Matthew Frank Condominium Homeowners' Association
Reserve Fund Loan and Repayment Resolution

WHEREAS, the Board of Directors has the right and responsibility under statutory law [ORS. 100.175(3)(c)] and further supported by Association governing documents including the (Bylaws of Matthew Frank Condominium Article 6, Section 6.1) to determine the amounts required for operation, maintenance and other affairs of the Association, and the making of such expenditures;

WHEREAS, the Board of Directors finds that the funding level of the Reserve Fund is very healthy yet the current operating account is underfunded;

WHEREAS, attic mold has been discovered in multiple units and needs to be remediated in 2018;

WHEREAS, attic mold remediation costs are not reserve eligible;

NOW, BE IT THEREFORE RESOLVED, that the Matthew Frank Condominium Homeowners' Association Board of Directors adopts the following policies and procedures:

1. The Board of Directors shall cause up to a $71,000 loan to be taken from the Reserve Fund Account to the operating account for the purpose of costs associated with the operation, care, upkeep, maintenance, repair and replacement of the general and limited common elements and Association property that is not eligible for reserve funding.

2. The loan shall be non-interest bearing. No interest or penalty shall be assessed on the loan amount for the term of the loan.

3. As a result of the reserve fund allocation, it is understood that the reserve funds shall be under funded in the amount of $71,000 until the loan has been repaid.

4. The Board of Directors determines that the $71,000 loan shall be repaid by the operating account by adding a repayment line item into the operating budget for 2019, 2020, and 2021 as needed, until repaid in full.

5. In the event of an overage in operating capital for any given fiscal year in which the reserve allocation was fully funded, the Board of Directors shall cause the overage to be applied to the Reserve Fund deficit, thereby reducing the loan payment term.

This Resolution was passed by the Matthew Frank Condominium Homeowners' Association Board of Directors on this

Day 12 of February, 2018.

DIRECTOR DIRECTOR