# SOMERSET ESTATES HOMEOWNERS ASSOCIATION

# What's Up #13: September 27, 2018 Recent Homeowner Meeting a Success

Many thanks to Richelle Burnett and the Social Committee for organizing a successful homeowner meeting September 17th. More than 30 Somerset Estates homeowners attended the recent "Moving Forward" party and homeowner meeting. Attendees enjoyed music, food and beverages. A slide show was presented by Marc Arnold and members of the board which reviewed milestones achieved during the association's first six months, an update of status on issues facing the community at present and a review of actions planned for the months ahead.

Marc Arnold reluctantly fulfilled an obligation imposed on him by other members of the board to celebrate passage of the 2018 Amended Declaration by appearing in a grass skirt and coconut bra... an idea put forward during the Declaration campaign as a measure to help get the Declaration passed. Time will tell whether his public embarassment will have the effect of increasing or decreasing future community participation...



The board's presentation covered many topics. Of note was an update regarding ongoing discussions with SHOA and the need to sort out significant issues related to allocation of financial resources, clarification of common property ownership and issues related to water rights. A plan to clarify property ownership is discussed below. Other topics will be the subject of future What's Up articles.

# Joint SEHOA/SHOA Meeting #2

The Executive Boards of SHOA and SEHOA met in an open meeting September 25th. This was the second official meeting. Once approved by the SEHOA board, minutes of the meeting will be posted to the SEHOA website. (Minutes of the previous joint meeting, which occurred August 14th, will be posted shortly.)

The bulk of the meeting dealt with allocation of expenses between the two HOA's and reconciliation of the two HOA's action plans going forward.

The next joint meeting will be October 23rd.

### 2018 Budget Approved

The newly passed Declaration requires passage of an annual budget. With only a quarter to go, most of the current year is behind us. A 2018 Budget was passed by the board at the recent September 11th meeting to document current spending and clarify expectations for the fourth quarter. It is largely a formal recognition of the status quo. Minutes reflecting the budget's passage and a copy of the approved budget can be found at the SEHOA website under the "Downloads" tab. We anticipate substantive changes in the 2019 Budget and that will be the subject of full and open discussion.

# **2019 Budget Process**

Changes are coming and we want all homeowners to understand the process that will lead to a revised budget and corresponding dues, effective January 1st, 2019. Please note the following dates and join us to be a part of this process:

October 9 (6:30 pm at Niwot Fire Station): Board Meeting and open discussion of draft budget and potential quiet title action

**October 23** (6:30 pm at Niwot Fire Station): Board Meeting, final budget discussion and board approval

**Shortly thereafter**: Budget will be mailed to all homeowners with homeowner meeting notice and proxy

**November 27** (7pm Niwot High School): Homeowner meeting to vote on budget. Will require 30% quorum and majority vote to pass

January 1, 2019: New dues will be in effect

#### **SEHOA Quiet Title Action**

The Somerset Estates community formed SEHOA to represent the interests of its 89 homeowners seven months ago. From the beginning, the SHOA board (representing Place and Heights) asserted that ownership of the common property ("outlots") within Somerset Estates rests with SHOA, evidently because the Boulder County Assessor's office lists SHOA as the owner. Common property ownership is a serious issue which jeopardizes SEHOA's ability to discharge virtually all of its responsibilities.

SEHOA engaged Scott Osgood, a real estate attorney, to look into the status of the outlots. The board received a letter from Mr. Osgood in June, 2018 documenting the results of his research and his legal opinion regarding next steps. His six page letter is available under the "Downloads" tab on the SEHOA website. You are encouraged to take the time to review his letter and contact us with any questions.

Here is a summary of the SEHOA Executive Board's position based on Mr. Osgood's research and advice:

- 1) Real property ownership is governed by common law and statute. Boulder County tax records are not valid proof of actual ownership.
- 2) The declaration that formed the Somerset Estates community required that the original developer (Longview Associates) convey the outlots by deed to be considered common properties owned by the homeowners association. Outlots B and C (on the open space) were conveyed by deed to SEHOA, and a portion of Outlot D was conveyed by deed to Somerset Swim & Tennis Club. The remaining outlots were not conveyed to any association, so Longview Associates (now defunct) still owns them.
- 3) No outlots were conveyed to SHOA; further, the declaration for Cottonwood Hills does not give that homeowners association (now SHOA) the legal authority to own any common property outside its physical boundaries, nor does it allow anyone other than the declarant (which was not Longview Associates) to convey additional common property beyond that included in its declaration. Claiming Somerset Estates' outlots as SHOA common property in SHOA's newly

proposed Declaration has no effect on ownership, but nevertheless sends a confusing, and possibly hostile, message to SEHOA homeowners.

- 4) The argument has been made that a "dedication" of the outlots noted in the plats for Somerset Estates was sufficient to convey the property to SHOA. Not only was this not a proper dedication, but it doesn't override the requirement in the declaration that the outlots must be conveyed by deed. Even if such conveyance had occurred, it would have been to the association for the merged entity that has been declared invalid.
- 5) A court action to "quiet title" can be filed to correct the records and clarify SEHOA's ownership of the common property.
- 6) This action will be required whether the two HOA's ultimately merge or stay separate.

SEHOA's board did not act on this information in June because SHOA had just elected four new members to their board. We chose to give the new members time to come up to speed so we could resolve this issue collaboratively. We expected that a discussion would lead to a coordinated effort to straighten out the records. To our surprise, SHOA's board issued a draft Declaration to their homeowners on September 11th claiming ownership of SEHOA's outlots. We provided the Osgood letter to the SHOA board shortly before a joint meeting of the two boards on September 25. At this meeting, the SHOA board told us that they gave their attorney the information, and they will let us know whether they are willing to modify the draft Declaration.

While we prefer that the title problem be resolved by a coordinated action of both HOA's, SEHOA has the option of proceeding independently as this is really an issue primarily for our subdivision. The SEHOA board will decide at its upcoming meeting on October 9th whether or not to file the quiet title action. We anticipate a response from SHOA before then. As SHOA has no real interest in the outlots in Estates, and undoubtedly does not want to pay to maintain them, we remain hopeful that this will be a cooperative and inexpensive action. Somerset Estates homeowners are invited to attend the upcoming SEHOA board meeting October 9th at 6:30 at the Niwot Firehouse.

#### **New ACC Contact Info**

Please note the new email addresses to reach members of the Architectural Control Committee (ACC) below.

#### **Contact SEHOA**

**Association Name** 

Somerset Estates Homeowners Association P.O. Box 621 Niwot CO 80544

Website

SomersetEstates-HOA.com

Inquiries via email

Info@SomersetEstates-HOA.com

**Board Members** 

Marc Arnold, President
Marc@SomersetEstates-HOA.com

Anthony Chirikos, Vice President Anthony@SomersetEstates-HOA.com

Paula Hemenway, Treasurer
Paula@SomersetEstates-HOA.com

Susan Reilly, Secretary
Susan@SomersetEstates-HOA.com

Kip Sharp, At Large Kip@SomersetEstates-HOA.com

#### **Committee Contacts**

**Architectural Control Committee** 

Larry Becker, Chairman
LarryB@SomersetEstates-HOA.com

Scott Abrahamson, Secretary

ScottA@SomersetEstates-HOA.com

Barbara Stager
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Bob Uhler
BobU@SomersetEstates-HOA.com

(send ACC requests to LarryB@SomersetEstates-HOA.com)

Social Committee

Richelle Burnett richelleburnett@gmail.com 202-494-0961

Landscaping / Irrigation Study

Jim Hemenway j.hemenway@comcast.net

# **Anonymous Survey**

Go ahead... tell us what you really think!

Click to send an anonymous message to the board

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