

RANCHO VENTANA HOME OWNER'S ASSOCIATION

December 5, 2008

RESERVE FUND DISCLAIMER

There are only two major common property items not funded through the Reserve Fund. One is the structural portion of the Clubhouse, for example, the walls, roof structure, doors, windows, concrete, etc.

These are not funded through the Reserve Fund as they are covered by insurance policies and in the case of a loss the repairs or replacement would be funded from proceeds of the insurance claim.

The second is the concrete portion of the patio floor, pool deck, and the structural portion of the pool and spa.

These are not funded as they are deemed to have long lives and as such do not require funding.

What is funded for repair and/or replacement through the Reserve Fund are the patio floor surfaces, pool deck stucco surfaces and the stucco, paint and tile portions of the pool and spa.

THE BOARD OF DIRECTORS.