

PINE CREEK VILLAGE ASSOCIATION, INC.
RESERVE STUDY POLICY
For Board approval July 23, 2009

The following procedures have been adopted by Pine Creek Village Association, Inc. (“Association”) pursuant to C.R.S. 38-33.3-101 as amended, at a regular meeting of the Board of Directors.

Effective date: July 23, 2009.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following policy for conducting Reserve Studies:

Periodic Reserve Studies Required. Periodically, with a goal of at least every five (5) years, the Board shall conduct a Reserve Study. The Study will:

1. Assign (or update) a reasonable useful life for each Common Element component to be maintained by the Association.
2. Assign (or update) a reasonable cost of repair or replacement for each component based on current costs for the area.
3. Set forth a 15 to 30 year repair & replacement schedule that identifies when work will be performed on each component, and which, in calculating the cost of each repair or replacement, takes into account the cost of inflation.
4. Establish a funding plan for the reserve account.

The Board may request assistance from the Manager or a reserve study analyst to prepare the Reserve Study.

For Neighborhood Sub-Associations, the Board shall ensure that a Reserve Study is completed, and funding established, prior to final developer transition. Thereafter, neighborhood reserve studies shall be conducted according to the above policy.

Miscellaneous.

(a) Failure by the Association to enforce any provision of these Policies and Procedures shall in no event be deemed to be a waiver of the right to do so thereafter.

(b) The provisions of these Policies and Procedures shall be independent and severable. The invalidity of any one or more of the provisions hereof by judgment or court order or decree shall in no way affect the validity or enforceability of any of the other provisions, which other provisions shall remain in full force and effect.

(c) As used herein, the term “Board” shall include any tribunal or committee appointed by the Board consistent with the Documents or consistent with the Colorado Revised Nonprofit Corporation Act.

Pine Creek Village Association, Inc.

By: _____
President

Attest

Secretary

This Reserve Study Policy was adopted by the Board of Directors on the _____ day of _____, 2009, effective the _____ day of _____, 2009, and is attested to by the Secretary of Pine Creek Village Association, Inc.

Secretary