

**THE ARBORS AT MOUNTAIN SHADOWS CONDOMINIUM OWNERS
ASSOCIATION, INC. POLICY ON RESERVE STUDIES**

A reserve study or updates to prior reserve studies shall be performed by the Association every five years for the purpose of determining the condition and life expectancy of Association improvements and the funding necessary to meet replacement of such improvements when their life expectancy expires. The reserve study shall be based on both a physical and financial analysis. Based on the reserve study the Association will adopt a funding plan to be incorporated into its budget. The reserve study shall be conducted internally by a committee appointed by the Board which shall obtain such professional assistance as it deems necessary to accomplish the study. Alternatively, in the Board's discretion, it may hire a professional reserve study company to conduct the study.