

MASTERS CLUB HOMEOWNERS ASSOCIATION

RESERVE STUDY POLICY

The following policy was adopted by the Board of Directors of the Masters Club Homeowners Association ("the Association") pursuant to Colorado law at a regular meeting of the Board.

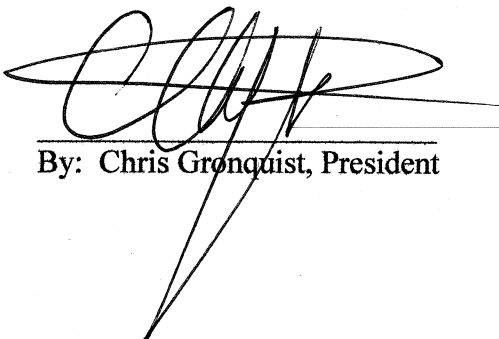
RECITALS:

- A. Colorado Revised Statute ("C.R.S.") 38-33.3-209.5 (1) (b) provides that Colorado Common Interest Communities shall adopt policies, procedures, and rules and regulations concerning preparation of a reserve study.
- B. Article IV, Section 1 of the Bylaws of Masters Club Homeowners Association provides that the affairs of the Association shall be governed by the Board of Directors.

THEREFORE, IT IS RESOLVED:

1. The Board of Directors shall commission a reserve study at least once every three (3) years for those elements of the common area maintained, repaired, replaced and improved by the Association.
2. An internally conducted reserve study shall be sufficient; however, at any time the Board of Directors may commission a third party reserve study professional to conduct and prepare the study.
3. The reserve study should be based upon a physical analysis and financial analysis and include projected sources of funding for the work to be performed.
4. Based upon the reserve study, the Board of Directors shall prioritize needs and make reserve funding decisions that allow the Association to maintain adequate reserve funds for those elements of the common area that must be maintained, repaired, or replaced on a periodic basis.
5. The Board shall review and if necessary modify the reserve study each year, in conjunction with preparation of the annual Association budget; taking into consideration, previously established priorities and budgetary factors.

Policy adopted this 6th day of April 2010 by the Board of Directors of the Masters Club Homeowners Association.


By: Chris Gronquist, President