Country Hills Manor

Level 1 Reserve Study

Report Period – 06/01/2018 – 5/31/2019

Client Reference Number	**18442**
Property Type	**Condominium**
Number of Units	**118**
Fiscal Year End	**05/31**

Type of Study	**Full Study**
Date of Property Inspection	**3/14/2018**
Prepared By	**Dale Gifford**
Analysis Method	**Cash Flow**
Funding Goal	**Full Funding**

Report prepared on – Thursday, April 05, 2018

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Information to complete this Reserve Study was gathered by performing an on-site inspection of the common area elements. In addition, we also obtained information by contacting any vendors and/or contractors that have worked on the property recently, as well as communicating with the property representative (BOD Member and/or Community Manager). To the best of our knowledge, the conclusions and recommendations of this report are considered reliable and accurate insofar as the information obtained from these sources.

Projected Starting Balance as of 06/01/2018	**$223,521.13**
Ideal Reserve Balance as of 06/01/2018	**$989,108**
Percent Funded as of 06/01/2018	**23%**
Recommended Reserve Contribution (per month)	**$10,150**
Minimum Reserve Contribution (per month)	**$8,700**
Recommended Special Assessment	**$0**

Country Hills Manor is a 118-unit Condominium community. The community offers covered parking, a clubhouse, two swimming pools and landscaped areas as amenities. Construction on the community was completed in the 1970's.

Currently Programmed Projects
Projects programmed to occur this fiscal year (FY2018-19) include concrete repair/replace (Comp# 403), and pool furniture replace (Comp# 1121). We have programmed an estimated $7,500 in reserve expenditures toward the completion of these projects. (See page 18)

Significant Reserve Projects
The association's significant reserve projects are roofs 2004-2008 replace (Comp# 105), asphalt major rehab (Comp# 401), asphalt seal coat (Comp# 402), and roofs 1998-2003 replace (Comp# 105). The fiscal significance of these components is approximately 14%, 14%, 10%, and 9% respectively (see page 11). A component's significance is calculated by dividing its replacement cost by its useful life. In this way, not only is a component's replacement cost considered but also the frequency of occurrence. These components most significantly contribute to the total monthly reserve contribution. As these components have a high level of fiscal significance the association should properly maintain them to ensure they reach their full useful lives.

Reserve Funding
In comparing the projected starting reserve balance of $223,521.13 versus the ideal reserve balance of $989,108 we find the association's reserve fund to be approximately 23% funded. This indicates a weak reserve fund position. In order to continue to strengthen the account fund, we suggest adopting a monthly reserve contribution of $10,150 ($86.02/unit) per month. We have also included a minimum reserve contribution of $8,700 ($73.73/unit) per month. If the contribution falls below this rate, then the reserve fund may fall into a situation where special assessments, deferred maintenance, and lower property values are likely at some point in the future.

Introduction

Reserve Study Purpose
The purpose of this Reserve Study is to provide the Association with a budgeting tool to help ensure that there are adequate reserve funds available to perform future reserve projects. The detailed schedules will serve as an advance warning that major projects will need to be addressed in the future. This will allow the Association to have ample time to obtain competitive bids for each project. It will also help to 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.

Preparer's Credentials
Mr. Gifford has been working in the community association industry for the last 14 years. Prior to taking a position, as the Regional Project Manager covering the Utah region, at Complex Solutions, he worked in community association management in Utah. While in community association management his positions included, Maintenance Supervisor, Senior Portfolio Manager and Vice President of Community Management. His work in community association management gave him extensive experience with; budget creation, reserves and reserve budgeting, community inspections and analyzing common area components.

- Professional Reserve Analyst (PRA) designation from Association of Professional Reserve Analysts (APRA), PRA #2320
- Reserve Specialist (RS) designation from Community Associations Institute (CAI), RS# 231
- Personally has prepared over 1,100 reserve studies in Salt Lake City Utah and surrounding areas
- Bachelor of Science in Chemistry from Emporia State University
- Certified Manager of Community Associations® (CMCA®) designation from the National Board of Certification for Community Association Managers (NBC-CAM)
- Association Management Specialist® (AMS®) designation from Community Associations Institute (CAI)
- Professional Community Association Manager® (PCAM®) designation from Community Associations Institute (CAI), PCAM# 1740,
- Active member and former Board member and chapter President of the Utah Chapter of Community Associations Institute (UCCAI)
- Recipient of Community Associations Institute's (CAI) annual award of Excellence in Chapter Leadership for service an achievement in 2010

Budget Breakdown
Every association conducts their business within a budget. There are typically two main parts to this budget, the Operating budget and the Reserve budget. The operating budget includes all expenses that occur on an annual basis as well as general maintenance and repairs. Typical operating budget line items include management fees, maintenance expenses, utilities, etc. The reserve budget is primarily made up of replacement items such as roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis.

Report Sections
Reserve Analysis: this section contains the evaluation of the association's reserve balance, income, and expenses. It includes a finding of the client's current reserve fund status (measured as percent funded) and a recommendation for an appropriate reserve allocation rate (also known as the funding plan).
Component Evaluation: this section contains information regarding the physical status and replacement cost of reserve components 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 estimates will most likely vary from year to year.

General Information and Frequently Asked Questions

Is it the law to have a Reserve Study conducted?
The Government requires a reserve study in approximately 20 states. Also, the Association's governing documents may require a reserve fund be established. This does not mean a Reserve Study is required, but how are you going to know if you have enough money in the reserve fund if you do not have the proper information?

Why is it important to perform a Reserve Study?
This report provides the essential information that is needed to guide the Association in establishing the reserve portion of the total monthly assessment. The reserve fund is critical to the future of the association because it helps ensure that reserve projects can be completed on time. When projects are completed on time, deferred maintenance and the lower property values that typically accompany it can be avoided. It is suggested that a third party professionally prepare the Reserve Analysis Study since there is no vested interest in the property.

After we have a Reserve Study, what do we do with it?
Please take the time to review the report carefully and make sure the component information is complete and accurate. If there are any inaccuracies, or changes such as a component that the association feels should be added, removed, or altered, please inform us immediately so we may revise the report. Use the report to help establish your budget for the upcoming fiscal year.

How often do we review and update our Reserve Study?
There is a misconception that a Reserve Study is good for an extended period of time since the report has projections for a thirty year period. The assumptions, interest rates, inflation rates and other information used to create this report change each year. Scheduled events may not happen, unpredictable circumstances could occur, deterioration rates can be unpredictable and repair/replacement costs will vary from causes that are unforeseen. These variations alter the results of the Reserve Study. The Reserve Study should be professionally reviewed each year by having a Level III "no site visit" update reserve study performed. The Reserve Study should be professionally updated every three years by having a Level II "site visit" update reserve study performed.

What is a "Reserve Component" versus an "Operating Component"?
A "Reserve" component is an item that is the responsibility of the association to maintain, has a limited useful life, predictable remaining useful life, typically occurs on a cyclical basis that exceeds one year, and costs above a minimum threshold amount. An "Operating" component is typically a fixed expense that occurs on an annual basis.

What are the GREY areas 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, it cannot be considered a reserve component. However, it is the opinion of several major Reserve Study providers, including Complex Solutions, that these components meet the criteria of a reserve component.

Information and Data Gathered:
The information contained in this report is based on estimates and assumptions gathered from various sources. Estimated life expectancies are based upon conditions that were readily visible and accessible at the time of the site visit. While every effort has been made to ensure accurate results, this report reflects the judgment of Complex Solutions, Ltd. and should not be construed as a guarantee or assurance of predicting future events.

What happens during the Site Visit?
During the site visit we identify the common area components that we have determined require reserve funding. These components are quantified and a physical condition is observed. The site visit is conducted on the common areas as reported by client.

What is the Financial Analysis?
We project the starting balance by taking the most recent reserve fund balance as stated by the client and add expected reserve contributions to the end of the fiscal year. We then subtract the expenses of any pending projects. We compare this number to the Fully Funded Balance and arrive at the Percent Funded level. Based on that level of funding we then recommend a Funding Plan to help ensure the adequacy of funding in the future.

Measures of reserve fund financial strength are as follows:

0% - 30% Funded is considered a “weak” financial position. Associations that fall into this category are more likely to have special assessments and deferred maintenance. Action should be taken to improve the financial strength of the reserve fund.

31% - 69% Funded is considered a “fair” financial position. Associations that fall into this category are less likely to experience special assessments and deferred maintenance than being in a weak financial position. Action should be taken to improve the financial strength of the reserve fund.

70% - 99% Funded is considered a “strong” financial position. Associations that fall into this category are less likely to experience special assessments and deferred maintenance than being in a fair financial position. Action should be taken to improve the financial strength of the reserve fund.

100% Funded is considered an “ideal” financial position. Action should be taken to maintain the financial strength of the reserve fund.

Disclosures:

Information provided to the preparer of a reserve study by an official representative of the association regarding financial, historical, physical, quantitative or reserve project issues will be deemed reliable by the preparer. A reserve study will be a reflection of information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited.

A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. An on-site inspection conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection.

The results of this study are based on the independent opinion of the preparer and his experience and research during the course of his career in preparing Reserve Studies. In addition the opinions of experts on certain components have been gathered through research within their industry and with client’s actual vendors. There is no implied warrantee or guarantee regarding our life and cost estimates/predictions. There is no implied warrantee or guarantee in any of our work product. Our results and findings will vary from another preparer’s results and findings. A Reserve Study is necessarily a work in progress and subsequent Reserve Studies will vary from prior studies.

The projected life expectancy of the reserve components and the funding needs of the reserves of the association are based upon the association performing appropriate routine and preventative maintenance for each component. Failure to perform such maintenance can negatively impact the remaining useful life of the component and dramatically increase the funding needs of the reserves of the association.

This Reserve Study assumes that all construction assemblies and components identified herein are built properly and are free from defects in materials and/or workmanship. Defects can lead to reduced useful life and premature failure. It was not the intent of this Reserve Study to inspect for or to identify defects. If defects exist, repairs should be made so that the construction components and assemblies at the community reach the full and expected useful lives.

Site Visits: Should a site visit have been performed during the preparation of this reserve study no invasive testing was performed. The physical analysis performed during the site visit was not intended to be exhaustive in nature and may have included representative sampling. Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the site visit. We have assumed any and all components have been properly built and will reach normal, typical life expectancies. A reserve study is not intended to identify or fund for construction defects. We did not and will not look for or identify construction defects during our site visit. In addition, environmental hazards (such as lead paint, asbestos, radon, etc.), have been excluded from this report.

Update Reserve Studies:

Level II Studies: Quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies.

Level III Studies: In addition to the above we have not visited the property when completing a Level III “No Site Visit” study. Therefore we have not verified the current condition of the components.

Insurance: We carry general and professional liability insurance as well as workers’ compensation insurance.

Actual or Perceived Conflicts of Interest: There are no potential actual or perceived conflicts of interest that we are aware of.

Inflation and Interest Rates: The after tax interest rate used in the financial analysis may or may not be based on the clients reported after tax interest rate. If it is, we have not verified or audited the reported rate. The inflation rate may also be based on an amount we believe appropriate given the 30-year horizon of this study and may or may not reflect current or historical inflation rates.

Funding Summary

Beginning Assumptions

# of units	118
Fiscal Year End	31-Dec
Budgeted Monthly Reserve Allocation	$3,625
Projected Starting Reserve Balance	$223,521
Ideal Starting Reserve Balance	$989,108

Economic Assumptions

Projected Inflation Rate	3.00%
Reported After-Tax Interest Rate	0.10%

Current Reserve Status

Current Balance as a % of Ideal Balance	23%

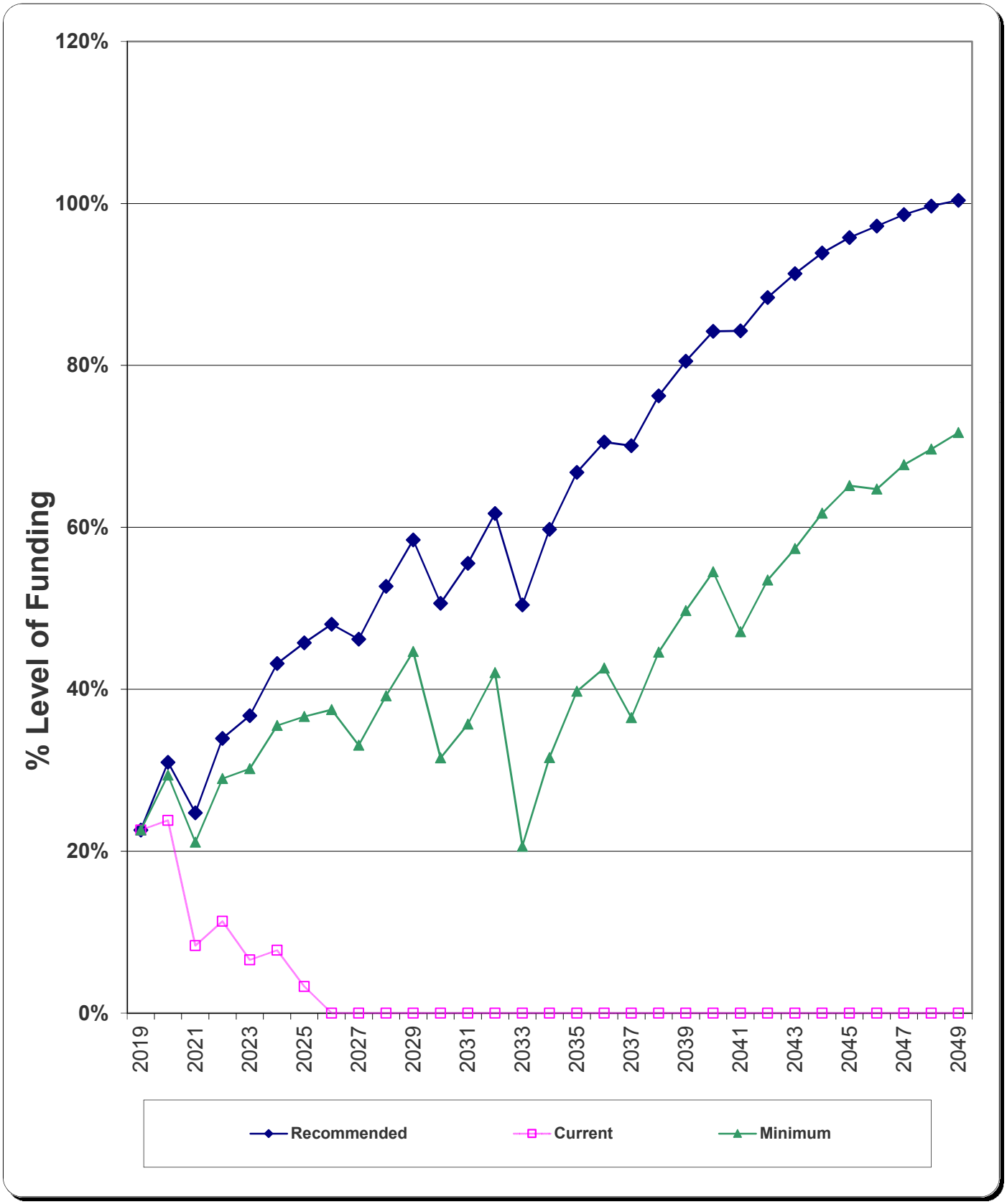
Recommendations

Recommended Monthly Reserve Allocation	$10,157
Per Unit	$86.08
Future Annual Increases	3.00%
For number of years:	30
Increases thereafter:	0.00%
Minimum Recommended Monthly Reserve Allocation	$8,700
Per Unit	$73.73
Future Annual Increases	3.00%
For number of years:	30
Increases thereafter:	0.00%

Changes From Prior Year

Recommended Increase to Reserve Allocation	$6,532
as Percentage	180%
Minimum Recommended Increase to Reserve Allocation	$5,075
as Percentage	140%

Percent Funded - Graph



Component Inventory

Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Roofing	104	Flat Roofs - 1994 - Replace	25	1	$55,660	$83,490
	104	Flat Roofs - 2003 - Replace	25	10	$27,960	$41,940
	104	Flat Roofs - 2004-2008 - Replace	25	13	$61,180	$91,770
	104	Flat Roofs - 2009-2011 - Replace	25	17	$98,320	$147,480
	104	Flat Roofs - 2012-2015 - Replace	25	21	$124,480	$186,720
	105	Roofs - 1998-2003 - Replace	25	7	$158,813	$181,500
	105	Roofs - 2004-2008 - Replace	25	13	$263,375	$301,000
	105	Roofs - 2009-2011 - Replace	25	17	$60,585	$69,240
	120	Rain Gutters/Downspouts - Replace	N/A		$0	$0
Painted Surfaces	212	Metal Railing - Repaint	N/A		$0	$0
	216	Interior Surfaces - Repaint	10	5	$3,375	$4,050
	223	Carports - Repaint	N/A		$0	$0
Siding Materials	302	Vinyl Siding - 2013-2017 - Replace	40	37	$130,000	$140,000
	390	Siding - 2018-19 - Replace	40	1	$75,000	$85,000
	390	Siding - 2021-22 - Replace	40	3	$55,000	$65,000
	390	Siding - 2022-23 - Replace	40	5	$75,000	$85,000
Drive Materials	401	Asphalt - Major Rehab	25	10	$225,563	$300,750
	402	Asphalt - Seal Coat	5	1	$39,000	$41,000
	403	Concrete - Repair/Replace	10	0	$5,000	$7,000
Mechanical Equip.	703	Water Heater - Replace	12	3	$900	$1,100
	706	HVAC Furnace - Replace	20	11	$3,000	$4,000
Fencing	1001	Wood Fencing - Common - Replace	30	6	$28,480	$32,040
	1008	Vinyl Fencing - Replace	30	28	$1,350	$1,550
Pool / Spa	1101	Pool - NE - Resurface	12	4	$10,000	$14,000
	1101	Pool - SW - Resurface	12	11	$4,100	$4,300
	1104	Pool Heater - NE - Replace	12	8	$4,500	$5,500
	1104	Pool Heater - SW - Replace	12	4	$4,500	$5,500
	1107	Pool Filter - NE - Replace	15	11	$1,700	$1,900
	1107	Pool Filter - SW - Replace	15	7	$1,700	$1,900
	1110	Pool Pump - NE - Replace	10	6	$1,000	$1,200
	1110	Pool Pump - SW - Replace	10	2	$1,000	$1,200
	1111	Chemical Controller System - NE - Repla	12	8	$2,500	$3,500
	1111	Chemical Controller System - SW - Repl	12	4	$2,500	$3,500
	1112	Pool Cover - NE - Replace	10	3	$2,000	$3,000
	1112	Pool Cover - SW - Replace	10	3	$2,000	$3,000
	1121	Pool Furniture - Replace	6	0	$1,000	$2,000
Recreation Equip.	1307	Benches - Replace	15	6	$13,200	$17,600
Interiors	1405	Furniture - Replace	N/A		$0	$0
	1413	Restrooms - Remodel	20	12	$3,500	$4,500
	1417	Kitchen - Remodel	20	10	$8,000	$12,000

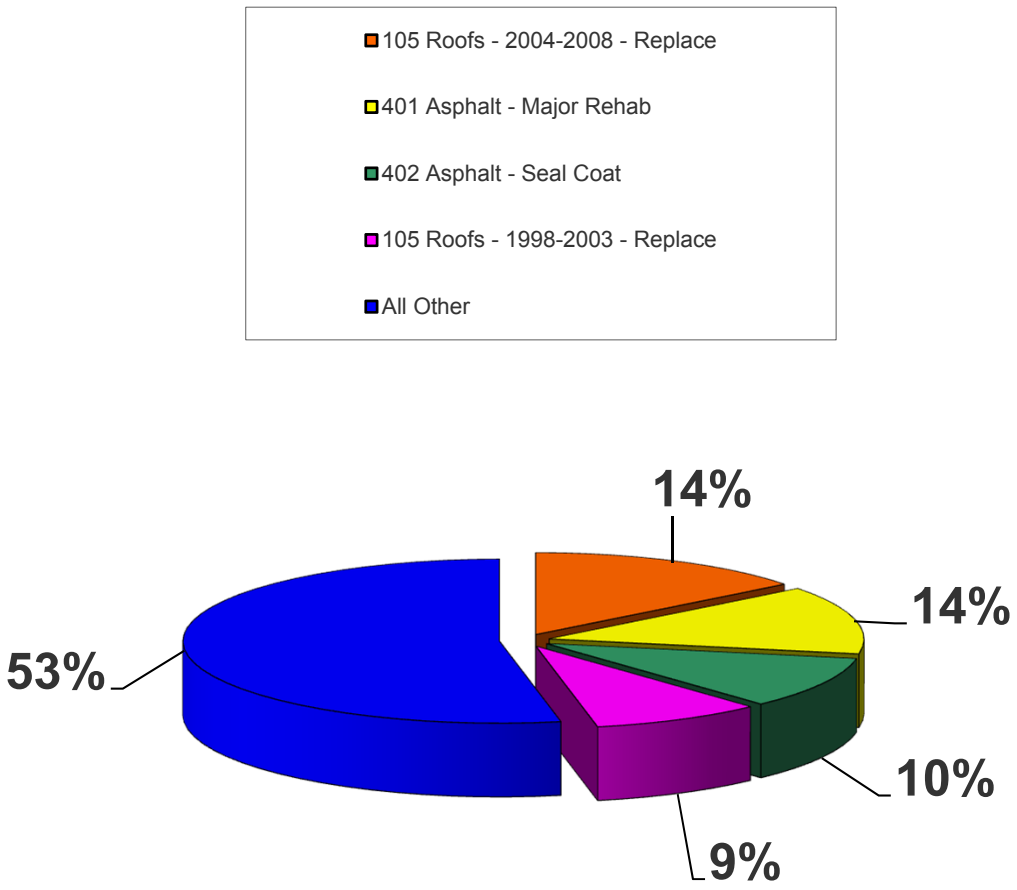
Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Flooring	1590	Laminate Flooring - Replace	20	16	$3,900	$4,100
Light Fixtures	1602	Carport LED - Replace	20	19	$6,400	$6,600
	1604	Pole Lights - 2017-18 - Replace	20	19	$17,000	$19,000
	1604	Pole Lights - 2019-20 - Replace	20	1	$25,000	$27,000
Landscaping	1812	Landscaping & Irrigation System - Renov	20	3	$15,000	$25,000

Significant Components

ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As $	As %
104	Flat Roofs - 1994 - Replace	25	1	$69,575	$2,783	3.5632%
104	Flat Roofs - 2003 - Replace	25	10	$34,950	$1,398	1.7899%
104	Flat Roofs - 2004-2008 - Replace	25	13	$76,475	$3,059	3.9166%
104	Flat Roofs - 2009-2011 - Replace	25	17	$122,900	$4,916	6.2942%
104	Flat Roofs - 2012-2015 - Replace	25	21	$155,600	$6,224	7.9690%
105	Roofs - 1998-2003 - Replace	25	7	$170,156	$6,806	8.7144%
105	Roofs - 2004-2008 - Replace	25	13	$282,188	$11,288	14.4521%
105	Roofs - 2009-2011 - Replace	25	17	$64,913	$2,597	3.3245%
216	Interior Surfaces - Repaint	10	5	$3,713	$371	0.4753%
302	Vinyl Siding - 2013-2017 - Replace	40	37	$135,000	$3,375	4.3212%
390	Siding - 2018-19 - Replace	40	1	$80,000	$2,000	2.5607%
390	Siding - 2021-22 - Replace	40	3	$60,000	$1,500	1.9205%
390	Siding - 2022-23 - Replace	40	5	$80,000	$2,000	2.5607%
401	Asphalt - Major Rehab	25	10	$263,156	$10,526	13.4774%
402	Asphalt - Seal Coat	5	1	$40,000	$8,000	10.2429%
403	Concrete - Repair/Replace	10	0	$6,000	$600	0.7682%
703	Water Heater - Replace	12	3	$1,000	$83	0.1067%
706	HVAC Furnace - Replace	20	11	$3,500	$175	0.2241%
1001	Wood Fencing - Common - Replace	30	6	$30,260	$1,009	1.2915%
1008	Vinyl Fencing - Replace	30	28	$1,450	$48	0.0619%
1101	Pool - NE - Resurface	12	4	$12,000	$1,000	1.2804%
1101	Pool - SW - Resurface	12	11	$4,200	$350	0.4481%
1104	Pool Heater - NE - Replace	12	8	$5,000	$417	0.5335%
1104	Pool Heater - SW - Replace	12	4	$5,000	$417	0.5335%
1107	Pool Filter - NE - Replace	15	11	$1,800	$120	0.1536%
1107	Pool Filter - SW - Replace	15	7	$1,800	$120	0.1536%
1110	Pool Pump - NE - Replace	10	6	$1,100	$110	0.1408%
1110	Pool Pump - SW - Replace	10	2	$1,100	$110	0.1408%
1111	Chemical Controller System - NE - Repl	12	8	$3,000	$250	0.3201%
1111	Chemical Controller System - SW - Rep	12	4	$3,000	$250	0.3201%
1112	Pool Cover - NE - Replace	10	3	$2,500	$250	0.3201%
1112	Pool Cover - SW - Replace	10	3	$2,500	$250	0.3201%
1121	Pool Furniture - Replace	6	0	$1,500	$250	0.3201%
1307	Benches - Replace	15	6	$15,400	$1,027	1.3145%
1413	Restrooms - Remodel	20	12	$4,000	$200	0.2561%
1417	Kitchen - Remodel	20	10	$10,000	$500	0.6402%
1590	Laminate Flooring - Replace	20	16	$4,000	$200	0.2561%
1602	Carport LED - Replace	20	19	$6,500	$325	0.4161%
1604	Pole Lights - 2017-18 - Replace	20	19	$18,000	$900	1.1523%

ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As $	As %
1604	Pole Lights - 2019-20 - Replace	20	1	$26,000	$1,300	1.6645%
1812	Landscaping & Irrigation System - Renc	20	3	$20,000	$1,000	1.2804%

Significant Components - Graph

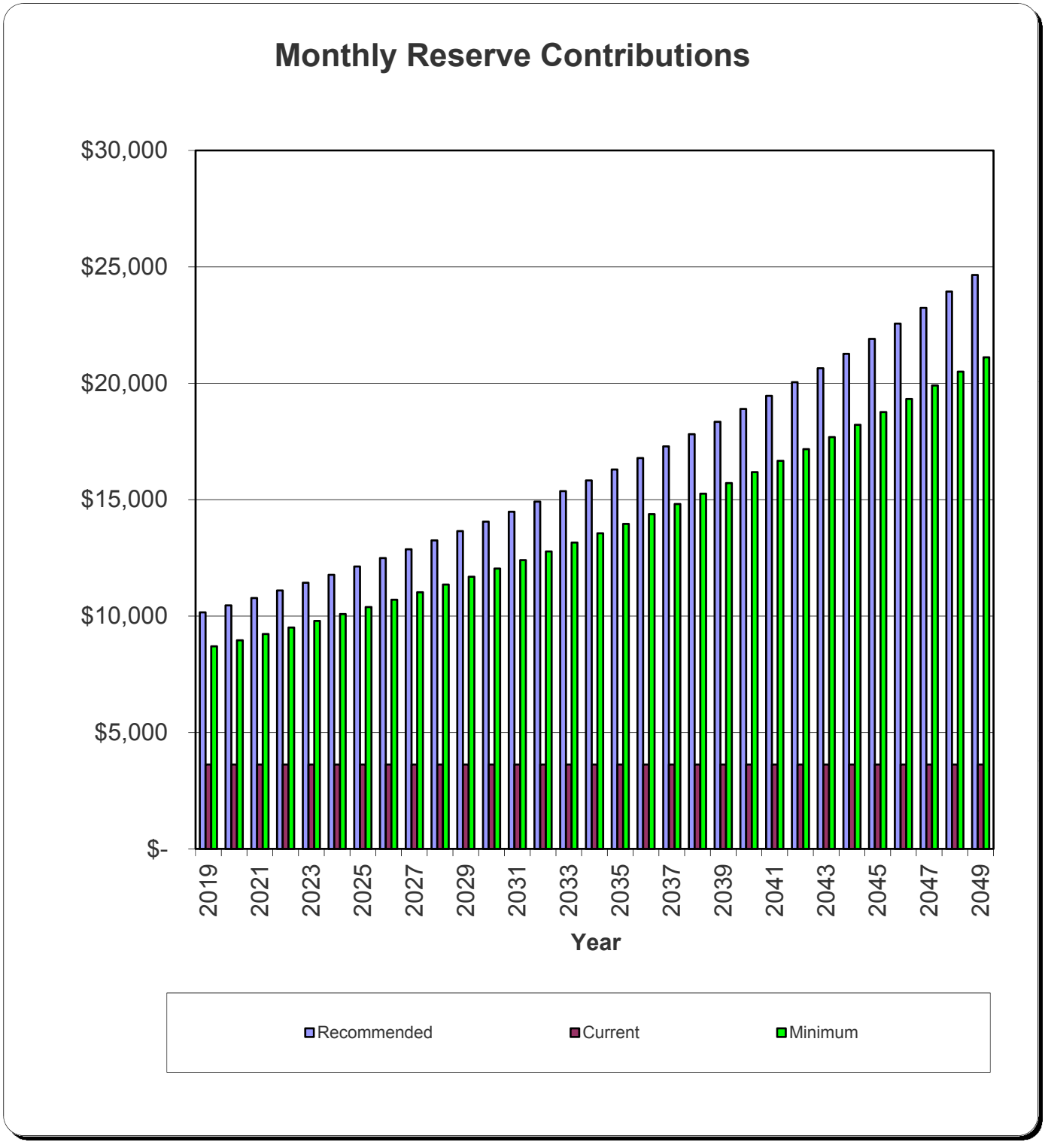


ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As $	As %
105	Roofs - 2004-2008 - Replace	25	13	$282,188	$11,288	14%
401	Asphalt - Major Rehab	25	10	$263,156	$10,526	14%
402	Asphalt - Seal Coat	5	1	$40,000	$8,000	10%
105	Roofs - 1998-2003 - Replace	25	7	$170,156	$6,806	9%
All Other	See Expanded Table For Breakdown				$41,483	53%

Yearly Summary

Year	Fully Funded Balance	Starting Reserve Balance	% Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance
2019	$989,108	$223,521	23%	$121,884	$281	$7,500	$338,186
2020	$1,091,503	$338,186	31%	$125,541	$290	$222,042	$241,974
2021	$978,404	$241,974	25%	$129,307	$306	$1,167	$370,420
2022	$1,091,899	$370,420	34%	$133,186	$390	$93,975	$410,022
2023	$1,115,768	$410,022	37%	$137,182	$468	$22,510	$525,161
2024	$1,216,599	$525,161	43%	$141,297	$548	$97,046	$569,960
2025	$1,246,399	$569,960	46%	$145,536	$590	$105,387	$610,699
2026	$1,271,299	$610,699	48%	$149,902	$580	$211,484	$549,696
2027	$1,190,547	$549,696	46%	$154,399	$622	$10,134	$694,583
2028	$1,317,732	$694,583	53%	$159,031	$774	$0	$854,389
2029	$1,462,228	$854,389	58%	$163,802	$726	$422,133	$596,784
2030	$1,179,412	$596,784	51%	$168,716	$647	$68,520	$697,627
2031	$1,255,575	$697,627	56%	$173,777	$780	$9,410	$862,775
2032	$1,398,247	$862,775	62%	$178,991	$686	$534,051	$508,400
2033	$1,008,260	$508,400	50%	$184,360	$601	$0	$693,362
2034	$1,160,190	$693,362	60%	$189,891	$785	$7,342	$876,696
2035	$1,312,766	$876,696	67%	$195,588	$923	$104,466	$968,740
2036	$1,373,641	$968,740	71%	$201,456	$915	$310,425	$860,685
2037	$1,228,078	$860,685	70%	$207,499	$964	$2,554	$1,066,595
2038	$1,399,244	$1,066,595	76%	$213,724	$1,153	$42,961	$1,238,511
2039	$1,538,034	$1,238,511	81%	$220,136	$1,337	$25,286	$1,434,698
2040	$1,703,426	$1,434,698	84%	$226,740	$1,328	$440,890	$1,221,876
2041	$1,450,066	$1,221,876	84%	$233,542	$1,336	$5,557	$1,451,198
2042	$1,641,988	$1,451,198	88%	$240,549	$1,543	$57,629	$1,635,662
2043	$1,790,657	$1,635,662	91%	$247,765	$1,759	$3,049	$1,882,136
2044	$2,004,767	$1,882,136	94%	$255,198	$2,007	$7,773	$2,131,568
2045	$2,225,340	$2,131,568	96%	$262,854	$2,143	$242,563	$2,154,002
2046	$2,215,750	$2,154,002	97%	$270,740	$2,289	$2,221	$2,424,810
2047	$2,458,629	$2,424,810	99%	$278,862	$2,541	$49,076	$2,657,136
2048	$2,665,894	$2,657,136	100%	$287,228	$2,802	$0	$2,947,166

Reserve Contributions - Graph



Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
104	Flat Roofs - 1994 - Replace	25	1	Approx 13,915 Sq.ft.	$69,575	$66,792	$66,792	$361.92
104	Flat Roofs - 2003 - Replace	25	10	Approx 6,990 Sq.ft.	$34,950	$20,970	$0	$181.80
104	Flat Roofs - 2004-2008 - Replace	25	13	Approx 15,295 Sq.ft.	$76,475	$36,708	$0	$397.81
104	Flat Roofs - 2009-2011 - Replace	25	17	Approx 24,580 Sq.ft.	$122,900	$39,328	$0	$639.31
104	Flat Roofs - 2012-2015 - Replace	25	21	Approx 31,120 Sq.ft.	$155,600	$24,896	$0	$809.41
105	Roofs - 1998-2003 - Replace	25	7	Approx 45,375 Sq.ft.	$170,156	$122,513	$0	$885.13
105	Roofs - 2004-2008 - Replace	25	13	Approx 75,250 Sq.ft.	$282,188	$135,450	$0	$1,467.90
105	Roofs - 2009-2011 - Replace	25	17	Approx 17,310 Sq.ft.	$64,913	$20,772	$0	$337.66
216	Interior Surfaces - Repaint	10	5	Approx 2,700 Sq.ft.	$3,713	$1,856	$0	$48.28
302	Vinyl Siding - 2013-2017 - Replace	40	37	(7) Buildings	$135,000	$10,125	$0	$438.91
390	Siding - 2018-19 - Replace	40	1	(4) Buildings	$80,000	$78,000	$78,000	$260.09
390	Siding - 2021-22 - Replace	40	3	(6) Buildings	$60,000	$55,500	$13,649	$195.07
390	Siding - 2022-23 - Replace	40	5	(4) Buildings	$80,000	$70,000	$0	$260.09
401	Asphalt - Major Rehab	25	10	Approx 150,375 Sq.ft.	$263,156	$157,894	$0	$1,368.90
402	Asphalt - Seal Coat	5	1	Approx 150,375 Sq.ft.	$40,000	$32,000	$32,000	$1,040.37
403	Concrete - Repair/Replace	10	0	Extensive Sq.ft.	$6,000	$6,000	$6,000	$78.03
703	Water Heater - Replace	12	3	(1) Unit	$1,000	$750	$0	$10.84
706	HVAC Furnace - Replace	20	11	(1) Furnace	$3,500	$1,575	$0	$22.76
1001	Wood Fencing - Common - Replace	30	6	Approx 890 Linear ft.	$30,260	$24,208	$0	$131.17
1008	Vinyl Fencing - Replace	30	28	Approx 55 Linear ft.	$1,450	$97	$0	$6.29
1101	Pool - NE - Resurface	12	4	(1) Pool	$12,000	$8,000	$0	$130.05
1101	Pool - SW - Resurface	12	11	(1) Pool	$4,200	$350	$0	$45.52
1104	Pool Heater - NE - Replace	12	8	(1) Heater	$5,000	$1,667	$0	$54.19
1104	Pool Heater - SW - Replace	12	4	(1) Heater	$5,000	$3,333	$0	$54.19
1107	Pool Filter - NE - Replace	15	11	(1) Filter	$1,800	$480	$0	$15.61
1107	Pool Filter - SW - Replace	15	7	(1) Filter	$1,800	$960	$0	$15.61
1110	Pool Pump - NE - Replace	10	6	(1) Pump	$1,100	$440	$0	$14.31
1110	Pool Pump - SW - Replace	10	2	(1) Pump	$1,100	$880	$880	$14.31
1111	Chemical Controller System - NE - Replace	12	8	(1) System	$3,000	$1,000	$0	$32.51
1111	Chemical Controller System - SW - Replace	12	4	(1) System	$3,000	$2,000	$0	$32.51

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
1112	Pool Cover - NE - Replace	10	3	(1) Cover	$2,500	$1,750	$0	$32.51
1112	Pool Cover - SW - Replace	10	3	(1) Cover	$2,500	$1,750	$0	$32.51
1121	Pool Furniture - Replace	6	0	Assorted Pieces	$1,500	$1,500	$1,500	$32.51
1307	Benches - Replace	15	6	(22) Benches	$15,400	$9,240	$0	$133.51
1413	Restrooms - Remodel	20	12	(2) Restrooms	$4,000	$1,600	$0	$26.01
1417	Kitchen - Remodel	20	10	(1) Kitchen	$10,000	$5,000	$0	$65.02
1590	Laminate Flooring - Replace	20	16	Approx 870 Sq.ft.	$4,000	$800	$0	$26.01
1602	Carport LED - Replace	20	19	(29) Fixtures	$6,500	$325	$0	$42.26
1604	Pole Lights - 2017-18 - Replace	20	19	(26) Lights	$18,000	$900	$0	$117.04
1604	Pole Lights - 2019-20 - Replace	20	1	(38) Lights	$26,000	$24,700	$24,700	$169.06
1812	Landscaping & Irrigation System - Renovate	20	3	Extensive Sq.ft.	$20,000	$17,000	$0	$130.05
					$1,829,235	$989,108	$223,521	$10,157

Current Fund Balance as a percentage of Ideal Balance: 23%

Yearly Cash Flow

Year	2019	2020	2021	2022	2023
Starting Balance	$223,521	$338,186	$241,974	$370,420	$410,022
Reserve Income	$121,884	$125,541	$129,307	$133,186	$137,182
Interest Earnings	$281	$290	$306	$390	$468
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$345,686	$464,017	$371,587	$503,996	$547,671
Reserve Expenditures	$7,500	$222,042	$1,167	$93,975	$22,510
Ending Balance	$338,186	$241,974	$370,420	$410,022	$525,161

Year	2024	2025	2026	2027	2028
Starting Balance	$525,161	$569,960	$610,699	$549,696	$694,583
Reserve Income	$141,297	$145,536	$149,902	$154,399	$159,031
Interest Earnings	$548	$590	$580	$622	$774
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$667,005	$716,086	$761,181	$704,717	$854,389
Reserve Expenditures	$97,046	$105,387	$211,484	$10,134	$0
Ending Balance	$569,960	$610,699	$549,696	$694,583	$854,389

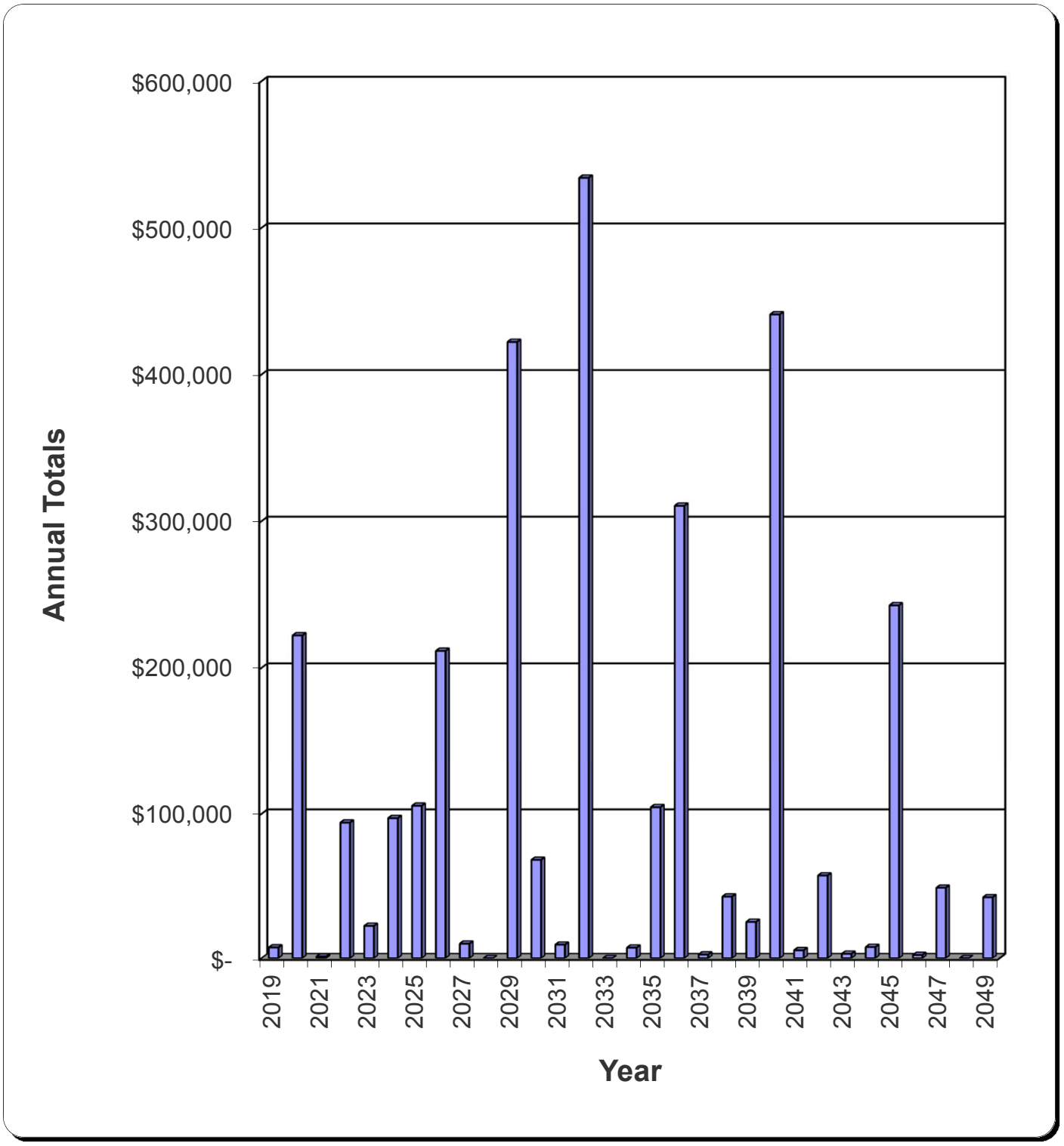
Year	2029	2030	2031	2032	2033
Starting Balance	$854,389	$596,784	$697,627	$862,775	$508,400
Reserve Income	$163,802	$168,716	$173,777	$178,991	$184,360
Interest Earnings	$726	$647	$780	$686	$601
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$1,018,916	$766,147	$872,185	$1,042,451	$693,362
Reserve Expenditures	$422,133	$68,520	$9,410	$534,051	$0
Ending Balance	$596,784	$697,627	$862,775	$508,400	$693,362

Year	2034	2035	2036	2037	2038
Starting Balance	$693,362	$876,696	$968,740	$860,685	$1,066,595
Reserve Income	$189,891	$195,588	$201,456	$207,499	$213,724
Interest Earnings	$785	$923	$915	$964	$1,153
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$884,038	$1,073,207	$1,171,111	$1,069,148	$1,281,472
Reserve Expenditures	$7,342	$104,466	$310,425	$2,554	$42,961
Ending Balance	$876,696	$968,740	$860,685	$1,066,595	$1,238,511

Year	2039	2040	2041	2042	2043
Starting Balance	$1,238,511	$1,434,698	$1,221,876	$1,451,198	$1,635,662
Reserve Income	$220,136	$226,740	$233,542	$240,549	$247,765
Interest Earnings	$1,337	$1,328	$1,336	$1,543	$1,759
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$1,459,983	$1,662,766	$1,456,755	$1,693,290	$1,885,186
Reserve Expenditures	$25,286	$440,890	$5,557	$57,629	$3,049
Ending Balance	$1,434,698	$1,221,876	$1,451,198	$1,635,662	$1,882,136

Year	2044	2045	2046	2047	2048
Starting Balance	$1,882,136	$2,131,568	$2,154,002	$2,424,810	$2,657,136
Reserve Income	$255,198	$262,854	$270,740	$278,862	$287,228
Interest Earnings	$2,007	$2,143	$2,289	$2,541	$2,802
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$2,139,341	$2,396,565	$2,427,031	$2,706,212	$2,947,166
Reserve Expenditures	$7,773	$242,563	$2,221	$49,076	$0
Ending Balance	$2,131,568	$2,154,002	$2,424,810	$2,657,136	$2,947,166

Yearly Reserve Expenditures - Graph



Projected Reserve Expenditures by Year

Year	ID #	Component Name	Projected Cost	Total Per Annum
2019	403	Concrete - Repair/Replace	$6,000	
	1121	Pool Furniture - Replace	$1,500	$7,500
2020	104	Flat Roofs - 1994 - Replace	$71,662	
	390	Siding - 2018-19 - Replace	$82,400	
	402	Asphalt - Seal Coat	$41,200	
	1604	Pole Lights - 2019-20 - Replace	$26,780	$222,042
2021	1110	Pool Pump - SW - Replace	$1,167	$1,167
2022	390	Siding - 2021-22 - Replace	$65,564	
	703	Water Heater - Replace	$1,093	
	1112	Pool Cover - NE - Replace	$2,732	
	1112	Pool Cover - SW - Replace	$2,732	
	1812	Landscaping & Irrigation System - Renovate	$21,855	$93,975
2023	1101	Pool - NE - Resurface	$13,506	
	1104	Pool Heater - SW - Replace	$5,628	
	1111	Chemical Controller System - SW - Replace	$3,377	$22,510
2024	216	Interior Surfaces - Repaint	$4,304	
	390	Siding - 2022-23 - Replace	$92,742	$97,046
2025	402	Asphalt - Seal Coat	$47,762	
	1001	Wood Fencing - Common - Replace	$36,132	
	1110	Pool Pump - NE - Replace	$1,313	
	1121	Pool Furniture - Replace	$1,791	
	1307	Benches - Replace	$18,388	$105,387
2026	105	Roofs - 1998-2003 - Replace	$209,271	
	1107	Pool Filter - SW - Replace	$2,214	$211,484
2027	1104	Pool Heater - NE - Replace	$6,334	
	1111	Chemical Controller System - NE - Replace	$3,800	$10,134
2028		No Expenditures Projected		$0
2029	104	Flat Roofs - 2003 - Replace	$46,970	
	401	Asphalt - Major Rehab	$353,660	
	403	Concrete - Repair/Replace	$8,063	
	1417	Kitchen - Remodel	$13,439	$422,133
2030	402	Asphalt - Seal Coat	$55,369	
	706	HVAC Furnace - Replace	$4,845	
	1101	Pool - SW - Resurface	$5,814	
	1107	Pool Filter - NE - Replace	$2,492	$68,520
2031	1110	Pool Pump - SW - Replace	$1,568	
	1121	Pool Furniture - Replace	$2,139	
	1413	Restrooms - Remodel	$5,703	$9,410
2032	104	Flat Roofs - 2004-2008 - Replace	$112,306	
	105	Roofs - 2004-2008 - Replace	$414,402	
	1112	Pool Cover - NE - Replace	$3,671	
	1112	Pool Cover - SW - Replace	$3,671	$534,051
2033		No Expenditures Projected		$0
2034	216	Interior Surfaces - Repaint	$5,784	

Year	Comp ID	Component Name	Projected Cost	Total Per Annum
	703	Water Heater - Replace	$1,558	$7,342
2035	402	Asphalt - Seal Coat	$64,188	
	1101	Pool - NE - Resurface	$19,256	
	1104	Pool Heater - SW - Replace	$8,024	
	1110	Pool Pump - NE - Replace	$1,765	
	1111	Chemical Controller System - SW - Replace	$4,814	
	1590	Laminate Flooring - Replace	$6,419	$104,466
2036	104	Flat Roofs - 2009-2011 - Replace	$203,135	
	105	Roofs - 2009-2011 - Replace	$107,290	$310,425
2037	1121	Pool Furniture - Replace	$2,554	$2,554
2038	1602	Carport LED - Replace	$11,398	
	1604	Pole Lights - 2017-18 - Replace	$31,563	$42,961
2039	403	Concrete - Repair/Replace	$10,837	
	1104	Pool Heater - NE - Replace	$9,031	
	1111	Chemical Controller System - NE - Replace	$5,418	$25,286
2040	104	Flat Roofs - 2012-2015 - Replace	$289,462	
	402	Asphalt - Seal Coat	$74,412	
	1307	Benches - Replace	$28,649	
	1604	Pole Lights - 2019-20 - Replace	$48,368	$440,890
2041	1107	Pool Filter - SW - Replace	$3,449	
	1110	Pool Pump - SW - Replace	$2,108	$5,557
2042	1101	Pool - SW - Resurface	$8,289	
	1112	Pool Cover - NE - Replace	$4,934	
	1112	Pool Cover - SW - Replace	$4,934	
	1812	Landscaping & Irrigation System - Renovate	$39,472	$57,629
2043	1121	Pool Furniture - Replace	$3,049	$3,049
2044	216	Interior Surfaces - Repaint	$7,773	$7,773
2045	104	Flat Roofs - 1994 - Replace	$150,045	
	402	Asphalt - Seal Coat	$86,264	
	1107	Pool Filter - NE - Replace	$3,882	
	1110	Pool Pump - NE - Replace	$2,372	$242,563
2046	703	Water Heater - Replace	$2,221	$2,221
2047	1008	Vinyl Fencing - Replace	$3,317	
	1101	Pool - NE - Resurface	$27,455	
	1104	Pool Heater - SW - Replace	$11,440	
	1111	Chemical Controller System - SW - Replace	$6,864	$49,076
2048		No Expenditures Projected		$0

Component Evaluation

Comp #: 104 Flat Roofs - 1994 - Replace

Location: **Community Carports**

Quantity: **Approx 13,915 Sq.ft.**

Life Expectancy: **25** *Remaining Life:* **1**

Best Cost: **$55,660**

$4.00/Sq.ft.; Estimate to replace

Worst Cost: **$83,490**

$6.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Quantity description:

Buildings H, I, J, K, L

Observations:

Unable to fully inspect this component at the time of the site visit. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on current age.

Comp #: 104 Flat Roofs - 2003 - Replace

Location: **Community Carports**

Quantity: **Approx 6,990 Sq.ft.**

Life Expectancy: **25** *Remaining Life:* **10**

Best Cost: **$27,960**

$4.00/Sq.ft.; Estimate to replace

Worst Cost: **$41,940**

$6.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Quantity description:

Buildings F, J, O

Observations:

Unable to fully inspect this component at the time of the site visit. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on current age.

Comp #: 104 Flat Roofs - 2004-2008 - Replace

Location: **Community Carports**

Quantity: **Approx 15,295 Sq.ft.**

Life Expectancy: **25** *Remaining Life:* **13**

Best Cost: **$61,180**

$4.00/Sq.ft.; Estimate to replace

Worst Cost: **$91,770**

$6.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Quantity description:

Buildings C, G, K, L, M, N, O, Pump

Observations:

Unable to fully inspect this component at the time of the site visit. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on current age.

Comp #: 104 Flat Roofs - 2009-2011 - Replace

Location: **Community Carports**

Quantity: **Approx 24,580 Sq.ft.**

Life Expectancy: **25** *Remaining Life:* **17**

Best Cost: **$98,320**
$4.00/Sq.ft.; Estimate to replace

Worst Cost: **$147,480**
$6.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Quantity description:

Buildings A, B, D, E, F, G, I, M

Observations:

Unable to fully inspect this component at the time of the site visit. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on current age.

Comp #: 104 Flat Roofs - 2012-2015 - Replace

Location: **Community Carports**

Quantity: **Approx 31,120 Sq.ft.**

Life Expectancy: **25** *Remaining Life:* **21**

Best Cost: **$124,480**

$4.00/Sq.ft.; Estimate to replace

Worst Cost: **$186,720**

$6.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Quantity description:

Buildings A, E, F, H, I, K, L, M, N, O, Pump

Observations:

Unable to fully inspect this component at the time of the site visit. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on current age.

Comp #: 105 Roofs - 1998-2003 - Replace

Location: **Building Roofs**

Quantity: **Approx 45,375 Sq.ft.**

Life Expectancy: **25** *Remaining Life:* **7**

Best Cost: **$158,813**

$3.50/Sq.ft.; Estimate to replace

Worst Cost: **$181,500**

$4.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Quantity description:

Buildings A, F, G, I, J

Observations:

The roofs are in fair condition. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on average age.

Comp #: 105 Roofs - 2004-2008 - Replace

Location: **Building Roofs**

Quantity: **Approx 75,250 Sq.ft.**

Life Expectancy: **25** *Remaining Life:* **13**

Best Cost: **$263,375**

$3.50/Sq.ft.; Estimate to replace

Worst Cost: **$301,000**

$4.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Quantity description:

Buildings B, C, D, E, H, M, N, O

Observations:

The roofs are in good to fair condition. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on average age.

Comp #: 105 Roofs - 2009-2011 - Replace

Location: **Building Roofs**

Quantity: **Approx 17,310 Sq.ft.**

Life Expectancy: **25** *Remaining Life:* **17**

Best Cost: **$60,585**

$3.50/Sq.ft.; Estimate to replace

Worst Cost: **$69,240**

$4.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Quantity description:

Buildings CH, K, L

Observations:

The roofs are in good condition. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on average age.

Comp #: 120 Rain Gutters/Downspouts - Replace

Location: **Building Roofs**

Quantity: **Approx 9,635 Linear ft.**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Observations:

Research with the client reveals this component is replaced as necessary as an operating expense.

Comp #: 212 Metal Railing - Repaint

Location: **Common Area**

Quantity: **Approx 85 Linear ft.**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Observations:

Research with the client reveals this component is replaced as necessary as an operating expense.

Comp #: 216 Interior Surfaces - Repaint

Location: **Clubhouse Interior**

Quantity: **Approx 2,700 Sq.ft.**

Life Expectancy: **10** *Remaining Life:* **5**

Best Cost: **$3,375**

$1.25/Sq.ft.; Estimate to repaint

Worst Cost: **$4,050**

$1.50/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The interior painted surfaces are in good to fair condition. We recommend funding to repaint this component approximately every 10 years to maintain appearance. Remaining life based on current condition.

Comp #: 223 Carports - Repaint

Location: **Underside of Carports**

Quantity: **(15) Buildings**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Observations:

Research with the client reveals this component is painted as necessary as an operating expense.

Comp #: 302 Vinyl Siding - 2013-2017 - Replace

Location: **Building Exteriors**

Quantity: **(7) Buildings**

Life Expectancy: **40** *Remaining Life:* **37**

Best Cost: **$130,000**
Estimate to replace

Worst Cost: **$140,000**
Higher estimate

Source of Information: Research with Client

General Notes:

Quantity description:

Buildings A, C, CH, D, E, F, G, H, L. O

Observations:

The vinyl siding is in good condition. Although this component may reach and extended useful life we recommend funding to replace this component approximately every 40 - 50 years to maintain appearance. Remaining life based on average age.

Comp #: 390 Siding - 2018-19 - Replace

Location: **Building Exteriors**

Quantity: **(4) Buildings**

Life Expectancy: **40** *Remaining Life:* **1**

Best Cost: **$75,000**
Estimate to replace

Worst Cost: **$85,000**
Higher estimate

Source of Information: Research with Client

General Notes:

Quantity description:

Buildings B, D, F, I

Observations:

Research with the client reveals this component is being replaced with a vinyl siding product in fiscal year 2018-19. Although this component may reach and extended useful life we recommend funding to replace this component approximately every 40 - 50 years to maintain appearance. Remaining life based on current age.

Comp #: 390 Siding - 2021-22 - Replace

Location: **Building Exteriors**

Quantity: **(6) Buildings**

Life Expectancy: **40** *Remaining Life:* **3**

Best Cost: **$55,000**
Estimate to replace

Worst Cost: **$65,000**
Higher estimate

Source of Information: Research with Client

General Notes:

Quantity description:

Buildings A, C, E, H, L, O,

Observations:

Research with the client reveals this component is being replaced with a vinyl siding product in fiscal year 2020-21. Although this component may reach and extended useful life we recommend funding to replace this component approximately every 40 - 50 years to maintain appearance. Remaining life based on current age.

Comp #: 390 Siding - 2022-23 - Replace

Location: **Building Exteriors**

Quantity: **(4) Buildings**

Life Expectancy: **40** *Remaining Life:* **5**

Best Cost: **$75,000**
Estimate to replace

Worst Cost: **$85,000**
Higher estimate

Source of Information: Research with Client

General Notes:

Quantity description:

Buildings J, K, M, N

Observations:

Research with the client reveals this component is being replaced with a vinyl siding product in fiscal year 2022-23. Although this component may reach and extended useful life we recommend funding to replace this component approximately every 40 - 50 years to maintain appearance. Remaining life based on current age.

Comp #: 401 Asphalt - Major Rehab

Location: **Community Streets**

Quantity: **Approx 150,375 Sq.ft.**

Life Expectancy: **25** *Remaining Life:* **10**

Best Cost: **$225,563**

$1.50/Sq.ft.; Estimate for major rehab

Worst Cost: **$300,750**

$2.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The asphalt surfaces are in fair condition. We recommend funding for a major rehab of this component approximately every 20 - 25 years. Maintain seal coat schedule to ensure full useful life (see Comp# 402 Asphalt - Seal Coat). Remaining life based on current age.

Comp #: 402 Asphalt - Seal Coat

Location: **Community Streets**

Quantity: **Approx 150,375 Sq.ft.**

Life Expectancy: **5** *Remaining Life:* **1**

Best Cost: **$39,000**
Estimate for seal coat

Worst Cost: **$41,000**
Higher estimate

Source of Information: Research with Client

General Notes:

Observations:

The asphalt seal coat is in fair to poor condition. Seal asphalt surfaces regularly to prevent premature overlay (see Comp# 401 Asphalt - Major Rehab). We recommend funding to seal this component approximately every 3 - 5 years. Remaining life based on current condition.

Comp #: 403 Concrete - Repair/Replace

Location: **Common Area**

Quantity: **Extensive Sq.ft.**

Life Expectancy: **10** *Remaining Life:* **0**

Best Cost: **$5,000**

Allowance to repair/replace

Worst Cost: **$7,000**

Higher allowance

Source of Information: CSL Cost Database

General Notes:

Observations:

The concrete is generally in fair condition. This component has an extended useful life under normal conditions. We recommend funding to make repairs and partially replace this component approximately every 10 years. Remaining life based on current condition.

Comp #: 703 Water Heater - Replace

Location: **Clubhouse Basement**

Quantity: **(1) Unit**

Life Expectancy: **12** *Remaining Life:* **3**

Best Cost: **$900**
Estimate to replace

Worst Cost: **$1,100**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The water heater is in working condition. We recommend funding to replace this component approximately every 12 years. Remaining life based on current age.

Comp #: 706 HVAC Furnace - Replace

Location: **Clubhouse Basement**

Quantity: **(1) Furnace**

Life Expectancy: **20** *Remaining Life:* **11**

Best Cost: **$3,000**
Estimate to replace

Worst Cost: **$4,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The furnace is in working condition. We recommend funding to replace this component approximately every 20 years. Remaining life based on current age.

Comp #: 1001 Wood Fencing - Common - Replace

Location: **Community Perimeter & Pool Areas**

Quantity: **Approx 890 Linear ft.**

Life Expectancy: **30** *Remaining Life:* **6**

Best Cost: **$28,480**

$32/Linear ft.; Estimate to replace

Worst Cost: **$32,040**

$36/Linear ft.; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The wood fencing is in fair to poor condition. The useful life and cost information used for this component is based on replacing the wood fencing with a vinyl fencing. We recommend funding to replace this component approximately every 25 - 30 years. Remaining life based on current condition.

Comp #: 1008 Vinyl Fencing - Replace

Location: **Common Area**

Quantity: **Approx 55 Linear ft.**

Life Expectancy: **30** *Remaining Life:* **28**

Best Cost: **$1,350**
Estimate to replace

Worst Cost: **$1,550**
Higher estimate

Source of Information: Research with Client

General Notes:

Observations:

The vinyl fencing is in good condition. We recommend funding to replace this component approximately every 25 - 30 years. Remaining life based on current age.

Comp #: 1101 Pool - NE - Resurface

Location: **Northeast Pool**

Quantity: **(1) Pool**

Life Expectancy: **12** *Remaining Life:* **4**

Best Cost: **$10,000**
Estimate to resurface

Worst Cost: **$14,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

Unable to inspect pool surface at the time of the site visit. Research with the client reveals the pool surface is in fair condition. We recommend funding to resurface this component every 10 - 12 years. Remaining life based on current age.

Comp #: 1101 Pool - SW - Resurface

Location: **Southwest Pool**

Quantity: **(1) Pool**

Life Expectancy: **12** *Remaining Life:* **11**

Best Cost: **$4,100**
Estimate to resurface

Worst Cost: **$4,300**
Higher estimate

Source of Information: Research with Client

General Notes:

Observations:

Unable to inspect pool surface at the time of the site visit. Research with the client reveals the pool surface is in good condition. We recommend funding to resurface this component every 10 - 12 years. Remaining life based on current age.

Comp #: 1104 Pool Heater - NE - Replace

Location: **Northeast Pool Equipment Room**

Quantity: **(1) Heater**

Life Expectancy: **12** *Remaining Life:* **8**

Best Cost: **$4,500**
Estimate to replace

Worst Cost: **$5,500**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The pool heater is in working condition. We recommend funding to replace this component approximately every 12 years. Remaining life based on current age.

Comp #: 1104 Pool Heater - SW - Replace

Location: **Southwest Pool Equipment Room**

Quantity: **(1) Heater**

Life Expectancy: **12** *Remaining Life:* **4**

Best Cost: **$4,500**
Estimate to replace

Worst Cost: **$5,500**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The pool heater is in working condition. We recommend funding to replace this component approximately every 12 years. Remaining life based on current age.

Comp #: 1107 Pool Filter - NE - Replace

Location: **Northeast Pool Equipment Room**

Quantity: **(1) Filter**

Life Expectancy: **15** *Remaining Life:* **11**

Best Cost: **$1,700**
Estimate to replace

Worst Cost: **$1,900**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The pool filter is in working condition. We recommend funding to replace this component approximately every 12 - 15 years. Remaining life based on current age.

Comp #: 1107 Pool Filter - SW - Replace

Location: **Southwest Pool Equipment Room**

Quantity: **(1) Filter**

Life Expectancy: **15** *Remaining Life:* **7**

Best Cost: **$1,700**
Estimate to replace

Worst Cost: **$1,900**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The pool filter is in working condition. We recommend funding to replace this component approximately every 12 - 15 years. Remaining life based on current age.

Comp #: 1110 Pool Pump - NE - Replace

Location: **Northeast Pool Equipment Room**

Quantity: **(1) Pump**

Life Expectancy: **10** *Remaining Life:* **6**

Best Cost: **$1,000**
Estimate to replace

Worst Cost: **$1,200**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The pool pump is in working condition. We recommend funding to replace this component approximately every 8 - 10 years. Remaining life based on current age.

Comp #: 1110 Pool Pump - SW - Replace

Location: **Southwest Pool Equipment Room**

Quantity: **(1) Pump**

Life Expectancy: **10** *Remaining Life:* **2**

Best Cost: **$1,000**
Estimate to replace

Worst Cost: **$1,200**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The pool pump is in working condition. We recommend funding to replace this component approximately every 8 - 10 years. Remaining life based on current age.

Comp #: 1111 Chemical Controller System - NE - Replace

Location: **Northeast Pool Equipment Room**

Quantity: **(1) System**

Life Expectancy: **12** *Remaining Life:* **8**

Best Cost: **$2,500**
Estimate to replace

Worst Cost: **$3,500**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The pool chemical controller system is in working condition. We recommend funding to replace this component approximately every 10 - 12 years to ensure proper function and to keep up with current technology. Remaining life based on current age.

Comp #: 1111 Chemical Controller System - SW - Replace

Location: **Southwest Pool Equipment Room**

Quantity: **(1) System**

Life Expectancy: **12** *Remaining Life:* **4**

Best Cost: **$2,500**
Estimate to replace

Worst Cost: **$3,500**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The pool chemical controller system is in working condition. We recommend funding to replace this component approximately every 10 - 12 years to ensure proper function and to keep up with current technology. Remaining life based on current age.

Comp #: 1112 Pool Cover - NE - Replace

Location: **Northeast Pool**

Quantity: **(1) Cover**

Life Expectancy: **10** *Remaining Life:* **3**

Best Cost: **$2,000**
Estimate to replace

Worst Cost: **$3,000**
Higher estimate

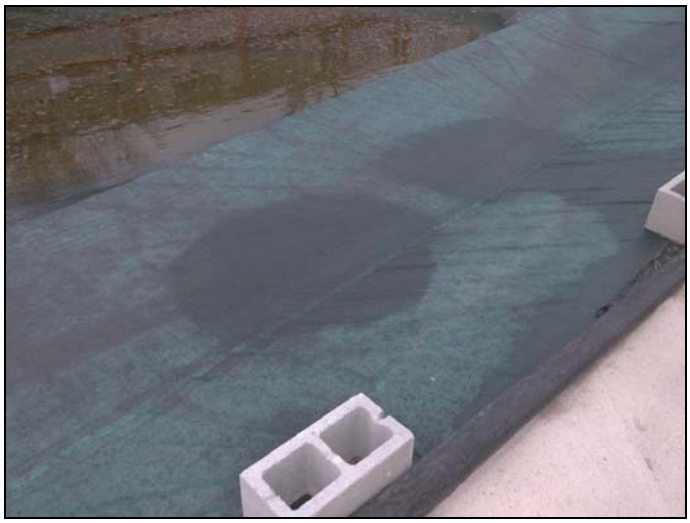
Source of Information: CSL Cost Database

General Notes:

Observations:

The pool cover appears to be in fair condition. We recommend funding to replace this component approximately every 10 years. Remaining life based on current condition.

Comp #: 1112 Pool Cover - SW - Replace



Location: **Southwest Pool**

Quantity: **(1) Cover**

Life Expectancy: **10** *Remaining Life:* **3**

Best Cost: **$2,000**
Estimate to replace

Worst Cost: **$3,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The pool cover appears to be in fair condition. We recommend funding to replace this component approximately every 10 years. Remaining life based on current condition.

Comp #: 1121 Pool Furniture - Replace

Location: **Pool Areas**

Quantity: **Assorted Pieces**

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

Best Cost: **$1,000**

Allowance to make replacements

Worst Cost: **$2,000**

Higher allowance

Source of Information: CSL Cost Database

General Notes:

Observations:

The pool furniture is in fair to poor condition. We recommend funding an allowance to make replacements to this component approximately every 6 years. Remaining life based on current condition.

Comp #: 1307 Benches - Replace

Location: **Common Area**

Quantity: **(22) Benches**

Life Expectancy: **15** *Remaining Life:* **6**

Best Cost: **$13,200**

$600/Bench; Estimate to replace

Worst Cost: **$17,600**

$800/Bench; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The benches are generally in fair condition. We recommend funding to replace this component approximately every 10 - 15 years. Remaining life based on current condition.

Comp #: 1405 Furniture - Replace

Location: **Clubhouse Interior**

Quantity: **Assorted Pieces**

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

Best Cost: **$0**

Worst Cost: **$0**

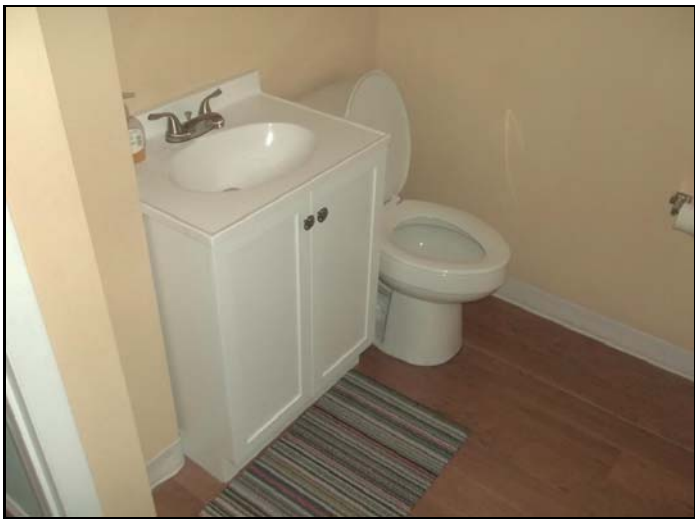
Source of Information:

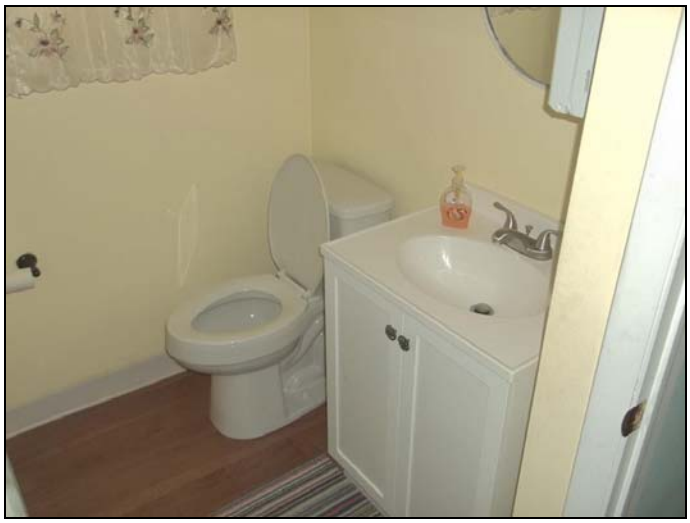
General Notes:

Observations:

Research with the client reveals this component was donated and will not be replaced.

Comp #: 1413 Restrooms - Remodel





Location: **Clubhouse Interior**

Quantity: **(2) Restrooms**

Life Expectancy: **20** *Remaining Life:* **12**

Best Cost: **$3,500**
$1,750/Restroom; Estimate to remodel

Worst Cost: **$4,500**
$2,250/Restroom; Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The restrooms are in good condition. We recommend funding to remodel this component approximately every 20 years to maintain appearance and keep up with current decorative tastes. Remaining life based on current condition.

Comp #: 1417 Kitchen - Remodel

Location: **Clubhouse Interior**

Quantity: **(1) Kitchen**

Life Expectancy: **20** *Remaining Life:* **10**

Best Cost: **$8,000**
Allowance to remodel

Worst Cost: **$12,000**
Higher allowance

Source of Information: CSL Cost Database

General Notes:

Observations:

The kitchen is in good to fair condition. We recommend funding to remodel this component approximately every 20 years to keep up with current decorative tastes and ensure proper function of appliances. Remaining life based on current condition.

Comp #: 1590 Laminate Flooring - Replace

Location: **Clubhouse Interior**

Quantity: **Approx 870 Sq.ft.**

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

Best Cost: **$3,900**
Estimate to replace

Worst Cost: **$4,100**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The laminate flooring is in good condition. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on current age.

Comp #: 1602 Carport LED - Replace

Location: **Carports**

Quantity: **(29) Fixtures**

Life Expectancy: **20** *Remaining Life:* **19**

Best Cost: **$6,400**
Estimate to replace

Worst Cost: **$6,600**
Higher estimate

Source of Information: Research with Client

General Notes:

Observations:

The light fixtures are in good condition. We recommend funding to replace this component approximately every 20 years to maintain appearance and function. Remaining life based on current age.

Comp #: 1604 Pole Lights - 2017-18 - Replace

Location: **Common Area**

Quantity: **(26) Lights**

Life Expectancy: **20** *Remaining Life:* **19**

Best Cost: **$17,000**
Estimate to replace

Worst Cost: **$19,000**
Higher estimate

Source of Information: Research with Client

General Notes:

Observations:

The pole lights are in good condition. We recommend funding to replace these pole light fixtures, poles and to refurbish the electrical approximately every 16 years. Remaining life based on current age.

Comp #: 1604 Pole Lights - 2019-20 - Replace

Location: **Common Area**

Quantity: **(38) Lights**

Life Expectancy: **20** *Remaining Life:* **1**

Best Cost: **$25,000**
Estimate to replace

Worst Cost: **$27,000**
Higher estimate

Source of Information: Research with Client

General Notes:

Observations:

Research with the client reveals this component will be replaced in the 2019-2020 fiscal year. We recommend funding to replace these pole light fixtures, poles and to refurbish the electrical approximately every 16 years. Remaining life based on current age.

Comp #: 1812 Landscaping & Irrigation System - Renovate

Location: **Common Area**

Quantity: **Extensive Sq.ft.**

Life Expectancy: **20** *Remaining Life:* **3**

Best Cost: **$15,000**
Allowance to renovate

Worst Cost: **$25,000**
Higher allowance

Source of Information: CSL Cost Database

General Notes:

Observations:

The landscaping and irrigation system are in good to fair condition. We recommend funding for an allowance to renovate the landscaping and irrigation system approximately every 20 years. Remaining life based on current age.

Glossary of Commonly Used Words And Phrases

(Provided by the National Reserve Study Standards of the Community Associations Institute)

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 – Also referred to as an "Asset." 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.

Component Full Funding – When the actual (or projected) cumulative reserve balance for all components is equal to the fully funded balance.

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 (UL - RUL).

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 expenses over time is presented. The financial analysis is one of the two parts of the Reserve Study.

Fully Funded Balance – An indicator against which the actual (or projected) reserve balance can be compared. The reserve balance that is in direct proportion to the fraction of life "used up" of the current repair or replacement cost of a reserve component. This number is calculated for each component, and then summed together for an association total.

FFB = Current Cost * Effective Age / Useful Life

Fund Status – The status of the reserve fund as compared to an established benchmark, such as percent funded.

Funding Goals – Independent of calculation 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.

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 contributions through the year
- Evenly distributed contributions over the years
- Fiscally responsible

GSF - Gross Square Feet

Life and Valuation Estimates – The task of estimating useful life, remaining useful life, and repair or replacement costs for the reserve components.

LF - Linear Feet

Percent Funded – The ratio, at a particular point in time (typically the beginning of the fiscal year), of the actual (or projected) reserve balance to the ideal fund balance, expressed as a percentage.

Physical Analysis – The portion of the Reserve Study where the component evaluation, 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 current fiscal year have a "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 that the association is obligated to maintain. Also known as "reserves," "reserve accounts," or "cash reserves." In this report the reserve balance is based upon information provided and is not audited.

Reserve Study – A budget-planning tool, which 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. Governing documents or local statutes often regulate special assessments.

Surplus – An actual (or projected) reserve balance that is greater than the fully funded balance.

Useful Life (UL) – Also known as "life expectancy." 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 of installation.