HIGHLINE MEADOWS HOMEOWNERS ASSOCIATION

March 31, 1998

The Board of Directors of the Highline Meadows Homeowners Association has determined that special assessments over a five year period of time are required to meet the pressing physical needs of our property. However, to make it more palatable and reasonable, the Board is breaking the assessments down per year with payments due in two installments each year.

Your 1998 annual Assessment is as follows:

1 Bedroom Condominium	**$1,647.00**
2 Bedroom Condominium	**$2,007.00**
2 Bedroom Townhouse	**$3,290.00**
3 Bedroom Townhouse	**$4,341.00**

The first half of your assessment is due by June 1, 1998 and the second half of your assessment is due by August 1, 1998.

Please note that this is just the first year amounts. Each subsequent year will bring new figures based on projected needs and bids secured for the work to be done. All subsequent annual assessments will also be due on the June and August date of each of the five years. Each years assessments according to the Association Declarations will be used for specific projects.

The Board of Directors thanks you for your understanding and cooperation in this matter. This a very important move for the maintenance and increase of our property values and the general welfare of our community.

Sincerely,

Board of Directors
Highline Meadows Homeowners Association

Component	Rep. Cost	S.A.-1	S.A.-2	S.A.-3	S.A.-4	S.A.-5	T/B/F	R. L.	A/Dues	Condo	Mo. Inc.
asphalt - Phs. I	104,288	83,430					104,288	22	4,740		
asphalt - Phs. II	104,288		83,430				104,288	23	4,534		
asphalt - Phs. III	104,288			83,430			104,288	24	4,345		
asphalt - Phs. IV	104,288				83,430	83,430	104,288	25	4,172		
concrete bumpers	2,942	2,353					2,942	17	173		
concrete bumpers	2,942		2,353				2,942	18	163		
concrete bumpers	2,942			2,353			2,942	19	155		
concrete bumpers	2,942				2,353	2,353	2,942	20	147		
asphalt curbing - Phs I	1,350	1,080					1,350	22	61		
asphalt curbing - Phs II	1,350		1,080				1,350	23	59		
asphalt curbing - Phs. III	1,350			1,080			1,350	24	56		
asphalt curbing - Phs. IV	1,350				1,080	1,080	1,350	25	54		
concrete paved ditch	8,555						8,560	30	285		
retaining wall,PTL	33,887						33,887	30	1,130		
concrete pool deck	14,482						14,482	15	965		
concrete sidewalks	188,934						5,000	1	5,000		
stucco ext. walls	268,836						268,836	55	4,888		
lift station/subsurface drainage	702,450	112,000	-142,450		112,000		478,450	42	11,392		
forced main	155,250		-72,550	82,700			155,250	53	2,929		
garages	367,500	73,500	73,500	73,500	73,500	73,500	367,500	30	12,250		

garage doors	117,000	23,400	23,400	23,400	23,400	23,400	117,000	15	7,800
street lights	20,100						20,100	34	591
concrete patios	48,392						48,392	52	931
point tuck brick	18,360						18,360	58	317
plumbing (condos)	560,000	140,000	140,000	140,000	140,000		700,000	30	23,333
plumbing (townhouses)	200,000	40,000	40,000	40,000	40,000	40,000	200,000	30	6,667
concrete retaining wall	43,249						43,249	20	2,162
tot fence/structures	5,866						5,866	7	838
membrane roofing-TH	224,532	44,907	44,907	44,907	44,907	44,907	224,532	30	7,484
stockade priv. fence - TH	8,736						8,736	15	582
gutters/down spouts - TH	13,680						13,680	7	1,954
ext. light fixtures - TH	11,900						11,500	35	329
hardboard siding - Condo	15,964						15,964	28	570
wood trim - Condo	99,000	19,800	19,800	19,800	19,800	19,800	99,000	27	3,667
ext. wood doors - Condo	13,920	2,784	2,784	2,784	2,784	2,784	13,920	35	398
membrane roofing - Cond	277,200						277,200	6	46,200
membrane roofing - Cond	290,808						290,808	8	36,351

ext. light fixtures - Condo	17,000						17,000	27	630	
balconies - Condo	80,000	40,000	40,000				80,000	26	3,077	
gutters/downspouts - Con	14,868						14,868	8	1,859	
asphalt shingles - TH	35,000	24,000	24,000	24,000	24,000	24,000	120,000	26	4,615	
asphalt shingles - condo	350,000	16,000	16,000	16,000	16,000	16,000	350,000	26	13,462	
pool waterline tile	14,580						14,580	8	1,823	
furnace/air conditioner	3,600						3,600	6	600	
carpet - club house	2,450						2,450	2	1,225	
hot water heaters - Phs. I	22,000	11,000	11,000				22,000	23		957
hot water heaters - Phs. II	22,000		11,000	11,000			22,000	24		917
hot waterheaters - Phs. III	22,000			11,000	11,000		22,000	25		880
hot water heaters - Phs. I	22,000	11,000	11,000				22,000	19		1,158
hot water heaters - Phs. II	22,000		11,000	11,000			22,000	20		1,100
hot water holding tank - Phs . I	1,000	1,000					1,000	16		63
hot water holding tank Phs. II	1,000		1,000				1,000	17		59
hot water holding tank - Phs. III	1,000			1,000			1,000	18		56
hot water holding tank	2,000						2,000	14		143
painting - Condo	77,000	15,400	15,400	15,400	15,400	15,400	77,000	4	19,250	
painting - Townhouses	70,000	14,000	14,000	14,000	14,000	14,000	70,000	4	17,500	

280,- Lift

moyer vs osborn?
(#2,000)

> STEW Goldman - President
> Judy [redacted] Orth - S
> Don Fleisman -
(2 BR-88,00)
> FRANK Saslino -
> Mike Rodes - Ass.
> Mike Crow - manage "
(NO LOAN)
> Tom Karafter -
>
>

FINANCIAL STATEMENT
MONTH ENDING FEBRUARY 28, 1998

HIGHLINE MEADOWS HOMEOWNERS
ASSOCIATION

280

- Decreases after 1st year - Not to exceed
- Federal Money over - 20 years
- Bond ??
- Management Company -

300

Breakdown

Townhouses - 70	Condos - 230
2 bedroom - 36	1 bedroom - 110
3 bedroom - 34	2 bedroom - 120

BALANCE SHEET
HIGHLINE MEADOWS CONDO ASSOC. ACCU AGENT FOR:D.PHIFER BROKER
FEBRUARY 28, 1998

ASSETS

CURRENT ASSETS			
PETTY CASH	$ 250.00		
CASH - CHECKING	3,202.31		
CHECKING - COLORADO BUS.	13,599.81		
PRUDENTIAL SECURITIES -	66,013.43		
PRUDENTIAL CD 12/26/97	30,000.00		
PRUDENTIAL CD 12/13/2000	32,000.00		
PRUDENTIAL CD 4/2/98	30,000.00		
PRUDENTIAL CD 10/2/97	30,000.00		
ACCOUNTS RECEIVABLE - FE	895.17		
ACCTS RECEIVABLE - LATE	1,528.00		
ACCTS RECEIVABLE - OTHER	1,469.85		
PREPAID INSURANCE	4,869.00		
SECURITY DEPOSITS - EMPL	650.00		

TOTAL CURRENT ASSETS		$ 214,477.57	
FIXED ASSETS			
INTEREST RECEIVABLE	165.00		

TOTAL FIXED ASSETS		$ 165.00	
OTHER ASSETS			

TOTAL ASSETS			$ 214,642.57
			===============

LIABILITIES AND CAPITAL

CURRENT LIABILITIES			
ACCOUNTS PAYABLE, TRADE	13.77		
DEFFERED LAUNDRY	26,500.00		
INCOME TAXES PAYABLE	(7.00)		
SECURITY/CLUBHOUSE DEPOS	230.00		

TOTAL CURRENT LIABILITIES		$ 26,736.77	
LONG TERM LIABILITIES			

TOTAL LIABILITIES		$ 26,736.77	
CAPITAL			
FUND BALANCE	(5,561.05)		
REPLACEMENT FUND BALANCE	(183,527.70)		
FUND BALANCE - WATER HEA	25,386.00		
FUND BALANCE-CONDO INTER	16,492.49		
FUND BALANCE-STREET/PARK	55,146.00		
FUND BALANCE-WATER LIFT	14,600.71		
FUND BALANCE -POOL RESER	70,274.00		
FUND BALANCE-AIR CONDITI	5,000.00		
FUND BALANCE -EXT PAINT	39,523.97		
FUND BALANCE-EQUIP ACQUI	17,608.32		
FUND BALANCE -ROOFS RESE	202,280.45		
FUND BALANCE-SPRINKLER R	15,000.00		

BALANCE SHEET
HIGHLINE MEADOWS CONDO ASSOC. ACCU AGENT FOR:D.PHIFER BROKER
FEBRUARY 28, 1998

CURRENT INCOME OR LOSS	(84,317.39)		
TOTAL CAPITAL		$ 187,905.80	
TOTAL LIABILITIES AND CAPITAL			$ 214,642.57

UNAUDITED

HIGHLINE MEADOWS CONDO ASSOC. ACCU AGENT FOR:D.PHIFER BROKER

STATEMENT OF OPERATIONS AND BUDGET VARIANCE REPORT

FEBRUARY 28, 1998

	MONTH TO DATE			YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	[illegible]
INCOME:							
RENTAL INCOME	$ 450	$ 450		$ 3,600	$ 3,600		$ 5,4
GARAGE RENTAL INCOME				25		25	
SCHEDULED MAINTENANCE FEES	33,184	33,242	(58)	265,472	265,936	(464)	398,9
GARAGE RENTAL INCOME	175	250	(75)	1,425	2,000	(575)	3,0
TRANSFER FEES	37	83	(45)	412	664	(251)	1,0
CLUBHOUSE RENTAL		42	(42)	50	336	(286)	5
LATE FEES/SHORT CHECK FEES	600	283	317	2,698	2,264	434	3,4
LAUNDRY INCOME	1,681	1,083	598	8,505	8,664	(158)	13,0
MISCELLANEOUS	150		150	150		150	
INTEREST INCOME		1,167	(1,167)	2,603	9,336	(6,732)	14,0
DIVIDEND INCOME		708	(708)	3,285	5,664	(2,378)	3,5
LEGAL INCOME	87	83	4	1,785	664	1,121	1,0
TOTAL INCOME	$ 36,365	$ 37,391	$ (1,025)	$ 290,011	$ 299,128	$ (9,115)	$ 448,7
EXPENSES:							
BUILDING MAINTENANCE							
CARPET CLEANING	139	208	68	1,284	1,664	379	2,50
CONDO INTERIOR MAINTENANCE				1,058		(1,058)	
CONDO EXTERIOR MAINTENANCE		1,250	1,250	660	10,000	9,339	15,00
CLEANING/JANITORIAL	1,100	1,083	(17)	9,080	8,664	(416)	13,00
CLEANING/JANITORIAL SUPPLIES	24	83	58	925	664	(261)	1,00
ELECTRICAL		833	833	421	6,664	6,242	10,00
PLUMBING	1,103	583	(520)	6,197	4,664	(1,533)	[illegible]
HVAC	138	83	(55)	9,331	664	(8,667)	
HVAC SUPPLIES		42	42	400	336	(64)	50
POOL/MONITORS				6,300	8,250	1,950	11,00
TOWNHOME ELECTRIC				179		(179)	
T.H EXTERIOR ELECT REIMB.		21	21		168	168	25
ROOF	375	292	(83)	4,349	2,332	(2,017)	3,50
FIRE/SECURITY/INTERCOM	25	50	24	692	400	(292)	60
TRASH REMOVAL	1,754	1,250	(504)	10,250	10,000	(250)	15,00
TOWNHOME EXTERIOR				300		(300)	
INTERIOR PAINTNG/WALL REPAIR	1,570	417	(1,153)	11,532	3,336	(8,196)	5,00
SCREENS AND GLASS		83	83	847	664	(183)	1,00
LOCKS AND KEYS		84	84	204	664	459	1,000
APPLIANCE REPAIR	56	25	(31)	928	200	(728)	300
EXTERIOR PAINTING		167	167	125	1,336	1,210	2,000
OTHER REPAIRS & MAINTENANCE		42	42	577	336	(241)	500
MISC MAINTENANCE SUPPLIES	219	283	63	3,520	2,271	(1,249)	3,403
EQUIPMENT RENTAL	147	42	(105)	644	332	(312)	500
SEWER REPAIRS EXPENSE		417	417		3,336	3,336	5,000
LICENSES AND TAXES	220		(220)	220		(220)	400
CONTRACT LABOR	91	42	(49)	322	336	14	500
RECREATION ROOM SUPPLIES		17	17		136	136	200
ELECTRICAL SUPPLIES	717	83	(634)	3,353	664	(2,689)	1,000
PLUMBING SUPPLIES	92	42	(50)	467	336	(131)	500
POOL/HOTTUB/SAUNA SUPPLIES				830	1,500	669	2,000
PAINTING SUPPLIES		83	83	1,028	664	(364)	1,000
GARAGE MAINTENANCE		708	708	296	5,664	5,367	8,500
CARPET REPAIRS		125	125	1,522	1,000	(522)	1,500
CLUBHOUSE		83	83	2,024	664	(1,360)	1,000

HIGHLINE MEADOWS CONDO ASSOC. ACCU AGENT FOR:D.PHIFER BROKER

STATEMENT OF OPERATIONS AND BUDGET VARIANCE REPORT

FEBRUARY 28, 1998

	MONTH TO DATE			YEAR TO DATE			ANNU
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	BUDG
TOTAL BUILDING MAINTENANCE	7,775	8,521	745	79,875	77,909	(1,966)	115,65
UTILITIES							
ELECTRICITY - BLDG #50	86	125	38	1,426	1,000	(426)	1,50
ELECTRICITY - BLDG #100	104	100	(4)	648	800	151	1,20
ELECTRICITY - BLDG. #130	118	92	(26)	621	732	110	1,10
ELECTRICITY - BLDG. #140	104	134	29	676	1,064	388	1,60
ELECTRICITY - BLDG. #190	85	92	6	600	732	131	1,10
ELECTRICITY - BLDG. #209	85	92	6	557	732	174	1,10
ELECTRICITY - BLDG. #230	99	83	(16)	610	664	53	1,00
ELECTRICITY - BLDG. #249	78	83	4	506	664	157	1,00
ELECTRICITY - BLDG. #280	75	67	(8)	537	536	(1)	80
ELECTRICITY - BLDG. #309	88	134	45	972	1,064	91	1,60
ELECTRIC BLDG. #50 (SIGN)	10	12	1	72	102	29	15
ELECTRIC BLDG. #50 (MISC.)	198	92	(106)	1,315	736	(579)	1,10
ELECTRIC BLDG. #123 - 530	148	158	9	1,038	1,264	225	1,90
ELECTRIC BLDG. #140 - 103	10	25	14	260	200	(60)	30
ELECTRICITY BLDG #475	48	67	18	459	536	76	80
ELECTRICITY - CLUB HOUSE	41	150	108	839	1,200	360	1,30
ELECTRICITY - PUMP STATION	177	208	30	2,192	1,664	(528)	2,50
GAS EXPENSE - BLDG. #50	500	267	(233)	2,271	2,136	(135)	3,20
GAS EXPENSE - BLDG. #100	545	275	(270)	2,949	2,200	(749)	3,30
GAS EXPENSE - BLDG. #130	551	125	(426)	2,900	1,000	(1,900)	1,50
GAS EXPENSE - BLDG. #140	357	317	(40)	2,027	2,536	508	3,80
GAS EXPENSE - BLDG. #190	568	317	(251)	2,874	2,536	(338)	3,80
GAS EXPENSE - BLDG. #209	177	125	(52)	948	1,000	51	1,500
GAS EXPENSE - BLDG. #230	383	275	(108)	2,377	2,200	(177)	3,300
GAS EXPENSE - BLDG. #249	421	275	(146)	1,986	2,200	213	3,300
GAS EXPENSE - BLDG. #280	399	225	(174)	2,286	1,800	(486)	2,700
GAS EXPENSE - BLDG. #309	548	317	(231)	2,641	2,536	(105)	3,800
GAS EXPENSE - CLUB HOUSE	153	133	(20)	793	1,064	270	1,600
WATER		2,667	2,667	19,720	21,336	1,615	32,000
SEWER		1,542	1,542	17,041	12,336	(4,705)	13,500
TOTAL UTILITIES	6,168	8,574	2,405	74,155	68,570	(5,585)	102,350
PAYROLL							
ADMINISTRATION				68		(68)	
MAINTENANCE	4,032	4,583	550	35,860	36,664	803	55,000
MAINTENANCE HOUSING ALLOWANC	600		(600)	2,735		(2,735)	
GROUNDS PERSONNEL				972		(972)	
PAYROLL TAXES	349	583	233	2,929	4,664	1,734	7,000
GROUP INSURANCE	166	208	41	353	1,664	1,310	2,500
WORKMEN'S COMPENSATION	231	417	185	2,181	3,336	1,154	5,000
TOTAL PAYROLL	5,380	5,791	410	45,102	46,328	1,225	69,500
EXTERIOR MAINTENANCE							
PARKING LOT	1,930	1,000	(930)	7,082	8,000	917	12,000
YARD & GROUNDS		2,083	2,083	14,304	16,664	2,359	25,000
SNOW REMOVAL	318	750	431	7,358	3,750	(3,608)	4,500
GROUNDS SUPPLIES	755	208	(547)	1,751	1,664	(87)	2,500
SPRINKLER				10,831	5,001	(5,830)	10,000
EQUIPMENT REPAIR & MTCE		42	42	3,327	336	(2,991)	500

HIGHLINE MEADOWS CONDO ASSOC. ACCU AGENT FOR:D.PHIFER BROKER

STATEMENT OF OPERATIONS AND BUDGET VARIANCE REPORT

FEBRUARY 28, 1998

	<----------MONTH TO DATE----------->			<-----------YEAR TO DATE----------->			A
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	BUDGE
EQUIPMENT RENTAL		42	42	107	336	228	50
CONCRETE		833	833	150	6,664	6,514	10,00
FENCE REPAIRS TOWNHOMES		750	750	6,986	6,000	(986)	9,00
SEWER PUMP & ALARM EXPENSE	387	333	(54)	6,933	2,664	(4,269)	4,00
TOTAL EXTERIOR MAINTENANCE	3,392	6,041	2,648	58,834	51,079	(7,755)	78,00
ADMINISTRATION							
COPYING/PRINTING/POSTAGE	96	308	211	1,292	2,464	1,171	3,70
NEWSLETTER		108	108		864	864	1,30
MANAGEMENT FEES	2,295	2,333	38	18,360	18,664	304	28,00
ADVERTISING/PROMOTION		42	42	540	336	(204)	50
PROFESSIONAL FEES				2,888		(2,888)	50
OFFICE SUPPLIES	16	42	25	269	336	66	50
TELEPHONE/ANSWERNG SVC/PAGER	386	200	(186)	2,233	1,600	(633)	2,400
TRAVEL AND ENTERTAINMENT				84		(84)	
AUTO	421	292	(129)	1,742	2,336	593	3,500
MISCELLANEOUS	274	167	(107)	604	1,336	731	2,000
DUES AND SUBSCRIPTIONS		4	4		32	32	50
LEGAL FEES		417	417	5,300	3,336	(1,964)	5,000
CONSULTANT FEES	686		(686)	1,979		(1,979)	
AUDIT/ACCOUNTING FEES				2,635	3,000	365	3,000
BANK SERVICE CHARGE		21	21		168	168	250
TOTAL ADMINISTRATION	4,176	3,934	(242)	37,931	34,472	(3,459)	50,700
TAXES, INSURANCE, AND INTEREST							
INSURANCE		2,500	2,500	44,285	20,000	(24,285)	3[illegible]
INCOME TAXES		167	167	1,200	1,336	136	2,000
TOTAL TAXES, INSURANCE, AND INTEREST		2,667	2,667	45,485	21,336	(24,149)	32,000
CAPITAL IMPROVEMENT							
CAPITAL IMPROVEMENTS -APPL.				822		(822)	
TOTAL CAPITAL IMPROVEMENT				822		(822)	
TOTAL OPERATING EXPENSES	26,893	35,528	8,634	342,206	299,694	(42,512)	448,703
INCOME(LOSS) FROM OPERATIONS	$ 9,471	$ 1,863	$ (7,608)	$ (52,195)	$ (566)	$ 51,629	
RESERVE INCOME							
RESERVE EXPENDITURES							
AIR CONDITIONER FUND RES EXP				500		(500)	
ROOFS RESERVE EXPENSE	2,958		(2,958)	8,745		(8,745)	
MISC. RESERVE EXPENSE				1,250		(1,250)	
LIFT STATION RESERVE EXPENSE				6,959		(6,959)	
SEWER REPAIR RESERVE EXPENSE				8,100		(8,100)	
BOILER RESERVE EXPENSE	6,567		(6,567)	6,567		(6,567)	
TOTAL RESERVE EXPENDITURES	9,525		(9,525)	32,122		(32,122)	