

567 <ca Yck bYfg'5 ggcWUjcb  
.....%& ( ) 'Mc i f'GhfYYh  
.....Abnk \ YfY, Co. 800\$\$



**Level 1, Platinum Reserve Analysis**  
**Report Period – 01/01/18 – 12/31/18**

**Client Reference Number - \$\$\$\$**  
**Property Type – Paired Homes**

**FINAL**  
**Version**

**Fiscal Year End –** December 31  
**Number of units-** 82  
**Date of Property Observation -** September 19, 2017

**Project Manager -** G. Michael Kelsen, RS, PRA  
**Main Contact Person -** .....DfcdYfmiA UbUj Yf

**Report was prepared on -** Tuesday, January 02, 2018

# Table of Contents

## SECTION 1:

<b>Introduction to Reserve Analysis .....</b>	<b>page 1</b>
<b>General Information and Answers to FAQ's .....</b>	<b>page 2-3</b>
<b>Summary of Reserve Analysis .....</b>	<b>page 4</b>

## SECTION 2:

<b>Physical Analysis (Photographic) .....</b>	<b>page 1-41</b>
---	------------------

## SECTION 3:

### **Financial Analysis**

a) Funding Summary .....	page 1
b) Percent Funded – Graph .....	page 2
c) Asset Inventory List .....	page 3
d) Significant Components Table.....	page 4
e) Significant Components – Graph .....	page 5
f) Yearly Summary Table .....	page 6
g) Yearly Contributions – Graph .....	page 7
h) Component Funding Information .....	page 8
i) Yearly Cash Flow Table .....	page 9
j) Projected Expenditures Year by Year – Graph .....	page 10
k) Projected Expenditures Year by Year .....	page 11-12

## SECTION 4:

<b>Glossary of Terms and Definitions .....</b>	<b>page 1-2</b>
--	-----------------

## Introduction to the Reserve Analysis –

The elected officials of this association made a wise decision to invest in a Reserve Analysis to get a better understanding of the status of the Reserve funds. This Analysis will be a valuable tool to assist the Board of Directors in making the decision to which the dues are derived. Typically, the Reserve contribution makes up 15% - 40% of the association's total budget. Therefore, Reserves is considered to be a significant part of the overall monthly association payment.

Every association conducts its business within a budget. There are typically two main parts to this budget, Operating and Reserves. The Operating budget includes all expenses that are fixed on an annual basis. These would include management fees, maintenance fees, utilities, etc. The Reserves is primarily made up of Capital Replacement items such as asphalt, roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis.

The Reserve Analysis is also broken down into two different parts, the Physical Analysis and the Financial Analysis. The Physical Analysis is information regarding the physical status and replacement cost of major common area components that the association is responsible to maintain. It is important to understand that while the Component Inventory will remain relatively "stable" from year to year, the Condition Assessment and Life/Valuation Estimates will most likely vary from year to year. You can find this information in the **Asset Inventory Section** (Section 2) of this Reserve Analysis. The **Financial Analysis Section** is the evaluation of the association's Reserve balance, income, and expenses. This is made up of a finding of the clients current Reserve Fund Status (measured as Percent Funded) and a recommendation for an appropriate Reserve Allocation rate (also known as the Funding Plan). You can find this information in Section 3 (pages 1 – 13) of this Reserve Analysis.

The purpose of this Reserve Analysis is to provide a budgeted estimate as to what the Reserve Allocation needs to be. The detailed schedules will serve as an advanced warning that major projects will need to be addressed in the future. This will allow the Board of Directors to have ample timing to obtain competitive estimates and bids that will result in cost savings to the individual homeowners. This will also ensure the physical well being of the property and ultimately enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to Special Assessments.

It is important for the client, homeowners, and potential future homeowners to understand that the information contained in this analysis is based on estimates and assumptions gathered from various sources. Estimated life expectancies and cycles are based upon conditions that were readily visible and accessible at time of the observation. No destructive or intrusive methods (such as entering the walls to inspect the condition of electrical wiring, plumbing lines, and telephone wires) were performed. In addition, environmental hazards (such as lead paint, asbestos, radon, etc.), construction defects, and acts of nature have not been investigated in the preparation of this report. If problem areas were revealed, a reasonable effort has been made to include these items within the report. While every effort has been made to ensure accurate results, this report reflects the judgment of Aspen Reserve Specialties and should not be construed as a guarantee or assurance of predicting future events.

## **General Information and Answers to Frequently Asked Questions –**

### **Why is it important to perform a Reserve Study?**

As previously mentioned, the Reserve allocation makes up a significant portion of the total monthly dues. This report provides the essential information that is needed to guide the Board of Directors in establishing the budget in order to run the daily operations of your association. It is suggested that a third party professionally prepare a Reserve Study since there is no vested interest in the property. Also, a professional knows what to look for and how to properly develop an accurate and reliable component list.

### **Now that we have “it”, what do we do with “it”?**

Hopefully, you will not look at this report and think it is too cumbersome to understand. Our intention is to make this Reserve Analysis very easy to read and understand. Please take the time to review it carefully and make sure the “main ingredients” (asset information) are complete and accurate. If there are any inaccuracies, please inform us immediately so we may revise the report.

Once you feel the report is an accurate tool to work from, use it to help establish your budget for the upcoming fiscal year. The Reserve allocation makes up a significant portion of the total monthly dues and this report should help you determine the correct amount of money to go into the Reserve fund. Additionally, the Reserve Study should act as a guide to obtain proposals in advance of pending normal maintenance and replacement projects. This will give you an opportunity to shop around for the best price available.

The Reserve Study should be readily available for Real Estate agents, brokerage firms, and lending institutions for potential future homeowners. As the importance of Reserves becomes more of a household term, people are requesting homeowners associations to reveal the strength of the Reserve fund prior to purchasing a condominium or townhome.

### **How often do we update or review it?**

Unfortunately, there is a misconception that these reports are good for an extended period of time since the report has projections for the next 30 years. Just like any major line item in the budget, the Reserve Analysis should be reviewed each year before the budget is established. Invariably, some assumptions have to be made during the compilation of this analysis. Anticipated events may not materialize and unpredictable circumstances could occur. Aging rates and repair/replacement costs will vary from causes that are unforeseen. Earned interest rates may vary from year to year. These variations could alter the content of the Reserve Analysis. Therefore, this analysis should be reviewed annually, and a property observation should be conducted at least once every three years.

### **Is it the law to have a Reserve Study conducted?**

The Government requires reserve analyses in approximately 20 states. The State of Colorado currently requires all associations to adopt a Reserve policy, but does not currently enforce a Reserve Study is completed. Despite enacting this current law, the chances are also very good the documents of the association require the association to have a Reserve fund established. This may not mean a Reserve Analysis is required, but how are you going to know there are enough funds in the account if you don't have the proper information? Hypothetically, some associations look at the Reserve fund and think \$50,000 is a lot of money and they are in good shape. What they don't know is the roof will need to be replaced within 5 years, and the cost of the roof is going to exceed \$75,000. So while \$50,000 sounds like a lot of money, in reality it won't even cover the cost of a roof, let alone all the other amenities the association is responsible to maintain.

### **What makes an asset a “Reserve” item versus an “Operating” item?**

A “Reserve” asset is an item that is the responsibility of the association to maintain, has a limited Useful Life, predictable Remaining Useful Life expectancies, typically occurs on a cyclical basis that exceeds 1 year, and costs above a minimum threshold cost. An “operating” expense is typically a fixed expense that occurs on an annual basis. For instance, minor repairs to a roof for damage caused by high winds or other weather elements would be considered an “operating” expense. However, if the entire roof needs to be replaced because it has reached the end of its life expectancy, then the replacement would be considered a Reserve expense.

### **The GREY area of “maintenance” items that are often seen in a Reserve Study –**

One of the most popular questions revolves around major “maintenance” items, such as painting the buildings or seal coating the asphalt. You may hear from your accountant that since painting or seal coating is not replacing a “capital” item, then it cannot be considered a Reserve issue. However, it is the opinion of several major Reserve Study providers that these items are considered to be major expenses that occur on a cyclical basis. Therefore, it makes it very difficult to ignore a major expense that meets the criteria to be considered a Reserve component. Once explained in this context, many accountants tend to agree and will include any expenses, such as these examples, as a Reserve component.

### **The Property Observation –**

The Property Observation was conducted following a review of the documents that were established by the developer identifying all common area assets. In some cases, the Board of Directors at some point may have revised the documents. In either case, the most current set of documents was reviewed prior to inspecting the property. In addition, common area assets may have been reported to Aspen Reserve Specialties by the client, or by other parties.

Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the observation. We did not destroy any landscape work, building parts, or perform any methods of intrusive investigation during the observation. In these cases, information may have been obtained by contacting the contractor or vendor that has worked on the property.

### **The Reserve Fund Analysis –**

We projected the starting balance from taking the most recent balance statement, adding expected Reserve contributions for the rest of the year, and subtracting any pending projects for the rest of the year. We compared this number to the ideal Reserve Balance and arrived at the Percent funded level. Measures of strength are as follows:

**0% - 30% Funded** – Is considered to be a “weak” financial position. Associations that fall into this category are subject to Special Assessments and deferred maintenance, which could lead to lower property values. If the association is in this position, actions should be taken to improve the financial strength of the Reserve Fund.

**31% - 69% Funded** – The majority of associations are considered to be in this “fair” financial position. While this doesn’t represent financial strength and stability, the likelihood of Special Assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial position of the Reserve fund.

**70% - 99% Funded** – This indicates financial strength of a Reserve fund and every attempt to maintain this level should be a goal of the association.

**100% Funded** – This is the ideal amount of Reserve funding. This means that the association has the exact amount of funds in the Reserve account that should be at any given time.



**Summary of 567' x 260' Yack bYfg'5 ggcWUjcb**

—

**Assoc. ID # - \$\$\$\$**

Projected Starting Balance as of January 1, 2018 -	<b>\$120,752</b>
Ideal Reserve Balance as of January 1, 2018 -	<b>\$596,957</b>
Percent Funded as of July 1, 2018 -	<b>20%</b>
Recommended Reserve Allocation (per month) -	<b>\$4,000 (Starting in 2018)</b>
Recommended Reserve Allocation (per month) -	<b>\$12,000 (Starting in 2019)</b>
Minimum Reserve Allocation (per month) -	<b>\$10,450 (Starting in 2019)</b>
Recommended Special Assessments -	<b>\$0</b>

Information to complete this Reserve Analysis was gathered during a property observation of the common area elements on September 19<sup>th</sup>, 2017. In addition, we obtained information by contacting local vendors and contractors, as well as communicating with the property representative. To the best of our knowledge, the conclusions and suggestions of this report are considered reliable and accurate insofar as the information obtained from these sources.

This property contains 82 units within 41 buildings that were constructed in several phases over a 11-year period. Common area amenities the association is responsible to maintain include building exterior surfaces, private driveways, roofs and gutters, an extensive irrigation system, perimeter fencing, and landscaping. Please refer to the *Projected Reserve Expenditures* table of the Financial Analysis section for a list of when other components are scheduled to be addressed.

In comparing the projected starting balance of \$120,752 versus the ideal Reserve Balance of \$596,957, we find the association Reserve fund to be in a weak financial position at this point in time (approximately 20% funded of ideal). As a result of the information contained in this report, we find the current budgeted Reserve allocation (\$4,000 per month) to be adequate in maintaining this position for 2018. However, in order to increase the strength of the Reserve Fund to address future projects, we are recommending a substantial increase of the Reserve contribution to \$12,000 (representing an increase of \$97.56 per unit) per month beginning in 2019; followed by nominal annual increases of 3.75% thereafter to help offset the effects of inflation. By following the recommendation, the plan will maintain the Reserve account in a positive manner, while gradually increasing to a fully funded position within the thirty-year period.

In the percent Funded graph, you will see we have also provided a “minimum Reserve contribution” of \$10,450 per month. If the Reserve contribution falls below this rate, then the Reserve fund will fall into a situation where additional Special Assessments, deferred maintenance, and lower property values are possible at some point in the future. The minimum Reserve allocation follows the “threshold” theory of Reserve funding where the “percent funded” status is not allowed to dip below 30% funded at any point during the thirty-year period.

This was provided for one purpose only, to show the association how small the difference is between the two scenarios and how it would not make financial sense to contribute less money (approximately 13% per month) to the Reserve fund to only stay above a certain threshold. As you can see, the difference between the two scenarios is considered to be extremely minimal, and based on the risk, we strongly suggest the recommended Reserve Allocation is followed.

Comp #: 105 Comp Shingle Roof - Replace (PH1)



Observations:

- This line item includes the buildings that were built in 2005 and 2006.
- The roofs on these buildings were in fair condition at the time of the site observation, with some deterioration noted.
- It appears this roof material is rated as a 30 - 40 year product. Despite this rating, a life expectancy of 20 - 25 years is expected in this environment.
- Due to the potentially harsh winters, extensive freeze/thaw cycle, and likelihood of hail events over the useful life of the roof, we typically see associations replacing roofs sooner than the manufacturer's suggested useful life.
- Remaining life is based on age of roof and observed conditions.

Location: See General Notes

General Notes:

Quantity: Approx. 89 Squares

Life Expectancy: 22 Remaining Life: 9

Best Cost: \$375/sq

\$375/square; Estimate to remove and replace

Worst Cost: \$420,325

\$425/square; Higher estimate for better quality

Source of Information: Cost Database

4501/4491, 4481/4471, 19375/19365, 19385/19395,  
19405/19415, 4470/4480, 4460/4450, 19364/19374,  
19394/19384, 19426/19416, 19386/19376:  
- Approx. 72 squares x 11 = 792 squares

Unit 4521/4511:  
- Approx. 65 squares

Unit 4500/4490:  
- Approx. 65 squares

Unit 19406/19396:  
- Approx. 67 squares

Comp #: 106 Comp Shingle Roof - Replace (PH2)



Observations:

- This line item is for the buildings that were built in 2010 and 2011.
- These roofs were in good to fair condition at the time of the site observation, with minimal deterioration noted or reported.
- It appears this roof material is rated as a 30 - 40 year product. Despite this rating a life expectancy of 20 - 25 years is expected in this environment.
- Due to the potentially harsh winters, extensive freeze/thaw cycle, and wind, rain or hail events over the useful life of the roof, we typically see associations replacing roofs sooner than the manufacturer's suggested useful life.

Location: See General Notes

General Notes:

Quantity: Approx. 39 Squares

Unit 19345/19355 - Approx. 67 squares  
Unit 19417/19427 - Approx. 72 squares

Life Expectancy: 22 Remaining Life: 14

Best Cost: \$52,125  
\$375/square; Estimate to remove and replace

Worst Cost: \$59,075  
\$425/square; Higher estimate for better quality

Source of Information: Cost Database



Comp #: 107 Comp Shingle Roof - Replace (PH3)



Observations:

- This line item is for the buildings that were constructed in 2013 and 2014.
- The roofs appeared to be in good condition, with no issues or deterioration noted at the time of the site observation.
- It appears this roof material is rated as a 30 - 40 year product. Despite this rating, a life expectancy of 18 - 20 years is expected in this environment.
- Due to the potentially harsh winters, extensive freeze/thaw cycle, and likelihood of hail events over the useful life of the roof, we typically see associations replacing roofs sooner than the manufacturer's suggested useful life.
- Remaining life is based on age of roof and observed conditions.

Location: See General Notes

General Notes:

Quantity: Approx. 706 Squares

Life Expectancy: 22 Remaining Life: 17

Best Cost: \$264,500

\$375/square; Estimate to remove and replace

Worst Cost: \$300,050

\$425/square; Higher estimate for better quality

Source of Information: Cost Database

4420/4410, 4400/4390, 4370/4380, 4520/4510, 19397/19407, 19428/19418, 19408/19398, 19388/19378: - Approx. 72 squares x 8 = 576 squares
Unit 4530/4540: - Approx. 65 squares
Unit 4350/4360: - Approx. 65 squares

Comp #: 108 Comp Shingle Roof - Replace (PH4)



Observations:

- This line item is for the buildings that were constructed in 2015, 2016, and 2017.
- The roofs on these buildings were in very good condition.
- It appears this roof material is rated as a 30 - 40 year product. Despite this rating, a life expectancy of 18 - 20 years is expected in this environment.
- Due to the potentially harsh winters, extensive freeze/thaw cycle, and likelihood of hail events over the useful life of the roof, we typically see associations replacing roofs sooner than the manufacturer's suggested useful life.
- Remaining life is based on age of roof and observed conditions.

Location: See General Notes

General Notes:

Quantity: Approx. 86 Squares

Life Expectancy: 22 Remaining Life: 20

Best Cost: \$369,500

\$375/square; Estimate to remove and replace

Worst Cost: \$419,050

\$425/square; Higher estimate for better quality

Source of Information: Cost Database

19357/19367, 19377/19387, 19368/19358, 19369/19359, 19379/19389, 19399/19409, 19449/19459, 19366/19347, 19339/19349, 19419/19429:
- Approx. 72 squares x 10 = 720 squares
Unit 19469/19479:
- Approx. 65 squares
Unit 19346/19336:
- Approx. 67 squares
Unit 19348-19338:
- Approx. 67 squares
Unit 4440/4430:
- Approx. 67 squares

Comp #: 120 Gutters/Downspouts - Replace (PH1)



Observations:

- These buildings were constructed in 2005 and 2006.
- The gutters and downspouts appeared to be in fair condition with no major signs of leaking or rusting noted. Some did have dents and other minor damage, but the overall condition of this phase was fair.
- It is typical to replace gutters and downspouts at the same time as roofing materials.
- Therefore, the remaining life reflects the remaining life of the roof as well.
- We recommend cleaning debris out of lines at least once a year to prevent clogging and moisture retention that can lead to advanced deterioration.

Location: See General Notes

Quantity: Approx. 735 LF

Life Expectancy: 22 Remaining Life: 9

Best Cost: \$40,100  
\$7.00/LF; Estimate to replace

Worst Cost: \$45,900  
\$8.00/LF; Higher estimate for larger lines

Source of Information: Cost Database

General Notes:

4481/4471, 19375/19365, 19385/19395, 4460/4450  
19405/19415, 4470/4480, 19364/19374, 19386/19376  
19394/19384, 19426/19416:  
- Approx. 425 LF x 10 = 4,250 LF  
4501/4491: Approx. 455 LF  
4521/4511: Approx. 370 LF  
4500/4490: Approx. 340 LF  
19406/19396: Approx. 320 LF



Comp #: 121 Gutters/Downspouts - Replace (PH2)



*Observations:*

- The buildings in this phase were constructed in 2010 and 2011.
- The gutters and downspouts in this phase were in good to fair condition with minimal signs of damage noted during the site observation.
- It is typical to replace gutters and downspouts at the same time as roofing materials.
- Therefore, the remaining life reflects the remaining life of the roof as well.
- We recommend cleaning debris out of lines at least once a year to prevent clogging and moisture retention that can lead to advanced deterioration.

*Location:* **See General Notes**

*Quantity:* **Approx. 45 LF**

*Life Expectancy:* **22** Remaining Life: **14**

*Best Cost:* **\$5,225**

\$7.00/LF; Estimate to replace

*Worst Cost:* **\$5,975**

\$8.00/LF; Higher estimate for larger lines

*Source of Information:* Cost Database

*General Notes:*

**19345/19355: Approx. 320 LF**

**19417/19427: Approx. 425 LF**

Comp #: 122 Gutters/Downspouts - Replace (PH3)



Observations:

- The buildings in this phase were constructed in 2013 and 2014.
- Gutters and downspouts in this phase are in good condition with no signs of deterioration or damage noted.
- It is typical to replace gutters and downspouts at the same time as roofing materials.
- Therefore, the remaining life reflects the remaining life of the roof as well.
- We recommend cleaning debris out of lines at least once a year to prevent clogging and moisture retention that can lead to advanced deterioration.

Location: See General Notes

Quantity: Approx. 1,040 LF

Life Expectancy: 22 - Remaining Life: 17

Best Cost: \$28,250  
\$7.00/LF; Estimate to replace

Worst Cost: \$32,325  
\$8.00/LF; Higher estimate for larger lines

Source of Information: Cost Database

General Notes:

4400/4390, 4370/4380, 4520/4510, 19397/19407  
19428/19418, 19408/19389, 19388/19378:  
- Approx. 425 LF x 7 = 2,975  
4420/4410 - Approx. 385 LF gutters  
4530/4360, 4350/4360:  
- Approx. 340 LF x 2 = 680 LF



Comp #: 123 Gutters/Downspouts - Replace (PH4)



Observations:

- The buildings in this phase were constructed in 2015, 2016, and 2017.
- The gutters and downspouts in this phase were in good and like new condition.
- It is typical to replace gutters and downspouts at the same time as roofing materials.
- Therefore, the remaining life reflects the remaining life of the roof as well.
- We recommend cleaning debris out of lines at least once a year to prevent clogging and moisture retention that can lead to advanced deterioration.

Location: See General Notes

Quantity: Approx. 1,005 LF

Life Expectancy: 25 - Remaining Life: 20

Best Cost: \$42,000  
\$7.00/LF; Estimate to replace

Worst Cost: \$48,050  
\$8.00/LF; Higher estimate for larger lines

Source of Information: Cost Database

General Notes:

19357/19367, 19377/19387, 19368/19358,  
19369/19359, 19379/19389, 19399/19409,  
19449/19459, 19366/19356, 19337/19347,  
19339/19349, 19419/19429:  
- Approx. 425 LF x 11 = 4,675 LF

19469/19479 - Approx. 340 LF gutters

19346/19336 - Approx. 350 LF gutters

19348/19338, 4440/4430:  
- Approx. 320 LF x 2 = 640 LF

- Approx. 244 LF gutters

Comp #: 204 Building Ext Surfaces - Repaint (PH1 and PH2)



**Observations:**

- This paint phase includes the buildings that were constructed in 2005 and 2006, as well as 2010 and 2011.
- Because there are only two buildings that were built in the 2010 and 2011 phase, and they have not been painted recently, we have included them with the 2005/2006 buildings.
- The exterior paint on these buildings was in fair to poor condition at the time of the site observation.
- In this climate, it is recommended that exterior surfaces are painted every 5-7 years.
- The exact timeframe depends on the color chosen and the level of exposure to elements, as well as the quality of past paint jobs.

Location: **Building Exterior**

Quantity: **(32) Units**

Life Expectancy: **6** Remaining Life: **0**

Best Cost: **\$28,800**  
\$900/unit; Estimate to repaint buildings

Worst Cost: **\$35,200**  
\$1,100/unit; Higher estimate for more prep work

Source of Information: Cost Database

**General Notes:**

19394/19384	4481/4471
19375/19365	4470/4480
19385/19395	4460/4450
19386/19376	4521/4511
19405/19415	4501/4491
19417/19427	4500/4490
19364/19374	19345/19355
19406/19396	19426/19416

Comp #: 205 Building Ext Surfaces - Repaint (PH3)



Observations:

- This paint phase includes the buildings that were constructed in 2013 and 2014
- The exterior paint on these buildings was in fair condition at the time of the site observation, with some deterioration and fading noted.
- In this climate, it is recommended that exterior surfaces are painted every 5 - 7 years.
- The exact timeframe depends on the color chosen and the level of exposure to elements, as well as the quality of past paint jobs.

Location: **Building Exterior**

Quantity: **(20) Units**

Life Expectancy: **6** Remaining Life: **1**

Best Cost: **\$18,000**  
\$900/unit; Estimate to repaint buildings

Worst Cost: **\$22,000**  
\$1,100/unit; Higher estimate for more prep work

Source of Information: Cost Database

General Notes:

**4420/4410 19397/19407**  
**4400/4390 19428/19418**  
**4370/4380 19408/19398**  
**4520/4510 19388/19378**  
**4530/4540 4350/4360**

Comp #: 206 Building Ext Surfaces - Repaint (PH4)



Observations:

- This paint phase includes the buildings that were constructed in 2015, 2016, and 2017.
- The exterior paint on these buildings was in good to new condition at the time of the site observation.
- In this climate, it is recommended that exterior surfaces are painted every 5 - 7 years.
- The exact timeframe depends on the color chosen and the level of exposure to elements, as well as the quality of past paint jobs.

Location: **Building Exterior**

Quantity: **(30) Units**

Life Expectancy: **6** Remaining Life: **4**

Best Cost: **\$27,000**  
\$900/unit; Estimate to repaint buildings

Worst Cost: **\$33,000**  
\$1,100/unit; Higher estimate for more prep work

Source of Information: Cost Database

General Notes:

19357/19367 19368/19358  
19377/19387 19348-19338  
19369/19359 19346/19336  
19379/19389 19469/19479  
19399/19409 19419/19429  
19449/19459 19339/19349  
19366/19356 4440-4430  
19337/19347



Comp #: 207 Metal Surfaces - Repaint



Observations:

- The paint metal fencing and pergolas at the entrances to the property were in poor condition, with several signs of rust, corrosion, and faded or chipped paint noted.
- In this climate, we recommend repainting this component every 3 - 4 years to maintain appearance and protect metal surfaces.
- Remaining life based on current condition.

Location: **Throughout Property**

Quantity: **See General Notes**

Life Expectancy: **3** Remaining Life: **0**

Best Cost: **\$3,500**

Estimate to repaint

Worst Cost: **\$4,000**

Higher estimate for additional prep costs

Source of Information: Cost Database

General Notes:

**Metal Fencing/Railing:**  
**Porch Rails: Approx. 200 LF**  
**South Entrance: Approx. 70 LF**  
**North Entrance: Approx. 15 LF**

**Pergolas:**  
**South Entrance**  
**- (2) Metal Pergolas, 60 GSF each**  
**North Entrance -**  
**- (1) Metal Pergola, 50 GSF**



Comp #: 304 Fiber Cement Siding - Replace (PH1 and PH2)



*Observations:*

- The fiber cement siding on the buildings in this phase was in good to fair condition.
- As the property ages, this type of material has been known to start delaminating if not painted on a proper cycle.
- We suggest establishing Reserve funds for major repairs every other painting cycle.
- The remaining life is based on the observed conditions at the time of our site evaluation and the timing of the next paint job.

Location: **Building Exterior**

Quantity: **(32) Units**

Life Expectancy: **12** Remaining Life: **6**

Best Cost: **\$9,600**

\$300/Unit; Allowance for major repairs

Worst Cost: **\$11,200**

\$350/Unit; Higher estimate for more repairs

Source of Information: Cost Database

*General Notes:*

**4481/4471, 19375/19365, 19385/19395,  
19405/19415, 4470/4480, 4460/4450, 19364/19374,  
19394/19384, 19426/19416, 19386/19376,  
19417/19427:**

**- Approx. 2,445 GSF x 11 = 26,895 GSF**

**4521/4511 - Approx. 2,715 GSF**

**4501/4491 - Approx. 2,840 GSF**

**4500/4490 - Approx. 2,955 GSF**

**19406/19396, 19345/19355:**

**- Approx. 2,055 GSF x 2 = 4,110 GSF**

**Total = Approx. 39,515 GSF**

Comp #: 305 Fiber Cement Siding - Replace (PH3)



Observations:

- The fiber cement siding on the buildings in this phase was in good condition during the site visit, with little to no damage or deterioration noted.
- As the property ages, this type of material has been known to start delaminating if not painted and caulked on a proper cycle.
- We suggest establishing Reserve funds for major repairs every other painting cycle.
- The remaining life is based on the observed conditions at the time of our site evaluation and the timing of the next paint job.

Location: **Building Exterior**

Quantity: **(20) Units**

Life Expectancy: **12** Remaining Life: **7**

Best Cost: **\$6,000**  
\$300/Unit; Allowance for major repairs

Worst Cost: **\$7,000**  
\$350/Unit; Higher estimate for more repairs

Source of Information: Cost Database

General Notes:

<b>4420/4410, 4400/4390, 4370/4380, 4520/4510, 19397/19407, 19428/19418, 19408/19398, 19388/19378:</b> <b>- Approx. 2,445 GSF x 8 = 19,560 GSF</b>
<b>4530/4540: Approx. 2,320 GSF</b>
<b>4350/4360: Approx. 2,320 GSF</b>
<b>Total = Approx. 24,200 GSF</b>

Comp #: 306 Fiber Cement Siding - Replace (PH4)



Observations:

- The fiber cement siding on the buildings in this phase was in good condition during the site visit.
- As the property ages, this type of material has been known to start delaminating if not painted and caulked on a proper cycle.
- We suggest establishing Reserve funds for major repairs every other painting cycle.
- The remaining life is based on the observed conditions at the time of our site evaluation and the timing of the next paint job.

Location: **Building Exterior**

Quantity: **(30) Units**

Life Expectancy: **12** Remaining Life: **10**

Best Cost: **\$9,000**

\$300/Unit; Allowance for major repairs

Worst Cost: **\$10,500**

\$350/Unit; Higher estimate for more repairs

Source of Information: Cost Database

General Notes:

**19357/19367, 19377/19387, 19368/19358, 19369/19359, 19379/19389, 19399/19409, 19449/19459, 19366/19356, 19337/19347, 19339/19349, 19419/19429:**  
- **Approx. 2,445 GSF x 11 = 26,895**

**19469/19479 - Approx. 2,320 GSF**

**19346/19336, 4440-4430, 19348-19338**  
- **Approx. 2055 GSF x 3 = 6,165 GSF**

**Total = Approx. 35,380 GSF**

Comp #: 309 Stone/Rock Siding - Major Repairs



Observations:

- The stone siding on the buildings was in good condition at the time of the site observation.
- Typically, this siding has an extended life expectancy and complete replacement is unlikely.
- There are times where some stones will loosen and fall off, but this is unpredictable when and how much would occur.
- Repairs should be handled as a maintenance issue on an as needed basis.
- If it later turns out that frequent repairs are necessary, then funding could be added in future Reserve Study updates.

Location: **Building Exterior**

Quantity: **Approx. 8,670 GSF**

Life Expectancy: **N/A Remaining Life:**

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

19375-19365 19385-19395 19405-19415 4481-4471  
19417-19427 19397-19407 19388-19378 4400-4390  
19357-19367 19377-19387 19368-19358 4370-4380  
19449-19459 4520-4510 4470-4480 4460-4450:  
- Approx. 1,140 GSF x 16 = 18,240 GSF  
19408/19398 19366/19356:  
- Approx. 1,200 GSF x 2 = 2,400 GSF  
19369-19359 19379-19389 19399-19409  
19339-19349 19419-19429:  
- Approx. 1,580 GSF x 5 = 7,900 GSF  
19394-19384 19426-19416 19386-19376  
19428-19418 19346-19336:  
- Approx. 2,420 x 5 = 12,100 GSF  
4500-4490 4530-4540 4350-4360 19469-19479:  
- Approx. 830 GSF x 4 = 3,320 GSF  
19345-19355 4440-4430: Approx. 900x2= 1,800 GSF  
4420/4410: Approx. 1,080 GSF  
4501/4491: Approx. 1,860 GSF  
19337/19347: Approx. 1,930 GSF  
19364-19374: Approx. 2,480 GSF  
19348/19338: Approx. 1,350 GSF  
4521/4511: Approx. 2,030 GSF  
19406/19396: Approx. 2,180 GSF



Comp #: 403 Concrete - Partial Replace



**Observations:**

- During the site observation several areas were noted to having tripping hazards.
- Since it is unlikely that all concrete surfaces will fail at the same time, we suggest establishing a Reserve fund for periodic repairs and replacement to approximately 5% of the total area (3,140 GSF) every 4 years.
- Repairs should be coordinated with other concrete surfaces and asphalt for better estimate since most asphalt companies can also perform concrete work.

**Location:** Driveways/Parking Area

**Quantity:** Approx. 2,765 GSF

**Life Expectancy:** 4 Remaining Life: 2

**Best Cost:** \$31,400

Allowance to replace 5% of area every 4 yrs.

**Worst Cost:** \$34,540

Higher estimate for more repairs

**Source of Information:** Cost Database

**General Notes:**

**Driveways:**

- Approx. 53,490 GSF

- Parking lot: Approx. 3,480 GSF

- Curb & gutter: Approx. 500 GSF

- East Drive: Approx. 4,720 GSF

- Drain pan: Approx. 145 GSF

- Curb & gutter :Approx. 430 GSF



Comp #: 502 Garage Doors - Replace



*Observations:*

- According to the declarations, the garage doors are not the responsibility of the association.
- Therefore, at this time, Reserve funding is not required for this component.
- Some associations decide to take on the responsibility as an HOA expense in order to maintain a consistent appearance and to obtain the best replacement cost possible.

*Location:* **Building Exterior**

*Quantity:* **(82) 12' Garage Doors**

*Life Expectancy:* **N/A Remaining Life:**

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*General Notes:*

Comp #: 509 Window Wells - Replace



Observations:

- Due to unpredictable life expectancy, Reserve funding is not required.
- At this time, we recommend replacing on an as needed basis with general operating funds.
- If periodic replacement becomes necessary, we can add funding in future Reserve Study Updates.

Location: **Building Exterior**

Quantity: **(242) Window Wells**

Life Expectancy: **N/A Remaining Life:**

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

19357-19367	19377-19387	19368-19358	4470-4480
19369-19359	19379-19389	19399-19409	4460-4450
19449-19459	19469-19479	19337-19347	4400-4390
19375-19365	19385-19395	19405-19415	4481-4471
19417-19427	19397-19407	19408-19398	4420-4410
19339-19349	19419-19429	4500-4490	4370-4380
4530-4540	4520-4510	4350-4360:	
- (7) x 27 = (189) Window Wells			
19364-19374	19394-19384	19426-19416	
19406-19396	19386-19376	19428-19418	
19388-19378	19366-19356:		
- (2) x 8 = (16) Window Wells			
19345-19355	19346-19336	4440-4430:	
- (8) x 3 = (24) Window Wells			
4521/4511: (3) Window Wells			
4501/4491: (4) Window Wells			
19348/19338: (6) Window Wells			

Comp #: 601 Concrete Flatwork - Partial Replace



Observations:

- The concrete walking surfaces were in fair condition with some cracking, spalling, and settling noted during the site observation.
- Similar to other concrete surfaces, it is unlikely that all concrete surfaces will fail and need to be replaced at the same time.
- Therefore, we suggest establishing a Reserve fund for frequent repairs and replacement to a percentage of the area (5% or 930 GSF) every 4 years.
- According to the Board any back porches with alterations, such as flagstone, are the responsibility of the homeowner.

Location: **Throughout Property**

Quantity: **Approx. 8,560 GSF**

Life Expectancy: **4** Remaining Life: **2**

Best Cost: **\$9,075**

Allowance to repair 5% of area every 5 years

Worst Cost: **\$10,000**

Higher allowance for more repairs

Source of Information: Cost Database

General Notes:

**Unit Front Porches:**  
- Approx. 9,080 GSF

**Unit Back Patios:**  
- Approx. 6,865 GSF

**Sidewalks leading to homes: Approx. 670 GSF**  
**Common Area Sidewalks:**  
- Radcliff to Reservoir - Approx. 560 GSF  
- Stanford to Reservoir - Approx. 550 GSF  
- Quincy to Reservoir - Approx. 800 GSF

**Mailbox Concrete:**  
- Approx. 35 GSF



Comp #: 607 Composite Deck - Replace



**Observations:**

- The declarations are not clear as to who is responsible for maintenance or eventual replacement of decks.
- Since these are used individually by the owner or tenants of the unit, then it is typical for the individual owner to be responsible.
- Therefore, at this time, Reserve funding is not required for this component.

Location: **Unit Buildings**

Quantity: **See General Notes**

Life Expectancy: **N/A** Remaining Life:

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

**General Notes:**

**19364/19374 19426/19416 19386/19376  
19428/19418 19408/19398 19388/19378  
19368/19358 19339/19349:**  
- Deck: Approx. 245 GSF x 8 = 1,960 GSF  
- Rail: Approx. 35 LF x 8 = 280  
**19369/19359 19366/19356:**  
- Deck: Approx. 175 GSF x 2 = 350 GSF  
- Rail: Approx. 25 LF x 2 = 50 LF  
**19406/19369 19346/19336:**  
- Deck: Approx. 225 GSF x 2 = 450 GSF  
- Rail: Approx. 35 LF x 2 = 70 LF  
**4521/4511:**  
- Deck: Approx. 285 GSF  
- Rail: Approx. 45 LF  
**19348/19338:**  
- Deck: Approx. 210 GSF  
- Rail: Approx. 30 LF  
**4501/4491:**  
- Deck: Approx. 140 GSF  
- Rail: Approx. 20 LF  
**19379/19389:**  
- Deck: Approx. 105 GSF  
- Rail: Approx. 15 LF  
**19394/19384:**  
- Deck: Approx. 255 GSF  
- Rail: Approx. 40 LF

Comp #: 803 Mailboxes - Replace (A)



Observations:

- These mailboxes were in good to fair condition at the time of the site observation, with some signs of damage noted.
- According to several manufacturers, the typical life expectancy for this type of mailbox is 15 - 20 years in this environment.
- Remaining life is based on average age of all units.
- Per new Postal regulations effective 2012, "all customers are responsible for repairs and replacement of keys, locks, or the boxes/cluster units themselves".

Location: **Throughout Property**

Quantity: **(4) CBU**

Life Expectancy: **20** Remaining Life: **8**

Best Cost: **\$7,200**  
\$1,800/CBU; Estimate to replace

Worst Cost: **\$8,400**  
\$2,100/CBU; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

- (1) 16-box CBU 2006
- (1) 12-box CBU 2005
- (1) 16-box CBU 2006
- (1) 12-box CBU 2007



Comp #: 803 Mailboxes - Replace (B)



*Observations:*

- The mailboxes included in this line item were in good condition at the time of the site observation.
- According to several manufacturers, the typical life expectancy for this type of mailbox is 15 - 20 years in this environment.
- Remaining life is based on average age of all units.
- Per new Postal regulations effective 2012, "all customers are responsible for repairs and replacement of keys, locks, or the boxes/cluster units themselves".

*Location:*

Quantity: **(2) CBU**

Life Expectancy: **20** Remaining Life: **16**

Best Cost: **\$3,300**

\$1650/CBU; Estimate to replace

Worst Cost: **\$3,800**

\$1900/CBU; Higher estimate for better quality

Source of Information: Cost Database

*General Notes:*

- **(1) 16-box CBU 2014**
- **(1) 12-box CBU 2014**

Comp #: 804 Pergolas - Replace



Observations:

- The metal pergolas were in good condition structurally during the site observation.
- As long as the pergolas are painted and maintained correctly, they should have an extended life expectancy.
- Therefore, Reserve funding is not necessary at this time, continue to monitor conditions in future updates.

Location: Entrances

Quantity: (3) Pergolas

Life Expectancy: N/A Remaining Life:

Best Cost: \$0

Worst Cost: \$0

Source of Information:

General Notes:

South Entrance -  
(2) Metal Pergolas, 60 GSF each  
North Entrance -  
(1) Metal Pergola, 48 GSF

Comp #: 1001 Wood Fencing - Replace



*Observations:*

- The wood perimeter fencing was in fair to poor condition throughout the property, with approximately 60 linear feet being replaced.
- The replacement cycle is based on the observed quality of fence installed and the current condition.
- The fence is currently not stained, so the replacement cycle is shortened to reflect the expected effects the elements will have on exposed materials.
- Remaining life is based on the age of the fence and the observed condition.

*Location:* **Perimeter of Property**

*Quantity:* **Approx. 630 GSF**

*Life Expectancy:* **19** Remaining Life: **6**

*Best Cost:* **\$53,700**  
\$33/LF; Estimate to replace

*Worst Cost:* **\$61,940**  
\$38/LF: Higher estimate for better quality

*Source of Information:* Cost Database

*General Notes:*

**East Perimeter: Approx. 1,135 LF**  
**North Perimeter: Approx. 495 LF**



Comp #: 1002 Metal Railing/Fencing - Replace



Observations:

- Due to limited direct exposure to elements and soils/moisture, the life expectancy of the metal railing should be indefinite.
- Therefore, at this time, separate Reserve funding is not required for this component.
- If it later turns out that deterioration exceeds our expectation, Reserve funding can be added in future report updates.

Location: See General Notes

Quantity: Approx. 85 LF

Life Expectancy: N/A Remaining Life:

Best Cost: \$0

Worst Cost: \$0

Source of Information:

General Notes:

4420/4410 19397/19407 19408/19398  
19388/19378 19368/19358:  
- Approx. 10 LF x 5 = 50 LF  
  
19357/19367: Approx. 20 LF  
4501/4491: Approx. 130 LF

Metal Fencing:  
North Entrance: Approx. 70 LF  
South Entrance: Approx. 15 LF



Comp #: 1005 Block Wall - Major Repairs



Observations:

- These walls typically have an extended life expectancy, however, there was some reported leaning to the wall at the end of Radcliff in the common area.
- While it is unlikely that the walls will need to be replaced, it is likely that major repairs will be necessary.
- Depending on the effects from weather and potential vandalism, we suggest establishing a Reserve fund for periodic repairs to all walls every 10 years.

Location: **Throughout Property**

Quantity: **Approx. 7,795 GSF**

Life Expectancy: **5** Remaining Life: **2**

Best Cost: **\$22,000**

Allowance for major repairs

Worst Cost: **\$25,000**

Higher allowance for more repairs

Source of Information: Cost database

General Notes:

- Walls along buildings - Approx. 3,015 GSF**
  - Approx. 910 GSF
  - Approx. 910 GSF
  - Approx. 960 GSF
- East Perimeter - Approx. 1,000 GSF**

Comp #: 1008 PVC Vinyl Split Rail Fencing - Replace



Observations:

- The split rail fencing was also in good to fair condition.
- Similar to other vinyl fences, these are subject to damage during winter months from becoming frozen and brittle, and during summer from landscaping equipment.
- This type of fence has a realistic life expectancy of 20 - 25 years in this environment according to several local companies.

Location: **Perimeter of Property**

Quantity: **Approx. 20 LF**

Life Expectancy: **25** Remaining Life: **12**

Best Cost: **\$7,700**

\$35/LF: Estimate to replace

Worst Cost: **\$8,800**

\$40/LF: Higher estimate for more labor

Source of Information: Cost Database

General Notes:

**East Perimeter - Approx. 40 LF**  
**North Perimeter - Approx. 60 LF**  
**West Perimeter - Approx. 120 LF**

Comp #: 1008 PVC Vinyl Privacy Fencing - Replace



Observations:

- Fencing appeared to be in good to fair condition with no major signs of damage or deterioration noted. There was one section that appeared to have been replaced.
- Similar to other vinyl fences, these are subject to damage during winter months from becoming frozen and brittle, and during summer from landscaping equipment.
- This type of fence has a realistic life expectancy of 20 - 25 years in this environment according to several local companies.

Location: **Perimeter of Property**

Quantity: **Approx. 10 LF**

Life Expectancy: **25** Remaining Life: **12**

Best Cost: **\$36,150**

\$45/LF: Estimate to replace

Worst Cost: **\$40,500**

\$50/LF: Higher estimate for more labor

Source of Information: Cost Database

General Notes:

**East Perimeter: Approx. 90 LF**  
**North Perimeter: Approx. 70 LF**  
**West Perimeter: Approx. 650 LF**



Comp #: 1009 Wood Railing - Major Repairs



**Observations:**

- The wood railing around the units was in good condition at the time of the site observation.
- Due to the low quantity and location of the rail fencing, major repairs should not be necessary.
- We recommend doing any repairs at the same time as the building exterior repairs (comp #1004 - #1006).

Location: **Front of Buildings**

Quantity: **Approx. 85 LF**

Life Expectancy: **N/A - Remaining Life:**

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

**General Notes:**

**19346/19336: Approx. 5 LF**  
**4400/4390: Approx. 20 LF**  
**4520/4510: Approx. 25 LF**  
**19385/19395: Approx. 30 LF**

**19469-19479 19348-19338 4530-4540:**  
**- Approx. 10 LF x 3 = 30 LF**

**19375-19365 19405-19415 19364-19374 4481-4471**  
**19394-19384 19426-19416 19386-19376 4470-4480**  
**19417-19427 19397-19407 19428-19418 4370-4380**  
**19408-19398 19388-19378 19357-19367 4350-4360**  
**19377-19387 19368-19358 19369-19359**  
**19379-19389 19399-19409 19449-19459**  
**19366-19356 19337-19347 19419-19429:**  
**- Approx. 15 LF x 25 = 375 LF**



Comp #: 1013 Stonework - Major Repairs



Observations:

- The stonework at the monuments and fence columns was in good condition at the time of the site observation.
- While it is unlikely that all the stonework will need to be replaced, it is likely that major repairs will be necessary to replace loose or missing stones.
- Depending on the effects from weather and potential vandalism, we suggest establishing a Reserve fund for periodic repairs to the stonework every 10 years.

Location: See General Notes

Quantity: See General Notes

Life Expectancy: 10 Remaining Life: 6

Best Cost: \$17,000

Allowance for major repairs

Worst Cost: \$20,000

Higher allowance for more repairs

Source of Information: Cost database

General Notes:

<b>South Entrance:</b> <b>Stone: Approx. 1,350 GSF</b>
<b>North Entrance</b> <b>Stone: Approx. 275 GSF</b>
<b>Perimeter Fencing Columns:</b> <ul style="list-style-type: none"><li>- <b>East Perimeter: Approx. 325 GSF</b></li><li>- <b>North Perimeter: Approx. 325 GSF</b></li><li>- <b>West Perimeter: Approx. 1,135 GSF</b></li></ul>

Comp #: 1602 Exterior Wall Mount - Replace (PH1)



Observations:

- We were unable to test the lights due to the timing of the site observation but there were no reported issues with the lights.
- While replacement can occur on an as needed basis, it is our opinion and recommendation to replace all lights at the same time every 20 - 25 years to maintain a consistent appearance throughout the property.
- By replacing multiple fixtures, the association will be able to obtain a quantity discount for replacement and installation of the fixtures.

Location: **Throughout Property**

Quantity: **Approx 30) Lights**

Life Expectancy: **24** Remaining Life: **12**

Best Cost: **\$11,200**  
\$140/light; Estimate to replace

Worst Cost: **\$13,200**  
\$165/light; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

**4500/4471, 4481/4471, 19375/19365, 19385/19395, 19405/19415, 4470/4480, 4460/4450, 19364/19374, 19394/19384, 19426/19416, 19406/19396, 19386/19376: (6) Lights x 12 = (72) Lights**

**4521/4511: (4) Lights**  
**4501/4491: (4) Lights**

Comp #: 1603 Exterior Wall Mount - Replace (PH2)



Observations:

- We were unable to test the lights due to the timing of the site observation but there were no reported issues with the lights.
- While replacement can occur on an as needed basis, it is our opinion and recommendation to replace all lights at the same time every 20 - 25 years to maintain a consistent appearance throughout the property.
- By replacing multiple fixtures, the association will be able to obtain a quantity discount for replacement and installation of the fixtures.

Location: **Throughout Property**

Quantity: **Approx. (12) Lights**

Life Expectancy: **24** Remaining Life: **13**

Best Cost: **\$1,680**  
\$140/light; Estimate to replace

Worst Cost: **\$1,980**  
\$165/light; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

**19345/19355 19417/19427:**  
**- (6) Lights x 2 = (12) Lights**

Comp #: 1604 Exterior Wall Mount - Replace (PH3)



Observations:

- We were unable to test the lights due to the timing of the site observation but there were no reported issues with the lights.
- While replacement can occur on an as needed basis, it is our opinion and recommendation to replace all lights at the same time every 20 - 25 years to maintain a consistent appearance throughout the property.
- By replacing multiple fixtures, the association will be able to obtain a quantity discount for replacement and installation of the fixtures.

Location: **Building Exteriors**

Quantity: **Approx. 60 Lights**

Life Expectancy: **24** Remaining Life: **22**

Best Cost: **\$8,400**  
\$140/light; Estimate to replace

Worst Cost: **\$9,900**  
\$165/light; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

**4420/4410 4400/4390 4370/4380 4530/4540**  
**4520/4510 19397/19407 19428/19418**  
**19408/19398 19388/19378 4350/4360:**  
**- (6) Lights x 10 = 60 Lights**



Comp #: 1605 Exterior Wall Mount - Replace (PH4)



Observations:

- We were unable to test the lights due to the timing of the site observation but there were no reported issues with the lights.
- While replacement can occur on an as needed basis, it is our opinion and recommendation to replace all lights at the same time every 20 - 25 years to maintain a consistent appearance throughout the property.
- By replacing multiple fixtures, the association will be able to obtain a quantity discount for replacement and installation of the fixtures.

Location: **Building Exteriors**

Quantity: **Approx 90) Lights**

Life Expectancy: **20** Remaining Life: **18**

Best Cost: **\$12,600**  
\$140/light; Estimate to replace

Worst Cost: **\$14,850**  
\$165/light; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

19357/19367 19377/19387 19368/19358  
19369/19359 19379/19389 19399/19409  
19449/19459 19469/19479 19366/19356  
19346/19336 19337/19347 19348/19338  
19339/19349 19419/19429 4440/4430:  
- (6) Lights x 15 = (90) Lights

Comp #: 1701 Irrigation System - Major Repairs



Observations:

- It was reported that the irrigation system underwent many repairs this past year to fix issues due to poor installation.
- We typically see systems that are this age needing more frequent repairs.
- This line item is for repairs and replacement that lies outside the scope of routine maintenance: bulk sprinkler head replacement, bulk valve replacement, rerouting lateral lines, rewiring, etc.
- In order to ensure the funds are available for major repairs, we recommend reserving funds for these projects every 4 - 6 years.
- The funding on this line item is for major repairs and is not to be interpreted as complete irrigation system replacement.

Location: **Throughout Property**

General Notes:

Quantity: **Extended**

Life Expectancy: **6** Remaining Life: **5**

Best Cost: **\$12,000**

Allowance for major repairs

Worst Cost: **\$15,000**

Higher allowance for more repairs

Source of Information: Cost database

Comp #: 1703 Irrigation Controllers - Replace



Observations:

- There were no reported issues with the ETWater controllers.
- These controllers can be much more efficient than standard irrigation controllers.
- Typically, these controllers have a life of 10 - 12 years.
- Remaining life is based on the age of the controllers.

Location: **Throughout Property**

Quantity: **(3) Controllers**

Life Expectancy: **12** Remaining Life: **9**

Best Cost: **\$10,500**  
\$3500/clock; Estimate to replace

Worst Cost: **\$12,000**  
\$4000/controller; Higher estimate

Source of Information: Research with contractor

General Notes:

**South Entrance:**  
- ETWater Gen 4: 33 Active Zones Date: 2015  
**Northwest Corner:**  
- ETWater Gen 4: 39 Active Zones Date: 2015  
- ETWater Gen 4: Date: 2015



Comp #: 1706 Backflow Devices - Replace



Observations:

- Devices can be rebuilt and repaired when needed as a maintenance issue.
- It is very seldom that a complete system would need to be replaced due to normal wear and tear.
- Replacement would be as a result of freezing conditions if system is not winterized properly or in a timely manner.
- No Reserve funding is required due to difficulty of predicting a life expectancy and the fact that systems can be rebuilt at a minimal cost, as opposed to being replaced.

Location: **Throughout Property**

Quantity: **(2) Backflows**

Life Expectancy: **N/A** Remaining Life:

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:



Comp #: 1801 Groundcover - Replenish



*Observations:*

- Typically, associations will establish a line item in the operating budget to handle annual replacement of shrubs, plants, grass areas, etc.
- Therefore, separate Reserve funding is not necessary as long as funding has been established in a separate budget.
- If the association prefers to include a funding allowance for groundcover replenishment then we would need to know how much and how often the current board of directors would prefer to set aside since this would be considered a discretionary expense.

*Location:* **Throughout Property**

*Quantity:* **Extensive**

*Life Expectancy:* **N/A** *Remaining Life:*

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*General Notes:*

Comp #: 1804 Tree - Replacement/Major Maintenance



Observations:

- It is very difficult to predict a replacement cycle for trees as there are several factors such as disease, infestation of insects, heavy snow storms, etc. can all attribute to eventual tree replacement.
- Since it is difficult to predict when the replacement will be necessary, Reserve funding is typically not a factor.
- Therefore, unless requested by the association, Reserve funding will not be included as part of the study for this component.

Location: **Throughout Property**

Quantity: **Medium**

Life Expectancy: **N/A Remaining Life:**

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

Comp #: 1811 Concrete Drain Swales - Repair



Observations:

- The concrete landscaping drain pans were in good condition at the time of the site observation.
- Periodic repairs are still required every 5 - 10 years. Coordinate with other concrete surfaces for best cost estimate.

Location: **Adjacent to Buildings**

Quantity: **Approx. 1,040 GSF**

Life Expectancy: **4** Remaining Life: **2**

Best Cost: **\$2,750**

Allowance to replace 10% of total area

Worst Cost: **\$3,100**

Higher Allowance for more labor

Source of Information: Cost Database

General Notes:

- Unit 4500/4490 - Approx. 215 GSF**
- Unit 19375/19365 - Approx. 855 GSF**
- Unit 19385/19395 - Approx. 240 GSF**
- Unit 19405/19415 - Approx. 690 GSF**
- Unit 19357/19367 - Approx. 870 GSF**
- Unit 19337/19347 - Approx. 170 GSF**



# Funding Summary For 2018

## Beginning Assumptions

Financial Information Source	Research With Client
# of units	82
Fiscal Year End	December 31, 2018
Monthly Dues from 2018 budget	\$20,090.00
Monthly Reserve Allocation from 2018 Budget	\$4,000.00
Projected Starting Reserve Balance (as of 1/1/2018)	\$120,752
Reserve Balance: Average Per Unit	\$1,473
Ideal Starting Reserve Balance (as of 1/1/2018)	\$596,957
Ideal Reserve Balance: Average Per Unit	\$7,280

## Economic Factors

Past 20 year Average Inflation Rate (Based on CCI)	3.75%
Current Average Interest Rate	1.00%

## Current Reserve Status

Current Balance as a % of Ideal Balance	20%
---	-----

## Recommendations for 2017 Fiscal Year

Monthly Reserve Allocation (2018)	\$4,000
Per Unit	\$48.78
Monthly Reserve Allocation (starting 2019)	\$12,000
Per Unit	\$146.34
Minimum Monthly Reserve Allocation (starting 2019)	\$10,450
Per Unit	\$127.44
Primary Annual Increase	3.75%
Number of Years	30
Special Assessment	\$0
Per Unit	\$0

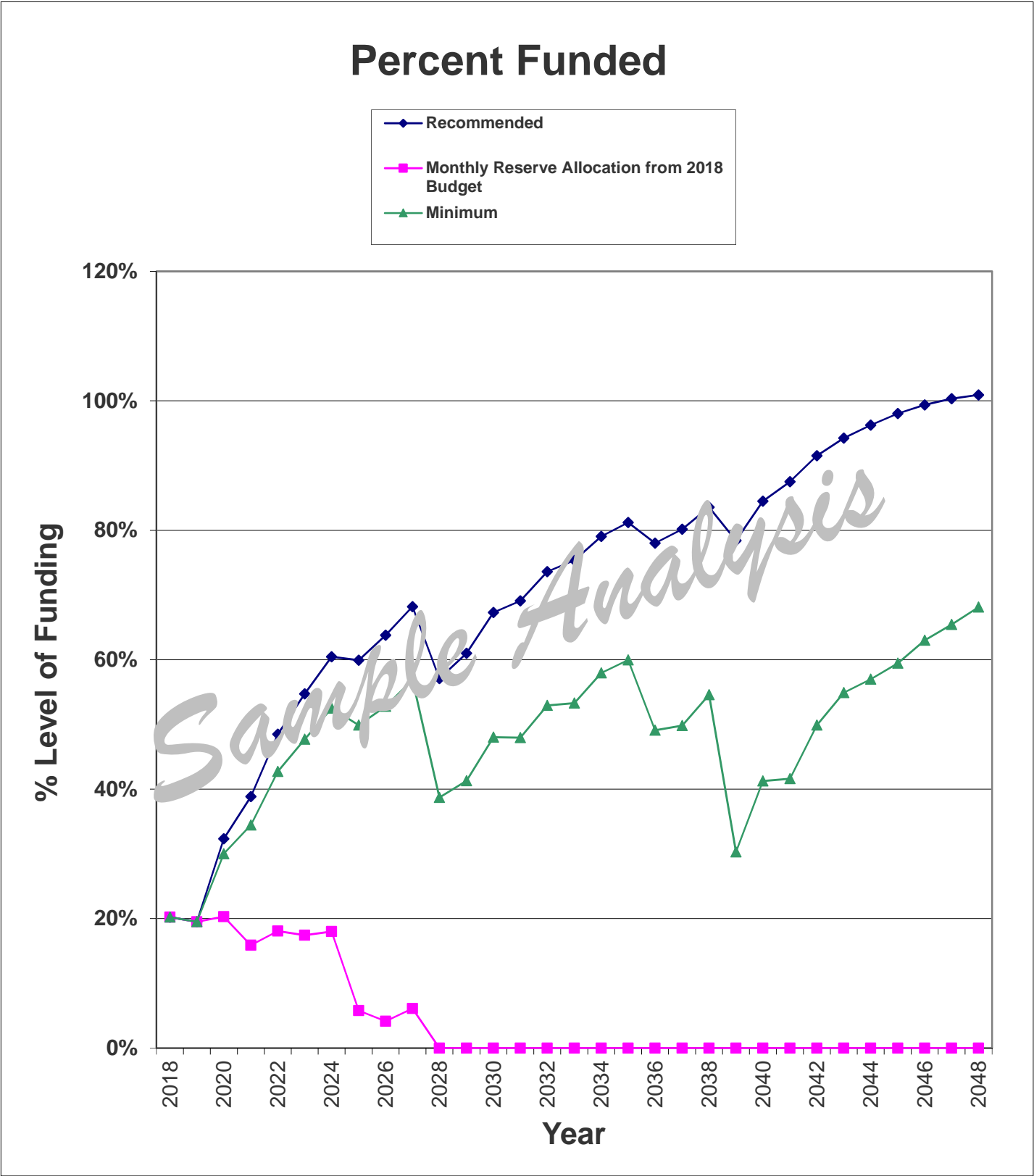
## Changes To Current 2018 budget

Increase/Decrease to Reserve Allocation	\$0
as Percentage	0%
Average Per Unit	\$0.00

## Changes From 2018 to 2019

Increase/Decrease to Reserve Allocation	\$8,000
as Percentage	200%
Average Per Unit	\$97.56





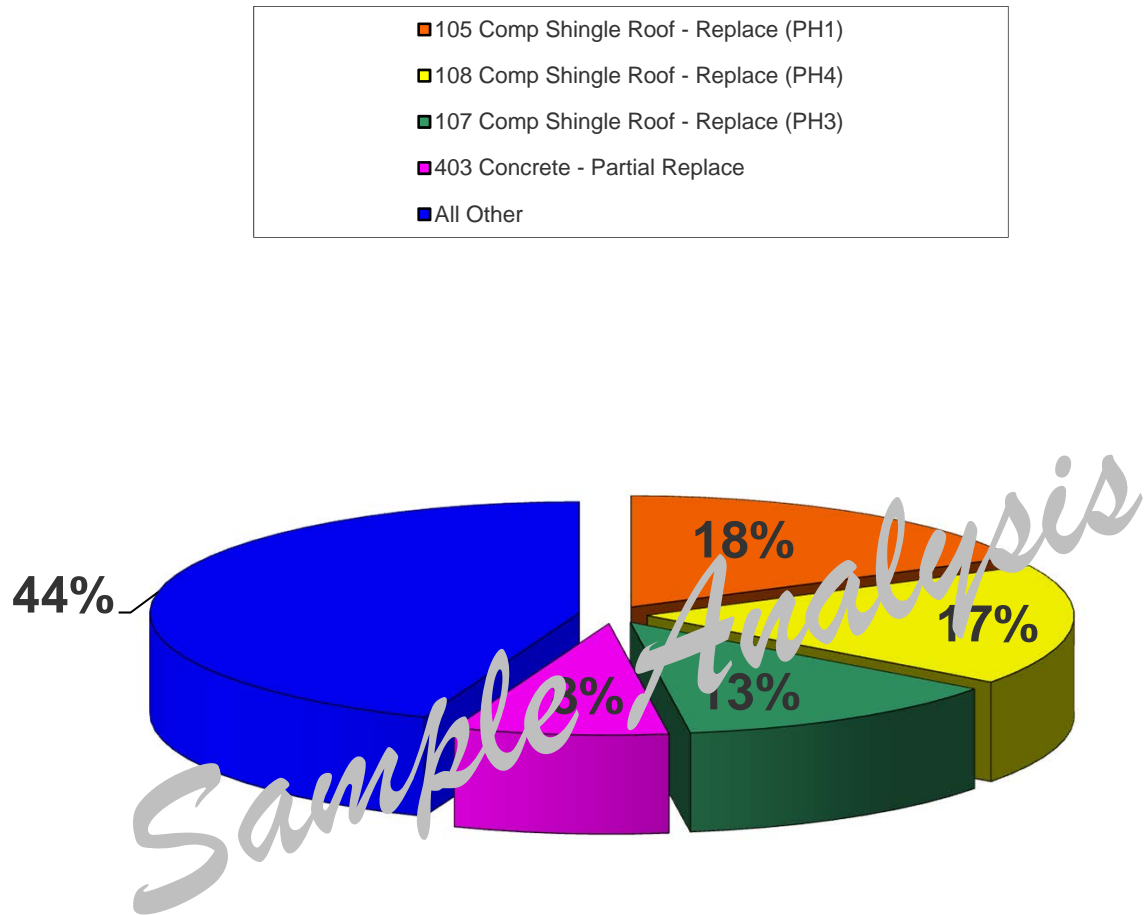
# Component Inventory for 2020

Category	Asset #	Asset Name	UL	RUL	Best Cost	Worst Cost
Roofing	105	Comp Shingle Roof - Replace (PH1)	22	9	\$370,875	\$420,325
	106	Comp Shingle Roof - Replace (PH2)	22	14	\$52,125	\$59,075
	107	Comp Shingle Roof - Replace (PH3)	22	17	\$264,750	\$300,050
	108	Comp Shingle Roof - Replace (PH4)	22	20	\$369,750	\$419,050
	120	Gutters/Downspouts - Replace (PH1)	22	9	\$40,145	\$45,900
	121	Gutters/Downspouts - Replace (PH2)	22	14	\$5,225	\$5,975
	122	Gutters/Downspouts - Replace (PH3)	22	17	\$28,300	\$32,325
	123	Gutters/Downspouts - Replace (PH4)	25	20	\$42,050	\$48,050
Painted Surfaces	204	Building Ext Surfaces - Repaint (PH1 and PH2)	6	0	\$28,800	\$35,200
	205	Building Ext Surfaces - Repaint (PH3)	6	1	\$18,000	\$22,000
	206	Building Ext Surfaces - Repaint (PH4)	6	4	\$27,000	\$33,000
	207	Metal Surfaces - Repaint	3	0	\$3,500	\$4,000
Siding Materials	304	Fiber Cement Siding - Replace (PH1 and PH2)	12	6	\$9,600	\$11,200
	305	Fiber Cement Siding - Replace (PH3)	12	7	\$6,000	\$7,000
	306	Fiber Cement Siding - Replace (PH4)	12	10	\$9,000	\$10,500
	309	Stone/Rock Siding - Major Repairs	N/A		\$0	\$0
Drive Materials	403	Concrete - Partial Replace	4	2	\$31,400	\$34,540
Property Access	502	Garage Doors - Replace	N/A		\$0	\$0
	509	Window Wells - Replace	N/A		\$0	\$0
Walking Surfaces	601	Concrete Flatwork - Partial Replace	4	2	\$9,075	\$10,000
	607	Composite Deck - Replace	N/A		\$0	\$0
Prop. Identification	803	Mailboxes - Replace (A)	20	7	\$7,200	\$8,400
	803	Mailboxes - Replace (B)	20	16	\$3,300	\$3,800
	804	Pergolas - Replace	N/A		\$0	\$0
Fencing/Walls	1001	Wood Fencing - Replace	19	6	\$53,790	\$61,940
	1002	Metal Railing Fencing - Replace	N/A		\$0	\$0
	1005	Block Wall - Major Repairs	5	2	\$22,000	\$25,000
	1008	PVC Vinyl Split Rail Fencing - Replace	25	12	\$7,700	\$8,800
	1008	PVC Vinyl Privacy Fencing - Replace	25	12	\$36,450	\$40,500
	1009	Wood Railing - Major Repairs	N/A		\$0	\$0
	1013	Stonework - Major Repairs	10	6	\$17,000	\$20,000
Light Fixtures	1602	Exterior Wall Mount - Replace (PH1)	24	12	\$11,200	\$13,200
	1603	Exterior Wall Mount - Replace (PH2)	24	13	\$1,680	\$1,980
	1604	Exterior Wall Mount - Replace (PH3)	24	22	\$8,400	\$9,900
	1605	Exterior Wall Mount - Replace (PH4)	20	18	\$12,600	\$14,850
Irrig. System	1701	Irrigation System - Major Repairs	6	5	\$12,000	\$15,000
	1703	Irrigation Controllers - Replace	12	9	\$10,500	\$12,000
	1706	Backflow Devices - Replace	N/A		\$0	\$0
Landscaping	1801	Groundcover - Replenish	N/A		\$0	\$0
	1804	Tree - Replacement/Major Maintenance	N/A		\$0	\$0
	1811	Concrete Drain Swales - Repair	4	2	\$2,750	\$3,100

# Significant Components For

ID	Asset Name	UL	RUL	Ave Curr Cost	Significance:	
					(Curr Cost/UL)	As %
105	Comp Shingle Roof - Replace (PH1)	22	9	\$395,600	\$17,982	17.6241%
106	Comp Shingle Roof - Replace (PH2)	22	14	\$55,600	\$2,527	2.4770%
107	Comp Shingle Roof - Replace (PH3)	22	17	\$282,400	\$12,836	12.5810%
108	Comp Shingle Roof - Replace (PH4)	22	20	\$394,400	\$17,927	17.5706%
120	Gutters/Downspouts - Replace (PH1)	22	9	\$43,023	\$1,956	1.9167%
121	Gutters/Downspouts - Replace (PH2)	22	14	\$5,600	\$255	0.2495%
122	Gutters/Downspouts - Replace (PH3)	22	17	\$30,313	\$1,378	1.3504%
123	Gutters/Downspouts - Replace (PH4)	25	20	\$45,050	\$1,802	1.7661%
204	Building Ext Surfaces - Repaint (PH1 and P	6	0	\$32,000	\$5,333	5.2272%
205	Building Ext Surfaces - Repaint (PH3)	6	1	\$20,000	\$3,333	3.2670%
206	Building Ext Surfaces - Repaint (PH4)	6	4	\$30,000	\$5,000	4.9005%
207	Metal Surfaces - Repaint	3	0	\$3,750	\$1,250	1.2251%
304	Fiber Cement Siding - Replace (PH1 and P	12	6	\$10,400	\$867	0.8494%
305	Fiber Cement Siding - Replace (PH3)	12	7	\$6,500	\$542	0.5309%
306	Fiber Cement Siding - Replace (PH4)	12	10	\$9,750	\$813	0.7963%
403	Concrete - Partial Replace	4	2	\$32,970	\$8,243	8.0785%
601	Concrete Flatwork - Partial Replace	4	2	\$9,538	\$2,384	2.3369%
803	Mailboxes - Replace (A)	20	8	\$7,800	\$390	0.3822%
803	Mailboxes - Replace (B)	20	16	\$3,550	\$178	0.1740%
1001	Wood Fencing - Replace	19	6	\$57,865	\$3,046	2.9849%
1005	Block Wall - Major Repairs	5	2	\$23,500	\$4,700	4.6065%
1008	PVC Vinyl Privacy Fencing - Replace	25	12	\$39,475	\$3,289	1.5084%
1008	PVC Vinyl Split Rail Fencing - Replace	25	12	\$1,250	\$330	0.3234%
1013	Stonework - Major Repairs	10	3	\$1,500	\$1,850	1.8132%
1602	Exterior Wall Mount - Replace (PH1)	24	12	\$12,200	\$508	0.4982%
1603	Exterior Wall Mount - Replace (PH2)	24	13	\$1,830	\$76	0.0747%
1604	Exterior Wall Mount - Replace (PH3)	24	22	\$9,150	\$381	0.3737%
1605	Exterior Wall Mount - Replace (PH4)	20	18	\$13,725	\$686	0.6726%
1701	Irrigation System - Major Repairs	6	5	\$13,500	\$2,250	2.2052%
1703	Irrigation Components - Replace	12	9	\$11,250	\$938	0.9188%
1811	Concrete Drain Swales - Repair	4	2	\$2,925	\$731	0.7167%

# Significant Components Graph For 2024

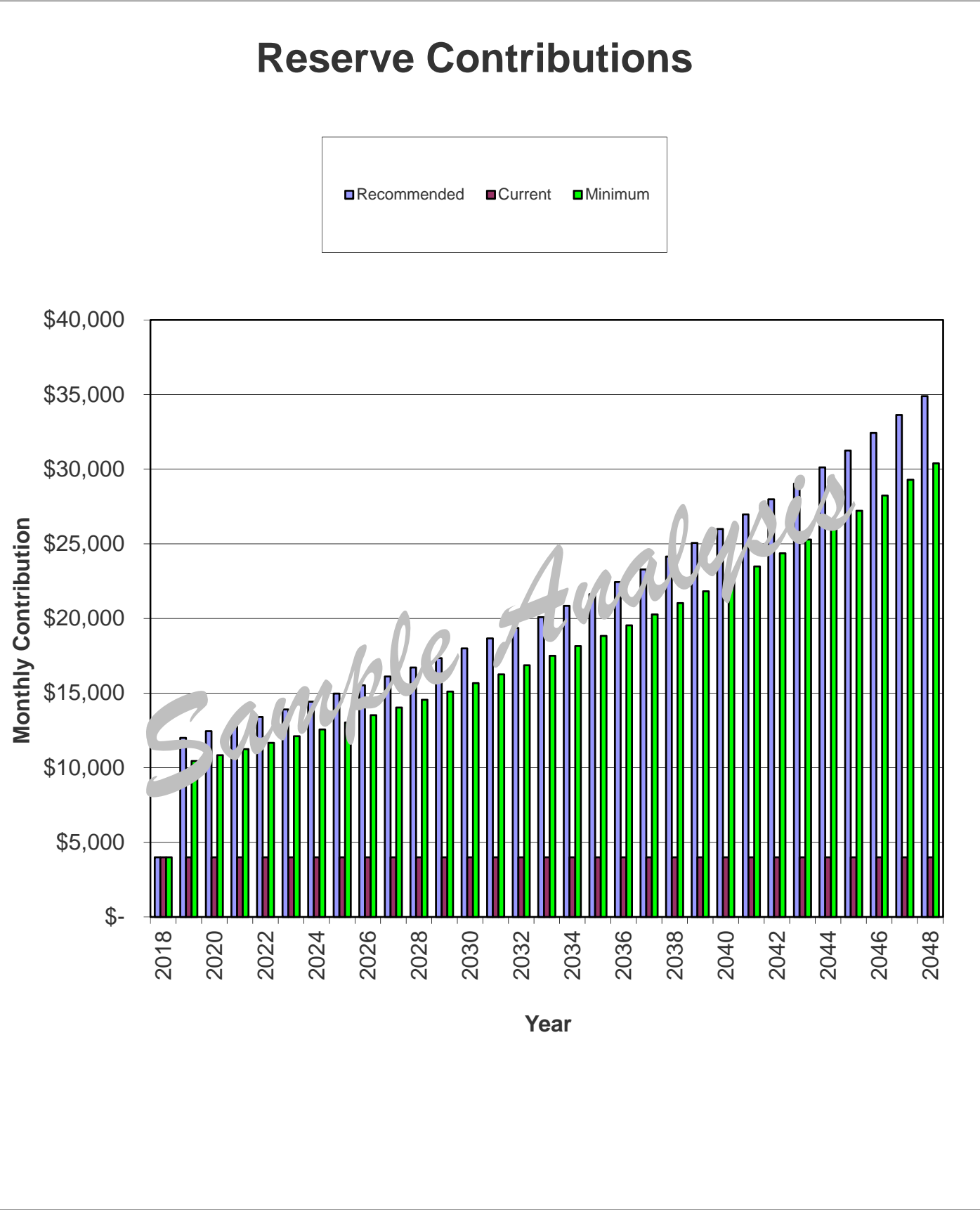


Asset ID	Asset Name	UL	RUL	Average Curr. Cost	Significance: (Curr Cost/UL)	
					As \$	As %
105	Comp Shingle Roof - Replace (PH1)	22	9	\$395,600	\$17,982	18%
108	Comp Shingle Roof - Replace (PH4)	22	20	\$394,400	\$17,927	18%
107	Comp Shingle Roof - Replace (PH3)	22	17	\$282,400	\$12,836	13%
403	Concrete - Partial Replace	4	2	\$32,970	\$8,243	8%
All Other	See Expanded Table on Page 4 For Additional Breakdown				\$45,042	44%



# Yearly Summary For 2018-2047

Fiscal Year	Fully Funded Start Balance	Starting Reserve Balance	Percent Funded	Annual Reserve Contribs	Rec. Special Ass'mnt	Interest Income	Reserve Expenses
2018	\$596,957	\$120,752	20%	\$48,000	\$0	\$1,275	\$35,750
2019	\$688,109	\$134,277	20%	\$144,000	\$0	\$1,968	\$20,750
2020	\$802,210	\$259,495	32%	\$149,400	\$0	\$2,985	\$74,199
2021	\$869,256	\$337,680	39%	\$155,003	\$0	\$4,150	\$4,188
2022	\$1,015,725	\$492,644	49%	\$160,815	\$0	\$5,582	\$34,760
2023	\$1,140,402	\$624,282	55%	\$166,846	\$0	\$7,028	\$16,228
2024	\$1,293,579	\$781,928	60%	\$173,102	\$0	\$7,673	\$209,461
2025	\$1,256,794	\$753,242	60%	\$179,594	\$0	\$8,144	\$64,697
2026	\$1,373,773	\$876,283	64%	\$186,328	\$0	\$9,686	\$10,471
2027	\$1,556,534	\$1,061,826	68%	\$193,316	\$0	\$8,465	\$631,812
2028	\$1,106,837	\$631,795	57%	\$200,565	\$0	\$6,736	\$123,092
2029	\$1,173,602	\$716,004	61%	\$208,086	\$0	\$8,136	\$20,240
2030	\$1,355,316	\$911,987	67%	\$215,890	\$0	\$9,323	\$183,816
2031	\$1,380,086	\$953,384	69%	\$223,985	\$0	\$10,526	\$35,229
2032	\$1,566,118	\$1,152,666	74%	\$232,385	\$0	\$11,850	\$178,535
2033	\$1,616,852	\$1,218,366	75%	\$241,099	\$0	\$13,418	\$6,514
2034	\$1,854,607	\$1,466,369	79%	\$250,141	\$0	\$15,516	\$93,806
2035	\$2,017,608	\$1,638,220	81%	\$259,521	\$0	\$14,477	\$653,896
2036	\$1,612,781	\$1,258,321	78%	\$269,253	\$0	\$12,967	\$204,289
2037	\$1,666,664	\$1,336,252	80%	\$279,350	\$0	\$14,519	\$33,336
2038	\$1,886,882	\$1,576,825	84%	\$289,825	\$0	\$12,557	\$917,638
2039	\$1,226,634	\$961,700	78%	\$300,594	\$0	\$11,008	\$32,497
2040	\$1,468,250	\$1,240,905	85%	\$311,917	\$0	\$12,703	\$264,852
2041	\$1,486,457	\$1,300,726	88%	\$323,639	\$0	\$14,535	\$31,482
2042	\$1,756,392	\$1,607,447	92%	\$335,806	\$0	\$17,401	\$86,495
2043	\$1,988,631	\$1,874,159	94%	\$348,399	\$0	\$19,596	\$195,454
2044	\$2,126,137	\$2,046,700	97%	\$361,464	\$0	\$21,540	\$166,499
2045	\$2,255,505	\$2,203,205	98%	\$375,019	\$0	\$24,250	\$73,628
2046	\$2,605,014	\$2,588,840	99%	\$389,082	\$0	\$27,430	\$105,964
2047	\$2,889,519	\$2,899,393	100%	\$403,673	\$0	\$30,958	\$39,263



# Component Funding Information For 2021

ID	Component Name	Ave Current Cost	Ideal Balance	Current Fund Balance	Monthly
105	Comp Shingle Roof - Replace (PH1)	\$395,600	\$233,764	\$0	\$704.96
106	Comp Shingle Roof - Replace (PH2)	\$55,600	\$20,218	\$0	\$99.08
107	Comp Shingle Roof - Replace (PH3)	\$282,400	\$64,182	\$0	\$503.24
108	Comp Shingle Roof - Replace (PH4)	\$394,400	\$35,855	\$0	\$702.82
120	Gutters/Downspouts - Replace (PH1)	\$43,023	\$25,422	\$0	\$76.67
121	Gutters/Downspouts - Replace (PH2)	\$5,600	\$2,036	\$0	\$9.98
122	Gutters/Downspouts - Replace (PH3)	\$30,313	\$6,889	\$0	\$54.02
123	Gutters/Downspouts - Replace (PH4)	\$45,050	\$9,010	\$0	\$70.65
204	Building Ext Surfaces - Repaint (PH1 and PH2)	\$32,000	\$32,000	\$32,000	\$209.09
205	Building Ext Surfaces - Repaint (PH3)	\$20,000	\$16,667	\$16,667	\$130.68
206	Building Ext Surfaces - Repaint (PH4)	\$30,000	\$10,000	\$10,000	\$196.02
207	Metal Surfaces - Repaint	\$3,750	\$3,750	\$3,750	\$49.01
304	Fiber Cement Siding - Replace (PH1 and PH2)	\$10,400	\$5,200	\$5,200	\$33.98
305	Fiber Cement Siding - Replace (PH3)	\$6,500	\$2,708	\$0	\$21.24
306	Fiber Cement Siding - Replace (PH4)	\$9,750	\$1,625	\$0	\$31.85
403	Concrete - Partial Replace	\$32,970	\$16,485	\$16,485	\$323.14
601	Concrete Flatwork - Partial Replace	\$9,538	\$4,769	\$4,769	\$93.48
803	Mailboxes - Replace (A)	\$7,800	\$4,680	\$0	\$15.29
803	Mailboxes - Replace (B)	\$3,550	\$710	\$0	\$6.96
1001	Wood Fencing - Replace	\$57,865	\$39,592	\$14,069	\$112.40
1005	Block Wall - Major Repairs	\$23,500	\$14,100	\$1,100	\$34.26
1008	PVC Vinyl Privacy Fencing - Replace	\$38,475	\$20,000	\$0	\$60.34
1008	PVC Vinyl Split Rail Fencing - Replace	\$8,250	\$4,250	\$0	\$12.94
1013	Stonework - Major Repairs	\$18,500	\$7,000	\$0	\$72.53
1602	Exterior Wall Mount - Replace (PH1)	\$12,200	\$6,100	\$0	\$19.93
1603	Exterior Wall Mount - Replace (PH2)	\$1,330	\$839	\$0	\$2.99
1604	Exterior Wall Mount - Replace (PH3)	\$9,150	\$763	\$0	\$14.95
1605	Exterior Wall Mount - Replace (PH4)	\$13,725	\$1,373	\$0	\$26.90
1701	Irrigation System - Major Repairs	\$13,500	\$2,250	\$2,250	\$88.21
1703	Irrigation Controllers - Replace	\$11,250	\$2,813	\$0	\$36.75
1811	Concrete Drain Swales - Repair	\$2,925	\$1,463	\$1,463	\$28.67

## Yearly Cash Flow For 2018-2047

Year	2018	2019	2020	2021	2022
<b>Starting Balance</b>	\$120,752	\$134,277	\$259,495	\$337,680	\$492,644
Reserve Income	\$48,000	\$144,000	\$149,400	\$155,003	\$160,815
Interest Earnings	\$1,275	\$1,968	\$2,985	\$4,150	\$5,582
Special Assessments	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$170,027	\$280,245	\$411,879	\$496,832	\$659,042
<b>Reserve Expenditures</b>	\$35,750	\$20,750	\$74,199	\$4,188	\$34,760
<b>Ending Balance</b>	\$134,277	\$259,495	\$337,680	\$492,644	\$624,282

Year	2023	2024	2025	2026	2027
<b>Starting Balance</b>	\$624,282	\$781,928	\$753,242	\$876,283	\$1,061,826
Reserve Income	\$166,846	\$173,102	\$179,594	\$186,328	\$193,316
Interest Earnings	\$7,028	\$7,673	\$8,144	\$9,686	\$8,465
Special Assessments	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$798,156	\$962,703	\$940,980	\$1,072,298	\$1,263,607
<b>Reserve Expenditures</b>	\$16,228	\$209,461	\$64,697	\$10,471	\$631,812
<b>Ending Balance</b>	\$781,928	\$753,242	\$876,283	\$1,061,826	\$631,795

Year	2028	2029	2030	2031	2032
<b>Starting Balance</b>	\$631,795	\$716,004	\$911,987	\$953,384	\$1,152,666
Reserve Income	\$200,565	\$208,086	\$215,890	\$223,985	\$232,385
Interest Earnings	\$6,736	\$8,136	\$9,323	\$10,526	\$11,850
Special Assessments	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$839,096	\$932,227	\$1,137,199	\$1,187,895	\$1,396,901
<b>Reserve Expenditures</b>	\$123,092	\$20,740	\$113,816	\$35,229	\$178,535
<b>Ending Balance</b>	\$716,004	\$911,987	\$953,384	\$1,152,666	\$1,218,366

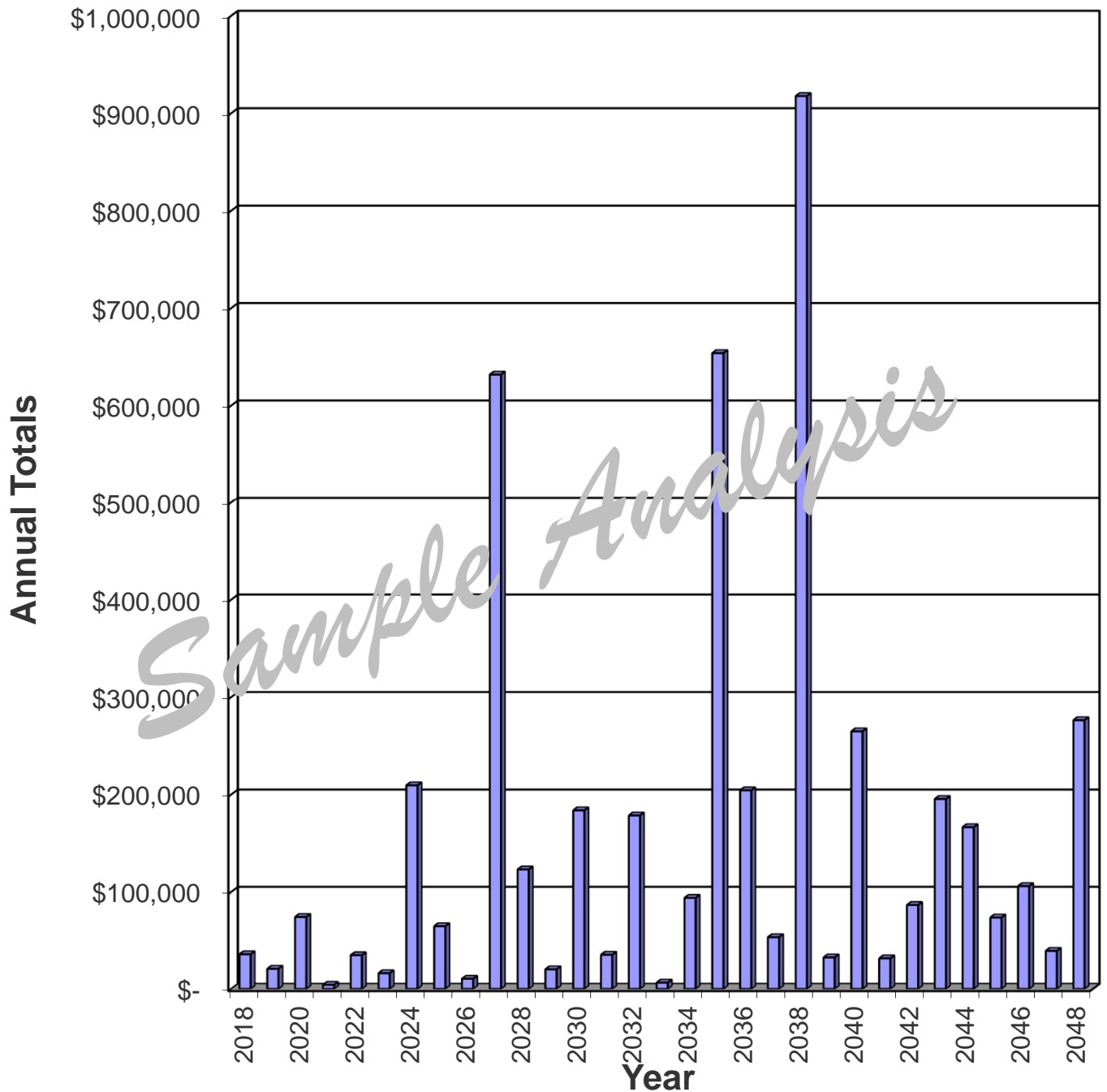
Year	2033	2034	2035	2036	2037
<b>Starting Balance</b>	\$1,218,366	\$1,466,369	\$1,638,220	\$1,258,321	\$1,336,252
Reserve Income	\$217,019	\$250,141	\$259,521	\$269,253	\$279,350
Interest Earnings	\$3,477	\$15,516	\$14,477	\$12,967	\$14,559
Special Assessments	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,472,883	\$1,732,026	\$1,912,218	\$1,540,541	\$1,630,161
<b>Reserve Expenditures</b>	\$6,514	\$93,806	\$653,896	\$204,289	\$53,336
<b>Ending Balance</b>	\$1,466,369	\$1,638,220	\$1,258,321	\$1,336,252	\$1,576,825

Year	2038	2039	2040	2041	2042
<b>Starting Balance</b>	\$1,576,825	\$961,700	\$1,240,905	\$1,300,726	\$1,607,447
Reserve Income	\$289,825	\$300,694	\$311,970	\$323,669	\$335,806
Interest Earnings	\$12,687	\$11,008	\$12,703	\$14,535	\$17,401
Special Assessments	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,879,338	\$1,273,402	\$1,565,578	\$1,638,929	\$1,960,654
<b>Reserve Expenditures</b>	\$917,638	\$32,497	\$264,852	\$31,482	\$86,495
<b>Ending Balance</b>	\$961,700	\$1,240,905	\$1,300,726	\$1,607,447	\$1,874,159

Year	2043	2044	2045	2046	2047
<b>Starting Balance</b>	\$1,874,159	\$2,046,700	\$2,263,205	\$2,588,846	\$2,899,393
Reserve Income	\$348,399	\$361,464	\$375,019	\$389,082	\$403,673
Interest Earnings	\$19,596	\$21,540	\$24,250	\$27,430	\$30,958
Special Assessments	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$2,242,154	\$2,429,705	\$2,662,474	\$3,005,358	\$3,334,024
<b>Reserve Expenditures</b>	\$195,454	\$166,499	\$73,628	\$105,964	\$39,263
<b>Ending Balance</b>	\$2,046,700	\$2,263,205	\$2,588,846	\$2,899,393	\$3,294,760



## Reserve Expenditures



# Projected Reserve Expenditures

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
2018	204	Building Ext Surfaces - Repaint (PH1 and PH2)	\$32,000	\$35,750
	207	Metal Surfaces - Repaint	\$3,750	
2019	205	Building Ext Surfaces - Repaint (PH3)	\$20,750	\$20,750
2020	403	Concrete - Partial Replace	\$35,489	\$74,199
	601	Concrete Flatwork - Partial Replace	\$10,266	
	1005	Block Wall - Major Repairs	\$25,296	
	1811	Concrete Drain Swales - Repair	\$3,148	
2021	207	Metal Surfaces - Repaint	\$4,188	\$4,188
2022	206	Building Ext Surfaces - Repaint (PH4)	\$34,760	\$34,760
2023	1701	Irrigation System - Major Repairs	\$16,228	\$16,228
2024	204	Building Ext Surfaces - Repaint (PH1 and PH2)	\$39,910	\$209,461
	207	Metal Surfaces - Repaint	\$4,677	
	304	Fiber Cement Siding - Replace (PH1 and PH2)	\$12,971	
	403	Concrete - Partial Replace	\$41,119	
	601	Concrete Flatwork - Partial Replace	\$11,895	
	1001	Wood Fencing - Replace	\$72,168	
	1013	Stonework - Major Repairs	\$23,073	
	1811	Concrete Drain Swales - Repair	\$3,648	
2025	205	Building Ext Surfaces - Repaint (PH3)	\$25,879	\$64,697
	305	Fiber Cement Siding - Replace (PH3)	\$8,411	
	1005	Block Wall - Major Repairs	\$30,408	
2026	803	Mailboxes - Replace (A)	\$10,471	\$10,471
2027	105	Comp Shingle Roof - Replace (PH1)	\$5,509	\$631,812
	120	Gutters/Downspouts - Replace (PH1)	\$5,922	
	207	Metal Surfaces - Repaint	\$5,223	
	1703	Irrigation Controllers - Replace	\$15,669	
2028	206	Building Ext Surfaces - Repaint (PH4)	\$43,351	\$123,092
	306	Fiber Cement Siding - Replace (PH4)	\$14,089	
	403	Concrete - Partial Replace	\$47,643	
	601	Concrete Flatwork - Partial Replace	\$13,782	
	1811	Concrete Drain Swales - Repair	\$4,227	
2029	1701	Irrigation System - Major Repairs	\$20,240	\$20,240
2030	204	Building Ext Surfaces - Repaint (PH1 and PH2)	\$49,775	\$183,816
	207	Metal Surfaces - Repaint	\$5,833	
	1005	Block Wall - Major Repairs	\$36,553	
	1008	PVC Vinyl Privacy Fencing - Replace	\$59,846	
	1008	PVC Vinyl Split Rail Fencing - Replace	\$12,832	
	1602	Exterior Wall Mount - Replace (PH1)	\$18,977	
2031	205	Building Ext Surfaces - Repaint (PH3)	\$32,276	\$35,229
	1603	Exterior Wall Mount - Replace (PH2)	\$2,953	
2032	106	Comp Shingle Roof - Replace (PH2)	\$93,091	\$178,535
	121	Gutters/Downspouts - Replace (PH2)	\$9,376	
	403	Concrete - Partial Replace	\$55,202	
	601	Concrete Flatwork - Partial Replace	\$15,969	
	1811	Concrete Drain Swales - Repair	\$4,897	
2033	207	Metal Surfaces - Repaint	\$6,514	\$6,514
2034	206	Building Ext Surfaces - Repaint (PH4)	\$54,067	\$93,806
	803	Mailboxes - Replace (B)	\$6,398	
	1013	Stonework - Major Repairs	\$33,341	
2035	107	Comp Shingle Roof - Replace (PH3)	\$528,035	\$653,896
	122	Gutters/Downspouts - Replace (PH3)	\$56,679	
	1005	Block Wall - Major Repairs	\$43,941	
	1701	Irrigation System - Major Repairs	\$25,242	

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
2036	204	Building Ext Surfaces - Repaint (PH1 and PH2)	\$62,078	
	207	Metal Surfaces - Repaint	\$7,275	
	304	Fiber Cement Siding - Replace (PH1 and PH2)	\$20,175	
	403	Concrete - Partial Replace	\$63,959	
	601	Concrete Flatwork - Partial Replace	\$18,502	
	1605	Exterior Wall Mount - Replace (PH4)	\$26,626	
	1811	Concrete Drain Swales - Repair	\$5,674	\$204,289
2037	205	Building Ext Surfaces - Repaint (PH3)	\$40,254	
	305	Fiber Cement Siding - Replace (PH3)	\$13,082	\$53,336
2038	108	Comp Shingle Roof - Replace (PH4)	\$823,567	
	123	Gutters/Downspouts - Replace (PH4)	\$94,071	\$917,638
2039	207	Metal Surfaces - Repaint	\$8,124	
	1703	Irrigation Controllers - Replace	\$24,373	\$32,497
2040	206	Building Ext Surfaces - Repaint (PH4)	\$67,431	
	306	Fiber Cement Siding - Replace (PH4)	\$21,915	
	403	Concrete - Partial Replace	\$74,107	
	601	Concrete Flatwork - Partial Replace	\$21,437	
	1005	Block Wall - Major Repairs	\$52,821	
	1604	Exterior Wall Mount - Replace (PH3)	\$20,566	
	1811	Concrete Drain Swales - Repair	\$6,575	\$264,852
2041	1701	Irrigation System - Major Repairs	\$31,482	\$31,482
2042	204	Building Ext Surfaces - Repaint (PH1 and PH2)	\$77,422	
	207	Metal Surfaces - Repaint	\$9,073	\$86,495
2043	205	Building Ext Surfaces - Repaint (PH3)	\$50,003	
	1001	Wood Fencing - Replace	\$145,251	\$195,454
2044	403	Concrete - Partial Replace	\$85,364	
	601	Concrete Flatwork - Partial Replace	\$24,838	
	1013	Stonework - Major Repairs	\$48,180	
	1811	Concrete Drain Swales - Repair	\$7,618	\$166,499
2045	207	Metal Surfaces - Repaint	\$10,132	
	1005	Block Wall - Major Repairs	\$63,496	\$73,628
2046	204	Building Ext Surfaces - Repaint (PH4)	\$84,098	
	203	Mailboxes - Replace (A)	\$21,866	\$105,964
2047	1701	Irrigation System - Major Repairs	\$39,263	\$39,263
2048	204	Building Ext Surfaces - Repaint (PH1 and PH2)	\$96,559	
	207	Metal Surfaces - Repaint	\$11,316	
	304	Fiber Cement Siding - Replace (PH1 and PH2)	\$31,382	
	403	Concrete - Partial Replace	\$99,486	
	601	Concrete Flatwork - Partial Replace	\$28,779	
	1811	Concrete Drain Swales - Repair	\$8,826	\$276,348

## **Glossary of Commonly used Words and Phrases** (provided by the National Reserve Study Standards of the Community Associations Institute)

**Asset or Component** – Individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association Responsibility, 2) with limited Useful Life expectancies, 3) have predictable Remaining Life expectancies, 4) above a minimum threshold cost, and 5) required by local codes.

**Cash Flow Method** – A method of developing a Reserve Funding Plan where contributions to the Reserve fund are designed to offset the variable annual expenditures from the Reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

**Component Inventory** – The task of selecting and quantifying Reserve Components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representatives.

**Deficit** – An actual (or projected) Reserve Balance, which is less than the Fully Funded Balance.

**Effective Age** – The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

**Financial Analysis** – The portion of the Reserve Study where current status of the Reserves (Measured as cash or Percent Funded) and a recommended Reserve Contribution rate (Reserve Funding Plan) are derived, and the projected Reserve income and expense over time is presented. The Financial Analysis is one of the two parts of the Reserve Study.

**Component Full Funding** – When the actual (or projected) cumulative Reserve balance for all components is equal to the Fully Funded Balance.

**Fully Funded Balance (aka – Ideal Balance)** – An indicator against which Actual (or projected) Reserve Balance can be compared. The Reserve balance that is in direct proportion to the fraction of the “used up” of the current Repair or Replacement cost. This number is calculated for each component, and then summed together for an association total.

$$\text{FFB} = \text{Replacement Cost} \times \text{Effective Age} / \text{Useful Life}$$

**Fund Status** – The status of the Reserve Fund as compared to an established benchmark, such as percent funding.

**Funding Goals** – Independent of methodology utilized, the following represent the basic categories of Funding Plan Goals.

- **Baseline Funding:** Establishing a Reserve funding goal of keeping the Reserve Balance above zero.
- **Component Full Funding:** Setting a Reserve funding goal of attaining and maintaining cumulative Reserves at or near 100% funded.
- **Threshold Funding:** Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than the “Component Fully Funding” method.



**Funding Plan** – An association's plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

**Funding Principles –**

- Sufficient Funds When Required
- Stable Contribution Rate over the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

**Life and Valuation Estimates** – The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components.

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

**Physical Analysis** – The portion of the Reserve Study where the Component Inventory, Condition Assessment, and Life and Valuation Estimate tasks are performed. This represents one of the two parts of the Reserve Study.

**Remaining Useful Life (RUL)** – Also referred to as “Remaining Life” (RL). The estimated time, in years, that a reserve component can be expected to *continue* to serve its intended function. Projects anticipated to occur in the initial year have “0” Remaining Useful Life.

**Replacement Cost** – The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition. The Current Replacement Cost would be the cost to replace, repair, or restore the component during that particular year.

**Reserve Balance** – Actual or projected funds as of a particular point in time (typically the beginning of the fiscal year) that the association has identified for use to defray the future repair or replacement of those major components in which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves. This is based upon information provided and is not audited.

**Reserve Provider** – An individual that prepares Reserve Studies. Also known as **Aspen Reserve Specialties**.

**Reserve Study** – A budget-planning tool that identifies the current status of the Reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures. The Reserve Study consists of two parts: The Physical Analysis and the Financial Analysis.

**Special Assessment** – An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by governing documents or local statutes.

**Surplus** – An actual (or projected) Reserve Balance that is greater than the Fully Funded Balance.

**Useful Life (UL)** – Also known as “Life Expectancy”, or “Depreciable Life”. The estimated time, in years, that a Reserve component can be expected to serve its intended function if properly constructed and maintained in its present application or installation.