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7 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**
8 **IN AND FOR THE COUNTY OF MARICOPA**

9 COLETTE MCNALLY, an individual,)
10) Case No. CV2014-009496
11 Plaintiff,)
12 vs.)
13) **VERIFIED ANSWER**
14 SUN LAKES HOMEOWNERS ASSOCIATION #1,)
15 INC., an Arizona non-profit corporation,)
16 Defendant.) (Assigned to the Honorable
17) James Blomo)
18)

16 Defendant Sun Lakes Homeowners Association #1, Inc., by and through undersigned
17 counsel, answers Plaintiff’s Verified Complaint as follows:

18 **PARTIES, JURISDICTION AND VENUE**

- 19 1. Defendant lacks sufficient knowledge or information to form a belief as to the
20 truth of the allegations set forth in paragraph 1 of Plaintiff’s Verified Complaint.
21 2. Defendant admits the allegations of paragraph 2 of Plaintiff’s Verified
22 Complaint.
23 3. Defendant admits that the allegations of paragraph 3 of Plaintiff’s Verified
24 Complaint discuss events alleged to have occurred in Maricopa County, Arizona.
25 4. Defendant admits the allegations of paragraph 4 of Plaintiff’s Verified
26 Complaint.
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FACTS COMMON TO ALL COUNTS

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2 5. Defendant admits the allegations set forth in paragraph 5 of Plaintiff's Verified
3 Complaint.

4 6. Defendant admits the allegations set forth in paragraph 6 of Plaintiff's Verified
5 Complaint.

6 7. Answering the allegations of paragraph 7 of Plaintiff's Verified Complaint,
7 Defendant responds that the Association's CC&Rs speak for themselves. To the extent that
8 any of the allegations set forth in paragraph 7 of Plaintiff's Verified Complaint are intended
9 to allege any form of liability or wrongdoing on the part of Defendant, the allegations are
10 specifically denied.

11 8. Answering the allegations of paragraph 8 of Plaintiff's Verified Complaint,
12 Defendant answers that A.R.S. § 33-1804(E) speaks for itself. To the extent that any of the
13 allegations set forth in paragraph 8 of Plaintiff's Verified Complaint are intended to allege
14 any form of liability or wrongdoing on the part of Defendant, the allegations are specifically
15 denied.

16 9. Answering the allegations of paragraph 9 of Plaintiff's Verified Complaint,
17 Defendant answers that A.R.S. § 33-1804(A)(1)-(5) speaks for itself. To the extent that any
18 of the allegations set forth in paragraph 9 of Plaintiff's Verified Complaint are intended to
19 allege any form of liability or wrongdoing on the part of Defendant, the allegations are
20 specifically denied.

21 10. Defendant lacks sufficient knowledge or information to form a belief as to the
22 truth of the allegations set forth in paragraph 10 of Plaintiff's Verified Complaint. To the
23 extent that any of the allegations set forth in paragraph 10 of Plaintiff's Verified Complaint
24 are intended to allege any form of liability or wrongdoing on the part of Defendant, the
25 allegations are specifically denied.

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1 11. Defendant lacks sufficient knowledge or information to form a belief as to the
2 truth of the allegations set forth in paragraph 11 of Plaintiff's Verified Complaint. To the
3 extent that any of the allegations set forth in paragraph 11 of Plaintiff's Verified Complaint
4 are intended to allege any form of liability or wrongdoing on the part of Defendant, the
5 allegations are specifically denied.

6 12. Defendant lacks sufficient knowledge or information to form a belief as to the
7 truth of the allegations set forth in paragraph 12 of Plaintiff's Verified Complaint. To the
8 extent that any of the allegations set forth in paragraph 12 of Plaintiff's Verified Complaint
9 are intended to allege any form of liability or wrongdoing on the part of Defendant, the
10 allegations are specifically denied.

11 13. Answering the allegations of paragraph 13 of Plaintiff's Verified Complaint,
12 Defendant admits that Jeannie Martens is a former employee of the Association. As to the
13 remaining allegations of paragraph 13, Defendant lacks sufficient knowledge or information
14 to form a belief as to their truth. To the extent that any of the allegations set forth in
15 paragraph 13 of Plaintiff's Verified Complaint are intended to allege any form of liability or
16 wrongdoing on the part of Defendant, the allegations are specifically denied.

17 14. Defendant lacks sufficient knowledge or information to form a belief as to the
18 truth of the allegations set forth in paragraph 14 of Plaintiff's Verified Complaint. To the
19 extent any of the allegations set forth in paragraph 14 of Plaintiff's Verified Complaint are
20 intended to allege any form of liability or wrongdoing on the part of Defendant, the
21 allegations are specifically denied.

22 15. Defendant lacks sufficient knowledge or information to form a belief as to the
23 truth of the allegations set forth in paragraph 15 of Plaintiff's Verified Complaint. To the
24 extent any of the allegations set forth in paragraph 15 of Plaintiff's Verified Complaint are
25 intended to allege any form of liability or wrongdoing on the part of Defendant, the
26 allegations are specifically denied.

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1 16. Defendant lacks sufficient knowledge or information to form a belief as to the
2 truth of the allegations set forth in paragraph 16 of Plaintiff's Verified Complaint. To the
3 extent any of the allegations set forth in paragraph 16 of Plaintiff's Verified Complaint are
4 intended to allege any form of liability or wrongdoing on the part of Defendant, the
5 allegations are specifically denied.

6 17. Answering the allegations of paragraph 17 of Plaintiff's Verified Complaint,
7 Defendant admits that Plaintiff forwarded to Board Member Richard Schwartz the document
8 attached as Exhibit B to Plaintiff's Verified Complaint. As to the remaining allegations of
9 paragraph 17, Defendant lacks sufficient knowledge or information to form a belief as to
10 their truth. To the extent any of the allegations set forth in paragraph 17 of Plaintiff's
11 Verified Complaint are intended to allege any form of liability or wrongdoing on the part of
12 Defendant, the allegations are specifically denied.

13 18. Answering the allegations of paragraph 18 of Plaintiff's Verified Complaint,
14 Defendant admits that Plaintiff and former Board Member Ray Smith proposed that the
15 Board of Directors for the Sun Lakes Homeowners Association address the matters raised
16 in the document attached as Exhibit B to Plaintiff's Verified Complaint during its regular
17 meeting held August 7, 2013. As to the remaining allegations of paragraph 18, Defendant
18 lacks sufficient knowledge or information to form a belief as to their truth. To the extent any
19 of the allegations set forth in paragraph 18 of Plaintiff's Verified Complaint are intended to
20 allege any form of liability or wrongdoing on the part of Defendant, the allegations are
21 specifically denied.

22 19. Defendant denies the allegations set forth in paragraph 19 of Plaintiff's
23 Verified Complaint.

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1 20. Answering the allegations of paragraph 20 of Plaintiff's Verified Complaint,
2 Defendant admits that the Board of Directors considered the document attached as Exhibit
3 B to Plaintiff's Verified Complaint in an Executive Session held on September 4, 2013, and
4 that the Board of Directors voted not to take any action in response to the document.
5 Defendant admits that Plaintiff cast the lone dissenting vote concerning whether or not the
6 Board of Directors should take any action in response to the document. Defendant denies
7 the remaining allegations of paragraph 20 of Plaintiff's Verified Complaint.

8 21. Answering the allegations of paragraph 21 of Plaintiff's Verified Complaint,
9 Defendant admits that former Board Member Ray Smith proposed that the Board of Directors
10 for the Sun Lakes Homeowners Association address the matters raised in the document
11 attached as Exhibit B to Plaintiff's Verified Complaint during its regular meeting held
12 August 7, 2013. Defendant denies the remaining allegations of paragraph 21 of Plaintiff's
13 Verified Complaint.

14 22. Answering the allegations of paragraph 22 of Plaintiff's Verified Complaint,
15 Defendant admits that at the regularly-scheduled meeting of the Board of Directors held
16 August 7, 2013, Plaintiff began to read aloud the document attached as Exhibit B to
17 Plaintiff's Verified Complaint. Defendant denies the remaining allegations of paragraph 22
18 of Plaintiff's Verified Complaint.

19 23. Answering the allegations of paragraph 23 of Plaintiff's Verified Complaint,
20 Defendant admits that Plaintiff was screened from Executive Sessions of the Board of
21 Directors for the reasons articulated in the letter from Defendant's general counsel dated
22 September 11, 2013, and attached as Exhibit C to Plaintiff's Verified Complaint. Defendant
23 denies the remaining allegations of paragraph 23 of Plaintiff's Verified Complaint.

24 24. Defendant denies the allegations set forth in paragraph 24 of Plaintiff's
25 Verified Complaint.

26 25. Defendant denies the allegations set forth in paragraph 25 of Plaintiff's
27 Verified Complaint.
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1 COPY mailed this 29th day
2 of August, 2014 to:

3 Steven W. Cheifetz, Esq.
4 Jacob A. Kubert, Esq.
5 **CHEIFETZ IANNITELLI MARCOLINI, P.C.**
6 111 West Monroe Street, 17th Floor
7 Phoenix, Arizona 85003
8 Attorneys for Plaintiff

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By /s/R. Nelson