

PROFORMA BUDGET ATTACHED TO PUBLIC OFFERING STATEMENT
 SPRING MEADOWS CONDOMINIUM II
 Unit Owners Association
 _____, 200__ to _____, 200__ (Note 1)

Income:

Income from monthly assessments of Unit Owners (Note 2) (37) x (12) months x \$120.00	\$ 53,280.00
Reserve for repair replacement of common elements (Note 3)	
TOTAL INCOME AND RESERVE	\$ 53,280.00

Common Expenses: (Note 4)

Legal and Accounting	500.00	
General Maintenance	8,000.00	
Trash Removal	-----	
Insurance and Bond	16,900.00	
Snow removal and Lawn maintenance	20,000.00	
Miscellaneous Expense	1,200.00	
Manager Compensation	1,500.00	
TOTAL EXPENSE		\$ 48,100.00

The projected total monthly assessment for common expenses is \$108.00 per unit.

Note 1 - May 1st, 2006 is the first date a unit is to be conveyed to a purchaser.

Note 2 - On the date the first unit is conveyed, all unit owners are required to pay to the council their unit's share of the common expenses equal to 2 times the monthly assessments based on the above budget, as an inception fee.

Note 3 - This reserve has been established to provide for unanticipated expenses and the replacement of capital items. This figure has been arbitrarily selected and is initially composed of inception fees paid by each first time purchaser based on two (2) times the monthly assessment.

Note 4 - Expenses are based on expense projections, and are estimates only.

Note 5 - This budget has been prepared by Declarant.