

# Grace Park Filing 1 Condominium Association

## RESERVE STUDY POLICY

Adopted: \_\_\_\_\_

Pursuant to Section 38-33.3-209.5 of the Colorado Common Interest Ownership Act (“CCIOA”), Grace Park Filing 1 Condominium Association (hereinafter the “Association” is required to adopt policies, procedures and rules and regulations concerning the preparation of reserve studies. This Reserve Study Policy (“Policy”), together with the terms of the Sub association Declaration for Grace Park Filing 1 Condominium Association (“Declaration”) and the Bylaws of the Association, is intended to comply with the such requirement.

- 1. Reserve Study.** The Board of Directors (“Board”) shall conduct a reserve study at such times as in its sole discretion it determines is necessary but at least every three years to determine the necessity but at least every three years to determine the necessity and amount of reserves required maintain, repair, replace and restore the Association Maintenance Areas. The Board shall cause the reserve study to be conducted by a third party reserve study professional, who has a good reputation, sound credentials and appropriate level of insurance, for the services that are provided to the Association. The reserve study shall be based on physical analysis and financial analysis. The reserve study shall be reviewed at least annually to determine if reserves are sufficient. The Board shall, in its discretion, have the authority to and shall make any adjustments deemed necessary to maintain reserves.
- 2. Fund Designation.** Reserve funds for the Association Maintenance Areas shall be maintained in a Reserve Fund and shall be used for major capital repairs, replacements, maintenance, restoration, and improvements.
- 3. Funding Plan and Sources.** The Reserve Fun shall be funded primarily from Common Assessments and the generation of investment income from the Reserve Fund in accordance with such funding plans as established by the board.
- 4. Reserve Fund Investment.** The Reserve Fund assets will be invested in accordance with the Association’s Policy for Investment of Reserve Funds.
- 5. Definitions.** Unless otherwise defined in the Policy, capitalized terms or terms defined in the Declaration shall have the same meaning herein as set forth in the Declaration.
- 6. Supplement.** The provisions of this Policy shall be in addition to and shall supplement the terms and provisions of the Declaration, the Bylaws, and the laws for the State of Colorado governing Association.

7. **Deviations.** The Board may deviate from the procedures set forth in this Policy in, in its sole discretion, such deviation is necessary under the circumstances.
  
8. **Amendment.** The Board may amend this Policy from time to time.

Adopted by the Board of Directors of Grace Park Filing 1 Condominium Association, Inc.  
this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Grace Park Filing 1 Condominium Association

By: \_\_\_\_\_  
President

ATTEST:

By: \_\_\_\_\_  
Secretary