

**FOURTH FILING OWNERS ASSOCIATION, INC. AKA SUMMIT YACHT CLUB
RESERVE STUDY POLICY AND RESERVE FUNDING POLICY**

1. Reserve Study Policy.

- The Association is not required under the community's governing documents to have a reserve study.
- The Association has determined to establish policies on reserve studies as follows:
 - The Association has had a reserve study prepared.
 - The Association plans to update the reserve study annually.
 - Reserve studies are preferred to be performed by the property manager.
 - Reserve studies are preferred to be based on a physical examination of the community by the person preparing the reserve study, but may be performed without a physical examination.

2. Reserve Funding Policy.

- The Association has determined to establish policies on reserve funding as follows:
 - Funding for replacement is preferred to be based upon the financial estimates set forth in the reserve study.
 - Funding for replacement is planned and projected to be from the following sources: (1) cash then on hand, including the operation and the reserve accounts, (2) assessments of owners, (3) a loan as may be obtained by the Association, and/or (4) any combination of the above.