



ASSOCIATION RESERVES™

Planning For The Inevitable™

SAMPLE
Reserve Study

FULL

Serving the Nation



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Welcome to your Reserve Study!

A Reserve Study is a valuable tool to help you budget responsibly for your property. This report contains all the information you need to avoid surprise expenses, make informed decisions, save money, and protect property values.

Regardless of the property type, it's a fact of life that the very moment construction is completed, every major building component begins a predictable process of physical deterioration. The operative word is "predictable" because *planning for the inevitable* is what a Reserve Study by **Association Reserves** is all about!

In this Report, you will find three key results:

- **Reserve Funding Plan**
A multi-year funding plan based on current Reserve Fund strength that allows for component repairs & replacements to be completed in a timely manner, with an emphasis on avoiding "catch-up" funding sources.
- **Reserve Fund Strength**
A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.
- **Component List**
Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.

Questions?

Please contact your Project Manager directly.



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[YOUR PROPERTY NAME]

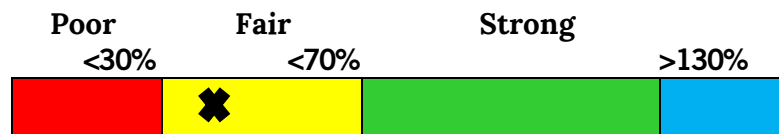
Report #: 17918-0

[Anywhere in the world]

of Units: 21

Level of Service: **Reserve Study- FULL****January 1, 2019 through December 31, 2019****Findings & Recommendations****as of January 1, 2019**

Starting Reserve Balance	\$89,432
Fully Funded Reserve Balance	\$198,938
Average Reserve Deficit (Surplus) per Unit.....	\$5,215
%-Funded	45.0%
Recommended 2019 Monthly "Full Funding" Reserve Contribution.....	\$2,510
Recommended 2019 "Special Assessment" for Reserves	\$0
Most recent Reserve Contribution Rate	\$1,850

Reserve Fund Strength (%-Funded)

Risk of Special Assessment ----- **High** **Medium** **Low**

Economic Assumptions:Net Annual "After Tax" Interest Earnings, accruing to Reserves ----- **1.00%**Annual Inflation Rate ----- **3.00%****Comments:**

This is a Full Reserve Study, based on a site inspection on 10/8/2018. This Reserve Study was prepared by a credentialed Reserve Specialist (RS).

Your Reserve Fund is above the 0-30% "weak" range at 45.0 % Funded, but also well below the 70% level that typifies Reserve Fund strength. The result is our evaluation that your association is in a fair position with respect to Reserves. Associations in this range have a Medium risk of Reserve cash-flow problems (such as special assessments and/or deferred maintenance) in the near future.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions in order to ensure sufficient funds for your upcoming Reserve projects and spread Reserve contributions fairly over the ownership base.

Note that this analysis presumes your major repainting project will occur as planned before the end of 2018.

Your multi-year Funding Plan is designed to provide for timely execution of Reserve projects and gradually bring your association closer to the "Fully Funded" (100%) level.

#	Component	Useful Life UL (years)	Remaining Useful Life RUL (years)	Current Average Cost (\$)
General Common Areas				
105	Entry Deck/Stair - Paint/Seal	5	0	\$2,000
106	Patio Deck - Paint/Seal	5	0	\$1,650
201	Asphalt - Resurface	20	11	\$36,250
202	Asphalt - Seal/Repair	4	0	\$2,500
324	Wall Lights - Replace	20	3	\$8,150
403	Mailboxes - Replace	15	13	\$1,375
404	Spa Area Furniture - Replace	6	0	\$2,125
502	Chain Link Fence - Replace	50	10	\$5,300
705	Gate Operator - Replace	10	6	\$4,600
1107	Metal Fence/Rail - Repaint	5	4	\$10,800
1115	Stucco - Repaint	10	9	\$41,850
1116	Wood Siding/Trim - Repaint	5	4	\$22,550
1119	Brick Veneer - Repair	10	9	\$3,000
1121	Wood Siding - Replace	35	9	\$96,000
1203	Spa - Resurface	6	0	\$3,775
1207	Spa Filter - Replace	12	5	\$900
1208	Spa Heater - Replace	10	2	\$3,300
1303	Comp Shingle Roof - Replace	20	0	\$68,000
1808	Trees - Trim	5	0	\$3,750
19	Total Funded Components			

Yellow highlights indicate items with RUL = 0 years, requiring attention in 2019.

Introduction



A Reserve Study is the art and science of anticipating, and preparing for, an association's 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 combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.



Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology



For this [Full Reserve Study](#), we started 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 quantify and evaluate your common areas, creating your Reserve Component List *from scratch*.

Which Physical Assets are Funded by Reserves?

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve



RESERVE COMPONENT "FOUR-PART TEST"

Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

How do we establish Useful Life and Remaining Useful Life estimates?

- 1) Visual Inspection (observed wear and age)
- 2) Association Reserves database of experience
- 3) Client History (install dates & previous life cycle information)
- 4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

- 1) Actual client cost history, or current proposals
- 2) Comparison to Association Reserves database of work done at similar associations
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

- 1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
- 2) Compare that to the Reserve Fund Balance, and express as a percentage.



Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

How much should we contribute?



According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*

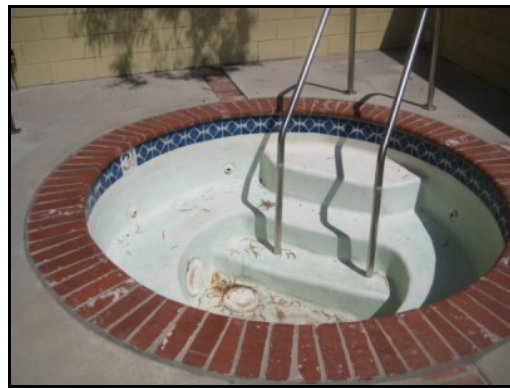


Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Site Inspection Notes

During our site visit on 10/8/2018, we started with a brief meeting with Boardmember Mike Amoroso, and then started the site inspection beginning with the spa area. We visually inspected all the buildings, and were able to see all areas of the association. We confirmed that garage door replacement and balcony surface care is the responsibility of individual home owners. We were not able to inspect the roof up close, but were comfortable with our ground level inspection based on its age and observed characteristics (which were consistent with our expectations). We were able to confirm our roofing observations with the roofing vendor the association has utilized for local leak repairs.

Please refer to the Photographic Inventory Appendix for additional information on each of your Reserve components.



Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses at your association as defined by your Reserve Component List. The significant first year expense is your roofing project, because of our assumption that your painting project will be done and paid for as planned in Fall 2018 (after completion of this Reserve Study, but before the beginning of 2019). A summary of these components are shown in the Component Details table, while a summary of the expenses themselves are shown in the 30-yr Expense Summary table. Note the future years of high projected Reserve expenses.

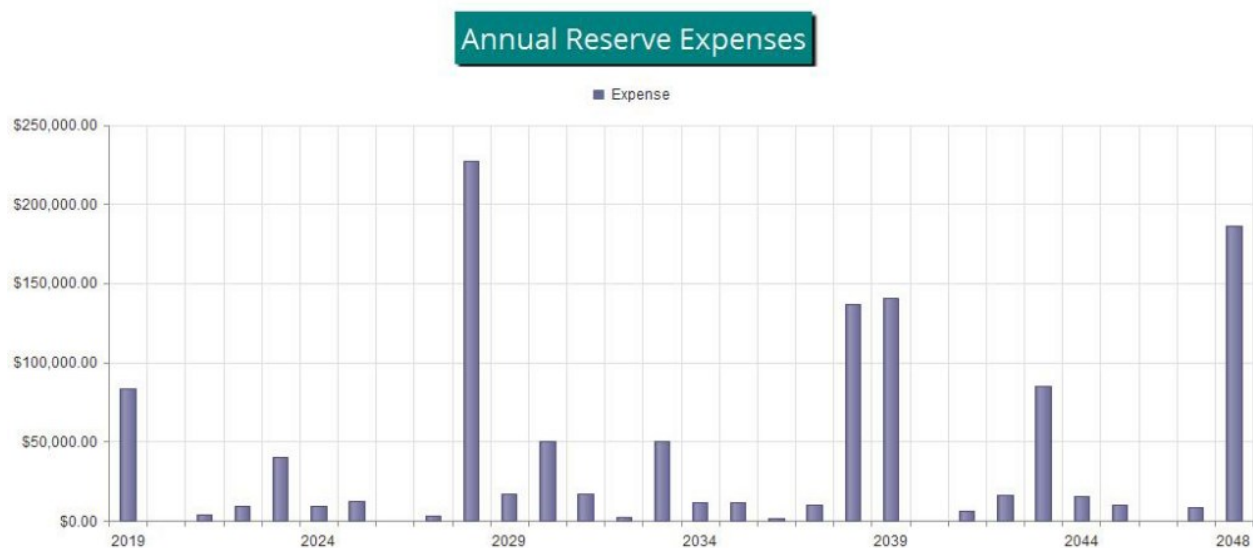


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$89,432 as-of the start of your Fiscal Year on 1/1/2019. This is based on your actual balance on 9/30/18 of \$124,941 and anticipated Reserve contributions and expenses (painting) projected through the end of your Fiscal Year. As of your Fiscal Year Start, your Fully Funded Balance is computed to be \$198,938. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 45.0 % Funded. Across the country approximately 13% of associations that are between 40%-50% Funded experience special assessments or deferred maintenance expenses.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$2,510 per month this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables. Note how an increased Reserve contribution rate is necessary to avoid completely running out of Reserves in approximately the 10-yr timeframe.

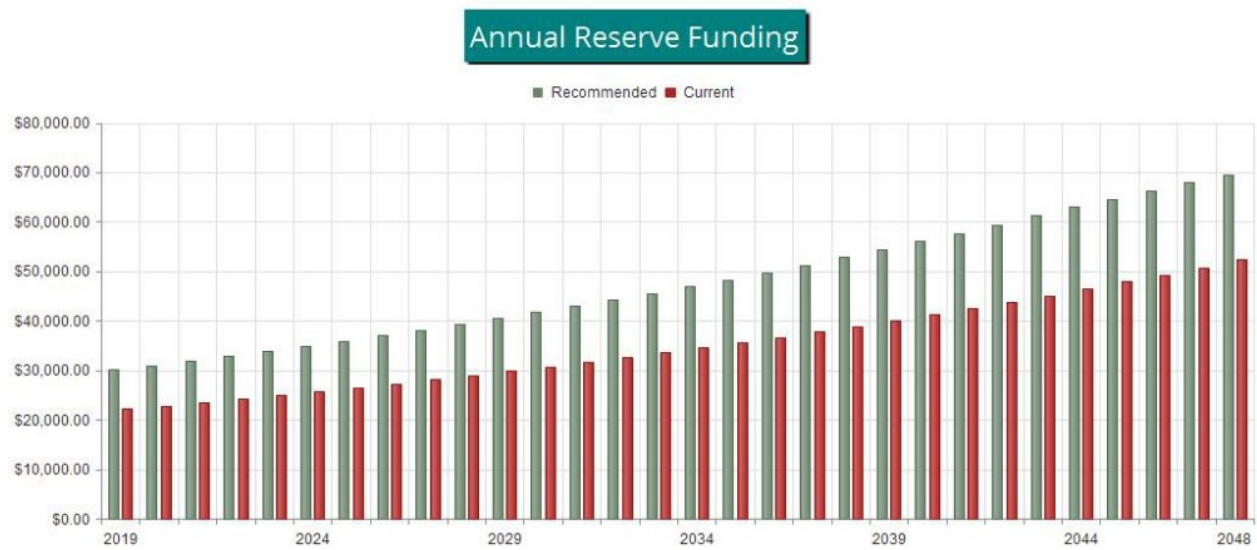


Figure 2

The following chart shows your Reserve balance under our recommended Full Funding Plan and at your current budgeted contribution rate, compared to your always-changing Fully Funded Balance target. Your Reserve Balance is fortunately large enough to have handled the major 2018 painting project, and leave enough to get 2019 off to a reasonable start (enough for the roof replacement project), setting the association up for success with only a nominal increase in its Reserve contribution rate.

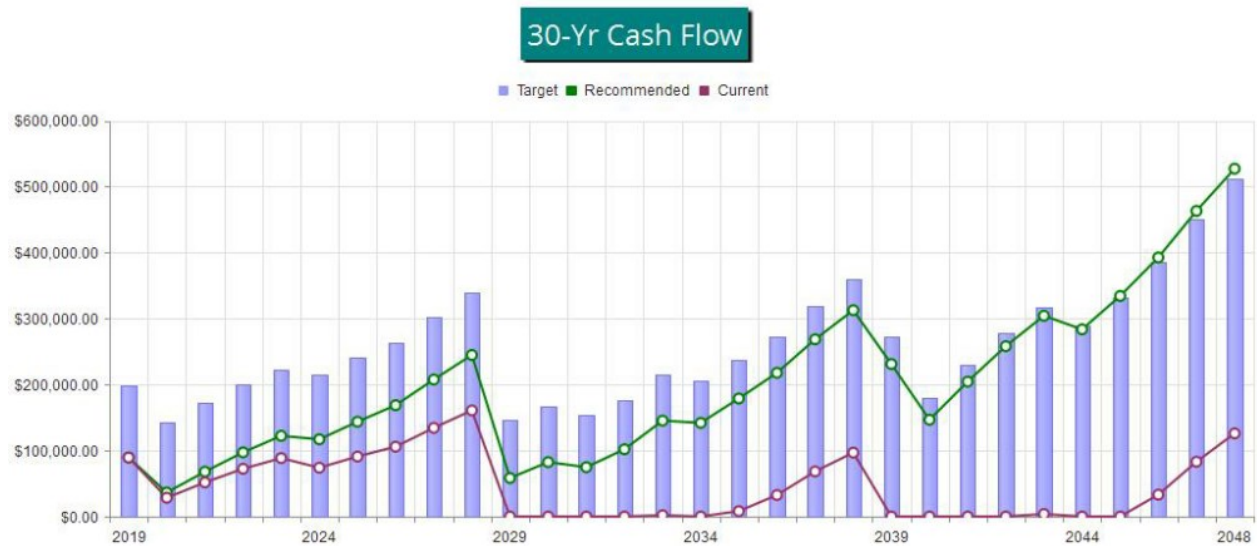


Figure 3

This figure shows the same information plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan, but declines in strength at your current rate of Reserve contributions.

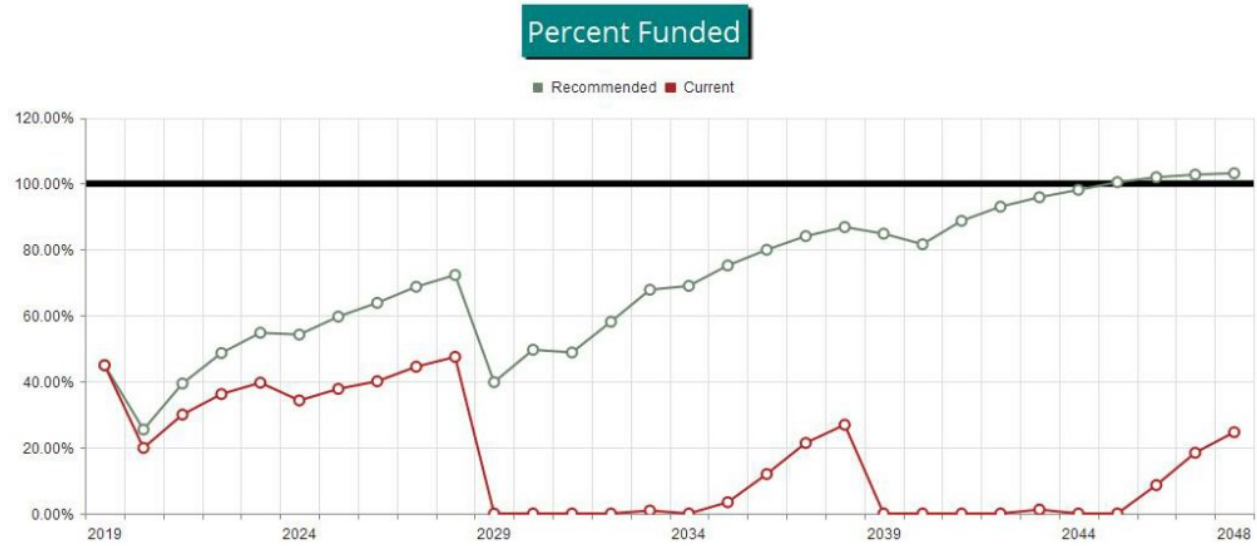


Figure 4

Table Descriptions

The tabular information in this Report is broken down into nine tables, **not all which may have been chosen by your Project Manager to appear in your report.** Tables are listed in the order in which they appear in your Report.

Executive Summary is a summary of your Reserve Components

Budget Summary is a management and accounting tool, summarizing groupings of your Reserve Components.

Analysis Summary provides a summary of the starting financial information and your Project Manager's Financial Analysis decision points.

Reserve Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the association total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the association, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

Accounting-Tax Summary provides information on each Component's proportionate portion of key totals, valuable to accounting professionals primarily during tax preparation time of year.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

Reserve Component List Detail

17918-0
Full

# Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate		
				Best Case	Worst Case	
General Common Areas						
105	Entry Deck/Stair - Paint/Seal	Approx 790 Sq Ft	5	0	\$1,500	\$2,500
106	Patio Deck - Paint/Seal	Approx 650 Sq Ft	5	0	\$1,300	\$2,000
201	Asphalt - Resurface	Approx 8300 GSF	20	11	\$30,000	\$42,500
202	Asphalt - Seal/Repair	Approx 8300 GSF	4	0	\$2,100	\$2,900
324	Wall Lights - Replace	Approx (65) Lights	20	3	\$6,500	\$9,800
403	Mailboxes - Replace	(25) Boxes	15	13	\$1,250	\$1,500
404	Spa Area Furniture - Replace	Approx (10) pieces	6	0	\$1,750	\$2,500
502	Chain Link Fence - Replace	Approx 200 LF	50	10	\$4,600	\$6,000
705	Gate Operator - Replace	(2) swing openers	10	6	\$4,100	\$5,100
1107	Metal Fence/Rail - Repaint	Approx 1200 LF	5	4	\$9,600	\$12,000
1115	Stucco - Repaint	Approx 22000 GSF	10	9	\$35,700	\$48,000
1116	Wood Siding/Trim - Repaint	Moderate GSF (21) Units	5	4	\$18,900	\$26,200
1119	Brick Veneer - Repair	Moderate GSF	10	9	\$2,500	\$3,500
1121	Wood Siding - Replace	Approx 8000 Sq Ft	35	9	\$80,000	\$112,000
1203	Spa - Resurface	Approx 8 ft. Dia	6	0	\$3,250	\$4,300
1207	Spa Filter - Replace	(1) Hayward 36 GSF	12	5	\$800	\$1,000
1208	Spa Heater - Replace	(1) Laars 399000 BTU/hr	10	2	\$2,800	\$3,800
1303	Comp Shingle Roof - Replace	Approx 16000 GSF	20	0	\$56,000	\$80,000
1808	Trees - Trim	Extensive large trees	5	0	\$3,000	\$4,500
19 Total Funded Components						

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
General Common Areas								
105	Entry Deck/Stair - Paint/Seal	\$2,000	X	5	/	5	=	\$2,000
106	Patio Deck - Paint/Seal	\$1,650	X	5	/	5	=	\$1,650
201	Asphalt - Resurface	\$36,250	X	9	/	20	=	\$16,313
202	Asphalt - Seal/Repair	\$2,500	X	4	/	4	=	\$2,500
324	Wall Lights - Replace	\$8,150	X	17	/	20	=	\$6,928
403	Mailboxes - Replace	\$1,375	X	2	/	15	=	\$183
404	Spa Area Furniture - Replace	\$2,125	X	6	/	6	=	\$2,125
502	Chain Link Fence - Replace	\$5,300	X	40	/	50	=	\$4,240
705	Gate Operator - Replace	\$4,600	X	4	/	10	=	\$1,840
1107	Metal Fence/Rail - Repaint	\$10,800	X	1	/	5	=	\$2,160
1115	Stucco - Repaint	\$41,850	X	1	/	10	=	\$4,185
1116	Wood Siding/Trim - Repaint	\$22,550	X	1	/	5	=	\$4,510
1119	Brick Veneer - Repair	\$3,000	X	1	/	10	=	\$300
1121	Wood Siding - Replace	\$96,000	X	26	/	35	=	\$71,314
1203	Spa - Resurface	\$3,775	X	6	/	6	=	\$3,775
1207	Spa Filter - Replace	\$900	X	7	/	12	=	\$525
1208	Spa Heater - Replace	\$3,300	X	8	/	10	=	\$2,640
1303	Comp Shingle Roof - Replace	\$68,000	X	20	/	20	=	\$68,000
1808	Trees - Trim	\$3,750	X	5	/	5	=	\$3,750
								\$198,938

Component Significance

17918-0
Full

#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
General Common Areas					
105	Entry Deck/Stair - Paint/Seal	5	\$2,000	\$400	1.69 %
106	Patio Deck - Paint/Seal	5	\$1,650	\$330	1.39 %
201	Asphalt - Resurface	20	\$36,250	\$1,813	7.66 %
202	Asphalt - Seal/Repair	4	\$2,500	\$625	2.64 %
324	Wall Lights - Replace	20	\$8,150	\$408	1.72 %
403	Mailboxes - Replace	15	\$1,375	\$92	0.39 %
404	Spa Area Furniture - Replace	6	\$2,125	\$354	1.50 %
502	Chain Link Fence - Replace	50	\$5,300	\$106	0.45 %
705	Gate Operator - Replace	10	\$4,600	\$460	1.94 %
1107	Metal Fence/Rail - Repaint	5	\$10,800	\$2,160	9.13 %
1115	Stucco - Repaint	10	\$41,850	\$4,185	17.68 %
1116	Wood Siding/Trim - Repaint	5	\$22,550	\$4,510	19.05 %
1119	Brick Veneer - Repair	10	\$3,000	\$300	1.27 %
1121	Wood Siding - Replace	35	\$96,000	\$2,743	11.59 %
1203	Spa - Resurface	6	\$3,775	\$629	2.66 %
1207	Spa Filter - Replace	12	\$900	\$75	0.32 %
1208	Spa Heater - Replace	10	\$3,300	\$330	1.39 %
1303	Comp Shingle Roof - Replace	20	\$68,000	\$3,400	14.36 %
1808	Trees - Trim	5	\$3,750	\$750	3.17 %
19	Total Funded Components			\$23,669	100.00 %

30-Year Reserve Plan Summary

17918-0
Full

Fiscal Year Start: 2019					Interest: 1.00 %		Inflation: 3.00 %	
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2019	\$89,432	\$198,938	45.0 %	Medium	\$30,120	\$0	\$629	\$83,800
2020	\$36,381	\$142,971	25.4 %	High	\$31,024	\$0	\$521	\$0
2021	\$67,926	\$172,370	39.4 %	Medium	\$31,954	\$0	\$825	\$3,501
2022	\$97,204	\$199,799	48.7 %	Medium	\$32,913	\$0	\$1,097	\$8,906
2023	\$122,309	\$223,259	54.8 %	Medium	\$33,900	\$0	\$1,196	\$40,349
2024	\$117,056	\$215,836	54.2 %	Medium	\$34,917	\$0	\$1,303	\$9,622
2025	\$143,654	\$240,662	59.7 %	Medium	\$35,965	\$0	\$1,561	\$12,538
2026	\$168,642	\$264,078	63.9 %	Medium	\$37,044	\$0	\$1,880	\$0
2027	\$207,566	\$301,983	68.7 %	Medium	\$38,155	\$0	\$2,261	\$3,167
2028	\$244,815	\$338,663	72.3 %	Low	\$39,300	\$0	\$1,515	\$227,291
2029	\$58,339	\$146,522	39.8 %	Medium	\$40,479	\$0	\$704	\$17,068
2030	\$82,454	\$166,101	49.6 %	Medium	\$41,693	\$0	\$786	\$50,178
2031	\$74,754	\$153,147	48.8 %	Medium	\$42,944	\$0	\$883	\$16,681
2032	\$101,899	\$175,318	58.1 %	Medium	\$44,232	\$0	\$1,236	\$2,019
2033	\$145,348	\$214,299	67.8 %	Medium	\$45,559	\$0	\$1,436	\$50,445
2034	\$141,898	\$205,645	69.0 %	Medium	\$46,926	\$0	\$1,603	\$11,529
2035	\$178,898	\$237,921	75.2 %	Low	\$48,334	\$0	\$1,983	\$11,393
2036	\$217,821	\$272,444	80.0 %	Low	\$49,784	\$0	\$2,431	\$1,488
2037	\$268,548	\$319,380	84.1 %	Low	\$51,277	\$0	\$2,905	\$10,044
2038	\$312,686	\$360,119	86.8 %	Low	\$52,816	\$0	\$2,718	\$137,124
2039	\$231,095	\$272,433	84.8 %	Low	\$54,400	\$0	\$1,888	\$140,696
2040	\$146,688	\$179,720	81.6 %	Low	\$56,032	\$0	\$1,755	\$0
2041	\$204,475	\$230,464	88.7 %	Low	\$57,713	\$0	\$2,312	\$6,323
2042	\$258,177	\$277,578	93.0 %	Low	\$59,444	\$0	\$2,811	\$16,085
2043	\$304,348	\$317,452	95.9 %	Low	\$61,228	\$0	\$2,939	\$84,869
2044	\$283,645	\$289,117	98.1 %	Low	\$63,065	\$0	\$3,088	\$15,494
2045	\$334,304	\$332,876	100.4 %	Low	\$64,641	\$0	\$3,633	\$9,920
2046	\$392,659	\$385,220	101.9 %	Low	\$66,257	\$0	\$4,277	\$0
2047	\$463,193	\$450,929	102.7 %	Low	\$67,914	\$0	\$4,950	\$8,866
2048	\$527,191	\$511,102	103.1 %	Low	\$69,612	\$0	\$4,709	\$186,404

30-Year Income/Expense Detail

17918-0
Full

Fiscal Year	2019	2020	2021	2022	2023
Starting Reserve Balance	\$89,432	\$36,381	\$67,926	\$97,204	\$122,309
Annual Reserve Contribution	\$30,120	\$31,024	\$31,954	\$32,913	\$33,900
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$629	\$521	\$825	\$1,097	\$1,196
Total Income	\$120,181	\$67,926	\$100,705	\$131,214	\$157,405
# Component					
General Common Areas					
105 Entry Deck/Stair - Paint/Seal	\$2,000	\$0	\$0	\$0	\$0
106 Patio Deck - Paint/Seal	\$1,650	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$2,500	\$0	\$0	\$0	\$2,814
324 Wall Lights - Replace	\$0	\$0	\$0	\$8,906	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Spa Area Furniture - Replace	\$2,125	\$0	\$0	\$0	\$0
502 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
705 Gate Operator - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$0	\$0	\$0	\$0	\$12,155
1115 Stucco - Repaint	\$0	\$0	\$0	\$0	\$0
1116 Wood Siding/Trim - Repaint	\$0	\$0	\$0	\$0	\$25,380
1119 Brick Veneer - Repair	\$0	\$0	\$0	\$0	\$0
1121 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$3,775	\$0	\$0	\$0	\$0
1207 Spa Filter - Replace	\$0	\$0	\$0	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$3,501	\$0	\$0
1303 Comp Shingle Roof - Replace	\$68,000	\$0	\$0	\$0	\$0
1808 Trees - Trim	\$3,750	\$0	\$0	\$0	\$0
Total Expenses	\$83,800	\$0	\$3,501	\$8,906	\$40,349
Ending Reserve Balance	\$36,381	\$67,926	\$97,204	\$122,309	\$117,056

Fiscal Year	2024	2025	2026	2027	2028
Starting Reserve Balance	\$117,056	\$143,654	\$168,642	\$207,566	\$244,815
Annual Reserve Contribution	\$34,917	\$35,965	\$37,044	\$38,155	\$39,300
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,303	\$1,561	\$1,880	\$2,261	\$1,515
Total Income	\$153,276	\$181,180	\$207,566	\$247,982	\$285,630
# Component					
General Common Areas					
105 Entry Deck/Stair - Paint/Seal	\$2,319	\$0	\$0	\$0	\$0
106 Patio Deck - Paint/Seal	\$1,913	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$0	\$0	\$0	\$3,167	\$0
324 Wall Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Spa Area Furniture - Replace	\$0	\$2,537	\$0	\$0	\$0
502 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
705 Gate Operator - Replace	\$0	\$5,493	\$0	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$0	\$0	\$0	\$0	\$14,092
1115 Stucco - Repaint	\$0	\$0	\$0	\$0	\$54,605
1116 Wood Siding/Trim - Repaint	\$0	\$0	\$0	\$0	\$29,423
1119 Brick Veneer - Repair	\$0	\$0	\$0	\$0	\$3,914
1121 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$125,258
1203 Spa - Resurface	\$0	\$4,508	\$0	\$0	\$0
1207 Spa Filter - Replace	\$1,043	\$0	\$0	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1808 Trees - Trim	\$4,347	\$0	\$0	\$0	\$0
Total Expenses	\$9,622	\$12,538	\$0	\$3,167	\$227,291
Ending Reserve Balance	\$143,654	\$168,642	\$207,566	\$244,815	\$58,339

Fiscal Year	2029	2030	2031	2032	2033
Starting Reserve Balance	\$58,339	\$82,454	\$74,754	\$101,899	\$145,348
Annual Reserve Contribution	\$40,479	\$41,693	\$42,944	\$44,232	\$45,559
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$704	\$786	\$883	\$1,236	\$1,436
Total Income	\$99,521	\$124,932	\$118,581	\$147,367	\$192,343
# Component					
General Common Areas					
105 Entry Deck/Stair - Paint/Seal	\$2,688	\$0	\$0	\$0	\$0
106 Patio Deck - Paint/Seal	\$2,217	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$50,178	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$0	\$0	\$3,564	\$0	\$0
324 Wall Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$2,019	\$0
404 Spa Area Furniture - Replace	\$0	\$0	\$3,030	\$0	\$0
502 Chain Link Fence - Replace	\$7,123	\$0	\$0	\$0	\$0
705 Gate Operator - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$0	\$0	\$0	\$0	\$16,336
1115 Stucco - Repaint	\$0	\$0	\$0	\$0	\$0
1116 Wood Siding/Trim - Repaint	\$0	\$0	\$0	\$0	\$34,109
1119 Brick Veneer - Repair	\$0	\$0	\$0	\$0	\$0
1121 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$0	\$0	\$5,382	\$0	\$0
1207 Spa Filter - Replace	\$0	\$0	\$0	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$4,705	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1808 Trees - Trim	\$5,040	\$0	\$0	\$0	\$0
Total Expenses	\$17,068	\$50,178	\$16,681	\$2,019	\$50,445
Ending Reserve Balance	\$82,454	\$74,754	\$101,899	\$145,348	\$141,898

Fiscal Year	2034	2035	2036	2037	2038
Starting Reserve Balance	\$141,898	\$178,898	\$217,821	\$268,548	\$312,686
Annual Reserve Contribution	\$46,926	\$48,334	\$49,784	\$51,277	\$52,816
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,603	\$1,983	\$2,431	\$2,905	\$2,718
Total Income	\$190,427	\$229,215	\$270,036	\$322,731	\$368,220
# Component					
General Common Areas					
105 Entry Deck/Stair - Paint/Seal	\$3,116	\$0	\$0	\$0	\$0
106 Patio Deck - Paint/Seal	\$2,571	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$0	\$4,012	\$0	\$0	\$0
324 Wall Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Spa Area Furniture - Replace	\$0	\$0	\$0	\$3,618	\$0
502 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
705 Gate Operator - Replace	\$0	\$7,382	\$0	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$0	\$0	\$0	\$0	\$18,938
1115 Stucco - Repaint	\$0	\$0	\$0	\$0	\$73,384
1116 Wood Siding/Trim - Repaint	\$0	\$0	\$0	\$0	\$39,542
1119 Brick Veneer - Repair	\$0	\$0	\$0	\$0	\$5,261
1121 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$0	\$0	\$0	\$6,427	\$0
1207 Spa Filter - Replace	\$0	\$0	\$1,488	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1808 Trees - Trim	\$5,842	\$0	\$0	\$0	\$0
Total Expenses	\$11,529	\$11,393	\$1,488	\$10,044	\$137,124
Ending Reserve Balance	\$178,898	\$217,821	\$268,548	\$312,686	\$231,095

Fiscal Year	2039	2040	2041	2042	2043
Starting Reserve Balance	\$231,095	\$146,688	\$204,475	\$258,177	\$304,348
Annual Reserve Contribution	\$54,400	\$56,032	\$57,713	\$59,444	\$61,228
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,888	\$1,755	\$2,312	\$2,811	\$2,939
Total Income	\$287,384	\$204,475	\$264,500	\$320,433	\$368,515
# Component					
General Common Areas					
105 Entry Deck/Stair - Paint/Seal	\$3,612	\$0	\$0	\$0	\$0
106 Patio Deck - Paint/Seal	\$2,980	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$4,515	\$0	\$0	\$0	\$5,082
324 Wall Lights - Replace	\$0	\$0	\$0	\$16,085	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Spa Area Furniture - Replace	\$0	\$0	\$0	\$0	\$4,320
502 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
705 Gate Operator - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$0	\$0	\$0	\$0	\$21,954
1115 Stucco - Repaint	\$0	\$0	\$0	\$0	\$0
1116 Wood Siding/Trim - Repaint	\$0	\$0	\$0	\$0	\$45,840
1119 Brick Veneer - Repair	\$0	\$0	\$0	\$0	\$0
1121 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$0	\$0	\$0	\$0	\$7,674
1207 Spa Filter - Replace	\$0	\$0	\$0	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$6,323	\$0	\$0
1303 Comp Shingle Roof - Replace	\$122,816	\$0	\$0	\$0	\$0
1808 Trees - Trim	\$6,773	\$0	\$0	\$0	\$0
Total Expenses	\$140,696	\$0	\$6,323	\$16,085	\$84,869
Ending Reserve Balance	\$146,688	\$204,475	\$258,177	\$304,348	\$283,645

Fiscal Year	2044	2045	2046	2047	2048
Starting Reserve Balance	\$283,645	\$334,304	\$392,659	\$463,193	\$527,191
Annual Reserve Contribution	\$63,065	\$64,641	\$66,257	\$67,914	\$69,612
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,088	\$3,633	\$4,277	\$4,950	\$4,709
Total Income	\$349,798	\$402,579	\$463,193	\$536,057	\$601,512
# Component					
General Common Areas					
105 Entry Deck/Stair - Paint/Seal	\$4,188	\$0	\$0	\$0	\$0
106 Patio Deck - Paint/Seal	\$3,455	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair	\$0	\$0	\$0	\$5,720	\$0
324 Wall Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$3,146	\$0
404 Spa Area Furniture - Replace	\$0	\$0	\$0	\$0	\$0
502 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
705 Gate Operator - Replace	\$0	\$9,920	\$0	\$0	\$0
1107 Metal Fence/Rail - Repaint	\$0	\$0	\$0	\$0	\$25,451
1115 Stucco - Repaint	\$0	\$0	\$0	\$0	\$98,622
1116 Wood Siding/Trim - Repaint	\$0	\$0	\$0	\$0	\$53,141
1119 Brick Veneer - Repair	\$0	\$0	\$0	\$0	\$7,070
1121 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$0	\$0	\$0	\$0	\$0
1207 Spa Filter - Replace	\$0	\$0	\$0	\$0	\$2,121
1208 Spa Heater - Replace	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1808 Trees - Trim	\$7,852	\$0	\$0	\$0	\$0
Total Expenses	\$15,494	\$9,920	\$0	\$8,866	\$186,404
Ending Reserve Balance	\$334,304	\$392,659	\$463,193	\$527,191	\$415,108

Accuracy, Limitations, and Disclosures

Association Reserves 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 Founder/CEO, 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 and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

Per NRSS, information provided by official representative(s) of the client, vendors, and suppliers regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable, and is not intended to be used for the purpose of any type of audit, quality/forensic analysis, or background checks of historical records. As such, information provided to us has not been audited or independently verified.

Estimates for interest and inflation have been included, because including such estimates are more accurate than ignoring them completely. When we are hired to prepare Update reports, the client is considered to have deemed those previously developed component quantities as accurate and reliable, whether established by our firm or other individuals/firms (unless specifically mentioned in our Site Inspection Notes). During inspections our company standard is to establish measurements within 5% accuracy, and our scope includes visual inspection of accessible areas and components and does not include any destructive or other testing. Our work is done only for budget purposes. Uses or expectations outside our expertise and scope of work include, but are not limited to, project audit, quality inspection, and the identification of construction defects, hazardous materials, or dangerous conditions. Identifying hidden issues such as but not limited to plumbing or electrical problems are also outside our scope of work. Our estimates assume proper original installation & construction, adherence to recommended preventive maintenance, a stable economic environment, and do not consider frequency or severity of natural disasters. Our opinions of component Useful Life, Remaining Useful Life, and current or future cost estimates are not a warranty or guarantee of actual costs or timing.

Because the physical and financial status of the property, legislation, the economy, weather, owner expectations, and usage are all in a continual state of change over which we have no control, we do not expect that the events projected in this document will all occur exactly as planned. This Reserve Study is by nature a "one-year" document in need of being updated annually so that more accurate estimates can be incorporated. It is only because a long-term perspective improves the accuracy of near-term planning that this Report projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of expense projections and the funding necessary to prepare for those estimated expenses.

In this engagement our compensation is not contingent upon our conclusions, and our liability in any matter involving this Reserve Study is limited to our fee for services rendered.

Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
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 value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.
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 the "30-yr Income/Expense Detail" table.
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.
Percent Funded	The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life (RUL)	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
Useful Life (UL)	The estimated time, in years, that a common area component can be expected to serve its intended function.

Component Details

The primary purpose of the Component Details appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The information presented here represents a wide range of components that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding.

- 1) Common area repair & replacement responsibility
- 2) Component must have a limited useful life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of Annual operating expenses).

Not all your components may have been found appropriate for reserve funding. In our judgment, the components meeting the above four criteria are shown with the Useful Life (how often the project is expected to occur), Remaining Useful Life (when the next instance of the expense will be) and representative market cost range termed “Best Cost” and “Worst Cost”. There are many factors that can result in a wide variety of potential costs, and we have attempted to present the cost range in which your actual expense will occur.

Where no Useful Life, Remaining Useful Life, or pricing exists, the component was deemed inappropriate for Reserve Funding.

General Common Areas

Comp #: 103 Concrete Sidewalk - Repair

Quantity: Extensive Walkways

Location: North side of North building, & West perimeter

Funded?: No. Typically a long life component. No anticipation to replace. Repair as needed out of Operating Funds, not Reserves

History: Original to association

Comments: Signs of pitting, cracking, and fading were noted. Nothing appearing structural, all generally smooth and intact (no lifting or unevenness). Typically a long life component. No anticipation to replace.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 105 Entry Deck/Stair - Paint/Seal

Quantity: Approx 790 Sq Ft

Location: Unit front entry stairs of "S" units

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Last clean and seal approx 2004

Comments: Significant staining and noted deterioration (surface worn through). Due for cleaning and painting at this time. Note: Best to coordinate with 106 Patio Deck Paint/Seal.

Useful Life:

5 years

Remaining Life:

0 years



Best Case: \$ 1,500

Worst Case: \$ 2,500

Lower estimate to clean, prep, and seal

Higher estimate, some addnl repairs needed

Cost Source: ARI Cost Database

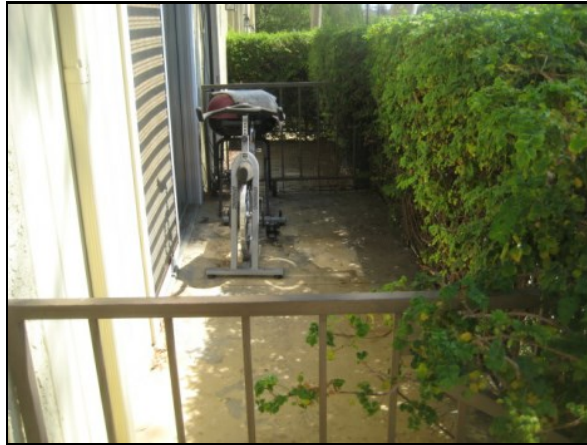
Comp #: 106 Patio Deck - Paint/Seal**Quantity: Approx 650 Sq Ft**

Location: Ground level patio areas of "S" units

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Last clean and seal approx 2004

Comments: Significant staining and noted deterioration (surface worn through). Due for cleaning and painting at this time. Note: Best to coordinate with 105 Entry Deck/Stair Paint/Seal.

Useful Life:
5 yearsRemaining Life:
0 years

Best Case: \$ 1,300

Worst Case: \$ 2,000

Lower estimate to prep and seal, \$2/Sq Ft

Higher estimate, includes addnl repair projects

Cost Source:

Comp #: 126 Balcony - Resurface**Quantity: (13), 520 Sq Ft total**

Location: Second floor balconies of "S" units

Funded?: No. Balcony surface care is individual owner responsibility, per Governing Docs

History: Unknown

Comments: Not inspected. Not a common area maintenance responsibility

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 201 Asphalt - Resurface**Quantity: Approx 8300 GSF**

Location: Main Driveway Area

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Reportedly last resurface (and seal) in Oct 2010

Comments: Smooth and driveable (no potholes or areas of significant alligating and failure) but significant lateral and longitudinal cracks. Functional but showing some age and normal deterioration due to age.

Useful Life:

20 years

Remaining Life:

11 years



Best Case: \$ 30,000

Worst Case: \$ 42,500

\$3.50/Sq Ft, lower estimate to resurface

Higher estimate due to small quantity and tight location

Cost Source: ARI Cost Database

Comp #: 202 Asphalt - Seal/Repair**Quantity: Approx 8300 GSF**

Location: Main Driveway Area

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Reportedly last sealed during big asphalt project in Oct 2010

Comments: Surface is dry. Seal has worn off crowns of aggregate and seal has withdrawn and shrunk from aggregate. No looseness yet. Dryness evident in cracks appearing. Poor general condition due for sealing at this time.

Useful Life:

4 years

Remaining Life:

0 years



Best Case: \$ 2,100

Worst Case: \$ 2,900

Lower estimate to clean, seal, and repair,
\$.25/Sq FtHigher estimate, \$.35/Sq Ft (due to small
quantity & crack repairs)Cost Source: ARI Cost Database

Comp #: 324 Wall Lights - Replace**Quantity: Approx (65) Lights**

Location: Throughout common areas, front doors, and in garage/driveway areas

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Original to association

Comments: Intact and assume all are functional (inspected during daylight hours). Showing age and surface dullness but no significant deterioration. Appears to be in fair condition overall.

Useful Life:
20 yearsRemaining Life:
3 years

Best Case: \$ 6,500

Worst Case: \$ 9,800

\$100/light, lower estimate to replace

\$150/light, higher estimate for materials or labor

Cost Source: ARI Cost Database

Comp #: 403 Mailboxes - Replace**Quantity: (25) Boxes**

Location: Wall mounted between two back buildings

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Installed New in Aug 2017 for \$1153

Comments: Good condition. Still in relatively new condition. No deterioration (scuffing scratching pitting) noted to structure or surface finish.

Useful Life:
15 yearsRemaining Life:
13 years

Best Case: \$ 1,250

Worst Case: \$ 1,500

Lower estimate to replace, \$50/box

Higher estimate, \$60/box

Cost Source: Client Cost History

Comp #: 404 Spa Area Furniture - Replace**Quantity: Approx (10) pieces**

Location: Spa area, Northeast corner of association

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Age unknown.

Comments: Six chair two table one sofa/lounge one coffee table. Metal frame pieces upholstered cushions. General poor & faded condition.

Useful Life:
6 yearsRemaining Life:
0 years

Best Case: \$ 1,750

Worst Case: \$ 2,500

Lower estimate to replace with similar pieces

Higher estimate

Cost Source: ARI Cost Database

Comp #: 502 Chain Link Fence - Replace**Quantity: Approx 200 LF**

Location: West side of association and some rear (North) side locations

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Assumed to be original to association (approx 1980).

Comments: Assume to be original and association's responsibility. Fair condition. Establishes a perimeter barrier to the association. No significant aesthetic purpose. No signs of significant deterioration (stretching leaning). Expect a long useful life.

Useful Life:
50 yearsRemaining Life:
10 years

Best Case: \$ 4,600

Worst Case: \$ 6,000

\$23/LF, lower estimate to replace

\$30/LF, higher estimate

Cost Source: ARI Cost Database

Comp #: 505 Wood Fence - Replace

Quantity: Approx 18 LF

Location: Rear (N side) center of association

Funded?: No. too small for Reserve designation. Replace as a minor operational budget project.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 705 Gate Operator - Replace

Quantity: (2) swing openers

Location: Entry to association

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Reportedly new in 2015

Comments: (2) Ramset 300 openers. Both in fair to good appearing condition. East unit serial # 56619. West unit serial # 55987. Observed in good functional condition.

Useful Life:
10 years

Remaining Life:
6 years



Best Case: \$ 4,100

Worst Case: \$ 5,100

Lower estimate to replace, similar size/type
units

Higher estimate

Cost Source: ARI Cost Database

Comp #: 1003 Irrigation Controller - Replace

Quantity: (1) Hunter 12-Station

Location: Adjacent to mailboxes

Funded?: No. Too small cost for Reserve designation. Replace as a minor operational landscape project as necessary.

History: Unknown, although looks relatively new.

Comments: In a sheltered location, will likely function for an extended time. Electronic type, not manual (gear-driven).

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 1102 Garage Doors - Repaint

Quantity: (21) Garage Doors

Location: Driveway areas of association

Funded?: No. Include with wood trim repaint project #1116

History: Unknown

Comments: General poor condition. Dry, faded, and discolored. Aluminum sectional roll-up doors. In need of paint at this time for aesthetic reasons. Note that replacement is the responsibility of individual home owners, per Governing Docs.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 1107 Metal Fence/Rail - Repaint**Quantity: Approx 1200 LF**

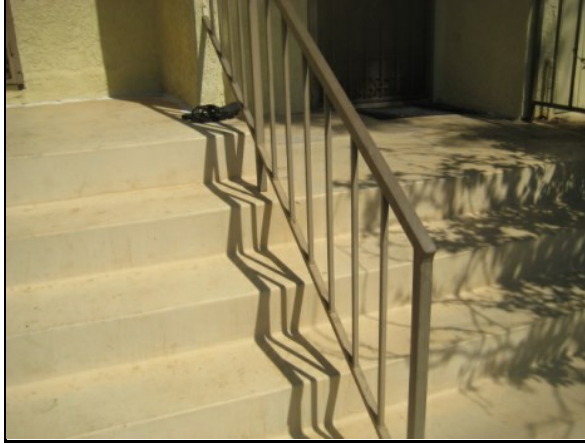
Location: Fencing, handrails, auto and ped gates, and front door screens

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Unknown

Comments: Only minimal rust noted (at fence to concrete interface). Paint was dull and faded in all locations some chipping.

General poor older condition. Due for repaint at this time. Assoc has committed to repaint prior to end of Fiscal Year, so anticipate full Remaining Useful Life in 2019.

Useful Life:
5 yearsRemaining Life:
4 years

Best Case: \$ 9,600

Worst Case: \$ 12,000

Lower estimate to repaint, \$8.50/Linear Ft

Higher estimate for more prep work, \$10/LF

Cost Source: ARI Cost Database

Comp #: 1115 Stucco - Repaint**Quantity: Approx 22000 GSF**

Location: Building exterior surfaces

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Unknown

Comments: Stucco was dry and faded. Minor discoloration, and minor chalky nature. Stained in local areas due to water presence. General aged condition. Assoc plans to paint before end of this Fiscal Year, anticipate full Remaining Useful Life for 2019.

Useful Life:
10 yearsRemaining Life:
9 years

Best Case: \$ 35,700

Worst Case: \$ 48,000

\$1700/unit, lower estimate to prep and paint

Higher estimate, \$2275/unit

Cost Source: Estimate provided by association vendor

Comp #: 1116 Wood Siding/Trim - Repaint**Quantity: Moderate GSF (21) Units**

Location: Front faces of building, roof eave trim, and front doors

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Unknown

Comments: General dry condition of yellow/vertical siding surfaces. All surfaces show some minor cracking at edges. Roof brown trim pieces are significantly dry and are warping/cracking. All wood areas due for paint at this time due to age and deterioration. Best to coordinate with Stucco (#1115) and metalwork (#1107). Assoc plans to paint before end of this Fiscal Year, anticipate full Remaining Useful Life for 2019.

Useful Life:
5 years

Remaining Life:
4 years



Best Case: \$ 18,900

Worst Case: \$ 26,200

\$900/unit, lower estimate to prep and paint

\$1250/unit, higher estimate (requires addnl repair work)

Cost Source: Estimate provided by association vendor

Comp #: 1119 Brick Veneer - Repair**Quantity: Moderate GSF**

Location: Local trim areas, often adjacent to front door entries

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Unknown

Comments: Still generally intact (not delaminating from wall) but showing local crumbling and damage. Due for repairs at this time. Best to cycle with other building exterior projects (such as stucco paint #1115). Assoc plans to repair before end of this Fiscal Year as part of painting project, so anticipate full Remaining Useful Life for 2019.

Useful Life:
10 years

Remaining Life:
9 years



Best Case: \$ 2,500

Worst Case: \$ 3,500

Lower estimate for repair project

Higher estimate

Cost Source: ARI Cost Database

Comp #: 1121 Wood Siding - Replace**Quantity: Approx 8000 Sq Ft**

Location: Building exterior surfaces

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Original to association.

Comments: Dry, with some local cracking, specifically at lower edges. No warping or significant deterioration. Fair, but older condition.

Useful Life:

35 years

Remaining Life:

9 years



Best Case: \$ 80,000

Worst Case: \$ 112,000

Lower estimate to replace with similar siding material, \$10/Sq Ft

Higher estimate, \$14/Sq Ft

Cost Source: ARI Cost Database

Comp #: 1203 Spa - Resurface**Quantity: Approx 8 ft. Dia**

Location: Northeast corner of property.

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Original to association.

Comments: Drained at time of inspection. Spa has been decommissioned for a number of years. Surface is in poor condition. Faded with minor staining and cracking of surface. Reportedly needs some electrical repairs to system components.

Useful Life:

6 years

Remaining Life:

0 years



Best Case: \$ 3,250

Worst Case: \$ 4,300

Lower estimate for resurface project

Higher estimate

Cost Source: Estimate from association vendor

Comp #: 1207 Spa Filter - Replace**Quantity: (1) Hayward 36 GSF**

Location: Spa eqp area, NE corner of association

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Unknown

Comments: Appears to be in fair general condition. Has been unused for a number of years while spa was decommissioned. No staining no evidence of leaks no physical deterioration to note.

Useful Life:
12 yearsRemaining Life:
5 years

Best Case: \$ 800

Worst Case: \$ 1,000

Lower estimate for replacement filter, installed

Higher estimate

Cost Source: ARI Cost Database

Comp #: 1208 Spa Heater - Replace**Quantity: (1) Laars 399000 BTU/hr**

Location: Spa eqp area, NE corner of association

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Unknown. Likely 1999.

Comments: Laars 399000 BTU/hr. Serial # A99PC0310. Older unit shows neglect/age (due to years of spa being decommissioned), but no burn damage or physical damage. Expect at least some minor expenses to restore to functional condition but unit appears generally functional.

Useful Life:
10 yearsRemaining Life:
2 years

Best Case: \$ 2,800

Worst Case: \$ 3,800

Lower estimate to replace

Higher estimate

Cost Source: ARI Cost Database

Comp #: 1210 Spa Pumps - Replace**Quantity: (2) Pumps**

Location: Spa eqp area, NE corner of association

Funded?: No. Too small for Reserve designation. Replace as needed as a minor Operational budget project

History: Unknown

Comments: Two pumps: (1) Whisperflow, and (1) AO Smith. Both appear generally in fair condition. No physical deterioration to note. Expect some expenses to restore to functional condition, as spa has been decommissioned for a while. No reason to expect replacement is needed at this time or in near future.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 1303 Comp Shingle Roof - Replace**Quantity: Approx 16000 GSF**

Location: Rooftop areas of building

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Presumed original to building.

Comments: No access to closely inspect but from ground level there were clear areas of shingle loss and looseness. One shingle found on ground. Observed to be in general poor condition. In need of replacement at this time.

Useful Life:

20 years

Remaining Life:

0 years



Best Case: \$ 56,000

Worst Case: \$ 80,000

\$3.50/Sq Ft, lower estimate to replace

\$5/Sq Ft, higher estimate

Cost Source: ARI Cost Database

Comp #: 1310 Gutters/Downspouts - Replace

Quantity: Moderate LF

Location: Roofs and sides of buildings

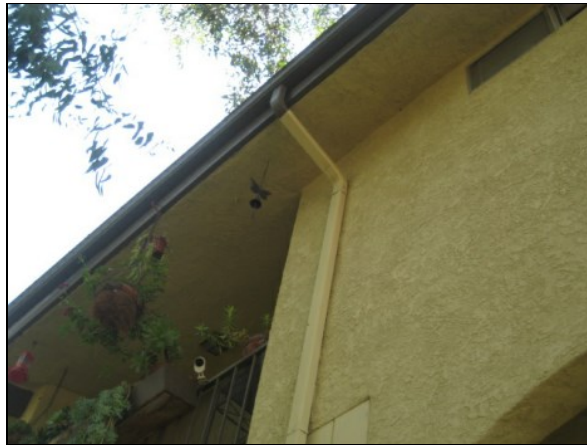
Funded?: No. Too indeterminate for Reserve designation. Handle repairs as an operational maintenance expense.

History: Presumed to be original to association.

Comments: Gutters and downspouts appear intact and functional. No dents, corrosion, separation, or loss noted. Expect to repair/replace with other roofing or painting projects as needed.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 1808 Trees - Trim

Quantity: Extensive large trees

Location: Perimeter of all buildings

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History: Unknown

Comments: Significant tree encroachment on building in numerous locations. Time to trim now or building damage will soon result.

Useful Life:
5 years

Remaining Life:
0 years



Best Case: \$ 3,000

Worst Case: \$ 4,500

Lower estimate to trim trees, approx \$200 ea

Higher estimate, \$300 ea

Cost Source: ARI Cost Database
