

Belle Creek Homeowner Meeting

Covenant Enforcement Report

May 16, 2015



General Information

- 385 single-family homes
 - 1 new home remains to be sold
 - 48 homes (12.5%) are rentals (48 rental homes in 2014)
 - 3 homes are corporate-owned rental properties
- 52 townhomes (+30 undeveloped)
 - 24 townhomes are rentals (46.2%)
- Wolfersberger, LLC enforcement contract started March 2013
 - Covenant Enforcement Manager - Charles Wolfersberger
- Mulhern MRE – District management company
 - District manager - Laurie Tatlock

Development Update

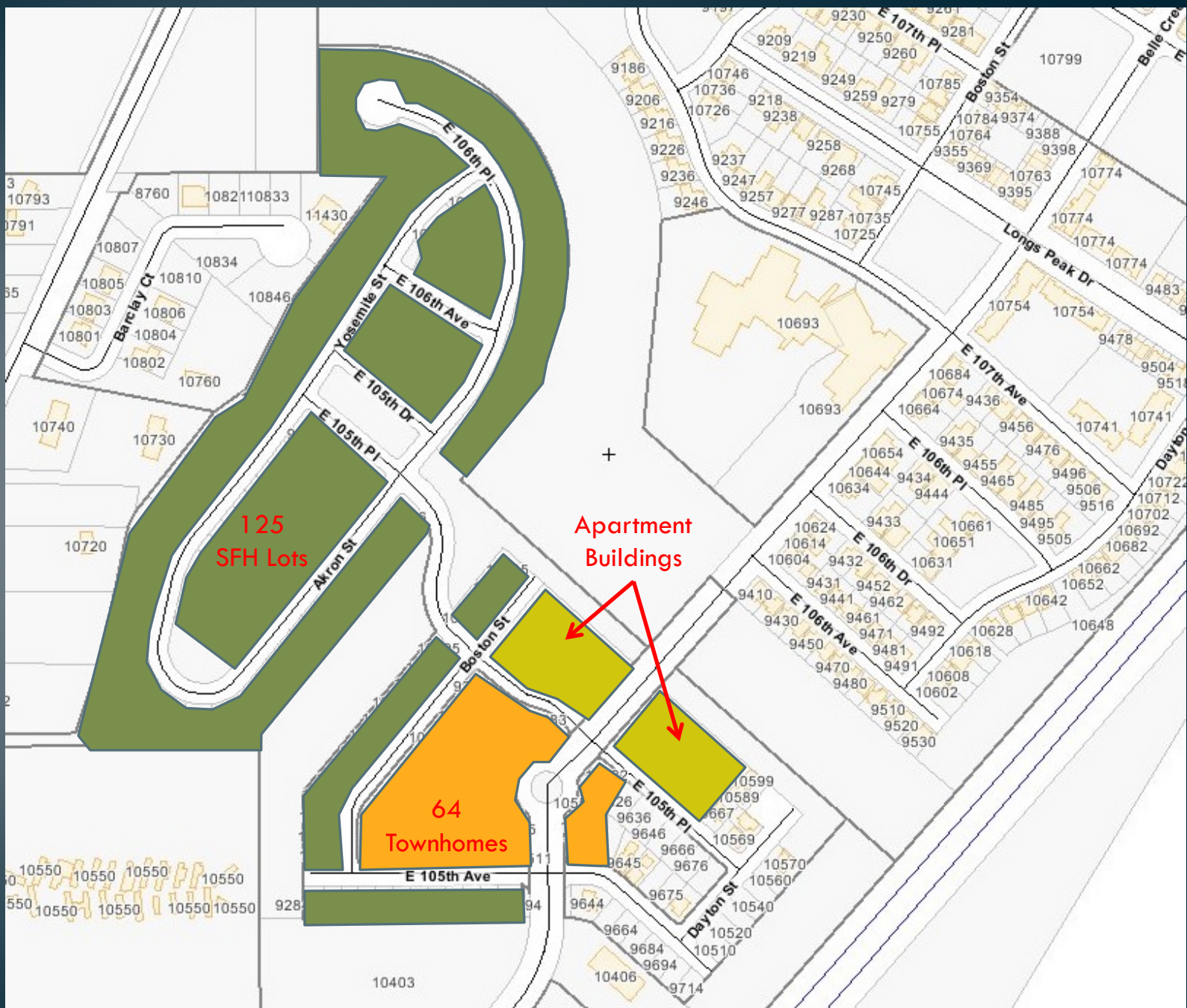
- Construction defect SB 177 did not pass
 - SB 177 would have made mediation or arbitration the preferred method of dispute resolution while also requiring majority consent of all homeowners before legal action could be filed against a builder.
- Reform advocates contend that the condo market has dried up in Colorado because construction-defects law has increased the liability — along with insurance premiums — for builders to the point where owner-occupied multifamily projects are not viable.
- According to the market research firm Metrostudy, condos accounted for more than 20 percent of all housing starts (more than 4,000 units) in late 2005 but only 3 percent through most of 2014.

Development Update

25 undeveloped townhome lots; 2 undeveloped apartment lots



Development Update

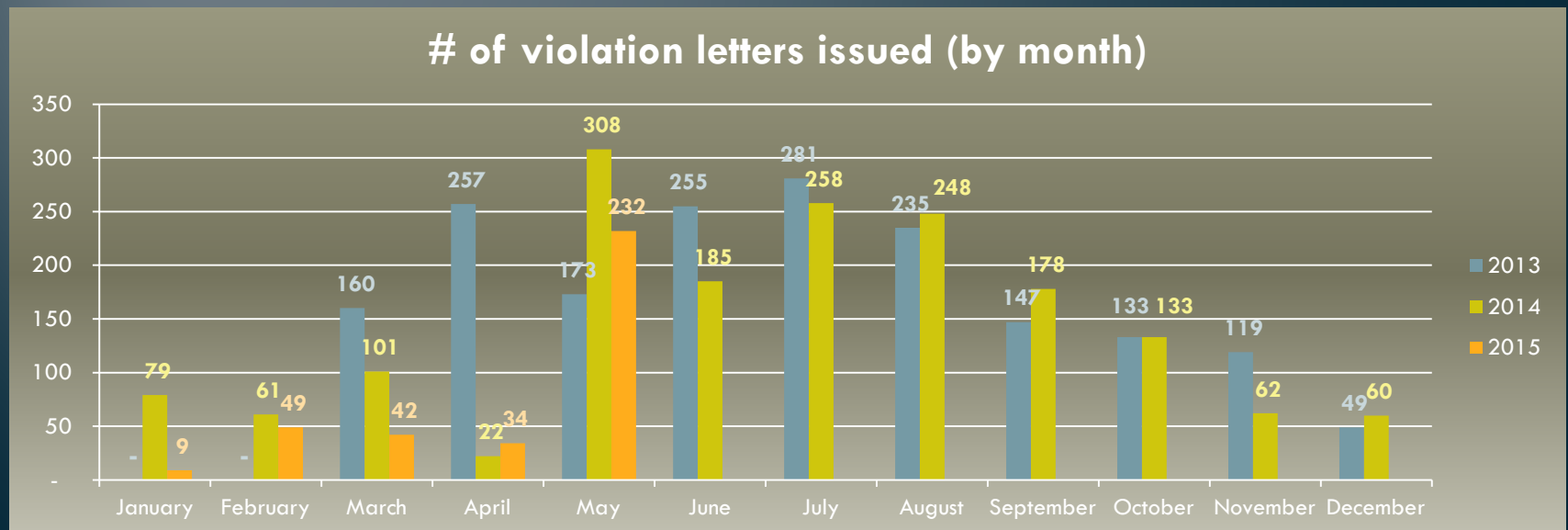


Commercial Development Update



2014 Covenant Enforcement Summary

- Total violation letters issued
 - 2014 = 1,695
 - 2013 = 1,809
 - Violation letters issued to both landlords and renters
 - No significant concentration of violations with rental homes
- Total fines levied
 - 2013 = \$21,105
 - 2014 = \$25,305
 - 2015 = \$11,575 (through May 5th)
 - 15 homes comprise approximately 79% of fines



2014 Covenant Enforcement Summary

- House painting (evaluation stage)
 - Preliminary evaluation completed on all homes
 - 50 homes w siding – exempt from painting requirements
 - Certain paint colors wear faster than others
 - Sun-facing sides more faded
- Major open violations
 - 26 homes requiring porch/trim repainting (9 at fine stage)
 - 15 homes w general disrepair of backyard landscaping (6 at fine stage)
 - 4 homes w general disrepair of front yard landscaping (3 at fine stage)
 - 11 homes w missing trees in tree lawn area (3 at fine stage)
- New homes
 - 7 homes on notice to install front/back yard landscaping

Violation Activity (2014)

Six General Inspection Areas

Inspection area	# of violations	% of total violations
Front yard landscaping maintenance	593	57%
Backyards and alleyways	119	11%
Porches	12	1%
Non-porch storage issues	21	2%
Home repair & maintenance	135	13%
Other (trash cans, holiday, graffiti)	166	16%
Total Violations	1,046	100%

1 of 6: Front Yard Landscaping Maintenance

Inspection area	2013 # of violations	2014 # of violations	2014 % of total violations	May 2015 # of violations
Excessive weeds in yard	94	165	28%	46
Weeds in rockbeds	92	109	18%	20
Trees – low overhanging branches	28	82	13%	35
Dead/missing trees	49	38	6%	2
Lawn – inadequate watering	15	37	6%	-
Excessive leaves in yard	14	27	5%	-
Lawn – Needs mowing	-	27	5%	13
Turf disrepair	35	23	4%	1
Weeds in driveways/sidewalk	55	22	4%	1
General disrepair of front yard	13	5	1%	2
Other issues	23	58	10%	6
Total Violations	418	593	100%	126

2 of 6: Backyards and Alleyways

Inspection area	2013 # of violations	2014 # of violations	2014 % of total violations	May 2015 # of violations
Weeds and dead plants - alleyways	87	107	69%	12
General disrepair of backyard	13	24	15%	2
Turf disrepair - alleyways	3	12	8%	1
Weeds in backyard	-	8	5%	-
Exposed rockbeds in alleyway	-	4	3%	-
Total Violations	103	155	100%	15

3 of 6: Porch Issues

Inspection area	2013 # of violations	2014 # of violations	% of total violations
Miscellaneous equipment/containers	12	11	55%
Trash cans stored on porch	-	8	40%
Bikes	12	-	-
Other	2	1	5%
Total Violations	26	20	100%

4 of 6: Non-Porch Storage Issues

Inspection area	2013 # of violations	2014 # of violations	% of total violations
Building materials	19	4	19%
Lawn mowers and similar equip.	10	3	14%
Furniture	3	6	29%
Wood piles	2	1	5%
Trash	2	2	10%
Trailers/boats stored in driveways	2	2	10%
Other issues	1	3	13%
Total Violations	39	21	100%

5 of 6: Home Repair and Maintenance

Inspection area	2013 # of violations	2014 # of violations	% of total violations
Lattice work – damaged	30	41	30%
Driveway oil stains	26	19	14%
Paint trim deteriorated	121	18	14%
Lattice work – removed	-	17	13%
Fence – multiple spacers missing	-	14	10%
Fence damage	12	12	9%
A/C units in windows	2	6	4%
Design review violations	2	2	1%
Other	2	6	5%
Total Violations	195	135	100%

6 of 6: Other Issues

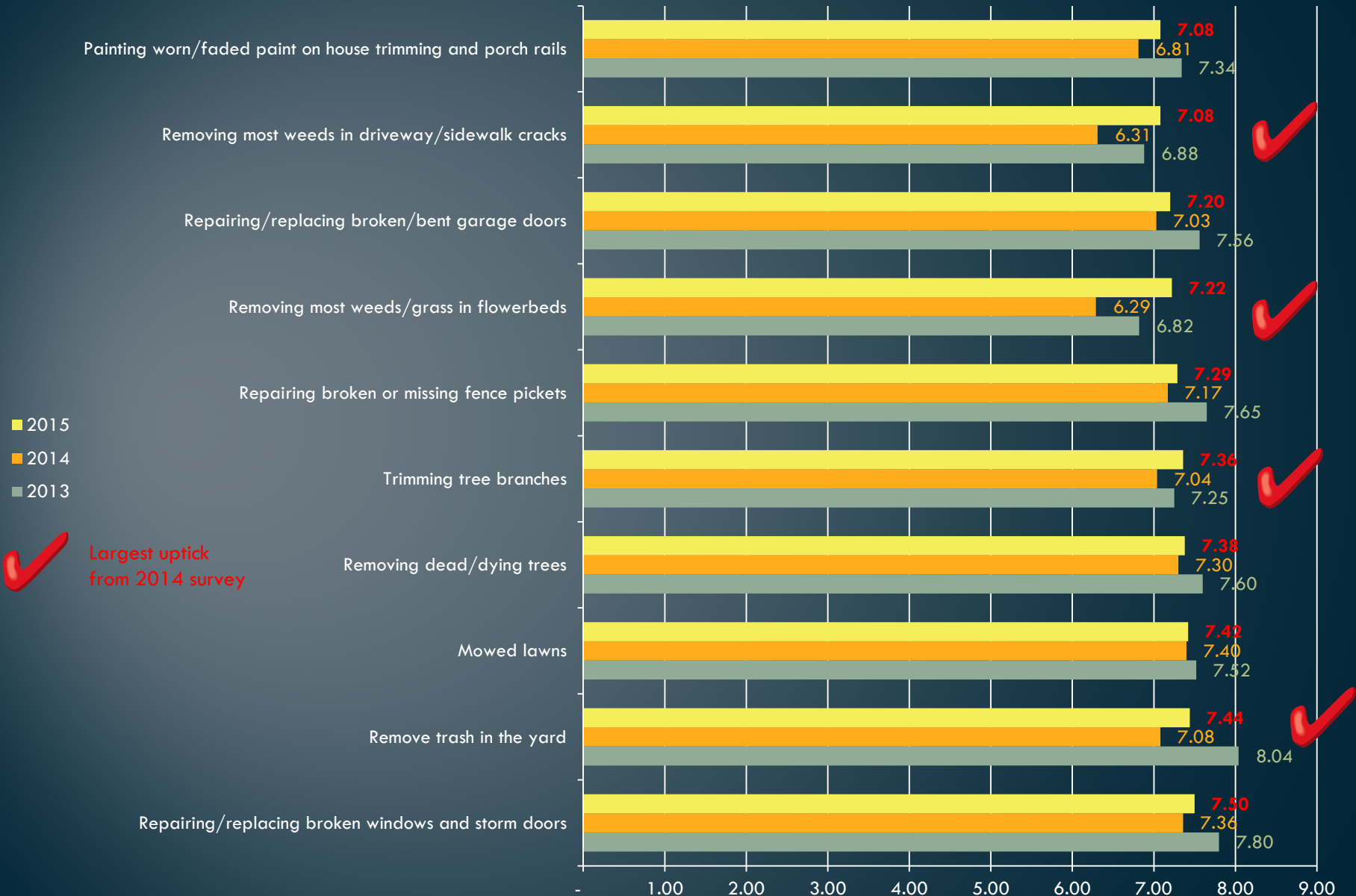
Inspection area	2013 # of violations	2014 # of violations	% of total violations
Trash cans stored in front of house	92	86	52%
Snow removal**	-	56	34%
Holiday decorations (30 days)	25	18	11%
Livestock (chickens, cows, goats)	1	4	2%
Graffiti	-	2	1%
Total Violations	118	166	100%

** - Commerce City requires snow removal within 24 hours after end of snowfall event; City violations require correction within 48 hours (as opposed to 2-week correction period for covenant enforcement)

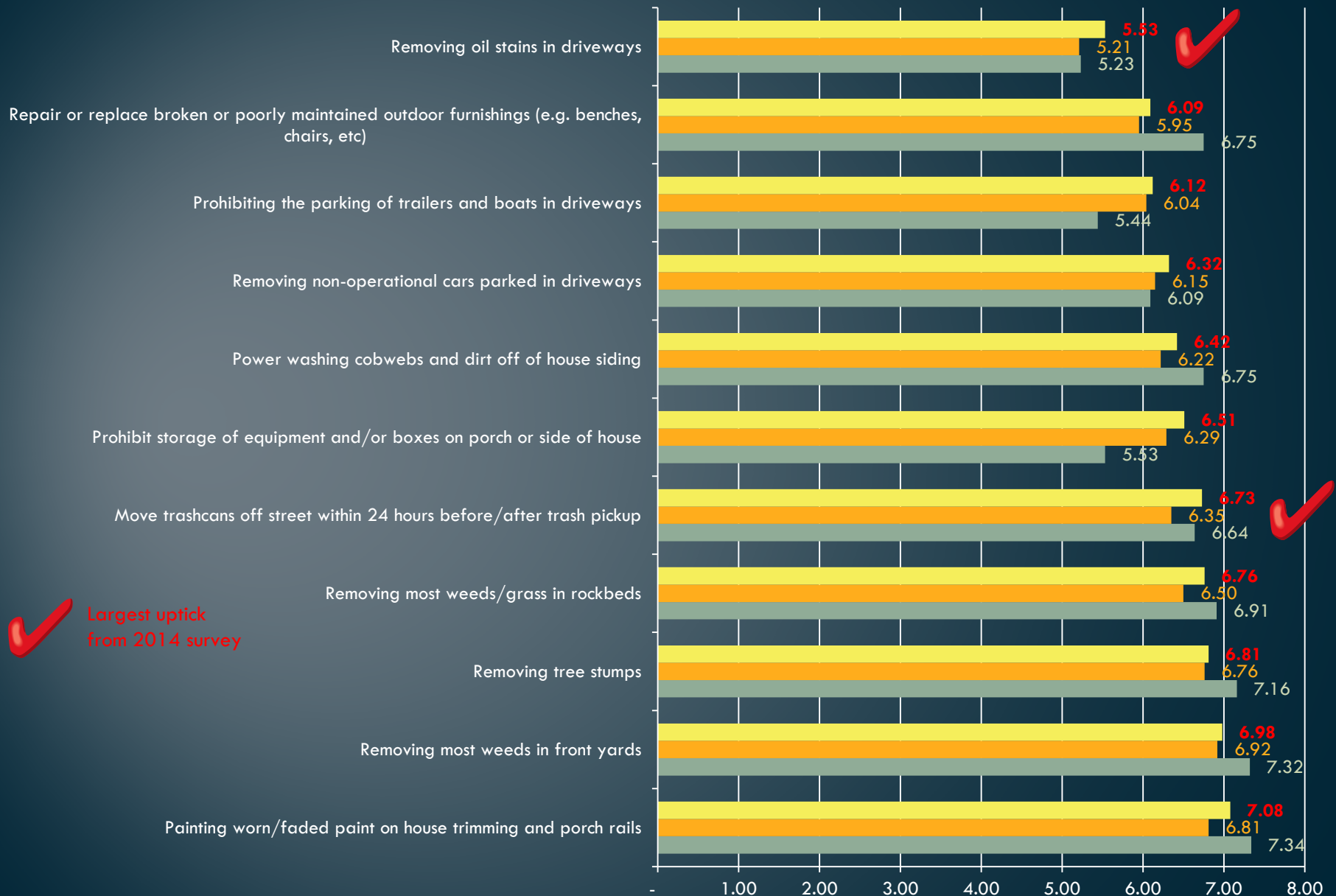
Homeowner Survey Results

- Homeowner Survey Participation
 - 2013 – 132 responses
 - 2014 – 124 responses
 - 2015 – 154 responses
- 2015 Survey – Demographics
 - Approximately 50% of respondents do not have children
 - 97% of respondents are homeowners
 - 63% of respondents own a dog (27% don't own any pets)
 - 35% of respondents plan on living in Belle Creek for no more than 5 years

Homeowner Concerns re Covenant Compliance (“Top 10”)



Homeowner Concerns re Covenant Compliance (“Second 10”)



Street Parking Issues

Question 25: Are you aware of the following City ordinance?

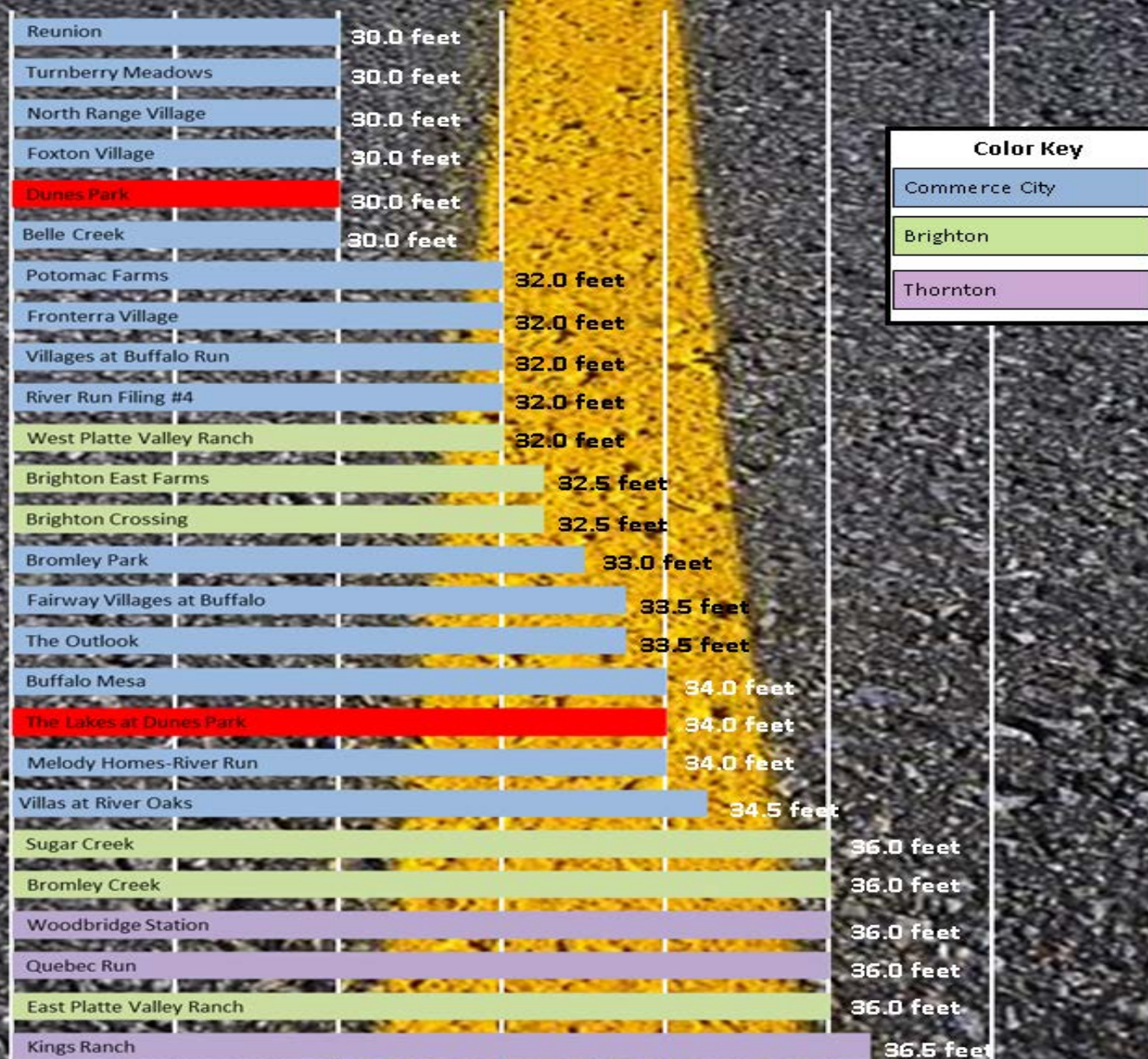
“No person shall park on any portion of the street where parking is permitted for more than five (5) hours unless the location on the street where the person is parked is immediately adjacent to property owned or occupied by such person.” (Homeowners can call the police to enforce such violations occurring adjacent to their own property.)

Survey Results:

YES – 29%

No – 61%

Street Width Comparison by Neighborhood



26.0 ft

28.0 ft

30.0 ft

32.0 ft

34.0 ft

36.0 ft

38.0 ft

40.0 ft

General Observations

- Reasonable enforcement
 - Wide range of opinions
 - Board is responsible for defining “reasonable” standards
 - Section 10.12 – “Each...lot shall at all times be kept in a clean, sightly and wholesome condition by the Owner...”
 - Section 10.14 – “The Owner...shall...maintain all landscaping...in a neat and attractive condition, including periodic and horticulturally correct pruning, removal of weeds and replacement of landscaping.”
- Consistent enforcement
 - Difficult for owners to assess
 - Communication from HOA is important
- Fine-stage violations are documented with photos

Service Opportunities



Questions?



Wolfersberger, LLC

Unlocking Neighborhood Wealth