

Spencer Hamons Resignation from Association of Angel Fire Property Owner's Board of Directors

After nine-years of living full-time in Angel Fire, Coryee and I have decided to sell our home to take advantage of the current real estate market. We completed our closing documents and are awaiting funds to be delivered as of 5/24/2021, so I hereby resign from the AAFPO Board of Directors as I am no longer a property owner.

In August 2020, I volunteered to fill a vacated position on the Association of Angel Fire Property Owner's Board of Directors. I specifically requested to fill a position expected to be open for re-election in June 2021. I never intended to run for re-election in June 2021. However, because it is obvious that many people are incapable of reading an entire document once they glean the information they want, and I think the contents of this letter should be of interest to every property owner in Angel Fire, and of particular interest for anyone considering running for a Board position in the future.

I 100% support the Board's decisions regarding the current lawsuit between AAFPO and Angel Fire Resort. After reading years of Board Meeting minutes, there have been significant disagreements between AAFPO and Angel Fire Resort since the mid 1990's. Most of these disagreements have never been adequately resolved by anyone with competent legal standing. For some conflicts, previous Boards have relied on *opinions provided by legal counsel*, not by a definitive, binding judgement by a magistrate. When disagreements have become heated to the point where a lawsuit was approaching and a Judge would be required to render judgement, Angel Fire Resort simply worked to push-out Board members in disagreement with the Resort's stance, and once that has happened, the disputed issues are simply dismissed, with no binding declaration ever reached. This 25 year tendency to just let decisions be based on the opinions of counsel, not a binding declaration by a judge, is why we are in the situation we are in today.

Of particular interest to me is Angel Fire Resort's assertion that only one of the various filed Organizational Documents are applicable to the Resort's interaction with AAFPO and the homeowners, the [Amended Joint Plan of Reorganization](#). As an AAFPO Board Member, I believe that Angel Fire Resort and AAFPO are bound by all the organizational documents filed during the bankruptcy proceedings from 1995. To give you an analogy, this would be akin to someone asserting that in the United States, that the Bill of Rights is the document governing the interaction between the government, the States, and the people, but that the Bill of Rights and subsequent amendments do not matter.

This is important because if Angel Fire Resort is bound by all the documents filed during the bankruptcy proceedings, then the [AAFPO By-Laws](#) (page 9), clearly state, "*The method for calculating the amount of the assessment will be based upon the percentage of use of the Amenities by the members compared to that of the general public*". I cannot stress enough how important this one aspect of the lawsuit is to me and to many of my fellow property owners. I want Angel Fire Resort to be the premier resort in the region, but there is little motivation for the Resort to improve facilities, product offerings, marketing, and other aspects of operations if the property owners fulfill the entire annual operating budget of Angel Fire Resort. By adhering to this single stipulation, not only would homeowner dues be significantly lower than they are now, but Angel Fire Resort would be required to improve on multiple different levels to compete with others in the hospitality space, and that would benefit everyone. If you want to see for yourself this assertion from Angel Fire Resort that AAFPO's By-Laws aren't binding, simply go to page 13, paragraph 7 of the Resort's responses to a motion that you can find [here](#).

Furthermore, Angel Fire Resort contends that the Association of Angel Fire Property Owners is not a Homeowners Association (HOA). This is a critical question that demands a definitive decision by a judge. If

you want to know exactly what the Resort contends about AAFPO's status, all you need to do is read the responses by the Resort, which you can find [here](#). If a judge determines that AAFPO is not an HOA, then there should be no requirement for anyone to sign a State mandated HOA Disclosure on every sale, relieving AAFPO from the burden of providing these disclosures, and saving money and time on every property sale in the community. Furthermore, if AAFPO is not an HOA, then I personally want to know how anyone can be compelled to purchase a service that they may not want.

When I joined the Board of Directors, I personally was not opposed to signing a Non-Disclosure Agreement (NDA) to see some of the documents expected to be shared by Angel Fire Resort. I frequently sign NDA's as a part of my professional work. However, I became hesitant to sign an NDA after reading two very important documents. The [Amended Joint Plan of Disclosure](#) states on page 23 that Angel Fire Resort "*must place the Annual Assessment funds in a separate segregated account to be held in **trust** for the Property Owners...*". This requirement of funds being in a trust are what has given me pause in signing an NDA to see some of the Resort's financial documents. As a Board member, my fiduciary responsibility is to the homeowners I am representing. New Mexico has [some laws regarding trusts](#), which I (and all Board members) are responsible to adhere to, including the requirement that the beneficiaries of a trust be given access to the details of the trust. Therefore, I wanted to have a Judge decide if signing an NDA is in compliance with these NM state laws since this was never declared as a requirement in any of the original organizational documents. This is not a matter of personal opinion, it is a matter of complying with state laws, and I would expect any future Board Member to also closely consider this in their decisions to sign any required NDAs, as I would contend that signing an NDA is a conscious decision to disregard state law.

Having been on the AAFPO Board of Directors for eight months, I can tell anyone who is considering running for this Board that the demands are high. AAFPO is the largest homeowner's association in the state with over 5,000 members. While I agree with many of our homeowner's comments that the value we receive for our membership dues is outstanding compared to many other resorts in the country, that perception of value is not what an AAFPO Board Member is responsible for. AAFPO Board Members are responsible for adhering to all the [organizational documents](#) governing the interaction between AAFPO and AFR. I am happy that we have some of the highest homeowner engagement that AAFPO has seen throughout its history, but I am still disappointed in the number of people who have failed to take the time to read the organizational documents and truly understand the intent and requirements as defined. I frequently talk to decades-long members who have never read the documents, and I will tell them (and I am not afraid to write it here)...if you haven't read the documents, then your complaints do not hold much influence with me when you complain about how AAFPO is working to comply with the requirements. Whether you intend to run for election in June or not, I would encourage everyone to take a few hours and read and understand all the documents linked throughout this letter.

Finally, in closing, the reason that I originally put my hat-in-the-ring back in August but stated I only wanted a position with an expiring term was due to the fact that I historically travel >40 weeks a year for work, which was put on a moratorium during COVID. The lack of travel demands allowed me to be involved in the AAFPO Board, which requires a minimum of 4 – 8 hours of work each week. Beginning in June, my company will reinstate travel requirements, and I did not believe I could effectively be on-the-road for my job and keep up with AAFPO Board engagement requirements. The sale of my home negates this desire as I am no longer eligible to serve on the board.

I do request that the AAFPO Board post this document prominently on the AAFPO website and include it in

the minutes of the meeting so that anyone in the future that is researching the activities of the 2020 / 2021 AAFPO Board can use this to provide some historical context to our actions.

ELECTRONICALLY SIGNED – 5/24/2021

Hamons, Spencer W.