

Dear South Park 2 Homeowner,

The purpose of this letter is to provide you with background information leading to the enclosed letter from our attorney, Craig Nuss, of BurgSimpson regarding the lawsuit the South Park 2 Homeowners Association has filed against the City of Englewood and Englewood/McLellan Reservoir Foundation. Please read Mr. Nuss' letter carefully.

If you have been living in South Park perhaps you have noticed that on one or more occasions the City of Littleton has had to dig up Mineral Avenue due to water seepage on the street and install drainage systems. There has also been water seepage on the South Park 2 hill that is adjacent to Mineral. Some months ago our property manager and our landscape service, Emerald Isle, informed the South Park 2 Board of Directors that the seepage on Mineral Hill was beyond their ability to deal with it. Water was constantly running through the storm sewer drainage system, and the ground was often so saturated in places that it was impossible to walk. The Board asked the property manager to see if a former Board member, a forensic geologist, would look at it and offer some suggestions. The former Board member said the amount of water was so significant that he recommended that we seek engineering assistance. Subsequently, the Board sought bids from three engineering firms, and chose Professional Geotechnical Consultants.

Professional Geotechnical Consultants sunk a series of wells to determine water levels and the source of the water. After some months of research and well monitoring to include seasons, Professional Geotechnical Consultants concluded the source of the water to be McClellan Reservoir. The Board of Directors then made the decision to seek legal assistance and ultimately chose BurgSimpson to begin the process of litigation. BurgSimpson has taken the case on contingency. The Board has also begun seeking bids from construction companies skilled in water mitigation to develop a water diversion project on Mineral Hill that will assure the integrity of the soil on the hill. The Board intends to seek reimbursement of these expenses from the City of Englewood and the Englewood/McLellan Reservoir Foundation.

Finally, it is the intent of the Board of Directors to keep South Park 2 homeowners as fully informed of the events surrounding the lawsuit as we are able to under advice of our attorney. All documents or summaries of documents that are publically available will be published on the South Park 2 website <http://www.southpark2-hoa.org/>.

We trust that all South Park 2 homeowners will follow the advice of our attorney regarding sharing of the enclosed information.

Respectfully,

South Park 2 HOA Board of Directors