

SOUTH PEARL COMMONS CONDOMINIUMS OWNERS ASSOCIATION, INC.

POLICY AND PROCEDURE

RESERVE STUDY

Adopted FEBRUARY 17, 2010²⁰¹¹

The following policy and procedure has been adopted by South Pearl Commons Condominiums Owners Association, Inc. ("Association"), pursuant to Colorado statutes, regarding the Association's procedure as to reserve studies.

PURPOSE

The purpose of this policy is to provide notice to owners of the Association's reserve study for the portions of the community maintained, repaired, replaced and improved by the Association.

POLICY AND PROCEDURE

1. The Association currently has a Reserve Plan in place that identifies those portions of the community that are maintained, repaired, replaced and improved by the Association. The Association will review and revise its Reserve Plan as needed, but not less than once every 5 years.
2. The Reserve Plan identifies a monthly contribution requirement per Unit necessary to fund the Plan. So long as it is financially feasible, the Association will contribute to its reserve funds a portion of the collected regular monthly assessments sufficient to fund the Reserve Plan.
3. The Reserve Plan is based on both a physical analysis of those items required to be maintained, repaired, replaced and improved by the Association, as well as a financial analysis of the amount to complete such work.

PRESIDENT'S CERTIFICATION: The undersigned, being the President of South Pearl Commons Condominiums Owners Association, Inc., a Colorado non-profit corporation, certifies that the foregoing policy and procedure was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on FEBRUARY 17, 2011 and in witness thereof, the undersigned has subscribed his/her name.

South Pearl Commons Condominiums Owners Association, Inc.,
A Colorado non-profit corporation

By: [Signature]
President

CO-PRESIDENT

[Signature]
See

co. president