

Corporate Office
P.O. Box 8637
Calabasas, CA 91372
TEL 800/733-1365
FAX 800/733-1581
www.ReserveStudy.com



Local Offices
Phoenix, AZ
San Francisco, CA
Denver, CO
Honolulu, HI
Las Vegas, NV
Seattle, WA

“Full” Reserve Study



Alpine Vacation Ownership Anywhere, USA

Report #: 9999-0VO
For Period Beginning: January 1, 2007
Ending: December 31, 2007

Date Prepared: May 31, 2006

Hello, and welcome to your Reserve Study!

It's all very simple, really. A Reserve Study is the *art and science* of anticipating, and preparing for, major common area repair and replacement costs. With our experience in this industry, we have gathered the information necessary to make an evaluation of the current status of your Reserve Components, an evaluation of the current status of your Reserve Fund, and a recommended Reserve Funding Plan.

This Report is a valuable budget planning tool, for with it you control the future of your association. It contains all the fundamental information needed to understand your current and future Reserve obligations, the most significant expenditures your association will face.

While this Report has been prepared to answer all of your questions, please don't hesitate to call us if unanswered questions remain. Our toll-free number is (800) 733-1365, and answers to most frequently asked questions are on our web site (www.ReserveStudy.com). A *Quick Reference Guide* is provided on the following page, to map out your Reserve Study and provide directions to the most valuable areas. From the entire staff of Association Reserves, thank you for selecting us as your Reserve-planning partner!



Quick Reference Guide



What do I distribute to the homeowners?

A good choice is to distribute copies of the “Executive Summary” immediately following the Table of Contents (a summary page and the Reserve Component Listing).

Where do I find...

...a listing of our Reserve Components?

Table 2 shows the name, Useful Life, Remaining Useful Life, and current Replacement Cost.

...our Percent Funded rating and recommended Reserve Contribution Rate?

With our major financial summary information, in the Executive Summary (Page i)

...a description of our objectives and methodology?

Beginning on Page 1 we introduce the Reserve Study, our objectives, and methodology.

...more detailed information on our site inspection?

General site inspection notes can be found on Page 5. Photographs and specific information on each component can be found in the Photographic Inventory Appendix.

More questions?

Visit our web site at www.ReserveStudy.com



or call us at (800) 733-1365.

Table of Contents

Executive Summary	i
Reserve Study Summary	i
Reserve Component List – Table 1.....	ii
Introduction, Objectives, and Methodology	1
Which Physical Assets are Covered by Reserves?.....	2
How are Useful Life and Remaining Useful Life established?.....	2
How are Cost Estimates Established?	3
How much Reserves are enough?	3
How much should we contribute?	4
What is our Funding Goal?	4
Site Inspection	5
Projected Expenses	6
Expense Graph – Figure 1	6
Reserve Fund Status & Recommended Funding Plan	7
Funding Plan Graph – Figure 2.....	7
Cash Flow Graph – Figure 3.....	8
% Funded Graph – Figure 4.....	8
Table Descriptions	9
Reserve Component List Detail – Table 2.....	10
Contribution & Fund Breakdown – Table 3	11
30 Year Reserve Plan Summary – Table 4.....	12
30 Year Reserve Plan Year by Year Detail – Table 5	13
Accuracy, Limitations, and Disclosures	25
Terms and Definitions	26
Photographic Inventory	Appendix

Executive Summary

Association: Alpine Vacation Ownership **Assoc. #: 9999-0VO**
Location: Anywhere, USA
of Units: 40
of Unit-weeks: 2040
Report Period: January 1, 2007 through December 31, 2007

Results

Projected Starting Reserve Balance:	\$442,009
Fully Funded Reserve Balance:	\$822,074
Percent Funded:	53.8%
Recommended 2007 annual Reserve Contribution:	\$300,000
Recommended Special Assessment this year:	\$0
Most Recent Reserve Contribution Rate:	\$188,000

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves..... 2.00%
Annual Inflation Rate 3.00%

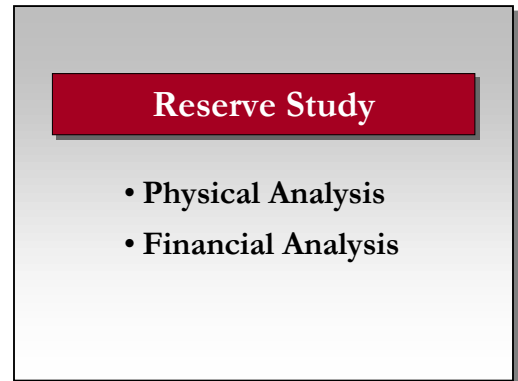
- The information in this Reserve Study is based on our site inspection on May 15, 2006.
- Because your Reserve Fund is above 30% Funded but below 70% Funded at 53.8% Funded, this represents a mid-range status.
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is for a significant increase to your Reserve contribution rate in order to avoid depletion of your cash reserves.
- Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".
- As still a relatively new association, the Reserve projects anticipated this year are minimal, but include your first exterior shingle seal/stain project, and your annual asphalt seal/repair project.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
General Common Areas				
109 Wood Deck - Replace	25	22	\$64,800	\$124,164
201 Asphalt - Resurface	20	17	\$42,600	\$70,411
202 Asphalt - Seal/Repair	1	0	\$7,100	\$7,313
601 Hallway Carpet - Replace	6	3	\$20,000	\$21,855
602 Linoleum Floor - Replace	12	9	\$10,500	\$13,700
603 Slate Floor - Replace	18	15	\$28,500	\$44,402
710 Door Lock System - Replace	15	12	\$14,500	\$20,674
909 Common Bathroom - Refurbish	15	12	\$19,125	\$27,268
910 Clubhouse - Remodel	6	3	\$19,250	\$21,035
911 Office Furn. - Replace	10	7	\$8,900	\$10,946
1107 Metal Fence/Rail - Repaint	4	1	\$2,400	\$2,472
1110 Halls/Stairs - Repaint	6	3	\$33,425	\$36,524
1119 Building Exterior - Seal	4	0	\$44,250	\$49,804
1130 Shingle Siding - Replace	50	47	\$213,550	\$856,740
1202 Pool - Resurface	6	1	\$6,125	\$6,309
1203 Spa - Resurface	3	1	\$3,000	\$3,090
1207 Pool/Spa Filter - Replace	12	9	\$1,900	\$2,479
1208 Pool/Spa Heater - Replace	10	7	\$5,500	\$6,764
1303 Comp Shingle Roof - Replace	18	14	\$162,000	\$245,040
1801 Elevator - Modernize	25	22	\$255,000	\$488,606
1802 Elevator Cab - Remodel	12	9	\$39,000	\$50,886
Villa Interiors				
2101 Villa Carpet - Replace	6	3	\$128,000	\$139,869
2102 Villa Slate/Tile Floor - Replace	18	15	\$237,500	\$370,017
2210 Villa Interior - Repaint	6	3	\$101,000	\$110,365
2230 Window Treatments - Replace	6	3	\$54,000	\$59,007
2240 Villa Lighting - Replace	12	9	\$90,000	\$117,430
2301 Case Goods - Replace	12	9	\$444,500	\$579,972
2310 Soft Goods - Replace	6	3	\$163,500	\$178,661
2325 Mattresses - Replace	6	3	\$43,000	\$46,987
2330 Artwork/Décor - Replace	6	3	\$41,000	\$44,802
2360 TV/VCR - Replace	6	3	\$42,000	\$45,895
2410 Balcony/Patio Furniture - Replace	6	3	\$24,000	\$26,225
2601 Kitchen - Refurbish	15	12	\$220,000	\$313,667
2602 DW, Fridge, Range - Replace	15	12	\$89,000	\$126,893
2613 Microwave - Replace	5	2	\$10,000	\$10,609
2701 Bathroom - Refurbish	15	12	\$320,000	\$456,243
36 Total Funded Components				

Introduction

It is all very simple, really. A Reserve Study is the art and science of anticipating and preparing for major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a process of research and analysis along well defined methodologies.

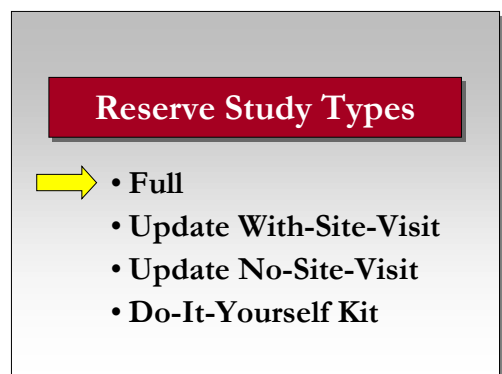
A Reserve Study consists of two parts: the Physical Analysis and the Financial Analysis. The Physical Analysis contains the information about the current condition and repair or replacement cost of the major common area components the association is obligated to maintain. The Financial Analysis contains an evaluation of the association's Reserve balance (measured by Percent Funded) and a recommended Funding Plan to offset the anticipated Reserve expenses.



The primary responsibility of the Board of Directors is to maintain, protect, and enhance the assets of the association. As the physical assets age and deteriorate, it is important to accumulate financial assets, keeping the two "in balance". The Reserve Study is the document that helps keep the physical and financial assets of the association in balance. This Reserve Study is a budget-planning document. The primary information you will get from this document is a list of your major Reserve components, a finding of the current status (strength) of your Reserve Fund, and a recommended Funding Plan. The basic objective of the Reserve Study is to provide a plan to collect funds at a stable rate to offset the predicted irregular Reserve expenses. Setting a stable Reserve contribution rate will ensure that each owner pays their own "fair share" of the ongoing, gradual deterioration of the common areas.

Methodology

By necessity, the Physical Analysis occurs before the Financial Analysis (first we establish what the projected expenses are, then we determine the association's financial status and create a Funding Plan). For this "Full" Reserve Study, the Physical Analysis starts with a review of your Governing Documents, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents. We performed an on-site inspection to inventory (quantify and evaluate) your common areas, creating your Reserve Component List "from scratch". Your Reserve Component List (Table 1 or Table 2) contains a description and



quantification of individual line items, and estimates for the Useful Life, Remaining Useful Life, and current Replacement Cost of each component. The average of the Best and Worst Case cost estimates are used for all calculations throughout the Financial Analysis. With this information and an assumed inflation rate (as shown on the Executive Summary), we are able to project the array of future major expenses facing the association.

Which Physical Assets are Covered by Reserves?

Reserve expenses are the larger, infrequent expenses that require significant advance planning. Operating expenses, on the other hand, are those ongoing daily, weekly, or monthly expenses that occur and recur throughout the year. Small surprises are typically handled as maintenance contingencies, while the larger ones may be covered by insurance or require special assessments.

There is a national-standard four-part test to determine which expense items should be funded through Reserves. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the limited life must be predictable (or it by definition is a “surprise” which cannot be accurately anticipated and budgeted). Fourth, the component must be above a minimum threshold cost. This limits Reserve Components to major, predictable expenses. We do not typically Reserve for building foundations and major infrastructure elements since they do not have limited life expectancies. Light bulbs or other small items are not listed as Reserve Components since their individual costs are insignificant. Finally, it is usually inappropriate to include unpredictable expenses such as damage due to fire, flood, or earthquake since these typically cannot be considered “reasonably predictable”.

Reserve Components

- **Common Area**
- **Limited Useful Life**
- **Predictable Life Limit**
- **Cost must be Significant**

How are Useful Life and Remaining Useful Life established?

Useful Life is typically established by our experience with the component, adjusted by assumptions for quality, rate of wear and tear, expected normal maintenance, and weather exposure. Remaining Useful Life is established primarily by the component's current observed condition. The observed age of the component may or may not equal the “Chronological Age” of the component due to accelerated wear or low usage. For components requiring a particular expertise or components where age characteristics are not visible (elevators, chillers, security electronics, etc.), it is typical that we interview the association's service vendor to obtain a recommendation for Useful Life and Remaining Useful Life.

How are Cost Estimates Established?

The best way to obtain an accurate cost for a component is for it to be repaired or replaced, providing us with a valuable benchmark from which to make current cost estimates. In absence of “actual” costs, we regularly make comparisons to projects that were done recently at similar associations. In addition, we often contact local vendors who provide us with insights into current pricing trends. For components that require a particular expertise (major roof or roadway systems, elevators, etc.), it is our normal practice to interview your vendor who maintains that asset. In the absence of these estimating tools, we look to reliable industry cost guidebooks. A “Best Case” and “Worst Case” cost estimate is made for each component in an attempt to bracket the actual cost.

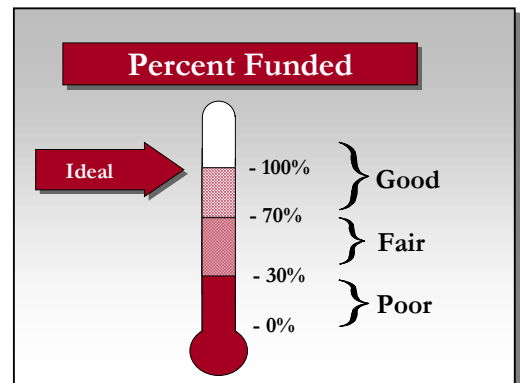
Cost Estimating Tools

- Association History
- Similar Properties
- Vendor Interviews
- Printed cost guides

How much Reserves are enough?

Your Reserve cash Balance can measure reserves, but the true measure is whether the funds are adequate for the needs of the association. Reserve Fund size is therefore measured by Percent Funded, which is the actual (or projected) Reserve Balance divided by the association’s calculated Fully Funded Balance (FFB), expressed as a percentage. Table 3 shows that the Fully Funded Balance is the current “value” of the deteriorated portion (not the total replacement value) of all the Reserve Components. To show how this works with one component, in the case of a \$10,000 component with a 10 year Useful Life, in the third year the Fully Funded Balance is three tenths of \$10,000, or \$3,000. The FFB grows as assets age, but shrinks as components are replaced. Deteriorated associations have a higher FFB than association with assets in good condition. The Fully Funded Balance changes each year, and is a predictable, but moving target.

Special assessments and deferred maintenance are common when the Percent Funded is weak (below 30%). While the 100% point is Ideal, a Reserve Fund above the 70% level should be considered “strong” because cash flow problems are rare. Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. An association with a strong Reserve Fund should experience smooth sailing financially, while an association with a weak Reserve Fund should expect cash flow problems. New buyers should be very aware of this important disclosure!



How much should we contribute?

There are four Funding Principles that we balance in developing your Reserve Funding Plan. First and foremost, our objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. A stable contribution rate is desirable because it indicates the association is being run on a stable financial platform, not being driven by the winds of change from year to year. For fairness, it is important to evenly distribute the contributions over the years so each owner pays their fair share of the deterioration in direct proportion to the amount of time they are owners. And finally, any Funding Plan must be based on fiscally responsible principles. Your Funding Plan was created by a process where different solutions were tested until one was found that most successfully met all four of these principles and achieved your Funding Goal.

Funding Principles

- Sufficient Cash
- Stable Contribution Rate
- Evenly Distributed
- Fiscally Responsible

What is our Funding Goal?

There are different Funding Goals to strive for, ranging from conservative to risky. Establishing a goal of simply having sufficient cash for all future years is called “Baseline Funding”. The drawback is that there is little or no “margin for error”, and expenses that are higher than budgeted or projects that occur earlier than planned will often cause special assessments.

“Full Funding” is when the association has the goal of becoming Fully Funded (Reserve Cash equals the FFB). Such an objective means the association is following the simple and responsible principle that you “replace what you use up”. Believing this to be the responsible choice, our Funding Plan will direct you to Full Funding. Members of Fully Funded associations enjoy low exposure to the risk of special assessments or deferred maintenance. Strong interest earnings will minimize their Reserve contributions. Board members enjoy peace of mind that the association’s physical and financial assets are in balance, and therefore a degree of insulation from claims of fiscal irresponsibility.

Funding Goals

- Full Funding
- Threshold Funding
- Baseline Funding

Threshold Funding option is different in that the association selects a target other than 0% or 100%. This objective may be between 0% and 100% Funded, higher than 100% Funded, or a particular Reserve cash balance. Associations choosing Threshold Funding select this option to customize their risk exposure.

Site Inspection

During our site visit on May 15, 2006, we started with a meeting with Resort Manager Ms. Keaton Howland to discuss recent projects, pending projects, and owner usage patterns, and owner quality expectations. After conclusion of that meeting, we began the site inspection accompanied by Maintenance Manager Steve Adkinson. We focused on limited access areas (roofing, pool/spa equipment, and the clubhouse) before turning our attention to common areas accessible without an escort.

On the second day of our site inspection we began our unit interior inspections. There were four slightly different unit types, all very similar in floor plan, size, and amenities (all 2-bdrm). We did not feel these differences were significant enough to warrant separate designation in this Report.

We were informed that it is desired to have a woodsy, slightly weathered “look” to the buildings, but not to the point of appearing deteriorated or aged. Thus this report assumes some minor exterior stain removal and sealing will be necessary on an ongoing basis in summer months in-between major stain removal and sealing every four years. You will find we have structured interior assets to be refurbished on a 6-year cycle for soft goods, and a 12-year cycle for case (hard) goods. Kitchens and bathrooms were put on a 15-year cycle. As the association is still relatively new and wear patterns have yet to be firmly established, these cycles are flexible and can be adjusted in future years as this report is updated. Note that changes in one cycle generally influences changes in other cycles. For example, if the unit carpet is failing, it shortens up all the soft-good related projects (interior painting, art/décor, etc.), and will also shorten up the next case good replacement project .

We are aware of only minor “problems” at the association at this time: some deck-to-building joints, lack of storage for landscape and maintenance equipment, and minor problems with the roof gutter system. At this time we are working under the assumption that these are relatively minor issues, most appropriately handled through ongoing maintenance.

During our site inspection we were informed that minor maintenance and landscape issues are being handled from the Operational maintenance budget, not Reserves. In addition, the theme lighting throughout the resort (parking lot, landscape pathway) are maintained by the master resort association, not the vacation ownership association.

Projected Expenses

The figure below shows the array of the projected future expenses at your association. As with all computations in this Report, the estimates in this figure are based on the average of Best and Worst Case expense projections. As you can see, expenses are projected 30 years into the future, using the Inflation rate shown in the Executive Summary. This figure clearly shows the near term and future expenses that your association will face. Note the strong influence of the 6-year and 12-year unit interior asset replacement cycles: over 50% of the value of your Reserve assets is inside individual units. Exterior projects such as asphalt, roofing, and staining of the building exterior are dwarfed by these interior projects.

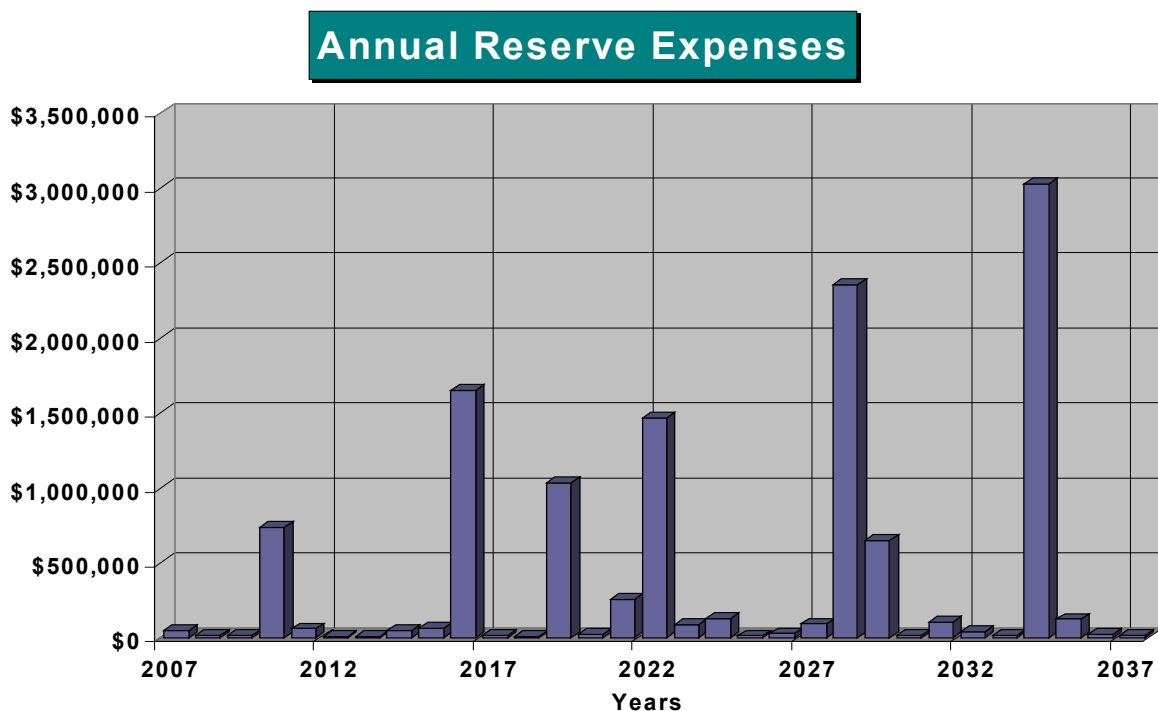


Figure 1

A summary of this information is shown in Table 4, while details of the projects that make up this information are shown in Table 5. Since this is a projection about future events that may or may not take place as anticipated, we feel more certain about “near-term” projects than those many years away. While this Reserve Study is a one-year document, it is based on 30 years worth of looking forward into the future.

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$442,009 as-of the start of your Fiscal Year on January 1, 2007. This is based on your actual balance on 4/30/2006 of \$324,051 and anticipated Reserve contributions and expenses through the end of your 2006 Fiscal year. As of January 1, 2007, your Fully Funded Balance is computed to be \$822,074 (see Table 3). This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 54% Funded. As indicated earlier in the Executive Summary, this represents a mid-range status.

Recommended Funding Plan

Based on your current Percent Funded and your projected cash flow requirements, we are recommending Reserve contributions of \$300,000 this Fiscal Year. This represents the first year of a 30-year Funding Plan. To most fairly spread out the contribution burden over current and future owners in our inflationary economic environment, nominal annual increases should be expected in future years. This Reserve contribution rate was established by testing different contribution rates and balancing the four Funding Principles in an attempt to eventually achieve Full Funding. Generally, the tools we utilize are regular ongoing contributions (for stability and fairness), and special assessments (used only as a last resort). Our recommended multi-year Funding Plan is shown below. This same information is shown numerically in both Table 4 and Table 5.

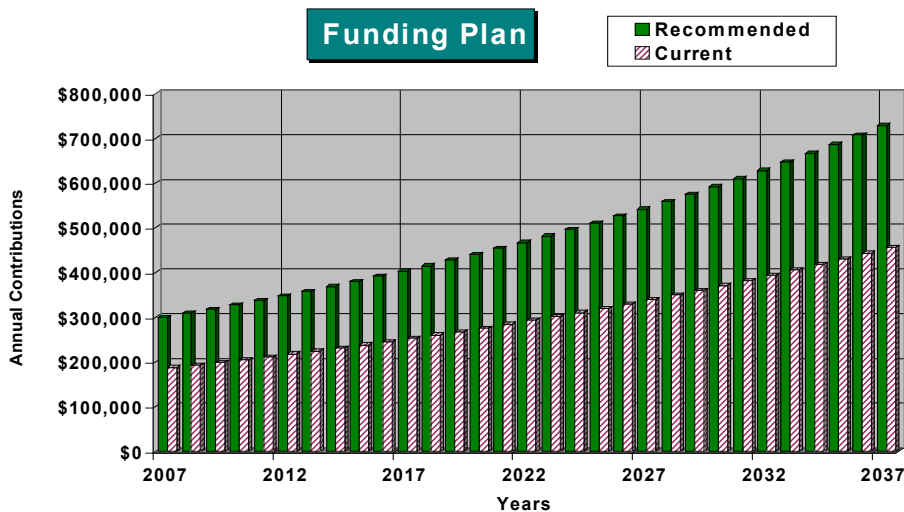


Figure 2

Your projected Reserve Balance as a result of following this Recommended multi-year Funding Plan and your Current Funding Plan is shown below, compared to your Fully Funded Balance target. This assumes the future expenses we have projected in this Reserve Study. Note that your Reserve Fund gradually draws close to the Fully Funded

Balance profile over a period of approximately 20 years, yet it consistently remains in the “above 70%” strong range after the first five years. Note also that your Reserves eventually become completely depleted if you continue at your current Reserve contribution rate. While your Reserve Balance might seem high in future years, remember that these figures are “inflated” future dollars. In addition, this Reserve Balance is necessary to prepare for expenses in following years and provide necessary “margin” for projects that will probably not occur exactly as planned.

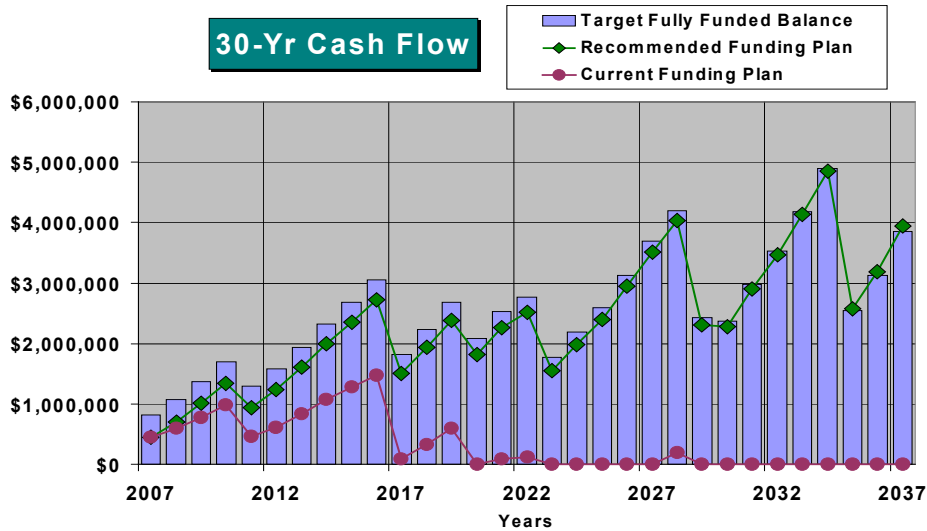


Figure 3

A simple comparison (a percentage comparison) of your Actual Reserve Balance to the moving Fully Funded Balance target is shown below. In this figure it is easy to see how your Reserve Fund gradually draws closer to the Fully Funded (100%) level.

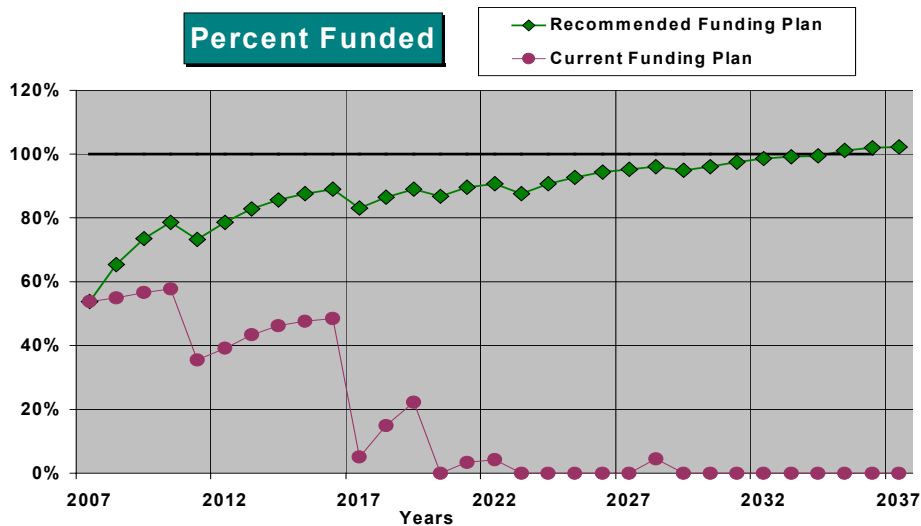


Figure 4

Table Descriptions

The tabular information in this Report is broken down into five tables.

Table 1 summarizes your funded Reserve Components, and is part of the Executive Report summary that appeared earlier in this Report.

Table 2 provides the main component description, life, and cost factors for all components determined to be appropriate for Reserve designation. This table represents the core information from which all other tables are derived.

Table 3 is presented primarily as an accounting summary page. The results of the individual line item Fully Funded Balance computations are shown. These individual quantities are summed to arrive at the Fully Funded Balance for the association as of the start date of the Report. The figures in the Current Fund Balance column and the Annual Reserve Contribution column show our distribution throughout the line items. If the association is underfunded, Reserve Funds are distributed first to components with a short Remaining Useful Life. If the association's Reserve Balance is above 100% Funded, funds are distributed evenly for all components. Contribution rates for each component are a proportionate distribution of the total contribution on the basis of the component's significance to the association (current cost divided by useful life). This presentation is not meant to cause clients to redistribute association funds, it simply presents one way to evenly distribute the total among all the different line items.

Table 4: This table provides a one-page 30-year summary of the cash flowing into and out of the association, compared to the Fully Funded Balance for each year.

Table 5: This table shows the cash flow detail for the next 30 years. This table makes it possible to see what components are projected to require repair or replacement each year, and the size of those individual expenses.

Table 2: Reserve Component List Detail**9999-0VO**

# Component	Quantity	Useful Life	Rem. Useful Life	Best Cost	Current Worst Cost
General Common Areas					
109 Wood Deck - Replace	(24) wood 12x8	25	22	\$57,600	\$72,000
201 Asphalt - Resurface	Approx 35500 Sq Ft	20	17	\$35,500	\$49,700
202 Asphalt - Seal/Repair	Approx 35500 Sq Ft	1	0	\$5,325	\$8,875
601 Hallway Carpet - Replace	Approx 500 Sq Yd	6	3	\$17,500	\$22,500
602 Linoleum Floor - Replace	Approx 350 Sq Yd	12	9	\$8,750	\$12,250
603 Slate Floor - Replace	Approx 1200 Sq Ft	18	15	\$24,000	\$33,000
710 Door Lock System - Replace	Approx 40 locks	15	12	\$13,000	\$16,000
909 Common Bathroom - Refurbish	(3) bathrooms	15	12	\$16,500	\$21,750
910 Clubhouse - Remodel	(1) approx 950 Sq Ft rm	6	3	\$16,000	\$22,500
911 Office Furn. - Replace	(3) office areas	10	7	\$8,000	\$9,800
1107 Metal Fence/Rail - Repaint	Approx 330 Linear Ft	4	1	\$2,150	\$2,650
1110 Halls/Stairs - Repaint	Approx 26750 Sq Ft	6	3	\$26,750	\$40,100
1119 Building Exterior - Seal	Approx 34200 Sq Ft	4	0	\$40,000	\$48,500
1130 Shingle Siding - Replace	Approx 34200 Sq Ft	50	47	\$188,100	\$239,000
1202 Pool - Resurface	(1) 20x38 pool	6	1	\$5,250	\$7,000
1203 Spa - Resurface	(1) 10' dia octagonal	3	1	\$2,600	\$3,400
1207 Pool/Spa Filter - Replace	(2) Purex TR-140	12	9	\$1,700	\$2,100
1208 Pool/Spa Heater - Replace	(2) 400,000 BTU/hr Purex	10	7	\$5,000	\$6,000
1303 Comp Shingle Roof - Replace	Approx 24000 Sq Ft	18	14	\$144,000	\$180,000
1801 Elevator - Modernize	(4) 3-stop hydraulic	25	22	\$230,000	\$280,000
1802 Elevator Cab - Remodel	(4) Std cabs	12	9	\$34,000	\$44,000
Villa Interiors					
2101 Villa Carpet - Replace	Approx 3200 Sq Yd	6	3	\$112,000	\$144,000
2102 Villa Slate/Tile Floor - Replace	Approx 10000 Sq Ft	18	15	\$200,000	\$275,000
2210 Villa Interior - Repaint	(40) 2-bdrm units	6	3	\$90,000	\$112,000
2230 Window Treatments - Replace	(3) areas/villa	6	3	\$46,000	\$62,000
2240 Villa Lighting - Replace	Approx 25 lights/villa	12	9	\$75,000	\$105,000
2301 Case Goods - Replace	Approx (29) pcs/unit	12	9	\$389,000	\$500,000
2310 Soft Goods - Replace	Upholstered & cloth items	6	3	\$143,000	\$184,000
2325 Mattresses - Replace	(120) mattresses	6	3	\$36,000	\$50,000
2330 Artwork/Décor - Replace	Extensive prints, items	6	3	\$34,000	\$48,000
2360 TV/VCR - Replace	(3) TV, (1) VCP/unit	6	3	\$38,000	\$46,000
2410 Balcony/Patio Furniture - Replace	(5) pieces/villa	6	3	\$20,000	\$28,000
2601 Kitchen - Refurbish	(40) kitchen areas	15	12	\$180,000	\$260,000
2602 DW, Fridge, Range - Replace	(40) kitchen sets	15	12	\$72,000	\$106,000
2613 Microwave - Replace	(40) GE Spacemaker	5	2	\$9,000	\$11,000
2701 Bathroom - Refurbish	(80) bathrooms	15	12	\$280,000	\$360,000
36 Total Funded Components					

Table 3: Contribution and Fund Breakdown **9999-0VO**

# Component	Useful Life	Rem. Useful Life	Current (Avg) Cost	Fully Funded Balance	Current Fund Balance	Reserve Contributions
General Common Areas						
109 Wood Deck - Replace	25	22	\$64,800	\$7,776	\$0.00	\$2,861.73
201 Asphalt - Resurface	20	17	\$42,600	\$6,390	\$0.00	\$2,351.66
202 Asphalt - Seal/Repair	1	0	\$7,100	\$7,100	\$7,100.00	\$7,838.86
601 Hallway Carpet - Replace	6	3	\$20,000	\$10,000	\$10,000.00	\$3,680.21
602 Linoleum Floor - Replace	12	9	\$10,500	\$2,625	\$2,625.00	\$966.06
603 Slate Floor - Replace	18	15	\$28,500	\$4,750	\$0.00	\$1,748.10
710 Door Lock System - Replace	15	12	\$14,500	\$2,900	\$0.00	\$1,067.26
909 Common Bathroom - Refurbish	15	12	\$19,125	\$3,825	\$0.00	\$1,407.68
910 Clubhouse - Remodel	6	3	\$19,250	\$9,625	\$9,625.00	\$3,542.21
911 Office Furn. - Replace	10	7	\$8,900	\$2,670	\$2,670.00	\$982.62
1107 Metal Fence/Rail - Repaint	4	1	\$2,400	\$1,800	\$1,800.00	\$662.44
1110 Halls/Stairs - Repaint	6	3	\$33,425	\$16,713	\$16,712.50	\$6,150.56
1119 Building Exterior - Seal	4	0	\$44,250	\$44,250	\$44,250.00	\$12,213.71
1130 Shingle Siding - Replace	50	47	\$213,550	\$12,813	\$0.00	\$4,715.46
1202 Pool - Resurface	6	1	\$6,125	\$5,104	\$5,104.17	\$1,127.07
1203 Spa - Resurface	3	1	\$3,000	\$2,000	\$2,000.00	\$1,104.06
1207 Pool/Spa Filter - Replace	12	9	\$1,900	\$475	\$475.00	\$174.81
1208 Pool/Spa Heater - Replace	10	7	\$5,500	\$1,650	\$1,650.00	\$607.24
1303 Comp Shingle Roof - Replace	18	14	\$162,000	\$36,000	\$0.00	\$9,936.58
1801 Elevator - Modernize	25	22	\$255,000	\$30,600	\$0.00	\$11,261.46
1802 Elevator Cab - Remodel	12	9	\$39,000	\$9,750	\$9,750.00	\$3,588.21
Villa Interiors						
2101 Villa Carpet - Replace	6	3	\$128,000	\$64,000	\$64,000.00	\$23,553.37
2102 Villa Slate/Tile Floor - Replace	18	15	\$237,500	\$39,583	\$0.00	\$14,567.52
2210 Villa Interior - Repaint	6	3	\$101,000	\$50,500	\$50,500.00	\$18,585.08
2230 Window Treatments - Replace	6	3	\$54,000	\$27,000	\$27,000.00	\$9,936.58
2240 Villa Lighting - Replace	12	9	\$90,000	\$22,500	\$22,500.00	\$8,280.48
2301 Case Goods - Replace	12	9	\$444,500	\$111,125	\$1,497.33	\$40,896.39
2310 Soft Goods - Replace	6	3	\$163,500	\$81,750	\$81,750.00	\$30,085.76
2325 Mattresses - Replace	6	3	\$43,000	\$21,500	\$21,500.00	\$7,912.46
2330 Artwork/Décor - Replace	6	3	\$41,000	\$20,500	\$20,500.00	\$7,544.44
2360 TV/VCR - Replace	6	3	\$42,000	\$21,000	\$21,000.00	\$7,728.45
2410 Balcony/Patio Furniture - Replace	6	3	\$24,000	\$12,000	\$12,000.00	\$4,416.26
2601 Kitchen - Refurbish	15	12	\$220,000	\$44,000	\$0.00	\$16,192.94
2602 DW, Fridge, Range - Replace	15	12	\$89,000	\$17,800	\$0.00	\$6,550.78
2613 Microwave - Replace	5	2	\$10,000	\$6,000	\$6,000.00	\$2,208.13
2701 Bathroom - Refurbish	15	12	\$320,000	\$64,000	\$0.00	\$23,553.37
36 Total Funded Components				\$822,074	\$442,009	\$300,000

Table 4: 30-Year Reserve Plan Summary **9999-0VO**

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Annual Reserve Contribs.	Special Assessments	Interest Income	Reserve Expenses
2007	\$442,009	\$822,074	53.8%	\$300,000	\$0	\$11,431	\$51,350
2008	\$702,090	\$1,073,721	65.4%	\$309,000	\$0	\$17,096	\$19,184
2009	\$1,009,002	\$1,374,444	73.4%	\$318,270	\$0	\$23,395	\$18,141
2010	\$1,332,526	\$1,693,911	78.7%	\$327,818	\$0	\$22,747	\$738,984
2011	\$944,107	\$1,289,402	73.2%	\$337,653	\$0	\$21,846	\$61,171
2012	\$1,242,435	\$1,580,079	78.6%	\$347,782	\$0	\$28,476	\$11,013
2013	\$1,607,680	\$1,940,590	82.8%	\$358,216	\$0	\$35,980	\$8,478
2014	\$1,993,398	\$2,324,261	85.8%	\$368,962	\$0	\$43,455	\$49,964
2015	\$2,355,851	\$2,686,737	87.7%	\$380,031	\$0	\$50,730	\$65,049
2016	\$2,721,564	\$3,054,877	89.1%	\$391,432	\$0	\$42,231	\$1,649,984
2017	\$1,505,244	\$1,812,213	83.1%	\$403,175	\$0	\$34,314	\$13,574
2018	\$1,929,159	\$2,228,727	86.6%	\$415,270	\$0	\$43,031	\$9,828
2019	\$2,377,632	\$2,672,879	89.0%	\$427,728	\$0	\$41,890	\$1,032,215
2020	\$1,815,035	\$2,088,918	86.9%	\$440,560	\$0	\$40,805	\$27,351
2021	\$2,269,049	\$2,534,420	89.5%	\$453,777	\$0	\$47,798	\$255,779
2022	\$2,514,845	\$2,770,336	90.8%	\$467,390	\$0	\$40,662	\$1,468,034
2023	\$1,554,863	\$1,777,407	87.5%	\$481,412	\$0	\$35,362	\$87,216
2024	\$1,984,422	\$2,190,014	90.6%	\$495,854	\$0	\$43,782	\$126,443
2025	\$2,397,616	\$2,588,069	92.6%	\$510,730	\$0	\$53,427	\$12,087
2026	\$2,949,685	\$3,129,730	94.2%	\$526,052	\$0	\$64,559	\$28,451
2027	\$3,511,845	\$3,685,080	95.3%	\$541,833	\$0	\$75,417	\$92,744
2028	\$4,036,352	\$4,205,592	96.0%	\$558,088	\$0	\$63,362	\$2,352,482
2029	\$2,305,320	\$2,429,353	94.9%	\$574,831	\$0	\$45,760	\$651,284
2030	\$2,274,627	\$2,367,681	96.1%	\$592,076	\$0	\$51,746	\$14,012
2031	\$2,904,436	\$2,976,636	97.6%	\$609,838	\$0	\$63,725	\$104,384
2032	\$3,473,616	\$3,527,348	98.5%	\$628,133	\$0	\$76,058	\$38,997
2033	\$4,138,811	\$4,178,998	99.0%	\$646,977	\$0	\$89,914	\$15,312
2034	\$4,860,391	\$4,892,172	99.4%	\$666,387	\$0	\$74,267	\$3,028,283
2035	\$2,572,761	\$2,541,489	101.2%	\$686,378	\$0	\$57,602	\$124,349
2036	\$3,192,392	\$3,129,988	102.0%	\$706,970	\$0	\$71,345	\$22,387

Table 5: 30-Year Reserve Plan Detail (yrs 0 through 4) 9999-0VO

Fiscal Year	2007	2008	2009	2010	2011
Starting Reserve Balance	\$442,009	\$702,090	\$1,009,002	\$1,332,526	\$944,107
Annual Reserve Contribution	\$300,000	\$309,000	\$318,270	\$327,818	\$337,653
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$11,431	\$17,096	\$23,395	\$22,747	\$21,846
Subtotal	\$753,440	\$1,028,186	\$1,350,667	\$1,683,091	\$1,303,606
# Component					
General Common Areas					
109 Wood Deck - Replace	\$0	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$7,100	\$7,313	\$7,532	\$7,758	\$7,991
601 Hallway Carpet - Replace	\$0	\$0	\$0	\$21,855	\$0
602 Linoleum Floor - Replace	\$0	\$0	\$0	\$0	\$0
603 Slate Floor - Replace	\$0	\$0	\$0	\$0	\$0
710 Door Lock System - Replace	\$0	\$0	\$0	\$0	\$0
909 Common Bathroom - Refurbish	\$0	\$0	\$0	\$0	\$0
910 Clubhouse - Remodel	\$0	\$0	\$0	\$21,035	\$0
911 Office Furn. - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$0	\$2,472	\$0	\$0	\$0
1110 Halls/Stairs - Repaint	\$0	\$0	\$0	\$36,524	\$0
1119 Building Exterior - Seal	\$44,250	\$0	\$0	\$0	\$49,804
1130 Shingle Siding - Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$0	\$6,309	\$0	\$0	\$0
1203 Spa - Resurface	\$0	\$3,090	\$0	\$0	\$3,377
1207 Pool/Spa Filter - Replace	\$0	\$0	\$0	\$0	\$0
1208 Pool/Spa Heater - Replace	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1801 Elevator - Modernize	\$0	\$0	\$0	\$0	\$0
1802 Elevator Cab - Remodel	\$0	\$0	\$0	\$0	\$0
Villa Interiors					
2101 Villa Carpet - Replace	\$0	\$0	\$0	\$139,869	\$0
2102 Villa Slate/Tile Floor - Replace	\$0	\$0	\$0	\$0	\$0
2210 Villa Interior - Repaint	\$0	\$0	\$0	\$110,365	\$0
2230 Window Treatments - Replace	\$0	\$0	\$0	\$59,007	\$0
2240 Villa Lighting - Replace	\$0	\$0	\$0	\$0	\$0
2301 Case Goods - Replace	\$0	\$0	\$0	\$0	\$0
2310 Soft Goods - Replace	\$0	\$0	\$0	\$178,661	\$0
2325 Mattresses - Replace	\$0	\$0	\$0	\$46,987	\$0
2330 Artwork/Décor - Replace	\$0	\$0	\$0	\$44,802	\$0
2360 TV/VCR - Replace	\$0	\$0	\$0	\$45,895	\$0
2410 Balcony/Patio Furniture - Replace	\$0	\$0	\$0	\$26,225	\$0
2601 Kitchen - Refurbish	\$0	\$0	\$0	\$0	\$0
2602 DW, Fridge, Range - Replace	\$0	\$0	\$0	\$0	\$0
2613 Microwave - Replace	\$0	\$0	\$10,609	\$0	\$0

Table 5: 30-Year Reserve Plan Detail (yrs 0 through 4) 9999-0VO

Fiscal Year	2007	2008	2009	2010	2011
2701 Bathroom - Refurbish	\$0	\$0	\$0	\$0	\$0
Subtotal	\$51,350	\$19,184	\$18,141	\$738,984	\$61,171
Ending Reserve Balance:	\$702,090	\$1,009,002	\$1,332,526	\$944,107	\$1,242,435

Table 5: 30-Year Reserve Plan Detail (yrs 5 through 9) 9999-0VO

Fiscal Year	2012	2013	2014	2015	2016
Starting Reserve Balance	\$1,242,435	\$1,607,680	\$1,993,398	\$2,355,851	\$2,721,564
Annual Reserve Contribution	\$347,782	\$358,216	\$368,962	\$380,031	\$391,432
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$28,476	\$35,980	\$43,455	\$50,730	\$42,231
Subtotal	\$1,618,693	\$2,001,875	\$2,405,815	\$2,786,612	\$3,155,227
# Component					
General Common Areas					
109 Wood Deck - Replace	\$0	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$8,231	\$8,478	\$8,732	\$8,994	\$9,264
601 Hallway Carpet - Replace	\$0	\$0	\$0	\$0	\$26,095
602 Linoleum Floor - Replace	\$0	\$0	\$0	\$0	\$13,700
603 Slate Floor - Replace	\$0	\$0	\$0	\$0	\$0
710 Door Lock System - Replace	\$0	\$0	\$0	\$0	\$0
909 Common Bathroom - Refurbish	\$0	\$0	\$0	\$0	\$0
910 Clubhouse - Remodel	\$0	\$0	\$0	\$0	\$25,117
911 Office Furn. - Replace	\$0	\$0	\$10,946	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$2,782	\$0	\$0	\$0	\$3,131
1110 Halls/Stairs - Repaint	\$0	\$0	\$0	\$0	\$43,612
1119 Building Exterior - Seal	\$0	\$0	\$0	\$56,055	\$0
1130 Shingle Siding - Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$0	\$0	\$7,533	\$0	\$0
1203 Spa - Resurface	\$0	\$0	\$3,690	\$0	\$0
1207 Pool/Spa Filter - Replace	\$0	\$0	\$0	\$0	\$2,479
1208 Pool/Spa Heater - Replace	\$0	\$0	\$6,764	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1801 Elevator - Modernize	\$0	\$0	\$0	\$0	\$0
1802 Elevator Cab - Remodel	\$0	\$0	\$0	\$0	\$50,886
Villa Interiors					
2101 Villa Carpet - Replace	\$0	\$0	\$0	\$0	\$167,011
2102 Villa Slate/Tile Floor - Replace	\$0	\$0	\$0	\$0	\$0
2210 Villa Interior - Repaint	\$0	\$0	\$0	\$0	\$131,782
2230 Window Treatments - Replace	\$0	\$0	\$0	\$0	\$70,458
2240 Villa Lighting - Replace	\$0	\$0	\$0	\$0	\$117,430
2301 Case Goods - Replace	\$0	\$0	\$0	\$0	\$579,972
2310 Soft Goods - Replace	\$0	\$0	\$0	\$0	\$213,330
2325 Mattresses - Replace	\$0	\$0	\$0	\$0	\$56,105
2330 Artwork/Décor - Replace	\$0	\$0	\$0	\$0	\$53,496
2360 TV/VCR - Replace	\$0	\$0	\$0	\$0	\$54,800
2410 Balcony/Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$31,315
2601 Kitchen - Refurbish	\$0	\$0	\$0	\$0	\$0
2602 DW, Fridge, Range - Replace	\$0	\$0	\$0	\$0	\$0
2613 Microwave - Replace	\$0	\$0	\$12,299	\$0	\$0

Table 5: 30-Year Reserve Plan Detail (yrs 5 through 9) 9999-0VO

Fiscal Year	2012	2013	2014	2015	2016
2701 Bathroom - Refurbish	\$0	\$0	\$0	\$0	\$0
Subtotal	\$11,013	\$8,478	\$49,964	\$65,049	\$1,649,984
Ending Reserve Balance:	\$1,607,680	\$1,993,398	\$2,355,851	\$2,721,564	\$1,505,244

Table 5: 30-Year Reserve Plan Detail (yrs 10 through 14) 9999-0VO

Fiscal Year	2017	2018	2019	2020	2021
Starting Reserve Balance	\$1,505,244	\$1,929,159	\$2,377,632	\$1,815,035	\$2,269,049
Annual Reserve Contribution	\$403,175	\$415,270	\$427,728	\$440,560	\$453,777
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$34,314	\$43,031	\$41,890	\$40,805	\$47,798
Subtotal	\$1,942,733	\$2,387,460	\$2,847,251	\$2,296,401	\$2,770,624
# Component					
General Common Areas					
109 Wood Deck - Replace	\$0	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$9,542	\$9,828	\$10,123	\$10,427	\$10,739
601 Hallway Carpet - Replace	\$0	\$0	\$0	\$0	\$0
602 Linoleum Floor - Replace	\$0	\$0	\$0	\$0	\$0
603 Slate Floor - Replace	\$0	\$0	\$0	\$0	\$0
710 Door Lock System - Replace	\$0	\$0	\$20,674	\$0	\$0
909 Common Bathroom - Refurbish	\$0	\$0	\$27,268	\$0	\$0
910 Clubhouse - Remodel	\$0	\$0	\$0	\$0	\$0
911 Office Furn. - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$0	\$0	\$0	\$3,524	\$0
1110 Halls/Stairs - Repaint	\$0	\$0	\$0	\$0	\$0
1119 Building Exterior - Seal	\$0	\$0	\$63,090	\$0	\$0
1130 Shingle Siding - Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$0	\$0	\$0	\$8,995	\$0
1203 Spa - Resurface	\$4,032	\$0	\$0	\$4,406	\$0
1207 Pool/Spa Filter - Replace	\$0	\$0	\$0	\$0	\$0
1208 Pool/Spa Heater - Replace	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$245,040
1801 Elevator - Modernize	\$0	\$0	\$0	\$0	\$0
1802 Elevator Cab - Remodel	\$0	\$0	\$0	\$0	\$0
Villa Interiors					
2101 Villa Carpet - Replace	\$0	\$0	\$0	\$0	\$0
2102 Villa Slate/Tile Floor - Replace	\$0	\$0	\$0	\$0	\$0
2210 Villa Interior - Repaint	\$0	\$0	\$0	\$0	\$0
2230 Window Treatments - Replace	\$0	\$0	\$0	\$0	\$0
2240 Villa Lighting - Replace	\$0	\$0	\$0	\$0	\$0
2301 Case Goods - Replace	\$0	\$0	\$0	\$0	\$0
2310 Soft Goods - Replace	\$0	\$0	\$0	\$0	\$0
2325 Mattresses - Replace	\$0	\$0	\$0	\$0	\$0
2330 Artwork/Décor - Replace	\$0	\$0	\$0	\$0	\$0
2360 TV/VCR - Replace	\$0	\$0	\$0	\$0	\$0
2410 Balcony/Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$0
2601 Kitchen - Refurbish	\$0	\$0	\$313,667	\$0	\$0
2602 DW, Fridge, Range - Replace	\$0	\$0	\$126,893	\$0	\$0
2613 Microwave - Replace	\$0	\$0	\$14,258	\$0	\$0

Table 5: 30-Year Reserve Plan Detail (yrs 10 through 14) 9999-0VO

Fiscal Year	2017	2018	2019	2020	2021
2701 Bathroom - Refurbish	\$0	\$0	\$456,243	\$0	\$0
Subtotal	\$13,574	\$9,828	\$1,032,215	\$27,351	\$255,779
Ending Reserve Balance:	\$1,929,159	\$2,377,632	\$1,815,035	\$2,269,049	\$2,514,845

Table 5: 30-Year Reserve Plan Detail (yrs 15 through 19) 9999-0VO

Fiscal Year	2022	2023	2024	2025	2026
Starting Reserve Balance	\$2,514,845	\$1,554,863	\$1,984,422	\$2,397,616	\$2,949,685
Annual Reserve Contribution	\$467,390	\$481,412	\$495,854	\$510,730	\$526,052
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$40,662	\$35,362	\$43,782	\$53,427	\$64,559
Subtotal	\$3,022,897	\$2,071,637	\$2,524,058	\$2,961,772	\$3,540,296
# Component					
General Common Areas					
109 Wood Deck - Replace	\$0	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$70,411	\$0	\$0
202 Asphalt - Seal/Repair	\$11,062	\$11,393	\$11,735	\$12,087	\$12,450
601 Hallway Carpet - Replace	\$31,159	\$0	\$0	\$0	\$0
602 Linoleum Floor - Replace	\$0	\$0	\$0	\$0	\$0
603 Slate Floor - Replace	\$44,402	\$0	\$0	\$0	\$0
710 Door Lock System - Replace	\$0	\$0	\$0	\$0	\$0
909 Common Bathroom - Refurbish	\$0	\$0	\$0	\$0	\$0
910 Clubhouse - Remodel	\$29,991	\$0	\$0	\$0	\$0
911 Office Furn. - Replace	\$0	\$0	\$14,710	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$0	\$0	\$3,967	\$0	\$0
1110 Halls/Stairs - Repaint	\$52,075	\$0	\$0	\$0	\$0
1119 Building Exterior - Seal	\$0	\$71,008	\$0	\$0	\$0
1130 Shingle Siding - Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$0	\$0	\$0	\$0	\$10,740
1203 Spa - Resurface	\$0	\$4,814	\$0	\$0	\$5,261
1207 Pool/Spa Filter - Replace	\$0	\$0	\$0	\$0	\$0
1208 Pool/Spa Heater - Replace	\$0	\$0	\$9,091	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1801 Elevator - Modernize	\$0	\$0	\$0	\$0	\$0
1802 Elevator Cab - Remodel	\$0	\$0	\$0	\$0	\$0
Villa Interiors					
2101 Villa Carpet - Replace	\$199,420	\$0	\$0	\$0	\$0
2102 Villa Slate/Tile Floor - Replace	\$370,017	\$0	\$0	\$0	\$0
2210 Villa Interior - Repaint	\$157,355	\$0	\$0	\$0	\$0
2230 Window Treatments - Replace	\$84,130	\$0	\$0	\$0	\$0
2240 Villa Lighting - Replace	\$0	\$0	\$0	\$0	\$0
2301 Case Goods - Replace	\$0	\$0	\$0	\$0	\$0
2310 Soft Goods - Replace	\$254,728	\$0	\$0	\$0	\$0
2325 Mattresses - Replace	\$66,993	\$0	\$0	\$0	\$0
2330 Artwork/Décor - Replace	\$63,877	\$0	\$0	\$0	\$0
2360 TV/VCR - Replace	\$65,435	\$0	\$0	\$0	\$0
2410 Balcony/Patio Furniture - Replace	\$37,391	\$0	\$0	\$0	\$0
2601 Kitchen - Refurbish	\$0	\$0	\$0	\$0	\$0
2602 DW, Fridge, Range - Replace	\$0	\$0	\$0	\$0	\$0
2613 Microwave - Replace	\$0	\$0	\$16,528	\$0	\$0

Table 5: 30-Year Reserve Plan Detail (yrs 15 through 19) 9999-0VO

Fiscal Year	2022	2023	2024	2025	2026
2701 Bathroom - Refurbish	\$0	\$0	\$0	\$0	\$0
Subtotal	\$1,468,034	\$87,216	\$126,443	\$12,087	\$28,451
Ending Reserve Balance:	\$1,554,863	\$1,984,422	\$2,397,616	\$2,949,685	\$3,511,845

Table 5: 30-Year Reserve Plan Detail (yrs 20 through 24) 9999-0VO

Fiscal Year	2027	2028	2029	2030	2031
Starting Reserve Balance	\$3,511,845	\$4,036,352	\$2,305,320	\$2,274,627	\$2,904,436
Annual Reserve Contribution	\$541,833	\$558,088	\$574,831	\$592,076	\$609,838
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$75,417	\$63,362	\$45,760	\$51,746	\$63,725
Subtotal	\$4,129,095	\$4,657,802	\$2,925,911	\$2,918,449	\$3,578,000
# Component					
General Common Areas					
109 Wood Deck - Replace	\$0	\$0	\$124,164	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$12,823	\$13,208	\$13,604	\$14,012	\$14,433
601 Hallway Carpet - Replace	\$0	\$37,206	\$0	\$0	\$0
602 Linoleum Floor - Replace	\$0	\$19,533	\$0	\$0	\$0
603 Slate Floor - Replace	\$0	\$0	\$0	\$0	\$0
710 Door Lock System - Replace	\$0	\$0	\$0	\$0	\$0
909 Common Bathroom - Refurbish	\$0	\$0	\$0	\$0	\$0
910 Clubhouse - Remodel	\$0	\$35,811	\$0	\$0	\$0
911 Office Furn. - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$0	\$4,465	\$0	\$0	\$0
1110 Halls/Stairs - Repaint	\$0	\$62,180	\$0	\$0	\$0
1119 Building Exterior - Seal	\$79,920	\$0	\$0	\$0	\$89,951
1130 Shingle Siding - Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$0	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$0	\$0	\$5,748	\$0	\$0
1207 Pool/Spa Filter - Replace	\$0	\$3,535	\$0	\$0	\$0
1208 Pool/Spa Heater - Replace	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1801 Elevator - Modernize	\$0	\$0	\$488,606	\$0	\$0
1802 Elevator Cab - Remodel	\$0	\$72,551	\$0	\$0	\$0
Villa Interiors					
2101 Villa Carpet - Replace	\$0	\$238,118	\$0	\$0	\$0
2102 Villa Slate/Tile Floor - Replace	\$0	\$0	\$0	\$0	\$0
2210 Villa Interior - Repaint	\$0	\$187,890	\$0	\$0	\$0
2230 Window Treatments - Replace	\$0	\$100,456	\$0	\$0	\$0
2240 Villa Lighting - Replace	\$0	\$167,427	\$0	\$0	\$0
2301 Case Goods - Replace	\$0	\$826,901	\$0	\$0	\$0
2310 Soft Goods - Replace	\$0	\$304,158	\$0	\$0	\$0
2325 Mattresses - Replace	\$0	\$79,993	\$0	\$0	\$0
2330 Artwork/Décor - Replace	\$0	\$76,272	\$0	\$0	\$0
2360 TV/VCR - Replace	\$0	\$78,132	\$0	\$0	\$0
2410 Balcony/Patio Furniture - Replace	\$0	\$44,647	\$0	\$0	\$0
2601 Kitchen - Refurbish	\$0	\$0	\$0	\$0	\$0
2602 DW, Fridge, Range - Replace	\$0	\$0	\$0	\$0	\$0
2613 Microwave - Replace	\$0	\$0	\$19,161	\$0	\$0

Table 5: 30-Year Reserve Plan Detail (yrs 20 through 24) 9999-0VO

Fiscal Year	2027	2028	2029	2030	2031
2701 Bathroom - Refurbish	\$0	\$0	\$0	\$0	\$0
Subtotal	\$92,744	\$2,352,482	\$651,284	\$14,012	\$104,384
Ending Reserve Balance:	\$4,036,352	\$2,305,320	\$2,274,627	\$2,904,436	\$3,473,616

Table 5: 30-Year Reserve Plan Detail (yrs 25 through 29) 9999-0VO

Fiscal Year	2032	2033	2034	2035	2036
Starting Reserve Balance	\$3,473,616	\$4,138,811	\$4,860,391	\$2,572,761	\$3,192,392
Annual Reserve Contribution	\$628,133	\$646,977	\$666,387	\$686,378	\$706,970
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$76,058	\$89,914	\$74,267	\$57,602	\$71,345
Subtotal	\$4,177,808	\$4,875,703	\$5,601,045	\$3,316,741	\$3,970,707
# Component					
General Common Areas					
109 Wood Deck - Replace	\$0	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$14,866	\$15,312	\$15,771	\$16,244	\$16,732
601 Hallway Carpet - Replace	\$0	\$0	\$44,426	\$0	\$0
602 Linoleum Floor - Replace	\$0	\$0	\$0	\$0	\$0
603 Slate Floor - Replace	\$0	\$0	\$0	\$0	\$0
710 Door Lock System - Replace	\$0	\$0	\$32,209	\$0	\$0
909 Common Bathroom - Refurbish	\$0	\$0	\$42,482	\$0	\$0
910 Clubhouse - Remodel	\$0	\$0	\$42,760	\$0	\$0
911 Office Furn. - Replace	\$0	\$0	\$19,769	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$5,025	\$0	\$0	\$0	\$5,656
1110 Halls/Stairs - Repaint	\$0	\$0	\$74,247	\$0	\$0
1119 Building Exterior - Seal	\$0	\$0	\$0	\$101,241	\$0
1130 Shingle Siding - Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$12,824	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$6,281	\$0	\$0	\$6,864	\$0
1207 Pool/Spa Filter - Replace	\$0	\$0	\$0	\$0	\$0
1208 Pool/Spa Heater - Replace	\$0	\$0	\$12,217	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1801 Elevator - Modernize	\$0	\$0	\$0	\$0	\$0
1802 Elevator Cab - Remodel	\$0	\$0	\$0	\$0	\$0
Villa Interiors					
2101 Villa Carpet - Replace	\$0	\$0	\$284,325	\$0	\$0
2102 Villa Slate/Tile Floor - Replace	\$0	\$0	\$0	\$0	\$0
2210 Villa Interior - Repaint	\$0	\$0	\$224,350	\$0	\$0
2230 Window Treatments - Replace	\$0	\$0	\$119,950	\$0	\$0
2240 Villa Lighting - Replace	\$0	\$0	\$0	\$0	\$0
2301 Case Goods - Replace	\$0	\$0	\$0	\$0	\$0
2310 Soft Goods - Replace	\$0	\$0	\$363,181	\$0	\$0
2325 Mattresses - Replace	\$0	\$0	\$95,515	\$0	\$0
2330 Artwork/Décor - Replace	\$0	\$0	\$91,073	\$0	\$0
2360 TV/VCR - Replace	\$0	\$0	\$93,294	\$0	\$0
2410 Balcony/Patio Furniture - Replace	\$0	\$0	\$53,311	\$0	\$0
2601 Kitchen - Refurbish	\$0	\$0	\$488,684	\$0	\$0
2602 DW, Fridge, Range - Replace	\$0	\$0	\$197,695	\$0	\$0
2613 Microwave - Replace	\$0	\$0	\$22,213	\$0	\$0

Table 5: 30-Year Reserve Plan Detail (yrs 25 through 29) 9999-0VO

Fiscal Year	2032	2033	2034	2035	2036
2701 Bathroom - Refurbish	\$0	\$0	\$710,812	\$0	\$0
Subtotal	\$38,997	\$15,312	\$3,028,283	\$124,349	\$22,387
Ending Reserve Balance:	\$4,138,811	\$4,860,391	\$2,572,761	\$3,192,392	\$3,948,320

Accuracy, Limitations, and Disclosures

Because we have no control over future events, we cannot claim that all the events we anticipate will occur as planned. We expect that inflationary trends will continue, and we expect that financial institutions will provide interest earnings on funds on-deposit. We believe that reasonable estimates for these figures are much more accurate than ignoring these economic realities. The things we can control are measurements, which we attempt to establish within 5% accuracy. Your starting Reserve Balance and current Reserve interest earnings are also numbers that can be identified with a high degree of certainty. These figures have been provided to us, and were not confirmed by our independent research. Our projections assume a stable economic environment and lack of natural disasters.

Because both the physical status and financial status of the association change each year, this Reserve Study is by nature a “one-year” document. This information can and should be adjusted annually as part of the Reserve Study Update process so that more accurate estimates can be reflected in the Reserve plan. Reality often differs from even the best assumptions due to changing economic factors, physical factors, or ownership expectations. Because many years of financial preparation help the preparation for large expenses, this Report shows expenses for the next 30 years. We fully expect a number of adjustments will be necessary through the interim years to both the cost and timing of distant expense projections. It is our recommendation and that of the American Institute of Certified Public Accountants (AICPA) that your Reserve Study be updated annually.

Association Reserves, Inc., and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Robert M. Nordlund, P.E., R.S., company president, is a California licensed Professional Engineer (Mechanical, #22322), and credentialed Reserve Specialist (#5). All work done by Association Reserves is performed under his Responsible Charge. There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the association’s situation.

We have relied upon the client to provide the current (or projected) Reserve Balance, the estimated net-after-tax current rate of interest earnings, and to indicate if those earnings accrue to the Reserve Fund. In addition, we have considered the association’s representation of current and historical Reserve projects reliable, and we have considered the representations made by its vendors and suppliers to also be accurate and reliable.

Component quantities indicated in this Report were developed by Association Reserves unless otherwise noted in our “Site Inspection Notes” comments. No destructive or intrusive testing was performed, nor should the site inspection be assumed to be anything other than for budget purposes.

Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area)
GSY	Gross Square Yards (area)
HP	Horsepower
LF	Linear Feet (length)

Effective Age: The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.

Fully Funded Balance (FFB): The Reserve Balance that is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This benchmark balance represents the value of the deterioration of the Reserve Components. This number is calculated for each component, then summed together for an association total.

$$\text{FFB} = (\text{Current Cost} \times \text{Effective Age}) / \text{Useful Life}$$

Inflation: Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on Table 5.

Interest: Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary, page ii.

Percent Funded: The ratio, at a particular point in time (typically the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.

Remaining Useful Life: The estimated time, in years, that a common area component can be expected to continue to serve its intended function.

Useful Life: The estimated time, in years, that a common area component can be expected to serve its intended function.

Photographic Inventory Appendix