisen	31 Wildhorse Trail
Reiner Kraus	30 Appaloosa Road
Alex Inman	20 Appaloosa Road
Rhonda & John Low	33 Wildhorse Trail
Al Simpson	17 Wildhorse Trail
Mike Madison	39 Wildhorse Trail
Adam Zatorski	29 Appaloosa Road
Mike Kelly	27 Wildhorse Trail

Owners By Telephone

Terry Ewing	35 Wildhorse Trail
Joey Chiaf	22 Appaloosa Road
Kristen Straud, Yellow Dog Investments Ltd	24 Appaloosa Road
Doug Allen	41 Wildhorse Trail
Ashley Hickman	26 Appaloosa Road

Proxy to Chris Cappy

Paul Kirincic
Chad & Paula Morris
George Parkman
Jamie Lange

25 Wildhorse Trail
19 Wildhorse Trail
28 Appaloosa Road
4 Appaloosa Road

Management Company Present

Rob Harper

Toad Property Management, Inc.

Guests

Robbie Robinson
Chris Kopf

Report of Officers

Chris explained there would be reports on landscaping and staining and said the heavy, wet snow during the season had damaged trees, especially the new trees planted in 2016. Chris said CBMR would take care of the labor for the repair of the perimeter barb wire fence and the association would provide the materials.

Chris introduced Robbie Robinson as the “boots on the ground” landscaping person. Robbie gave an update on landscaping projects and said the plan was to make the landscape appear more finished and give a sense of an established neighborhood. Robbie explained grass areas had been reseeded, wildflowers were looking good and there would be more plants blooming during the summer. Robbie said he had pruned the trees in March which reduced some damage from the late season snow and said the established trees were doing well and Tree Tamers would be inspecting all trees to identify any problem areas and give advice and suggestions. Robbie said no new Spruce would be planted as the Aspen trees had a better survival rate in the area.

Robbie said there was no evidence of new porcupine damage to trees and Chris explained Davidson Wildlife had been hired for a trial period to trap porcupines but had failed to trap any.

Robbie said the irrigation was now doing well and suggested keeping the irrigation running for longer each year. Robbie explained Gunny Gold had once again been added to areas including the hillside between Wildhorse Trail and Appaloosa and that area was showing signs of revegetating.

Robbie said invasive species of weeds were spreading rapidly and he would be talking to the Town of Mt. Crested Butte for advice. Rob Harper said he had sheets with photographs of the invasive weeds if owners wanted to help remove weeds around their homes.

Robbie said he would continue to work on the landscaping and reminded owners Wildhorse was an alpine environment and there would always be limits on what could be grown and the landscaping would always require attention and never be self-sufficient.

Those present thanked Robbie for his work on the landscaping and Chris explained Robbie had identified a problem with the irrigation system which had been repaired by Spring Creek Landscaping at Spring Creek's expense.

Chris explained Toad provided service to gardens at the front of homes and worked alongside Robbie.

Chris introduced Adam Zatorski to give an update on bandwidth. Adam explained Internet Colorado had identified and corrected fiber vault issues in the neighborhood and speeds had been significantly increased without any increase in the cost. Adam said any owners still experiencing problems with internet speeds should contact Toad so Internet Colorado could troubleshoot specific locations.

Adam explained conduit was in the ground but not populated to the new areas of Wildhorse and additional work and investigation would be required for those areas prior to construction starting.

Adam said the television service was not a bad solution although it was perhaps a little more expensive than he would expect and switching to streaming would have some upgrade costs to the bandwidth and might be an option for the future depending on the terms of the existing contract and improved service into the entire valley.

Chris said the Board would continue to review solutions for improving internet, television and phone service to all homes in the future. Adam reminded owners the existing system was sophisticated and any work in homes should only be performed by a professional as Wildhorse had recently lost all service for three days due to faulty connections in a home.

Matt Boisen said the staining had been off to a rocky start and he had worked with the contractor a couple of times and the project was now moving forward. Matt said less product was being used and he would be meeting with the company for clarification on how long the staining would last and perhaps it would be necessary to move to a solid stain in the future. After meeting and researching products he would have a better idea of how frequently homes would need to be stained.

Matt said front doors would be treated differently as they needed to be stripped down and work would start in the next couple of weeks. Owners who had already had doors stained would just need ongoing maintenance.

Grant Bennett said he would give an update on the Reserve Metro District and Wildhorse Homes LLC. Grant explained he was on the Reserve Metro District 2 Board and settlement funds would be received over the next five years and the transfer tax funds were being used for road, bridge and landscaping upgrades and repairs in the area. Grant said Prospect sales were not progressing and that might have an impact on Wildhorse sales and prices.

Grant said Wildhorse Homes LLC had started construction on another home and he expected work to be completed in approximately 9 months. Grant said planning work was underway on the vacant lots as survey work was necessary.

Chris said following several meetings discussing short term rentals the association had agreed to short term rental regulations and the details were on the Toad website. Chris explained the interim

regulations would be implemented immediately and the full ban on short term rentals would begin in May, 2018. Chris explained Chris Kopf, a local realtor, was attending the meeting to discuss the local real estate environment and specifically the Wildhorse market.

Chris Kopf, a local realtor, gave an update on the current market in Crested Butte and specifically the Wildhorse market. Chris said five homes had sold in the past twelve months and Chris said the Wildhorse HOA had made good progress and higher taxes and transfer tax might be stopping some people purchasing in Wildhorse. Chris explained the active homeowner's association with infrastructure improvements and a sense of community would be attractive to prospective buyers.

Chris Cappy said he purchased at the peak of the market and Chris Kopf reminded him he purchased at the cloud above the peak. Chris Kopf said the Crested Butte market was good value for buyers wanting a less glossy lifestyle as the market had not increased in line with other ski towns such as Telluride, Aspen or Vail.

Vic Wisner said he would be willing to help any owners challenge the property taxes as the County was not helpful in the process. Chris Kopf said it was difficult to sometimes gather sufficient information for the two year period and the County did not always have sufficient sales to support good price comparisons.

Doug Allen said house prices in Wildhorse appeared to be going down and asked why. Chris Kopf said the Average selling price in Wildhorse was \$396 per square foot and the market was still in recovery and Chris Cappy said the association was putting in a lot of work in an attempt to improve the market. Kristen Stroud said her house had been on the market for 17 months and the price had been reduced three times and explained a recent contract had been terminated as the buyers wanted the opportunity to short term rent the house. Chris Kopf said the views from homes in Wildhorse varied and made a difference to the sales price and as the contract had just terminated he might have buyers to view the home.

Grant Bennett said the price of oil was high in 2013 and so was the real estate in Wildhorse. With the multiple Prospect lawsuits happening at that time the prices fell further. Grant said in his opinion there were less people willing or able to spend \$1.5M on a second home and potential buyers wanted the opportunity to offset some of the cost by having short term rentals.

Alex Inman asked Chris Kopf if the short term rental ban had a negative impact on the sales. Chris Kopf said the short term rental ban would remove some buyers from the market and would appeal to a different demographic. Chris Kopf agreed more showings would occur if short term rentals were allowed although multiple showings were not always necessary to find a buyer.

Chris Cappy thanked Chris Kopf for attending the meeting. Chris Cappy explained the Board could be replaced if sufficient owners thought short term rentals should be allowed.

Doug Allen said his family and friends had been approached on multiple occasions and asked if they were renters and he felt this was not neighborly and a harassment lawsuit would follow if the approaches continued.

Rob Harper thanked the Board for their hard work and said Wildhorse was in a strong financial position and was a strong association with a well meaning Board. Rob said working with Robbie was good and

the team approach was working well with improvements in landscaping visible. Rob said snow removal during a difficult winter had been performed well by Josh Jackson.

Rob explained the financial and administrative work was performed by Toad and Toad supported the Board behind the scenes to hold meetings and implement Board decisions. Toad was the point of contact to solve problems regarding the exterior of homes and the infrastructure.

Chris Cappy said the financials were very solid and thanked owners for paying the special assessment for the removal of the extraordinary amounts of snow. Chris said the pull out opposite the entrance to Wildhorse would have a sign stating it was for Prospect owners only. The cost of the sign would be paid by CBMR as they were concerned about people parking at the pull out in an attempt to avoid purchasing a lift ticket.

Chris explained the Reserve fund would be used for the cost of the BBQ, the video being produced to tell the story of Wildhorse and improve the real estate opportunities at the cost of \$3,600, and the cost of staining the exterior doors of homes. Chris said dues would remain at the same level for another year and reminded owners the dues had never been increased. Rob Harper said review of multiple associations in the valley showed costs increased each year by 3% to 6%..

Chris Cappy said Terry Ewing had decided not to run again on the Board as his property was on the market. Chris thanked Terry for all his hard work as he was one of the original Board members and said John Low had volunteered to join the Board. Chris explained John Low and Matt Boisen were willing to join the Board and as there were no additional nominations Mike Madison made a motion to appoint John Low and Matt Boisen to the Board for two year terms. Vic Wisner seconded the motion and it was approved by a majority with one owner abstaining.

Chris Cappy made a motion to adjourn the meeting at 11:21 am. Bob Erbrick seconded the motion and it was approved by a majority.

Prepared by Rob Harper
Toad Property Management, Inc.

Approved by Chris Cappy
President of Wildhorse at Prospect Association, Inc.