

**WATERGATE AT LANDMARK CONDOMINIUM
UNIT OWNERS ASSOCIATION**

ADMINISTRATION RESOLUTION NO. 55

PROPERTY AND EQUIPMENT CAPITALIZATION

**APRIL 28, 1998
(READOPTED)**

WHEREAS, the Association from time-to-time acquires property and equipment material in value and long-term nature; and

WHEREAS, such property and equipment should properly be capitalized as fixed assets of the Association; and

WHEREAS, the Board of Directors has determined that criteria should be established for the classification of such fixed assets and that the basis for capitalization be defined;

NOW THEREFORE, BE IT RESOLVED, that all assets acquired by the Association meeting the following criteria shall be capitalized:

Any tangible item of property, plant or equipment that is material in amount and of a long-term nature, and

1. The Association can dispose of the property, at the discretion of the Board of Directors, for cash or claims to cash, with the Association retaining the proceeds, or
2. The property is used by the Association to generate significant cash flows from its members or non-members on the basis of usage.

For the Association's purposes, material in amount is defined as a single expenditure greater than or equal to five thousand dollars or an aggregate purchase where the individual cost of each item is at least one thousand dollars. Long-term in nature is defined as a useful life of three or more years.

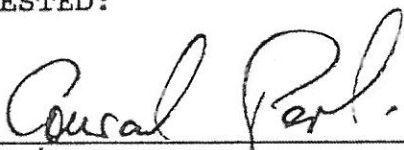
BE IT FURTHER RESOLVED THAT, the basis of capitalization shall be at acquisition cost in accordance with the following definitions:

1. The cost of purchased items may include incidentals such as freight and installation costs in addition to purchase price.

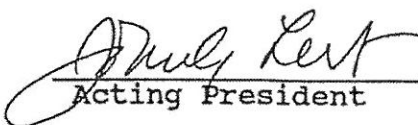
2. The cost of new additions, alterations, renovations or improvements should include the purchase price of materials, contractor and subcontractor charges, and labor costs incurred.

Book of Minutes #211, of the Board Meeting of April 28, 1998

ATTESTED:



Secretary



Acting President

5-13-98

Date

05-14-98

Date