

Stoneybrook HOA

Level 2 Reserve Study



Report Period – 01/01/2020 – 12/31/2020

Client Reference Number	11190
Property Type	Condominium
Number of Units	48
Fiscal Year End	12/31

Type of Study	Update w/Site Visit
Date of Property Inspection	6/13/2019
Prepared By	Dale Gifford
Analysis Method	Cash Flow
Funding Goal	Full Funding

Report prepared on – Thursday, June 27, 2019



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Glossary of Commonly used Words and Phrases

Executive Summary – Stoneybrook HOA - ID # 11190

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 01/01/2020	\$20,000
Ideal Reserve Balance as of 01/01/2020	\$526,718
Percent Funded as of 01/01/2020	4%
Recommended Reserve Contribution (months 1 – 24 / 25 - 360)	\$12,000 / \$5,125
Recommended Special Assessment	\$0

Stoneybrook HOA is a 48-unit Condominium community. The community offers covered parking, a clubhouse, hot tub, swimming pool, and landscaped areas as amenities. Construction on the community was completed in 1996.

Currently Programmed Projects

Projects programmed to occur this fiscal year (FY2020) include doors repaint (Comp# 204), metal fencing and railing repaint (Comp# 207), siding repair/repaint (Comp# 215), carports repaint (Comp# 223), asphalt seal coat (Comp# 402), HVAC condenser replace (Comp# 705), HVAC furnace replace (Comp# 706), spa heater replace (Comp# 1105), pool/spa pumps replace (Comp# 1110), and cardio equipment replace (Comp# 1407). We have programmed an estimated \$118,565 in reserve expenditures toward the completion of these projects. (See page 17)

Significant Reserve Projects

The association's significant reserve projects are siding repair/repaint (Comp# 215), roofs replace (Comp# 105), siding replace (Comp# 301), and doors repaint (Comp# 204). The fiscal significance of these components is approximately 14%, 14%, 14%, and 4% respectively (see page 10). 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 \$20,000 versus the ideal reserve balance of \$526,718 we find the association's reserve fund to be approximately 4% 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 \$12,000 (\$250.00/unit) per month for two years and then \$5,125 (\$106.77/unit) per month for twenty-eight years. 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 16 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 1,400 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 warranty or guarantee regarding our life and cost estimates/predictions. There is no implied warranty 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	48
Fiscal Year End	31-Dec
Budgeted Monthly Reserve Allocation	\$1,200
Projected Starting Reserve Balance	\$20,000
Ideal Starting Reserve Balance	\$525,670

Economic Assumptions

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

Current Reserve Status

Current Balance as a % of Ideal Balance	4%
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Recommendations (FY 2020 - 2021)

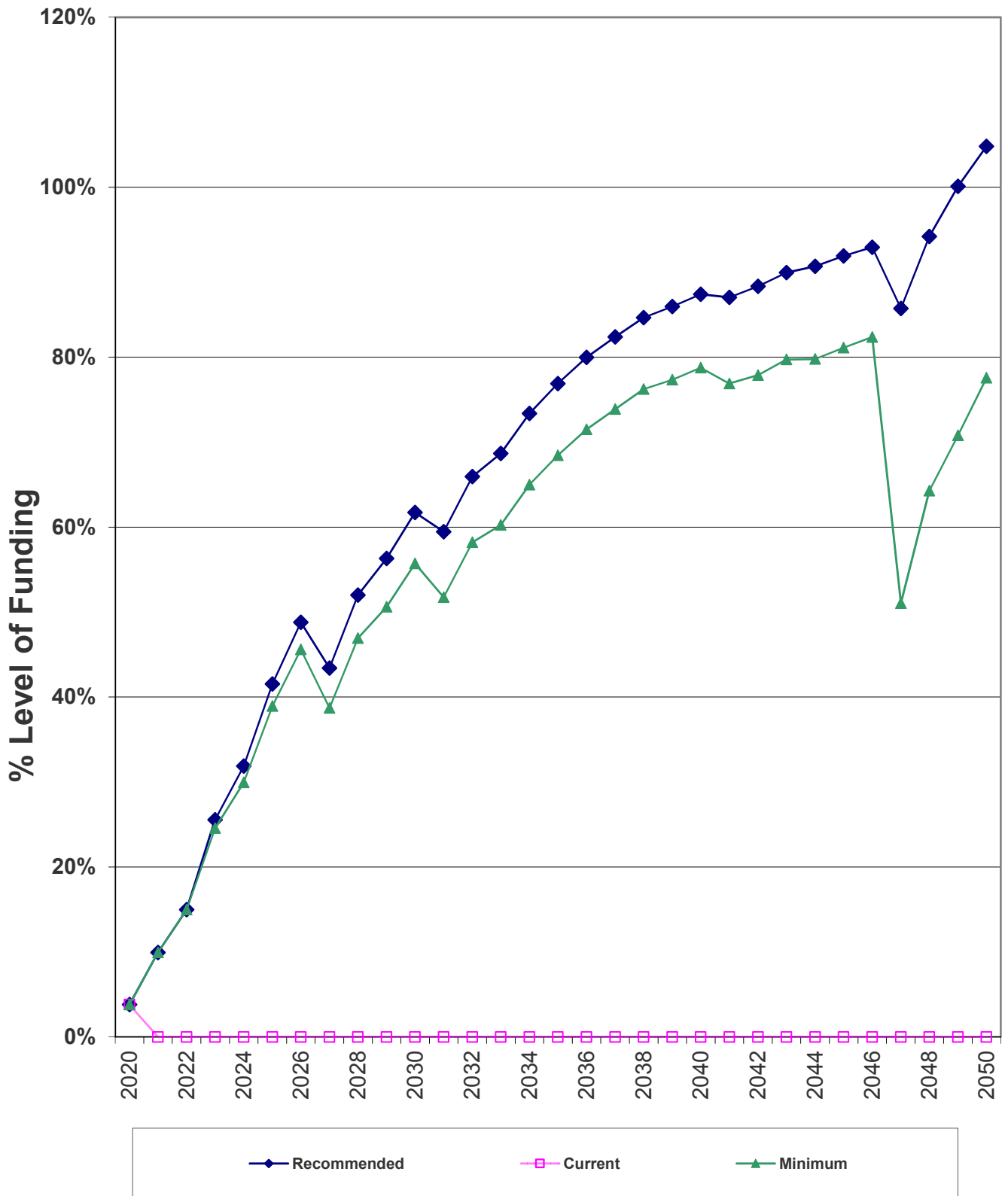
Recommended Monthly Reserve Allocation	\$12,000
Per Unit	\$250.00
Future Annual Increases	3.00%
For number of years:	2

Recommendations (FY 2022 - 2049)

Recommended Monthly Reserve Allocation	\$5,120
Per Unit	\$106.67
Future Annual Increases	3.00%
For number of years:	28
70% Funded Monthly Reserve Allocation Reference	\$4,780
Per Unit	\$99.58
Future Annual Increases	3.00%
For number of years:	28



Percent Funded - Graph



Component Inventory

Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Roofing	105	Roofs - 2018 - Replace	25	23	\$22,925	\$29,475
	105	Roofs - Replace	25	1	\$115,938	\$149,063
	120	Rain Gutters/Downspouts - Replace	30	6	\$13,255	\$15,665
Painted Surfaces	204	Doors - Repaint	10	0	\$14,600	\$18,250
	207	Metal Fencing & Railing - Repaint	6	0	\$8,000	\$10,000
	215	Siding - Repair/Repaint	10	0	\$48,200	\$57,840
	216	Interior Painted Surfaces - Repaint	10	3	\$2,500	\$3,500
	223	Carports - Repaint	10	0	\$7,000	\$9,000
Siding Materials	301	Siding - Replace	50	26	\$231,360	\$269,920
Drive Materials	401	Asphalt - Center - Major Rehab	30	21	\$28,200	\$37,600
	401	Asphalt - Major Rehab	30	12	\$19,200	\$25,600
	402	Asphalt - Seal Coat	5	0	\$6,004	\$6,636
	403	Concrete - Repair/Replace	10	6	\$3,000	\$5,000
Decking	604	Balcony Decks - Repair/Resurface	20	3	\$20,000	\$30,000
	690	Concrete Stair Treads - Replace	N/A		\$0	\$0
Mechanical Equip.	703	Water Heater - Replace	12	4	\$1,000	\$1,200
	705	HVAC Condenser - Replace	20	0	\$3,500	\$4,500
	706	HVAC Furnace - Replace	20	0	\$3,500	\$4,500
Prop. Identification	803	Mailboxes - Replace	N/A		\$0	\$0
Fencing	1002	Metal Fencing & Railing - Replace	50	26	\$25,000	\$31,000
	1008	Vinyl Fencing - Replace	30	6	\$10,000	\$12,000
	1090	Vinyl Balcony Railing - Replace	30	6	\$8,000	\$10,000
Pool / Spa	1101	Pool - Resurface	12	6	\$10,000	\$16,000
	1102	Spa - Resurface	12	6	\$3,000	\$4,000
	1104	Pool Heater - Replace	12	2	\$5,000	\$6,000
	1105	Spa Heater - Replace	12	0	\$4,000	\$5,000
	1107	Pool Filter - Replace	15	1	\$2,000	\$2,400
	1108	Spa Filter - Replace	15	14	\$1,600	\$2,000
	1110	Pool/Spa Pumps - Replace	10	0	\$3,000	\$3,600
	1111	Pool Chemical Controller System - Repla	12	8	\$2,500	\$3,500
	1111	Spa Chemical Controller System - Repla	12	2	\$2,500	\$3,500
	1121	Pool Furniture - Replace	N/A		\$0	\$0
Interiors	1405	Furniture - Replace	10	6	\$3,000	\$4,000
	1406	Fitness Equipment - Replace	N/A		\$0	\$0
	1407	Cardio Equipment - Replace	10	0	\$8,000	\$12,000
	1413	Restroom - Remodel	20	8	\$4,000	\$6,000
	1417	Kitchen - Remodel	20	8	\$8,000	\$12,000
	1490	Shower Room - Remodel	20	8	\$8,000	\$12,000
Flooring	1501	Carpeting - Replace	10	2	\$3,000	\$4,000
	1503	Tile Flooring - Replace	30	6	\$2,500	\$3,500



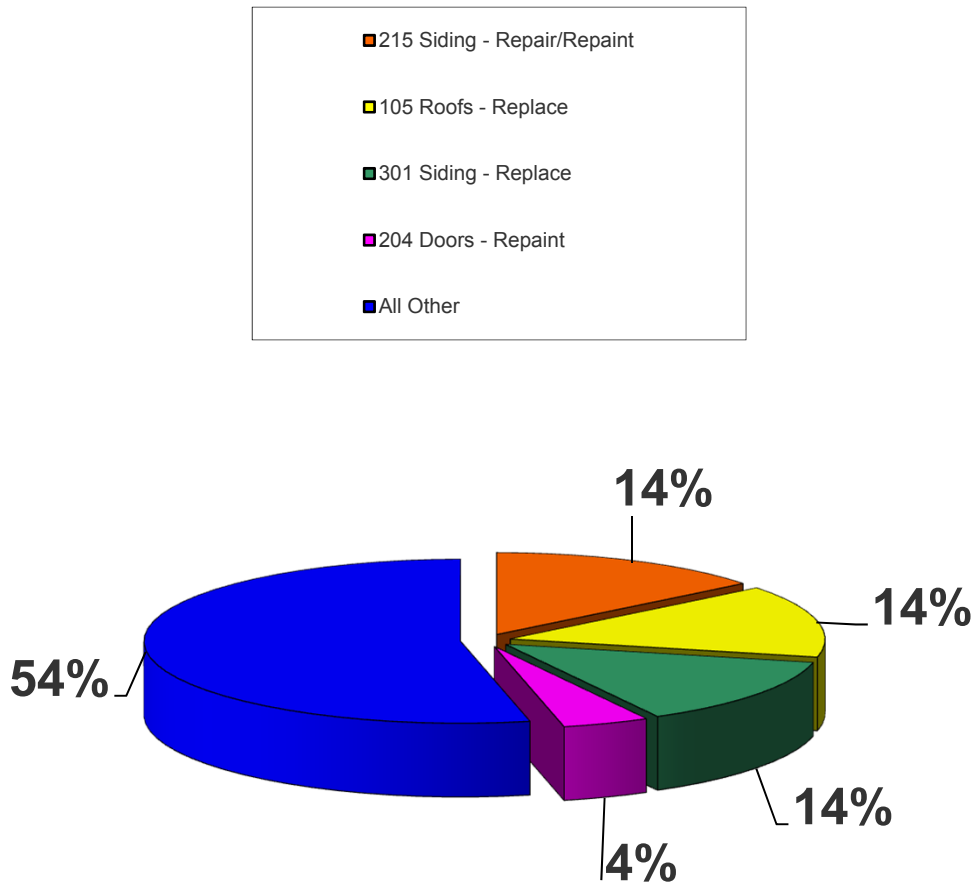
Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Flooring	1507	Indoor/Outdoor Carpet - Replace	10	9	\$10,200	\$10,400
Light Fixtures	1602	Exterior Light Fixtures - Replace	20	6	\$15,700	\$19,625
Landscaping	1812	Landscaping & Irrigation System - Renov	20	6	\$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 %
105	Roofs - 2018 - Replace	25	23	\$26,200	\$1,048	2.8224%
105	Roofs - Replace	25	1	\$132,500	\$5,300	14.2738%
120	Rain Gutters/Downspouts - Replace	30	6	\$14,460	\$482	1.2981%
204	Doors - Repaint	10	0	\$16,425	\$1,643	4.4235%
207	Metal Fencing & Railing - Repaint	6	0	\$9,000	\$1,500	4.0397%
215	Siding - Repair/Repaint	10	0	\$53,020	\$5,302	14.2791%
216	Interior Painted Surfaces - Repaint	10	3	\$3,000	\$300	0.8079%
223	Carports - Repaint	10	0	\$8,000	\$800	2.1545%
301	Siding - Replace	50	26	\$250,640	\$5,013	13.5003%
401	Asphalt - Center - Major Rehab	30	21	\$32,900	\$1,097	2.9535%
401	Asphalt - Major Rehab	30	12	\$22,400	\$747	2.0109%
402	Asphalt - Seal Coat	5	0	\$6,320	\$1,264	3.4042%
403	Concrete - Repair/Replace	10	6	\$4,000	\$400	1.0773%
604	Balcony Decks - Repair/Resurface	20	3	\$25,000	\$1,250	3.3665%
703	Water Heater - Replace	12	4	\$1,100	\$92	0.2469%
705	HVAC Condenser - Replace	20	0	\$4,000	\$200	0.5386%
706	HVAC Furnace - Replace	20	0	\$4,000	\$200	0.5386%
1002	Metal Fencing & Railing - Replace	50	26	\$28,000	\$560	1.5082%
1008	Vinyl Fencing - Replace	30	6	\$11,000	\$367	0.9875%
1090	Vinyl Balcony Railing - Replace	30	6	\$9,000	\$300	0.8079%
1101	Pool - Resurface	12	6	\$13,000	\$1,083	2.9176%
1102	Spa - Resurface	12	6	\$3,500	\$292	0.7855%
1104	Pool Heater - Replace	12	2	\$5,500	\$458	1.2344%
1105	Spa Heater - Replace	12	0	\$4,500	\$375	1.0099%
1107	Pool Filter - Replace	15	1	\$2,200	\$147	0.3950%
1108	Spa Filter - Replace	15	14	\$1,800	\$120	0.3232%
1110	Pool/Spa Pumps - Replace	10	0	\$3,300	\$330	0.8887%
1111	Pool Chemical Controller System - Rep	12	8	\$3,000	\$250	0.6733%
1111	Spa Chemical Controller System - Repl	12	2	\$3,000	\$250	0.6733%
1405	Furniture - Replace	10	6	\$3,500	\$350	0.9426%
1407	Cardio Equipment - Replace	10	0	\$10,000	\$1,000	2.6932%
1413	Restroom - Remodel	20	8	\$5,000	\$250	0.6733%
1417	Kitchen - Remodel	20	8	\$10,000	\$500	1.3466%
1490	Shower Room - Remodel	20	8	\$10,000	\$500	1.3466%
1501	Carpeting - Replace	10	2	\$3,500	\$350	0.9426%
1503	Tile Flooring - Replace	30	6	\$3,000	\$100	0.2693%
1507	Indoor/Outdoor Carpet - Replace	10	9	\$10,300	\$1,030	2.7740%
1602	Exterior Light Fixtures - Replace	20	6	\$17,663	\$883	2.3784%
1812	Landscaping & Irrigation System - Rend	20	6	\$20,000	\$1,000	2.6932%



Significant Components - Graph



ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As \$	As %
215	Siding - Repair/Repaint	10	0	\$53,020	\$5,302	14%
105	Roofs - Replace	25	1	\$132,500	\$5,300	14%
301	Siding - Replace	50	26	\$250,640	\$5,013	14%
204	Doors - Repaint	10	0	\$16,425	\$1,643	4%
All Other	See Expanded Table For Breakdown				\$19,874	54%

Yearly Summary

Year	Fully Funded Balance	Starting Reserve Balance	% Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance
2020	\$525,670	\$20,000	4%	\$144,000	\$33	\$118,565	\$45,468
2021	\$457,563	\$45,468	10%	\$148,320	\$50	\$138,741	\$55,097
2022	\$367,779	\$55,097	15%	\$61,440	\$79	\$12,731	\$103,886
2023	\$406,274	\$103,886	26%	\$63,283	\$120	\$30,596	\$136,693
2024	\$428,739	\$136,693	32%	\$65,182	\$169	\$1,238	\$200,805
2025	\$483,371	\$200,805	42%	\$67,137	\$231	\$7,327	\$260,847
2026	\$534,663	\$260,847	49%	\$69,151	\$231	\$129,104	\$201,125
2027	\$463,392	\$201,125	43%	\$71,226	\$237	\$0	\$272,588
2028	\$524,330	\$272,588	52%	\$73,363	\$292	\$35,470	\$310,772
2029	\$551,974	\$310,772	56%	\$75,563	\$342	\$13,439	\$373,238
2030	\$604,592	\$373,238	62%	\$77,830	\$347	\$130,447	\$320,969
2031	\$539,767	\$320,969	59%	\$80,165	\$361	\$0	\$401,495
2032	\$608,900	\$401,495	66%	\$82,570	\$415	\$56,175	\$428,305
2033	\$623,836	\$428,305	69%	\$85,047	\$469	\$4,406	\$509,416
2034	\$694,177	\$509,416	73%	\$87,599	\$546	\$15,580	\$581,981
2035	\$756,804	\$581,981	77%	\$90,227	\$622	\$9,846	\$662,983
2036	\$828,951	\$662,983	80%	\$92,934	\$701	\$17,331	\$739,287
2037	\$897,341	\$739,287	82%	\$95,722	\$788	\$0	\$835,796
2038	\$987,474	\$835,796	85%	\$98,593	\$864	\$43,412	\$891,841
2039	\$1,037,494	\$891,841	86%	\$101,551	\$934	\$18,061	\$976,265
2040	\$1,117,079	\$976,265	87%	\$104,597	\$931	\$195,177	\$886,616
2041	\$1,018,633	\$886,616	87%	\$107,735	\$910	\$61,204	\$934,058
2042	\$1,057,299	\$934,058	88%	\$110,967	\$987	\$6,706	\$1,039,306
2043	\$1,155,392	\$1,039,306	90%	\$114,296	\$1,043	\$106,968	\$1,047,678
2044	\$1,155,356	\$1,047,678	91%	\$117,725	\$1,093	\$27,443	\$1,139,054
2045	\$1,239,495	\$1,139,054	92%	\$121,257	\$1,194	\$13,233	\$1,248,272
2046	\$1,343,127	\$1,248,272	93%	\$124,895	\$810	\$1,002,389	\$371,588
2047	\$433,439	\$371,588	86%	\$128,642	\$436	\$0	\$500,665
2048	\$531,395	\$500,665	94%	\$132,501	\$537	\$59,715	\$573,989
2049	\$573,333	\$573,989	100%	\$136,476	\$628	\$28,514	\$682,579



Reserve Contributions - Graph

Monthly Reserve Contributions



Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
105	Roofs - 2018 - Replace	25	23	Approx 6,550 Sq.ft.	\$26,200	\$2,096	\$0	\$338.69
105	Roofs - Replace	25	1	Approx 33,125 Sq.ft.	\$132,500	\$127,200	\$0	\$1,712.85
120	Rain Gutters/Downspouts - Replace	30	6	Approx 2,410 Sq.ft.	\$14,460	\$11,568	\$0	\$155.77
204	Doors - Repaint	10	0	(146) Doors	\$16,425	\$16,425	\$16,425	\$530.82
207	Metal Fencing & Railing - Repaint	6	0	Approx 615 Linear ft.	\$9,000	\$9,000	\$3,575	\$484.77
215	Siding - Repair/Repaint	10	0	Approx 38,560 Sq.ft.	\$53,020	\$53,020	\$0	\$1,713.50
216	Interior Painted Surfaces - Repaint	10	3	Approx 2,175 Sq.ft.	\$3,000	\$2,100	\$0	\$96.95
223	Carports - Repaint	10	0	Approx 10,925 Sq.ft.	\$8,000	\$8,000	\$0	\$258.54
301	Siding - Replace	50	26	Approx 38,560 Sq.ft.	\$250,640	\$120,307	\$0	\$1,620.03
401	Asphalt - Center - Major Rehab	30	21	Approx 18,800 Sq.ft.	\$32,900	\$9,870	\$0	\$354.42
401	Asphalt - Major Rehab	30	12	Approx 12,800 Sq.ft.	\$22,400	\$13,440	\$0	\$241.31
402	Asphalt - Seal Coat	5	0	Approx 31,600 Sq.ft.	\$6,320	\$6,320	\$0	\$408.50
403	Concrete - Repair/Replace	10	6	Extensive Sq.ft.	\$4,000	\$1,600	\$0	\$129.27
604	Balcony Decks - Repair/Resurface	20	3	Approx 1,710 Sq.ft.	\$25,000	\$21,250	\$0	\$403.97
703	Water Heater - Replace	12	4	(1) Water Heater	\$1,100	\$733	\$0	\$29.62
705	HVAC Condenser - Replace	20	0	(1) Condenser	\$4,000	\$4,000	\$0	\$64.64
706	HVAC Furnace - Replace	20	0	(1) Furnace	\$4,000	\$4,000	\$0	\$64.64
1002	Metal Fencing & Railing - Replace	50	26	Approx 615 Linear ft.	\$28,000	\$13,440	\$0	\$180.98
1008	Vinyl Fencing - Replace	30	6	Approx 340 Linear ft.	\$11,000	\$8,800	\$0	\$118.50
1090	Vinyl Balcony Railing - Replace	30	6	Approx 255 Linear ft.	\$9,000	\$7,200	\$0	\$96.95
1101	Pool - Resurface	12	6	(1) Pool	\$13,000	\$6,500	\$0	\$350.11
1102	Spa - Resurface	12	6	(1) Spa	\$3,500	\$1,750	\$0	\$94.26
1104	Pool Heater - Replace	12	2	(1) Heater	\$5,500	\$4,583	\$0	\$148.12
1105	Spa Heater - Replace	12	0	(1) Spa Heater	\$4,500	\$4,500	\$0	\$121.19
1107	Pool Filter - Replace	15	1	(1) Filter	\$2,200	\$2,053	\$0	\$47.40
1108	Spa Filter - Replace	15	14	(1) Filter	\$1,800	\$120	\$0	\$38.78
1110	Pool/Spa Pumps - Replace	10	0	(3) Pumps	\$3,300	\$3,300	\$0	\$106.65
1111	Pool Chemical Controller System - Replace	12	8	(1) System	\$3,000	\$1,000	\$0	\$80.79
1111	Spa Chemical Controller System - Replace	12	2	(1) System	\$3,000	\$2,500	\$0	\$80.79
1405	Furniture - Replace	10	6	Assorted Pieces	\$3,500	\$1,400	\$0	\$113.11



ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
1407	Cardio Equipment - Replace	10	0	(3) Pieces	\$10,000	\$10,000	\$0	\$323.18
1413	Restroom - Remodel	20	8	(1) Restroom	\$5,000	\$3,000	\$0	\$80.79
1417	Kitchen - Remodel	20	8	(1) Kitchen	\$10,000	\$6,000	\$0	\$161.59
1490	Shower Room - Remodel	20	8	(1) Shower Room	\$10,000	\$6,000	\$0	\$161.59
1501	Carpeting - Replace	10	2	Approx 650 Sq.ft.	\$3,500	\$2,800	\$0	\$113.11
1503	Tile Flooring - Replace	30	6	Approx 155 Sq.ft.	\$3,000	\$2,400	\$0	\$32.32
1507	Indoor/Outdoor Carpet - Replace	10	9	Approx 2,530 Sq.ft.	\$10,300	\$1,030	\$0	\$332.87
1602	Exterior Light Fixtures - Replace	20	6	(157) Fixtures	\$17,663	\$12,364	\$0	\$285.41
1812	Landscaping & Irrigation System - Renovate	20	6	Extensive Sq.ft.	\$20,000	\$14,000	\$0	\$323.18
					\$793,728	\$525,670	\$20,000	\$12,000

Current Fund Balance as a percentage of Ideal Balance: 4%



Yearly Cash Flow

Year	2020	2021	2022	2023	2024
Starting Balance	\$20,000	\$45,468	\$55,097	\$103,886	\$136,693
<i>Reserve Income</i>	\$144,000	\$148,320	\$61,440	\$63,283	\$65,182
<i>Interest Earnings</i>	\$33	\$50	\$79	\$120	\$169
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$164,033	\$193,838	\$116,617	\$167,289	\$202,043
Reserve Expenditures	\$118,565	\$138,741	\$12,731	\$30,596	\$1,238
Ending Balance	\$45,468	\$55,097	\$103,886	\$136,693	\$200,805

Year	2025	2026	2027	2028	2029
Starting Balance	\$200,805	\$260,847	\$201,125	\$272,588	\$310,772
<i>Reserve Income</i>	\$67,137	\$69,151	\$71,226	\$73,363	\$75,563
<i>Interest Earnings</i>	\$231	\$231	\$237	\$292	\$342
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$268,173	\$330,229	\$272,588	\$346,242	\$386,678
Reserve Expenditures	\$7,327	\$129,104	\$0	\$35,470	\$13,439
Ending Balance	\$260,847	\$201,125	\$272,588	\$310,772	\$373,238

Year	2030	2031	2032	2033	2034
Starting Balance	\$373,238	\$320,969	\$401,495	\$428,305	\$509,416
<i>Reserve Income</i>	\$77,830	\$80,165	\$82,570	\$85,047	\$87,599
<i>Interest Earnings</i>	\$347	\$361	\$415	\$469	\$546
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$451,416	\$401,495	\$484,480	\$513,821	\$597,560
Reserve Expenditures	\$130,447	\$0	\$56,175	\$4,406	\$15,580
Ending Balance	\$320,969	\$401,495	\$428,305	\$509,416	\$581,981

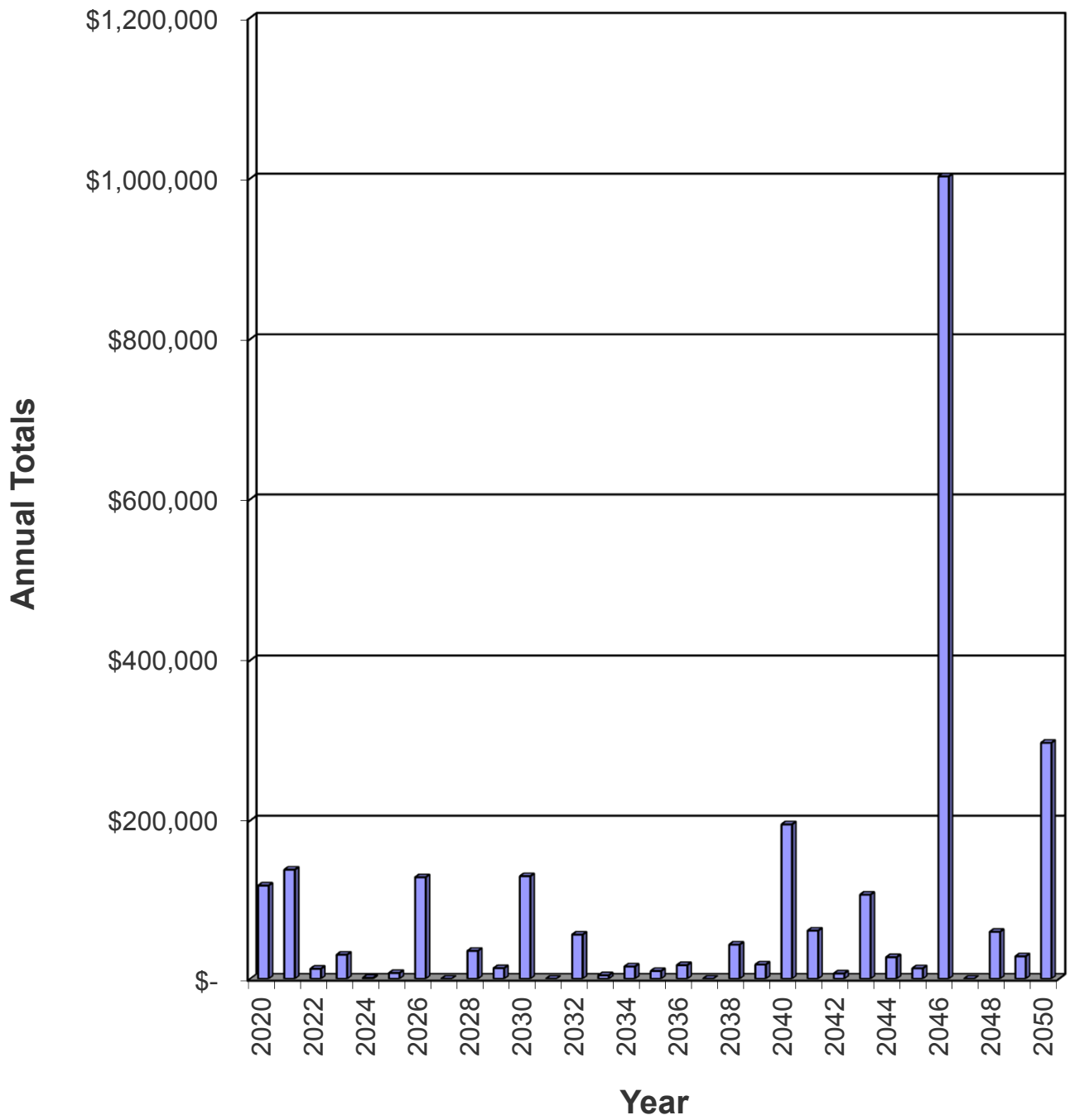
Year	2035	2036	2037	2038	2039
Starting Balance	\$581,981	\$662,983	\$739,287	\$835,796	\$891,841
<i>Reserve Income</i>	\$90,227	\$92,934	\$95,722	\$98,593	\$101,551
<i>Interest Earnings</i>	\$622	\$701	\$788	\$864	\$934
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$672,830	\$756,618	\$835,796	\$935,253	\$994,326
Reserve Expenditures	\$9,846	\$17,331	\$0	\$43,412	\$18,061
Ending Balance	\$662,983	\$739,287	\$835,796	\$891,841	\$976,265

Year	2040	2041	2042	2043	2044
Starting Balance	\$976,265	\$886,616	\$934,058	\$1,039,306	\$1,047,678
<i>Reserve Income</i>	\$104,597	\$107,735	\$110,967	\$114,296	\$117,725
<i>Interest Earnings</i>	\$931	\$910	\$987	\$1,043	\$1,093
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$1,081,794	\$995,262	\$1,046,013	\$1,154,646	\$1,166,497
Reserve Expenditures	\$195,177	\$61,204	\$6,706	\$106,968	\$27,443
Ending Balance	\$886,616	\$934,058	\$1,039,306	\$1,047,678	\$1,139,054

Year	2045	2046	2047	2048	2049
Starting Balance	\$1,139,054	\$1,248,272	\$371,588	\$500,665	\$573,989
<i>Reserve Income</i>	\$121,257	\$124,895	\$128,642	\$132,501	\$136,476
<i>Interest Earnings</i>	\$1,194	\$810	\$436	\$537	\$628
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$1,261,505	\$1,373,977	\$500,665	\$633,704	\$711,093
Reserve Expenditures	\$13,233	\$1,002,389	\$0	\$59,715	\$28,514
Ending Balance	\$1,248,272	\$371,588	\$500,665	\$573,989	\$682,579



Yearly Reserve Expenditures - Graph



Projected Reserve Expenditures by Year

Year	ID #	Component Name	Projected Cost	Total Per Annum
2020	204	Doors - Repaint	\$16,425	
	207	Metal Fencing & Railing - Repaint	\$9,000	
	215	Siding - Repair/Repaint	\$53,020	
	223	Carports - Repaint	\$8,000	
	402	Asphalt - Seal Coat	\$6,320	
	705	HVAC Condenser - Replace	\$4,000	
	706	HVAC Furnace - Replace	\$4,000	
	1105	Spa Heater - Replace	\$4,500	
	1110	Pool/Spa Pumps - Replace	\$3,300	
	1407	Cardio Equipment - Replace	\$10,000	\$118,565
2021	105	Roofs - Replace	\$136,475	
	1107	Pool Filter - Replace	\$2,266	\$138,741
2022	1104	Pool Heater - Replace	\$5,835	
	1111	Spa Chemical Controller System - Replace	\$3,183	
	1501	Carpeting - Replace	\$3,713	\$12,731
2023	216	Interior Painted Surfaces - Repaint	\$3,278	
	604	Balcony Decks - Repair/Resurface	\$27,318	\$30,596
2024	703	Water Heater - Replace	\$1,238	\$1,238
2025	402	Asphalt - Seal Coat	\$7,327	\$7,327
2026	120	Rain Gutters/Downspouts - Replace	\$17,266	
	207	Metal Fencing & Railing - Repaint	\$10,746	
	403	Concrete - Repair/Replace	\$4,776	
	1008	Vinyl Fencing - Replace	\$13,135	
	1090	Vinyl Balcony Railing - Replace	\$10,746	
	1101	Pool - Resurface	\$15,523	
	1102	Spa - Resurface	\$4,179	
	1405	Furniture - Replace	\$4,179	
	1503	Tile Flooring - Replace	\$3,582	
	1602	Exterior Light Fixtures - Replace	\$21,090	
1812	Landscaping & Irrigation System - Renovate	\$23,881	\$129,104	
2027		No Expenditures Projected		\$0
2028	1111	Pool Chemical Controller System - Replace	\$3,800	
	1413	Restroom - Remodel	\$6,334	
	1417	Kitchen - Remodel	\$12,668	
	1490	Shower Room - Remodel	\$12,668	\$35,470
2029	1507	Indoor/Outdoor Carpet - Replace	\$13,439	\$13,439
2030	204	Doors - Repaint	\$22,074	
	215	Siding - Repair/Repaint	\$71,254	
	223	Carports - Repaint	\$10,751	
	402	Asphalt - Seal Coat	\$8,494	
	1110	Pool/Spa Pumps - Replace	\$4,435	
1407	Cardio Equipment - Replace	\$13,439	\$130,447	
2031		No Expenditures Projected		\$0
2032	207	Metal Fencing & Railing - Repaint	\$12,832	

Year	Comp ID	Component Name	Projected Cost	Total Per Annum
	401	Asphalt - Major Rehab	\$31,937	
	1105	Spa Heater - Replace	\$6,416	
	1501	Carpeting - Replace	\$4,990	\$56,175
2033	216	Interior Painted Surfaces - Repaint	\$4,406	\$4,406
2034	1104	Pool Heater - Replace	\$8,319	
	1108	Spa Filter - Replace	\$2,723	
	1111	Spa Chemical Controller System - Replace	\$4,538	\$15,580
2035	402	Asphalt - Seal Coat	\$9,846	\$9,846
2036	403	Concrete - Repair/Replace	\$6,419	
	703	Water Heater - Replace	\$1,765	
	1107	Pool Filter - Replace	\$3,530	
	1405	Furniture - Replace	\$5,616	\$17,331
2037		No Expenditures Projected		\$0
2038	207	Metal Fencing & Railing - Repaint	\$15,322	
	1101	Pool - Resurface	\$22,132	
	1102	Spa - Resurface	\$5,959	\$43,412
2039	1507	Indoor/Outdoor Carpet - Replace	\$18,061	\$18,061
2040	204	Doors - Repaint	\$29,665	
	215	Siding - Repair/Repaint	\$95,760	
	223	Carports - Repaint	\$14,449	
	402	Asphalt - Seal Coat	\$11,415	
	705	HVAC Condenser - Replace	\$7,224	
	706	HVAC Furnace - Replace	\$7,224	
	1110	Pool/Spa Pumps - Replace	\$5,960	
	1111	Pool Chemical Controller System - Replace	\$5,418	
	1407	Cardio Equipment - Replace	\$18,061	\$195,177
2041	401	Asphalt - Center - Major Rehab	\$61,204	\$61,204
2042	1501	Carpeting - Replace	\$6,706	\$6,706
2043	105	Roofs - 2018 - Replace	\$51,708	
	216	Interior Painted Surfaces - Repaint	\$5,921	
	604	Balcony Decks - Repair/Resurface	\$49,340	\$106,968
2044	207	Metal Fencing & Railing - Repaint	\$18,295	
	1105	Spa Heater - Replace	\$9,148	\$27,443
2045	402	Asphalt - Seal Coat	\$13,233	\$13,233
2046	105	Roofs - Replace	\$285,748	
	301	Siding - Replace	\$540,528	
	403	Concrete - Repair/Replace	\$8,626	
	1002	Metal Fencing & Railing - Replace	\$60,385	
	1104	Pool Heater - Replace	\$11,861	
	1111	Spa Chemical Controller System - Replace	\$6,470	
	1405	Furniture - Replace	\$7,548	
	1602	Exterior Light Fixtures - Replace	\$38,091	
	1812	Landscaping & Irrigation System - Renovate	\$43,132	\$1,002,389
2047		No Expenditures Projected		\$0
2048	703	Water Heater - Replace	\$2,517	
	1413	Restroom - Remodel	\$11,440	
	1417	Kitchen - Remodel	\$22,879	

Year	Comp ID	Component Name	Projected Cost	Total Per Annum
	1490	Shower Room - Remodel	\$22,879	\$59,715
2049	1108	Spa Filter - Replace	\$4,242	
	1507	Indoor/Outdoor Carpet - Replace	\$24,273	\$28,514

Component Evaluation

Comp #: 105 Roofs - 2018 - Replace



Location: **Building 1196 Roof**

Quantity: **Approx 6,550 Sq.ft.**

Life Expectancy: **25** *Remaining Life:* **23**

Best Cost: **\$22,925**

\$3.50/Sq.ft.; Estimate to replace

Worst Cost: **\$29,475**

\$4.50/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

Observations:

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

General Notes:

Comp #: 105 Roofs - Replace



Location: **Building Roofs**

Quantity: **Approx 33,125 Sq.ft.**

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

Best Cost: **\$115,938**

\$3.50/Sq.ft.; Estimate to replace

Worst Cost: **\$149,063**

\$4.50/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

Observations:

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

General Notes:

Quantity description:

1,400 Sq.ft. - Clubhouse

5,110 Sq.ft. - Garages

170 Sq.ft. - Pool Equipment Shed

26,200 Sq.ft. - Residential Buildings

245 Sq.ft. - Shed

33,125 Sq.ft. - Total

Comp #: 120 Rain Gutters/Downspouts - Replace



Location: **Building Roofs**

Quantity: **Approx 2,410 Sq.ft.**

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

Best Cost: **\$13,255**
\$5.50/Linear ft.; Estimate to replace

Worst Cost: **\$15,665**
\$6.50/Linear ft.; Higher estimate

Source of Information: CSL Cost Database

Observations:

The rain gutters and downspouts are in fair condition. We recommend funding to replace this component approximately every 25 - 30 years. Remaining life based on current age.

General Notes:

Comp #: 204 Doors - Repaint



Location: **Residential & Clubhouse Doors**

Quantity: **(146) Doors**

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

Best Cost: **\$14,600**
\$100/Door; Estimate to repaint

Worst Cost: **\$18,250**
\$125/Door; Higher estimate

Source of Information: CSL Cost Database

Observations:

The painted door surfaces are in fair condition. We recommend funding to repaint this component approximately every 8 - 10 years. Remaining life based on average condition.

General Notes:

Comp #: 207 Metal Fencing & Railing - Repaint



Location: **Common Area**

Quantity: **Approx 615 Linear ft.**

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

Best Cost: **\$8,000**

Estimate to repaint

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

Higher estimate

Source of Information: CSL Cost Database

Observations:

The painted metal fencing surfaces are in fair to poor condition. We recommend funding to repaint this component approximately every 6 years. Remaining life based on current condition.

General Notes:

Quantity description:

35 Linear ft. - Common Area Railing

20 Linear ft. - Entrance Fence

5 Linear ft. - Pool Gate

555 Linear ft. - Stairwell Railing

615 Linear ft. - Total

Comp #: 215 Siding - Repair/Repaint



Location: **Building Exteriors**

Quantity: **Approx 38,560 Sq.ft.**

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

Best Cost: **\$48,200**

\$1.25/Sq.ft.; Estimate to repair/repaint

Worst Cost: **\$57,840**

\$1.50/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

Observations:

The siding painted surfaces are in fair to poor condition. We recommend funding to repair/repaint this component approximately every 8 - 10 years. Remaining life is based on current age.

General Notes:

Quantity description:

14,595 Sq.ft. - 2-Story Buildings

18,820 Sq.ft. - 3-Story Buildings

800 Sq.ft. - Clubhouse

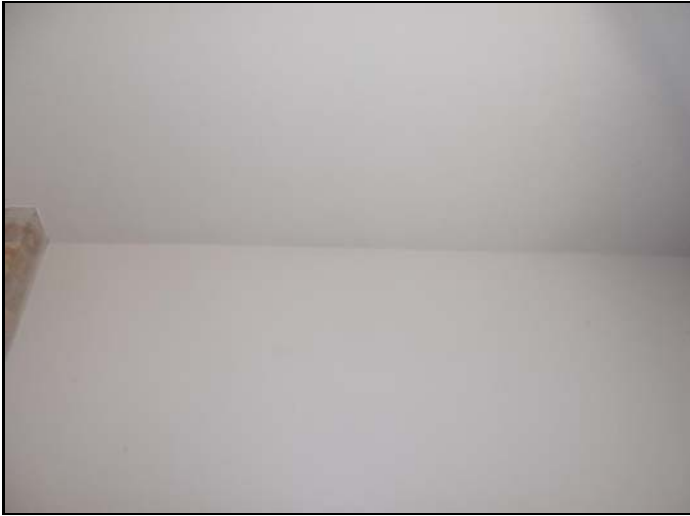
3,460 Sq.ft. - Garages

385 Sq.ft. - Pool Equipment Shed

500 Sq.ft. - Shed

38,560 Sq.ft. - Total

Comp #: 216 Interior Painted Surfaces - Repaint



Location: **Clubhouse Interior**

Quantity: **Approx 2,175 Sq.ft.**

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

Best Cost: **\$2,500**

Estimate to repaint

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

Higher estimate

Source of Information: CSL Cost Database

Observations:

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

General Notes:

<p>Quantity description:</p> <p>540 Sq.ft. - Fitness room 1,230 Sq.ft. - Main room 110 Sq.ft. - Restroom 295 Sq.ft. - Storage Room</p> <p>2,175 Sq.ft. - Total</p>
--

Comp #: 223 Carports - Repaint



Location: **Common Area**

Quantity: **Approx 10,925 Sq.ft.**

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

Best Cost: **\$7,000**

Estimate to repaint

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

Higher estimate

Source of Information: CSL Cost Database

Observations:

The paint on the carport structure is in fair to poor condition. We recommend funding to repaint this component approximately every 8 - 10 years. Remaining life based on current condition.

General Notes:

Comp #: 301 Siding - Replace



Location: **Building Exteriors**

Quantity: **Approx 38,560 Sq.ft.**

Life Expectancy: **50** *Remaining Life:* **26**

Best Cost: **\$231,360**

\$6.00/Sq.ft.; Estimate to replace

Worst Cost: **\$269,920**

\$7.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

Observations:

The siding is in generally good condition. We recommend funding to replace this component approximately every 40 - 50 years. Remaining life is based on current age.

General Notes:

Quantity description:

14,595 Sq.ft. - 2-Story Buildings

18,820 Sq.ft. - 3-Story Buildings

800 Sq.ft. - Clubhouse

3,460 Sq.ft. - Garages

385 Sq.ft. - Pool Equipment Shed

500 Sq.ft. - Shed

38,560 Sq.ft. - Total

Comp #: 401 Asphalt - Center - Major Rehab



Location: **Community Streets**

Quantity: **Approx 18,800 Sq.ft.**

Life Expectancy: **30** *Remaining Life:* **21**

Best Cost: **\$28,200**

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

Worst Cost: **\$37,600**

\$2.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

Observations:

The asphalt surfaces are in good condition. We recommend funding for a major rehab of this component approximately every 25 - 30 years. Remaining life based on current age.

General Notes:

Comp #: 401 Asphalt - Major Rehab



Location: **Community Streets**

Quantity: **Approx 12,800 Sq.ft.**

Life Expectancy: **30** *Remaining Life:* **12**

Best Cost: **\$19,200**

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

Worst Cost: **\$25,600**

\$2.00/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

Observations:

The asphalt surfaces are in fair condition. We recommend funding for a major rehab of this component approximately every 25 - 30 years. Remaining life based on current condition.

General Notes:

Comp #: 402 Asphalt - Seal Coat



Location: **Community Streets**

Quantity: **Approx 31,600 Sq.ft.**

Life Expectancy: **5** *Remaining Life:* **0**

Best Cost: **\$6,004**
\$0.19/Sq.ft.; Estimate for seal coat

Worst Cost: **\$6,636**
\$0.21/Sq.ft.; Higher estimate

Source of Information: CSL Cost Database

Observations:

The asphalt seal coat is in poor condition. We recommend funding to seal this component approximately every 3 - 5 years. Remaining life based on current condition.

General Notes:

Comp #: 403 Concrete - Repair/Replace



Location: **Common Area**

Quantity: **Extensive Sq.ft.**

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

Best Cost: **\$3,000**

Allowance to repair/replace

Worst Cost: **\$5,000**

Higher allowance

Source of Information: CSL Cost Database

Observations:

The concrete is in good 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 age.

General Notes:

Comp #: 604 Balcony Decks - Repair/Resurface



Location: **Unit Balconies**

Quantity: **Approx 1,710 Sq.ft.**

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

Best Cost: **\$20,000**

Estimate to resurface

Worst Cost: **\$30,000**

Higher estimate

Source of Information: CSL Cost Database

Observations:

Unable to inspect the deck surfaces at the time of the inspection. We recommend funding to resurface this component approximately every 15 - 20 years. Remaining life based on current condition.

General Notes:

Comp #: 690 Concrete Stair Treads - Replace



Location: **At Each Building**

Quantity: **(206) Steps**

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

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

Observations:

Due to the minimal cost of replacing individual treads and the yearly frequency of replacements, we recommend replacing them as necessary as an operating expense.

General Notes:

Comp #: 703 Water Heater - Replace



Location: Clubhouse Utility Closet

Quantity: (1) Water Heater

Life Expectancy: 12 *Remaining Life:* 4

Best Cost: \$1,000

Estimate to replace

Worst Cost: \$1,200

Higher estimate

Source of Information: CSL Cost Database

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.

General Notes:

Comp #: 705 HVAC Condenser - Replace



Location: **Adjacent to Clubhouse**

Quantity: **(1) Condenser**

Life Expectancy: **20** *Remaining Life:* **0**

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

Estimate to replace

Worst Cost: **\$4,500**

Higher estimate

Source of Information: CSL Cost Database

Observations:

The HVAC condenser is in working condition. We recommend replacing this component approximately every 20 years. Remaining life based on current age.

General Notes:

Comp #: 706 HVAC Furnace - Replace



Location: Clubhouse Utility Closet

Quantity: (1) Furnace

Life Expectancy: 20 *Remaining Life:* 0

Best Cost: \$3,500

Estimate to replace

Worst Cost: \$4,500

Higher estimate

Source of Information: CSL Cost Database

Observations:

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

General Notes:

Comp #: 803 Mailboxes - Replace



Location: **Common area**

Quantity: **(4) Clusters**

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

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

Observations:

Typically these mailboxes are owned and maintained by the postal service. No reserve funding necessary.

General Notes:

Comp #: 1002 Metal Fencing & Railing - Replace



Location: **Common Area**

Quantity: **Approx 615 Linear ft.**

Life Expectancy: **50** *Remaining Life:* **26**

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

Estimate to replace

Worst Cost: **\$31,000**

Higher estimate

Source of Information: CSL Cost Database

Observations:

The metal fencing is in good condition. We recommend funding to replace this component approximately every 40 - 50 years. Remaining life based on current age.

General Notes:

Quantity description:

35 Linear ft. - Common Area Railing

20 Linear ft. - Entrance Fence

5 Linear ft. - Pool Gate

555 Linear ft. - Stairwell Railing

615 Linear ft. - Total

Comp #: 1008 Vinyl Fencing - Replace



Location: **Common Area**

Quantity: **Approx 340 Linear ft.**

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

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

Estimate to replace

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

Higher estimate

Source of Information: CSL Cost Database

Observations:

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

General Notes:

<p>Quantity description:</p> <p>260 Linear ft. - North Perimeter</p> <p>80 Linear ft. - Pool Area</p> <p>340 Linear ft. - Total</p>

Comp #: 1090 Vinyl Balcony Railing - Replace



Location: **Unit Balconies**

Quantity: **Approx 255 Linear ft.**

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

Best Cost: **\$8,000**

Estimate to replace

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

Higher estimate

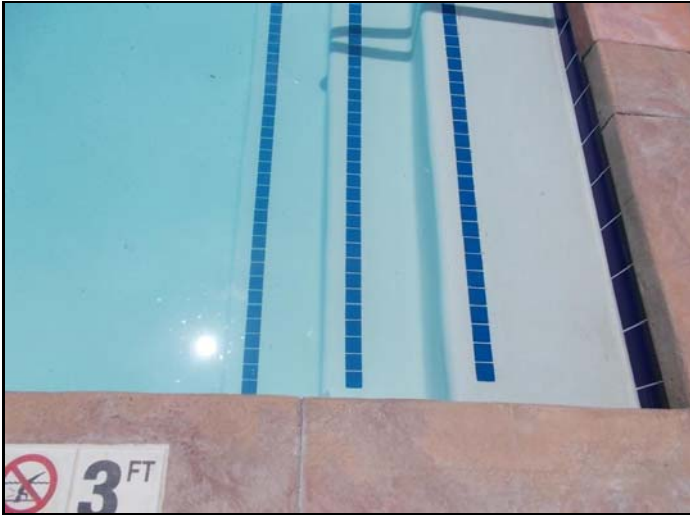
Source of Information: CSL Cost Database

Observations:

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

General Notes:

Comp #: 1101 Pool - Resurface



Location: **Pool Area**

Quantity: **(1) Pool**

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

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

Estimate to resurface

Worst Cost: **\$16,000**

Higher estimate

Source of Information: CSL Cost Database

Observations:

The pool surface is in good condition. We recommend funding to resurface this component every 10 - 12 years. Remaining life based on current age.

General Notes:

Comp #: 1102 Spa - Resurface



Location: **Pool Area**

Quantity: **(1) Spa**

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

Best Cost: **\$3,000**

Estimate to replaster spa

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

Higher estimate

Source of Information: CSL Cost Database

Observations:

The spa surface is in good condition. We recommend funding to resurface this component approximately every 10 - 12 years. Remaining life based on current age.

General Notes:

Comp #: 1104 Pool Heater - Replace



Location: **Pool Equipment Shed**

Quantity: **(1) Heater**

Life Expectancy: **12** *Remaining Life:* **2**

Best Cost: **\$5,000**

Estimate to replace

Worst Cost: **\$6,000**

Higher estimate

Source of Information: CSL Cost Database

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.

General Notes:

Comp #: 1105 Spa Heater - Replace



Location: Pool Equipment Shed

Quantity: (1) Spa Heater

Life Expectancy: 12 *Remaining Life:* 0

Best Cost: \$4,000

Estimate to replace

Worst Cost: \$5,000

Higher estimate

Source of Information: CSL Cost Database

Observations:

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

General Notes:

Comp #: 1107 Pool Filter - Replace



Location: Pool Equipment Shed

Quantity: (1) Filter

Life Expectancy: 15 *Remaining Life:* 1

Best Cost: \$2,000

Estimate to replace

Worst Cost: \$2,400

Higher estimate

Source of Information: CSL Cost Database

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.

General Notes:

Comp #: 1108 Spa Filter - Replace



Location: Pool Equipment Shed

Quantity: (1) Filter

Life Expectancy: 15 *Remaining Life:* 14

Best Cost: \$1,600

Estimate to replace

Worst Cost: \$2,000

Higher estimate

Source of Information: CSL Cost Database

Observations:

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

General Notes:

Comp #: 1110 Pool/Spa Pumps - Replace



Location: Pool Equipment Shed

Quantity: (3) Pumps

Life Expectancy: 10 *Remaining Life:* 0

Best Cost: \$3,000
\$1,000/Pump; Estimate to replace

Worst Cost: \$3,600
\$1,200/Pump; Higher estimate

Source of Information: CSL Cost Database

Observations:

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

General Notes:

Comp #: 1111 Pool Chemical Controller System - Replace



Location: Pool Equipment Shed

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

Observations:

The pool chemical controller system is in working condition. We recommend funding to replace this component approximately every 10 - 12 years. Remaining life based on current age.

General Notes:

Comp #: 1111 Spa Chemical Controller System - Replace



Location: Pool Equipment Shed

Quantity: (1) System

Life Expectancy: 12 *Remaining Life:* 2

Best Cost: \$2,500

Estimate to replace

Worst Cost: \$3,500

Higher estimate

Source of Information: CSL Cost Database

Observations:

The spa chemical controller system is in working condition. We recommend funding to replace this component approximately every 10 - 12 years. Remaining life based on current age.

General Notes:

Comp #: 1121 Pool Furniture - Replace



Location: **Pool Area**

Quantity: **Assorted Pieces**

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

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

Observations:

Due to the minimal replacement cost associated with this component, reserve funding is not appropriate. Replace as necessary as an operating expense.

General Notes:

Comp #: 1405 Furniture - Replace



Location: **Clubhouse Interior**

Quantity: **Assorted Pieces**

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

Best Cost: **\$3,000**

Estimate to replace

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

Higher estimate

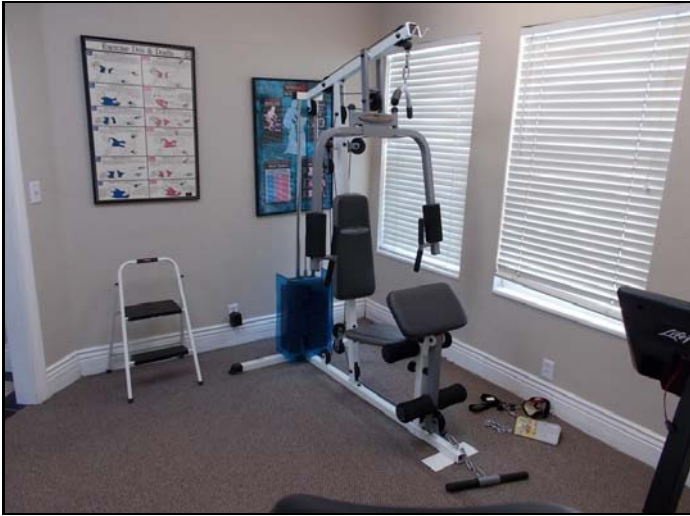
Source of Information: CSL Cost Database

Observations:

The furniture is in fair condition. We recommend funding an allowance to make replacements approximately every 10 years. Remaining life based on current age.

General Notes:

Comp #: 1406 Fitness Equipment - Replace



Location: **Clubhouse Fitness Room**

Quantity: **(1) Piece**

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

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

Observations:

Due to the minimal cost of this component, reserve funding is not appropriate. Replace as necessary as an operating expense.

General Notes:

Comp #: 1407 Cardio Equipment - Replace



Location: Clubhouse Fitness Room

Quantity: (3) Pieces

Life Expectancy: 10 *Remaining Life:* 0

Best Cost: \$8,000

Estimate to replace

Worst Cost: \$12,000

Higher estimate

Source of Information: CSL Cost Database

Observations:

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

General Notes:

Quantity description:

(2) - Vision Fitness treadmill

(1) - Lifecycle 9100 R Recumbent Bicycle

(3) - Total Pieces

Comp #: 1413 Restroom - Remodel



Location: Clubhouse Interior

Quantity: (1) Restroom

Life Expectancy: 20 *Remaining Life:* 8

Best Cost: \$4,000

Estimate to remodel

Worst Cost: \$6,000

Higher estimate

Source of Information: CSL Cost Database

Observations:

The restrooms are in good to fair condition. We recommend funding to remodel this component approximately every 20 years. Remaining life based on current age and condition.

General Notes:

Quantity description:

- (1) - Ceiling Light
- (1) - Hand Towel Dispenser
- (1) - Mirror
- 110 Sq.ft. - Painted Surfaces
- (1) - Sink
- 60 Sq.ft. - Tile Flooring
- 105 Sq.ft. - Tile Wall
- (1) - Toilet
- 140 Sq.ft. - Wall Paper

Comp #: 1417 Kitchen - Remodel



Location: Clubhouse Interior

Quantity: (1) Kitchen

Life Expectancy: 20 *Remaining Life:* 8

Best Cost: \$8,000

Estimate to remodel

Worst Cost: \$12,000

Higher estimate

Source of Information: CSL Cost Database

Observations:

The kitchen is in good condition. We recommend funding to remodel this component approximately every 20 years. Remaining life based on current age and condition.

General Notes:

<p>Quantity description:</p> <ul style="list-style-type: none">10 ft. - Cabinets, Wall10 ft. - Cabinets, Base13 ft. - Countertop(1) - Microwave(1) - Refrigerator(1) - Sink, Dual(1) - Stove

Comp #: 1490 Shower Room - Remodel



Location: Clubhouse Interior

Quantity: (1) Shower Room

Life Expectancy: 20 *Remaining Life:* 8

Best Cost: \$8,000

Estimate to remodel

Worst Cost: \$12,000

Higher estimate

Source of Information: CSL Cost Database

Observations:

The shower room is in good condition. We recommend funding to remodel this component approximately every 20 years. Remaining life based on current age and condition.

General Notes:

Quantity description:

(1) - Ceiling light
68 Sq.ft. - Painted surface
(1) - Shower
505 Sq.ft. - Tile surface
45 Sq.ft. - Wallpaper

Comp #: 1501 Carpeting - Replace



Location: **Clubhouse Interior**

Quantity: **Approx 650 Sq.ft.**

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

Best Cost: **\$3,000**

Estimate to replace

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

Higher estimate

Source of Information: CSL Cost Database

Observations:

The carpeting is in fair condition. We recommend funding to replace this component approximately every 8 - 10 years. Remaining life based on current condition.

General Notes:

Comp #: 1503 Tile Flooring - Replace



Location: **Clubhouse Interior**

Quantity: **Approx 155 Sq.ft.**

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

Best Cost: **\$2,500**

Estimate to replace

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

Higher estimate

Source of Information: CSL Cost Database

Observations:

The tile flooring is in good to fair condition. We recommend funding to replace this component approximately every 30 years. Remaining life based on current age.

General Notes:

Comp #: 1507 Indoor/Outdoor Carpet - Replace



Location: **Residential Building Landings**

Quantity: **Approx 2,530 Sq.ft.**

Life Expectancy: **10** *Remaining Life:* **9**

Best Cost: **\$10,200**

Estimate to replace

Worst Cost: **\$10,400**

Higher estimate

Source of Information: Research with Client

Observations:

Research with the client reveals this component is being replaced in 2019. We recommend funding to replace this component approximately every 8 - 10 years. Remaining life based on current age.

General Notes:

Quantity description:

1,200 Sq.ft. - 2-Story buildings

1,330 Sq.ft. - 3-Story buildings

2,530 Sq.ft. - Total

Comp #: 1602 Exterior Light Fixtures - Replace



Location: **Building Exteriors**

Quantity: **(157) Fixtures**

Life Expectancy: **20** *Remaining Life:* **6**

Best Cost: **\$15,700**
\$100/Fixture; Estimate to replace

Worst Cost: **\$19,625**
\$125/Fixture; Higher estimate

Source of Information: CSL Cost Database

Observations:

The exterior light fixtures are in fair condition. We recommend funding to replace this component approximately every 16 - 20 years. Remaining life based on current age and condition.

General Notes:

Quantity description:
(4) - Area
(48) - Balcony
(24) - Ceiling
(48) - Front Door
(33) - Wall

(157) - Total Fixtures

Comp #: 1812 Landscaping & Irrigation System - Renovate



Location: **Common Area**

Quantity: **Extensive Sq.ft.**

Life Expectancy: **20** *Remaining Life:* **6**

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

Allowance to renovate

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

Higher allowance

Source of Information: CSL Cost Database

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.

General Notes:

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.

$$\text{FFB} = \text{Current Cost} * \text{Effective Age} / \text{Useful Life}$$

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.

