

The Estates Subdivision Homeowners Association

Reserve Study Policy

Pursuant to C.R.S. §38-33.3-209.5(1)(b)(ix)

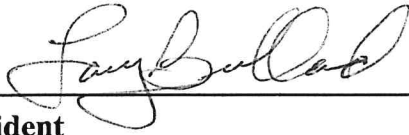
BE IT RESOLVED, the Association hereby adopts the following procedures, rules and regulations concerning the preparation of reserve studies. This Reserve Study Policy ("Policy"), together with the terms of the Bylaws and Declarations of the Association, is intended to comply with such State (Colorado Common Interest Ownership Act—CCIOA) requirement/s.

1. **Reserve Study.** The Board of Directors ("Board") shall conduct a reserve study at such times as it is deemed appropriate and at its sole discretion when it determines it is necessary to maintain, repair, replace and restore the Association's Common Elements. The Board shall cause the reserve study to be conducted by a Committee (of which Directors may serve on) or 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 Fund 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 at their sole discretion.

President's Certification: The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

The Estates Subdivision Homeowners Association



President

Effective Date: 3-15-2022