

# Sun Peak Master Association

## Level 1 Reserve Study



**Report Period – 01/01/2014 – 12/31/2014**

<b>Client Reference Number</b>	<b>17547</b>
<b>Property Type</b>	<b>Master</b>
<b>Fiscal Year End</b>	<b>12/31</b>

<b>Date of Property Inspection</b>	<b>8/30/2013</b>
<b>Prepared By</b>	<b>Dale Gifford</b>
<b>Analysis Method</b>	<b>Cash Flow</b>
<b>Funding Goal</b>	<b>Full Funding</b>

**Report prepared on – Thursday, September 26, 2013**



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## Glossary of Commonly used Words and Phrases

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## Executive Summary – Sun Peak Master Association - ID # 17547

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.

<b>Projected Starting Balance as of 01/01/2014</b>	<b>\$170,000</b>
<b>Ideal Reserve Balance as of 01/01/2014</b>	<b>\$285,871</b>
<b>Percent Funded as of 01/01/2014</b>	<b>59%</b>
<b>Recommended Reserve Contribution (per month)</b>	<b>\$4,750</b>
<b>Minimum Reserve Contribution (per month)</b>	<b>\$4,330</b>
<b>Recommended Special Assessment</b>	<b>\$0</b>

Sun Peak Master Association is a Master community. The community offers a clubhouse with fitness room, and swimming pool, a playground area and a tennis court as amenities. Construction on the amenities was completed in 1995.

### Currently Programmed Projects

Projects programmed to occur this fiscal year (FY2014) include wood trim repaint (Comp# 202), wood deck & stair repair/repaint (Comp# 606), tennis court asphalt overlay/resurface (Comp# 1203), clubhouse awning replace (Comp# 1312), hardwood floor replace (Comp# 1590). We have programmed an estimated \$50,700 in reserve expenditures toward the completion of these projects. (See page 18)

### Significant Reserve Projects

The association's significant reserve projects include wood deck & stair repair/repaint (Comp# 606), pool resurface (Comp# 1101), pitched roof replace, clubhouse & storage (Comp# 105), and wood trim repaint (Comp# 202). The fiscal significance of these components is approximately 6%, 5%, 5%, and 5% respectively (see page 11). A component's significance is calculated by dividing its replacement cost by its useful life. In this way, not only is a component's replacement cost considered but also the frequency of occurrence. These components most significantly contribute to the total monthly reserve contribution. As these components have a high level of fiscal significance the association should properly maintain them to ensure they reach their full useful lives.

### Reserve Funding

In comparing the projected starting reserve balance of \$170,000 versus the ideal reserve balance of \$285,871 we find the association's reserve fund to be approximately 59% funded. This indicates a fair reserve fund position. In order to continue to strengthen the account fund, we suggest adopting a monthly reserve contribution of \$4,750 (\$ .00/unit) per month. We have also included a minimum reserve contribution of \$4,330 (\$ .00/unit) per month. If the contribution falls below this rate, then the reserve fund may fall into a situation where special assessments, deferred maintenance, and lower property values are likely at some point in the future.

# Introduction

## Reserve Study Purpose

The purpose of this Reserve Study is to provide an educated estimate of the necessary reserve balance and allocation. The detailed schedules will serve as an advanced warning that major projects will need to be addressed in the future. This will allow the Board of Directors to have ample time to obtain competitive estimates and bids that will result in cost savings to the individual homeowners. It will also ensure the physical well-being of the property and ultimately enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to special assessments.

## Preparer's Credentials

Mr. Gifford has been working in the community association industry for the last 11 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.

- Reserve Specialist (RS) designation from Community Associations Institute (CAI)
- Personally has prepared over 500 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)
- 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, operating and reserves. The operating budget includes all expenses that occur on an annual basis. These would include management fees, maintenance expenses, utilities, etc. The reserves are primarily made up of capital replacement items such as roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis. Typically, the reserve contribution makes up 15% - 40% of the association's total budget. Therefore, reserves are considered to be a major part of the overall monthly association assessment.

## Report Sections

The **Reserve Analysis 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).

The **Component Evaluation Section** contains information regarding the physical status and replacement cost of major common area 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

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

As previously mentioned, the reserve allocation makes up a significant portion of the total monthly assessment. This report provides the essential information that is needed to guide the Board of Directors in establishing the budget in order to run the daily and long term operations of your association. It is suggested that a third party professionally prepare the Reserve Study since there is no vested interest in the property.

### **After we have a Reserve Study completed, what do we do with it?**

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

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

The Reserve Study should be readily available for real estate agents, brokerage firms, and lending institutions for potential future homeowners. As the importance of reserves becomes more of a household term, people are requesting homeowners associations reveal the strength of the reserve fund prior to purchasing a condominium, town home, or any property that belongs to an association.

### **How often do we update or review the Reserve Study?**

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

### **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 (for Reserve purposes less than 30 years), predictable remaining useful life, typically occurs on a cyclical basis that exceeds 1 year, and costs above a minimum threshold amount. An "Operating" expense is typically a fixed expense that occurs on an annual basis as well as general repairs and maintenance.

### **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 issue. However, it is the opinion of several major Reserve Study providers that these items are considered to be major expenses that occur on a cyclical basis. Therefore, it makes it very difficult to ignore a major expense that meets the criteria to be considered a reserve component. Once explained in this context, many accountants tend to agree and will include any expenses, such as these examples, as a reserve component.

### **What happens during the Site Visit?**

The Site Visit was conducted of the common areas as reported by client. From our site visit we identified those common area components that we have determined require reserve funding. Based on information provided by the client, client's vendors, and our assessment of the components we have developed a component list and life and cost estimates.

Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the inspection. We did not destroy any landscape work, building walls, or perform any methods of intrusive investigation during the inspection. In these cases, information may have been obtained by contacting the contractor or vendor that has worked on the property. We have assumed any and all components have been properly built and will reach normal, typical life expectancies. In general 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.

## **What is the Financial Analysis?**

We projected the starting balance by taking the most recent balance statement, adding expected reserve contributions for the rest of the fiscal year, and subtracting any pending projects that will be paid for before the end of the current fiscal year. We compared this number to the ideal reserve balance and arrived at the percent funded level.

### **Measures of strength are as follows:**

- 0% - 30% Funded** is generally considered to be a “weak” financial position. Associations that fall into this category are subject to special assessments and deferred maintenance, which could lead to lower property values. If the association is in this position, actions should be taken to improve the financial strength of the reserve fund.
- 31% - 69% Funded** is generally considered a “fair” financial position. The majority of associations fall into this category. While this doesn’t represent financial strength and stability, the likelihood of special assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial position of the reserve fund.
- 70% - 99% Funded** is generally considered a “strong” financial position. This indicates financial strength of a reserve fund and every attempt to maintain this level should be a goal of the association.
- 100% Funded** is considered an “ideal” financial position. This means that the association has the exact amount of funds in the reserve account.

### **Disclosures:**

We will identify only those major components with a useful life of 30-years or less that generally meet industry standards for reserve funding.

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

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

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

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

**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 “Financial Update” study. Therefore we have not verified the current condition of the common area 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 interest 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

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Fiscal Year End	31-Dec
Budgeted Monthly Reserve Allocation	\$2,507
Projected Starting Reserve Balance	\$170,000
Ideal Starting Reserve Balance	\$285,871

## Economic Assumptions

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Projected Inflation Rate	3.00%
Reported After-Tax Interest Rate	0.25%

## Current Reserve Status

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Current Balance as a % of Ideal Balance	59%
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## Recommendations

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Recommended Monthly Reserve Allocation	\$4,750
Future Annual Increases	0.00%
For number of years:	30
Increases thereafter:	0.00%
Minimum Recommended Monthly Reserve Allocation	\$4,330
Future Annual Increases	0.00%
For number of years:	30
Increases thereafter:	0.00%

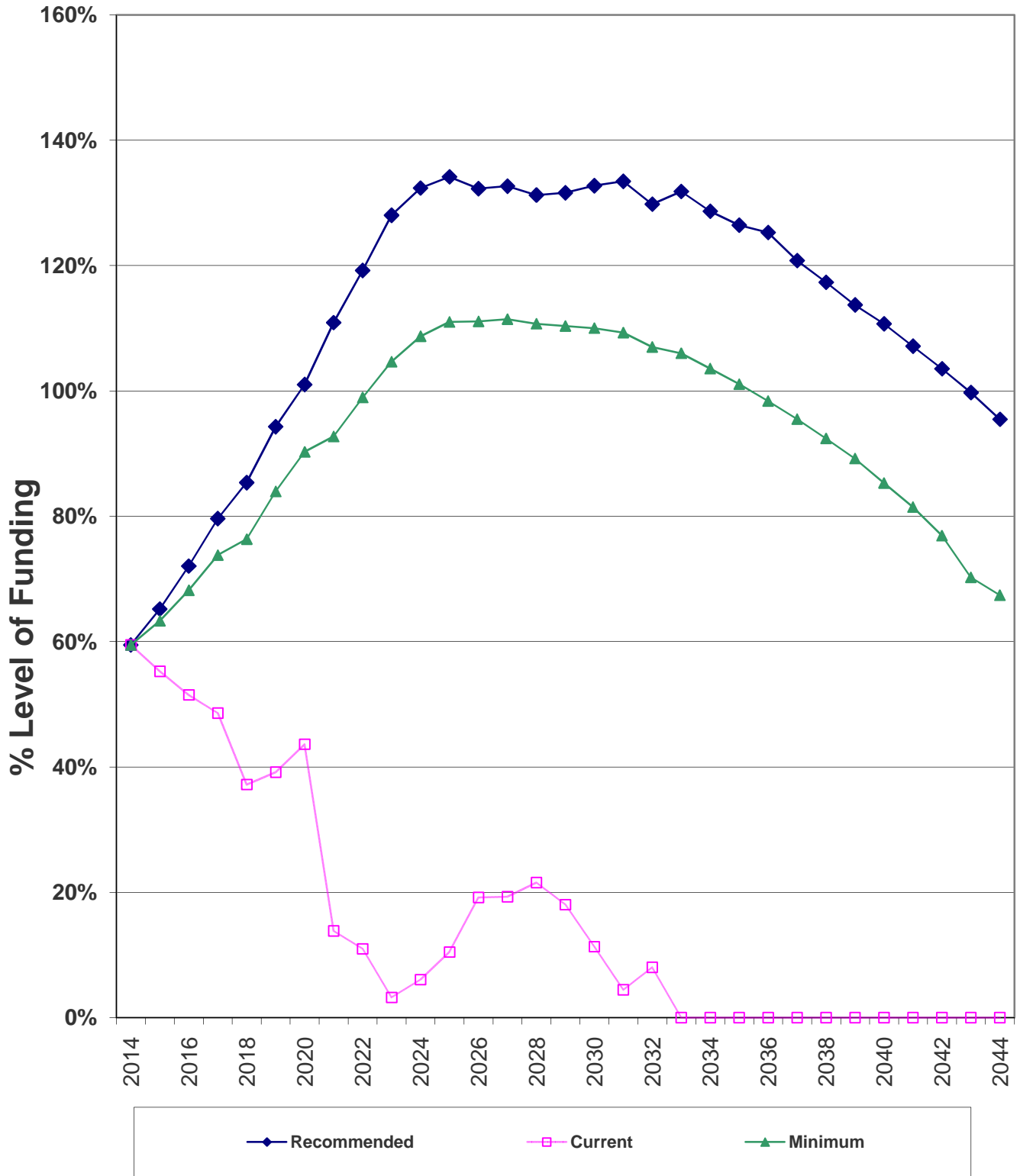
## Changes From Prior Year

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Recommended Increase to Reserve Allocation	\$2,243
as Percentage	89%
Minimum Recommended Increase to Reserve Allocation	\$1,823
as Percentage	73%



# Percent Funded - Graph





# Component Inventory

Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Roofing	105	Pitched Roof - Clubhouse & Shed - Repla	25	6	\$35,000	\$35,000
	105	Pitched Roof - Garbage Enclosure - Repl	N/A		\$0	\$0
	105	Pitched Roof - Mailbox Kiosk - Replace	N/A		\$0	\$0
	120	Rain Gutters/Downspouts - Replace	N/A		\$0	\$0
Painted Surfaces	201	Stucco Surfaces - Repair/Repaint	12	6	\$10,000	\$10,000
	202	Wood Trim - Repaint	4	0	\$5,000	\$5,000
	216	Interior Surfaces - Downstairs - Repaint	10	6	\$5,000	\$5,000
	216	Interior Surfaces - Upstairs - Repaint	7	1	\$4,000	\$4,000
Drive Materials	401	Asphalt - Overlay	25	7	\$15,975	\$21,300
	402	Asphalt - Slurry Seal	5	4	\$5,690	\$5,690
Property Access	508	Access Control System - Replace	12	3	\$2,000	\$3,000
Decking	606	Wood Deck & Stair - Repair/Repaint	3	0	\$5,000	\$5,000
Mechanical Equip.	703	Water Heaters - Replace	15	2	\$1,800	\$2,200
	705	HVAC Condenser - Replace	18	12	\$2,500	\$3,000
	706	HVAC Furnaces - Replace	20	2	\$5,000	\$6,000
Prop. Identification	803	Mailboxes - Clubhouse - Replace	20	16	\$7,500	\$8,700
	803	Mailboxes - Kiosk - Replace	20	8	\$7,750	\$8,750
Life / Safety	903	Security Camera System - Replace	12	1	\$1,500	\$1,500
Fencing	1008	Vinyl Fencing - Replace	25	6	\$25,000	\$25,000
	1090	Fence Gates - Replace	10	8	\$6,000	\$6,000
Pool/Spa	1101	Pool - Resurface	12	3	\$15,000	\$20,000
	1104	Pool Heater - Newer - Replace	12	8	\$3,450	\$3,450
	1104	Pool Heater - Older - Replace	12	2	\$3,450	\$3,450
	1107	Pool Filters - Replace	15	12	\$5,000	\$5,000
	1110	Pool Pump - Replace	10	7	\$5,000	\$5,000
	1111	Pool Chemical Controller System - Repla	12	2	\$3,500	\$4,500
	1112	Pool Cover - Summer - Replace	10	6	\$6,200	\$6,200
	1112	Pool Cover - Winter - Replace	10	8	\$6,500	\$6,500
	1121	Pool Furniture - Replace	6	2	\$2,000	\$4,000
	1190	CO2 Feed System - Replace	N/A		\$0	\$0
Courts	1201	Tennis Court Surface - Repair/Resurface	15	15	\$6,000	\$6,000
	1202	Tennis Court Windscreen - Replace	10	3	\$3,000	\$5,000
	1203	Tennis Court Asphalt - Overlay/Resurfac	25	0	\$26,500	\$26,500
	1290	Tennis Court Fence - Replace	25	3	\$24,000	\$24,000
Recreation Equip.	1301	Play Structure - Replace	25	18	\$10,000	\$10,000
	1303	Play Area Groundcover - Refill	N/A		\$0	\$0
	1305	Barbecue Grill - Replace	8	1	\$1,200	\$1,200
	1307	Park Furniture - Replace	12	2	\$4,400	\$6,600
	1312	Clubhouse Awning - Free-standing - Repl	10	9	\$6,000	\$6,000



Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Recreation Equip.	1312	Clubhouse Awning - Replace	10	0	\$7,200	\$7,200
	1390	Patio Furniture - Replace	8	2	\$800	\$1,200
Interiors	1405	Furniture - Replace	16	2	\$12,000	\$12,000
	1406	Exercise Equipment - Replace	10	4	\$5,000	\$5,000
	1413	Locker Rooms - Remodel	20	1	\$16,000	\$20,000
	1413	Restroom - Upstairs - Remodel	18	5	\$2,000	\$3,000
	1417	Kitchen - Remodel	20	1	\$14,000	\$14,000
	1490	Central Vacuum System - Replace	12	10	\$800	\$800
Flooring	1501	Carpeting - Replace	6	1	\$5,000	\$5,000
	1503	Tile - Replace	30	10	\$3,780	\$4,725
	1590	Laminate Flooring - Replace	20	0	\$6,000	\$8,000
Light Fixtures	1601	Interior Light Fixtures - Replace	N/A		\$0	\$0
	1602	Exterior Light Fixtures - Replace	N/A		\$0	\$0
Buildings / Structur	2303	Clubhouse Exterior Stairwells - Replace	24	16	\$10,000	\$10,000
	2304	Clubhouse Exterior Doors - Replace	20	3	\$8,000	\$12,000
	2305	Clubhouse Interior Doors - Replace	20	3	\$4,500	\$4,500
	2306	Clubhouse Windows - Replace	24	6	\$20,000	\$20,000

## Significant Components

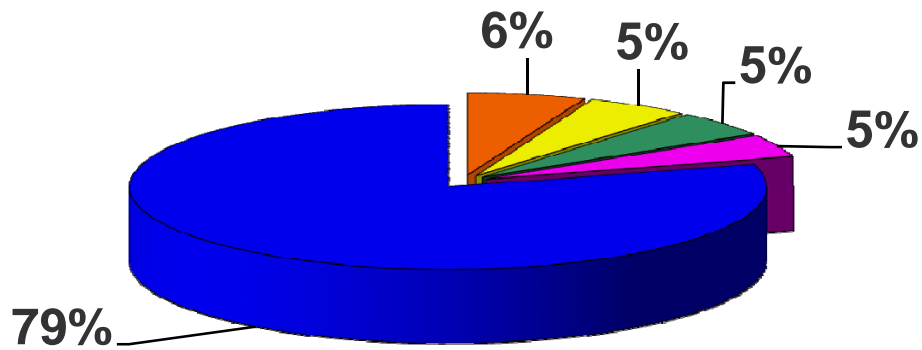
ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As \$	As %
105	Pitched Roof - Clubhouse & Shed - Rep	25	6	\$35,000	\$1,400	4.9972%
201	Stucco Surfaces - Repair/Repaint	12	6	\$10,000	\$833	2.9745%
202	Wood Trim - Repaint	4	0	\$5,000	\$1,250	4.4618%
216	Interior Surfaces - Downstairs - Repaint	10	6	\$5,000	\$500	1.7847%
216	Interior Surfaces - Upstairs - Repaint	7	1	\$4,000	\$571	2.0397%
401	Asphalt - Overlay	25	7	\$18,638	\$746	2.6610%
402	Asphalt - Slurry Seal	5	4	\$5,690	\$1,138	4.0620%
508	Access Control System - Replace	12	3	\$2,500	\$208	0.7436%
606	Wood Deck & Stair - Repair/Repaint	3	0	\$5,000	\$1,667	5.9490%
703	Water Heaters - Replace	15	2	\$2,000	\$133	0.4759%
705	HVAC Condenser - Replace	18	12	\$2,750	\$153	0.5453%
706	HVAC Furnaces - Replace	20	2	\$5,500	\$275	0.9816%
803	Mailboxes - Clubhouse - Replace	20	16	\$8,100	\$405	1.4456%
803	Mailboxes - Kiosk - Replace	20	8	\$8,250	\$413	1.4724%
903	Security Camera System - Replace	12	1	\$1,500	\$125	0.4462%
1008	Vinyl Fencing - Replace	25	6	\$25,000	\$1,000	3.5694%
1090	Fence Gates - Replace	10	8	\$6,000	\$600	2.1416%
1101	Pool - Resurface	12	3	\$17,500	\$1,458	5.2054%
1104	Pool Heater - Newer - Replace	12	8	\$3,450	\$288	1.0262%
1104	Pool Heater - Older - Replace	12	2	\$3,450	\$288	1.0262%
1107	Pool Filters - Replace	15	12	\$5,000	\$333	1.1898%
1110	Pool Pump - Replace	10	7	\$5,000	\$500	1.7847%
1111	Pool Chemical Controller System - Rep	12	2	\$4,000	\$333	1.1898%
1112	Pool Cover - Summer - Replace	10	6	\$6,200	\$620	2.2130%
1112	Pool Cover - Winter - Replace	10	8	\$6,500	\$650	2.3201%
1121	Pool Furniture - Replace	6	2	\$3,000	\$500	1.7847%
1201	Tennis Court Surface - Repair/Resurfac	15	15	\$6,000	\$400	1.4278%
1202	Tennis Court Windscreen - Replace	10	3	\$4,000	\$400	1.4278%
1203	Tennis Court Asphalt - Overlay/Resurfa	25	0	\$26,500	\$1,060	3.7836%
1290	Tennis Court Fence - Replace	25	3	\$24,000	\$960	3.4266%
1301	Play Structure - Replace	25	18	\$10,000	\$400	1.4278%
1305	Barbecue Grill - Replace	8	1	\$1,200	\$150	0.5354%
1307	Park Furniture - Replace	12	2	\$5,500	\$458	1.6360%
1312	Clubhouse Awning - Free-standing - Re	10	9	\$6,000	\$600	2.1416%
1312	Clubhouse Awning - Replace	10	0	\$7,200	\$720	2.5700%
1390	Patio Furniture - Replace	8	2	\$1,000	\$125	0.4462%
1405	Furniture - Replace	16	2	\$12,000	\$750	2.6771%
1406	Exercise Equipment - Replace	10	4	\$5,000	\$500	1.7847%
1413	Locker Rooms - Remodel	20	1	\$18,000	\$900	3.2125%



ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As \$	As %
1413	Restroom - Upstairs - Remodel	18	5	\$2,500	\$139	0.4958%
1417	Kitchen - Remodel	20	1	\$14,000	\$700	2.4986%
1490	Central Vacuum System - Replace	12	10	\$800	\$67	0.2380%
1501	Carpeting - Replace	6	1	\$5,000	\$833	2.9745%
1503	Tile - Replace	30	10	\$4,253	\$142	0.5060%
1590	Laminate Flooring - Replace	20	0	\$7,000	\$350	1.2493%
2303	Clubhouse Exterior Stairwells - Replace	24	16	\$10,000	\$417	1.4873%
2304	Clubhouse Exterior Doors - Replace	20	3	\$10,000	\$500	1.7847%
2305	Clubhouse Interior Doors - Replace	20	3	\$4,500	\$225	0.8031%
2306	Clubhouse Windows - Replace	24	6	\$20,000	\$833	2.9745%



## Significant Components - Graph



ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As \$	As %
606	Wood Deck & Stair - Repair/Repaint	3	0	\$5,000	\$1,667	6%
1101	Pool - Resurface	12	3	\$17,500	\$1,458	5%
105	Pitched Roof - Clubhouse & Shed - Re	25	6	\$35,000	\$1,400	5%
202	Wood Trim - Repaint	4	0	\$5,000	\$1,250	5%
All Other	See Expanded Table For Breakdown				\$22,241	79%



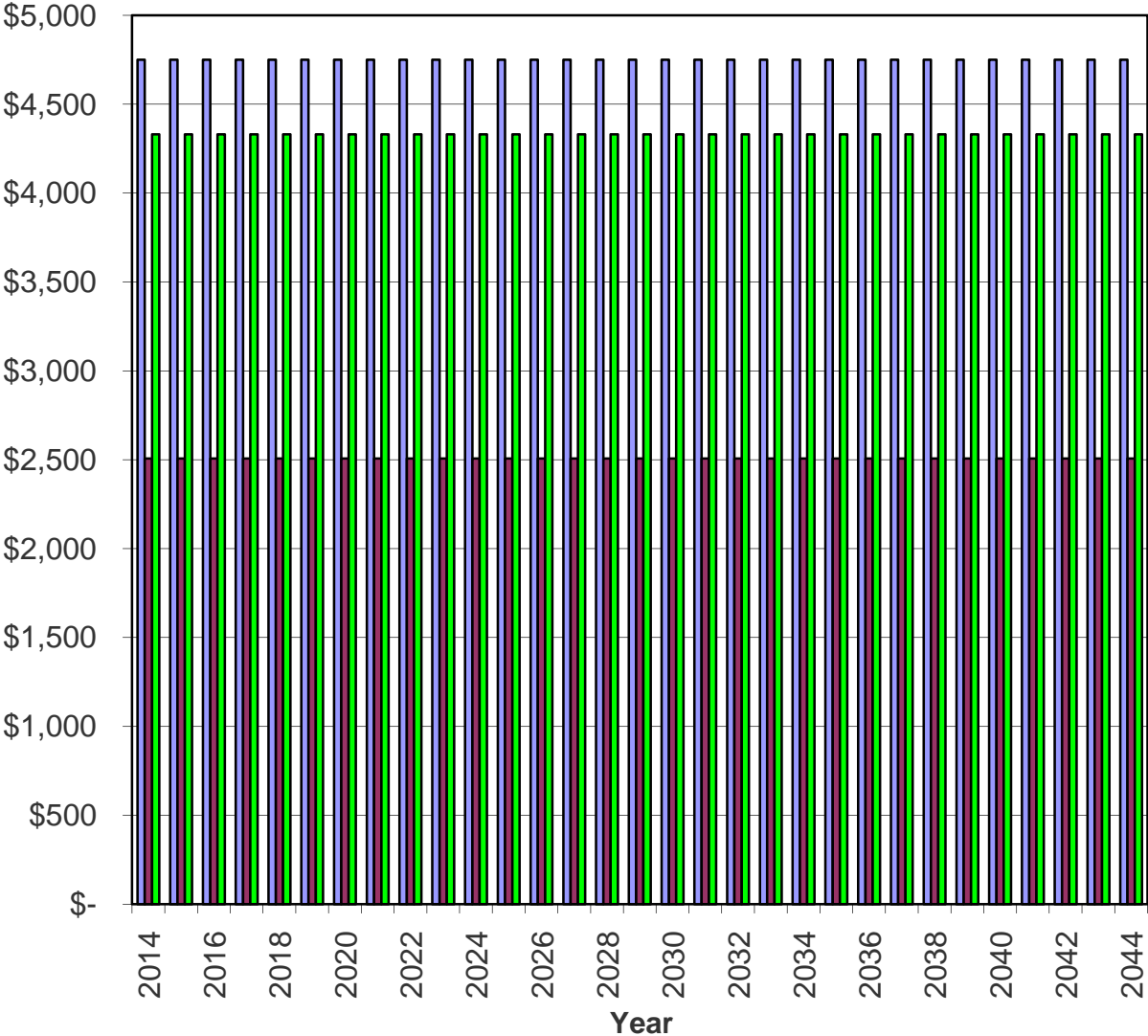
## Yearly Summary

Year	Fully Funded Balance	Starting Reserve Balance	% Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance
2014	\$285,871	\$170,000	59%	\$57,000	\$433	\$50,700	\$176,733
2015	\$271,083	\$176,733	65%	\$57,000	\$457	\$45,011	\$189,180
2016	\$262,576	\$189,180	72%	\$57,000	\$496	\$38,670	\$208,006
2017	\$261,237	\$208,006	80%	\$57,000	\$500	\$73,759	\$191,747
2018	\$224,634	\$191,747	85%	\$57,000	\$529	\$17,659	\$231,617
2019	\$245,662	\$231,617	94%	\$57,000	\$647	\$2,898	\$286,366
2020	\$283,499	\$286,366	101%	\$57,000	\$629	\$126,808	\$217,187
2021	\$195,848	\$217,187	111%	\$57,000	\$571	\$35,221	\$239,537
2022	\$200,936	\$239,537	119%	\$57,000	\$613	\$45,857	\$251,294
2023	\$196,285	\$251,294	128%	\$57,000	\$671	\$23,342	\$285,622
2024	\$215,782	\$285,622	132%	\$57,000	\$764	\$17,810	\$325,576
2025	\$242,691	\$325,576	134%	\$57,000	\$886	\$0	\$383,462
2026	\$289,916	\$383,462	132%	\$57,000	\$999	\$25,307	\$416,155
2027	\$313,689	\$416,155	133%	\$57,000	\$1,094	\$15,420	\$458,829
2028	\$349,594	\$458,829	131%	\$57,000	\$1,169	\$40,295	\$476,702
2029	\$362,226	\$476,702	132%	\$57,000	\$1,196	\$54,529	\$480,370
2030	\$361,885	\$480,370	133%	\$57,000	\$1,205	\$55,041	\$483,533
2031	\$362,355	\$483,533	133%	\$57,000	\$1,265	\$13,553	\$528,244
2032	\$406,960	\$528,244	130%	\$57,000	\$1,286	\$85,973	\$500,557
2033	\$379,743	\$500,557	132%	\$57,000	\$1,288	\$29,266	\$529,579
2034	\$411,591	\$529,579	129%	\$57,000	\$1,339	\$46,327	\$541,591
2035	\$428,340	\$541,591	126%	\$57,000	\$1,341	\$68,831	\$531,101
2036	\$423,976	\$531,101	125%	\$57,000	\$1,376	\$19,736	\$569,741
2037	\$471,659	\$569,741	121%	\$57,000	\$1,445	\$41,445	\$586,741
2038	\$500,070	\$586,741	117%	\$57,000	\$1,487	\$42,059	\$603,170
2039	\$530,411	\$603,170	114%	\$57,000	\$1,491	\$71,607	\$590,054
2040	\$532,987	\$590,054	111%	\$57,000	\$1,472	\$60,708	\$587,818
2041	\$548,678	\$587,818	107%	\$57,000	\$1,445	\$77,745	\$568,518
2042	\$549,159	\$568,518	104%	\$57,000	\$1,352	\$113,824	\$513,046
2043	\$514,416	\$513,046	100%	\$57,000	\$1,309	\$36,975	\$534,380



# 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	Pitched Roof - Clubhouse & Shed - Replace	25	6	Approx 3,750 Sq.ft.	\$35,000	\$26,600	\$0	\$237.37
201	Stucco Surfaces - Repair/Repaint	12	6	Approx 4,405 Sq.ft.	\$10,000	\$5,000	\$0	\$141.29
202	Wood Trim - Repaint	4	0	Approx 3,775 Sq.ft.	\$5,000	\$5,000	\$5,000	\$211.93
216	Interior Surfaces - Downstairs - Repaint	10	6	(1) Downstairs	\$5,000	\$2,000	\$0	\$84.77
216	Interior Surfaces - Upstairs - Repaint	7	1	(1) Upstairs	\$4,000	\$3,429	\$3,429	\$96.88
401	Asphalt - Overlay	25	7	Approx 10,650 Sq.ft.	\$18,638	\$13,419	\$0	\$126.40
402	Asphalt - Slurry Seal	5	4	Approx 10,650 Sq.ft.	\$5,690	\$1,138	\$0	\$192.94
508	Access Control System - Replace	12	3	(1) System	\$2,500	\$1,875	\$1,875	\$35.32
606	Wood Deck & Stair - Repair/Repaint	3	0	Approx 1,575 Sq.ft.	\$5,000	\$5,000	\$5,000	\$282.58
703	Water Heaters - Replace	15	2	(2) Water Heaters	\$2,000	\$1,733	\$1,733	\$22.61
705	HVAC Condenser - Replace	18	12	(1) Condenser	\$2,750	\$917	\$0	\$25.90
706	HVAC Furnaces - Replace	20	2	(2) Furnaces	\$5,500	\$4,950	\$4,950	\$46.63
803	Mailboxes - Clubhouse - Replace	20	16	(6) Clusters	\$8,100	\$1,620	\$0	\$68.67
803	Mailboxes - Kiosk - Replace	20	8	(5) Clusters	\$8,250	\$4,950	\$0	\$69.94
903	Security Camera System - Replace	12	1	(1) System	\$1,500	\$1,375	\$1,375	\$21.19
1008	Vinyl Fencing - Replace	25	6	Approx 485 Linear ft.	\$25,000	\$19,000	\$0	\$169.55
1090	Fence Gates - Replace	10	8	(2) Gates	\$6,000	\$1,200	\$0	\$101.73
1101	Pool - Resurface	12	3	(1) 30 ft. x 75 ft. Pool	\$17,500	\$13,125	\$13,125	\$247.26
1104	Pool Heater - Newer - Replace	12	8	(1) Heater	\$3,450	\$1,150	\$0	\$48.74
1104	Pool Heater - Older - Replace	12	2	(1) Heater	\$3,450	\$2,875	\$2,875	\$48.74
1107	Pool Filters - Replace	15	12	(2) Filters	\$5,000	\$1,000	\$0	\$56.52
1110	Pool Pump - Replace	10	7	(1) Pump	\$5,000	\$1,500	\$0	\$84.77
1111	Pool Chemical Controller System - Replace	12	2	(1) System	\$4,000	\$3,333	\$3,333	\$56.52
1112	Pool Cover - Summer - Replace	10	6	(1) Cover	\$6,200	\$2,480	\$0	\$105.12
1112	Pool Cover - Winter - Replace	10	8	(1) Cover	\$6,500	\$1,300	\$0	\$110.21
1121	Pool Furniture - Replace	6	2	(46) Pieces	\$3,000	\$2,000	\$2,000	\$84.77
1201	Tennis Court Surface - Repair/Resurface	15	15	Approx 14,250 Sq.ft.	\$6,000	\$0	\$0	\$67.82
1202	Tennis Court Windscreen - Replace	10	3	Approx 450 Linear ft.	\$4,000	\$2,800	\$2,800	\$67.82
1203	Tennis Court Asphalt - Overlay/Resurface	25	0	Approx 14,250 Sq.ft.	\$26,500	\$26,500	\$26,500	\$179.72
1290	Tennis Court Fence - Replace	25	3	Approx 450 Linear ft.	\$24,000	\$21,120	\$21,120	\$162.77





ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
1301	Play Structure - Replace	25	18	(1) Structure	\$10,000	\$2,800	\$0	\$67.82
1305	Barbecue Grill - Replace	8	1	(1) Grill	\$1,200	\$1,050	\$1,050	\$25.43
1307	Park Furniture - Replace	12	2	(11) Pieces	\$5,500	\$4,583	\$4,583	\$77.71
1312	Clubhouse Awning - Free-standing - Replace	10	9	(1) Awning	\$6,000	\$600	\$0	\$101.73
1312	Clubhouse Awning - Replace	10	0	(2) Awning	\$7,200	\$7,200	\$7,200	\$122.07
1390	Patio Furniture - Replace	8	2	(26) Pieces	\$1,000	\$750	\$750	\$21.19
1405	Furniture - Replace	16	2	(92) Pieces	\$12,000	\$10,500	\$10,500	\$127.16
1406	Exercise Equipment - Replace	10	4	(4) Pieces	\$5,000	\$3,000	\$0	\$84.77
1413	Locker Rooms - Remodel	20	1	(2) Locker Rooms	\$18,000	\$17,100	\$17,100	\$152.59
1413	Restroom - Upstairs - Remodel	18	5	(2) Restrooms	\$2,500	\$1,806	\$0	\$23.55
1417	Kitchen - Remodel	20	1	(1) Kitchen	\$14,000	\$13,300	\$13,300	\$118.68
1490	Central Vacuum System - Replace	12	10	(1) System	\$800	\$133	\$0	\$11.30
1501	Carpeting - Replace	6	1	Approx 1,255 Sq.ft.	\$5,000	\$4,167	\$4,167	\$141.29
1503	Tile - Replace	30	10	Approx 315 Sq.ft.	\$4,253	\$2,835	\$0	\$24.03
1590	Laminate Flooring - Replace	20	0	Approx 730 Sq.ft.	\$7,000	\$7,000	\$7,000	\$59.34
2303	Clubhouse Exterior Stairwells - Replace	24	16	(2) Stairwells	\$10,000	\$3,333	\$0	\$70.64
2304	Clubhouse Exterior Doors - Replace	20	3	(9) Doors	\$10,000	\$8,500	\$8,500	\$84.77
2305	Clubhouse Interior Doors - Replace	20	3	(13) Doors	\$4,500	\$3,825	\$735	\$38.15
2306	Clubhouse Windows - Replace	24	6	(21) Windows	\$20,000	\$15,000	\$0	\$141.29
					\$408,480	\$285,871	\$170,000	\$4,750

Current Fund Balance as a percentage of Ideal Balance: 59%



## Yearly Cash Flow

Year	2014	2015	2016	2017	2018
<b>Starting Balance</b>	\$170,000	\$176,733	\$189,180	\$208,006	\$191,747
<i>Reserve Income</i>	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000
<i>Interest Earnings</i>	\$433	\$457	\$496	\$500	\$529
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$227,433	\$234,191	\$246,676	\$265,506	\$249,276
<b>Reserve Expenditures</b>	\$50,700	\$45,011	\$38,670	\$73,759	\$17,659
<b>Ending Balance</b>	\$176,733	\$189,180	\$208,006	\$191,747	\$231,617

Year	2019	2020	2021	2022	2023
<b>Starting Balance</b>	\$231,617	\$286,366	\$217,187	\$239,537	\$251,294
<i>Reserve Income</i>	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000
<i>Interest Earnings</i>	\$647	\$629	\$571	\$613	\$671
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$289,264	\$343,995	\$274,758	\$297,151	\$308,965
<b>Reserve Expenditures</b>	\$2,898	\$126,808	\$35,221	\$45,857	\$23,342
<b>Ending Balance</b>	\$286,366	\$217,187	\$239,537	\$251,294	\$285,622

Year	2024	2025	2026	2027	2028
<b>Starting Balance</b>	\$285,622	\$325,576	\$383,462	\$416,155	\$458,829
<i>Reserve Income</i>	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000
<i>Interest Earnings</i>	\$764	\$886	\$999	\$1,094	\$1,169
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$343,386	\$383,462	\$441,462	\$474,248	\$516,998
<b>Reserve Expenditures</b>	\$17,810	\$0	\$25,307	\$15,420	\$40,295
<b>Ending Balance</b>	\$325,576	\$383,462	\$416,155	\$458,829	\$476,702

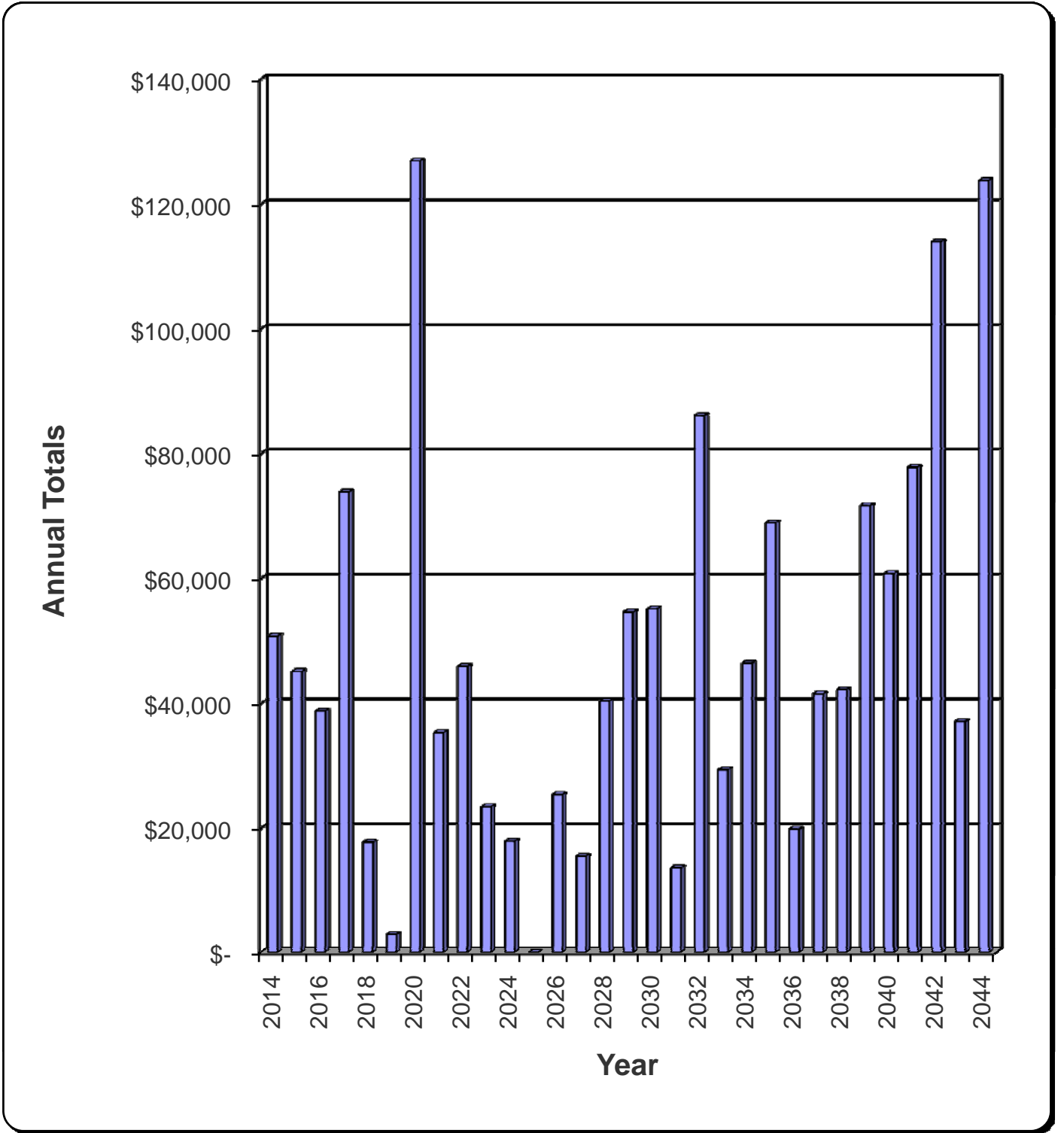
Year	2029	2030	2031	2032	2033
<b>Starting Balance</b>	\$476,702	\$480,370	\$483,533	\$528,244	\$500,557
<i>Reserve Income</i>	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000
<i>Interest Earnings</i>	\$1,196	\$1,205	\$1,265	\$1,286	\$1,288
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$534,899	\$538,575	\$541,798	\$586,530	\$558,845
<b>Reserve Expenditures</b>	\$54,529	\$55,041	\$13,553	\$85,973	\$29,266
<b>Ending Balance</b>	\$480,370	\$483,533	\$528,244	\$500,557	\$529,579

Year	2034	2035	2036	2037	2038
<b>Starting Balance</b>	\$529,579	\$541,591	\$531,101	\$569,741	\$586,741
<i>Reserve Income</i>	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000
<i>Interest Earnings</i>	\$1,339	\$1,341	\$1,376	\$1,445	\$1,487
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$587,918	\$599,932	\$589,477	\$628,186	\$645,228
<b>Reserve Expenditures</b>	\$46,327	\$68,831	\$19,736	\$41,445	\$42,059
<b>Ending Balance</b>	\$541,591	\$531,101	\$569,741	\$586,741	\$603,170

Year	2039	2040	2041	2042	2043
<b>Starting Balance</b>	\$603,170	\$590,054	\$587,818	\$568,518	\$513,046
<i>Reserve Income</i>	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000
<i>Interest Earnings</i>	\$1,491	\$1,472	\$1,445	\$1,352	\$1,309
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$661,661	\$648,526	\$646,263	\$626,870	\$571,355
<b>Reserve Expenditures</b>	\$71,607	\$60,708	\$77,745	\$113,824	\$36,975
<b>Ending Balance</b>	\$590,054	\$587,818	\$568,518	\$513,046	\$534,380



## Yearly Reserve Expenditures - Graph



## Projected Reserve Expenditures by Year

Year	ID #	Component Name	Projected Cost	Total Per Annum
2014	202	Wood Trim - Repaint	\$5,000	
	606	Wood Deck & Stair - Repair/Repaint	\$5,000	
	1203	Tennis Court Asphalt - Overlay/Resurface	\$26,500	
	1312	Clubhouse Awning - Replace	\$7,200	
	1590	Laminate Flooring - Replace	\$7,000	\$50,700
2015	216	Interior Surfaces - Upstairs - Repaint	\$4,120	
	903	Security Camera System - Replace	\$1,545	
	1305	Barbecue Grill - Replace	\$1,236	
	1413	Locker Rooms - Remodel	\$18,540	
	1417	Kitchen - Remodel	\$14,420	
	1501	Carpeting - Replace	\$5,150	\$45,011
2016	703	Water Heaters - Replace	\$2,122	
	706	HVAC Furnaces - Replace	\$5,835	
	1104	Pool Heater - Older - Replace	\$3,660	
	1111	Pool Chemical Controller System - Replac	\$4,244	
	1121	Pool Furniture - Replace	\$3,183	
	1307	Park Furniture - Replace	\$5,835	
	1390	Patio Furniture - Replace	\$1,061	
	1405	Furniture - Replace	\$12,731	\$38,670
2017	508	Access Control System - Replace	\$2,732	
	606	Wood Deck & Stair - Repair/Repaint	\$5,464	
	1101	Pool - Resurface	\$19,123	
	1202	Tennis Court Windscreen - Replace	\$4,371	
	1290	Tennis Court Fence - Replace	\$26,225	
	2304	Clubhouse Exterior Doors - Replace	\$10,927	
	2305	Clubhouse Interior Doors - Replace	\$4,917	\$73,759
2018	202	Wood Trim - Repaint	\$5,628	
	402	Asphalt - Slurry Seal	\$6,404	
	1406	Exercise Equipment - Replace	\$5,628	\$17,659
2019	1413	Restroom - Upstairs - Remodel	\$2,898	\$2,898
2020	105	Pitched Roof - Clubhouse & Shed - Replac	\$41,792	
	201	Stucco Surfaces - Repair/Repaint	\$11,941	
	216	Interior Surfaces - Downstairs - Repaint	\$5,970	
	606	Wood Deck & Stair - Repair/Repaint	\$5,970	
	1008	Vinyl Fencing - Replace	\$29,851	
	1112	Pool Cover - Summer - Replace	\$7,403	
	2306	Clubhouse Windows - Replace	\$23,881	\$126,808
2021	401	Asphalt - Overlay	\$22,922	
	1110	Pool Pump - Replace	\$6,149	
	1501	Carpeting - Replace	\$6,149	\$35,221
2022	202	Wood Trim - Repaint	\$6,334	
	216	Interior Surfaces - Upstairs - Repaint	\$5,067	
	803	Mailboxes - Kiosk - Replace	\$10,451	
	1090	Fence Gates - Replace	\$7,601	

Year	Comp ID	Component Name	Projected Cost	Total Per Annum
	1104	Pool Heater - Newer - Replace	\$4,370	
	1112	Pool Cover - Winter - Replace	\$8,234	
	1121	Pool Furniture - Replace	\$3,800	\$45,857
2023	402	Asphalt - Slurry Seal	\$7,424	
	606	Wood Deck & Stair - Repair/Repaint	\$6,524	
	1305	Barbecue Grill - Replace	\$1,566	
	1312	Clubhouse Awning - Free-standing - Repla	\$7,829	\$23,342
2024	1312	Clubhouse Awning - Replace	\$9,676	
	1390	Patio Furniture - Replace	\$1,344	
	1490	Central Vacuum System - Replace	\$1,075	
	1503	Tile - Replace	\$5,715	\$17,810
2025		No Expenditures Projected		\$0
2026	202	Wood Trim - Repaint	\$7,129	
	606	Wood Deck & Stair - Repair/Repaint	\$7,129	
	705	HVAC Condenser - Replace	\$3,921	
	1107	Pool Filters - Replace	\$7,129	\$25,307
2027	903	Security Camera System - Replace	\$2,203	
	1202	Tennis Court Windscreen - Replace	\$5,874	
	1501	Carpeting - Replace	\$7,343	\$15,420
2028	402	Asphalt - Slurry Seal	\$8,607	
	1104	Pool Heater - Older - Replace	\$5,218	
	1111	Pool Chemical Controller System - Replac	\$6,050	
	1121	Pool Furniture - Replace	\$4,538	
	1307	Park Furniture - Replace	\$8,319	
	1406	Exercise Equipment - Replace	\$7,563	\$40,295
2029	216	Interior Surfaces - Upstairs - Repaint	\$6,232	
	508	Access Control System - Replace	\$3,895	
	606	Wood Deck & Stair - Repair/Repaint	\$7,790	
	1101	Pool - Resurface	\$27,264	
	1201	Tennis Court Surface - Repair/Resurface	\$9,348	\$54,529
2030	202	Wood Trim - Repaint	\$8,024	
	216	Interior Surfaces - Downstairs - Repaint	\$8,024	
	803	Mailboxes - Clubhouse - Replace	\$12,998	
	1112	Pool Cover - Summer - Replace	\$9,949	
	2303	Clubhouse Exterior Stairwells - Replace	\$16,047	\$55,041
2031	703	Water Heaters - Replace	\$3,306	
	1110	Pool Pump - Replace	\$8,264	
	1305	Barbecue Grill - Replace	\$1,983	\$13,553
2032	201	Stucco Surfaces - Repair/Repaint	\$17,024	
	606	Wood Deck & Stair - Repair/Repaint	\$8,512	
	1090	Fence Gates - Replace	\$10,215	
	1112	Pool Cover - Winter - Replace	\$11,066	
	1301	Play Structure - Replace	\$17,024	
	1390	Patio Furniture - Replace	\$1,702	
	1405	Furniture - Replace	\$20,429	\$85,973
2033	402	Asphalt - Slurry Seal	\$9,977	
	1312	Clubhouse Awning - Free-standing - Repla	\$10,521	

<b>Year</b>	<b>Comp ID</b>	<b>Component Name</b>	<b>Projected Cost</b>	<b>Total Per Annum</b>
	1501	Carpeting - Replace	\$8,768	\$29,266
2034	202	Wood Trim - Repaint	\$9,031	
	1104	Pool Heater - Newer - Replace	\$6,231	
	1121	Pool Furniture - Replace	\$5,418	
	1312	Clubhouse Awning - Replace	\$13,004	
	1590	Laminate Flooring - Replace	\$12,643	\$46,327
2035	606	Wood Deck & Stair - Repair/Repaint	\$9,301	
	1413	Locker Rooms - Remodel	\$33,485	
	1417	Kitchen - Remodel	\$26,044	\$68,831
2036	216	Interior Surfaces - Upstairs - Repaint	\$7,664	
	706	HVAC Furnaces - Replace	\$10,539	
	1490	Central Vacuum System - Replace	\$1,533	\$19,736
2037	1202	Tennis Court Windscreen - Replace	\$7,894	
	1413	Restroom - Upstairs - Remodel	\$4,934	
	2304	Clubhouse Exterior Doors - Replace	\$19,736	
	2305	Clubhouse Interior Doors - Replace	\$8,881	\$41,445
2038	202	Wood Trim - Repaint	\$10,164	
	402	Asphalt - Slurry Seal	\$11,567	
	606	Wood Deck & Stair - Repair/Repaint	\$10,164	
	1406	Exercise Equipment - Replace	\$10,164	\$42,059
2039	903	Security Camera System - Replace	\$3,141	
	1203	Tennis Court Asphalt - Overlay/Resurface	\$55,485	
	1305	Barbecue Grill - Replace	\$2,513	
	1501	Carpeting - Replace	\$10,469	\$71,607
2040	216	Interior Surfaces - Downstairs - Repaint	\$10,783	
	1104	Pool Heater - Older - Replace	\$7,440	
	1111	Pool Chemical Controller System - Replac	\$8,626	
	1112	Pool Cover - Summer - Replace	\$13,371	
	1121	Pool Furniture - Replace	\$6,470	
	1307	Park Furniture - Replace	\$11,861	
	1390	Patio Furniture - Replace	\$2,157	\$60,708
2041	508	Access Control System - Replace	\$5,553	
	606	Wood Deck & Stair - Repair/Repaint	\$11,106	
	1101	Pool - Resurface	\$38,873	
	1107	Pool Filters - Replace	\$11,106	
	1110	Pool Pump - Replace	\$11,106	\$77,745
2042	202	Wood Trim - Repaint	\$11,440	
	803	Mailboxes - Kiosk - Replace	\$18,875	
	1090	Fence Gates - Replace	\$13,728	
	1112	Pool Cover - Winter - Replace	\$14,872	
	1290	Tennis Court Fence - Replace	\$54,910	\$113,824
2043	216	Interior Surfaces - Upstairs - Repaint	\$9,426	
	402	Asphalt - Slurry Seal	\$13,409	
	1312	Clubhouse Awning - Free-standing - Repla	\$14,139	\$36,975

## Component Evaluation

Comp #: 105 Pitched Roof - Clubhouse & Shed - Replace



*Location:* Clubhouse Roof

*Quantity:* Approx 3,750 Sq.ft.

*Life Expectancy:* 25 *Remaining Life:* 6

*Best Cost:* \$35,000

Estimate to replace roof

*Worst Cost:* \$35,000

Estimate to replace roof

*Source of Information:* Research with Client

*Observations:*

The roof is in good condition. No problems were noted or reported at the time of the inspection. Typically this type of roofing material has a useful life of approximately 25 years. Inspect roofs regularly and make local repairs as necessary as an operating expense to ensure full life from this component. Remaining life based on current age.

*General Notes:*

Comp #: 105 Pitched Roof - Garbage Enclosure - Replace



*Location:* **Adjacent to Clubhouse**

*Quantity:* **Approx 100 Sq.ft.**

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

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

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

*Source of Information:*

*Observations:*

The garbage enclosure roof is in good condition. Due the minimal cost of replacing this component, reserve funding is not appropriate. Replace as necessary as an operating expense. No reserve funding necessary.

*General Notes:*



Comp #: 105 Pitched Roof - Mailbox Kiosk - Replace



*Location:*           **Adjacent to Clubhouse**

*Quantity:*           **Approx 100 Sq.ft.**

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

*Best Cost:*           **\$0**

*Worst Cost:*         **\$0**

*Source of Information:*

*Observations:*

The mailbox kiosk roof is in good condition. Due the minimal cost of replacing this component, reserve funding is not appropriate. Replace as necessary as an operating expense. No reserve funding necessary.

*General Notes:*

Comp #: 120 Rain Gutters/Downspouts - Replace



*Location:* **Clubhouse Exterior**

*Quantity:* **Approx 150 Linear ft.**

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

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

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

*Source of Information:*

*Observations:*

The rain gutter/downspouts are generally in good condition. This component has an extended useful life. No reserve funding necessary.

*General Notes:*

Comp #: 201 Stucco Surfaces - Repair/Repaint



*Location:* **Clubhouse, Mailbox Kiosk, Storage...**

*Quantity:* **Approx 4,405 Sq.ft.**

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

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

Estimate to repair/repaint

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

Estimate to repair/repaint

*Source of Information:* Research with Client

*Observations:*

The stucco surfaces are in fair condition. Minor discoloration were noted at the time of the inspection. We recommend funding to repair/repaint this component approximately every 10 - 12 years to protect the stucco surface and maintain appearance. Remaining life based on current age.

*General Notes:*

<p><b>Quantity description:</b></p> <p><b>3,250 Sq.ft. - Clubhouse</b> <b>75 Sq.ft. - Mailbox Kiosk</b> <b>325 Sq.ft. - Trash Structure</b> <b>755 Sq.ft. - Storage Building</b></p> <p><b>4,405 Sq.ft. - Total</b></p>
---

Comp #: 202 Wood Trim - Repaint



*Location:* Clubhouse, Mailbox Kiosk, Storage...

*Quantity:* Approx 3,775 Sq.ft.

*Life Expectancy:* 4 *Remaining Life:* 0

*Best Cost:* \$5,000

Estimate to repaint

*Worst Cost:* \$5,000

Estimate to repaint

*Source of Information:* Research with Client

*Observations:*

Research with the client reveals this component will be repainted in fiscal year 2014. Repaint this component approximately every 4 - 6 years to maintain appearance and protect surfaces. Remaining life based on current age.

*General Notes:*

**Quantity description:**  
3,275 Sq.ft. - Clubhouse  
245 Sq.ft. - Mailbox Kiosk  
65 Sq.ft. - Trash Structure  
190 Sq.ft. - Storage Building  
  
3,775 Sq.ft. - Total

Comp #: 216 Interior Surfaces - Downstairs - Repaint



*Location:* **Clubhouse Downstairs**

*Quantity:* **(1) Downstairs**

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

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

Estimate to repaint

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

Estimate to repaint

*Source of Information:* Research with Client

*Observations:*

The downstairs interior painted surfaces are in good to fair condition. Marking and scuffing were noted at the time of the inspection. Expect to repaint these surfaces approximately every 10 years to maintain appearance. Remaining life based on current age.

*General Notes:*



Comp #: 216 Interior Surfaces - Upstairs - Repaint



*Location:* **Clubhouse Downstairs**

*Quantity:* **(1) Upstairs**

*Life Expectancy:* **7** *Remaining Life:* **1**

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

Estimate to repaint

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

Estimate to repaint

*Source of Information:* Research with Client

*Observations:*

The upstairs interior painted surfaces are in fair condition. Marking and scuffing were noted at the time of the inspection. Expect to repaint these surfaces approximately every 7 years to maintain appearance. Remaining life based on current age.

*General Notes:*

Comp #: 401 Asphalt - Overlay



*Location:* **Parking Lot**

*Quantity:* **Approx 10,650 Sq.ft.**

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

*Best Cost:* **\$15,975**

\$1.50/Sq.ft.; Estimate for overlay

*Worst Cost:* **\$21,300**

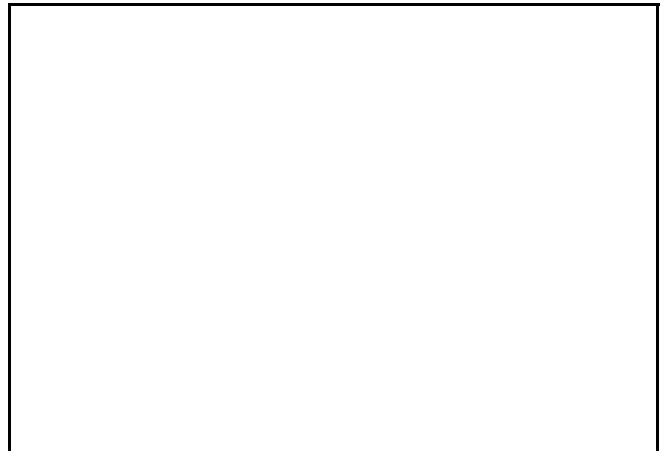
\$2.00/Sq.ft.; Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The asphalt parking lot is in good condition. Minor cracking was noted at the time of the inspection. Asphalt overlay generally has a useful life of 20 - 25 years. Maintain seal coat schedule to ensure full useful life (see Comp# 402 Asphalt - Seal Coat). Remaining life based on current age.

*General Notes:*



Comp #: 402 Asphalt - Slurry Seal



*Location:* **Parking Lot**

*Quantity:* **Approx 10,650 Sq.ft.**

*Life Expectancy:* **5** *Remaining Life:* **4**

*Best Cost:* **\$5,690**

Estimate for slurry seal

*Worst Cost:* **\$5,690**

Estimate for slurry seal

*Source of Information:* Research with Client

*Observations:*

The asphalt slurry seal is in good condition. Minor cracking was noted at the time of the inspection. Seal asphalt surfaces regularly to prevent premature overlay (see Comp# 401 Asphalt - Overlay). This component includes minor repairs and re-striping. Asphalt surfaces should be sealed every 3 - 5 years. Remaining life based on current age.

*General Notes:*



Comp #: 508 Access Control System - Replace



*Location:* **Clubhouse**

*Quantity:* **(1) System**

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

*Best Cost:* **\$2,000**

Estimate to replace

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

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The access control system is in working condition. No problems were noted or reported at the time of the inspection. We recommend funding to replace this system approximately every 12 years to ensure proper function and keep up with current technology. Remaining life based on current condition.

*General Notes:*

Comp #: 606 Wood Deck & Stair - Repair/Repaint



*Location:* **Adjacent to Clubhouse**

*Quantity:* **Approx 1,575 Sq.ft.**

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

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

Estimate to repair/repaint

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

Estimate to repair/repaint

*Source of Information:* Research with Client

*Observations:*

The wood deck and stair painted surfaces are generally in fair condition. Areas of rot were noted at the time of the inspection. Repaint this component approximately every 3 - 5 years. Remaining life based on current age.

*General Notes:*

Comp #: 703 Water Heaters - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **(2) Water Heaters**

*Life Expectancy:* **15** *Remaining Life:* **2**

*Best Cost:* **\$1,800**  
\$900/Heater; Estimate to replace water heater

*Worst Cost:* **\$2,200**  
\$1,100/Heater; Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The water heaters are in working condition. No problems were noted or reported at the time of the inspection. Expect a typical useful life of approximately 12 - 15 years from this component. Remaining life based on current age and condition.

*General Notes:*

Comp #: 705 HVAC Condenser - Replace



*Location:* **Adjacent to Clubhouse**

*Quantity:* **(1) Condenser**

*Life Expectancy:* **18** *Remaining Life:* **12**

*Best Cost:* **\$2,500**  
\$2,500/Unit; Estimate to replace condenser

*Worst Cost:* **\$3,000**  
\$3,000/Unit; Higher estimate

*Source of Information:* CSL Cost Database

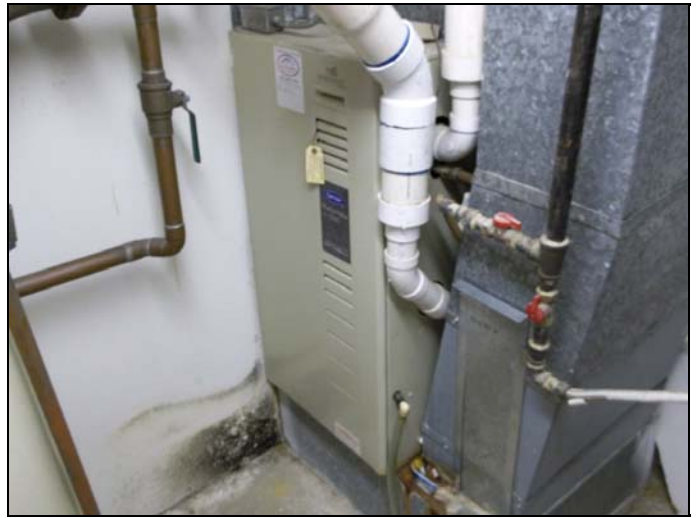
*Observations:*

The HVAC condenser is in good condition. No problems were noted or reported at the time of the inspection. Expect a useful life of approximately 16 - 18 years from this component. Remaining life based on current age.

*General Notes:*



Comp #: 706 HVAC Furnaces - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **(2) Furnaces**

*Life Expectancy:* **20** *Remaining Life:* **2**

*Best Cost:* **\$5,000**  
\$2,500/Unit; Estimate to replace furnace

*Worst Cost:* **\$6,000**  
\$3,000/Unit; Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The furnaces are in good condition. No problems were noted or reported at the time of the inspection. Expect a useful life of approximately 20 years from this component. Remaining life based on current age and condition.

*General Notes:*

Comp #: 803 Mailboxes - Clubhouse - Replace



*Location:* Clubhouse Exterior

*Quantity:* (6) Clusters

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

*Best Cost:* \$7,500

\$1,250/Cluster; Estimate to replace mailbox cluster

*Worst Cost:* \$8,700

\$1,450/Cluster; Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The mailboxes are in good condition. No marking or discoloration was noted at the time of the inspection. Expect to replace this component approximately every 18 - 20 years assuming normal use and wear. Remaining life based on current age and condition.

*General Notes:*

**Quantity description:**  
(1) - 24 box, 2 parcel - Cluster  
(5) - 32 box, 2 parcel - Cluster  
(6) - Total Clusters

Comp #: 803 Mailboxes - Kiosk - Replace



*Location:* Clubhouse Exterior

*Quantity:* (5) Clusters

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

*Best Cost:* \$7,750

\$1,550/Cluster; Estimate to replace

*Worst Cost:* \$8,750

\$1,750/Cluster; Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The mailboxes are in good condition. No marking or discoloration was noted at the time of the inspection. Expect to replace this component approximately every 18 - 20 years assuming normal use and wear. Remaining life based on current age and condition.

*General Notes:*

**Quantity description:**  
(2) - 2 parcel - Cluster  
(3) - 20 box, 1 outgoing, 2 parcel - Cluster  
(5) - Total Clusters

Comp #: 903 Security Camera System - Replace



*Location:* **Clubhouse**

*Quantity:* **(1) System**

*Life Expectancy:* **12** *Remaining Life:* **1**

*Best Cost:* **\$1,500**

Estimate to replace

*Worst Cost:* **\$1,500**

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

Research with the client reveals this component is schedule to be replaced in fiscal year 2014. We recommend funding to replace this security camera system approximately every 10 - 12 years to ensure proper function and keep up with current technology. Remaining life based on current age.

*General Notes:*





Comp #: 1090 Fence Gates - Replace



*Location:* **Adjacent to Clubhouse**

*Quantity:* **(2) Gates**

*Life Expectancy:* **10** *Remaining Life:* **8**

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

Estimate to replace

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

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

The fence gates are in working condition. No problems were noted at the time of the inspection. Research with the client reveals plans to replace this component every 10 years. Remaining life based on current average age.

*General Notes:*



Comp #: 1101 Pool - Resurface



*Location:* **Pool Area**

*Quantity:* **(1) 30 ft. x 75 ft. Pool**

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

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

Estimate to resurface pool

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

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The pool surface is in good condition. Minor discoloration, missing deck seal and rust spots were noted at the time of the inspection. Perform regular, professional maintenance and keep debris from collecting at the bottom to ensure full life from this component. We recommend funding to resurface the pool every 10 - 12 years depending on use and wear. Remaining life based on current age and condition.

*General Notes:*

Comp #: 1104 Pool Heater - Newer - Replace



*Location:* **Pool Equipment Room**

*Quantity:* **(1) Heater**

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

*Best Cost:* **\$3,450**

Estimate to replace heater

*Worst Cost:* **\$3,450**

Estimate to replace heater

*Source of Information:* Research with Client

*Observations:*

The pool heater is in good condition. No problems were noted or reported at the time of the inspection. This type of heater typically has a useful life of approximately 12 years. Remaining life based on current age.

*General Notes:*



Comp #: 1104 Pool Heater - Older - Replace



*Location:* **Pool Equipment Room**

*Quantity:* **(1) Heater**

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

*Best Cost:* **\$3,450**

Estimate to replace heater

*Worst Cost:* **\$3,450**

Estimate to replace heater

*Source of Information:* Research with Client

*Observations:*

The pool heater is in working condition but has passed its useful life. We recommend funding to replace this component in the next few years. This type of heater typically has a useful life of approximately 12 years. Remaining life based on current age.

*General Notes:*

Comp #: 1107 Pool Filters - Replace



*Location:* **Pool Equipment Room**

*Quantity:* **(2) Filters**

*Life Expectancy:* **15** *Remaining Life:* **12**

*Best Cost:* **\$5,000**  
\$2,500/Filter; Estimate to replace

*Worst Cost:* **\$5,000**  
\$2,500/Filter; Estimate to replace

*Source of Information:* Research with Client

*Observations:*

The pool filters are in good condition. No problems were noted or reported at the time of the inspection. This type of filter has a life expectancy of approximately 12 - 15 years. Remaining life based on current age.

*General Notes:*

Comp #: 1110 Pool Pump - Replace



*Location:* **Pool Equipment Room**

*Quantity:* **(1) Pump**

*Life Expectancy:* **10** *Remaining Life:* **7**

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

Estimate to replace pump

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

Estimate to replace pump

*Source of Information:* Research with Client

*Observations:*

The pool pump is in good condition. No problems were noted or reported at time of the inspection. Research with the client reveals a spare pool pump is on site and ready to be installed. We have adjusted the remaining useful life to replace a spare pump has already been purchased. 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 Room**

*Quantity:* **(1) System**

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

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

Estimate to replace

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

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The pool chemical controller system is in working condition. No problems were noted or reported at time of the inspection. We recommend funding to replace this system approximately every 10 - 12 years to ensure proper function and to keep up with current technology. Remaining life based on current condition.

*General Notes:*

Comp #: 1112 Pool Cover - Summer - Replace



*Location:* **Pool Area**

*Quantity:* **(1) Cover**

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

*Best Cost:* **\$6,200**

Estimate to replace pool cover

*Worst Cost:* **\$6,200**

Estimate to replace pool cover

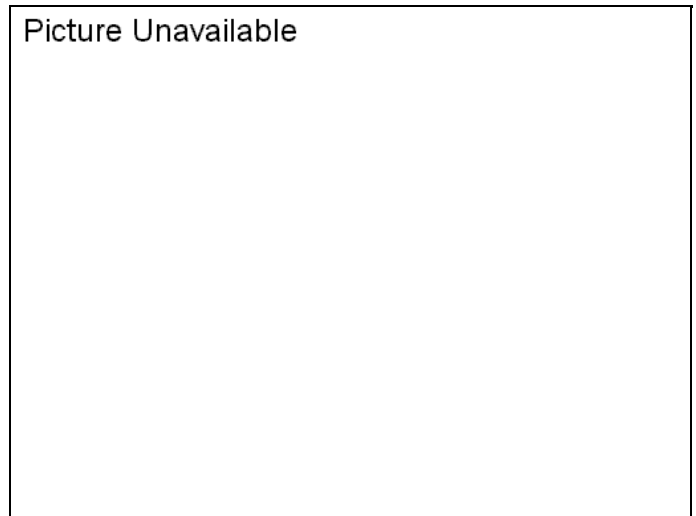
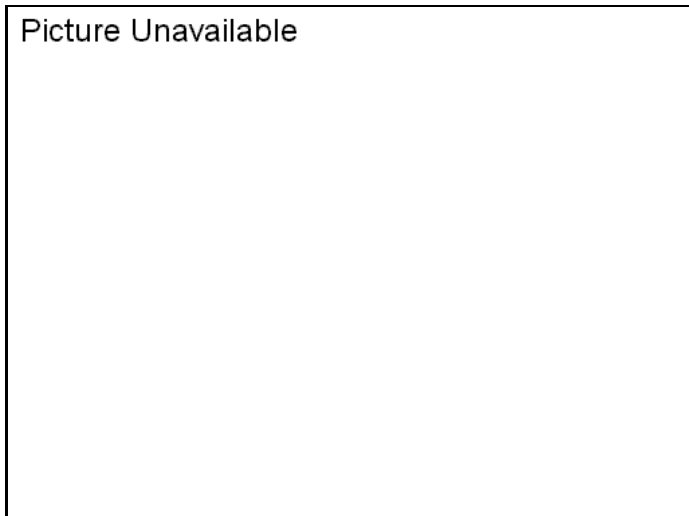
*Source of Information:* Research with Client

*Observations:*

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

*General Notes:*

Comp #: 1112 Pool Cover - Winter - Replace



*Location:*           **Storage**

*Quantity:*           **(1) Cover**

*Life Expectancy:* **10**   *Remaining Life:* **8**

*Best Cost:*           **\$6,500**

Estimate to replace pool cover

*Worst Cost:*         **\$6,500**

Estimate to replace pool cover

*Source of Information:* Research with Client

*Observations:*

Unable to inspect the pool cover at the time of the inspection. Research with the client reveals this cover has approximately six years of life remaining. We recommend funding to replace this cover every 10 years. Remaining life based on current age.

*General Notes:*



Comp #: 1121 Pool Furniture - Replace



*Location:* **Pool Area**

*Quantity:* **(46) Pieces**

*Life Expectancy:* **6** *Remaining Life:* **2**

*Best Cost:* **\$2,000**

Allowance to make replacements

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

Higher allowance for more replacements

*Source of Information:* CSL Cost Database

*Observations:*

The pool furniture is in fair condition. No appearance concerns were noted at the time of the inspection. Expect a useful life of approximately 6 years from this component. Remaining life based on current condition.

*General Notes:*

**Quantity description:**

**(21) - Chair**

**(25) - Chaise**

**(46) - Total Pieces**

Comp #: 1190 CO2 Feed System - Replace



*Location:* **Pool Equipment Room**

*Quantity:* **(1) System**

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

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

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

*Source of Information:*

*Observations:*

Research with the client reveals this system is no longer in use.

*General Notes:*

Comp #: 1201 Tennis Court Surface - Repair/Resurface



*Location:* **Adjacent to Clubhouse**

*Quantity:* **Approx 14,250 Sq.ft.**

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

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

Estimate to repair/resurface

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

Estimate to repair/resurface

*Source of Information:* Research with Client

*Observations:*

The tennis court surface is in fair to poor condition. Research with the client reveals plans to overlay/resurface this component in fiscal year 2014. The remaining useful life reflects this overlay/resurface job that will be completed in fiscal year 2014. Expect to resurface this component approximately every 10 - 15 years assuming normal use and wear. Remaining life based on current age.

*General Notes:*



Comp #: 1202 Tennis Court Windscreen - Replace



*Location:* **Tennis Court Fence**

*Quantity:* **Approx 450 Linear ft.**

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

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

Estimate to replace windscreen

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

Higher estimate for better quality

*Source of Information:* CSL Cost Database

*Observations:*

The windscreen is in good condition. No damage was noted at the time of inspection. We recommend funding to replace this component approximately every 8 - 10 years. Remaining life based on current condition.

*General Notes:*

Comp #: 1203 Tennis Court Asphalt - Overlay/Resurface



*Location:* **Adjacent to Clubhouse**

*Quantity:* **Approx 14,250 Sq.ft.**

*Life Expectancy:* **25** *Remaining Life:* **0**

*Best Cost:* **\$26,500**  
Estimate to repair/resurface

*Worst Cost:* **\$26,500**  
Estimate to repair/resurface

*Source of Information:* Research with Client

*Observations:*

The tennis court asphalt surface is in fair to poor condition. Research with the client reveals plans to overlay/resurface this component in fiscal year 2014. We recommend funding to replace this component proximally every 20 - 25 years. Remaining live based on current condition.

*General Notes:*

Comp #: 1290 Tennis Court Fence - Replace



*Location:* **Tennis Court Perimeter**

*Quantity:* **Approx 450 Linear ft.**

*Life Expectancy:* **25** *Remaining Life:* **3**

*Best Cost:* **\$24,000**

Estimate to replace

*Worst Cost:* **\$24,000**

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

The chain link fence is in fair to poor condition. One side sagging was noted at the time of the inspection. The initial replacement of the fence is going to be more expensive than future replacements due to the need to install concrete footings for the fence posts. Expect to replace this component approximately every 20 - 25 years. Remaining life based on current age.

*General Notes:*

Comp #: 1301 Play Structure - Replace



*Location:* **Adjacent to Clubhouse**

*Quantity:* **(1) Structure**

*Life Expectancy:* **25** *Remaining Life:* **18**

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

Estimate to replace

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

Higher estimate

*Source of Information:* Research with Client

*Observations:*

The play structure is in good condition. No significant signs of wear or damage were noted at the time of the inspection. Expect a useful life of approximately 20 - 25 years from this component. Remaining life based on current age and condition.

*General Notes:*



Comp #: 1303 Play Area Groundcover - Refill



*Location:* **Play Area**

*Quantity:* **Approx 2,000 Sq.ft.**

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

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

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

*Source of Information:*

*Observations:*

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

*General Notes:*

Comp #: 1305 Barbecue Grill - Replace



*Location:* **Clubhouse Deck**

*Quantity:* **(1) Grill**

*Life Expectancy:* **8** *Remaining Life:* **1**

*Best Cost:* **\$1,200**

Estimate to replace

*Worst Cost:* **\$1,200**

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

Research with the client reveals this component will be replaced in fiscal year 2014. We recommend funding to replace this component approximately every 8 - 10 years. Remaining life based on current age.

*General Notes:*



Comp #: 1307 Park Furniture - Replace



**Location:** Play Area, Pool Area & Tennis Court Area

**Quantity:** (11) Pieces

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

**Best Cost:** \$4,400  
\$400/Piece; Estimate to replace

**Worst Cost:** \$6,600  
\$600/Piece; Higher estimate

**Source of Information:** CSL Cost Database

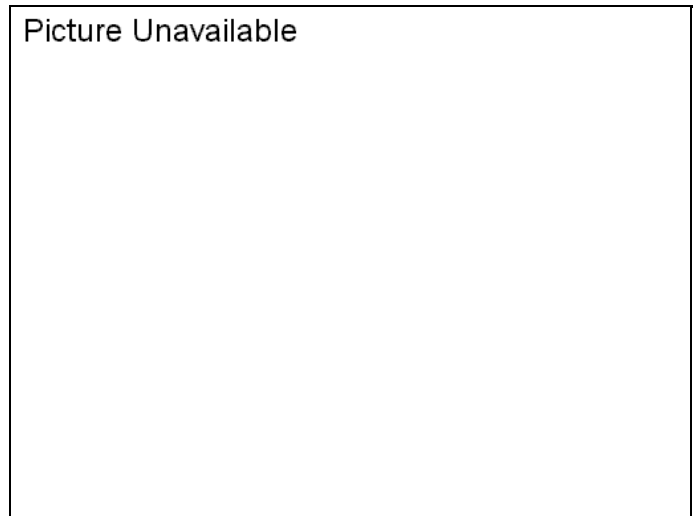
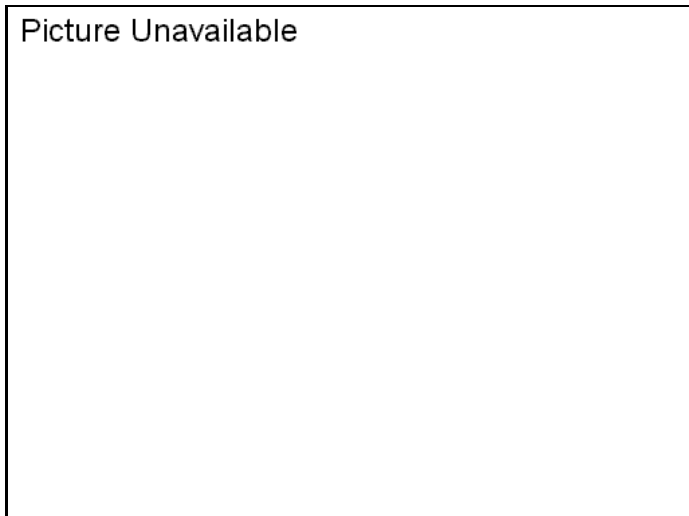
**Observations:**

The park furniture is in fair condition. No problems were noted at the time of the inspection. Expect a useful life of approximately 10 - 12 years from this component. Remaining life based on current average age.

**General Notes:**

**Quantity description:**  
**Benches:**  
(1) - Play Area  
(2) - Tennis Court Area  
**Table:**  
(2) - Picnic Table, Pool Area  
**Trash Receptacle:**  
(5) - Pool Area  
(1) - Tennis Court Area

Comp #: 1312 Clubhouse Awning - Free-standing - Replace



*Location:* **Adjacent to Clubhouse**

*Quantity:* **(1) Awning**

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

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

Estimate to replace

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

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

Unable to inspect this component because it was not yet installed at the time of the inspection. Research with the client reveals this component is to be installed in fiscal year 2013. We recommend funding to replace this component approximately every 8 - 10 year. Remaining life based on current condition.

*General Notes:*



Comp #: 1312 Clubhouse Awning - Replace



*Location:* **Adjacent to Clubhouse**

*Quantity:* **(2) Awning**

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

*Best Cost:* **\$7,200**

Estimate to replace

*Worst Cost:* **\$7,200**

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

The clubhouse awnings are in poor condition. Research with the client reveals this component will be replaced in fiscal year 2014. We recommend funding to replace this component approximately every 8 - 10 year. Remaining life based on current condition.

*General Notes:*

Comp #: 1390 Patio Furniture - Replace



*Location:* **Clubhouse Deck Area**

*Quantity:* **(26) Pieces**

*Life Expectancy:* **8** *Remaining Life:* **2**

*Best Cost:* **\$800**

Estimate to replace

*Worst Cost:* **\$1,200**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The patio furniture is in fair condition. No problems were noted at the time of the inspection. Expect a useful life of approximately 8 - 10 years from this component. Remaining life based on current age.

*General Notes:*

**Quantity description:**

**(12) - Chair**

**(3) - Table**

**(15) - Total Pieces**

Comp #: 1405 Furniture - Replace



*Location:* Clubhouse Interior

*Quantity:* (92) Pieces

*Life Expectancy:* 16 *Remaining Life:* 2

*Best Cost:* \$12,000

Allowance to replace

*Worst Cost:* \$12,000

Allowance to replace

*Source of Information:* Research with Client

*Observations:*

The furniture is in fair condition. We recommend funding to make significant replacements to furniture approximately every 10 - 16 years to maintain appearance and keep up with decorative tastes. Remaining life based on current age and condition.

*General Notes:*

**Quantity description:**  
(1) - Armoire  
(2) - Bench / (1) - Bench, w/Arms  
(2) - Ceiling Fan  
(46) - Chair, Folding / (2) - Chair, Sitting  
(1) - Lamp, Standing / (2) - Lamp, Table  
(2) - Sofa  
(1) - Table, Coffee / (1) - Table, End  
(6) - Table, Folding / (3) - Table, Side  
(4) - Table, w/4 Chairs  
(2) - Television



Comp #: 1406 Exercise Equipment - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **(4) Pieces**

*Life Expectancy:* **10** *Remaining Life:* **4**

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

Estimate to replace

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

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

The exercise equipment is in fair condition. We recommend repairing broken cables and ripped upholstery as necessary as an operating expense and funding to completely replace the fitness equipment approximately every 10years. Remaining life based on current age and condition.

*General Notes:*

**Quantity description:**  
(1) - Bicycle, Life Fitness, 9500HR  
(1) - Elliptical, Life Fitness, CLSX  
(1) - Home Gym, Hoist 2001, 2 Station  
(1) - Treadmill, Matrix Mx-T3xi  
  
(4) - Total Pieces



Comp #: 1413 Locker Rooms - Remodel



*Location:* **Clubhouse Downstairs**

*Quantity:* **(2) Locker Rooms**

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

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

\$8,000/Restroom; Estimate to remodel

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

\$10,000/Restroom; Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

Research with the client reveals plans to remodel this component in fiscal year 2014. We recommend funding to remodel these restrooms approximately every 18 - 20 years to maintain appearance and keep up with current decorative tastes. Remaining life based on current age.

*General Notes:*

**Quantity description:**

**Each Locker Rooms:**

**(2) - Bench / 8 Lf - Countertop**

**(32) - Lockers / 10 Lf - Partition**

**(2) - Shower / (3) - Sink**

**195 Sq.ft. - Tile Floor**

**155 Sq.ft. - Tile Shower**

**75 Sq.ft. - Tile Wall**

**(1) - Toilet**

**Men's: +(1) - Urinal**

**Women's: +(1) - Toilet / +3 Lf - Partition**

Comp #: 1413 Restroom - Upstairs - Remodel



*Location:* **Clubhouse Upstairs**

*Quantity:* **(2) Restrooms**

*Life Expectancy:* **18** *Remaining Life:* **5**

*Best Cost:* **\$2,000**  
\$1,000/Restroom; Estimate to remodel

*Worst Cost:* **\$3,000**  
\$1,500/Restroom; Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The restrooms are in good condition. No appearance concerns were noted at the time of the inspection. We recommend funding to remodel these restrooms approximately every 18 years to maintain appearance and keep up with current decorative tastes. Remaining life based on current age and condition.

*General Notes:*

**Quantity description:**

**3 Lf - Cabinet**  
**3 Lf - Countertop**  
**(1) - Sink**  
**35 Sq.ft. - Tile Floor**  
**(1) - Toilet**

Comp #: 1417 Kitchen - Remodel



*Location:* **Clubhouse Interior**

*Quantity:* **(1) Kitchen**

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

*Best Cost:* **\$14,000**

Estimate to remodel

*Worst Cost:* **\$14,000**

Estimate to remodel

*Source of Information:* Research with Client

*Observations:*

The kitchen is in fair to poor condition. The cabinets need to be refinished was noted at the time of the inspection. Expect to remodel kitchen approximately every 20 years to keep up with current decorative tastes and ensure proper function of appliances. Remaining life based on current age.

*General Notes:*

- |   |
|---|
| <p><b>Quantity description:</b><br/>29 Lf - Cabinet, Base<br/>15 Lf - Cabinet, Wall<br/>29 Lf - Countertop<br/>(1) - Dishwasher<br/>(1) - Island, 4 Lf<br/>(1) - Microwave<br/>(1) - Oven<br/>(1) - Oven, Warming<br/>(1) - Refrigerator<br/>(1) - Sink, Dual<br/>(1) - Stove Top</p> |
|---|

Comp #: 1490 Central Vacuum System - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **(1) System**

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

*Best Cost:* **\$800**

Estimate to replace

*Worst Cost:* **\$800**

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

The central vacuum system is in good condition. No problems were noted or reported at the time of the inspection. We recommend funding to replace this component approximately every 12 - 15 years. Remaining life based on current age.

*General Notes:*

Comp #: 1501 Carpeting - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **Approx 1,255 Sq.ft.**

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

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

Estimate to replace

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

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

The carpeting is in fair condition. Snags and stains were noted at the time of the inspection. Expect to replace this component approximately every 6 - 8 years assuming normal use and wear. Remaining life based on current age.

*General Notes:*



Comp #: 1503 Tile - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **Approx 315 Sq.ft.**

*Life Expectancy:* **30** *Remaining Life:* **10**

*Best Cost:* **\$3,780**  
\$12/Sq.ft.; Estimate to replace

*Worst Cost:* **\$4,725**  
\$15/Sq.ft.; Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The tile is in good condition. No problems were noted at the time of the inspection. Although this component may reach an extended useful life we recommend funding to replace the tile approximately every 30 years to ensure appearance and keep up with current decorative tastes. Remaining life based on current age.

*General Notes:*



Comp #: 1590 Laminate Flooring - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **Approx 730 Sq.ft.**

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

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

Estimate to replace

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

Higher estimate

*Source of Information:* Research with Client

*Observations:*

The laminate flooring surfaces are in fair to poor condition. Research with the client reveals this component has been resurfaced in the past and is in need of replacement. We recommend funding to replace this component approximately every 20 years. Remaining life based on current condition.

*General Notes:*

Comp #: 1601 Interior Light Fixtures - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **(73) Fixtures**

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

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

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

*Source of Information:*

*Observations:*

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

*General Notes:*

**Quantity description:**

- (3) - Ceiling**
- (12) - Fluorescent**
- (45) - Recessed**
- (6) - Vanity Light**
- (7) - Wall**

**(73) - Total Fixtures**

Comp #: 1602 Exterior Light Fixtures - Replace



*Location:* **Clubhouse & Mailbox Kiosk**

*Quantity:* **(11) Fixtures**

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

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

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

*Source of Information:*

*Observations:*

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

*General Notes:*

**Quantity description:**

- (1) - Ceiling**
- (2) - Recessed, Mailbox Kiosk**
- (3) - Spot**
- (5) - Wall**

**(11) - Total Fixtures**

Comp #: 2303 Clubhouse Exterior Stairwells - Replace



Picture Unavailable

*Location:* **Adjacent to Clubhouse**

*Quantity:* **(2) Stairwells**

*Life Expectancy:* **24** *Remaining Life:* **16**

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

Estimate to replace

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

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

The clubhouse exterior stairwells were in good to fair condition. No problem were noted at the time of the inspection. We recommend funding to replace this component approximately every 24 years. Remaining life based on current age.

*General Notes:*

Comp #: 2304 Clubhouse Exterior Doors - Replace



*Location:* **Clubhouse Exterior**

*Quantity:* **(9) Doors**

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

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

Estimate to replace

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

Higher Estimate

*Source of Information:* CSL Cost Database

*Observations:*

The clubhouse exterior doors are in good condition. Research with the client reveals plans to replace this component approximately every 20 years. Remaining life based on current age.

*General Notes:*

**Quantity description:**

**(4) - Glass, Entrance**

**(2) - Glass, Pool Area**

**(3) - Metal**

**(9) - Total Doors**

Comp #: 2305 Clubhouse Interior Doors - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **(13) Doors**

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

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

Estimate to replace

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

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

The clubhouse interior doors are in good condition. Research with the client reveals plans to replace this component approximately every 20 years. Remaining life based on current age.

*General Notes:*



Comp #: 2306 Clubhouse Windows - Replace



*Location:* **Clubhouse Exteriors**

*Quantity:* **(21) Windows**

*Life Expectancy:* **24** *Remaining Life:* **6**

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

Estimate to replace

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

Estimate to replace

*Source of Information:* Research with Client

*Observations:*

The clubhouse windows are in good condition. Research with the client reveals plans to replace this component approximately every 24 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.

