



**Addendum**

**Prepared at the request of:**

**Mac Rex  
Chestnut Creek HOA  
PO Box 670431  
Marietta, GA 30066**

**May 8, 2023**



Prepared and reviewed by:

***Harold Mullins***

Harold Mullins  
Senior Consultant  
678-570-7001

harold.mullins@bpginspections.com

## 11.0 ADDENDUM SUMMARY

The following exhibits are added at the request of Mac Rex to show the reserve fund impact should a special assessment be applied to the homeowners' dues to cover an immediate project of rebuilding the poolhouse, pavilion and deck area. I did not attempt to address the immediate cost of this project or way the assessment would be managed. My attempt with these charts was to address the impact of the project to the future cost to the Poolhouse, Pavilion and deck.

The following addresses the impact on the exhibits.

### **Impact on Exhibit 1**

The assumption is that an assessment or loan would be used to refurbish or replace the following elements in Exhibit 1 in the present year therefore the "useful Life" would change.

- 7.09 Pavilion, Gazebo, Canopy Repair
- 7.10 Roofing: shingles
- 7.11 Gutters & Downspouts
- 7.12 Siding, Soffit, Fascia, Trim
- 7.13 Painting
- 7.14 Common Area Doors
- 7.15 Decks & Grandstand
- 7.16 Restroom Refurbishing

### **Impact on Exhibit 2**

Since the "Useful Life" changed the expenses associated with the remaining useful life changed and Exhibit 2 reflects those changes.

### **Impact on Exhibit 3**

The "Recommended Annual Reserve Fund Contribution" reflects the current planned fund contribution with a 5% increase annually. I am assuming the funding to address the loan or assessment to be handles separately. Please note the fund stays positive until year 21 (2043)

### **Impact on Exhibit 4 & 5**

These graphs change automatically based on the previous adjustments.



**EXHIBIT 1**

Element Value Summary

**Chestnut Creek HOA**

Version 1.1

Report Section#	Element	Quantities		Values				Life Analysis (years)		General Current Condition
		Total	Units	Present Day Unit Value	Total Present Day Value	Inflated Expenses for 30 Year Period	% of Total Inflated Expenses for 30 Year Period	Typical Useful Life	Remaining Useful Life	
7.01	Concrete: Parking	7,300	SF	\$ 25.05	\$ 182,865	\$ 82,222	6.57%	40+	Ongoing	POOR
7.02	Concrete: Sidewalks	5,000	SF	\$ 26.80	\$ 134,000	\$ 8,035	0.64%	25	Ongoing	SATSFCTRY
7.03	Fencing: Amenity Area	230	LF	\$ 31.00	\$ 7,130	\$ 41,604	3.32%	20	1, 10	SATSFCTRY
7.04	Entrance Monument(s)	4	LS	\$ 1,500.00	\$ 6,000	\$ 9,631	0.77%	20	Ongoing	SATSFCTRY
7.05	Signage	100	SF	\$ 109.00	\$ 10,900	\$ 81,015	6.47%	10	7	SATSFCTRY
7.06	Gate: Pool Parking	1	LS	\$ 2,200.00	\$ 2,200	\$ 3,951	0.32%	22	12	GOOD
7.07	Landscaping, Irrigation, Lighting	1	LS	\$ 6,000.00	\$ 6,000	\$ 52,162	4.17%	8	2	SATSFCTRY
7.08	Retaining Walls	1	LS	\$ 4,000.00	\$ 4,000	\$ 24,459	1.95%	20	Ongoing	SATSFCTRY
7.09	Pavilion, Gazebo, Canopy Repair	1	LS	\$ 3,000.00	\$ 3,000	\$ 7,960	0.64%	20	Ongoing	MARGINAL
7.10	Roofing: shingles	1,800	SF	\$ 2.80	\$ 5,040	\$ 17,067	1.36%	25	1	POOR
7.11	Gutters & Downspouts	125	LF	\$ 6.50	\$ 813	\$ 2,751	0.22%	30	1	SATSFCTRY
7.12	Siding, Soffit, Fascia, Trim	3,000	SF	\$ 3.50	\$ 10,500	\$ -	0.00%	40	1	MARGINAL
7.13	Painting	4,500	SF	\$ 2.90	\$ 13,050	\$ 176,540	14.10%	6	1	SATSFCTRY
7.14	Common Area Doors	3	EA	\$ 525.00	\$ 1,575	\$ 5,600	0.45%	25	1	MARGINAL
7.15	Decks & Grandstand	2,800	SF	\$ 25.00	\$ 70,000	\$ 195,017	15.58%	20	1	SATSFCTRY
7.16	Restroom Refurbishing	1	LS	\$ 6,000.00	\$ 6,000	\$ 26,978	2.16%	10	1	POOR
7.17	Tennis Courts, Asphalt	14,000	SF	\$ 3.70	\$ 51,800	\$ 159,105	12.71%	25	23	GOOD
7.18	Tennis Courts, Resurface	14,000	SF	\$ 0.55	\$ 7,700	\$ 70,404	5.62%	6	4	GOOD
7.19	Tennis Fence	460	LF	\$ 32.50	\$ 14,950	\$ 17,306	1.38%	25	3	SATSFCTRY
7.20	Pool(s) & Spa, plaster	3,400	SF	\$ 2.05	\$ 6,970	\$ 45,706	3.65%	8	7	GOOD
7.21	Pool Pumps & Filters	2	SET	\$ 2,100.00	\$ 4,200	\$ 27,542	2.20%	8	7	GOOD
7.22	Pool, Deck	5,000	SF	\$ 2.05	\$ 10,250	\$ 11,301	0.90%	30+	Ongoing	SATSFCTRY
7.23	Pool Furnishings	53	EA	\$ 150.00	\$ 7,950	\$ 85,612	6.84%	6	2	SATSFCTRY
7.24	Pool Fence	350	LF	\$ 64.00	\$ 22,400	\$ 48,896	3.91%	20	16	GOOD
7.25	Pool Cover	340	SF	\$ 7.00	\$ 2,380	\$ 9,706	0.78%	12	8	?
7.26	Playground Equipment	1	LS	\$ 3,800.00	\$ 3,800	\$ 14,452	1.15%	14	5	SATSFCTRY
7.27	Site Furnishings	10	EA	\$ 610.00	\$ 6,100	\$ 26,745	2.14%	15	Ongoing	SATSFCTRY
				<b>Totals</b>	<b>\$601,573</b>	<b>\$1,251,769</b>	<b>100.00%</b>			

EA=Each; SF=Sq.Ft.; LS=Lump Sum

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**Exhibit 2**  
**Inflated Annual Expense Summary (years 1-5)**  
**Chestnut Creek HOA**

Version 1.1

Section	Element	1	2	3	4	5	Years 1 thru 5	
		2023	2024	2025	2026	2027	Totals	% of Totals
7.01	Concrete: Parking						\$0	0.00%
7.02	Concrete: Sidewalks	\$1,407					\$1,407	2.02%
7.03	Fencing: Amenity Area	\$1,497					\$1,497	2.15%
7.04	Entrance Monument(s)				\$1,823		\$1,823	2.61%
7.05	Signage						\$0	0.00%
7.06	Gate: Pool Parking						\$0	0.00%
7.07	Landscaping, Irrigation, Lighting		\$6,615				\$6,615	9.48%
7.08	Retaining Walls			\$4,631			\$4,631	6.64%
7.09	Pavilion, Gazebo, Canopy Repair						\$0	0.00%
7.10	Roofing: shingles						\$0	0.00%
7.11	Gutters & Downspouts						\$0	0.00%
7.12	Siding, Soffit, Fascia, Trim						\$0	0.00%
7.13	Painting						\$0	0.00%
7.14	Common Area Doors						\$0	0.00%
7.15	Decks & Grandstand						\$0	0.00%
7.16	Restroom Refurbishing						\$0	0.00%
7.17	Tennis Courts, Asphalt						\$0	0.00%
7.18	Tennis Courts, Resurface				\$9,359		\$9,359	13.41%
7.19	Tennis Fence			\$17,306			\$17,306	24.80%
7.20	Pool(s) & Spa, plaster						\$0	0.00%
7.21	Pool Pumps & Filters						\$0	0.00%
7.22	Pool, Deck		\$11,301				\$11,301	16.19%
7.23	Pool Furnishings		\$8,765				\$8,765	12.56%
7.24	Pool Fence						\$0	0.00%
7.25	Pool Cover						\$0	0.00%
7.26	Playground Equipment					\$4,850	\$4,850	6.95%
7.27	Site Furnishings				\$2,224		\$2,224	3.19%
	<b>Inflated Expense Totals</b>	<b>\$2,904</b>	<b>\$26,681</b>	<b>\$21,937</b>	<b>\$13,407</b>	<b>\$4,850</b>	<b>\$69,779</b>	<b>100.00%</b>
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**Exhibit 2**

**Inflated Annual Expense Summary (years 6-10)**

**Chestnut Creek HOA**

Version 1.1

Section	Element	6	7	8	9	10	Years 6 thru 10	
		2028	2029	2030	2031	2032	Totals	% of Totals
7.0	Concrete: Parking						\$0	0.00%
7.0	Concrete: Sidewalks						\$0	0.00%
7.0	Fencing: Amenity Area					\$9,291	\$9,291	9.36%
7.0	Entrance Monument(s)						\$0	0.00%
7.1	Signage		\$15,337				\$15,337	15.45%
7.1	Gate: Pool Parking						\$0	0.00%
7.1	Landscaping, Irrigation, Lighting					\$9,773	\$9,773	9.84%
7.1	Retaining Walls						\$0	0.00%
7.1	Pavilion, Gazebo, Canopy Repair						\$0	0.00%
7.10	Roofing: shingles						\$0	0.00%
7.11	Gutters & Downspouts						\$0	0.00%
7.12	Siding, Soffit, Fascia, Trim						\$0	0.00%
7.13	Painting		\$18,363				\$18,363	18.49%
7.14	Common Area Doors						\$0	0.00%
7.15	Decks & Grandstand						\$0	0.00%
7.16	Restroom Refurbishing						\$0	0.00%
7.17	Tennis Courts, Asphalt						\$0	0.00%
7.18	Tennis Courts, Resurface					\$12,542	\$12,542	12.63%
7.19	Tennis Fence						\$0	0.00%
7.20	Pool(s) & Spa, plaster		\$9,807				\$9,807	9.88%
7.21	Pool Pumps & Filters		\$5,910				\$5,910	5.95%
7.22	Pool, Deck						\$0	0.00%
7.23	Pool Furnishings			\$11,746			\$11,746	11.83%
7.24	Pool Fence						\$0	0.00%
7.25	Pool Cover				\$3,692		\$3,692	3.72%
7.26	Playground Equipment						\$0	0.00%
7.27	Site Furnishings				\$2,839		\$2,839	2.86%
	<b>Inflated Expense Totals</b>	<b>\$0</b>	<b>\$49,417</b>	<b>\$11,746</b>	<b>\$6,531</b>	<b>\$31,607</b>	<b>\$99,301</b>	<b>100.00%</b>
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**Exhibit 2**

**Inflated Annual Expense Summary (years 11-15)**

**Chestnut Creek HOA**

Version 1.1

Section	Element	11	12	13	14	15	Years 11 thru 15	
		2033	2034	2035	2036	2037	Totals	% of Totals
7.0	Concrete: Parking	\$31,276					\$31,276	24.88%
7.0	Concrete: Sidewalks	\$2,521					\$2,521	2.01%
7.0	Fencing: Amenity Area						\$0	0.00%
7.0	Entrance Monument(s)				\$2,970		\$2,970	2.36%
7.1	Signage						\$0	0.00%
7.1	Gate: Pool Parking		\$3,951				\$3,951	3.14%
7.1	Landscaping, Irrigation, Lighting						\$0	0.00%
7.1	Retaining Walls			\$7,543			\$7,543	6.00%
7.1	Pavilion, Gazebo, Canopy Repair						\$0	0.00%
7.10	Roofing: shingles						\$0	0.00%
7.11	Gutters & Downspouts						\$0	0.00%
7.12	Siding, Soffit, Fascia, Trim						\$0	0.00%
7.13	Painting			\$24,608			\$24,608	19.57%
7.14	Common Area Doors						\$0	0.00%
7.15	Decks & Grandstand						\$0	0.00%
7.16	Restroom Refurbishing	\$10,262					\$10,262	8.16%
7.17	Tennis Courts, Asphalt						\$0	0.00%
7.18	Tennis Courts, Resurface						\$0	0.00%
7.19	Tennis Fence						\$0	0.00%
7.20	Pool(s) & Spa, plaster					\$14,490	\$14,490	11.53%
7.21	Pool Pumps & Filters					\$8,731	\$8,731	6.95%
7.22	Pool, Deck						\$0	0.00%
7.23	Pool Furnishings				\$15,740		\$15,740	12.52%
7.24	Pool Fence						\$0	0.00%
7.25	Pool Cover						\$0	0.00%
7.26	Playground Equipment						\$0	0.00%
7.27	Site Furnishings				\$3,623		\$3,623	2.88%
	<b>Inflated Expense Totals</b>	<b>\$44,059</b>	<b>\$3,951</b>	<b>\$32,150</b>	<b>\$22,334</b>	<b>\$23,222</b>	<b>\$125,716</b>	<b>100.00%</b>
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**Exhibit 2**

**Inflated Annual Expense Summary (years 16-20)**

**Chestnut Creek HOA**

Version 1.1

Section	Element	16	17	18	19	20	Years 16 thru 20	
		2038	2039	2040	2041	2042	Totals	% of Totals
7.0	Concrete: Parking						\$0	0.00%
7.0	Concrete: Sidewalks						\$0	0.00%
7.0	Fencing: Amenity Area						\$0	0.00%
7.0	Entrance Monument(s)						\$0	0.00%
7.1	Signage		\$24,983				\$24,983	13.33%
7.1	Gate: Pool Parking						\$0	0.00%
7.1	Landscaping, Irrigation, Lighting			\$14,440			\$14,440	7.71%
7.1	Retaining Walls						\$0	0.00%
7.1	Pavilion, Gazebo, Canopy Repair					\$7,960	\$7,960	4.25%
7.10	Roofing: shingles						\$0	0.00%
7.11	Gutters & Downspouts						\$0	0.00%
7.12	Siding, Soffit, Fascia, Trim						\$0	0.00%
7.13	Painting				\$32,977		\$32,977	17.60%
7.14	Common Area Doors						\$0	0.00%
7.15	Decks & Grandstand						\$0	0.00%
7.16	Restroom Refurbishing						\$0	0.00%
7.17	Tennis Courts, Asphalt						\$0	0.00%
7.18	Tennis Courts, Resurface	\$16,808					\$16,808	8.97%
7.19	Tennis Fence						\$0	0.00%
7.20	Pool(s) & Spa, plaster						\$0	0.00%
7.21	Pool Pumps & Filters						\$0	0.00%
7.22	Pool, Deck						\$0	0.00%
7.23	Pool Furnishings					\$21,094	\$21,094	11.26%
7.24	Pool Fence	\$48,896					\$48,896	26.09%
7.25	Pool Cover				\$6,014		\$6,014	3.21%
7.26	Playground Equipment				\$9,602		\$9,602	5.12%
7.27	Site Furnishings				\$4,624		\$4,624	2.47%
	<b>Inflated Expense Totals</b>	<b>\$65,705</b>	<b>\$24,983</b>	<b>\$14,440</b>	<b>\$53,218</b>	<b>\$29,054</b>	<b>\$187,398</b>	<b>100.00%</b>
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**Exhibit 2**

**Inflated Annual Expense Summary (years 21-25)**

**Chestnut Creek HOA**

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Section	Element	21	22	23	24	25	Years 21 thru 25	
		2043	2044	2045	2046	2047	Totals	% of Totals
7.01	Concrete: Parking	\$50,946					\$50,946	9.31%
7.02	Concrete: Sidewalks	\$4,107					\$4,107	0.75%
7.03	Fencing: Amenity Area						\$0	0.00%
7.04	Entrance Monument(s)				\$4,838		\$4,838	0.88%
7.05	Signage						\$0	0.00%
7.06	Gate: Pool Parking						\$0	0.00%
7.07	Landscaping, Irrigation, Lighting						\$0	0.00%
7.08	Retaining Walls			\$12,286			\$12,286	2.25%
7.09	Pavilion, Gazebo, Canopy Repair						\$0	0.00%
7.10	Roofing: shingles					\$17,067	\$17,067	3.12%
7.11	Gutters & Downspouts					\$2,751	\$2,751	0.50%
7.12	Siding, Soffit, Fascia, Trim						\$0	0.00%
7.13	Painting					\$44,192	\$44,192	8.08%
7.14	Common Area Doors						\$0	0.00%
7.15	Decks & Grandstand	\$195,017					\$195,017	35.64%
7.16	Restroom Refurbishing	\$16,716					\$16,716	3.05%
7.17	Tennis Courts, Asphalt			\$159,105			\$159,105	29.07%
7.18	Tennis Courts, Resurface						\$0	0.00%
7.19	Tennis Fence						\$0	0.00%
7.20	Pool(s) & Spa, plaster			\$21,409			\$21,409	3.91%
7.21	Pool Pumps & Filters			\$12,900			\$12,900	2.36%
7.22	Pool, Deck						\$0	0.00%
7.23	Pool Furnishings						\$0	0.00%
7.24	Pool Fence						\$0	0.00%
7.25	Pool Cover						\$0	0.00%
7.26	Playground Equipment						\$0	0.00%
7.27	Site Furnishings				\$5,902		\$5,902	1.08%
	<b>Inflated Expense Totals</b>	<b>\$266,785</b>	<b>\$0</b>	<b>\$205,700</b>	<b>\$10,740</b>	<b>\$64,011</b>	<b>\$547,235</b>	<b>100.00%</b>
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**Exhibit 2**

**Inflated Annual Expense Summary (years 26-30)**

**Chestnut Creek HOA**

Version 1.1

Section	Element	26	27	28	29	30	Years 26 thru 30		
		2048	2049	2050	2051	2052	Totals	% of Totals	
7.01	Concrete: Parking						\$0	0.00%	
7.02	Concrete: Sidewalks						\$0	0.00%	
7.03	Fencing: Amenity Area					\$30,815	\$30,815	13.86%	
7.04	Entrance Monument(s)						\$0	0.00%	
7.05	Signage		\$40,695				\$40,695	18.30%	
7.06	Gate: Pool Parking						\$0	0.00%	
7.07	Landscaping, Irrigation, Lighting	\$21,334					\$21,334	9.60%	
7.08	Retaining Walls						\$0	0.00%	
7.09	Pavilion, Gazebo, Canopy Repair						\$0	0.00%	
7.10	Roofing: shingles						\$0	0.00%	
7.11	Gutters & Downspouts						\$0	0.00%	
7.12	Siding, Soffit, Fascia, Trim						\$0	0.00%	
7.13	Painting					\$56,401	\$56,401	25.37%	
7.14	Common Area Doors	\$5,600					\$5,600	2.52%	
7.15	Decks & Grandstand						\$0	0.00%	
7.16	Restroom Refurbishing						\$0	0.00%	
7.17	Tennis Courts, Asphalt						\$0	0.00%	
7.18	Tennis Courts, Resurface				\$31,694		\$31,694	14.25%	
7.19	Tennis Fence						\$0	0.00%	
7.20	Pool(s) & Spa, plaster						\$0	0.00%	
7.21	Pool Pumps & Filters						\$0	0.00%	
7.22	Pool, Deck						\$0	0.00%	
7.23	Pool Furnishings	\$28,268					\$28,268	12.71%	
7.24	Pool Fence						\$0	0.00%	
7.25	Pool Cover						\$0	0.00%	
7.26	Playground Equipment						\$0	0.00%	
7.27	Site Furnishings				\$7,533		\$7,533	3.39%	
	<b>Inflated Expense Totals</b>	<b>\$55,202</b>	<b>\$40,695</b>	<b>\$0</b>	<b>\$39,227</b>	<b>\$87,217</b>	<b>\$222,340</b>	<b>100.00%</b>	
	©BPG, Inc. All Rights Reserved	<b>GRAND TOTAL YEARS 1-30</b>					<b>\$1,251,769</b>		



**Exhibit 3**

**Recommended Reserve Funding Plan**

**Current Reserve Budget: \$17,000**

**Interest Rate Assumed: 0.0080**

**Inflation Rate Assumed: 0.0500**

**Chestnut Creek HOA**

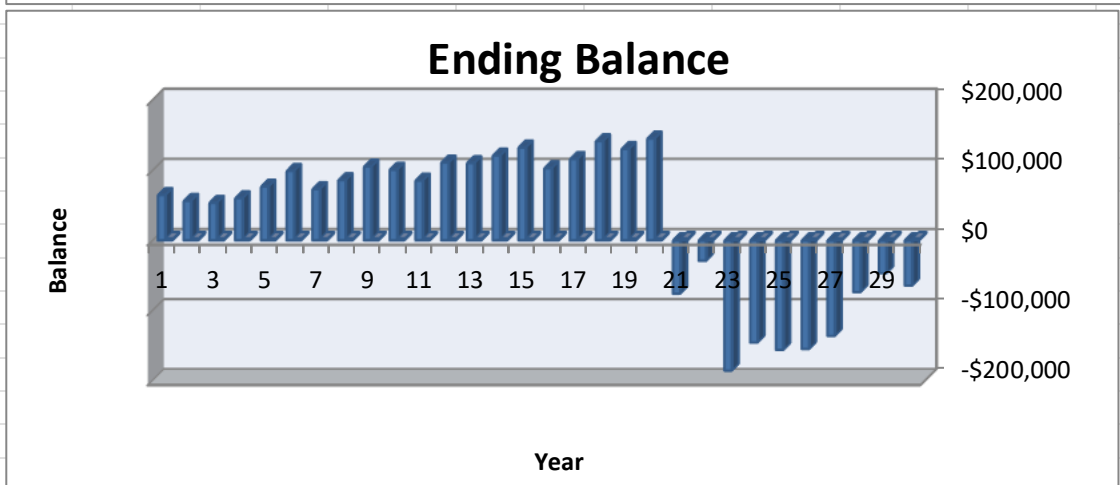
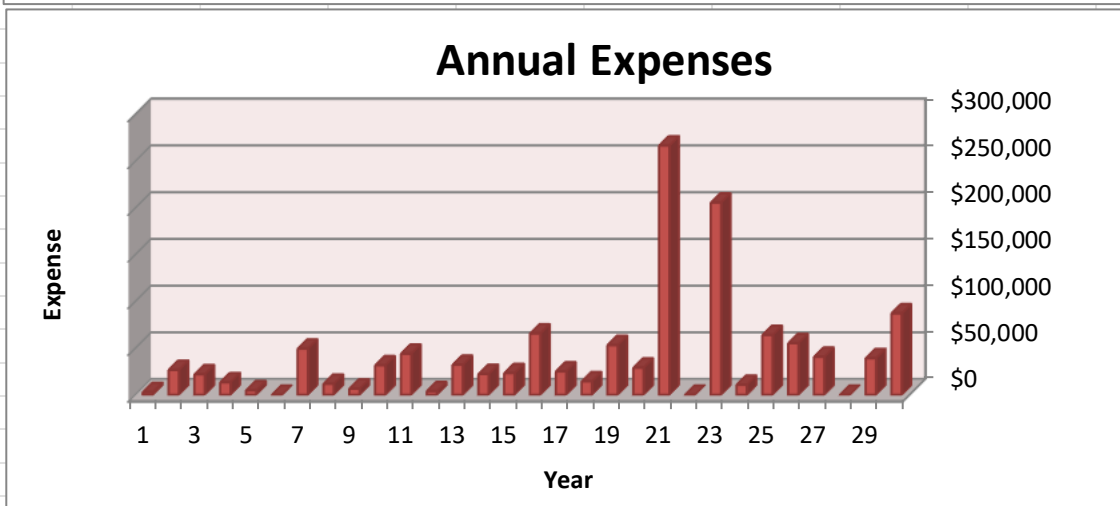
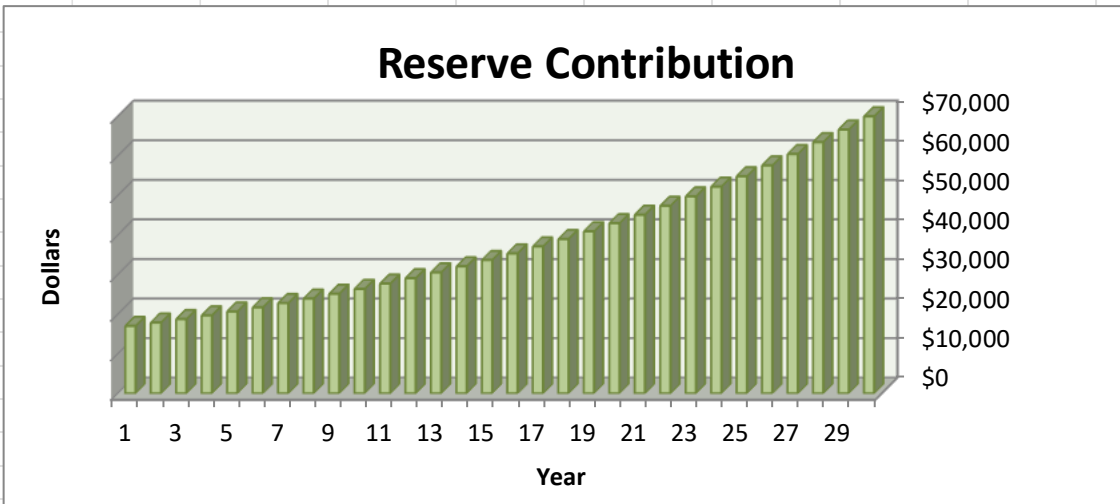
Version 1.1

Year	Calendar Year	Beginning Balance of Reserve Fund	Required Annual Reserve Fund Contribution	Annual Reserve Fund Increase	Annual Expenses	Annual Interest	Ending Balance of Reserve Fund
0	2022	<b>HOA-Projected Reserve fund Balance as of April 1, 2023 is about:</b>					<b>\$ 50,000</b>
1	2023	\$ 50,000	\$17,000	0%	\$ 2,904	\$456	\$ 64,552
2	2024	\$ 64,552	\$17,850	5%	\$ 26,681	\$481	\$ 56,203
3	2025	\$ 56,203	\$18,743	5%	\$ 21,937	\$437	\$ 53,445
4	2026	\$ 53,445	\$19,680	5%	\$ 13,407	\$453	\$ 60,170
5	2027	\$ 60,170	\$20,664	5%	\$ 4,850	\$545	\$ 76,529
6	2028	\$ 76,529	\$21,697	5%	-	\$699	\$ 98,924
7	2029	\$ 98,924	\$22,782	5%	\$ 49,417	\$685	\$ 72,974
8	2030	\$ 72,974	\$23,921	5%	\$ 11,746	\$632	\$ 85,781
9	2031	\$ 85,781	\$25,117	5%	\$ 6,531	\$761	\$ 105,127
10	2032	\$ 105,127	\$26,373	5%	\$ 31,607	\$820	\$ 100,713
11	2033	\$ 100,713	\$27,691	5%	\$ 44,059	\$740	\$ 85,085
12	2034	\$ 85,085	\$29,076	5%	\$ 3,951	\$781	\$ 110,991
13	2035	\$ 110,991	\$30,530	5%	\$ 32,150	\$881	\$ 110,252
14	2036	\$ 110,252	\$32,056	5%	\$ 22,334	\$921	\$ 120,895
15	2037	\$ 120,895	\$33,659	5%	\$ 23,222	\$1,009	\$ 132,341
16	2038	\$ 132,341	\$35,342	5%	\$ 65,705	\$937	\$ 102,916
17	2039	\$ 102,916	\$37,109	5%	\$ 24,983	\$872	\$ 115,913
18	2040	\$ 115,913	\$38,964	5%	\$ 14,440	\$1,025	\$ 141,463
19	2041	\$ 141,463	\$40,913	5%	\$ 53,218	\$1,082	\$ 130,241
20	2042	\$ 130,241	\$42,958	5%	\$ 29,054	\$1,098	\$ 145,243
21	2043	\$ 145,243	\$45,106	5%	\$ 266,785	\$275	\$ (76,161)
22	2044	\$ (76,161)	\$47,361	5%	-	-\$420	\$ (29,219)
23	2045	\$ (29,219)	\$49,729	5%	\$ 205,700	-\$858	\$ (186,048)
24	2046	\$ (186,048)	\$52,216	5%	\$ 10,740	-\$1,322	\$ (145,894)
25	2047	\$ (145,894)	\$54,827	5%	\$ 64,011	-\$1,204	\$ (156,281)
26	2048	\$ (156,281)	\$57,568	5%	\$ 55,202	-\$1,241	\$ (155,156)
27	2049	\$ (155,156)	\$60,446	5%	\$ 40,695	-\$1,162	\$ (136,566)
28	2050	\$ (136,566)	\$63,469	5%	-	-\$839	\$ (73,936)
29	2051	\$ (73,936)	\$66,642	5%	\$ 39,227	-\$482	\$ (47,003)
30	2052	\$ (47,003)	\$69,974	5%	\$ 87,217	-\$445	\$ (64,690)
		<b>Totals</b>	<b>\$1,129,460.41</b>		<b>\$1,251,769.41</b>		

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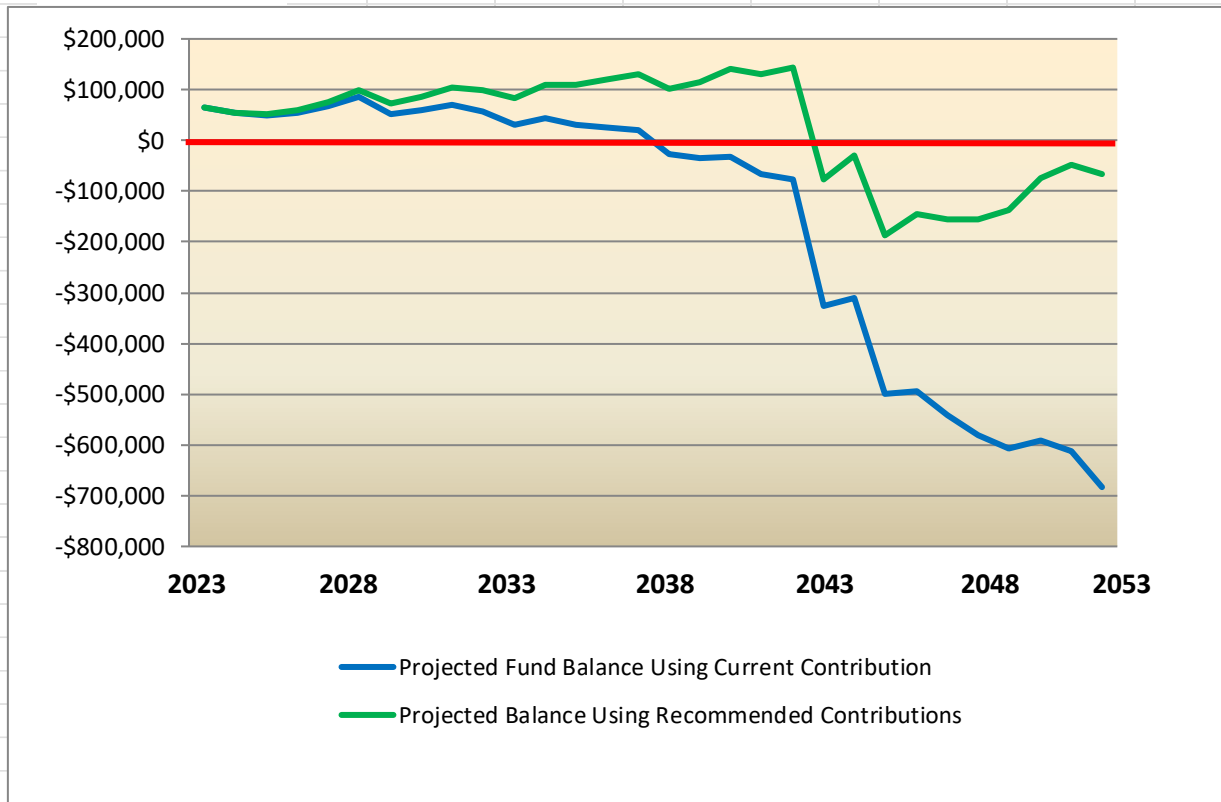


**Exhibit 4**  
**Reserve, Expenses, Balance (Graphs)**  
(.8% Interest and 5.0% Inflation)  
(Data from Exhibit 3)  
**Chestnut Creek HOA**





**Exhibit 5**  
**Current Fund Status**  
**.8% Interest and 5.0% Inflation**  
**Chestnut Creek HOA**  
**Version 1.1**



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