RESERVE DATA ANALYST

Park Place Townhomes

North Bend, WA

Level II Reserve Study Update (With Site Inspection)

Report Date: October 10, 2025
Report Number: 17989
Report Version: Draft1
Prepared for Fiscal Year: 2026

Reserve Data Analyst

www.reservedataanalyst.com

Prepared By

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Total Component Count: 29

Thank you for utilizing the services of Reserve Data Analyst for your reserve study. We strive to create a comprehensive report that can be utilized for your budgeting needs. If there are any questions, concerns, corrections, or revisions needed please do not hesitate to call or email us. While this study does have some explanations of the methodology used, we have kept it to a minimum for brevity. More detailed explanations of methodology & concepts are explained by following the links in the Knowledge Base pages of this reserve study and in our Reserve Study Guidebook available at the following link:

www.reservedataanalyst.com/guidebook

To navigate this study more easily, we recommend printing out the *Table of Contents* page(s) and the *Component Details Index* page(s) at the front of the study. We have found it easiest for most readers to have the PDF of this study open on their computer while referring to the printed-out Table of Contents and Component Details Index pages when navigating.

Within this reserve study you will find:

- *Knowledge Base Pages* - A list of common questions that a typical reader of our reserve study will have (e.g., cost, inflation, useful life), as well as links to additional information on the topics.

- *The Component List* - A list of the components (i.e., assets) that are reportedly the Client's responsibility along with their respective costs, quantity, useful life, remaining useful life, etc.

- *Annual Projected Expenditures* - A timeline of the estimated dates that we recommend fully allocating money to the repair/replacement projects. (Annual Expenditures Chart & Annual Expenditure List)

- *Funding Model Projections* - Various funding models with different goals in mind and comments about the particular funding model goal.

- *Component Detail Pages* - These pages have more in depth information for each component. Prior replacement history, component specific comments and reasoning for implementing different funding scenarios or functions in our software (e.g., delay funding, repeat limit, adjustments to age) can be found here. This sections is best navigated by utilizing the Component Details Index which follows the Table of Contents page.

One of the main points we like to make clear to a reader of this reserve study is that recommendations for the allocation rates of the different funding models (excluding Client provided models) are only for the initial year of this reserve study; all future years are projections which are educated guesses and have numerous assumptions (e.g., inflation, proper maintenance, proper installation, known reserve account balances, etc.) built into the mathematical models. The further out in time a reader of the study goes, the less reliable the projections are likely to be. Note that the recommendations for the first fiscal year in the study are based on current cost and current useful life estimates, which we typically have lots of good data on, as opposed to future cost and future useful life projections which again are educated guesses based on historical averages.

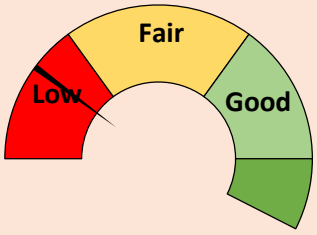
Importance of Updates : From year to year the recommendations of the reserve analyst will typically change (sometimes significantly) based on variables that will usually change over time. More frequent updates (preferably annually) to this study help to incorporate changes to these variables as they occur each fiscal year so revisions to the recommendations are less significant than if updates are done infrequently.

Organization Name	Park Place Townhomes
Organization Location	North Bend, WA
*Contributing Members	30
Approximate Year of Construction	1989
*Fiscal Year Time Period	January 1st - December 31st

Level of Service	Level II Reserve Study Update (With Site Inspection)
Report Version	Draft1
Prepared for Fiscal Year	2026
Last On-Site Inspection Date	October 10, 2025
Inflation Rate for Projections	3.50%
*Rate of Return (APR) for Account Balances	0.01%
*Tax Rate on Interest Earned	30.00%
Funding Plan Method	Inflation Adjusted Pooled Cash Flow Method

Reserve Account Summary

Current Percent Funded

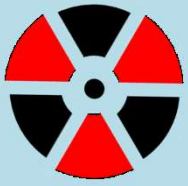


19.3%

*Estimated Beginning Balance	$199,275
Current Fully Funded Balance	$1,029,982
Current Reserve Account Surplus or (Deficit)	($830,707)
Current Avg. Surplus or (Deficit) Per Member	($27,690)
*Current Annual Reserve Allocation Rate	$32,508
*Approved Special Assessment(s) in FY 2026	None
*Approved Loan(s) Amount in FY 2026	None

A low percent funded range (0-30%) for any significant period of time carries a high risk for having to rely on emergency financing. Our risk rating is the 5-year average percent funded from the Current Model's projections.

Risk Indicator



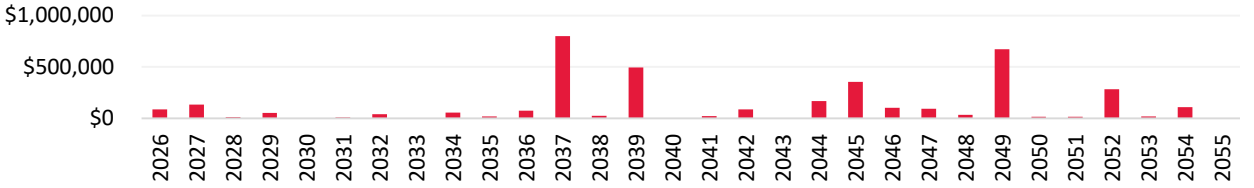
High Risk

Reserve Allocation Rates & Year-End % Funded - 5 Year Summary

	100% Funded		Recommended		Baseline		Current		
2026	$930,000	100.3%	$104,750	21.0%	$89,600	19.5%	$32,508	14.1%	2026
2027	$105,000	101.0%	$108,416	19.3%	$92,736	16.3%	$33,646	4.7%	2027
2028	$108,675	101.4%	$112,211	27.0%	$95,982	22.7%	$34,823	6.6%	2028
2029	$112,479	101.8%	$116,138	31.3%	$99,341	25.7%	$36,042	4.9%	2029
2030	$116,415	101.9%	$120,203	38.0%	$102,818	31.5%	$37,304	7.4%	2030
	~ 100% funded at end of each fiscal year.		*Achieve 100% funded within projections.*		*Account stays above $0 for projections.*		*Current allocation rate has been supplied by the Client.*		

** Data supplied by the Client.* Any year end negative percent funded (if applicable) has not been shown.

Projected Annual Reserve Expenditures



Total Projected Expenses Over the 30-Year Timeframe of the Reserve Study: **$3,737,218**

What is a Reserve Study?

A reserve study is a budgeting tool that can be utilized to make more informed budgeting decisions regarding a reserve account, it is an independent assessment of the adequacy of the reserve account balance and allocation rate utilizing a mathematical formula known as the "Percent Funded" calculation.

The Reserve Analyst develops funding models the adhere to some basic principles:

- Distribute the costs as fairly as possible over time.
- Have stable budgets over time (i.e., limiting large fluctuations)
- Limit the risk of reliance on emergency financing or having to defer overdue projects.

A Reserve Study is an independent assessment of the reserve account and is ***not*** the Budget.

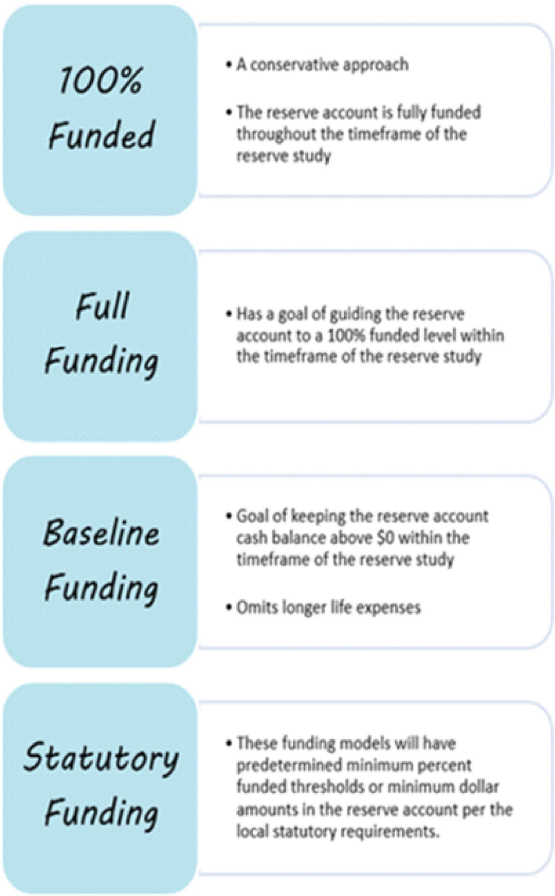
This study is not the budget, and it should not be revised to just reflect the budgeting decisions of the Client. An example of this is to push off overdue projects that the Client may not have the funds to complete. This report should reflect the replacement dates of the components utilizing typical or historical records for the useful lives & costs for these projects; the useful lives can be updated to reflect actual on-site conditions as the components age and in updates to this report.

Should the Client decide to make budgeting decisions such as deferring projects (typically due to a lack of funds) and that appear to be overdue carries its own risk with relation to scenarios like higher project costs later and marketability issues.

How Much Should We Reserve?

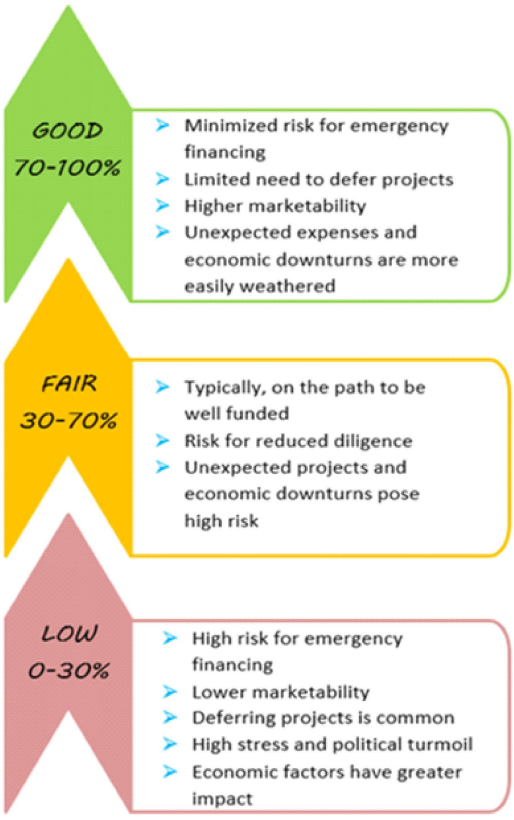
There is no right or wrong answer to the question of "How Much Should We Reserve?" as the reserve contributions in all the funding models in this study are based on different funding goals. It is more appropriate to consider the risk levels associated with different funding models as each Client has different risk tolerances and challenges in enacting whatever funding model is most appropriate to them.

In our opinion any funding model that projects the reserve account balance to dip to zero would not be appropriate or fiscally responsible as future emergency financing or deferring projects are typically the outcome. Below are some of the more common funding models utilized:



About Percent Funded

Percent funded is a calculation of how much is in the reserve account versus an ideal amount known as the Fully Funded Balance. The different risk levels associated with the levels of funding are explained in more depth below.



The below video link explains the Percent Funded calculation in more detail:

www.reservedataanalyst.com/pf

About the Fully Funded Balance

The Fully Funded balance is a mathematical calculation that represents the accrued deterioration of a component or a group of components at a specific point in time. It is an answer to the question of "How much should be in a reserve account at a specific point in time?" When the reserve account balance is the same as the Fully Funded Balance the reserve account is considered Fully Funded (100% Funded) at that specific point in time.

The below video link provides a more in-depth explanation of the Fully Funded balance:

www.reservedataanalyst.com/ffb

Calculating Inflation in the Reserve Study

Inflationary factors impact the project costs over time and are the main driving force that must be overcome with diligent and steadfast budgeting towards reserves. Due to the compounding impact of inflation on costs, in a relatively short period of time, a reserve account can be become severely underfunded if it is not considered in the budgeting scenarios. Follow the below link to learn more about how we calculate inflationary factors (escalation of the prices) in the reserve study and some of the tools we use in the process:

www.reservedataanalyst.com/inf

Component Useful Life Estimates

The useful life of components in the reserve study are predominantly based on our experiences with many different types of organizations and their respective repair and replacement cycles with building and site components. In addition to our own experiences working with many organizations over the years there is ample data available online regarding useful life estimates of building and site components. It is important to note that the estimates in the reserve study are based on averages and are not specific to any one property. Follow the below link to view some of the various useful life tables that we utilize:

www.reservedataanalyst.com/ul

Determining Component Project Costs

We utilize many sources for determining what is an appropriate component project cost in the reserve study. These can include:

- Client invoices, bids, estimates
- Our in-house database that is based on the collection of many Client invoices, bids, and estimates.
- Cost manuals

It's important to understand that unless we are provided actual project costs based on a client invoice/bid or estimate we utilize average costs figures that are not specific to any one Client. In the bidding process you… will find that there is a large difference in price from one vendor to the next for a variety of reasons. We aim to be in the middle of these estimates unless we have Client data to incorporate into the reserve study. Future costs (projections) for the component expenses are simply inflated from current cost based on the inflation assumption in the reserve study. It is important to remember that our current recommendations are based on current project costs and not the inflated number that is utilized in the projections portion of the reserve study. The below link goes into this topic in more detail:

www.reservedataanalyst.com/cost

National Reserve Study Standards

There are two recognized organizations that dictate national reserve study standards in the industry. The Community Association's Institute and the Association of Professional Reserve Analysts award designations to those reserve study professionals that meet education & work experience, adhere to the minimum report requirements, complete ongoing continuing education courses, and abide by ethical considerations in the field. The standards for both organizations can be viewed at the links below:

www.reservedataanalyst.com/CAI

www.reservedataanalyst.com/APRA

What Components to Include in the Study?

Reserve expenses for components are major expenses which must be budgeted for in advance to provide the necessary funds in time for their occurrence. Reserve expenses are reasonably predictable both in terms of frequency and cost. They are expenses that when incurred would have a significant impact on the smooth operation of the budgetary process from one year to the next if they were not reserved for in advance.

A common concern when beginning this process is what components are to be included and funded for in the Reserve Study. Nationally recognized CAI Reserve Study Standards as well as APRA Standards of Practice dictate that the reserve components need to meet the following criteria:

- It's not already covered in the Operating Budget.
- The component has a limited life expectancy.
- The component has a reasonably defined remaining useful life.
- As required by local statutes.

When to Complete Reserve Projects?

Components should be replaced when they are no longer functioning as designed. This is best determined by your component specific Vendor who can inspect and give their best professional advice on the condition assessment and timeframe on when/what needs to be done. Note that this reserve study is not a “to do list”; it is a budgeting document with recommendations for when we suggest having the funds allocated towards the projects. If something fails earlier than projected then replace it, if it lasts longer (as determined by your component specific ... Vendor) then take their advice as they are experts in their specific field. Projects should be completed when they need to be completed regardless of our projections in the study.

Note that this does not mean it would be appropriate to delay projects simply because funds are not available though as that is a budgeting decision not based on component specific Vendor recommendations.

A common issue we see is the delay of projects simply because there is a lack of reserve funds available, only to have a much larger and more expensive project later due to a variety of factors that come into play when delaying reserve projects (e.g., inflation, collateral damage).

Ongoing Component Maintenance

While this reserve study has been developed to disclose and inform the Client of the predictable larger long-term project costs related to site and building components, there is also a need to complete regular inspections and repairs to virtually all components on much shorter cycles. These costs would typically be covered in the annual Operating Budget.

Virtually all the components should receive regular cycles of inspection and repairs by a qualified Vendor. Failure to complete ongoing maintenance typically leads to shorter useful lives and higher costs later. RSMeans provides a free link to common building and site component items to inspect.

www.reservedataanalyst.com/rsmeans

Recommendations Versus Projections

In the reserve study the Reserve Analyst' recommendations for the allocation rates of the different funding models apply only to the year the reserve study is being developed for. All projections in the study are future educated guesses with assumptions about a significant number of variables (e.g., inflation rate, financial, component useful life, component remaining useful life, proper maintenance, etc.).

Projections can be accurate or extremely inaccurate based on these assumptions; because of this we do not suggest giving much consideration to projections in the decision making for overall reserve budgeting. This may sound counter-intuitive, but this is due to recommendations for the allocation rates, in the initial year of the study, being based on predominantly current known factors (e.g., current costs, current inflation, current maintenance practices) versus projections which are based on future assumptions to a variety of variables (e.g., future costs, future inflation rates, and future maintenance practices). Follow the below link to our website to learn more about recommendations versus projections.

www.reservedataanalyst.com/projections

You Have a Reserve Study Now What?

Adequately budgeting for reserves is often one of the more difficult tasks our clients face. Reserve component projects are infrequent and often years down the line, making it very easy to just "deal with it later"…

... We have found those that are most successful with reserve budgeting goals typically follow these simple rules when creating and implementing a reserve budget.

Actionable
Is your goal possible within the constraints & limitations of very important but often overlooked factors related to statutory requirements and the governing documents?

Comprehensive
Your goal should be clear and specific, otherwise you won't be able to focus your efforts or feel truly motivated to achieve it. When drafting your goal, try to answer the four "W" questions - What do we want to accomplish? Why is this goal important? Who is involved? When is this goal set to occur?

Equitable
Your goal should be reasonable and attainable to be successful. In other words, it should stretch your abilities but remain possible. When you set an achievable goal, you may be able to identify previously overlooked opportunities or resources that can bring you closer to it.

This often means that transitioning to a more stable financial track will take years of smaller goals being obtained.

Severely underfunded reserve accounts typically develop after many years or decades; it's usually not reasonable for the answers to come quick or easily.

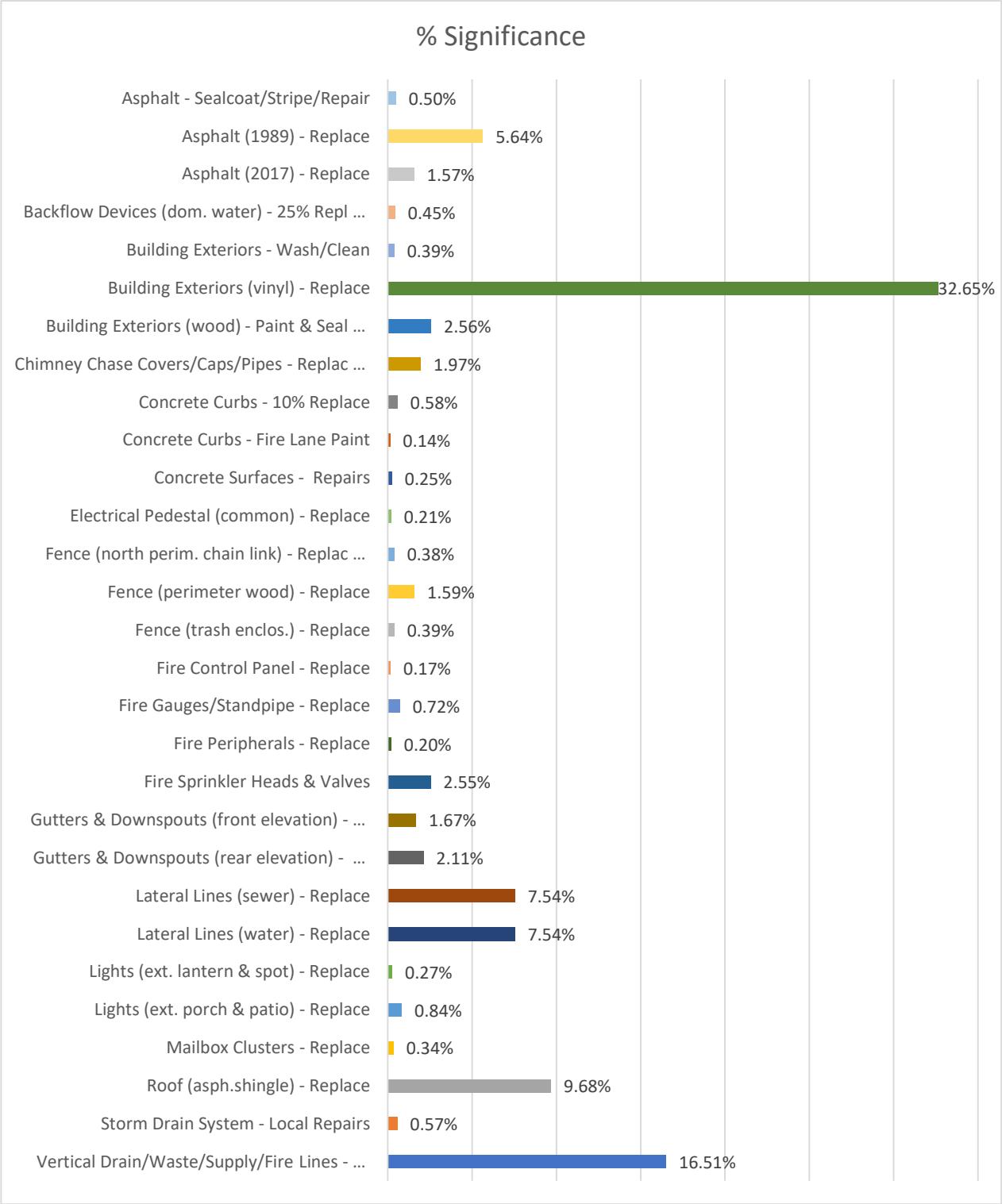
www.reservedataanalyst.com/ace

Version: Draft1

Component Description	Asset ID	Install/Alloc. Year	Replace Year	Useful Life (UL)	Adjust / Delay (D)	Remaining UL	Quantity		Cost Per Qty.	% Replace	Current Cost	% Significance
>> Building Components <<												
Building Exteriors - Wash/Clean	1006	2026	2029	3		3	34,795	sf	$0.18	100.0%	$6,263	0.39%
Building Exteriors (vinyl) - Replace	1005	1997	2037	40		11	34,795	sf	$15.00	100.0%	$521,925	32.65%
Building Exteriors (wood) - Paint & Seal …	1007	2015	2026	10		0	1	ls	$41,000.00	100.0%	$41,000	2.56%
Chimney Chase Covers/Caps/Pipes - Replac …	1008	1989	2026	35		0	30	ea	$1,050.00	100.0%	$31,500	1.97%
Fire Control Panel - Replace	1023	2025	2045	20		19	1	ea	$2,742.60	100.0%	$2,743	0.17%
Fire Gauges/Standpipe - Replace	3470	2024	2044	20		18	1	ls	$11,500.00	100.0%	$11,500	0.72%
Fire Peripherals - Replace	1024	2004	2026	20		0	7	ea	$453.75	100.0%	$3,176	0.20%
Fire Sprinkler Heads & Valves	1025	2024	2029	5		3	1	total	$40,715.29	100.0%	$40,715	2.55%
Gutters & Downspouts (front elevation) - …	1026	2020	2045	25		19	2,100	lf	$12.75	100.0%	$26,775	1.67%
Gutters & Downspouts (rear elevation) - …	1027	2014	2039	25		13	2,650	lf	$12.75	100.0%	$33,788	2.11%
Lights (ext. lantern & spot) - Replace	1029	2016	2036	20		10	19	ea	$225.00	100.0%	$4,275	0.27%
Lights (ext. porch & patio) - Replace	1030	2007	2027	20		1	60	ea	$225.00	100.0%	$13,500	0.84%
Roof (asph.shingle) - Replace	1044	2020	2045	25		19	292	sq	$530.00	100.0%	$154,760	9.68%
Vertical Drain/Waste/Supply/Fire Lines - …	1034	1989	2049	60		23	30	units	$8,800.00	100.0%	$264,000	16.51%
Building Components Subtotal											***$1,155,920***	***72.30%***
>> Site Components <<												
Asphalt - Sealcoat/Stripe/Repair	1003	2022	2027	5		1	20,970	sf	$0.38	100.0%	$7,969	0.50%
Asphalt (1989) - Replace	1002	1989	2027	25	13	1	16,400	sf	$5.50	100.0%	$90,200	5.64%
Asphalt (2017) - Replace	1001	2017	2042	25		16	4,570	sf	$5.50	100.0%	$25,135	1.57%
Backflow Devices (dom. water) - 25% Repl …	1004	2022	2027	5		1	30	ea	$950.00	25.0%	$7,125	0.45%
Concrete Curbs - 10% Replace	2070	2022	2027	5		1	1,771	lf	$52.00	10.0%	$9,209	0.58%
Concrete Curbs - Fire Lane Paint	2110	2022	2026	5	-2	0	578	lf	$4.00	100.0%	$2,312	0.14%
Concrete Surfaces - Repairs	1013	2019	2026	5		0	1	ls	$4,000.00	100.0%	$4,000	0.25%
Electrical Pedestal (common) - Replace	1043	1989	2026	35		0	1	ea	$3,327.50	100.0%	$3,328	0.21%

Version: Draft1

Component Description	Asset ID	Install/Alloc. Year	Replace Year	Useful Life (UL)	Adjust / Delay (D)	Remaining UL	Quantity	Cost Per Qty.	% Replace	Current Cost	% Significance
Fence (north perim. chain link) - Replac …	1019	2013	2048	35	22	140	lf	$43.56	100.0%	$6,098	0.38%
Fence (perimeter wood) - Replace	1020	2024	2044	20	18	247	lf	$103.00	100.0%	$25,441	1.59%
Fence (trash enclos.) - Replace	1021	2010	2035	25	9	2	ea	$3,100.00	100.0%	$6,200	0.39%
Lateral Lines (sewer) - Replace	1036	1989	2039	50	13	670	lf	$180.00	100.0%	$120,600	7.54%
Lateral Lines (water) - Replace	1041	1989	2039	50	13	670	lf	$180.00	100.0%	$120,600	7.54%
Mailbox Clusters - Replace	1033	2019	2044	25	18	2	ea	$2,750.00	100.0%	$5,500	0.34%
Storm Drain System - Local Repairs	1039	2018	2028	10	2	1	ls	$9,075.00	100.0%	$9,075	0.57%
Site Components Subtotal										***$442,792***	***27.70%***
Current Cost Grand Total										**$1,598,711**	**100.00%**



The above chart illustrates the current cost breakdown (by percent) of the components that are included in the mathematical models (components with minimal significance have been omitted for the chart). Special attention should be given to those components which take up a bulk of the % of the current cost as these may require significant planning to adequately budget for their replacement. These large expenses may be well into the future during "Peak Year" cycles. Refer to the Projected Annual Expenditures List pages of this study for a breakdown, by year, of the projected timeline of expected expenditures.

>> Component Maintenance & Inspections Assumptions <<

The Client stated that they have been working with the Vendors for ongoing maintenance of components. Note that a lack of ongoing maintenance at any point in the past or future can significantly reduce the useful life of components.

In this reserve study we have assumed that all proper maintenance has and will be completed per the component specific Vendor's recommendations (unless otherwise noted). It is also assumed all inspections will be completed per local statute and are assumed to be paid for from the operational account, as reported by the Client (unless otherwise noted).

>> Excluded Components Comments <<

Unless noted otherwise these components have been excluded from funding in this reserve study (i.e., they have not been included in the mathematical models). Note that the inclusion of any of these items later via a revision or update to this study will impact the funding models developed by the Reserve Analyst.

Long Life & Unpredictable Useful Life Components
If properly constructed these components are long life components which, currently, have no predictable useful life, predictable remaining useful life, or predictable associated replacement costs. As these components age and a history of repair/replacement needs becomes evident or there are failures then we suggest reevaluating these systems and having them inspected by qualified vendors. Future updates to the reserve study should be revised accordingly. Note this is not an this is not a list of all long life components, we have included those which we are commonly asked about.

Note Client's Responsibility
Per the Client these components are not the Client's responsibility, per their interpretation of their governing documents. Note that the Reserve Analyst ***does not*** interpret governing documents and has excluded items based on the Client's request and based their interpretation of their own governing documents. If there is ambiguity or questions as to what specific wording means in the governing documents, we recommend consulting with a qualified and experienced attorney.

Operational Expenses
Per the Client these components are reportedly paid for from the Operating Account and have not been funded for in this reserve study.

>> Long Life Components <<

> Storm Water Facility (replacement)
> Electrical Wiring
> Foundations
> Framing & Trusses
> Insulation (attic, walls, crawl space)

>> Not Client's Responsibility <<

> Fire Hydrants - Utility Company's Responsibility
> Porches, Patios, Decks - Homeowner's Responsibility
> Plumbing - Water & Sewer Main Lines - Utility Company's Responsibility
> Retaining Wall (masonry block) - Homeowner's Responsibility
> Doors (exterior entry, rear, storm, garage) - Homeowner's Responsibility
> Electrical Meter Sockets - Homeowner's Responsibility
> Fencing at East & South Perimeter - Neighboring Parcel's Responsibility

> Flue Caps & Flues
> HVAC Equipment, HVAC Conc. Slab, HVAC Line Set Covers - Homeowner's Responsibility
> Privacy Walls (wood) - Homeowner's Responsibility
> Roof Skylights - Homeowner's Responsibility
> Windows (frames) - Homeowner's Responsibility

>> Operational Account Expenses <<

> Asphalt Crack Sealing - We recommend completing annually as needed.
> Concrete Planter Boxes at Driveways
> Pet Waste Station
> Landscaping - Tree Care
> Landscaping (all)
> Storage Shed
> Signage (road, community, no parking)
> Storm Water Facility Maintenance (e.g., catch basin clean out)

>> Decommissioned Components <<

The below components have been decommissioned per the Client. There is no desire to budget for replacement at this time. These component have not been included in the mathematical models.

> Pole Lights (6)
> Landscape Lights

>> Comments on Our Reserve Study Software <<

Utilizing software that is mathematically accurate, and which is also adaptable is an extremely important part of completing a reserve study. With so many scenarios we encounter having flexible software helps us to create comprehensive and adaptable reserve studies.

Typically comments will be made in the Component Details sections of this reserve study when a components fully funded balance or projected allocation/replace date has been altered utilizing one of our software functions. To learn more about our software functions please follow the provided links: https://www.reservedataanalyst.com/software/

>> Comments on WA State Reserve Study Laws <<

Washington State Assessment & Disclosure Request Form

Included in the fee for this reserve study is an Assessment & Disclosure Form which complies with statutory requirements for common interest communities in Washington State. A sample Assessment & Disclosure Form can be viewed at this link: www.reservedataanalyst.com/blog/assessment-disclosure-form/ . Note that this form can only be requested after the budget has been voted on and approved by the Board and/or Community Membership.

This assessment & disclosure form is a requirement for Boards to provide to the membership annually, if you feel you as a community are in any way exempt from this law we suggest consulting with a qualified attorney on the matter. Please follow the following link to complete the request form on our website: www.reservedataanalyst.com/rad/

Washington State Disclosures

RCW 64.34.382 & RCW 64.38.070

This reserve study meets minimum standards as required per WA State RCW requirements outlined in the Washington Condominium Act, the Homeowners' Association Act, and the Washington Uniform Common Interest Ownership Act.This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special assessment your share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.

Disclosures Required by RCW 64.90.550.

This Reserve Study meets all requirements of the Washington Uniform Common Interest Ownership Act. a) This Reserve Study was prepared with the assistance of a reserve study professional and that professional was independent). This Reserve Study includes all information required by RCW 64.90.550 Reserve Study – Contents; and) This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require the association to (1) defer major maintenance, repair, or replacement, (2) increase future reserve contributions, (3) borrow funds to pay for major maintenance, repair, or replacement, or (4) impose special assessments for the cost of major maintenance, repair, or replacement.

WA State RCW - Reserve Study Contents (minimum report standards)

This reserve study exceeds the WA State RCW minimum report requirements as outlined in the Washington Uniform Common Interest Ownership Act (RCW 64.90.550), the Washington State Homeowners Association Act (RCW 64.38.070), and the Washington State Condominium Act (RCW 64.34.382):

(2) A reserve study must include:

(a) A reserve component list, including any reserve component, the replacement cost of which exceeds one percent of the annual budget of the association, excluding contributions to the reserves for that reserve component. If one of these reserve components is not included in the reserve study, the study must explain the basis for its exclusion. The study must also include quantities and estimates for the useful life of each reserve component, the remaining useful life of each reserve component, and current major replacement costs for each reserve component;

(b) The date of the study and a disclosure as to whether the study meets the requirements of this section;

(c) The following level of reserve study performed:

(i) Level I: Full reserve study funding analysis and plan;
(ii) Level II: Update with visual site inspection; or
(iii) Level III: Update with no visual site inspection;

(d) The association's reserve account balance;

(e) The percentage of the fully funded balance to which the reserve account is funded;

(f) Special assessments already implemented or planned;

(g) Interest and inflation assumptions;

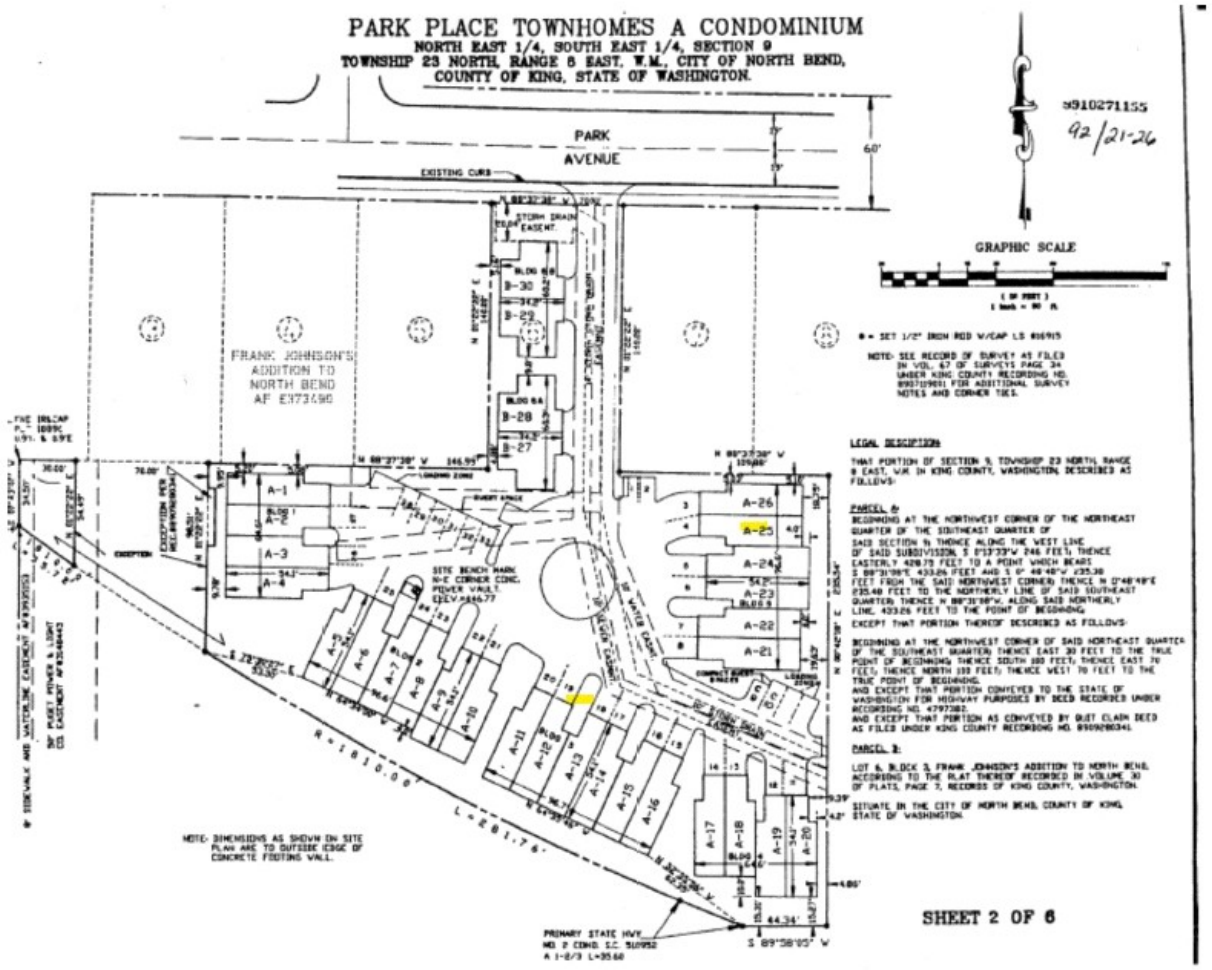
(h) Current reserve account contribution rates for a full funding plan and a baseline funding plan;

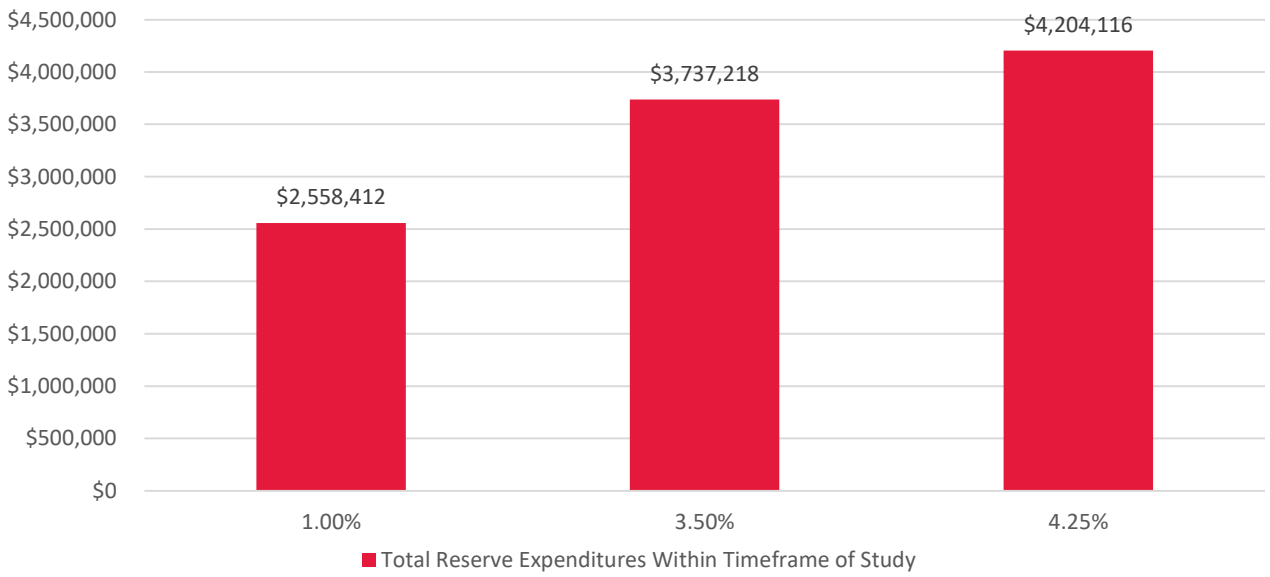
(i) A recommended reserve account contribution rate for a full funding plan to achieve one hundred percent fully funded reserves by the end of the thirty-year study period, a recommended reserve account contribution rate for a baseline funding plan to maintain the reserve account balance above zero throughout the thirty-year study period without special assessments, and a reserve account contribution rate recommended by the reserve study professional;

(j) A projected reserve account balance for thirty years based on each funding plan presented in the reserve study;

(k) A disclosure on whether the reserve study was prepared with the assistance of a reserve study professional, and whether the reserve study professional was independent; and

(l) A statement of the amount of any current deficit or surplus in reserve funding expressed on a dollars per unit basis. The amount is calculated by subtracting the association's reserve account balance as of the date of the study from the fully funded balance, and then multiplying the result by the fraction or percentage of the common expenses of the association allocable to each unit; except that if the fraction or percentage of the common expenses of the association allocable vary by unit, the association must calculate any current deficit or surplus in a manner that reflects the variation.


PARK PLACE TOWNHOMES A CONDOMINIUM
NORTH EAST 1/4, SOUTH EAST 1/4, SECTION 9
TOWNSHIP 23 NORTH, RANGE 6 EAST, W.M., CITY OF NORTH BEND,
COUNTY OF KING, STATE OF WASHINGTON.
PARK AVENUE
EXISTING CURB
60'
9910271155
92/21-26
GRAPHIC SCALE
FRANK JOHNSON'S ADDITION TO NORTH BEND AF #73496
B-30
B-29
B-28
B-27
A-1
A-3
A-4
A-5
A-6
A-7
A-8
A-9
A-10
A-11
A-12
A-13
A-14
A-15
A-16
A-17
A-18
A-19
A-20
A-21
A-22
A-23
A-24
A-25
A-26
SITE BENCH MARK
N-E CORNER CONC.
POWER VAULT
ELEV.=466.77
R=1810.08'
L=281.76'
NOTE: DIMENSIONS AS SHOWN ON SITE PLAN ARE TO OUTSIDE EDGE OF CONCRETE FOOTING WALL.
PRIMARY STATE HWY. NO. 9
LEGAL DESCRIPTION
PARCEL A:
PARCEL B:
SHEET 2 OF 6



The above chart compares the impact of the below annual construction inflation rates applied to the reserve expenditures over time (an annual list is provided on the Annual Expenditures List Pages - see Table of Contents). The total sum of the 30-years of projected reserve project expenditures varies significantly based on these different inflation rates applied to the reserve study mathematical models. Updating prior studies with actual construction inflation rates and utilizing an accurate historical average going forward in time helps to achieve a reserve account will have a higher success in meeting expected reserve expenditures.

> **1.00%** - this is a common annual inflation rate we see being utilized in reserve budgets.
*costs double approximately every *71* years at 1.0% annual inflation

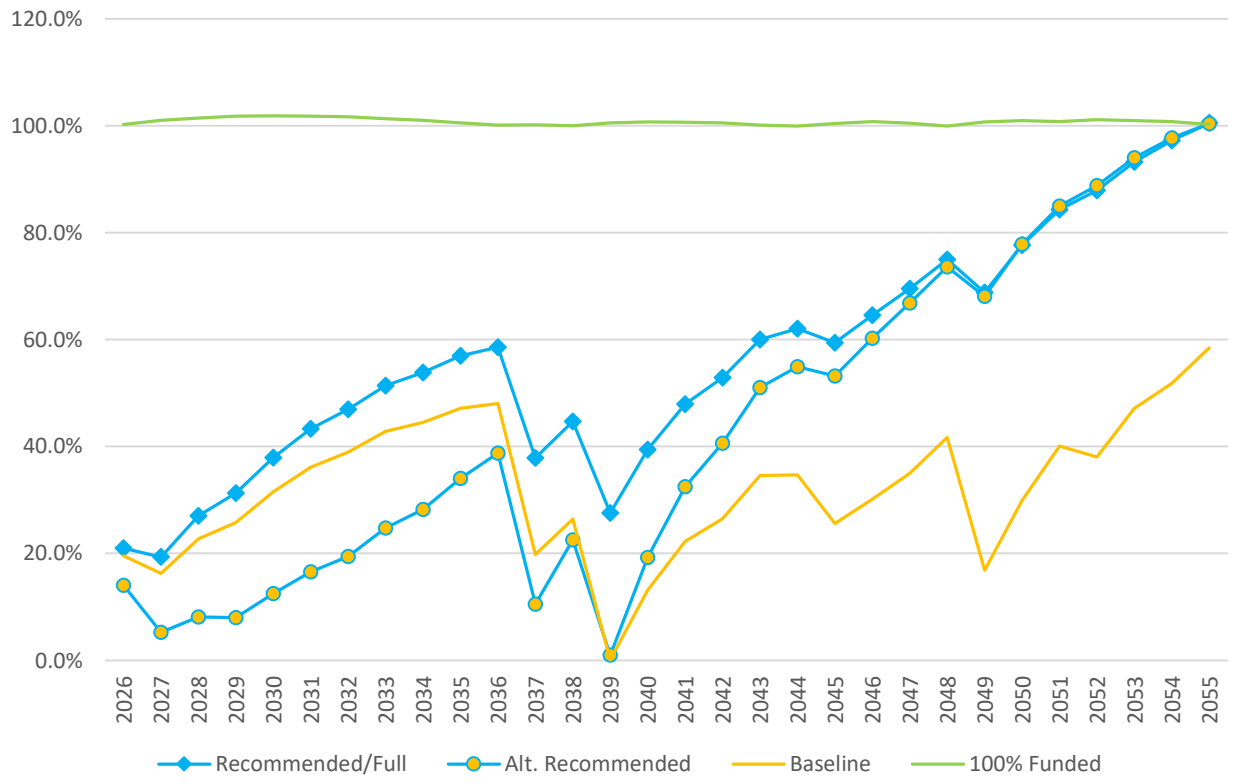
> **3.50%** - the most recent 50-year U.S. historical average annual construction cost inflation rate.
*costs double approximately every *21.5* years at 3.5% annual inflation

> **4.25%** - the most recent 30-year U.S. historical average annual construction cost inflation rate.
*costs double approximately every *17.5* years at 4.25% annual inflation

In this reserve study we have used an inflation rate that is well supported by the historical data without being overly conservative. Unless otherwise noted (e.g., variance to specific component inflation rates), we typically use a 50-year historical average which has fluctuated less than the most recent 30-year average.

Inflation factors impacting reserve projects costs, over time, is the number one aspect of reserve budgeting that an adequately funded reserve account must address as time passes. It has been our experience that ignoring the impact of inflationary factors and/or using an annual inflation rate that is significantly lower than historical average (for future projections) will typically result in a much higher risk for reliance on emergency financing (special assessments/loans) due to reserve account balances that do not adequately fund predictable reserve projects. It is also important to remember that inflation of project costs occurs whether a reserve project occurs or not, and is one of the reasons why pushing off a reserve project simply results in a more expensive project later.

Often we see budgets that utilize inflation cost indexes that are not related to construction costs (e.g., the Consumer Price Index - CPI). Please follow the link here to learn more about construction cost indices and mistakes we often see when applying inflation rates to reserve account budgets. (link: https://www.reservedataanalyst.com/inf)



The above chart compares the funding models by the percentage funded levels over the timeframe of the projections, as calculated at the end of each fiscal year.

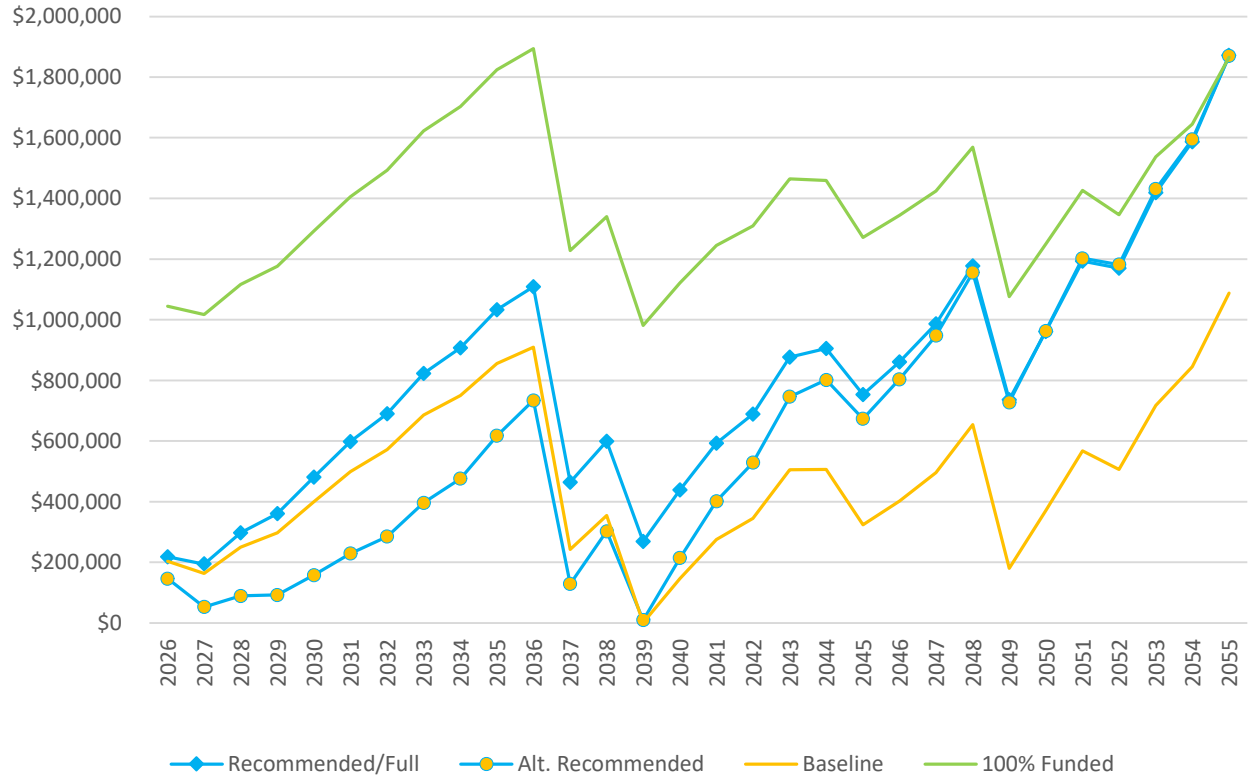
The ***Recommended/Full Funding Model*** increases the Client's reserve account Percent Funded Level to 100% funding within the timeframe of the projections in this report. Once this 100% funded level is reached it is a good indicator that the reserve account is on track to meet its future obligations with minimal risk of reliance on emergency financing or having to defer projects that come due. Note that the Recommended Model is not necessarily a low risk, no risk or ideal model to follow. It simply has a goal of guiding the reserve account to a 100% funded level within the timeframe of projections.

The ***Alt. Recommended/Full Funding Model*** has been included (if applicable) as an alternative to the regular Recommended Model (which utilizes an annual reserve contribution percentage increase rate that is similar to the inflation rate). This alternative model has a goal of reaching 100% funded by the end of a 30-year period but starts with a higher or lower reserve allocation rate and increases at a significantly higher or lower annual percentage increase (i.e., the annual reserve allocation percentage change is significantly higher or lower than the projected inflation rate) until the reserve account reaches the 100% funded level by the end of the 30-years of projections.

The ***Baseline Funding Model*** has a goal of only keeping the reserve account cash positive within the timeframe of the projections (i.e., at some point within the timeframe of the projections the reserve account is depleted to near $0). This model carries significant risk for reliance on emergency financing and/or having to defer projects due to the common occurrence of components failing earlier than projected or costs increasing more rapidly than projected.

The ***100% Funded Model*** has a goal of maintaining the reserve account to a minimum of 100% Funded in each year of the projections. This model minimizes risk for reliance on emergency financing and deferred maintenance and places the reserve account on a low-risk path for budgeting of future reserve expenditures.

The ***Current Funding Model*** *(if included here)* is based on the reserve allocation rate supplied by the Client as of the date of this study; it has not been independently verified and is assumed to be correct.



The chart above compares the annual year-end balance of the reserve account for the respective funding models over the timeframe covered in in the projections. Projected reserve account balances (funding model lines) will often have large fluctuations from year to year due to projects occurring in any given year.

There is often an incorrect perception that the reserve account funds grow and just "sit" in the reserve account indefinitely. In actuality the reserve funds should be allowed to accumulate over time so that there are adequate funds when the reserve projects are projected to occur. The math for the fully funded balance and projections does not simply end at the 30-year timeframe of projections in this reserve study.

Example: Reserve funds that are projected to be in the reserve account at the end of year 30 of the study are for projected reserve projects in fiscal years 31, 32, 33, 34, etc. Often a peak expense year (one or numerous large reserve projects) will fall outside of the 30-year projections so it may appear to a reader of this study that these funds are "extra" when in fact they are needed for projections that are simply not visible due to the printout stopping at a 30 year timeframe.

The model that departs from this "building reserves" philosophy, by definition, is the Baseline Funding Model which ignores all expenses past the 30-year timeframe of the reserve study (like they simply do not exist) and is the reason it typically indicates a much lower needed reserve allocation rate and reserve account balance. ***However*** , in updates to the study as these projected reserve projects do begin to fall within the 30-year snapshot they will need to be funded for, often requiring significant increases to the reserve account allocation rate. It is one of the reasons the Baseline Model is a high risk model that is extremely difficult to follow (especially for communities past 20 years of age) for any significant period of time.

This funding model has a goal of being a minimum of 100% funded, annually, over the timeframe of the projections. Allocation rates will fluctuate based on the expenditures projected in any given year. The initial year will have a higher allocation rate than subsequent years if the reserve account is underfunded and requires a cash injection to elevate the reserve account to a 100% funded track.

While being at a 100% funded level is considered ideal it has been our experience that it is frequently not realistic due to a lack of funds that would need to be deposited into the reserve account to elevate it to a 100% funded level in the initial year of the projections. The initial year allocation percentage increase/decrease is the change from the Client provided current reserve allocation amount.

	Beginning Balance:		$199,275								
	YrEnd Inflated Asset Cost	*Inflation Rate*	*Allocation Rate*	*Allocation % Change*	*Interest Rate*	*NET Interest*	*Special Assess*	*Annual Expenditures*	*Year End Account Balance*	*Year End FFB*	*YrEnd % Funded*
2026	$1,654,666	3.50%	$930,000	2760.83%	0.01%	$73		$85,316	$1,044,032	$1,041,411	100.3%
2027	$1,712,580	3.50%	$105,000	-88.71%	0.01%	$71		$132,483	$1,016,621	$1,006,652	101.0%
2028	$1,772,520	3.50%	$108,675	3.50%	0.01%	$78		$9,721	$1,115,652	$1,100,041	101.4%
2029	$1,834,558	3.50%	$112,479	3.50%	0.01%	$82		$52,086	$1,176,127	$1,155,239	101.8%
2030	$1,898,768	3.50%	$116,415	3.50%	0.01%	$90		$0	$1,292,633	$1,268,750	101.9%
2031	$1,965,225	3.50%	$120,490	3.50%	0.01%	$98		$7,497	$1,405,725	$1,381,031	101.8%
2032	$2,034,007	3.50%	$124,707	3.50%	0.01%	$105		$37,573	$1,492,963	$1,468,761	101.6%
2033	$2,105,198	3.50%	$129,072	3.50%	0.01%	$114		$0	$1,622,149	$1,601,189	101.3%
2034	$2,178,880	3.50%	$133,589	3.50%	0.01%	$119		$53,614	$1,702,243	$1,685,597	101.0%
2035	$2,255,140	3.50%	$138,265	3.50%	0.01%	$128		$16,986	$1,823,649	$1,813,805	100.5%
2036	$2,334,070	3.50%	$143,104	3.50%	0.01%	$133		$72,769	$1,894,118	$1,891,803	100.1%
2037	$2,415,763	3.50%	$131,000	-8.46%	0.01%	$86		$797,476	$1,227,728	$1,225,602	100.2%
2038	$2,500,314	3.50%	$135,585	3.50%	0.01%	$94		$23,177	$1,340,229	$1,340,738	100.0%
2039	$2,587,825	3.50%	$135,000	-0.43%	0.01%	$69		$493,745	$981,553	$976,234	100.5%
2040	$2,678,399	3.50%	$139,725	3.50%	0.01%	$78		$0	$1,121,356	$1,113,484	100.7%
2041	$2,772,143	3.50%	$144,615	3.50%	0.01%	$87		$21,068	$1,244,991	$1,237,341	100.6%
2042	$2,869,168	3.50%	$149,677	3.50%	0.01%	$92		$85,724	$1,309,035	$1,302,347	100.5%
2043	$2,969,589	3.50%	$154,916	3.50%	0.01%	$102		$0	$1,464,053	$1,462,218	100.1%
2044	$3,073,525	3.50%	$161,000	3.93%	0.01%	$102		$166,096	$1,459,060	$1,459,776	100.0%
2045	$3,181,098	3.50%	$166,635	3.50%	0.01%	$89		$354,274	$1,271,510	$1,266,623	100.4%
2046	$3,292,437	3.50%	$172,467	3.50%	0.01%	$94		$100,461	$1,343,610	$1,333,692	100.7%
2047	$3,407,672	3.50%	$171,000	-0.85%	0.01%	$100		$90,751	$1,423,959	$1,417,594	100.4%
2048	$3,526,940	3.50%	$176,985	3.50%	0.01%	$110		$32,342	$1,568,712	$1,569,475	100.0%
2049	$3,650,383	3.50%	$180,000	1.70%	0.01%	$75		$672,237	$1,076,550	$1,069,131	100.7%
2050	$3,778,147	3.50%	$186,300	3.50%	0.01%	$87		$14,301	$1,248,637	$1,237,157	100.9%
2051	$3,910,382	3.50%	$192,821	3.50%	0.01%	$100		$14,917	$1,426,641	$1,415,515	100.8%
2052	$4,047,245	3.50%	$199,569	3.50%	0.01%	$94		$280,069	$1,346,235	$1,330,951	101.1%
2053	$4,188,899	3.50%	$206,554	3.50%	0.01%	$108		$15,855	$1,537,041	$1,522,339	101.0%
2054	$4,335,510	3.50%	$213,784	3.50%	0.01%	$115		$106,681	$1,644,259	$1,632,065	100.7%
2055	$4,487,253	3.50%	$221,266	3.50%	0.01%	$131		$0	$1,865,655	$1,861,885	100.2%
	Totals:		**$5,400,695**			**$2,904**		**$3,737,218**			

We have developed a funding plan which will help steer the reserve account into a high funded range within the 30-year projection timeframe. This Recommended Funding Model (also commonly referred to as the Full Funding Model) requires the Client allocate the recommended allocation amount into the reserve account with annual increases thereafter to offset inflationary factors.

This Recommended Funding Plan Considers 4 Basic Principles; there are adequate reserves when needed, the budget should remain stable but increasing to offset inflationary factors, the costs are fairly distributed over time, and the funding plan must allow the Client to be fiscally responsible. Note that the Recommended Model is not necessarily a low risk, no risk or ideal model to follow (especially if the reserve account is currently significantly underfunded). It simply has a goal of having the reserve account reach 100% funded by the end of a 30-year period. An "ideal" model to follow would be the 100% funded model as this model has the reserve account funded to a minimum 100% funded level each year of the study which is considered an ideal level of funding and overall low risk for having to rely on emergency financing.

	Beginning Balance:		$199,275								
	YrEnd Inflated Asset Cost	*Inflation Rate*	*Allocation Rate*	*Allocation % Change*	*Interest Rate*	*NET Interest*	*Special Assess*	*Annual Expenditures*	*Year End Account Balance*	*Year End FFB*	*YrEnd % Funded*
2026	$1,654,666	3.50%	$104,750	222.23%	0.01%	$15		$85,316	$218,725	$1,041,411	21.0%
2027	$1,712,580	3.50%	$108,416	3.50%	0.01%	$14		$132,483	$194,672	$1,006,652	19.3%
2028	$1,772,520	3.50%	$112,211	3.50%	0.01%	$21		$9,721	$297,182	$1,100,041	27.0%
2029	$1,834,558	3.50%	$116,138	3.50%	0.01%	$25		$52,086	$361,259	$1,155,239	31.3%
2030	$1,898,768	3.50%	$120,203	3.50%	0.01%	$34		$0	$481,496	$1,268,750	38.0%
2031	$1,965,225	3.50%	$124,410	3.50%	0.01%	$42		$7,497	$598,452	$1,381,031	43.3%
2032	$2,034,007	3.50%	$128,764	3.50%	0.01%	$48		$37,573	$689,691	$1,468,761	47.0%
2033	$2,105,198	3.50%	$133,271	3.50%	0.01%	$58		$0	$823,020	$1,601,189	51.4%
2034	$2,178,880	3.50%	$137,936	3.50%	0.01%	$64		$53,614	$907,405	$1,685,597	53.8%
2035	$2,255,140	3.50%	$142,763	3.50%	0.01%	$72		$16,986	$1,033,255	$1,813,805	57.0%
2036	$2,334,070	3.50%	$147,760	3.50%	0.01%	$78		$72,769	$1,108,324	$1,891,803	58.6%
2037	$2,415,763	3.50%	$152,932	3.50%	0.01%	$32		$797,476	$463,812	$1,225,602	37.8%
2038	$2,500,314	3.50%	$158,284	3.50%	0.01%	$42		$23,177	$598,962	$1,340,738	44.7%
2039	$2,587,825	3.50%	$163,824	3.50%	0.01%	$19		$493,745	$269,060	$976,234	27.6%
2040	$2,678,399	3.50%	$169,558	3.50%	0.01%	$31		$0	$438,649	$1,113,484	39.4%
2041	$2,772,143	3.50%	$175,493	3.50%	0.01%	$42		$21,068	$593,115	$1,237,341	47.9%
2042	$2,869,168	3.50%	$181,635	3.50%	0.01%	$48		$85,724	$689,074	$1,302,347	52.9%
2043	$2,969,589	3.50%	$187,992	3.50%	0.01%	$61		$0	$877,128	$1,462,218	60.0%
2044	$3,073,525	3.50%	$194,572	3.50%	0.01%	$63		$166,096	$905,668	$1,459,776	62.0%
2045	$3,181,098	3.50%	$201,382	3.50%	0.01%	$53		$354,274	$752,828	$1,266,623	59.4%
2046	$3,292,437	3.50%	$208,430	3.50%	0.01%	$60		$100,461	$860,858	$1,333,692	64.5%
2047	$3,407,672	3.50%	$215,725	3.50%	0.01%	$69		$90,751	$985,902	$1,417,594	69.5%
2048	$3,526,940	3.50%	$223,276	3.50%	0.01%	$82		$32,342	$1,176,918	$1,569,475	75.0%
2049	$3,650,383	3.50%	$231,090	3.50%	0.01%	$52		$672,237	$735,823	$1,069,131	68.8%
2050	$3,778,147	3.50%	$239,179	3.50%	0.01%	$67		$14,301	$960,768	$1,237,157	77.7%
2051	$3,910,382	3.50%	$247,550	3.50%	0.01%	$84		$14,917	$1,193,485	$1,415,515	84.3%
2052	$4,047,245	3.50%	$256,214	3.50%	0.01%	$82		$280,069	$1,169,712	$1,330,951	87.9%
2053	$4,188,899	3.50%	$265,182	3.50%	0.01%	$99		$15,855	$1,419,137	$1,522,339	93.2%
2054	$4,335,510	3.50%	$274,463	3.50%	0.01%	$111		$106,681	$1,587,030	$1,632,065	97.2%
2055	$4,487,253	3.50%	$284,069	3.50%	0.01%	$131		$0	$1,871,230	$1,861,885	100.5%
	Totals:		**$5,407,475**			**$1,698**		**$3,737,218**			

This funding model has been included as an alternative to the regular Recommended/Full Funding Model (which utilizes an annual reserve contribution percentage increase rate that is similar to the inflation rate). This alternative model has a goal of reaching 100% funded by the end of a 30-year period but starts with a higher or lower reserve allocation rate and increases at a higher or lower annual allocation percent change (i.e., the annual reserve allocation percentage change is significantly higher or lower than the projected inflation rate - note that the annual allocation percent change column shown in **yellow** below) until the reserve account reaches the 100% funded level by the end of the 30-years of projections.

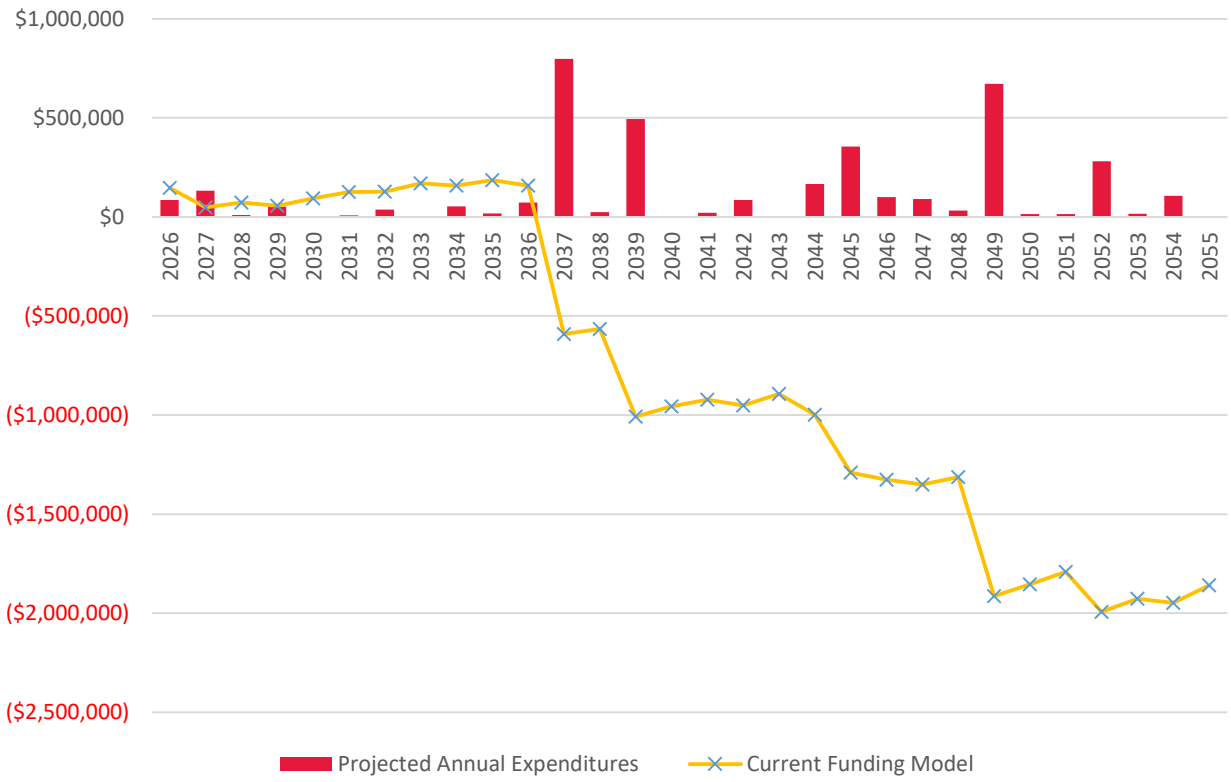
It is important to note that there is not a "right or wrong" Recommended/Full Funding Model as mathematically it is a sliding scale between the reserve contribution rate and the annual increase/decrease percent (i.e., a higher initial annual reserve allocation rate will require a lower annual percentage increase and a lower initial annual reserve allocation rate will require a higher annual percentage increase rate to the model to meet the same goal, in this case to be 100% funded by the end of a 30-year period). This type of funding model does not necessarily consider fairness to the membership as a projected allocation rate significantly different than the projected inflation rate, over time, will not follow the actual purchasing power of the dollar in any specific period.

	Beginning Balance:		$199,275								
	YrEnd Inflated Asset Cost	*Inflation Rate*	*Allocation Rate*	*Allocation % Change*	*Interest Rate*	*NET Interest*	*Special Assess*	*Annual Expenditures*	*Year End Account Balance*	*Year End FFB*	*YrEnd % Funded*
2026	$1,654,666	3.50%	$32,508	0.00%	0.01%	$10		$85,316	$146,478	$1,041,411	14.1%
2027	$1,712,580	3.50%	$38,766	19.25%	0.01%	$4		$132,483	$52,764	$1,006,652	5.2%
2028	$1,772,520	3.50%	$46,228	19.25%	0.01%	$6		$9,721	$89,277	$1,100,041	8.1%
2029	$1,834,558	3.50%	$55,127	19.25%	0.01%	$6		$52,086	$92,325	$1,155,239	8.0%
2030	$1,898,768	3.50%	$65,739	19.25%	0.01%	$11		$0	$158,075	$1,268,750	12.5%
2031	$1,965,225	3.50%	$78,394	19.25%	0.01%	$16		$7,497	$228,988	$1,381,031	16.6%
2032	$2,034,007	3.50%	$93,485	19.25%	0.01%	$20		$37,573	$284,920	$1,468,761	19.4%
2033	$2,105,198	3.50%	$111,481	19.25%	0.01%	$28		$0	$396,428	$1,601,189	24.8%
2034	$2,178,880	3.50%	$132,941	19.25%	0.01%	$33		$53,614	$475,788	$1,685,597	28.2%
2035	$2,255,140	3.50%	$158,532	19.25%	0.01%	$43		$16,986	$617,376	$1,813,805	34.0%
2036	$2,334,070	3.50%	$189,049	19.25%	0.01%	$51		$72,769	$733,708	$1,891,803	38.8%
2037	$2,415,763	3.50%	$192,830	2.00%	0.01%	$9		$797,476	$129,071	$1,225,602	10.5%
2038	$2,500,314	3.50%	$196,686	2.00%	0.01%	$21		$23,177	$302,602	$1,340,738	22.6%
2039	$2,587,825	3.50%	$200,620	2.00%	0.01%	$1		$493,745	$9,477	$976,234	1.0%
2040	$2,678,399	3.50%	$204,633	2.00%	0.01%	$15		$0	$214,125	$1,113,484	19.2%
2041	$2,772,143	3.50%	$208,725	2.00%	0.01%	$28		$21,068	$401,811	$1,237,341	32.5%
2042	$2,869,168	3.50%	$212,900	2.00%	0.01%	$37		$85,724	$529,023	$1,302,347	40.6%
2043	$2,969,589	3.50%	$217,158	2.00%	0.01%	$52		$0	$746,233	$1,462,218	51.0%
2044	$3,073,525	3.50%	$221,501	2.00%	0.01%	$56		$166,096	$801,694	$1,459,776	54.9%
2045	$3,181,098	3.50%	$225,931	2.00%	0.01%	$47		$354,274	$673,398	$1,266,623	53.2%
2046	$3,292,437	3.50%	$230,450	2.00%	0.01%	$56		$100,461	$803,443	$1,333,692	60.2%
2047	$3,407,672	3.50%	$235,059	2.00%	0.01%	$66		$90,751	$947,817	$1,417,594	66.9%
2048	$3,526,940	3.50%	$239,760	2.00%	0.01%	$81		$32,342	$1,155,316	$1,569,475	73.6%
2049	$3,650,383	3.50%	$244,555	2.00%	0.01%	$51		$672,237	$727,685	$1,069,131	68.1%
2050	$3,778,147	3.50%	$249,446	2.00%	0.01%	$67		$14,301	$962,897	$1,237,157	77.8%
2051	$3,910,382	3.50%	$254,435	2.00%	0.01%	$84		$14,917	$1,202,500	$1,415,515	85.0%
2052	$4,047,245	3.50%	$259,524	2.00%	0.01%	$83		$280,069	$1,182,037	$1,330,951	88.8%
2053	$4,188,899	3.50%	$264,714	2.00%	0.01%	$100		$15,855	$1,430,996	$1,522,339	94.0%
2054	$4,335,510	3.50%	$270,008	2.00%	0.01%	$112		$106,681	$1,594,435	$1,632,065	97.7%
2055	$4,487,253	3.50%	$275,409	2.00%	0.01%	$131		$0	$1,869,974	$1,861,885	100.4%
	Totals:		**$5,406,590**			**$1,327**		**$3,737,218**			

The Baseline Funding Model is considered a bare minimum approach which has a goal of keeping the reserve account balance above $0 within the 30-year timeframe of the projections and does not take into consideration projected expenses that fall outside of the 30-year timeframe of the projections (i.e., longer life components are simply ignored).

This funding model carries a higher risk for reliance on emergency financing specifically if large component expenses occur earlier than projected or costs see significant increases. Additionally, in the future when longer life components come into the 30-year timeframe of the projections their projected expenditures will have a significant impact on the allocation requirements to keep the reserve account cash positive. Should there be a desire to not fund for longer life component projects (i.e., projects that are set to occur after the 30-year projections) at this time then we suggest setting a goal of at least funding to the Baseline Funding Model which has the goal of only staying cash positive for the 30-year time-frame of the projections. Note the "Year End Account Balance" column (3rd from right) which indicates the year(s) that the reserve account is projected to drop to near **zero** in the reserve account.

	Beginning Balance:		$199,275								
	YrEnd Inflated Asset Cost	*Inflation Rate*	*Allocation Rate*	*Allocation % Change*	*Interest Rate*	*NET Interest*	*Special Assess*	*Annual Expenditures*	*Year End Account Balance*	*Year End FFB*	*YrEnd % Funded*
2026	$1,654,666	3.50%	$89,600	175.62%	0.01%	$14		$85,316	$203,573	$1,041,411	19.5%
2027	$1,712,580	3.50%	$92,736	3.50%	0.01%	$11		$132,483	$163,838	$1,006,652	16.3%
2028	$1,772,520	3.50%	$95,982	3.50%	0.01%	$18		$9,721	$250,116	$1,100,041	22.7%
2029	$1,834,558	3.50%	$99,341	3.50%	0.01%	$21		$52,086	$297,392	$1,155,239	25.7%
2030	$1,898,768	3.50%	$102,818	3.50%	0.01%	$28		$0	$400,238	$1,268,750	31.5%
2031	$1,965,225	3.50%	$106,417	3.50%	0.01%	$35		$7,497	$499,193	$1,381,031	36.1%
2032	$2,034,007	3.50%	$110,141	3.50%	0.01%	$40		$37,573	$571,801	$1,468,761	38.9%
2033	$2,105,198	3.50%	$113,996	3.50%	0.01%	$48		$0	$685,845	$1,601,189	42.8%
2034	$2,178,880	3.50%	$117,986	3.50%	0.01%	$53		$53,614	$750,270	$1,685,597	44.5%
2035	$2,255,140	3.50%	$122,116	3.50%	0.01%	$60		$16,986	$855,459	$1,813,805	47.2%
2036	$2,334,070	3.50%	$126,390	3.50%	0.01%	$64		$72,769	$909,144	$1,891,803	48.1%
2037	$2,415,763	3.50%	$130,813	3.50%	0.01%	$17		$797,476	$242,498	$1,225,602	19.8%
2038	$2,500,314	3.50%	$135,392	3.50%	0.01%	$25		$23,177	$354,738	$1,340,738	26.5%
2039	$2,587,825	3.50%	$140,130	3.50%	0.01%	$0		$493,745	**$1,123**	$976,234	0.1%
2040	$2,678,399	3.50%	$145,035	3.50%	0.01%	$10		$0	$146,168	$1,113,484	13.1%
2041	$2,772,143	3.50%	$150,111	3.50%	0.01%	$19		$21,068	$275,231	$1,237,341	22.2%
2042	$2,869,168	3.50%	$155,365	3.50%	0.01%	$24		$85,724	$344,896	$1,302,347	26.5%
2043	$2,969,589	3.50%	$160,803	3.50%	0.01%	$35		$0	$505,734	$1,462,218	34.6%
2044	$3,073,525	3.50%	$166,431	3.50%	0.01%	$35		$166,096	$506,105	$1,459,776	34.7%
2045	$3,181,098	3.50%	$172,256	3.50%	0.01%	$23		$354,274	$324,110	$1,266,623	25.6%
2046	$3,292,437	3.50%	$178,285	3.50%	0.01%	$28		$100,461	$401,962	$1,333,692	30.1%
2047	$3,407,672	3.50%	$184,525	3.50%	0.01%	$35		$90,751	$495,772	$1,417,594	35.0%
2048	$3,526,940	3.50%	$190,983	3.50%	0.01%	$46		$32,342	$654,458	$1,569,475	41.7%
2049	$3,650,383	3.50%	$197,668	3.50%	0.01%	$13		$672,237	$179,902	$1,069,131	16.8%
2050	$3,778,147	3.50%	$204,586	3.50%	0.01%	$26		$14,301	$370,214	$1,237,157	29.9%
2051	$3,910,382	3.50%	$211,747	3.50%	0.01%	$40		$14,917	$567,083	$1,415,515	40.1%
2052	$4,047,245	3.50%	$219,158	3.50%	0.01%	$35		$280,069	$506,207	$1,330,951	38.0%
2053	$4,188,899	3.50%	$226,828	3.50%	0.01%	$50		$15,855	$717,231	$1,522,339	47.1%
2054	$4,335,510	3.50%	$234,767	3.50%	0.01%	$59		$106,681	$845,376	$1,632,065	51.8%
2055	$4,487,253	3.50%	$242,984	3.50%	0.01%	$76		$0	$1,088,437	$1,861,885	58.5%
	Totals:		**$4,625,392**			**$988**		**$3,737,218**			



The above chart provides a visual of the Client Current Funding Model's reserve account projected year end balance and the projected annual expenditures over the 30 years covered in this study. We suggest making a note of large expenditure years (peak years) when there will be significant projected expenditures related to one or more component projects that will require repair/replacement. These large but infrequent component expenses during “peak” years are typically the most difficult to budget for, as they are often overlooked, or ignored due to the perception that the expenses are far in the future and there will be time to budget for them later.

If applicable, any negative account balance shown is for visual representation of deficiency over time.

The Current Funding Model is based on the annual reserve allocation rate supplied by the Client as of the date of this study; it has not been independently verified and is assumed to be correct. We have assumed that the Current Model's reserve allocation rate will increase annually based on the below provided allocation percent change, to offset inflationary factors.

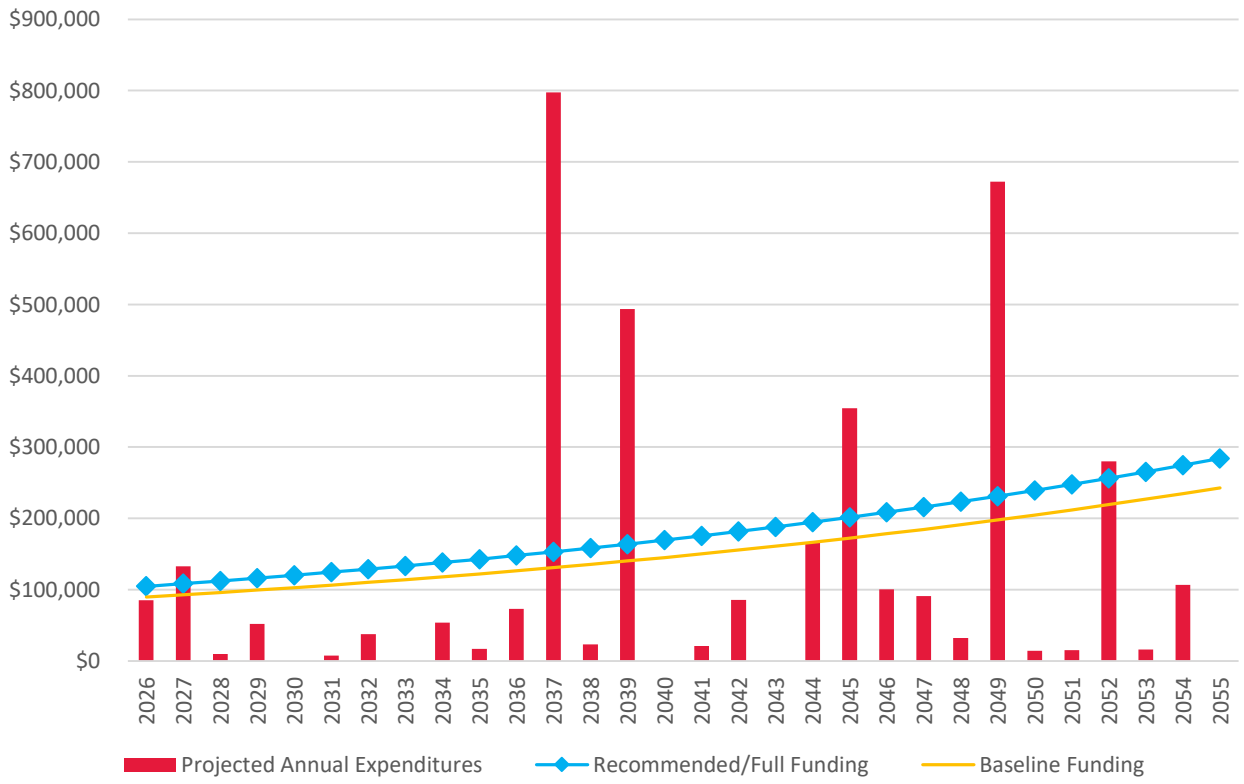
	Beginning Balance:		$199,275								
	YrEnd Inflated Asset Cost	*Inflation Rate*	*Allocation Rate*	*Allocation % Change*	*Interest Rate*	*NET Interest*	*Special Assess*	*Annual Expenditures*	*Year End Account Balance*	*Year End FFB*	*YrEnd % Funded*
2026	$1,654,666	3.50%	$32,508	0.00%	0.01%	$10		$85,316	$146,478	$1,041,411	14.1%
2027	$1,712,580	3.50%	$33,646	3.50%	0.01%	$3		$132,483	$47,644	$1,006,652	4.7%
2028	$1,772,520	3.50%	$34,823	3.50%	0.01%	$5		$9,721	$72,751	$1,100,041	6.6%
2029	$1,834,558	3.50%	$36,042	3.50%	0.01%	$4		$52,086	$56,711	$1,155,239	4.9%
2030	$1,898,768	3.50%	$37,304	3.50%	0.01%	$7		$0	$94,021	$1,268,750	7.4%
2031	$1,965,225	3.50%	$38,609	3.50%	0.01%	$9		$7,497	$125,143	$1,381,031	9.1%
2032	$2,034,007	3.50%	$39,961	3.50%	0.01%	$9		$37,573	$127,539	$1,468,761	8.7%
2033	$2,105,198	3.50%	$41,359	3.50%	0.01%	$12		$0	$168,910	$1,601,189	10.5%
2034	$2,178,880	3.50%	$42,807	3.50%	0.01%	$11		$53,614	$158,114	$1,685,597	9.4%
2035	$2,255,140	3.50%	$44,305	3.50%	0.01%	$13		$16,986	$185,446	$1,813,805	10.2%
2036	$2,334,070	3.50%	$45,856	3.50%	0.01%	$11		$72,769	$158,544	$1,891,803	8.4%
2037	$2,415,763	3.50%	$47,461	3.50%	0.01%	$0		$797,476	-$591,471	$1,225,602	
2038	$2,500,314	3.50%	$49,122	3.50%	0.01%	$0		$23,177	-$565,526	$1,340,738	
2039	$2,587,825	3.50%	$50,841	3.50%	0.01%	$0		$493,745	-$1,008,430	$976,234	
2040	$2,678,399	3.50%	$52,621	3.50%	0.01%	$0		$0	-$955,810	$1,113,484	
2041	$2,772,143	3.50%	$54,462	3.50%	0.01%	$0		$21,068	-$922,415	$1,237,341	
2042	$2,869,168	3.50%	$56,368	3.50%	0.01%	$0		$85,724	-$951,771	$1,302,347	
2043	$2,969,589	3.50%	$58,341	3.50%	0.01%	$0		$0	-$893,430	$1,462,218	
2044	$3,073,525	3.50%	$60,383	3.50%	0.01%	$0		$166,096	-$999,142	$1,459,776	
2045	$3,181,098	3.50%	$62,497	3.50%	0.01%	$0		$354,274	-$1,290,920	$1,266,623	
2046	$3,292,437	3.50%	$64,684	3.50%	0.01%	$0		$100,461	-$1,326,697	$1,333,692	
2047	$3,407,672	3.50%	$66,948	3.50%	0.01%	$0		$90,751	-$1,350,499	$1,417,594	
2048	$3,526,940	3.50%	$69,291	3.50%	0.01%	$0		$32,342	-$1,313,550	$1,569,475	
2049	$3,650,383	3.50%	$71,716	3.50%	0.01%	$0		$672,237	-$1,914,071	$1,069,131	
2050	$3,778,147	3.50%	$74,226	3.50%	0.01%	$0		$14,301	-$1,854,145	$1,237,157	
2051	$3,910,382	3.50%	$76,824	3.50%	0.01%	$0		$14,917	-$1,792,237	$1,415,515	
2052	$4,047,245	3.50%	$79,513	3.50%	0.01%	$0		$280,069	-$1,992,793	$1,330,951	
2053	$4,188,899	3.50%	$82,296	3.50%	0.01%	$0		$15,855	-$1,926,353	$1,522,339	
2054	$4,335,510	3.50%	$85,177	3.50%	0.01%	$0		$106,681	-$1,947,857	$1,632,065	
2055	$4,487,253	3.50%	$88,158	3.50%	0.01%	$0		$0	-$1,859,699	$1,861,885	
	Totals:		**$1,678,150**			**$94**		**$3,737,218**			

Version: Draft1

Component Description	Asset ID	Current Cost		Effective Age		Useful Life		FFB Totals	% of FFB
>> Building Components <<									
Building Exteriors - Wash/Clean	1006	$6,263	X	0	/	3	=	$0	0.00%
Building Exteriors (vinyl) - Replace	1005	$521,925	X	29	/	40	=	$378,396	36.74%
Building Exteriors (wood) - Paint & Seal …	1007	$41,000	X	10	/	10	=	$41,000	3.98%
Chimney Chase Covers/Caps/Pipes - Replac …	1008	$31,500	X	35	/	35	=	$31,500	3.06%
Fire Control Panel - Replace	1023	$2,743	X	1	/	20	=	$137	0.01%
Fire Gauges/Standpipe - Replace	3470	$11,500	X	2	/	20	=	$1,150	0.11%
Fire Peripherals - Replace	1024	$3,176	X	20	/	20	=	$3,176	0.31%
Fire Sprinkler Heads & Valves	1025	$40,715	X	2	/	5	=	$16,286	1.58%
Gutters & Downspouts (front elevation) - …	1026	$26,775	X	6	/	25	=	$6,426	0.62%
Gutters & Downspouts (rear elevation) - …	1027	$33,788	X	12	/	25	=	$16,218	1.57%
Lights (ext. lantern & spot) - Replace	1029	$4,275	X	10	/	20	=	$2,138	0.21%
Lights (ext. porch & patio) - Replace	1030	$13,500	X	19	/	20	=	$12,825	1.25%
Roof (asph.shingle) - Replace	1044	$154,760	X	6	/	25	=	$37,142	3.61%
Vertical Drain/Waste/Supply/Fire Lines - …	1034	$264,000	X	37	/	60	=	$162,800	15.81%
Building Components Subtotal								***$709,194***	***68.86%***
>> Site Components <<									
Asphalt - Sealcoat/Stripe/Repair	1003	$7,969	X	4	/	5	=	$6,375	0.62%
Asphalt (1989) - Replace	1002	$90,200	X	24	/	25	=	$86,592	8.41%
Asphalt (2017) - Replace	1001	$25,135	X	9	/	25	=	$9,049	0.88%
Backflow Devices (dom. water) - 25% Repl …	1004	$7,125	X	4	/	5	=	$5,700	0.55%
Concrete Curbs - 10% Replace	2070	$9,209	X	4	/	5	=	$7,367	0.72%
Concrete Curbs - Fire Lane Paint	2110	$2,312	X	5	/	5	=	$2,312	0.22%
Concrete Surfaces - Repairs	1013	$4,000	X	5	/	5	=	$4,000	0.39%
Electrical Pedestal (common) - Replace	1043	$3,328	X	35	/	35	=	$3,328	0.32%
Fence (north perim. chain link) - Replac …	1019	$6,098	X	13	/	35	=	$2,265	0.22%

Version: Draft1

Component Description	Asset ID	Current Cost		Effective Age		Useful Life		FFB Totals	% of FFB
Fence (perimeter wood) - Replace	1020	$25,441	X	2	/	20	=	$2,544	0.25%
Fence (trash enclos.) - Replace	1021	$6,200	X	16	/	25	=	$3,968	0.39%
Lateral Lines (sewer) - Replace	1036	$120,600	X	37	/	50	=	$89,244	8.66%
Lateral Lines (water) - Replace	1041	$120,600	X	37	/	50	=	$89,244	8.66%
Mailbox Clusters - Replace	1033	$5,500	X	7	/	25	=	$1,540	0.15%
Storm Drain System - Local Repairs	1039	$9,075	X	8	/	10	=	$7,260	0.70%
Site Components Subtotal								***$320,788***	***31.14%***
Fully Funded Balance Grand Total								**$1,029,982**	**100.00%**



Total Projected Expenses Over the 30-Year Timeframe of the Reserve Study: $3,737,218

The above chart provides a visual of the reserve account projected expenditures over the 30 years covered in this study. We suggest making a note of large expenditure years (peak years) when there will be significant projected expenditures related to one or more component projects that will require repair/replacement. These large but infrequent component expenses during “peak” years are typically the most difficult to budget for, as they are often overlooked, or ignored due to the perception that the expenses are far in the future and there will be time to budget for them later. A breakdown of what projects are included in each years' projected expenditures can be found on the Projected Annual Expenditures List pages in this reserve study (page number in Table of Contents).

One of the greatest challenges when planning for reserve budgeting is creating and implementing a funding model that is stable and fair while also adequate to cover reserve project expenditures that are typically infrequent and erratic. This is particularly true for reserve accounts that drop to low levels of funding; there will be a need to catch up the reserve account to a more suitable level while also being as fair and stable as possible as time progresses.

We have created numerous funding models with various goals in mind; the above models (Recommended/Full & Baseline) adhere to the principle of having stability going forward in time while also covering the projected annual reserve expenditures. Their respective annual allocation rates (lines on the chart) are shown compared to the annual reserve expenditures (columns on the chart) within the timeframe of the projections. Note the relative stableness of the annual funding model allocation rates versus the infrequent and erratic nature of the reserve expenditures.

Asset ID	Projected Expenditures By Year	Projected Costs
	2026	
1007	Building Exteriors (wood) - Paint & Seal	$41,000
1008	Chimney Chase Covers/Caps/Pipes - Replace	$31,500
1024	Fire Peripherals - Replace	$3,176
2110	Concrete Curbs - Fire Lane Paint	$2,312
1013	Concrete Surfaces - Repairs	$4,000
1043	Electrical Pedestal (common) - Replace	$3,328
	Total for Year 2026	**$85,316**
	2027	
1030	Lights (ext. porch & patio) - Replace	$13,973
1003	Asphalt - Sealcoat/Stripe/Repair	$8,248
1002	Asphalt (1989) - Replace	$93,357
1004	Backflow Devices (dom. water) - 25% Replace	$7,374
2070	Concrete Curbs - 10% Replace	$9,532
	Total for Year 2027	**$132,483**
	2028	
1039	Storm Drain System - Local Repairs	$9,721
	Total for Year 2028	**$9,721**
	2029	
1006	Building Exteriors - Wash/Clean	$6,944
1025	Fire Sprinkler Heads & Valves	$45,142
	Total for Year 2029	**$52,086**
	2030	
	Total for Year 2030	**$0**
	2031	
2110	Concrete Curbs - Fire Lane Paint	$2,746
1013	Concrete Surfaces - Repairs	$4,751
	Total for Year 2031	**$7,497**
	2032	
1006	Building Exteriors - Wash/Clean	$7,699
1003	Asphalt - Sealcoat/Stripe/Repair	$9,795
1004	Backflow Devices (dom. water) - 25% Replace	$8,758
2070	Concrete Curbs - 10% Replace	$11,320
	Total for Year 2032	**$37,573**
	2033	
	Total for Year 2033	**$0**
	2034	
1025	Fire Sprinkler Heads & Valves	$53,614
	Total for Year 2034	**$53,614**
	2035	
1006	Building Exteriors - Wash/Clean	$8,536
1021	Fence (trash enclos.) - Replace	$8,450
	Total for Year 2035	**$16,986**
	2036	
1007	Building Exteriors (wood) - Paint & Seal	$57,835
1029	Lights (ext. lantern & spot) - Replace	$6,030
2110	Concrete Curbs - Fire Lane Paint	$3,261
1013	Concrete Surfaces - Repairs	$5,642
	Total for Year 2036	**$72,769**

Asset ID	Projected Expenditures By Year	Projected Costs
	2037	
1005	Building Exteriors (vinyl) - Replace	$761,995
1003	Asphalt - Sealcoat/Stripe/Repair	$11,634
1004	Backflow Devices (dom. water) - 25% Replace	$10,402
2070	Concrete Curbs - 10% Replace	$13,445
	Total for Year 2037	**$797,476**
	2038	
1006	Building Exteriors - Wash/Clean	$9,464
1039	Storm Drain System - Local Repairs	$13,713
	Total for Year 2038	**$23,177**
	2039	
1025	Fire Sprinkler Heads & Valves	$63,677
1027	Gutters & Downspouts (rear elevation) - Replace	$52,842
1036	Lateral Lines (sewer) - Replace	$188,613
1041	Lateral Lines (water) - Replace	$188,613
	Total for Year 2039	**$493,745**
	2040	
	Total for Year 2040	**$0**
	2041	
1006	Building Exteriors - Wash/Clean	$10,493
2110	Concrete Curbs - Fire Lane Paint	$3,873
1013	Concrete Surfaces - Repairs	$6,701
	Total for Year 2041	**$21,068**
	2042	
1003	Asphalt - Sealcoat/Stripe/Repair	$13,817
1001	Asphalt (2017) - Replace	$43,584
1004	Backflow Devices (dom. water) - 25% Replace	$12,355
2070	Concrete Curbs - 10% Replace	$15,969
	Total for Year 2042	**$85,724**
	2043	
	Total for Year 2043	**$0**
	2044	
1006	Building Exteriors - Wash/Clean	$11,634
3470	Fire Gauges/Standpipe - Replace	$21,361
1025	Fire Sprinkler Heads & Valves	$75,628
1020	Fence (perimeter wood) - Replace	$47,256
1033	Mailbox Clusters - Replace	$10,216
	Total for Year 2044	**$166,096**
	2045	
1023	Fire Control Panel - Replace	$5,273
1026	Gutters & Downspouts (front elevation) - Replace	$51,475
1044	Roof (asph.shingle) - Replace	$297,526
	Total for Year 2045	**$354,274**
	2046	
1007	Building Exteriors (wood) - Paint & Seal	$81,581
1024	Fire Peripherals - Replace	$6,320
2110	Concrete Curbs - Fire Lane Paint	$4,600
1013	Concrete Surfaces - Repairs	$7,959
	Total for Year 2046	**$100,461**

Asset ID	Projected Expenditures By Year	Projected Costs
	2047	
1006	Building Exteriors - Wash/Clean	$12,898
1030	Lights (ext. porch & patio) - Replace	$27,802
1003	Asphalt - Sealcoat/Stripe/Repair	$16,411
1004	Backflow Devices (dom. water) - 25% Replace	$14,673
2070	Concrete Curbs - 10% Replace	$18,966
	Total for Year 2047	**$90,751**
	2048	
1019	Fence (north perim. chain link) - Replace	$12,999
1039	Storm Drain System - Local Repairs	$19,343
	Total for Year 2048	**$32,342**
	2049	
1025	Fire Sprinkler Heads & Valves	$89,823
1034	Vertical Drain/Waste/Supply/Fire Lines - Replace	$582,414
	Total for Year 2049	**$672,237**
	2050	
1006	Building Exteriors - Wash/Clean	$14,301
	Total for Year 2050	**$14,301**
	2051	
2110	Concrete Curbs - Fire Lane Paint	$5,464
1013	Concrete Surfaces - Repairs	$9,453
	Total for Year 2051	**$14,917**
	2052	
1003	Asphalt - Sealcoat/Stripe/Repair	$19,491
1002	Asphalt (1989) - Replace	$220,625
1004	Backflow Devices (dom. water) - 25% Replace	$17,427
2070	Concrete Curbs - 10% Replace	$22,525
	Total for Year 2052	**$280,069**
	2053	
1006	Building Exteriors - Wash/Clean	$15,855
	Total for Year 2053	**$15,855**
	2054	
1025	Fire Sprinkler Heads & Valves	$106,681
	Total for Year 2054	**$106,681**
	2055	
	Total for Year 2055	**$0**

				Annual Totals	$85,316	$132,483	$9,721	$52,086	$0	$7,497
Component Description	**Asset ID**	**Useful Life**	**Remain. UL**	**Current Cost**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
>> Building Components <<										
Building Exteriors (vinyl) - Replace	1005	40	11	$521,925						
Building Exteriors - Wash/Clean	1006	3	3	$6,263				$6,944		
Building Exteriors (wood) - Paint & Seal	1007	10	0	$41,000	$41,000					
Chimney Chase Covers/Caps/Pipes - Replace	1008	35	0	$31,500	$31,500					
Fire Control Panel - Replace	1023	20	19	$2,743						
Fire Gauges/Standpipe - Replace	3470	20	18	$11,500						
Fire Peripherals - Replace	1024	20	0	$3,176	$3,176					
Fire Sprinkler Heads & Valves	1025	5	3	$40,715				$45,142		
Gutters & Downspouts (front elevation) - Replace	1026	25	19	$26,775						
Gutters & Downspouts (rear elevation) - Replace	1027	25	13	$33,788						
Lights (ext. lantern & spot) - Replace	1029	20	10	$4,275						
Lights (ext. porch & patio) - Replace	1030	20	1	$13,500		$13,973				
Roof (asph.shingle) - Replace	1044	25	19	$154,760						
Vertical Drain/Waste/Supply/Fire Lines - Replace	1034	60	23	$264,000						
>> Site Components <<										
Asphalt - Sealcoat/Stripe/Repair	1003	5	1	$7,969		$8,248				
Asphalt (1989) - Replace	1002	25	1	$90,200		$93,357				
Asphalt (2017) - Replace	1001	25	16	$25,135						
Backflow Devices (dom. water) - 25% Replace	1004	5	1	$7,125		$7,374				
Concrete Curbs - 10% Replace	2070	5	1	$9,209		$9,532				
Concrete Curbs - Fire Lane Paint	2110	5	0	$2,312	$2,312					$2,746
Concrete Surfaces - Repairs	1013	5	0	$4,000	$4,000					$4,751
Electrical Pedestal (common) - Replace	1043	35	0	$3,328	$3,328					
Fence (north perim. chain link) - Replace	1019	35	22	$6,098						
Fence (perimeter wood) - Replace	1020	20	18	$25,441						
Fence (trash enclos.) - Replace	1021	25	9	$6,200						
Lateral Lines (sewer) - Replace	1036	50	13	$120,600						
Lateral Lines (water) - Replace	1041	50	13	$120,600						
Mailbox Clusters - Replace	1033	25	18	$5,500						
Storm Drain System - Local Repairs	1039	10	2	$9,075			$9,721			

		$37,573	$0	$53,614	$16,986	$72,769	$797,476	$23,177	$493,745
Component Description	**Asset ID**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**
>> Building Components <<									
Building Exteriors (vinyl) - Replace	1005						$761,995		
Building Exteriors - Wash/Clean	1006	$7,699			$8,536			$9,464	
Building Exteriors (wood) - Paint & Seal	1007					$57,835			
Chimney Chase Covers/Caps/Pipes - Replace	1008								
Fire Control Panel - Replace	1023								
Fire Gauges/Standpipe - Replace	3470								
Fire Peripherals - Replace	1024								
Fire Sprinkler Heads & Valves	1025			$53,614					$63,677
Gutters & Downspouts (front elevation) - Replace	1026								
Gutters & Downspouts (rear elevation) - Replace	1027								$52,842
Lights (ext. lantern & spot) - Replace	1029					$6,030			
Lights (ext. porch & patio) - Replace	1030								
Roof (asph.shingle) - Replace	1044								
Vertical Drain/Waste/Supply/Fire Lines - Replace	1034								
>> Site Components <<									
Asphalt - Sealcoat/Stripe/Repair	1003	$9,795					$11,634		
Asphalt (1989) - Replace	1002								
Asphalt (2017) - Replace	1001								
Backflow Devices (dom. water) - 25% Replace	1004	$8,758					$10,402		
Concrete Curbs - 10% Replace	2070	$11,320					$13,445		
Concrete Curbs - Fire Lane Paint	2110					$3,261			
Concrete Surfaces - Repairs	1013					$5,642			
Electrical Pedestal (common) - Replace	1043								
Fence (north perim. chain link) - Replace	1019								
Fence (perimeter wood) - Replace	1020								
Fence (trash enclos.) - Replace	1021				$8,450				
Lateral Lines (sewer) - Replace	1036								$188,613
Lateral Lines (water) - Replace	1041								$188,613
Mailbox Clusters - Replace	1033								
Storm Drain System - Local Repairs	1039							$13,713	

		$0	$21,068	$85,724	$0	$166,096	$354,274	$100,461	$90,751
Component Description	**Asset ID**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**
>> Building Components <<									
Building Exteriors (vinyl) - Replace	1005								
Building Exteriors - Wash/Clean	1006		$10,493			$11,634			$12,898
Building Exteriors (wood) - Paint & Seal	1007							$81,581	
Chimney Chase Covers/Caps/Pipes - Replace	1008								
Fire Control Panel - Replace	1023						$5,273		
Fire Gauges/Standpipe - Replace	3470					$21,361			
Fire Peripherals - Replace	1024							$6,320	
Fire Sprinkler Heads & Valves	1025					$75,628			
Gutters & Downspouts (front elevation) - Replace	1026						$51,475		
Gutters & Downspouts (rear elevation) - Replace	1027								
Lights (ext. lantern & spot) - Replace	1029								
Lights (ext. porch & patio) - Replace	1030								$27,802
Roof (asph.shingle) - Replace	1044						$297,526		
Vertical Drain/Waste/Supply/Fire Lines - Replace	1034								
>> Site Components <<									
Asphalt - Sealcoat/Stripe/Repair	1003			$13,817					$16,411
Asphalt (1989) - Replace	1002								
Asphalt (2017) - Replace	1001			$43,584					
Backflow Devices (dom. water) - 25% Replace	1004			$12,355					$14,673
Concrete Curbs - 10% Replace	2070			$15,969					$18,966
Concrete Curbs - Fire Lane Paint	2110		$3,873					$4,600	
Concrete Surfaces - Repairs	1013		$6,701					$7,959	
Electrical Pedestal (common) - Replace	1043								
Fence (north perim. chain link) - Replace	1019								
Fence (perimeter wood) - Replace	1020					$47,256			
Fence (trash enclos.) - Replace	1021								
Lateral Lines (sewer) - Replace	1036								
Lateral Lines (water) - Replace	1041								
Mailbox Clusters - Replace	1033					$10,216			
Storm Drain System - Local Repairs	1039								

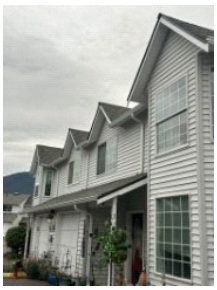
		$32,342	$672,237	$14,301	$14,917	$280,069	$15,855	$106,681	$0
Component Description	**Asset ID**	**2048**	**2049**	**2050**	**2051**	**2052**	**2053**	**2054**	**2055**
>> Building Components <<									
Building Exteriors (vinyl) - Replace	1005								
Building Exteriors - Wash/Clean	1006			$14,301			$15,855		
Building Exteriors (wood) - Paint & Seal	1007								
Chimney Chase Covers/Caps/Pipes - Replace	1008								
Fire Control Panel - Replace	1023								
Fire Gauges/Standpipe - Replace	3470								
Fire Peripherals - Replace	1024								
Fire Sprinkler Heads & Valves	1025		$89,823					$106,681	
Gutters & Downspouts (front elevation) - Replace	1026								
Gutters & Downspouts (rear elevation) - Replace	1027								
Lights (ext. lantern & spot) - Replace	1029								
Lights (ext. porch & patio) - Replace	1030								
Roof (asph.shingle) - Replace	1044								
Vertical Drain/Waste/Supply/Fire Lines - Replace	1034		$582,414						
>> Site Components <<									
Asphalt - Sealcoat/Stripe/Repair	1003					$19,491			
Asphalt (1989) - Replace	1002					$220,625			
Asphalt (2017) - Replace	1001								
Backflow Devices (dom. water) - 25% Replace	1004					$17,427			
Concrete Curbs - 10% Replace	2070					$22,525			
Concrete Curbs - Fire Lane Paint	2110				$5,464				
Concrete Surfaces - Repairs	1013				$9,453				
Electrical Pedestal (common) - Replace	1043								
Fence (north perim. chain link) - Replace	1019	$12,999							
Fence (perimeter wood) - Replace	1020								
Fence (trash enclos.) - Replace	1021								
Lateral Lines (sewer) - Replace	1036								
Lateral Lines (water) - Replace	1041								
Mailbox Clusters - Replace	1033								
Storm Drain System - Local Repairs	1039	$19,343							

Building Exteriors (vinyl) - Replace

Asset ID	1005	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Building Exteriors	Next Replacement Year	2037
Install / Allocate Year	1997	Units	34,795 sf
Useful Life (UL)	40	Unit Cost	$15.00
Remaining UL	11	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$521,925

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Building Exteriors (vinyl) - Replace (year end)									
$405,144	$433,302	$462,934	$494,110	$526,901	$561,382	$597,631	$635,730	$675,764	$717,821
Inflation Rate for Building Exteriors (vinyl) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory


Client Provided Replacement History		
Year	*Cost*	*Source*
2024	$11,346	Client
Comments On Replacement History		
Some areas of damaged siding were replaced at all buildings.		

*Projected Replacement Years	
Year	*Future Cost*
2037	$761,995
Next replace year then only within timeframe of this study	

Comments for Building Exteriors (vinyl) - Replace

Vinyl appears to be deteriorating at a rate typical of its age based our limited scope visual inspection. No significant cracking, damage or instability apparent. No reported water intrusion at this time. Assumed to have been installed properly with adequate moisture barrier and waterproofing materials/details below. Durable, low maintenance product, but anticipate eventual replacement will be needed as vinyl will typically become brittle and worn over time. Note that small local areas of repairs are common, and typically are paid for from the operating account.

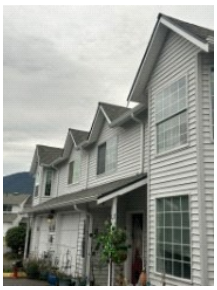
> Vinyl siding is reported to have been installed in 1997 due to the premature failure of the exterior cladding.

Building Exteriors - Wash/Clean

Asset ID	1006	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Building Exteriors	Next Replacement Year	2029
Install / Allocate Year	2026	Units	34,795 sf
Useful Life (UL)	3	Unit Cost	$0.18
Remaining UL	3	% Replace	100.0%
Cost Source	Client Supplied	Total Current Cost	$6,263

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Building Exteriors - Wash/Clean (year end)									
$2,161	$4,473	$6,944	$2,396	$4,959	$7,699	$2,656	$5,498	$8,536	$2,945
Inflation Rate for Building Exteriors - Wash/Clean Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory


Client Provided Replacement History		
Year	*Cost*	*Source*
2024	$6,020	Client
Comments On Replacement History		
Per Client records cost including building exteriors.		

*Projected Replacement Years	
Year	*Future Cost*
2029	$6,944
2032	$7,699
2035	$8,536
2038	$9,464
Next replace year then only within timeframe of this study	

Comments for Building Exteriors - Wash/Clean

Exterior surfaces are in generally fair condition but areas of mildew/staining noted at non sun exposed surfaces. Regular cycles of a low-pressure wash can help maintain a quality appearance.

> Times to occur 3 years after the exterior painting component.

Building Exteriors (wood) - Paint & Seal

Asset ID	1007	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Building Exteriors	Next Replacement Year	2026
Install / Allocate Year	2015	Units	1 ls
Useful Life (UL)	10	Unit Cost	$41,000.00
Remaining UL	0	% Replace	100.0%
Cost Source	Client Supplied	Total Current Cost	$41,000

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Building Exteriors (wood) - Paint & Seal (year end)									
$4,244	$8,784	$13,637	$18,819	$24,348	$30,240	$36,514	$43,191	$50,291	$57,835
Inflation Rate for Building Exteriors (wood) - Paint & Seal Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
2015	$27,683	Client
Comments On Replacement History		
Wood trim, facia, gutters and garage doors were last painted in 2015.		

*Projected Replacement Years	
Year	*Future Cost*
2026	$41,000
2036	$57,835
2046	$81,581
Next replace year then only within timeframe of this study	

Comments for Building Exteriors (wood) - Paint & Seal

As routine maintenance, inspect regularly and touch up/repair locally as needed using operating funds. Typical paint cycles for wood surfaces are between five to seven years depending upon surface preparation, material quality, application methods, site and weather conditions. Removal and replacement of sealants where applicable with high quality product is important part of surface preparation. Repair areas as needed prior to painting.

> Areas of cracking and peeling present at this time.

Chimney Chase Covers/Caps/Pipes - Replace

Asset ID	1008	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Roofing System	Next Replacement Year	2026
Install / Allocate Year	1989	Units	30 ea
Useful Life (UL)	35	Unit Cost	$1,050.00
Remaining UL	0	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$31,500

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Chimney Chase Covers/Caps/Pipes - Replace (year end)									
$932	$1,928	$2,994	$4,131	$5,345	$6,638	$8,015	$9,481	$11,039	$12,695
Inflation Rate for Chimney Chase Covers/Caps/Pipes - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2026	$31,500
Next replace year then only within timeframe of this study	

Comments for Chimney Chase Covers/Caps/Pipes - Replace

Varying designs noted. Some individual replacement reported but not on a wide scale. Chimney chase covers, caps and piping are a common area of water intrusion as they age. We recommend budgeting for replacement at the timeframe indicated.

Fire Control Panel - Replace

Asset ID	1023	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Fire Systems	Next Replacement Year	2045
Install / Allocate Year	2025	Units	1 ea
Useful Life (UL)	20	Unit Cost	$2,742.60
Remaining UL	19	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$2,743

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Fire Control Panel - Replace (year end)									
$284	$441	$608	$787	$977	$1,180	$1,396	$1,625	$1,869	$2,128
Inflation Rate for Fire Control Panel - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
2025	$2,743	Client
Comments On Replacement History		
Replaced in 2025 per Client records.		

*Projected Replacement Years	
Year	*Future Cost*
2045	$5,273
Next replace year then only within timeframe of this study	

Comments for Fire Control Panel - Replace

Reportedly operational and inspected annually. Regular testing and inspection indicated. No known problems at this time. Fire control panels may last for extended period barring unforeseen electrical event. In our experience, however, design obsolescence, parts availability and code/ technology advances dictate the need to plan for periodic replacement.

Fire Gauges/Standpipe - Replace

Asset ID	3470	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Fire Systems	Next Replacement Year	2044
Install / Allocate Year	2024	Units	1 ls
Useful Life (UL)	20	Unit Cost	$11,500.00
Remaining UL	18	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$11,500

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Fire Gauges/Standpipe - Replace (year end)									
$1,785	$2,464	$3,188	$3,959	$4,780	$5,655	$6,584	$7,572	$8,620	$9,733
Inflation Rate for Fire Gauges/Standpipe - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
2024	$11,089	Client
Comments On Replacement History		
Per Client records repairs and 20 year test completed.		

*Projected Replacement Years	
Year	*Future Cost*
2044	$21,361
Next replace year then only within timeframe of this study	

Comments for Fire Gauges/Standpipe - Replace

Inspect annually along with the rest of the building/site fire suppression system. We recommend budgeting for replacement at the timeframe indicated. We suggest ongoing consultation with the Vendor so that future code compliance and ongoing industry equipment/parts alterations can be budgeted for in advance of system failures.

> We suggest ongoing cycles of replacement going forward in time at 20 year increments (in prior years we were told this was to be paid for operationally).

Fire Peripherals - Replace

Asset ID	1024	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Fire Systems	Next Replacement Year	2026
Install / Allocate Year	2004	Units	7 ea
Useful Life (UL)	20	Unit Cost	$453.75
Remaining UL	0	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$3,176

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Fire Peripherals - Replace (year end)									
$164	$340	$528	$729	$943	$1,171	$1,414	$1,673	$1,948	$2,240
Inflation Rate for Fire Peripherals - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2026	$3,176
2046	$6,320
Next replace year then only within timeframe of this study	

Comments for Fire Peripherals - Replace

This component is for the replacement of the peripherals (pull stations, strobes, sensors, horns, detectors) at the time frame indicated.

Fire Sprinkler Heads & Valves

Asset ID	1025	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Fire Systems	Next Replacement Year	2029
Install / Allocate Year	2024	Units	1 total
Useful Life (UL)	5	Unit Cost	$40,715.29
Remaining UL	3	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$40,715

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Fire Sprinkler Heads & Valves (year end)									
$25,284	$34,892	$45,142	$9,344	$19,343	$30,030	$41,441	$53,614	$11,098	$22,973
Inflation Rate for Fire Sprinkler Heads & Valves Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
2024	$5,608	Client
Comments On Replacement History		
At Units 2,3,4,14,29.		

*Projected Replacement Years	
Year	*Future Cost*
2029	$45,142
2034	$53,614
2039	$63,677
2044	$75,628
Next replace year then only within timeframe of this study	

Comments for Fire Sprinkler Heads & Valves

Fire sprinkler heads are assumed to be in operational condition. Regular inspections reported. Prior replacement was most likely due to manufacturer defect. These heads will typically be replaced individually if they fail regular testing.

> These are reported to have also been partially replaced in 2005 for approximately $18,400. We suggest ongoing cycles of replacement going forward in time at 5 year increments (in prior years we were told this was to be paid for operationally).

Gutters & Downspouts (front elevation) - Replace

Asset ID	1026	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Roofing System	Next Replacement Year	2045
Install / Allocate Year	2020	Units	2,100 lf
Useful Life (UL)	25	Unit Cost	$12.75
Remaining UL	19	% Replace	100.0%
Cost Source	Client Supplied	Total Current Cost	$26,775

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Gutters & Downspouts (front elevation) - Replace (year end)									
$7,759	$9,178	$10,687	$12,290	$13,992	$15,798	$17,714	$19,744	$21,895	$24,172
Inflation Rate for Gutters & Downspouts (front elevation) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
2020	$20,244	Client
Comments On Replacement History		
Per Client records front elevation gutters only.		

*Projected Replacement Years	
Year	*Future Cost*
2045	$51,475
Next replace year then only within timeframe of this study	

Comments for Gutters & Downspouts (front elevation) - Replace

Appear to be deteriorating at a rate typical of their age based our limited scope visual inspection. As routine maintenance, inspect regularly, keep gutters and downspouts free of debris. Repair locally as needed from general operating funds. Best to plan for total replacement at the same intervals as roof replacement and/or paint cycles for cost efficiency.

The front elevation gutters and downspouts are reported to have been replaced in 2020 along with the roof.

Gutters & Downspouts (rear elevation) - Replace

Asset ID	1027	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Roofing System	Next Replacement Year	2039
Install / Allocate Year	2014	Units	2,650 lf
Useful Life (UL)	25	Unit Cost	$12.75
Remaining UL	13	% Replace	100.0%
Cost Source	Client Supplied	Total Current Cost	$33,788

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Gutters & Downspouts (rear elevation) - Replace (year end)									
$18,184	$20,269	$22,476	$24,814	$27,288	$29,904	$32,670	$35,593	$38,681	$41,941
Inflation Rate for Gutters & Downspouts (rear elevation) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2039	$52,842
Next replace year then only within timeframe of this study	

Comments for Gutters & Downspouts (rear elevation) - Replace

Appear to be deteriorating at a rate typical of their age based our limited scope visual inspection. As routine maintenance, inspect regularly, keep gutters and downspouts free of debris. Repair locally as needed from general operating funds. Best to plan for total replacement at the same intervals as roof replacement and/or paint cycles for cost efficiency.

> The rear elevation gutters and downspouts are reported to have been replaced in 2014.

Lights (ext. lantern & spot) - Replace

Asset ID	1029	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Lighting	Next Replacement Year	2036
Install / Allocate Year	2016	Units	19 ea
Useful Life (UL)	20	Unit Cost	$225.00
Remaining UL	10	% Replace	100.0%
Cost Source	Client Supplied	Total Current Cost	$4,275

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Lights (ext. lantern & spot) - Replace (year end)									
$2,434	$2,748	$3,081	$3,434	$3,808	$4,204	$4,623	$5,066	$5,535	$6,030
Inflation Rate for Lights (ext. lantern & spot) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
2016	$7,700	Client
Comments On Replacement History		
Replaced in years 2015-2016.		

*Projected Replacement Years	
Year	*Future Cost*
2036	$6,030
Next replace year then only within timeframe of this study	

Comments for Lights (ext. lantern & spot) - Replace

Included wiring upgrades. Future replacement will not require full wiring replacement. Exterior lights appear to be deteriorating at a rate typical of their age. Observed during daylight hours; assumed to be in functional operating condition. As routine maintenance, clean by wiping down with an appropriate cleaner, change bulbs and repair as needed. Best to plan for replacement at roughly the time frame indicated for periodic aesthetic updating, cost efficiency and consistent quality/appearance.

Lights (ext. porch & patio) - Replace

Asset ID	1030	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Lighting	Next Replacement Year	2027
Install / Allocate Year	2007	Units	60 ea
Useful Life (UL)	20	Unit Cost	$225.00
Remaining UL	1	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$13,500

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Lights (ext. porch & patio) - Replace (year end)									
$13,973	$723	$1,497	$2,324	$3,207	$4,149	$5,153	$6,222	$7,360	$8,569
Inflation Rate for Lights (ext. porch & patio) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2027	$13,973
2047	$27,802
Next replace year then only within timeframe of this study	

Comments for Lights (ext. porch & patio) - Replace

Exterior lights appear to be deteriorating at a rate typical of their age. Observed during daylight hours; assumed to be in functional operating condition. As routine maintenance, clean by wiping down with an appropriate cleaner, change bulbs and repair as needed. Best to plan for replacement at roughly the time frame indicated for periodic aesthetic updating, cost efficiency and consistent quality/appearance.

Roof (asph.shingle) - Replace

Asset ID	1044	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Building Components	Repeat Count Limit	No
Category	Roofing System	Next Replacement Year	2045
Install / Allocate Year	2020	Units	292 sq
Useful Life (UL)	25	Unit Cost	$530.00
Remaining UL	19	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$154,760

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Roof (asph.shingle) - Replace (year end)									
$44,849	$53,050	$61,771	$71,036	$80,875	$91,315	$102,387	$114,122	$126,553	$139,715
Inflation Rate for Roof (asph.shingle) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
2020	$119,524	Client
Comments On Replacement History		
All roof replaced in 2020 per Client.		

*Projected Replacement Years	
Year	*Future Cost*
2045	$297,526
Next replace year then only within timeframe of this study	

Comments for Roof (asph.shingle) - Replace

Appears to be deteriorating at a rate typical of its age based on our limited scope visual inspection. As routine maintenance, we recommend professional inspections at least twice annually and after windstorms. Promptly replace any damaged/missing shingles or any other repair needed to ensure waterproof integrity of roof. Keep gutters and downspouts clear and free of debris. Plan for replacement at roughly the time frame indicated. Cost estimates include removal of old roofing materials and replacement of flashing. Underlying rot/mold issues that may be present have not been considered in the cost estimate as it will not be known until the roof is removed, the extent of this damage (if any). Roof Vendors will typically include verbiage in their

Continued on Next Page ...

Comments for Roof (asph.shingle) - Replace … Continued

bid/estimate that the cost does not include any necessary repairs to sheathing that may be found. A common budgeting mistake we see is pushing out the roof replacement project well past the Roof Vendors recommended replacement date only to have a much higher cost related to moisture intrusion issues (e.g., mold, rot) when the roof is eventually replaced. Reportedly replaced with roof that has a 50-year limited warrantee (prorated). Note that it has not been our experience that "50-year" roofs typically last 25-30 years and their warrantees are almost always prorated so that it is not economically feasible to try and go after the manufacturer for money when they do fail.

Vertical Drain/Waste/Supply/Fire Lines - Replace

Asset ID	1034	Age Adjust +/-	None	
Funded?	Yes	Delay Funding?	No	
Group	Building Components	Repeat Count Limit	No	
Category	Plumbing	Next Replacement Year	2049	
Install / Allocate Year	1989	Units	30	units
Useful Life (UL)	60	Unit Cost	$8,800.00	
Remaining UL	23	% Replace	100.0%	
Cost Source	Reserve Analyst Research	Total Current Cost	$264,000	

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Vertical Drain/Waste/Supply/Fire Lines - Replace (year end)									
$173,052	$183,822	$195,134	$207,013	$219,484	$232,575	$246,313	$260,728	$275,850	$291,712
Inflation Rate for Vertical Drain/Waste/Supply/Fire Lines - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2049	$582,414
Next replace year then only within timeframe of this study	

Comments for Vertical Drain/Waste/Supply/Fire Lines - Replace

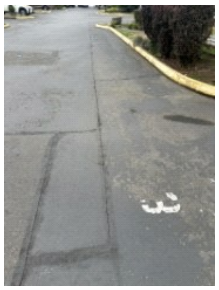
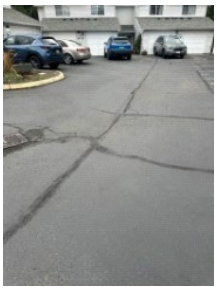
This is for the shared vertical drain/waste/supply piping between the townhome units. Evaluation of these systems is beyond the scope of a Reserve Study. We recommend that a qualified professional be consulted to evaluate these systems and determine the current condition and repair needs. The replacement & repair contingency was determined using the RS Means Square Footage Cost Handbook for plumbing system install costs of similar style of buildings. The useful life for plumbing piping is typically reported to be between 50 and 70. Once a widespread replacement plan is implemented the reserve study will need to be adjusted to reflect scheduled repairs.

Asphalt - Sealcoat/Stripe/Repair

Asset ID	1003	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Asphalt Surfaces	Next Replacement Year	2027
Install / Allocate Year	2022	Units	20,970 sf
Useful Life (UL)	5	Unit Cost	$0.38
Remaining UL	1	% Replace	100.0%
Cost Source	Client Supplied	Total Current Cost	$7,969

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Asphalt - Sealcoat/Stripe/Repair (year end)									
$8,248	$1,707	$3,534	$5,486	$7,571	$9,795	$2,028	$4,197	$6,516	$8,992
Inflation Rate for Asphalt - Sealcoat/Stripe/Repair Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory


Client Provided Replacement History		
Year	*Cost*	*Source*
2022	$6,250	Client
Comments On Replacement History		
Per Client records sealcoat and striping including in cost.		

*Projected Replacement Years	
Year	*Future Cost*
2027	$8,248
2032	$9,795
2037	$11,634
2042	$13,817
Next replace year then only within timeframe of this study	

Comments for Asphalt - Sealcoat/Stripe/Repair

The primary reason to sealcoat is to protect the pavement from the deteriorating effects of sun and water, which causes the asphalt to harden, or oxidize; the pavement turns brittle. The seal-coat provides a waterproof membrane which slows the oxidation process and helps the pavement shed water, preventing the water to infiltrate the base material. Proper drainage is vital for the longevity of asphalt surfaces. Standing water can seep through the asphalt and get into the sub-base and sub-grade below, significantly weakening the structural integrity of the road and causing premature failure. Oil spills eat through the asphalt seal and should be cleaned up between seal coats. Power washing is recommended annually where needed and treated as an

Continued on Next Page ...

Comments for Asphalt - Sealcoat/Stripe/Repair … Continued

operating expense. Cost estimate includes crack filling and 2 coats are to be applied. In years when an resurfacing project is set to occur; sealcoats will typically be applied within 12 months after the project is completed. We typically recommend funding for this component within the same year as the resurface project for cost efficiency with the Vendor.

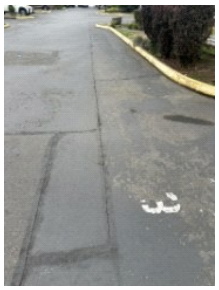
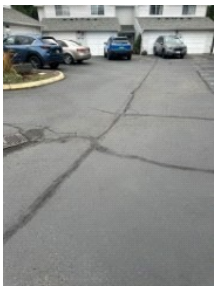
Cost estimate includes striping of asphalt.

Asphalt (1989) - Replace

Asset ID	1002	Age Adjust +/-	13
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Asphalt Surfaces	Next Replacement Year	2027
Install / Allocate Year	1989	Units	16,400 sf
Useful Life (UL)	25	Unit Cost	$5.50
Remaining UL	1	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$90,200

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Asphalt (1989) - Replace (year end)									
$93,357	$3,865	$8,001	$12,421	$17,141	$22,176	$27,542	$33,257	$39,339	$45,805
Inflation Rate for Asphalt (1989) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory


Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2027	$93,357
2052	$220,625
Next replace year then only within timeframe of this study	

Comments for Asphalt (1989) - Replace

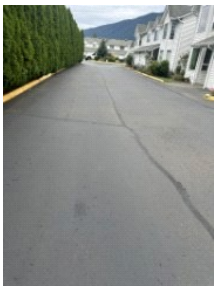
Most asphalt areas can be expected to last approximately 25-30 years before it will become necessary for resurfacing or other major rehabilitation to be completed. If properly built, asphalt surfaces will deteriorate from the top down, which only requires the replacement of a layer of asphalt, or preferably the application of a layer on top of the existing asphalt (overlay). Significant deterioration to asphalt will typically warrant a replacement project as vendors will not be able to guarantee their work if the base layer(s) are not functioning as designed.

Asphalt (2017) - Replace

Asset ID	1001	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Asphalt Surfaces	Next Replacement Year	2042
Install / Allocate Year	2017	Units	4,570 sf
Useful Life (UL)	25	Unit Cost	$5.50
Remaining UL	16	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$25,135

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Asphalt (2017) - Replace (year end)									
$10,406	$11,847	$13,376	$14,998	$16,717	$18,538	$20,466	$22,507	$24,665	$26,946
Inflation Rate for Asphalt (2017) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory



Client Provided Replacement History		
Year	*Cost*	*Source*
2017	$26,127	Client
Comments On Replacement History		
For entrance area only.		

*Projected Replacement Years	
Year	*Future Cost*
2042	$43,584
Next replace year then only within timeframe of this study	

Comments for Asphalt (2017) - Replace

Most asphalt areas can be expected to last approximately 25-30 years before it will become necessary for resurfacing. If properly built, asphalt surfaces will deteriorate from the top down, which only requires the replacement of a layer of asphalt, or preferably the application of a layer on top of the existing asphalt (overlay). Significant deterioration to asphalt will typically warrant a replacement project as vendors will not be able to guarantee their work if the base layer(s) are not functioning as designed.

Backflow Devices (dom. water) - 25% Replace

Asset ID	1004	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Plumbing	Next Replacement Year	2027
Install / Allocate Year	2022	Units	30 ea
Useful Life (UL)	5	Unit Cost	$950.00
Remaining UL	1	% Replace	25.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$7,125

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Backflow Devices (dom. water) - 25% Replace (year end)									
$7,374	$1,526	$3,160	$4,906	$6,770	$8,758	$1,813	$3,753	$5,826	$8,040
Inflation Rate for Backflow Devices (dom. water) - 25% Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2027	$7,374
2032	$8,758
2037	$10,402
2042	$12,355
Next replace year then only within timeframe of this study	

Comments for Backflow Devices (dom. water) - 25% Replace

As routine maintenance, inspect regularly, test system, repair as needed from operating budget. We recommend funding for this component at the time frame indicated.

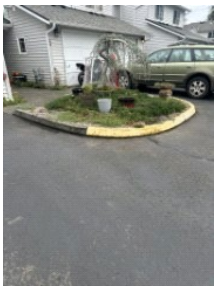
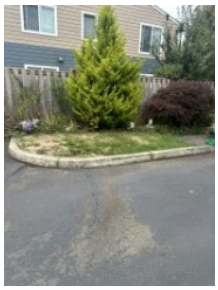
> Reportedly have been replaced in phases over a number of years. We suggest budgeting or 25% every 5 years going forward in time.

Concrete Curbs - 10% Replace

Asset ID	2070	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Concrete Surfaces	Next Replacement Year	2027
Install / Allocate Year	2022	Units	1,771 lf
Useful Life (UL)	5	Unit Cost	$52.00
Remaining UL	1	% Replace	10.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$9,209

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Concrete Curbs - 10% Replace (year end)									
$9,532	$1,973	$4,084	$6,341	$8,750	$11,320	$2,343	$4,851	$7,531	$10,392
Inflation Rate for Concrete Curbs - 10% Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2027	$9,532
2032	$11,320
2037	$13,445
2042	$15,969
Next replace year then only within timeframe of this study	

Comments for Concrete Curbs - 10% Replace

Concrete curbs appear to be deteriorating at a rate typical of their age. Best to cycle curb replacement with road Overlay or replacement projects. Over time root intrusion, vehicle damage, drainage and general deterioration of curbs occur. Note that it is likely that there will be areas that need replacement well before the end of the useful life for this component (typically due to root intrusion or vehicle damage); as these areas of curbing are replaced the reserve study should be updated to reflect those particular phases.

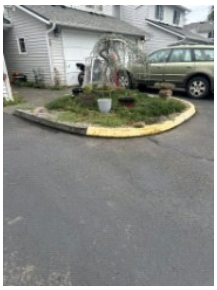
> We have this component cycling at 5 yar increments (10% each cycle) going forward in time. It appears approximately 10% of the curb has been replaced in recent years.

Concrete Curbs - Fire Lane Paint

Asset ID	2110	Age Adjust +/-	-2
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Painting/Sealing	Next Replacement Year	2026
Install / Allocate Year	2022	Units	578 lf
Useful Life (UL)	5	Unit Cost	$4.00
Remaining UL	0	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$2,312

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Concrete Curbs - Fire Lane Paint (year end)									
$479	$991	$1,538	$2,122	$2,746	$568	$1,177	$1,827	$2,521	$3,261
Inflation Rate for Concrete Curbs - Fire Lane Paint Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory


Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2026	$2,312
2031	$2,746
2036	$3,261
2041	$3,873
Next replace year then only within timeframe of this study	

Comments for Concrete Curbs - Fire Lane Paint

Concrete curb paint appear to have reached the end of it useful life (adjustment given).

> It is assumed that these curbs will be painted by a professional Vendor with appropriate prep so that the paint last a typical 5 years.

Concrete Surfaces - Repairs

Asset ID	1013	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Concrete Surfaces	Next Replacement Year	2026
Install / Allocate Year	2019	Units	1 ls
Useful Life (UL)	5	Unit Cost	$4,000.00
Remaining UL	0	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$4,000

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Concrete Surfaces - Repairs (year end)									
$828	$1,714	$2,661	$3,672	$4,751	$983	$2,036	$3,160	$4,361	$5,642
Inflation Rate for Concrete Surfaces - Repairs Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2026	$4,000
2031	$4,751
2036	$5,642
2041	$6,701
Next replace year then only within timeframe of this study	

Comments for Concrete Surfaces - Repairs

Local areas of damage to the concrete cracking in walkways. No widespread failures noted. This line item is a repair contingency for the concrete surfaces on site. Amount and cycle to be reviewed annually and adjusted as conditions and repair needs dictate. No widespread damage or deterioration noted at time of site visit. We recommend repairing trip hazards immediately to limit liability.

Electrical Pedestal (common) - Replace

Asset ID	1043	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Electrical	Next Replacement Year	2026
Install / Allocate Year	1989	Units	1 ea
Useful Life (UL)	35	Unit Cost	$3,327.50
Remaining UL	0	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$3,328

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Electrical Pedestal (common) - Replace (year end)									
$98	$204	$316	$436	$565	$701	$847	$1,002	$1,166	$1,341
Inflation Rate for Electrical Pedestal (common) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2026	$3,328
Next replace year then only within timeframe of this study	

Comments for Electrical Pedestal (common) - Replace

This unit is exposed to the elements and will require eventual replacement.

Fence (north perim. chain link) - Replace

Asset ID	1019	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Fencing	Next Replacement Year	2048
Install / Allocate Year	2013	Units	140 lf
Useful Life (UL)	35	Unit Cost	$43.56
Remaining UL	22	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$6,098

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Fence (north perim. chain link) - Replace (year end)									
$2,525	$2,800	$3,091	$3,399	$3,725	$4,070	$4,434	$4,818	$5,224	$5,653
Inflation Rate for Fence (north perim. chain link) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2048	$12,999
Next replace year then only within timeframe of this study	

Comments for Fence (north perim. chain link) - Replace

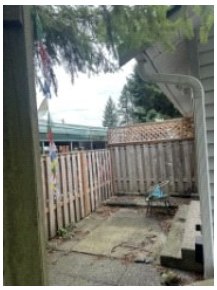
Sturdy component that can last for extended period of time if not damaged or abused. Clean, repair as needed from operating funds. Best to plan for eventual replacement at roughly the time frame indicated.

Fence (perimeter wood) - Replace

Asset ID	1020	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Fencing	Next Replacement Year	2044
Install / Allocate Year	2024	Units	247 lf
Useful Life (UL)	20	Unit Cost	$103.00
Remaining UL	18	% Replace	100.0%
Cost Source	Client Supplied	Total Current Cost	$25,441

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Fence (perimeter wood) - Replace (year end)									
$3,950	$5,451	$7,052	$8,758	$10,576	$12,509	$14,566	$16,750	$19,070	$21,532
Inflation Rate for Fence (perimeter wood) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory



Client Provided Replacement History		
Year	*Cost*	*Source*
2024	$24,728	Client
Comments On Replacement History		
Was replaced in 2024 per Client records.		

*Projected Replacement Years	
Year	*Future Cost*
2044	$47,256
Next replace year then only within timeframe of this study	

Comments for Fence (perimeter wood) - Replace

This wood fencing is located at the north and west perimeters of the property. Some local repairs have recently been completed due to tree damage but most of the fencing is older and replacement should be budget for at this time. As routine maintenance, inspect regularly for any damage, repair as needed. Avoid contact with ground and surrounding vegetation.

> Fence has been weathering naturally with no stain or sealed apparent. No paint or stain component has been included in this reserve study.

Fence (trash enclos.) - Replace

Asset ID	1021	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Fencing	Next Replacement Year	2035
Install / Allocate Year	2010	Units	2 ea
Useful Life (UL)	25	Unit Cost	$3,100.00
Remaining UL	9	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$6,200

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Fence (trash enclos.) - Replace (year end)									
$4,364	$4,782	$5,224	$5,692	$6,185	$6,707	$7,257	$7,838	$8,450	$350
Inflation Rate for Fence (trash enclos.) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2035	$8,450
Next replace year then only within timeframe of this study	

Comments for Fence (trash enclos.) - Replace

Appears to be deteriorating at a rate typical of its age. Sturdy component that can last for extended period of time if not damaged or abused. Clean, repair as needed from operating funds. Best to plan for eventual replacement at roughly the time frame indicated.

Lateral Lines (sewer) - Replace

Asset ID	1036	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Plumbing	Next Replacement Year	2039
Install / Allocate Year	1989	Units	670 lf
Useful Life (UL)	50	Unit Cost	$180.00
Remaining UL	13	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$120,600

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Lateral Lines (sewer) - Replace (year end)									
$94,864	$100,768	$106,969	$113,481	$120,317	$127,493	$135,024	$142,926	$151,216	$159,911
Inflation Rate for Lateral Lines (sewer) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2039	$188,613
Next replace year then only within timeframe of this study	

Comments for Lateral Lines (sewer) - Replace

Sewer lateral lines (piping between main and building lines) on site are reportedly functioning as designed. We recommend budgeting for sewer lateral line replacement at the timeframe indicated due to the likelihood that these lines will require replacement at approximately the timeframe indicated per our experiences with similar aged pipes. Evaluation of these systems is beyond the scope of a Reserve Study. We recommend that a qualified professional be consulted to evaluate these systems and determine the current condition and repair needs. The service life for sewer lateral pipes is typically between 40 and 60 years. Once a widespread replacement plan is implemented the reserve study will need to be adjusted to reflect scheduled repairs. No

Continued on Next Page ...

Comments for Lateral Lines (sewer) - Replace … Continued

as-builts have been provided of the lateral line locations or quantity; we have made an assumption regarding the linear feet based on the location of the nearby road and the locations of the buildings on-site.

Lateral Lines (water) - Replace

Asset ID	1041	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Plumbing	Next Replacement Year	2039
Install / Allocate Year	1989	Units	670 lf
Useful Life (UL)	50	Unit Cost	$180.00
Remaining UL	13	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$120,600

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Lateral Lines (water) - Replace (year end)									
$94,864	$100,768	$106,969	$113,481	$120,317	$127,493	$135,024	$142,926	$151,216	$159,911
Inflation Rate for Lateral Lines (water) - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2039	$188,613
Next replace year then only within timeframe of this study	

Comments for Lateral Lines (water) - Replace

Water lateral lines (piping between main and building lines) on site are reportedly functioning as designed. We recommend budgeting for water lateral line replacement at the timeframe indicated due to the likelihood that these lines will require replacement at approximately the timeframe indicated per our experiences with similar aged pipes. Evaluation of these systems is beyond the scope of a Reserve Study. We recommend that a qualified professional be consulted to evaluate these systems and determine the current condition and repair needs. The service life for water lateral pipes is typically between 50 and 60 years. Once a widespread replacement plan is implemented the reserve study will need to be adjusted to reflect scheduled repairs. No

Continued on Next Page ...

Comments for Lateral Lines (water) - Replace … Continued

as-builts have been provided of the lateral line locations or quantity; we have made an assumption regarding the linear feet based on the location of the nearby road and the locations of the buildings on-site.

Mailbox Clusters - Replace

Asset ID	1033	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Mailboxes	Next Replacement Year	2044
Install / Allocate Year	2019	Units	2 ea
Useful Life (UL)	25	Unit Cost	$2,750.00
Remaining UL	18	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$5,500

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Mailbox Clusters - Replace (year end)									
$1,822	$2,121	$2,439	$2,777	$3,135	$3,516	$3,919	$4,345	$4,797	$5,276
Inflation Rate for Mailbox Clusters - Replace Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
2019	$2,821	Client
Comments On Replacement History		
For both mailbox clusters.		

*Projected Replacement Years	
Year	*Future Cost*
2044	$10,216
Next replace year then only within timeframe of this study	

Comments for Mailbox Clusters - Replace

Appear to be deteriorating at a rate typical of their age based on our visual inspection of this component. As routine maintenance, inspect regularly, clean by wiping down for appearance, change lock cylinders, lubricate hinges and repair as needed from operating budget. Best to plan for total replacement at roughly the time frame indicated due to constant usage and wear over time.

Storm Drain System - Local Repairs

Asset ID	1039	Age Adjust +/-	None
Funded?	Yes	Delay Funding?	No
Group	Site Components	Repeat Count Limit	No
Category	Plumbing	Next Replacement Year	2028
Install / Allocate Year	2018	Units	1 ls
Useful Life (UL)	10	Unit Cost	$9,075.00
Remaining UL	2	% Replace	100.0%
Cost Source	Reserve Analyst Research	Total Current Cost	$9,075

2026	*2027*	*2028*	*2029*	*2030*	*2031*	*2032*	*2033*	*2034*	*2035*
Fully Funded Balance for Storm Drain System - Local Repairs (year end)									
$8,453	$9,721	$1,006	$2,083	$3,233	$4,462	$5,773	$7,170	$8,658	$10,241
Inflation Rate for Storm Drain System - Local Repairs Component - 10 Year Projections									
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Photo Inventory

Client Provided Replacement History		
Year	*Cost*	*Source*
Comments On Replacement History		

*Projected Replacement Years	
Year	*Future Cost*
2028	$9,721
2038	$13,713
2048	$19,343
Next replace year then only within timeframe of this study	

Comments for Storm Drain System - Local Repairs

This component is for local repairs to the storm drainage system, not replacement of the piping or catch basins on a large scale. Assuming proper installation and regular maintenance; there is no expectation of a system wide replacement within the scope of this study. Review contingency annually and adjust as conditions and repair needs dictate.

Definitions Index

Abbreviations

ea = each FY = fiscal year lf or lin ft = lineal feet
ls = lump sum RL = remaining life sf or sq ft = square feet
sy or sq yd= square yard UL = useful life 100 sq ft = 1 square)
% = percent

1. Allocation %

A percentage of the total Reserve Allocation. See - Calculations Appendix

2. Allocation Increase Rate

Expressed as a percentage rate that reflects the increase of a given year's Reserve Allocation over the previous year's Reserve Allocation and utilized only in the Cash Flow Analysis.

3. Base Year

The year in which the governing documents were recorded and/or the buildings constructed (average year may be used for phases built over a period) and utilized to determine the approximate complex age. This parameter is provided for information only.

4. Common Interest Development (CID)

Defined by shared property and restrictions in the deed on use of the property. A CID is governed by a mandatory Association of homeowners which administers the property and enforces its restrictions. The following are two typical CID subdivision types:
> Condominium- In general, the recorded owner has title to the unit (or airspace). They are typically responsible for the interior of their individual unit/garage, all utilities that service their unit and any exclusive use common area associated with their unit.
> Planned Development- In general, the recorded owner has title to the lot. They are typically responsible for the maintenance and repair of any structure or improvement located on their respective lot.
*Note- CIDs & subdivision types are general and may not apply or may vary, based on your local.

5. Component Inventory

The task of selecting and quantifying reserve items. This task can be accomplished through on-site visual observations, review of association design and organizational documents, review of established association precedents, and discussion with appropriate association representatives.

6. Condition Assessment

The task of evaluating the current condition of the component based on observed or reported characteristics and normal documented in the field report for a Level 1 or Level 2 Reserve Study.

7. Contingency Rate

Expressed as a percentage rate that reflects a factor added to the unit cost to prepare for an event that is liable to occur, but not with certainty.

8. Current Cost

The current fiscal year's estimated cost to maintain, replace, repair, or restore a reserve component to its original functional condition. Sources utilized to obtain estimates may include: the association, its contractors, other contractors, specialists and independent consultants, the State department of Real Estate (or other state department as applicable), construction pricing and estimating manuals, and the preparer's own experience and/or database of costs formulated in the preparation of other reserve study reports. See - Calculations Appendix.

9. Disbursement / Expenditures

The funds expected to be paid or expended from the Reserve Balance.

10. Extended Cost

See - Calculations Appendix.

11. Fiscal Year (FY)

A twelve-month period for which an organization plans the use of its funds. There are two distinct types:
> Calendar Fiscal Year (ends December 31)
> Non-Calendar Fiscal Year (does not end December

12. Full Funded Balance (FFB)

Total Accrued Depreciation. An indicator against which the FY Start Balance can be compared. The balance that is in direct proportion to the fraction of life "used up" of the cost. See - Calculations Appendix.

13. Funding Goal

Independent of methodology utilized, the following represents the basic categories of funding plan goals:
>Baseline Funding- Maintaining a Net Reserve Balance above zero for length of the study.
> Full Funding- Maintaining a Reserve Balance at or near Percent Funded of 100%.
> Statutory Funding- Maintaining a specified Reserve Balance/Percent Funded per statute.
> Threshold Funding- Establishing and maintaining a set predetermined Reserve Balance or Percent Funded.

14. Funding Method (or Funding Plan)

An Association's plan to provide income to the reserve fund to offset expected disbursements from that fund. The following represents two (2) basic methodologies used to fund reserves:
> Cash Flow Method- A method of developing a reserve funding plan where allocations 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 Method - The component method develops a reserve-funding plan where the total contribution is based on the sum of contributions for individual components. The component method is the more conservative (typically higher reserve account balance) of the two funding options and assures that the association will achieve and maintain an ideal level of reserves over time. This method also allows for computations on individual components in the analysis. However, this method has also limitations with respects to variations in actual useful life of components and is much more time intensive to accurately follow this funding strategy.

15. Funding Plan
The combined Funding Method & Funding Goal.
16. FY End Balance (same as next FY Start Balance)
The balance in reserves at end of applicable fiscal year. See - Calculations Appendix.
17. FY Start Balance (same as prior year FY End Balance)
The balance in reserves at start of applicable fiscal year.
18. Inflation Rate
Expressed as a percentage rate that reflects the increase of this year's costs over the previous year's costs. Also known as a 'cost increase factor'.
19. Interest Earned
The annual earning of reserve funds that have been deposited into certificates of deposit (CDs), money market accounts or other investment vehicles. See - Calculations Appendix.
20. Interest Rate
The ratio of the gain received from an investment and the investment over a period (usually one year), prior to any federal or state-imposed taxes.
21. Interest Rate (net effective)
The ratio of the gain received from an investment and the investment over a period (usually one year), after any federal or state-imposed taxes.
22. Levels of Service

Level 1 Reserve Study (Full or Comprehensive) - A Reserve Study in which the following Reserve Study tasks are performed:
> Component Inventory
> Life and Cost Estimates
> Remaining Useful Life Estimates
> Fund Status
> Funding Plan

Level 2 Reserve Study (Update, With-Site-Visit/On-Site Review) - A Reserve Study update in which the following five tasks are performed:
> Component Inventory (from prior study)
> Life and Valuation Estimates
> Remaining Useful Life Estimate
> Fund Status
> Funding Plan

*Note - Updates are reliant on the validity of prior Reserve Studies.

Level 3 Reserve Study (Update, No-Site-Visit/Off-Site Review) - A Reserve Study update with no on-site visual observations in which the following three tasks are performed:
> Component Inventory (from prior study)
> Life and Cost Estimates
> Remaining Useful Life Estimate
> Fund Status
> Funding Plan

*Note - Updates are reliant on the validity of prior Reserve Studies.

23. Percent Funded
A comparison of the Fully Funded Balance (ideal balance) to the Fiscal Year Actual Start Balance expressed as a percentage and used to provide a 'general indication' of reserve strength. See Calculations Appendix.
24. Quantity
The number or amount of a reserve component or sub-component.
25. Remaining Life (RL)
The estimated time, in years, that a reserve component can be expected to continue to serve its intended function.
26. Replacement %
A percentage of the total replacement for a reserve component or sub-component. This parameter is normally 100%.
27. Reserve Allocation
The amount to be annually budgeted towards reserves based on a Funding Plan.
28. Reserve Component (or sub-component)
The individual line items in the reserve study, developed or updated in the physical analysis that form the building blocks of the reserve study. They typically are:

> an association responsibility
> with limited useful life expectancy
> predictable remaining useful life expectancy
> above a minimum threshold cost (Client defined)
> as required by statutes.

29. Restoration
Defined as to bring back to an unimpaired or improved condition. General types follow:
> Building- In general, funding utilized to defray the cost (in whole or part) of major building components that are not necessarily included as line items and may include termite treatment.
> Irrigation System- In general, funding utilized to defray the cost (in whole or part) of sectional irrigation system areas including modernization to improve water management.
> Landscape- In general, funding utilized to defray the cost (in whole or part) of sectional landscape areas including modernization to improve water conservation & drainage.
30. Risk Factor (Percent Funded)
The associated risk of the availability of reserves to fund expenditures by interpreting the Percent Funded parameter as follows:

> 70% and above -LOW
> 30% to 70% -MODERATE
> 30% and below -HIGH

*High risk is associated with a higher risk for reliance on special assessments, loans and litigation.

31. Unit Cost
The current fiscal year's estimated cost to maintain, replace, repair, or restore an individual "unit of measure" of a reserve component or sub-component to its original functional condition.

32. Unit of Measure
A system of units used in measuring a reserve component or sub-component (i.e., each, lineal feet, square feet, etc.).
33. Useful Life (UL)
Total Useful Life or Depreciable Life. The estimated time, in years, that a reserve item can be expected to serve its intended function if properly constructed and maintained in its present application or installation.

Disclosures Index

The below disclosures are in accordance with reserve study standards developed by CAI, APRA and statutory requirements.

1.Items Beyond the Scope of this Report
This reserve study has been conducted to outline a financial plan for the proper and adequate budgeting of the Association component repair and/or replacement. This report should not be utilized for any other purpose and should not be considered or deemed appropriate or reliable for, but not limited to, any of the following:

> Building or land appraisals for any purpose
> State or local zoning ordinance violations
> Building code violations
> Soils conditions, soils contamination or geological stability of site
> Engineering analysis or structural stability of site
> Air quality, asbestos, electromagnetic radiation, formaldehyde, lead, mercury, or radon
> Water quality or other environmental hazards
> Invasions by termites and any or all other destroying organisms or insects
> Damage or destruction due to pests, birds, bats or animals to buildings or site
> Adequacy or efficiency of any system or component on site
> Specifically excluded reserve items
> Septic systems and septic tanks
> Buried or concealed portions of swing pools, pool liners, Jacuzzis/spas or similar items
> Items concealed by signs, carpets or other things
> Missing or omitted information supplied by the Association for the purposes of reserve study preparation
> Hidden improvements such as sewer lines, water lines, or other buried or concealed items

2. Qualifications
We are a professional business in the market to prepare Reserve Studies. Our Reserve Analysts' are either designated with or working towards the RS and/or PRA designations which are given by the two leading industry organizations which require peer review, continuing education and provide resources to stay on top of industry trends.

3. Invasive Testing
Estimated life expectancy and life cycles are based upon conditions that were readily accessible and visible at the time of the site visit. We did not destroy any landscape work, building walls, or perform any methods of intrusive/invasive testing during the site visit. In these cases, information may have been obtained by contacting the contractor or vendor that has worked on the property. The physical analysis performed during this site visit is not intended to be exhaustive in nature and may include representative sampling.

4. Conflicts of Interests
As the preparer of this reserve study; the Reserve Analyst certifies that we do not have any vested interests, financial interests, or other interests that would cause a conflict of interest in the preparation of this reserve study.

5. Representative Sampling
This study and report is based on observations of the visible and apparent conditions of a reasonable representative sampling of the property's elements at the time of inspection. Although due diligence was performed during the inspection phase, we make no representations regarding latent or concealed defects that may exist. The inspection did not constitute any invasive investigations and was not intended to determine whether applicable building components, systems, or equipment are adequate or in compliance with any specific or commonly accepted design requirement, building code, or specification. Such tasks as material testing, engineering analysis, destructive testing, or performance testing of building systems, components, or equipment are not considered as part of the scope of work, nor are they considered by the reserve study industry standard.

6. Reliance on Client & Vendor Data Provided
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 reflect 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. A site visit 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 their experience and research during their 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.

7. Update to Prior Reserve Studies

Level II Studies: Quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies. Level III Studies: In addition to the above we have not visited the property when completing a Level III "No Site Visit" study. Therefore, we have not verified the current condition of the common area components. It is assumed all prior study component information related to quantities, condition assessments, useful life and remaining useful life are accurate.

8. Assumption Regarding Ongoing Maintenance

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.

9. Assumptions Regarding Defect in Design or Construction

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 their full and expected useful lives. We have assumed all components have been properly built and will reach normal, typical life expectancy. 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.

10. Basis of Cost Estimates

Pricing used for the repair or replacement costs indicated in this report are derived from a variety of sources, e.g., recent contractor bids received by subject property HOA or prior clients, construction product vendor catalogs, internet, or national construction cost estimating publishers (RS Means / Marshall & Swift). The material and labor pricing provided are estimates and have been augmented, as necessary, to account for specific site conditions (i.e. material handling, scaffolding, etc.). The total expenses represent a useful guideline whereby reserve funds can be accumulated for future repairs and replacements. The estimated repair and replacement expenses, unless otherwise noted, do not include allowances for architectural, engineering, or permitting fees.

11. Limitations on Report Use

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. A site visit conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection. This Reserve Study is provided as an aid for planning purposes and not as an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described. Additionally, other unanticipated expenses may arise that are not included within this reserve study. This reserve study should be reviewed carefully ... It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special assessment your share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.

12. State Specific Disclosures

Washington State

RCW 64.34.382 & WA State RCW 64.38.070 & 64.90.550

This reserve study meets minimum standards as required per WA State RCW requirements outlined in the Washington Condominium Act, the Homeowners' Association Act, and the Washington Uniform Common Interest Ownership Act

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

Washington State

Disclosures Required by RCW 64.90.550.

This Reserve Study meets all requirements of the Washington Uniform Common Interest Ownership Act.

a) This Reserve Study was prepared with the assistance of a reserve study professional and that professional was independent;

b) This Reserve Study includes all information required by RCW 64.90.550 Reserve Study – Contents; and

c) This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require the association to (1) defer major maintenance, repair, or replacement, (2) increase future reserve contributions, (3) borrow funds to pay for major maintenance, repair, or replacement, or (4) impose special assessments for the cost of major maintenance, repair, or replacement.

Calculations Index

1. Allocation % =
Reserve Allocation (Component Method) / Total Reserve Allocation (Component Method) x 100

2. Current Cost =
Extended Cost (for a component without subcomponents)
-or-
Sum of subcomponent Extended Costs (for a component with subcomponents)

3. Extended Cost =
Quantity x Unit Cost x Replacement % x (1+Contingency Rate)

4. FY End Balance (same as Next FY Start Balance) =
Initial or current fiscal year-
Current Reserve Balance + Interest Earned + Reserve Allocation to Fund + Special Assessment to
Fund + Funds Due from Operating - Approved Funds to Disburse - Disbursements

Subsequent fiscal years-
FY Start Balance + Interest Earned + (Reserve Allocation (from previous year) x
(1 + Reserve Allocation Rate) - Disbursements

5. Interest Earned =
Initial fiscal year-
Current Reserve Balance x (Interest Rate
(net effective)/12 x
Number of funding months remaining in current fiscal year)
Subsequent fiscal years-
FY Start Balance x Interest Rate (net effective)
Accumulation Function and Amount Function
https://www.reservedataanalyst.com/int

6. Percent Funded =
(Reserve Account Balance / Fully Funded Balance) x 100

7. Reserve Allocation (Component Method) =
Current Cost / Useful Life

8. Fully Funded Balance (FFB) =

Basic Fully Funded
> Fully Funded = Age/Useful Life * Cost

Note that “Age” is adjusted for each year of the study (e.g. one year later also equates to an Age which is one year greater). We do not use the age from the first year of the study for future FFB calculations as this would not appropriately address the deterioration of the component over time (i.e. when providing future projections one can make a valid assumption that a component will deteriorate by one year if providing projections for one year later).

Cost (component project cost) is inflated for each year based on an annual inflation rate (compounding) given in this reserve study (e.g., a paint project “cost” may be $1,000 in Year 1 of the study but will have a “cost” of $1,030 in Year 2 of the study, and $1,060.90 in Year 3 of the study, when utilizing an annual 3% inflation rate). Note that we do not use the "cost" (current project cost) from the first year of the study for future year's FFB calculations as this approach does not consider the impact of inflation on the project cost and will usually result in a significantly underfunded reserve account over time. This is also known as the Inflation Adjusted Cost Method

**Unless specifically noted otherwise we have utilized the above FFB formula and methodology in this reserve study.

Community Association Institute FFB Formula
The Community Association Institute published the FFB formula to account for inflation and interest earned on deposit ("present value" is based on the current cost only - with no inflation of the project cost) the writers of 'RESERVE FUNDS: How & Why community Associations Invest Assets' published:

Mathematical formula information can be found at the following link:
www.reservedataanalyst.com/math