

Somerset Property Owners Association, Inc.

January 26, 2011

Re: **NOTICE OF ANNUAL MEETING – SECOND ATTEMPT
TUESDAY, MARCH 8, 2011 – 7:00 P.M.**

Dear Association Member:

The Annual Meeting of the Somerset Property Owners Association (SPOA) will be held at 7:00 P.M. on Tuesday, March 8, 2011 at the Somerset Clubhouse located at 2400 Aspen Road, Ames, IA 50010. The meeting has been duly called for the purpose of reviewing the Association's activities in 2010, approval of the 2011 Budget, holding elections for 2 Board positions and 4 Officer positions, and any other business.

Any property owner in Somerset (single family, townhome, row house, commercial, or apartment) having an interest in and commitment to maintaining and improving our community is eligible to be a member of the SPOA Board. Meetings are once a month, and there is a fair amount of discussion via email, as the Board maps out present and future opportunities in Somerset. If you would like to be a part of maintaining and improving Somerset, please send an email to somersetinames@yahoo.com.

In addition, the Board will propose an increase in annual assessments in anticipation of significant expenditures for maintenance of aging infrastructure. An explanation of the proposed increase is included with this notice.

As a quorum was not reached at the initial meeting held on January 25, 2011, the quorum requirements are reduced in compliance with the SPOA By-Laws. In order to approve the budget, conduct a valid election, and approve any motions put forward at this Annual Meeting, a quorum of 30% of the eligible Members must be represented in person or by proxy.

If you submit a Proxy and then change your mind, you may revoke it in person or in writing prior to the call to order of the Annual Meeting. If you submitted a Proxy for the first meeting, you do not need to resubmit, the proxy remains valid for subsequent meeting attempts until the quorum requirement is satisfied.

The Proxy form is available on the SPOA website (www.somersetames.com). As a reminder, in accordance with the Association's governing documents, an owner must be in good standing with all assessments to participate at a Special or Annual Meeting.

Should you have any questions regarding the Annual Meeting, please contact one of the current Board of Directors.

Sincerely,
SPOA Board of Directors

Enclosures

Somerset Property Owners Association, Inc.

SOMERSET PROPERTY OWNERS ASSOCIATION ANNUAL MEETING OF MEMBERS

7:00 PM

March 8, 2011

Somerset Clubhouse

AGENDA

- I. Roll Call and Certifying of Proxies;**
- II. Proof of Notice of Meeting or Waiver of Notice;**
- III. Election of Directors;**
 - a. Two positions are open for election. Term for these positions is Three (3) Years
 - i. Nominations from Floor
 - ii. Validation of Nominations
 - iii. Balloting
- IV. New Business;**
 - a. Review and adoption of previous annual meeting minutes
 - b. Report on 2010 Activities
 - c. 2010 Financial Review
 - d. Adoption of proposed increase in annual assessments
 - e. Adoption of Proposed 2011 Budget
- V. Introduction of newly elected Directors;**
- VI. Election of Officers;**
 - a. Election of Corporate Officers from among the Directors. Term for these positions is One (1) Year. Positions: President, Vice President, Secretary, Treasurer.
 - i. Nominations from Floor
 - ii. Balloting
- VII. Introduction of newly elected Officers;**
- VIII. Adjournment**

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SOMERSET PROPERTY OWNERS ASSOCIATION ANNUAL MEETING OF MEMBERS

7:00 PM

March 8, 2011

Somerset Clubhouse

Dues Increase Proposal

2012 Somerset Property Owners Association Proposed Annual Dues

| 2011 Rate | 2012 Proposed Rate | Property Description |
|------------------|---------------------------|---|
| \$128 | \$150 | Single family residence |
| \$171 | \$200 | Single family residence with alley |
| \$ 64 | \$ 75 | Town House |
| \$ 85 | \$ 100 | Row House |
| \$ 26/unit | \$ 30/unit | Apartment |
| \$107/unit | \$125/unit | Commercial Town Center (Note: 1 unit equals 2,000 sf) |

Note: These are annual (once a year) dues to property owners association and are separate from monthly dues to town house, row house, apartment and commercial associations.

Proposed 2012 dues have come about for the following reasons:

1. The last three years the Somerset POA has improved its tracking of expenses and we now believe that the current rates will not allow adequate savings for future infrastructure repairs and upgrades such as alleys, trails, and pavilion. In many areas, the infrastructure is starting to show its age and the need for maintenance.
2. There have been comments from both commercial and home owners for the desire to see improvement of grounds keeping at the common areas (parks, paths and trees). These previous years the POA has relied on volunteer and non-professional contracting. The fee increase will allow for quicker and more thorough response to tree and lawn care needs through professional contracting.
3. Increased fees will allow our community to dream a little. With the extra capital, the property association will hopefully be able to fund ideas from property owners to enhance the quality of life within our community.