

**RESOLUTION
OF THE
THE OVERLOOK TOWNHOME ASSOCIATION, INC.
REGARDING POLICY AND PROCEDURE FOR RESERVE STUDY**

Effective Date: January 1, 2014

In compliance with the Colorado Common Interest Ownership Act, the Board of Directors adopts a policy and procedure for conducting a reserve study.

The Association hereby rescinds any previous policy(ies) concerning conducting a reserve study and adopts the following policy and procedures for conducting a reserve study:


1. Purpose of the Reserve Study. The purpose of the Reserve study will be to maintain portions of the Community and to set proper reserves by conducting and updating the Association's Reserve Study at periodic times.

3. Resolution. It is the policy of the Association to conduct a reserve study for portions of the Community which are maintained, repaired, replaced and improved by the Association in the following manner:
 - a. The Association will conduct internally, or request preparation externally, at the Board's discretion, a reserve study based upon the Community's needs.
 - b. The individual or individuals conducting the internal reserve study will be appointed by the Board and may or may not have professional experience in conducting such a study. If an external study is to be completed, the Board will proceed with its normal bidding process and award the contract for such services based upon their analysis and consideration;
 - c. The Board will determine whether the study is to be based on a physical analysis and/or a financial analysis at the Board's discretion.
 - d. The reserve study will indicate whether there is a funding plan and if so, the Association will follow the adopted Investment Policy of the Association.
 - e. Sources of funding will generally consist of assessments and maintenance fees. In the event of an urgent and/or unforeseen under funded reserve expenditure, the Board may consider a special assessment or obtaining a loan as approved based upon the requirements of the Association's governing documents.

4. Amendment. This policy may be amended from time to time by the Board of Directors.

IN WITNESS WHEREOF, the undersigned certify that this policy and procedure for conducting a reserve study was adopted by resolution of the Board of Directors of the Association on this 1st day of January, 2014.

THE OVERLOOK TOWNHOME
ASSOCIATION, INC.
a Colorado nonprofit corporation,


By: Raymond P. Merry
Its: President