

**RESOLUTION
OF THE
STAR CANYON CONDOMINIUM ASSOCIATION, INC.
REGARDING RESERVE STUDY POLICY**

SUBJECT: Adoption of a policy related to when the Association will have a reserve study prepared, whether there is a funding plan for the work recommended by the reserve study, and whether the reserve study will be based on a physical analysis and a financial analysis.

PURPOSES: To provide for the creation and review of a reserve study and for the funding of the work recommended by the reserve study.

AUTHORITY: The Declaration, Articles of Incorporation, and Bylaws of the Association and Colorado law.

EFFECTIVE DATE: Nov 29, 2012

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Reserve Study. The Association has conducted an initial reserve study, which included both a physical analysis and a financial analysis as follows:

A. The physical analysis included:

(1) A component inventory identifying those portions of the community the Association is obligated to maintain, repair, and replace, including the useful life of each component.

(2) A condition assessment of each component on the component inventory by on-site inspection.

(3) Estimates of the remaining useful life and replacement costs of each component.

B. The financial analysis included:

(1) An analysis of the funds currently held in the Association's reserve fund in relation to the expected needs of the Association per the reserve study.

(2) A future funding plan to meet the requirements of the reserve study.

2. Update of the Reserve Study. The Association shall cause the reserve study, including both the physical and financial analysis, to be evaluated by the Board of Directors, the Association's manager, if any, or a reserve study specialist periodically to determine increases in replacement costs and decreases in remaining useful lives of the components of the reserve study to adequately address changes to be made to the reserve study. The update may be done either with or without a site visit.

3. Funding of the Reserve Study. The reserve fund will be funded through regular assessments levied by the Association. The reserve fund shall be funded at a level such that the reserve fund shall at all times maintain a positive balance.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on Nov 29, 2012 and in witness thereof, the undersigned has subscribed his/her name.

STAR CANYON CONDOMINIUM ASSOCIATION, INC.,
a Colorado nonprofit corporation

By: Chris Bader
President