

REPLACEMENT RESERVE STUDY AND FUNDING POLICY

ASSOCIATION NAME: Chamonix at Woodrun Condominium Association, Inc.

ADOPTED: October 22, 2009

1. Reserve study was performed by a third party provider.
2. The association has performed a reserve study on October 22, 2009.
3. The association has performed a reserve study based on:

Both a Physical analysis – condition of existing common elements and future needs; and a Financial analysis – ability to raise and maintain funds for reserve needs.
4. The association will update the **financial analysis** of the reserve study every year. The updates will be performed by a third party provider, and will be approved by the Association Board at each annual budget meeting.
5. The association will update the **physical analysis** (if applicable) of the reserve study every year. The updates will be performed by a third party provider, and will be approved by the Association Board at each annual budget meeting.
6. Reserve funding goals are based on:

Baseline Funding – Funding method is to keep the reserve cash balance above zero. This means that while each individual component may not be fully funded, the reserve balances does not drop below zero during the projected period.
7. The association has a plan for funding the work recommended in the study: Yes – reserve funds will be provided through Regular assessments; Special Assessments, if needed; and/or Borrowing/Debt, if needed.