

**HILLCREST VILLAGE HOMEOWNERS ASSOCIATION, INC.
POLICY AND PROCEDURE
RESERVE STUDY**

Adopted September 22, 2009

The following policy and procedure has been adopted by the Hillcrest Village Homeowners Association, Inc. ("Association"), pursuant to Colorado statutes, regarding the Association's procedure relevant 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 30-Year 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 2 years.
2. The Reserve Plan identifies an annual contribution requirement necessary to fund the Plan and the Association will include the appropriate contribution in its annual budget. So long as financially feasible, the Association will contribute to its reserve funds a portion of the collected monthly assessments sufficient to fund the Reserve Plan. Transfers from the Association's general fund to the reserve fund will occur not less than once annually.
3. The Reserve Plan is based on 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 projected to be necessary to complete such work.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Hillcrest Village Homeowners 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 September 22, 2009, and in witness thereof, the undersigned has subscribed her name.

**HILLCREST VILLAGE HOMEOWNERS
ASSOCIATION, INC.,**
a Colorado non-profit corporation

By: Donna L. Franz
Donna Franz, President