

GOOD HOPE TOWNHOMES

Investment Policy and Procedure

BE IT RESOLVED, that Good Hope Townhomes (the "Association") hereby adopts the following procedures to be followed for investing reserves.

1. **Scope.** To adopt a policy outlining procedures to be followed for investing reserves.

2. **Specifics.** No funds shall be deposited or invested except in authorized investments. Authorized investments are those that are in accordance with the Declaration of Covenants, Conditions and Restrictions recorded April 29, 1980 in Book 1255 at Page 221 and the Declaration of Covenants, Conditions and Restrictions recorded January 12, 1981 in Book 1293 at Page 353 of the Mesa County records (collectively, the "Declaration") and other governing documents of the Association and that are obligations of, or fully guaranteed by, the U.S. Government.

All accounts, instruments and other documentation of such investments shall be subject to the approval of, and may from time to time be amended by, the Board of Directors as appropriate, and they shall be reviewed at least annually.

Investments shall be guided by the following goals, listed in decreasing order of importance:

- Safety of Principal - The long-term goal is the safety of the reserves.
- Liquidity and accessibility - Funds should be readily available for projected or unexpected expenditures.
- Minimal Costs - Investment costs (redemption fees, commissions, and other transaction costs) should be minimized.
- Professional Management - Funds should be invested with professional managers who have good reputations and sound credentials.
- Return - Funds should be invested to seek the highest level of return that is consistent with preservation of the purchasing power of the principal and accumulated interest.

The Board of Directors of the Association has the fiduciary duty to prudently manage reserve assets. Accordingly, the Board of Directors has set forth an investment policy to pursue Association objectives and goals. The Board of Directors expects that over time the strategy will produce results consistent with history and meet the reserve fund's goals.

3. **Goals and Objectives.** The Association's capital replacement reserve assets shall be invested to achieve the following objectives:

- Promote and ensure the preservation of the reserve fund's principal.
- Structure maturities to ensure availability of assets.
- Mitigate the effects of interest rate volatility upon reserve assets.

4. **Selection Criteria.** Securities will be selected with emphasis on these characteristics: preservation of capital, quality, effective maturity and net after-tax return. In general the following guidelines shall be utilized:

- Funds needed within 6 months shall be invested in savings accounts or money market funds.
- Funds needed within 6 months to one year shall be invested in certificates of deposit.
- Funds needed beyond one year shall be laddered and invested in certificates of deposit or U.S. treasury notes to liquidate as reserve project needs arise.

5. **Review and Control.** The Association's Treasurer will receive monthly reserve statements. These statements will provide detailed accounting of current values, income, and transactions. Reports will be available for members of the Association from the Treasurer upon written request.

6. **Definitions.** Unless otherwise defined in this Resolution, capitalized terms or terms defined in the Declaration shall have the meaning given therein.

7. **Supplement to Law.** The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing Good Hope Townhomes.

8. **Deviations.** The Board of Directors may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

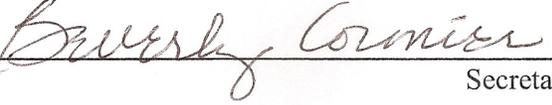
9. **Amendment.** The Board of Directors may amend this procedure from time to time.

Officers' Certification: The undersigned, being the President and Secretary of the Association, certify that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned have subscribed their names.

Effective Date: December 12th, 2014.

GOOD HOPE TOWNHOMES

By  President

By  Secretary