

June 5, 2025

CRE Rule 408 Communication

Sent Via Email: doug@dreyllaw.com

Douglas J. Reynolds, Esq.
The Reynolds Law Group
1099 Main Avenue, Suite 318
Durango, CO 81301

RE: Archuleta County Case No. 24CV30053
Our File No. 4206.001

Dear Doug:

I am writing to you regarding the First Claim for relief that your clients have asserted and the Counterclaim that Defendant Alpha Subdivision Committee, Inc. (“ACA”) has asserted in the above-referenced case. The First Claim for Relief seeks entry of declaratory judgment that Plaintiff Alpha Property Owners Association of Archuleta County, Colorado, a Colorado Nonprofit Corporation (“APOA”) has revoked the authority of the ACA to conduct architectural review for proposed structures in the Alpha Subdivision. The ACA’s Counterclaim seeks declaratory judgment that it is the entity with authority for architectural review under the Declaration. At the hearing on Motion for Preliminary Injunction, Keith Newbold, Esq., attorney for Fairfield Communities, Inc., testified that the February 17, 1995 letter attached as Exhibit 3 to your Motion for Preliminary Injunction granted ACA architectural review authority, which was not subject to any continuing conditions after the initial conditions in the letter were met. In ruling from the bench, after a full-day hearing, the Court found that the APOA did not demonstrate a reasonable likelihood of success on the merits of this claim (in fact stating that “the APOA can’t win this lawsuit”). As such, the APOA continuing to litigate this claim would lack substantial justification within the meaning of C.R.S. § 13-17-102. Please accept this correspondence as the Committee Defendants’ demand that your clients dismiss their First Claim for Relief and consent to entry of judgment on the Counterclaim. If they will not agree to a Stipulation to Dismiss their First Claim for Relief and Consent to Judgment with respect to the Counterclaim within seven (7) days of this letter, the Committee Defendants will file a Motion for Summary Judgment seeking an award of costs and attorney’s fees. Thank you.

Sincerely,

Douglas J. Reynolds, Esq.

June 5, 2025

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GOLDMAN, NICHOLSON & MACK, P.C.



Josh W. Mack

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JWM/ac

cc: Clients

Dillon R. Fulcher, Esq., Bruce J. Robinson, Esq.