

Downtown I&II Mid-Year Owner's Meeting Minutes
June 15, 2009
7:00 pm, 1203 G

Attending:

Board members: Guy Ben-Ari, Tom Wehr, Christina West

Property Manager: Richard Bernstein

Owners: Ellyn Ambrose, Nick DiBlasio, Christian Koschil, Danielle Bercaw Koschil, Marv Nixon, David Shelby

I. Mid-year Financials

Treasurer Tom Wehr prepared a mid-year summary of our budget which he reviewed. He indicated that we have a fairly tight budget without a lot of discretionary expenses which is designed in part to keep condo fees low. A few discretionary expenses so far this year include the window washing that was done this spring and a limited amount of landscaping. We also have a small discretionary account for minor repairs.

The Board did approve some tree trimming at Downtown II earlier this spring, at the request of DTII owners. This work has been completed, though owners observed that one tree continues to scrape the building next door and one (very large) bush continues to obstruct the windows of 1225. Richard Bernstein indicated he would look into this and have the tree trimmers return to complete this work.

Wehr also noted that we have had a number of emergency roof repairs done so far this year. We have spent a total of approximately \$9,700 on roof repairs – and this doesn't include interior repairs.

Wehr reviewed a pending item the Board is considering – attaching screens to the 74 dryer vents that currently do not have vents. Without the vents, birds can access the vent and nest – which can be a fire hazard. The Board has solicited quotes for screen installation and presented those attending the meeting with options the Board is considering: (1) wait until 2010 and include this in the budget then; (2) complete the work now and assess owners approximately \$35 each to pay for the screen installation. Everyone at the meeting recognized that this needs to be done sooner rather than later and agreed owners should be assessed this summer for the screen installation. The Board agreed to move forward on this. Richard indicated that the screens will have a hinge on them so they can be opened when we have the dryer vents cleaned. Ellyn Ambrose indicated that her vent and one at 1201 appear to have water stains beneath the vent on the brick. This is probably condensation from the A/C unit. Richard will look into it.

The Board reviewed the status of landscaping in DTII which several owners in DTII have expressed an interest in working on. Wehr indicated that we do not currently have sufficient funds in the budget to pay for this. It could be built into the 2010 budget. Alternatively, owners can pay for landscaping themselves – as long as their plans are approved by the Board.

The 12th Street courtyard was discussed. Everyone agreed that removing the statue would go a long ways to making the space more useful. See below during the subcommittee reports.

Nick DiBlasio indicated that the CDC is conducting mosquito testing in the DTII courtyard. They will be testing weekly for West Nile Virus and have set out a mosquito trap.

Secretary Christina West will include the most recent management report in the 2nd Quarter report to owners, to be sent in early July.

II. The Roof

The Board presented the latest information on the roof situation. We have spent \$9,700 this year on roof repairs, plus an additional amount for interior repairs to those units that have had water damage. The estimate provided by the engineering report the Board had done last year was that a new roof would cost approximately \$135,000. We will also need to hire an engineer to review the roofs, identify where the most severe problems are, determine if the work can/should be done in stages, determine the most cost-effective way to replace the roof, assist in soliciting roofing bids and oversee the work. This will cost approximately \$15,000-20,000. We currently have approximately \$74,000 in our reserve account. There was general agreement that we should not wipe out our reserves to pay for the roof. Ideally, we should maintain a year's worth of operating expenses in reserves. The Board pointed out that this will likely mean a special assessment of owners to pay for the engineer and the roof. There was also general agreement that we should spread out the special assessment as long as possible to make it less burdensome.

The Board has asked Richard to solicit engineering bids. He has received 2 to date and is waiting on at least one more. The Board will review these with Richard. No set timetable has been determined at this point as to when this work will begin, when the roof special assessment will begin or what that assessment will be. These conversations will continue within the Board and with owners.

III. New Business

A. Delinquent accounts

The Board identified 3 accounts that are sufficiently delinquent (in terms of number of months since the last payment and the total amount owed at approximately \$1,000) and retained an attorney to contact the owners to request payment. One has since paid and is current; one has responded and proposed a payment plan; one has not responded to date.

B. Management issues

Nick asked Richard how vendors are handled. Richard indicated that when bids are solicited, he greets them and shows them what is being asked. He is not necessarily there when they show up to do the work but is nearby and can come over if need be. Nick indicated that the tree trimmers were looking for someone for direction. Richard asked that owners let him know when that happens (it occurred with the window washers as well – in both cases, apparently, the people Richard had met with did not accompany the workers to make sure they were doing the right work). Elynn indicated that someone was on the property last week cleaning the back windows.

Richard was informed that the landscapers do not always make it to 1306/08; Richard made a note of it and will talk to the landscapers.

Nick asked about what the cleaners are supposed to do. Christina reviewed the contract. Christina will post the cleaner's contract in the minutes (below). Owners should inform the Board if the cleaners are not doing what they are supposed to do and the Board will have Richard look into it.

Nick asked Richard for his advice on how to best communicate within the association and between the Board and Owners. Richard indicated that, of the properties he manages, about 20% have some sort of list-serve and for 95% of those the Board refuses to communicate through the list-serve because people do not reliably read the Board's communications. Richard indicated that some of his properties email owners directly and some have a website where people can post information but not comment. Richard indicated he could set that up for us. The group discussed the merits of this and the Board ultimately agreed to give it a try. The Board asked Richard to set this up for DTI&II; the Board will post information to the website. The yahoo list-serve will continue to be used by owners for other purposes (advice on plumbers, etc).

There was a general discussion about the water turn-off valves for the buildings. Richard indicated he was 99% sure they're in the tree boxes. Tom indicated that he has a red turn-off valve in his unit that will turn off the water for the units above him. Owners in terrace-level units are advised to see if they have a similar valve.

Guy brought up the statue in the courtyard. There was broad agreement that we should try to get rid of it (and make some money if at all possible). Richard was asked to give some thought to how we can get rid of it.

When asked about the scooter that is parked in the courtyard, Nick indicated it was his. The Board has given him temporary permission to store it in the courtyard to prevent it from being vandalized. Others indicated that if the courtyard someday becomes more usable it would be nice not to have there.

Nick observed that BP has changed to smaller dumpster. DTII owners will be watching to see if trash problems develop as a result. Nick has asked them to keep the dumpster lid closed to cut down on rats. However, it was also noted that they have recently planted out front of their property which is a step in the right direction.

Owners were encouraged to call 311 to request the city address various issues (removing the dead tree on 12th street, trimming the trees in front of 1201-1207, etc).

VI. Subcommittee Reports

Richard did not attend this portion of the meeting.

A. Windows

Christian presented the windows subcommittee's findings. TRACO is preferred vendor of subcommittee based on efficiency (efficient aluminum); price (value worth it); and look (will look nearly identical to what have now on exterior). TRACO provided estimates for 11 units. The windows will be brown on outside to match the existing windows and white on the inside. Christian noted that the selected windows are not eligible for the tax credit – he noted that no

aluminum window comes close to requirements. However, if a group of at least 10 units is interested in the most efficient window TRACO offers, they'll put together package. The only vendor willing to meet tax credit was Anderson which turned out to be way too expensive and the color wouldn't match. Owners who do not want to replace their windows now can have it done later, but TRACO will require a batch of 10 units at a time to get the lower price. There are at least 10 units interested in being part of the first batch. The salesperson will sign a contract with one person (likely Christian); this will not legally bind the Board. Payment will work through an escrow account that will be set up specifically for this purpose; Christian is working on the details of that now. There will be a 4-6 week lead time for manufacturing; installation will take one day per unit. Those units that have bars on them will have to have those removed; TRACO has a recommended person to do that (they will remove clean, and reinstall). There is also a laminate option which is a cover baked on the window for security and sound proofing; the cost is 5-10% extra. The existing quote Christian has is good until Aug. 5. Christian and Danielle may get a prototype window installed in their unit as an example. Christian is working now to get the first batch rolling. The windows will be single hung windows for efficiency; double hung windows are not that much more expensive but they are a lot less efficient. If owners with exterior doors are interested, they could opt to just have their doors replaced. The Board will have to decide if people can permanently get rid of the bars as that would change the exterior look of the buildings.

B. Parking

The parking subcommittee has met twice. Some options they are exploring: a covered area for recycling and a bike rack. There are a number of issues with the Zipcar parking spots. The parking subcommittee, with the Board's help, will identify who owns those spots. Tom will send a list of the owners to Nick. The Zipcar signs need to be fixed so they don't fall over into other owner's cars – perhaps through a pole for the sign or painting on the ground. The subcommittee will also look into whether Zipcar insures their spots; the liability issue needs to be addressed. Nick will look into the insurance and liability issue. The subcommittee will also try to start to address the larger issue of who can rent the parking spots and will present options to the owners and Board. The possibility of re-arranging who owns which spot such that the Zipcar spots would be next to each other was also discussed. The Board will continue to discuss this. The Board will also ask Richard if our insurance covers the parking spots. It was also noted that, according to the contract with the cleaners (below), they are to be cleaning the parking area. Owners should let the Board and Richard know if this is not happening.

C. Beautification

Most of this had already been covered. Most of the landscaping and courtyard efforts will be driven by the 2010 budget and the fate of the statue. The Board will approach Steve Oatmeyer about options he may have discovered to get rid of the statue.

D. Condo Docs – no one was here to present from this subcommittee.

E. Communications – no one was here to present from this subcommittee.

VII. Adjournment

Elgen Consolidated Services Inc.

September 10, 2008

Mr: Richard Bernstein c/o TBM
1827 14 Th Street N.W.
Washington, DC20009

Re: Downtown 1 and 2 (1201 N street-1302 to 1308 NW Washington DC)

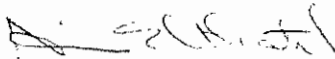
Dear Mr.: Bernstein

I appreciate the opportunity to submit, upon your request, a proposal to provide janitorial and maintenance services for Downtown 1 and 2.

Briefly, Elgen Consolidated Services has been in operation for the past twenty five years serving both commercial and residential clients in the Dupont Circle, Cleveland Park and Georgetown areas. Additionally, Elgen Consolidated Services is fully insured, licensed and bonded and background checks are required for all employees. At Elgen Consolidated Services, we take great pride in providing a quality level of service and establishing open lines of communication between our management team and our clientele to ensure that all of our customer's janitorial needs are met. With many of our accounts in professional office space and large residential buildings, we understand the necessity for providing properly trained and courteous employees. In addition, all employees of Elgen Consolidated Service wear uniforms for ease of recognition and identification. Elgen employees also wear pagers for quick and easy communication. Elgen Consolidated Services is capable of handling the full range of custodial services, such as carpet cleaning, snow removal, responding to any emergencies, etc.

Attached for your review and consideration are three (3) letters of reference and a list of duties which would be performed by our staff on a daily, weekly and monthly basis. Please understand that we can adjust or modify the specifications to fit the scope of the cleaning requirements for your property. Hopefully, the information furnished will encourage you to consider Elgen Consolidated Services. Should you require any further information, please do not hesitate to contact me at (202) 359-2325.

Very truly yours,



Aiman El-Khatib, President

5925 One Penny Drive, Fairfax Station Virginia, 22039
Cell(202)359-2325 Fax (703)239-2459

PROPOSED CLEANING SCHEDULE

- Clean all front entrance floor –glass-brass- all common entrance ITC.
- Check the front and rear of property for debris.
- Sweep and mop stairs and entry way.
- Dust and clean all railing baseboard.
- Vacuum all mats and runner.
- Wet wipe any smudge on door ways or trim
- Change burned bulbs as needed.
- Hose down the front area when weather permit.
- Dispose of any old mailing .newspaper or phone books as necessary.
- Clean and disinfectant around trash area.
- Sweep parking area and collect any debris.

Elgen staff can provide extra services for addition charge:
Snow removal (ice melt will be supplied by building)
Hauling trash as needed
Clean and Shampoo Carpet.

The duty listed above can be modified to management specifications.

Downtown I & II
Second Quarter Activity Report - 2009

- April 8: Guy Ben-Ari and Christina West held a conference call with Richard Bernstein. Items discussed were the high-wattage outdoor lights (replacing bulbs and possibly lowering fixtures to facilitate future repairs); delinquent accounts; completing the 2008 audit; signing authority for our bank accounts; and securing bids for installing screens on dryer vents.
- April 13: Richard provided the board with the April management documents.
- April 15: Richard provided the board with a quote to repair and lower the exterior light fixture in the 1225/1227 courtyard and a quote to do the same to the exterior lights behind 1201/1203/1306/1308.
- April 15: Richard provided the board with a quote from the landscapers to replace the box hedge at the corner of 12th & N and some additional plantings.
- April 16: Owner requested the board's permission to park his Vespa inside the gated recycling area.
- April 20: Owner inquired as to whose responsibility fencing in garden-level units was. Tom responded that this is the responsibility of individual owners. Owner also inquired as to possible tree trimming in the Downtown II courtyard. Tom responded that no tree trimming is currently planned.
- April 21: Two owners notified the Board and Richard that their ceiling is leaking. The Association will assume costs of repairs.
- April 27: Owner notified Board and Richard that the landscapers had blown clippings into his patio and front well. Richard requested landscapers return to clean the areas which they did.
- May 11: Owners of 1308 C and D notified Richard of roof leak. Board authorized repairs.
- May 12: Owners in 1225 requested Board's permission to work on landscaping in the DTII courtyard. Owners also requested Association pay for the costs associated with the landscaping. Board granted permission for owners to work on landscaping themselves but indicated this would be at their own expense unless there is discretionary funding left in the budget at the end of the year. The Association has a landscaping contract with Denchfield; additional landscaping can be done on a limited basis based on budget availability.

- June 15: The Board held a mid-year owner's meeting. Minutes were taken separately.
- June 22: New owner asked about locking her bike up in the 12th St courtyard. The Board agreed, since it is allowing a scooter to be parked back there, unless or until a bike rack is installed on the premises (which the Board may consider in the 2010 budget). Owner was advised to keep it towards the back of the courtyard – away from potential bike thieves.
- June 23: Owner notified TB that the trash bin behind DTII is overflowing with non-owner trash – likely because the BP station has replaced their dumpster with a much smaller one. The Board asked TB to re-install the locks on the DTII dumpster.

Subcommittee Reports

Beautification Subcommittee – No report at this time.

Bylaws Subcommittee – No report at this time.

Parking Subcommittee –

- Owners renting spaces to Zipcar must ensure that their spaces are properly sign posted/painted. The current signs are shabby, consistently fall down, and are a hazard.
- The current contract with the cleaning company includes regular cleaning of the parking area. However, this is not done. Richard was requested to follow up with them regarding this matter.

Windows Subcommittee – The windows subcommittee has communicated regularly with owners through the list-serve, notes on the June open meeting, and signs recently posted throughout the association.

Treasurer's Report

2009 is well underway, and the Association has done a fairly good job staying within our tight budget. I've included year-to-date totals for our revenue and expenses in Figures 1 and 2. It's also important to reiterate that the DTI&II association had, in the past, expressed an interest in keeping low monthly fees and therefore running a very tight budget. There is very little "discretionary" spending allocated. The only discretionary spending is:

- Window washing: \$2580
- Grounds/landscaping: \$900

Furthermore, there are allowances for some minor repairs, which total \$8950. All other items in the budget are "must funds", such as electricity, management fees, legal fees, etc. So, any larger repairs or discretionary spending would come out of reserves.

In the past few months, we've made a few significant, required repairs to the property:

- Tree trimming. We have trimmed the trees that are scraping the roof to prevent more expensive damage.
- Roof. We've had to make several emergency repairs to fix leaks. Each emergency repair costs around \$1500.

We have several pending requests for work:

- Dryer vents. There are 74 vents requiring new covers. Without covers, birds and small mammals can enter the vents (and they have). If they build a nest, this becomes a fire hazard as well as a nuisance.
 - The Board recommends at \$38/unit special assessment billed in July to cover this work.
- 1225/1227 Courtyard Landscaping (TBD)
- Rear courtyard renovation (incl. removal of statue and adding of bike rack and/or BBQ area) (deferred for consideration in 2010 budget)
- Replacing hedge at 1201 (deferred for consideration in 2010 budget)
- Tree trimming. We've deferred the tree trimming that was not endangering the property. (deferred for consideration in 2010 budget)

Everyone's biggest concern is the roof.

- Year to date roof repairs total \$9700.
- The engineering study estimated a replacement cost of \$135,000 for the roof.
 - This was based on estimates and cost estimating factors
 - The Board is soliciting proposals for engineers (we've received two and are waiting on a third)
 - The engineer will determine the actual scope of work needed. For example, some roofs may need immediate replacing while others could wait. Certain aspects may need to be replaced, while others are good enough.
 - The engineer will also work with the contractor to make sure everything is done properly

- Once an engineer is hired, Richard will have contractors submit bids for the work
 - Based on the outcome of the bid solicitation and the engineers work, the Board will determine the possible courses of action for funding and scheduling, which may include a special assessment or phasing of work.

Figures 3 and 4 show the projected reserve account, as of the 2009 budget. This will be revised once we solicit bids for the roof work, showing the various funding options.

	YTD Actual	YTD Budget	YTD Dollar Variance	YTD Prcnt Variance	2009 Budget
INCOME					
MEMBER ASSESSMENTS					
Condominium Fees	\$ 34,220	\$ 37,004	\$ (2,784)	-7.52	\$ 88,810
Special Reserve Assessment	\$ 7,644	\$ 8,333	\$ (689)	-8.27	\$ 20,000
Reserve Assessment	\$ 7,880	\$ 8,333	\$ (453)	-5.44	\$ 20,000
Parking Fees	\$ 1,267	\$ 1,306	\$ (39)	-3.01	\$ 3,135
Late Fees	\$ 190	\$ -	\$ 190	0	\$ -
TOTAL MEMBER ASSESSMENTS	\$ 51,201	\$ 54,977	\$ (3,776)	-6.87	\$ 131,945
OTHER REVENUE					
Interest Revenue	\$ 51	\$ 417	\$ (366)	-87.81	\$ 1,000
Utility Rebate					
TOTAL OTHER REVENUE	\$ 51	\$ 417	\$ (366)	-87.81	\$ 1,000
TOTAL REVENUE	\$ 51,252	\$ 55,394	\$ (4,142)	-7.48	\$ 132,945

Figure 1: Year to Date (YTD) Income

	YTD Actual	YTD Budget	YTD Dollar Variance	YTD Prcnt Variance	2009 Budget
OPERATING EXPENSES					
ADMINISTRATIVE EXPENSES					
Management Fee	\$ 7,800	\$ 7,800	\$ -	0	\$ 18,720
Legal	\$ 301	\$ -	\$ (301)	0	\$ -
Audit/Tax Returns	\$ -	\$ 625	\$ 625	100	\$ 1,500
Postage, Printing	\$ 371	\$ -	\$ (371)	0	\$ -
Bank Charges	\$ 21	\$ 42	\$ 20	48.69	\$ 100
Miscellaneous	\$ -	\$ 52	\$ 52	100	\$ 125
TOTAL ADMINISTRATIVE EXPENSE	\$ 8,494	\$ 8,519	\$ 25	0.29	\$ 20,445
UTILITIES					
Electricity	\$ 1,057	\$ 1,042	\$ (16)	-1.5	\$ 2,500
Water/Sewer	\$ 4,333	\$ 5,000	\$ 667	13.35	\$ 12,000
TOTAL UTILITIES	\$ 5,390	\$ 6,042	\$ 652	10.79	\$ 14,500
CONTRACTED SERVICES					
Trash	\$ 3,757	\$ 3,458	\$ (298)	-8.63	\$ 8,300
Grounds/Landscaping	\$ 1,502	\$ 1,875	\$ 373	19.92	\$ 4,500
Exterminating	\$ 598	\$ 375	\$ (223)	-59.34	\$ 900
Cleaning	\$ 2,518	\$ 4,000	\$ 1,482	37.06	\$ 9,600
Window Washing	\$ 2,792	\$ 1,042	\$ (1,750)	-168.02	\$ 2,500
Fire Alarm Equipment	\$ -	\$ 104	\$ 104	100	\$ 250
Floors & Carpet	\$ -	\$ 417	\$ 417	100	\$ 1,000
TOTAL CONTRACTED SERVICES	\$ 11,165	\$ 11,271	\$ 106	0.94	\$ 27,050
REPAIRS & MAINTENANCE					
Electrical	\$ 870	\$ 208	\$ (662)	-317.75	\$ 500
Plumbing	\$ 228	\$ 625	\$ 397	63.52	\$ 1,500
Security	\$ 165	\$ 250	\$ 85	34	\$ 600
Roof	\$ 1,470	\$ 208	\$ (1,261)	-605.44	\$ 500
Gutter	\$ -	\$ 625	\$ 625	100	\$ 1,500
Grounds/Landscaping	\$ -	\$ 375	\$ 375	100	\$ 900
Snow Removal	\$ 1,615	\$ 500	\$ (1,115)	-223	\$ 1,200
General Repairs	\$ 3,246	\$ 583	\$ (2,663)	-456.45	\$ 1,400
Light Bulbs & Fixtures	\$ 122	\$ 250	\$ 128	51.1	\$ 600
Locks,Keys,Door Closures	\$ 311	\$ 104	\$ (207)	-199.07	\$ 250
Parking Lot/Garage	\$ -	\$ 375	\$ 375	100	\$ 900
TOTAL REPAIRS & MAINTENANCE	\$ 8,028	\$ 4,104	\$ (3,924)	-95.6	\$ 9,850
INSURANCE, TAXES & LICENSES					
Insurance-Master Policy	\$ 6,646	\$ 8,613	\$ 1,967	22.83	\$ 20,670
Taxes-Corp Inc Taxes	\$ 100	\$ 104	\$ 4	3.98	\$ 250
Licenses	\$ -	\$ 208	\$ 208	100	\$ 500
TOTAL INSURANCE, TAXES & LICEN	\$ 6,746	\$ 8,925	\$ 2,179	24.41	\$ 21,420
TOTAL OPERATING EXPENSE	\$ 39,823	\$ 38,860	\$ (962)	-2.48	\$ 93,265
REPLACEMENT RESERVES					
Replacement Reserve	\$ 16,667	\$ 16,667	\$ -	0	\$ 40,000
TOTAL REPLACEMENT RESERVES	\$ 16,667	\$ 16,667	\$ -	0	\$ 40,000
TOTAL EXPENSES	\$ 56,490	\$ 55,527	\$ (962)	-1.73	\$ 133,265

Figure 2: YTD Operating Expenses

Year	Projected Replacement Cost	Total Annual Contribution	Projected Reserve Balance
			\$ 72,000.00
2008	\$ 9,680.00	\$ 12,491.00	\$ 74,811.00
2009	\$ 32,160.00	\$ 40,000.00	\$ 82,651.00
2010	\$ 141,129.00	\$ 40,600.00	\$ (17,878.00)
2011	\$ 28,880.00	\$ 41,218.00	\$ (5,540.00)
2012	\$ 22,540.00	\$ 41,854.54	\$ 13,774.54
2013	\$ -	\$ 42,510.18	\$ 56,284.72
2014	\$ -	\$ 43,185.48	\$ 99,470.20
2015	\$ -	\$ 23,881.05	\$ 123,351.24
2016	\$ -	\$ 24,597.48	\$ 147,948.72
2017	\$ 45,140.00	\$ 25,335.40	\$ 128,144.12
2018	\$ 10,680.00	\$ 26,095.46	\$ 143,559.59
2019	\$ 6,000.00	\$ 26,878.33	\$ 164,437.91
2020	\$ 12,857.00	\$ 27,684.68	\$ 179,265.59
2021	\$ 12,000.00	\$ 28,515.22	\$ 195,780.81
2022	\$ 53,972.00	\$ 29,370.67	\$ 171,179.48
2023	\$ 20,750.00	\$ 30,251.79	\$ 180,681.28
2024	\$ 50,160.00	\$ 31,159.35	\$ 161,680.63
2025	\$ 21,000.00	\$ 32,094.13	\$ 172,774.75
2026	\$ 21,000.00	\$ 33,056.95	\$ 184,831.71
2027	\$ 178,679.00	\$ 34,048.66	\$ 40,201.37
2028	\$ 9,680.00	\$ 35,070.12	\$ 65,591.49
2029	\$ 28,800.00	\$ 36,122.22	\$ 72,913.71
2030	\$ 112,529.00	\$ 37,205.89	\$ (2,409.39)
2031	\$ -	\$ 38,322.07	\$ 35,912.67
2032	\$ 19,200.00	\$ 39,471.73	\$ 56,184.40
2033	\$ -	\$ 40,655.88	\$ 96,840.29
2034	\$ -	\$ 41,875.56	\$ 138,715.85
2035	\$ -	\$ 43,131.83	\$ 181,847.67
2036	\$ -	\$ 44,425.78	\$ 226,273.45
2037	\$ 6,580.00	\$ 45,758.55	\$ 265,452.00

Figure 3: Estimated Reserve Income/Expenditures

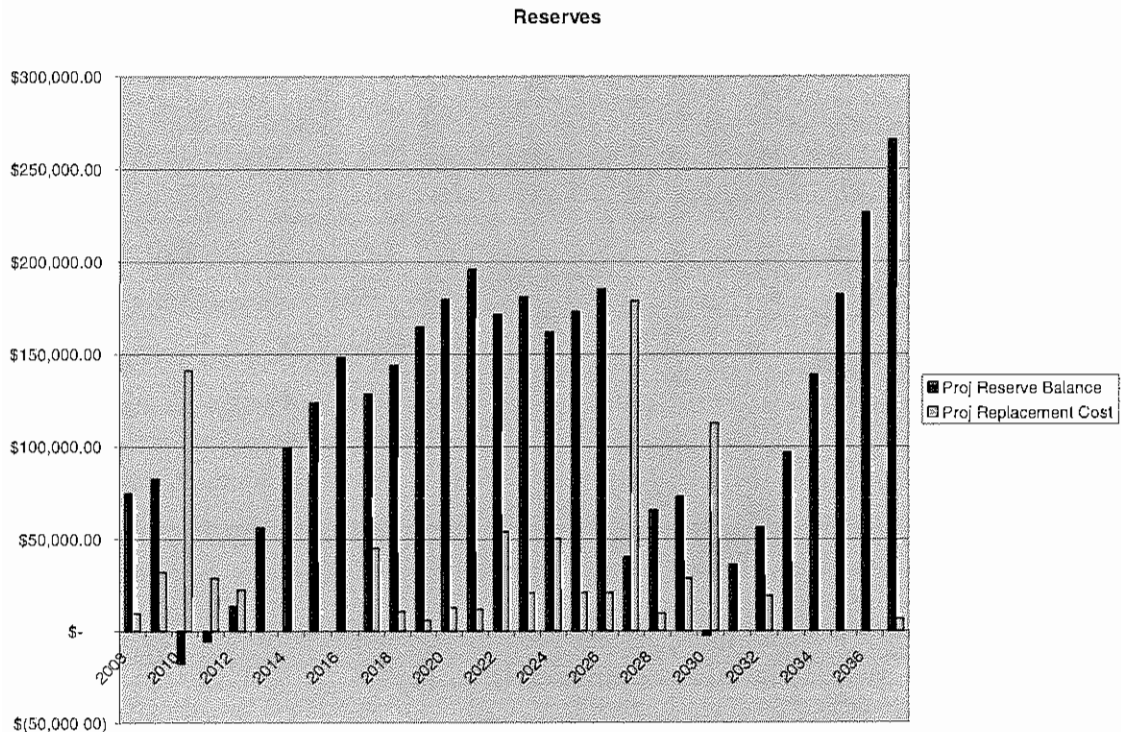


Figure 4: Estimated Reserve Balance