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Update “No-Site-Visit” Reserve Study



Hillwood Condominium **Des Moines, WA**

Report #: 14393-2
For Period Beginning: February 1, 2010
Ending: December 31, 2010

Date Prepared: January 27, 2010

Hello, and welcome to your Reserve Study!

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

With respect to Reserves, this Report will tell you “where you are” and “where to go from here”.

In this Report, you will find...

- 1) A List of What you’re Reserving For**
- 2) An Evaluation of your Reserve Fund Size and Strength**
- 3) A Recommended Multi-Year Reserve Funding Plan**

More Questions?

Visit our website at www.ReserveStudy.com or call us at:

253/661-5437



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3-Minute Executive Summary

Association: Hillwood Condominium **Assoc. #: 14393-2**
Location: Des Moines, WA
of Units: 72
Report Period: February 1, 2010 through December 31, 2010

Results

Projected Starting Reserve Balance:	\$70,000
Fully Funded Reserve Balance:	\$373,181
Average Reserve Deficit (Surplus) Per Unit:	\$4,211
Percent Funded:	18.8%
Recommended 2010 Monthly Reserve Contribution:	\$5,820
Baseline Contr. (minimum to maintain reserves above zero)	\$5,370
Recommended Special Assessment this year:	\$0
Most Recent Reserve Contribution Rate:	\$4,150

Economic Assumptions:

Net Annual “After Tax” Interest Earnings Accruing to Reserves..... **1.00%**
Annual Inflation Rate **3.00%**

- This is an “Update No-Site-Visit” Reserve Study, based on a prior Report prepared by Association Reserves for your 2009 Fiscal Year. No site inspection was performed as part of this Reserve Study. This study meets or exceeds all requirements of chapter 64.34 RCW, Article 3, and was prepared by, or under the supervision of, a credentialed Reserve Specialist (RS).
- Your Reserve Fund is currently 18.8% Funded. Comparatively, the 70-100% level is where associations typically enjoy fiscal stability with low risk of special assessment and/or deferred maintenance.
- Based on this starting point and your anticipated future expenses, our recommendation is to increase your Reserve Contributions to the Full Funding level as noted above.
- The association will be having a building envelope study conducted in 2010; results of this study should be included in reserve study updates and could significantly affect future reserve funding recommendations.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
100 Building Envelope - Inspect	N/A	0	\$17,500	\$0
103 Concrete - Repair/Replace	5	2	\$2,500	\$2,652
104 PVC Sheet Deck Coat - Resurface	15	11	\$136,500	\$188,948
201 Asphalt - Resurface	30	11	\$71,155	\$98,495
202 Asphalt - Seal/Repair/Stripe	5	1	\$10,165	\$10,470
320 Pole Lights - Replace	20	2	\$6,000	\$6,365
324 Ext Wall Lights - Maintain/Replace	21	17	\$9,000	\$14,876
325 Int Lights - Maintain/Replace	20	6	\$3,840	\$4,585
326 Int Chandeliers - Maintain/Replace	20	16	\$3,000	\$4,814
403 Mailboxes - Maintain/Replace	20	16	\$7,920	\$12,709
404 Patio Furniture - Maintain/Replace	8	4	\$4,000	\$4,502
405 Play Area - Maintain/Refurbish	15	11	\$6,500	\$8,998
500 Wood Retaining Wall -Repair/Replace	25	7	\$18,000	\$22,138
502 Fence - Repair / replace	20	16	\$1,815	\$2,913
503 Metal Rail - Repair/Replace	30	14	\$8,100	\$12,252
505 Wood Fence - Replace	20	1	\$22,440	\$23,113
506 Garbage Enclosures - Repair/Replace	10	6	\$11,000	\$13,135
601 Entry Hall Floor - Maintain/Replace	10	6	\$18,750	\$22,388
703 Entry Access Systems - Replace	20	16	\$15,000	\$24,071
909 Bathrooms - Refurbish	20	16	\$25,000	\$40,118
910 Clubhouse Interior - Refurbish	10	6	\$13,500	\$16,120
1110 Interior Surfaces - Repaint	10	6	\$22,400	\$26,747
1116 Exterior Surfaces - Paint/Caulk	7	3	\$79,200	\$86,544
1199 Pool Upgrades - Required	N/A	1	\$5,035	\$5,186
1200 Pool Deck - Clean/Topcoat	5	1	\$10,700	\$11,021
1201 Metal Pool Fence - Maintain/Replace	30	26	\$10,500	\$22,644
1202 Pool - Resurface	12	8	\$9,500	\$12,034
1203 Spa - Resurface	6	1	\$4,000	\$4,120
1204 Pool Tile/Coping - Replace	24	8	\$6,000	\$7,601
1208 Pool Heater - Replace	15	7	\$3,000	\$3,690
1208 Spa Heater - Replace	15	8	\$2,000	\$2,534
1303 Comp Shingle Roof - Replace	20	11	\$157,500	\$218,017
1310 Gutters/Downspouts - Repair/Replace	20	12	\$28,800	\$41,062
1330 Chimney Caps - Repair/Replace	25	6	\$15,000	\$17,911
1402 Main Signage - Replace	20	16	\$4,250	\$6,820
1402 Signage on buildings - Replace	14	10	\$3,000	\$4,032
1600 Drainage - Clean/Jetline (One Time)	N/A	0	\$1,800	\$0
1700 Lighting/Elect. - Adding (One Time)	N/A	0	\$2,940	\$0
1700 Lighting/Elect. - Repair (One Time)	N/A	0	\$900	\$0
39 Total Funded Components				

Note: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Introduction

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

In this Report you will find the Reserve Component List (what you are reserving for). It contains our estimates for Useful Life, Remaining Useful Life, and the current repair or replacement cost for each major component the association is obligated to maintain. Based on that List and your starting balance we computed the association's Reserve Fund Strength (measured as "Percent Funded"), and created a recommended multi-year Reserve Funding Plan to offset future Reserve expenses.

Reserve Study

- Component List
- Reserve Fund Strength
- Recommended Contribs

As the physical assets age and deteriorate, it is important to accumulate financial assets to keep the two "in balance". A stable Reserve Funding Plan that offsets the irregular Reserve expenses will ensure that each owner pays their own "fair share" of ongoing common area deterioration.

Methodology

First we establish what the projected expenses are, then we determine the association's financial status and create a Funding Plan. For this "Update No-Site-Visit" Reserve Study, we started with a review of your prior Reserve Study, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents. We adjusted life and cost factors based on time since the last Reserve Study and interviews with association representatives.

Reserve Study Types

- Full
- Update With-Site-Visit
- • Update No-Site-Visit

Which Physical Assets are Covered by Reserves?

There is a national-standard four-part test to determine which expenses should be funded through Reserves. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the limited life must be predictable (or it by definition is a “surprise” which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost. This limits Reserve Components to major, predictable expenses. Within this framework, it is inappropriate to include “lifetime” components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

Reserve Components

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

How are Useful Life and Remaining Useful Life established?

- 1) Reported Condition (wear and age since last report)
- 2) Association Reserves database of experience
- 3) Client Component History
- 4) Vendor Evaluation and Recommendation

How are Cost Estimates Established?

Financial projections are based on the average of our Best Case and Worst Case estimates, which are established in this order...

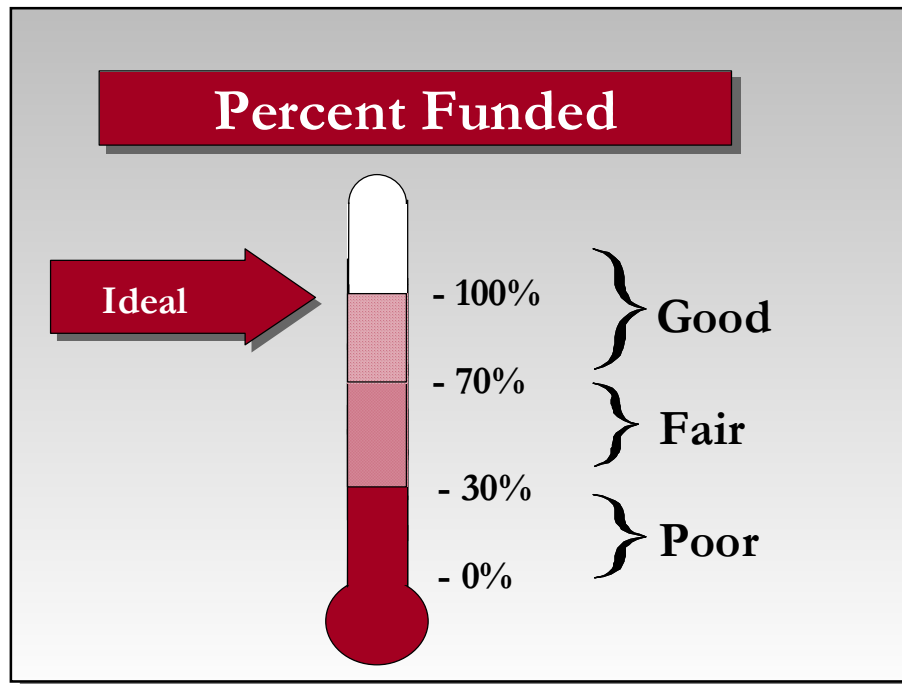
- 1) Client Cost History
- 2) Comparison to Association Reserves database or work done at similar associations
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Your Reserve cash Balance can measure reserves, but the true measure is whether the funds are adequate. Adequacy is measured in a two-step process:

- 1) Calculate the association's Fully Funded Balance (FFB)
- 2) Compare to the Reserve Fund Balance, and express as a percentage.

The FFB grows as assets age and the Reserve needs of the association increase, but shrinks when projects are accomplished and the Reserve needs of the association decrease. The Fully Funded Balance changes each year, and is a moving but predictable target.



Special assessments and deferred maintenance are common when the Percent Funded is below 30%. While the 100% point is Ideal, a Reserve Fund in the 70% - 130% range is considered "strong" because in this range cash flow problems are rare.

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

How much should we contribute?

There are four Funding Principles that we balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. A stable contribution rate is desirable because it is a hallmark of a proactive plan.

Reserve contributions that are evenly distributed over the owners, over the years, enable each owner to pay their “fair share” of the association’s Reserve expenses (this means we recommend special assessments only when all other options have been exhausted). And finally, we develop a plan that is fiscally responsible and “safe” for Board members to recommend to their association.

Funding Principles

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


What is our Funding Goal?

Maintaining the Reserve Fund at a level equal to the physical deterioration that has occurred is called “Full Funding” the Reserves (100% Funded). As each asset ages and becomes “used up”, the Reserve Fund grows proportionally. This is simple, responsible, and our recommendation. As stated previously, associations in the 100% range rarely experience special assessments or deferred maintenance.

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. In these associations, deterioration occurs without matching Reserve contributions. With a low Percent Funded, special assessments and deferred maintenance are common.

Threshold Funding is the title of all other objectives randomly selected between Baseline Funding and Full Funding.

Funding Goals



- Full Funding
- Threshold Funding
- Baseline Funding

Projected Expenses

The figure below shows the array of the projected future expenses at your association. This figure clearly shows the near term and future expenses that your association will face.

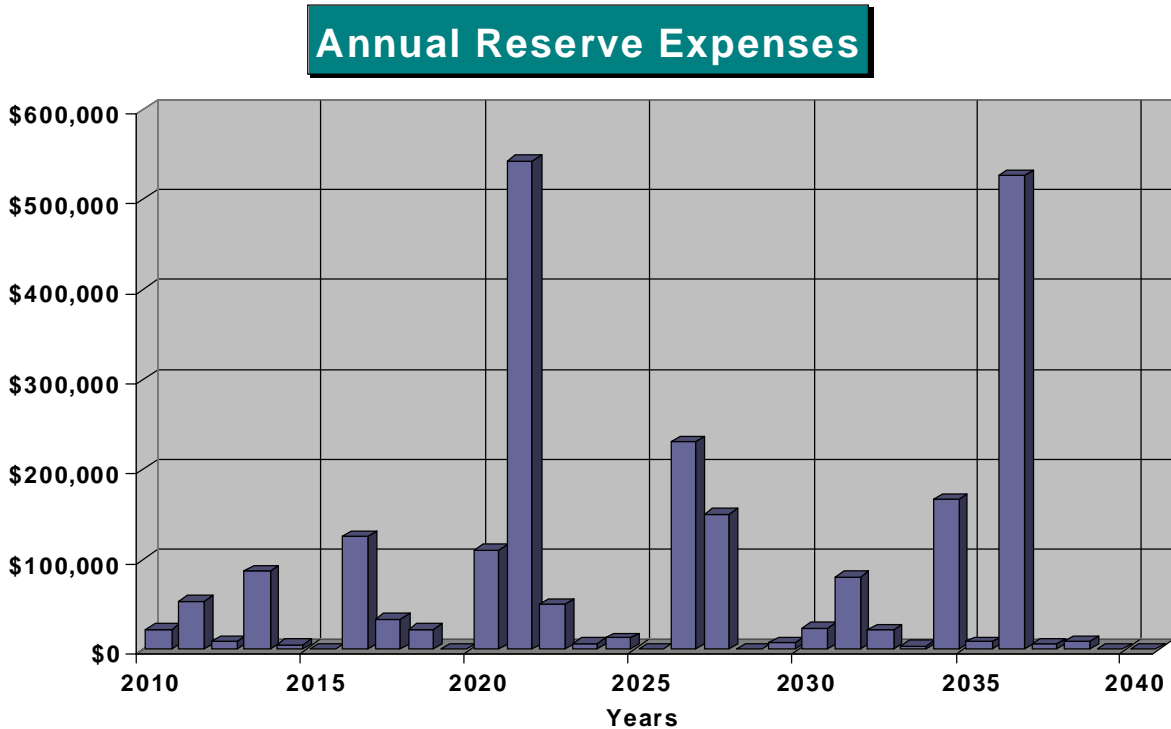


Figure 1

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

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$70,000 as-of the start of our reporting period, February 1, 2010. This is based on your actual balance on 11/30/2009 of \$68,765 and anticipated Reserve contributions and expenses projected through February 1, 2010. As of February 1, 2010, your Fully Funded Balance is computed to be \$373,181 (see Table 3). This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 19% Funded.

Recommended Funding Plan

Based on your current Percent Funded and your projected cash flow requirements, we are recommending Reserve contributions of \$5,820/month this Fiscal Year. This represents the first year of a 30-year Funding Plan. This same information is shown numerically in both Table 4 and Table 5.

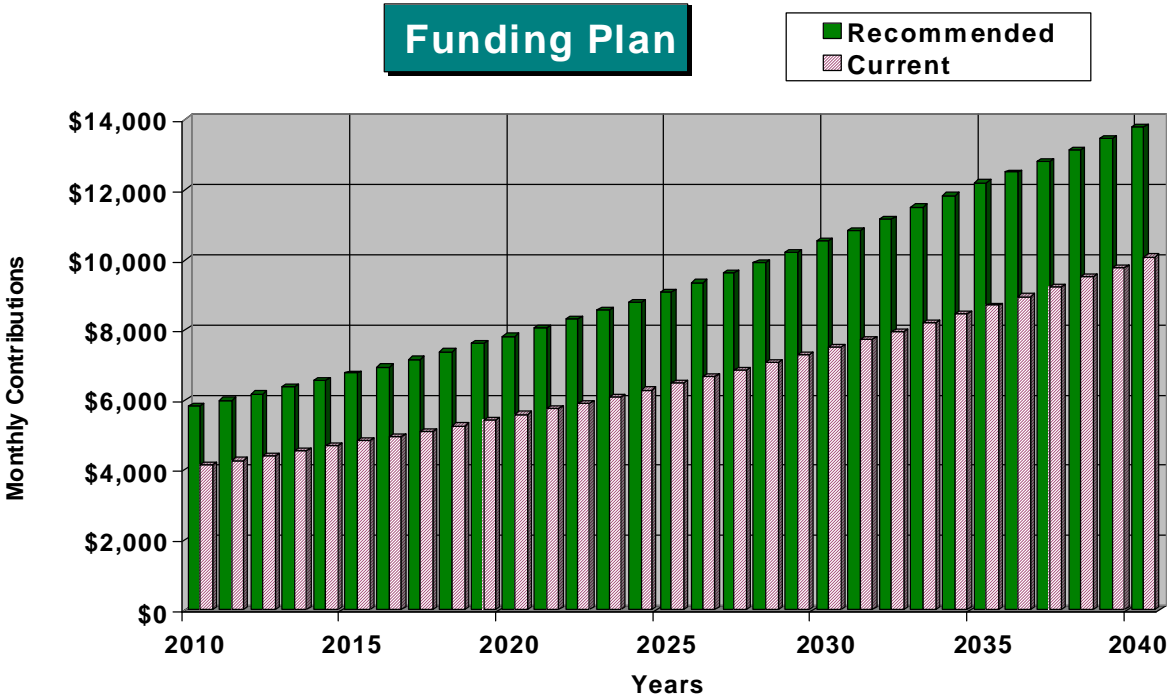


Figure 2

The following chart shows your Reserve Balance under our recommended Funding Plan and your current Funding Plan, and your always-changing Fully Funded Balance target.

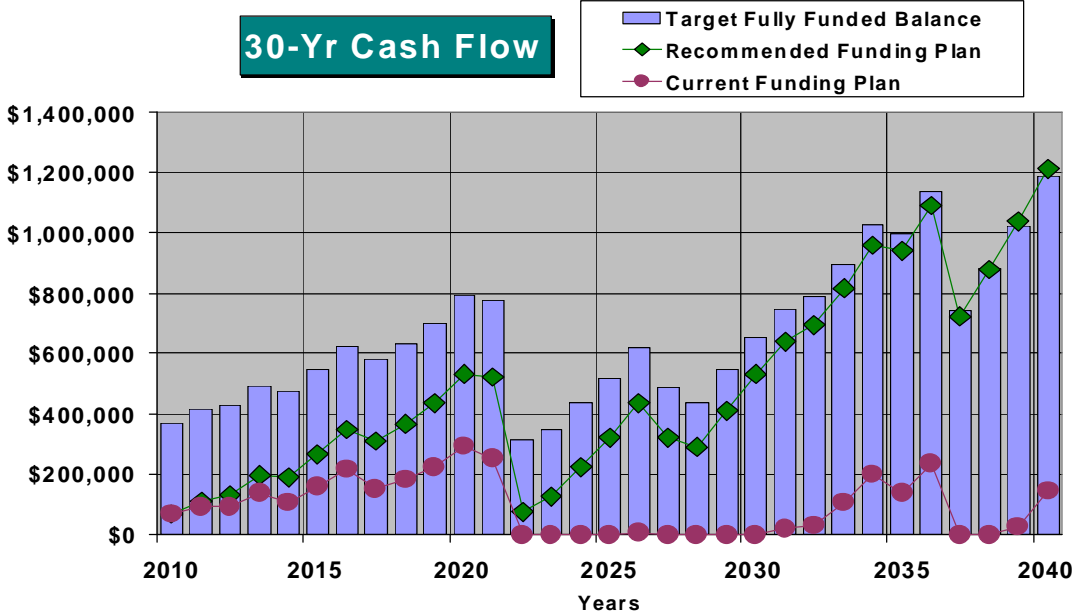


Figure 3

In this figure it is easy to see how your Reserve Fund gradually draws closer to the Fully Funded (100%) level.

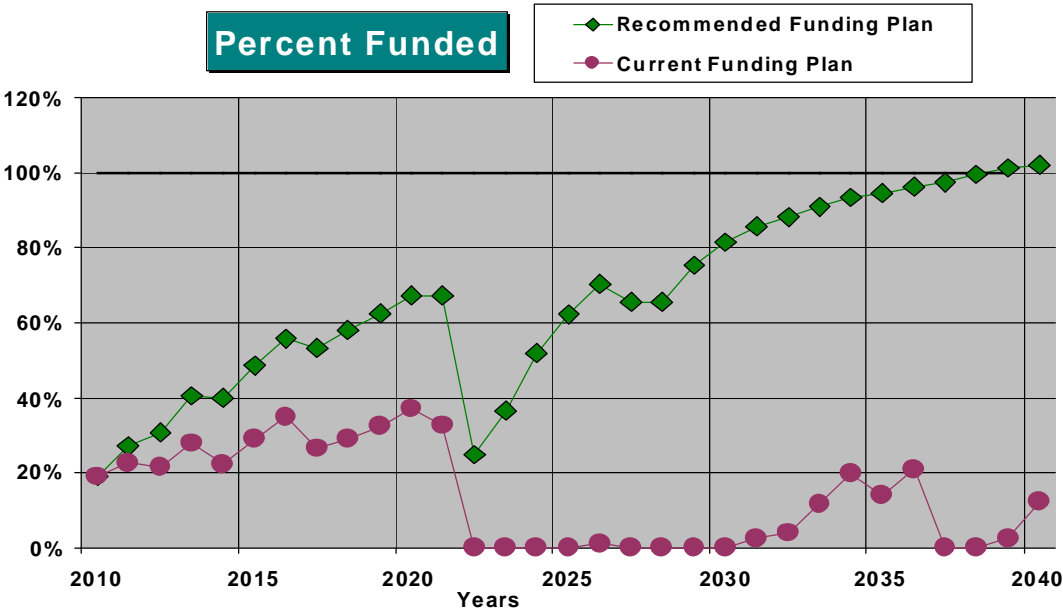


Figure 4

Table Descriptions

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

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

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

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

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

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

Table 2: Reserve Component List Detail

14393-2

# Component	Quantity	Useful	Rem.	Best	Current
		Life	Useful Life	Cost	Worst Cost
100 Building Envelope - Inspect	Extensive GSF	N/A	0	\$15,000	\$20,000
103 Concrete - Repair/Replace	Extensive square feet	5	2	\$2,000	\$3,000
104 PVC Sheet Deck Coat - Resurface	Approx 7,800 square feet	15	11	\$117,000	\$156,000
201 Asphalt - Resurface	Approx 40,660 square feet	30	11	\$60,990	\$81,320
202 Asphalt - Seal/Repair/Stripe	Approx 40,660 square feet	5	1	\$8,130	\$12,200
320 Pole Lights - Replace	(3) wood light poles	20	2	\$5,250	\$6,750
324 Ext Wall Lights - Maintain/Replace	Approx (120) fixtures	21	17	\$7,200	\$10,800
325 Int Lights - Maintain/Replace	Approx (48) fixtures	20	6	\$2,880	\$4,800
326 Int Chandeliers - Maintain/Replace	Approx (12) fixtures	20	16	\$2,400	\$3,600
403 Mailboxes - Maintain/Replace	(6) Units w/ (72) boxes	20	16	\$7,200	\$8,640
404 Patio Furniture - Maintain/Replace	Approx (10) assorted pcs	8	4	\$3,500	\$4,500
405 Play Area - Maintain/Refurbish	(1) metal/plastic playset	15	11	\$5,000	\$8,000
500 Wood Retaining Wall -Repair/Replace	Approx 600 square feet	25	7	\$15,000	\$21,000
502 Fence - Repair / replace	Approx 110 linear feet	20	16	\$1,650	\$1,980
503 Metal Rail - Repair/Replace	Approx 180 linear feet	30	14	\$7,200	\$9,000
505 Wood Fence - Replace	Approx 816 linear feet	20	1	\$20,400	\$24,480
506 Garbage Enclosures - Repair/Replace	(4) garbage enclosures	10	6	\$10,000	\$12,000
601 Entry Hall Floor - Maintain/Replace	Approx 625 square yards	10	6	\$15,625	\$21,875
703 Entry Access Systems - Replace	(12) hard-wired systems	20	16	\$12,000	\$18,000
909 Bathrooms - Refurbish	(2) approx 225 sf each	20	16	\$20,000	\$30,000
910 Clubhouse Interior - Refurbish	Approx 1,500 sq ft total	10	6	\$12,000	\$15,000
1110 Interior Surfaces - Repaint	Approx 28,000 square feet	10	6	\$19,600	\$25,200
1116 Exterior Surfaces - Paint/Caulk	Approx 67,500 GSF	7	3	\$72,000	\$86,400
1199 Pool Upgrades - Required	Remainder of \$10K	N/A	1	\$4,530	\$5,540
1200 Pool Deck - Clean/Topcoat	Approx 2,140 square feet	5	1	\$9,630	\$11,770
1201 Metal Pool Fence - Maintain/Replace	Approx 150 linear feet	30	26	\$9,000	\$12,000
1202 Pool - Resurface	Approx 576 square feet	12	8	\$8,500	\$10,500
1203 Spa - Resurface	(1) 10' diameter spa	6	1	\$3,000	\$5,000
1204 Pool Tile/Coping - Replace	Approx 100 linear feet	24	8	\$5,000	\$7,000
1208 Pool Heater - Replace	(1) Coates 30 kw	15	7	\$2,500	\$3,500
1208 Spa Heater - Replace	(1) Coates 11 kw	15	8	\$1,750	\$2,250
1303 Comp Shingle Roof - Replace	Approx 42,000 square feet	20	11	\$147,000	\$168,000
1310 Gutters/Downspouts - Repair/Replace	Approx 4,800 linear feet	20	12	\$24,000	\$33,600
1330 Chimney Caps - Repair/Replace	(73) metal caps	25	6	\$12,500	\$17,500
1402 Main Signage - Replace	(2) carved wood	20	16	\$3,500	\$5,000
1402 Signage on buildings - Replace	(24) Building & Unit sign	14	10	\$2,400	\$3,600
1600 Drainage - Clean/Jetline (One Time)	Near A Building	N/A	0	\$1,600	\$2,000
1700 Lighting/Elect. - Adding (One Time)	Parking areas, clubhouse	N/A	0	\$2,740	\$3,140
1700 Lighting/Elect. - Repair (One Time)	Near clubhouse	N/A	0	\$800	\$1,000
39 Total Funded Components					

Table 3: Contribution and Fund Breakdown**14393-2**

# Component	Useful Life	Rem. Useful Life	Current (Avg) Cost	Fully Funded Balance	Current Fund Balance	Reserve Contributions
100 Building Envelope - Inspect	N/A	0	\$17,500	\$16,042	\$16,041.67	\$150.39
103 Concrete - Repair/Replace	5	2	\$2,500	\$1,547	\$1,546.67	\$51.56
104 PVC Sheet Deck Coat - Resurface	15	11	\$136,500	\$37,272	\$0.00	\$938.44
201 Asphalt - Resurface	30	11	\$71,155	\$45,381	\$0.00	\$244.60
202 Asphalt - Seal/Repair/Stripe	5	1	\$10,165	\$8,327	\$8,326.83	\$209.65
320 Pole Lights - Replace	20	2	\$6,000	\$5,439	\$2,543.39	\$30.94
324 Ext Wall Lights - Maintain/Replace	21	17	\$9,000	\$1,755	\$0.00	\$44.20
325 Int Lights - Maintain/Replace	20	6	\$3,840	\$2,711	\$0.00	\$19.80
326 Int Chandeliers - Maintain/Replace	20	16	\$3,000	\$614	\$0.00	\$15.47
403 Mailboxes - Maintain/Replace	20	16	\$7,920	\$1,622	\$0.00	\$40.84
404 Patio Furniture - Maintain/Replace	8	4	\$4,000	\$2,048	\$0.00	\$51.56
405 Play Area - Maintain/Refurbish	15	11	\$6,500	\$1,775	\$0.00	\$44.69
500 Wood Retaining Wall -Repair/Replace	25	7	\$18,000	\$13,054	\$0.00	\$74.25
502 Fence - Repair / replace	20	16	\$1,815	\$372	\$0.00	\$9.36
503 Metal Rail - Repair/Replace	30	14	\$8,100	\$4,354	\$0.00	\$27.84
505 Wood Fence - Replace	20	1	\$22,440	\$21,468	\$21,467.60	\$115.71
506 Garbage Enclosures - Repair/Replace	10	6	\$11,000	\$4,505	\$0.00	\$113.44
601 Entry Hall Floor - Maintain/Replace	10	6	\$18,750	\$7,680	\$0.00	\$193.36
703 Entry Access Systems - Replace	20	16	\$15,000	\$3,072	\$0.00	\$77.34
909 Bathrooms - Refurbish	20	16	\$25,000	\$5,120	\$0.00	\$128.91
910 Clubhouse Interior - Refurbish	10	6	\$13,500	\$5,529	\$0.00	\$139.22
1110 Interior Surfaces - Repaint	10	6	\$22,400	\$9,175	\$0.00	\$231.00
1116 Exterior Surfaces - Paint/Caulk	7	3	\$79,200	\$46,341	\$0.00	\$1,166.79
1199 Pool Upgrades - Required	N/A	1	\$5,035	\$2,740	\$2,739.88	\$118.34
1200 Pool Deck - Clean/Topcoat	5	1	\$10,700	\$8,765	\$8,765.08	\$220.69
1201 Metal Pool Fence - Maintain/Replace	30	26	\$10,500	\$1,434	\$0.00	\$36.09
1202 Pool - Resurface	12	8	\$9,500	\$3,243	\$0.00	\$81.64
1203 Spa - Resurface	6	1	\$4,000	\$3,399	\$3,398.89	\$68.75
1204 Pool Tile/Coping - Replace	24	8	\$6,000	\$4,031	\$0.00	\$25.78
1208 Pool Heater - Replace	15	7	\$3,000	\$1,621	\$0.00	\$20.63
1208 Spa Heater - Replace	15	8	\$2,000	\$947	\$0.00	\$13.75
1303 Comp Shingle Roof - Replace	20	11	\$157,500	\$71,728	\$0.00	\$812.11
1310 Gutters/Downspouts - Repair/Replace	20	12	\$28,800	\$11,672	\$0.00	\$148.50
1330 Chimney Caps - Repair/Replace	25	6	\$15,000	\$11,480	\$0.00	\$61.88
1402 Main Signage - Replace	20	16	\$4,250	\$870	\$0.00	\$21.91
1402 Signage on buildings - Replace	14	10	\$3,000	\$878	\$0.00	\$22.10
1600 Drainage - Clean/Jetline (One Time)	N/A	0	\$1,800	\$1,650	\$1,650.00	\$15.47
1700 Lighting/Elect. - Adding (One Time)	N/A	0	\$2,940	\$2,695	\$2,695.00	\$25.27
1700 Lighting/Elect. - Repair (One Time)	N/A	0	\$900	\$825	\$825.00	\$7.73
39 Total Funded Components				\$373,181	\$70,000	\$5,820

Table 4: 30-Year Reserve Plan Summary

14393-2

Fiscal Year Beginning: 02/01/10

Interest:	1.0%	Inflation:	3.0%
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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Rating	Annual Reserve Contribs.	Loans or Special Assmts	Interest Income	Projected Reserve Expenses
2010	\$70,000	\$373,181	18.8%	Weak	\$64,020	\$0	\$909	\$23,140
2011	\$111,789	\$414,251	27.0%	Weak	\$71,935	\$0	\$1,214	\$53,910
2012	\$131,027	\$427,761	30.6%	Fair	\$74,093	\$0	\$1,643	\$9,018
2013	\$197,746	\$489,614	40.4%	Fair	\$76,316	\$0	\$1,935	\$86,544
2014	\$189,453	\$475,219	39.9%	Fair	\$78,606	\$0	\$2,275	\$4,502
2015	\$265,832	\$546,698	48.6%	Fair	\$80,964	\$0	\$3,077	\$0
2016	\$349,873	\$626,813	55.8%	Fair	\$83,393	\$0	\$3,302	\$125,799
2017	\$310,768	\$581,671	53.4%	Fair	\$85,894	\$0	\$3,384	\$33,822
2018	\$366,224	\$631,880	58.0%	Fair	\$88,471	\$0	\$4,012	\$22,168
2019	\$436,539	\$697,626	62.6%	Fair	\$91,125	\$0	\$4,843	\$0
2020	\$532,508	\$790,266	67.4%	Fair	\$93,859	\$0	\$5,266	\$110,470
2021	\$521,163	\$774,053	67.3%	Fair	\$96,675	\$0	\$2,992	\$543,339
2022	\$77,491	\$313,714	24.7%	Weak	\$99,575	\$0	\$1,026	\$50,329
2023	\$127,762	\$349,648	36.5%	Fair	\$102,562	\$0	\$1,769	\$5,874
2024	\$226,220	\$434,799	52.0%	Fair	\$105,639	\$0	\$2,742	\$12,252
2025	\$322,349	\$518,357	62.2%	Fair	\$108,808	\$0	\$3,785	\$0
2026	\$434,942	\$619,535	70.2%	Strong	\$112,073	\$0	\$3,776	\$230,275
2027	\$320,515	\$489,134	65.5%	Fair	\$115,435	\$0	\$3,047	\$149,913
2028	\$289,083	\$440,239	65.7%	Fair	\$118,898	\$0	\$3,501	\$0
2029	\$411,482	\$547,014	75.2%	Strong	\$122,465	\$0	\$4,714	\$7,014
2030	\$531,647	\$652,574	81.5%	Strong	\$126,139	\$0	\$5,852	\$24,383
2031	\$639,255	\$746,303	85.7%	Strong	\$129,923	\$0	\$6,670	\$80,560
2032	\$695,288	\$787,959	88.2%	Strong	\$133,821	\$0	\$7,546	\$22,035
2033	\$814,620	\$894,213	91.1%	Strong	\$137,835	\$0	\$8,856	\$3,947
2034	\$957,364	\$1,025,444	93.4%	Strong	\$141,970	\$0	\$9,491	\$167,096
2035	\$941,730	\$995,823	94.6%	Strong	\$146,229	\$0	\$10,153	\$8,375
2036	\$1,089,738	\$1,132,148	96.3%	Strong	\$149,885	\$0	\$9,059	\$525,896
2037	\$722,786	\$742,968	97.3%	Strong	\$153,632	\$0	\$8,005	\$5,553
2038	\$878,870	\$881,622	99.7%	Strong	\$157,473	\$0	\$9,574	\$9,152
2039	\$1,036,765	\$1,024,391	101.2%	Strong	\$161,410	\$0	\$11,226	\$0

Table 5: 30-Year Income/Expense Detail (yrs 0 through 4)**14393-2**

Fiscal Year	2010	2011	2012	2013	2014
Starting Reserve Balance	\$70,000	\$111,789	\$131,027	\$197,746	\$189,453
Annual Reserve Contribution	\$64,020	\$71,935	\$74,093	\$76,316	\$78,606
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$909	\$1,214	\$1,643	\$1,935	\$2,275
Total Income	\$134,929	\$184,937	\$206,764	\$275,997	\$270,334
# Component					
100 Building Envelope - Inspect	\$17,500	\$0	\$0	\$0	\$0
103 Concrete - Repair/Replace	\$0	\$0	\$2,652	\$0	\$0
104 PVC Sheet Deck Coat - Resurface	\$0	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair/Stripe	\$0	\$10,470	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$6,365	\$0	\$0
324 Ext Wall Lights - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
325 Int Lights - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
326 Int Chandeliers - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
404 Patio Furniture - Maintain/Replace	\$0	\$0	\$0	\$0	\$4,502
405 Play Area - Maintain/Refurbish	\$0	\$0	\$0	\$0	\$0
500 Wood Retaining Wall -Repair/Replace	\$0	\$0	\$0	\$0	\$0
502 Fence - Repair / replace	\$0	\$0	\$0	\$0	\$0
503 Metal Rail - Repair/Replace	\$0	\$0	\$0	\$0	\$0
505 Wood Fence - Replace	\$0	\$23,113	\$0	\$0	\$0
506 Garbage Enclosures - Repair/Replace	\$0	\$0	\$0	\$0	\$0
601 Entry Hall Floor - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
703 Entry Access Systems - Replace	\$0	\$0	\$0	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$0	\$0	\$0	\$0
910 Clubhouse Interior - Refurbish	\$0	\$0	\$0	\$0	\$0
1110 Interior Surfaces - Repaint	\$0	\$0	\$0	\$0	\$0
1116 Exterior Surfaces - Paint/Caulk	\$0	\$0	\$0	\$86,544	\$0
1199 Pool Upgrades - Required	\$0	\$5,186	\$0	\$0	\$0
1200 Pool Deck - Clean/Topcoat	\$0	\$11,021	\$0	\$0	\$0
1201 Metal Pool Fence - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$0	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$0	\$4,120	\$0	\$0	\$0
1204 Pool Tile/Coping - Replace	\$0	\$0	\$0	\$0	\$0
1208 Pool Heater - Replace	\$0	\$0	\$0	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1310 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$0	\$0
1330 Chimney Caps - Repair/Replace	\$0	\$0	\$0	\$0	\$0
1402 Main Signage - Replace	\$0	\$0	\$0	\$0	\$0
1402 Signage on buildings - Replace	\$0	\$0	\$0	\$0	\$0
1600 Drainage - Clean/Jetline (One Time)	\$1,800	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Adding (One Time)	\$2,940	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Repair (One Time)	\$900	\$0	\$0	\$0	\$0
Total Expenses	\$23,140	\$53,910	\$9,018	\$86,544	\$4,502

Table 5: 30-Year Income/Expense Detail (yrs 0 through 4)**14393-2**

Fiscal Year	2010	2011	2012	2013	2014
Ending Reserve Balance:	\$111,789	\$131,027	\$197,746	\$189,453	\$265,832

Table 5: 30-Year Income/Expense Detail (yrs 5 through 9)**14393-2**

Fiscal Year	2015	2016	2017	2018	2019
Starting Reserve Balance	\$265,832	\$349,873	\$310,768	\$366,224	\$436,539
Annual Reserve Contribution	\$80,964	\$83,393	\$85,894	\$88,471	\$91,125
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,077	\$3,302	\$3,384	\$4,012	\$4,843
Total Income	\$349,873	\$436,567	\$400,046	\$458,708	\$532,508
# Component					
100 Building Envelope - Inspect	\$0	\$0	\$0	\$0	\$0
103 Concrete - Repair/Replace	\$0	\$0	\$3,075	\$0	\$0
104 PVC Sheet Deck Coat - Resurface	\$0	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair/Stripe	\$0	\$12,138	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
324 Ext Wall Lights - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
325 Int Lights - Maintain/Replace	\$0	\$4,585	\$0	\$0	\$0
326 Int Chandeliers - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
404 Patio Furniture - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
405 Play Area - Maintain/Refurbish	\$0	\$0	\$0	\$0	\$0
500 Wood Retaining Wall -Repair/Replace	\$0	\$0	\$22,138	\$0	\$0
502 Fence - Repair / replace	\$0	\$0	\$0	\$0	\$0
503 Metal Rail - Repair/Replace	\$0	\$0	\$0	\$0	\$0
505 Wood Fence - Replace	\$0	\$0	\$0	\$0	\$0
506 Garbage Enclosures - Repair/Replace	\$0	\$13,135	\$0	\$0	\$0
601 Entry Hall Floor - Maintain/Replace	\$0	\$22,388	\$0	\$0	\$0
703 Entry Access Systems - Replace	\$0	\$0	\$0	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$0	\$0	\$0	\$0
910 Clubhouse Interior - Refurbish	\$0	\$16,120	\$0	\$0	\$0
1110 Interior Surfaces - Repaint	\$0	\$26,747	\$0	\$0	\$0
1116 Exterior Surfaces - Paint/Caulk	\$0	\$0	\$0	\$0	\$0
1199 Pool Upgrades - Required	\$0	\$0	\$0	\$0	\$0
1200 Pool Deck - Clean/Topcoat	\$0	\$12,776	\$0	\$0	\$0
1201 Metal Pool Fence - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$0	\$0	\$0	\$12,034	\$0
1203 Spa - Resurface	\$0	\$0	\$4,919	\$0	\$0
1204 Pool Tile/Coping - Replace	\$0	\$0	\$0	\$7,601	\$0
1208 Pool Heater - Replace	\$0	\$0	\$3,690	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$0	\$2,534	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1310 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$0	\$0
1330 Chimney Caps - Repair/Replace	\$0	\$17,911	\$0	\$0	\$0
1402 Main Signage - Replace	\$0	\$0	\$0	\$0	\$0
1402 Signage on buildings - Replace	\$0	\$0	\$0	\$0	\$0
1600 Drainage - Clean/Jetline (One Time)	\$0	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Adding (One Time)	\$0	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Repair (One Time)	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$125,799	\$33,822	\$22,168	\$0

Table 5: 30-Year Income/Expense Detail (yrs 5 through 9)**14393-2**

Fiscal Year	2015	2016	2017	2018	2019
Ending Reserve Balance:	\$349,873	\$310,768	\$366,224	\$436,539	\$532,508

Table 5: 30-Year Income/Expense Detail (yrs 10 through 14)**14393-2**

Fiscal Year	2020	2021	2022	2023	2024
Starting Reserve Balance	\$532,508	\$521,163	\$77,491	\$127,762	\$226,220
Annual Reserve Contribution	\$93,859	\$96,675	\$99,575	\$102,562	\$105,639
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$5,266	\$2,992	\$1,026	\$1,769	\$2,742
Total Income	\$631,633	\$620,830	\$178,092	\$232,094	\$334,601
# Component					
100 Building Envelope - Inspect	\$0	\$0	\$0	\$0	\$0
103 Concrete - Repair/Replace	\$0	\$0	\$3,564	\$0	\$0
104 PVC Sheet Deck Coat - Resurface	\$0	\$188,948	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$98,495	\$0	\$0	\$0
202 Asphalt - Seal/Repair/Stripe	\$0	\$14,071	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
324 Ext Wall Lights - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
325 Int Lights - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
326 Int Chandeliers - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
404 Patio Furniture - Maintain/Replace	\$0	\$0	\$5,703	\$0	\$0
405 Play Area - Maintain/Refurbish	\$0	\$8,998	\$0	\$0	\$0
500 Wood Retaining Wall -Repair/Replace	\$0	\$0	\$0	\$0	\$0
502 Fence - Repair / replace	\$0	\$0	\$0	\$0	\$0
503 Metal Rail - Repair/Replace	\$0	\$0	\$0	\$0	\$12,252
505 Wood Fence - Replace	\$0	\$0	\$0	\$0	\$0
506 Garbage Enclosures - Repair/Replace	\$0	\$0	\$0	\$0	\$0
601 Entry Hall Floor - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
703 Entry Access Systems - Replace	\$0	\$0	\$0	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$0	\$0	\$0	\$0
910 Clubhouse Interior - Refurbish	\$0	\$0	\$0	\$0	\$0
1110 Interior Surfaces - Repaint	\$0	\$0	\$0	\$0	\$0
1116 Exterior Surfaces - Paint/Caulk	\$106,438	\$0	\$0	\$0	\$0
1199 Pool Upgrades - Required	\$0	\$0	\$0	\$0	\$0
1200 Pool Deck - Clean/Topcoat	\$0	\$14,811	\$0	\$0	\$0
1201 Metal Pool Fence - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$0	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$0	\$0	\$0	\$5,874	\$0
1204 Pool Tile/Coping - Replace	\$0	\$0	\$0	\$0	\$0
1208 Pool Heater - Replace	\$0	\$0	\$0	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$218,017	\$0	\$0	\$0
1310 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$41,062	\$0	\$0
1330 Chimney Caps - Repair/Replace	\$0	\$0	\$0	\$0	\$0
1402 Main Signage - Replace	\$0	\$0	\$0	\$0	\$0
1402 Signage on buildings - Replace	\$4,032	\$0	\$0	\$0	\$0
1600 Drainage - Clean/Jetline (One Time)	\$0	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Adding (One Time)	\$0	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Repair (One Time)	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$110,470	\$543,339	\$50,329	\$5,874	\$12,252

Table 5: 30-Year Income/Expense Detail (yrs 10 through 14)**14393-2**

Fiscal Year	2020	2021	2022	2023	2024
Ending Reserve Balance:	\$521,163	\$77,491	\$127,762	\$226,220	\$322,349

Table 5: 30-Year Income/Expense Detail (yrs 15 through 19)**14393-2**

Fiscal Year	2025	2026	2027	2028	2029
Starting Reserve Balance	\$322,349	\$434,942	\$320,515	\$289,083	\$411,482
Annual Reserve Contribution	\$108,808	\$112,073	\$115,435	\$118,898	\$122,465
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,785	\$3,776	\$3,047	\$3,501	\$4,714
Total Income	\$434,942	\$550,790	\$438,996	\$411,482	\$538,661
# Component					
100 Building Envelope - Inspect	\$0	\$0	\$0	\$0	\$0
103 Concrete - Repair/Replace	\$0	\$0	\$4,132	\$0	\$0
104 PVC Sheet Deck Coat - Resurface	\$0	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair/Stripe	\$0	\$16,312	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
324 Ext Wall Lights - Maintain/Replace	\$0	\$0	\$14,876	\$0	\$0
325 Int Lights - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
326 Int Chandeliers - Maintain/Replace	\$0	\$4,814	\$0	\$0	\$0
403 Mailboxes - Maintain/Replace	\$0	\$12,709	\$0	\$0	\$0
404 Patio Furniture - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
405 Play Area - Maintain/Refurbish	\$0	\$0	\$0	\$0	\$0
500 Wood Retaining Wall -Repair/Replace	\$0	\$0	\$0	\$0	\$0
502 Fence - Repair / replace	\$0	\$2,913	\$0	\$0	\$0
503 Metal Rail - Repair/Replace	\$0	\$0	\$0	\$0	\$0
505 Wood Fence - Replace	\$0	\$0	\$0	\$0	\$0
506 Garbage Enclosures - Repair/Replace	\$0	\$17,652	\$0	\$0	\$0
601 Entry Hall Floor - Maintain/Replace	\$0	\$30,088	\$0	\$0	\$0
703 Entry Access Systems - Replace	\$0	\$24,071	\$0	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$40,118	\$0	\$0	\$0
910 Clubhouse Interior - Refurbish	\$0	\$21,664	\$0	\$0	\$0
1110 Interior Surfaces - Repaint	\$0	\$35,945	\$0	\$0	\$0
1116 Exterior Surfaces - Paint/Caulk	\$0	\$0	\$130,906	\$0	\$0
1199 Pool Upgrades - Required	\$0	\$0	\$0	\$0	\$0
1200 Pool Deck - Clean/Topcoat	\$0	\$17,170	\$0	\$0	\$0
1201 Metal Pool Fence - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$0	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$0	\$0	\$0	\$0	\$7,014
1204 Pool Tile/Coping - Replace	\$0	\$0	\$0	\$0	\$0
1208 Pool Heater - Replace	\$0	\$0	\$0	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1310 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$0	\$0
1330 Chimney Caps - Repair/Replace	\$0	\$0	\$0	\$0	\$0
1402 Main Signage - Replace	\$0	\$6,820	\$0	\$0	\$0
1402 Signage on buildings - Replace	\$0	\$0	\$0	\$0	\$0
1600 Drainage - Clean/Jetline (One Time)	\$0	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Adding (One Time)	\$0	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Repair (One Time)	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$230,275	\$149,913	\$0	\$7,014

Table 5: 30-Year Income/Expense Detail (yrs 15 through 19)**14393-2**

Fiscal Year	2025	2026	2027	2028	2029
Ending Reserve Balance:	\$434,942	\$320,515	\$289,083	\$411,482	\$531,647

Table 5: 30-Year Income/Expense Detail (yrs 20 through 24)**14393-2**

Fiscal Year	2030	2031	2032	2033	2034
Starting Reserve Balance	\$531,647	\$639,255	\$695,288	\$814,620	\$957,364
Annual Reserve Contribution	\$126,139	\$129,923	\$133,821	\$137,835	\$141,970
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$5,852	\$6,670	\$7,546	\$8,856	\$9,491
Total Income	\$663,638	\$775,848	\$836,655	\$961,311	\$1,108,826
# Component					
100 Building Envelope - Inspect	\$0	\$0	\$0	\$0	\$0
103 Concrete - Repair/Replace	\$0	\$0	\$4,790	\$0	\$0
104 PVC Sheet Deck Coat - Resurface	\$0	\$0	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair/Stripe	\$0	\$18,910	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$11,497	\$0	\$0
324 Ext Wall Lights - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
325 Int Lights - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
326 Int Chandeliers - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
404 Patio Furniture - Maintain/Replace	\$7,224	\$0	\$0	\$0	\$0
405 Play Area - Maintain/Refurbish	\$0	\$0	\$0	\$0	\$0
500 Wood Retaining Wall -Repair/Replace	\$0	\$0	\$0	\$0	\$0
502 Fence - Repair / replace	\$0	\$0	\$0	\$0	\$0
503 Metal Rail - Repair/Replace	\$0	\$0	\$0	\$0	\$0
505 Wood Fence - Replace	\$0	\$41,745	\$0	\$0	\$0
506 Garbage Enclosures - Repair/Replace	\$0	\$0	\$0	\$0	\$0
601 Entry Hall Floor - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
703 Entry Access Systems - Replace	\$0	\$0	\$0	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$0	\$0	\$0	\$0
910 Clubhouse Interior - Refurbish	\$0	\$0	\$0	\$0	\$0
1110 Interior Surfaces - Repaint	\$0	\$0	\$0	\$0	\$0
1116 Exterior Surfaces - Paint/Caulk	\$0	\$0	\$0	\$0	\$160,997
1199 Pool Upgrades - Required	\$0	\$0	\$0	\$0	\$0
1200 Pool Deck - Clean/Topcoat	\$0	\$19,905	\$0	\$0	\$0
1201 Metal Pool Fence - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
1202 Pool - Resurface	\$17,158	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$0	\$0	\$0	\$0	\$0
1204 Pool Tile/Coping - Replace	\$0	\$0	\$0	\$0	\$0
1208 Pool Heater - Replace	\$0	\$0	\$5,748	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$0	\$3,947	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1310 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$0	\$0
1330 Chimney Caps - Repair/Replace	\$0	\$0	\$0	\$0	\$0
1402 Main Signage - Replace	\$0	\$0	\$0	\$0	\$0
1402 Signage on buildings - Replace	\$0	\$0	\$0	\$0	\$6,098
1600 Drainage - Clean/Jetline (One Time)	\$0	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Adding (One Time)	\$0	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Repair (One Time)	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$24,383	\$80,560	\$22,035	\$3,947	\$167,096

Table 5: 30-Year Income/Expense Detail (yrs 20 through 24)**14393-2**

Fiscal Year	2030	2031	2032	2033	2034
Ending Reserve Balance:	\$639,255	\$695,288	\$814,620	\$957,364	\$941,730

Table 5: 30-Year Income/Expense Detail (yrs 25 through 29)**14393-2**

Fiscal Year	2035	2036	2037	2038	2039
Starting Reserve Balance	\$941,730	\$1,089,738	\$722,786	\$878,870	\$1,036,765
Annual Reserve Contribution	\$146,229	\$149,885	\$153,632	\$157,473	\$161,410
Planned Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$10,153	\$9,059	\$8,005	\$9,574	\$11,226
Total Income	\$1,098,113	\$1,248,681	\$884,423	\$1,045,917	\$1,209,401
# Component					
100 Building Envelope - Inspect	\$0	\$0	\$0	\$0	\$0
103 Concrete - Repair/Replace	\$0	\$0	\$5,553	\$0	\$0
104 PVC Sheet Deck Coat - Resurface	\$0	\$294,375	\$0	\$0	\$0
201 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt - Seal/Repair/Stripe	\$0	\$21,922	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
324 Ext Wall Lights - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
325 Int Lights - Maintain/Replace	\$0	\$8,281	\$0	\$0	\$0
326 Int Chandeliers - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Maintain/Replace	\$0	\$0	\$0	\$0	\$0
404 Patio Furniture - Maintain/Replace	\$0	\$0	\$0	\$9,152	\$0
405 Play Area - Maintain/Refurbish	\$0	\$14,018	\$0	\$0	\$0
500 Wood Retaining Wall -Repair/Replace	\$0	\$0	\$0	\$0	\$0
502 Fence - Repair / replace	\$0	\$0	\$0	\$0	\$0
503 Metal Rail - Repair/Replace	\$0	\$0	\$0	\$0	\$0
505 Wood Fence - Replace	\$0	\$0	\$0	\$0	\$0
506 Garbage Enclosures - Repair/Replace	\$0	\$23,723	\$0	\$0	\$0
601 Entry Hall Floor - Maintain/Replace	\$0	\$40,436	\$0	\$0	\$0
703 Entry Access Systems - Replace	\$0	\$0	\$0	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$0	\$0	\$0	\$0
910 Clubhouse Interior - Refurbish	\$0	\$29,114	\$0	\$0	\$0
1110 Interior Surfaces - Repaint	\$0	\$48,308	\$0	\$0	\$0
1116 Exterior Surfaces - Paint/Caulk	\$0	\$0	\$0	\$0	\$0
1199 Pool Upgrades - Required	\$0	\$0	\$0	\$0	\$0
1200 Pool Deck - Clean/Topcoat	\$0	\$23,076	\$0	\$0	\$0
1201 Metal Pool Fence - Maintain/Replace	\$0	\$22,644	\$0	\$0	\$0
1202 Pool - Resurface	\$0	\$0	\$0	\$0	\$0
1203 Spa - Resurface	\$8,375	\$0	\$0	\$0	\$0
1204 Pool Tile/Coping - Replace	\$0	\$0	\$0	\$0	\$0
1208 Pool Heater - Replace	\$0	\$0	\$0	\$0	\$0
1208 Spa Heater - Replace	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1310 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$0	\$0
1330 Chimney Caps - Repair/Replace	\$0	\$0	\$0	\$0	\$0
1402 Main Signage - Replace	\$0	\$0	\$0	\$0	\$0
1402 Signage on buildings - Replace	\$0	\$0	\$0	\$0	\$0
1600 Drainage - Clean/Jetline (One Time)	\$0	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Adding (One Time)	\$0	\$0	\$0	\$0	\$0
1700 Lighting/Elect. - Repair (One Time)	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$8,375	\$525,896	\$5,553	\$9,152	\$0

Table 5: 30-Year Income/Expense Detail (yrs 25 through 29)**14393-2**

Fiscal Year	2035	2036	2037	2038	2039
Ending Reserve Balance:	\$1,089,738	\$722,786	\$878,870	\$1,036,765	\$1,209,401

Accuracy, Limitations, and Disclosures

Washington disclosure, per Senate Bill 6215:

This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special assessment your share of common expenses for the cost of major maintenance, repair or replacement of a reserve component.

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

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

Association Reserves, Inc., and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. James D. Talaga R.S., company president, is a credentialed Reserve Specialist (#66). All work done by Association Reserves is performed under his Responsible Charge. There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the association’s situation.

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

Component quantities indicated in this Report were derived from the prior Reserve Study, unless otherwise noted in our "Site Inspection Notes" comments. No destructive or intrusive testing was performed, nor should the site inspection be assumed to be anything other than for budget purposes.

Terms and Definitions

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

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

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

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

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

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

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

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

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