

McKenzie Rhody & Hearn LLC

Attorneys At Law

March 24, 2011

Members of The Townes at
Kettle Creek Owners Association

Re: The Townes at Kettle Creek Owners Association, Inc. - Testing

Dear Mr. Homeowner:

As you know, our firm represents your Homeowner's Association against the original building, Ashton Woods USA concerning construction defects that exist in the common area of the Association. These defects include such things as improper drainage, failure of retaining walls, deterioration and failure of concrete and asphalt, concerns over the water resistant nature of the building envelope itself, and other items.

Several months ago, pursuant to Colorado law, Ashton Woods USA was served with a notice of this claim. In response to that notice, they asked that consultants from both the builder and the Association jointly perform observation and testing to determine the cause of the various damages seen at the site so they could work together in hopes of coming to a mutually agreed upon repair method. As a result of that request, last Thursday and Friday were chosen as the two days for this joint inspection.

When the inspection was set up, neither the Association nor our firm was advised that the builder, Ashton Woods USA, was going to also bring all of their subcontractors. What was anticipated to be a fairly quiet inspection turned into a zoo because of the number of people that appeared.

The good news is that the consultants hired by your Association were able to thoroughly investigate the significant areas of concern and talk to the consultants for the builders to make sure everyone was agreeing with what was being found. The next step will be to have the experts start talking to each other about possible methods of repairs. If this is a successful exercise, it will alleviate the need to file a lawsuit and will result in a very quick resolution.

Both the Board of Directors and our firm are sorry if this testing has caused any inconvenience or concern to any of the homeowners or tenants at the Association. The areas that were opened up during the testing are being repaired at this time and we have been assured by all of the contractors that the repairs will be of high quality and the paint and stucco will match the surrounding walls.

Naturally, we will keep you apprised of the ongoing events concerning these negotiations.

Yours truly



Michael A. Hearn
McKenzie Rhody & Hearn, LLC