geoReserves
MAPPING YOUR COMMUNITY'S FINANCIAL FUTURE

Rio Del Sol

Association #: 03.02.0106

Level 1 -- Full Reserve Study with Site Visit

Prepared By: Byron Goetting **NV Permit #0235**

Date of Site Inspection:	**04/06/2025**
Initial Funding Plan Period:	**01/01/2026 - 12/31/2026**
Date of First Draft:	**04/15/2025**
Date of Final Draft:	**07/15/2025**
Version #:	**2 - Final**

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Table of Contents

Appendices

Executive Summary

This is the reserve study prepared by GeoReserves, to summarize the current financial condition of Rio Del Sol's reserve account and make recommendations on improving the reserve fund in order to perform all necessary projects.

This report begins with a Physical Analysis that outlines each component the association is responsible to maintain, along with a 30-year projected cost schedule. The report then analyzes the current reserve account data. This includes a projection of the starting reserve account balance on January, 1, 2026, which is the start date of this report, and the estimated percent funded. Finally, this report offers two recommended plans of how much money should be contributed to reserves each year for the next 30 years to maintain a fully-funded reserve account.

Currently, this community is projected to have $142,690.00 on January, 1, 2026. It should have $1,291,706.05 in reserves to be at the fully-funded level. This puts the community at 11.0% funded, which is generally considered to be a weak reserve fund position. In addition, this community has a current reserve transfer of $6,216.88 per month ($64.76 per unit).

This reserve study has determined the following two recommendations:

1. Fully Funded (100%) Plan (100%) Plan of $135,936 per year ($11,328 per month or $118.00 per unit) and a special assessment of $201,600 ($2,100.00 per unit). This represents an increase of $5,111.12 to the current reserve contribution.

2. 10% Threshold Plan of $109,440 ($9,120 month or $95.00 per unit) and a special assessment of $201,600 ($2,100.00 per unit). This represents an increase of $2,903.12 to the current monthly reserve contribution.

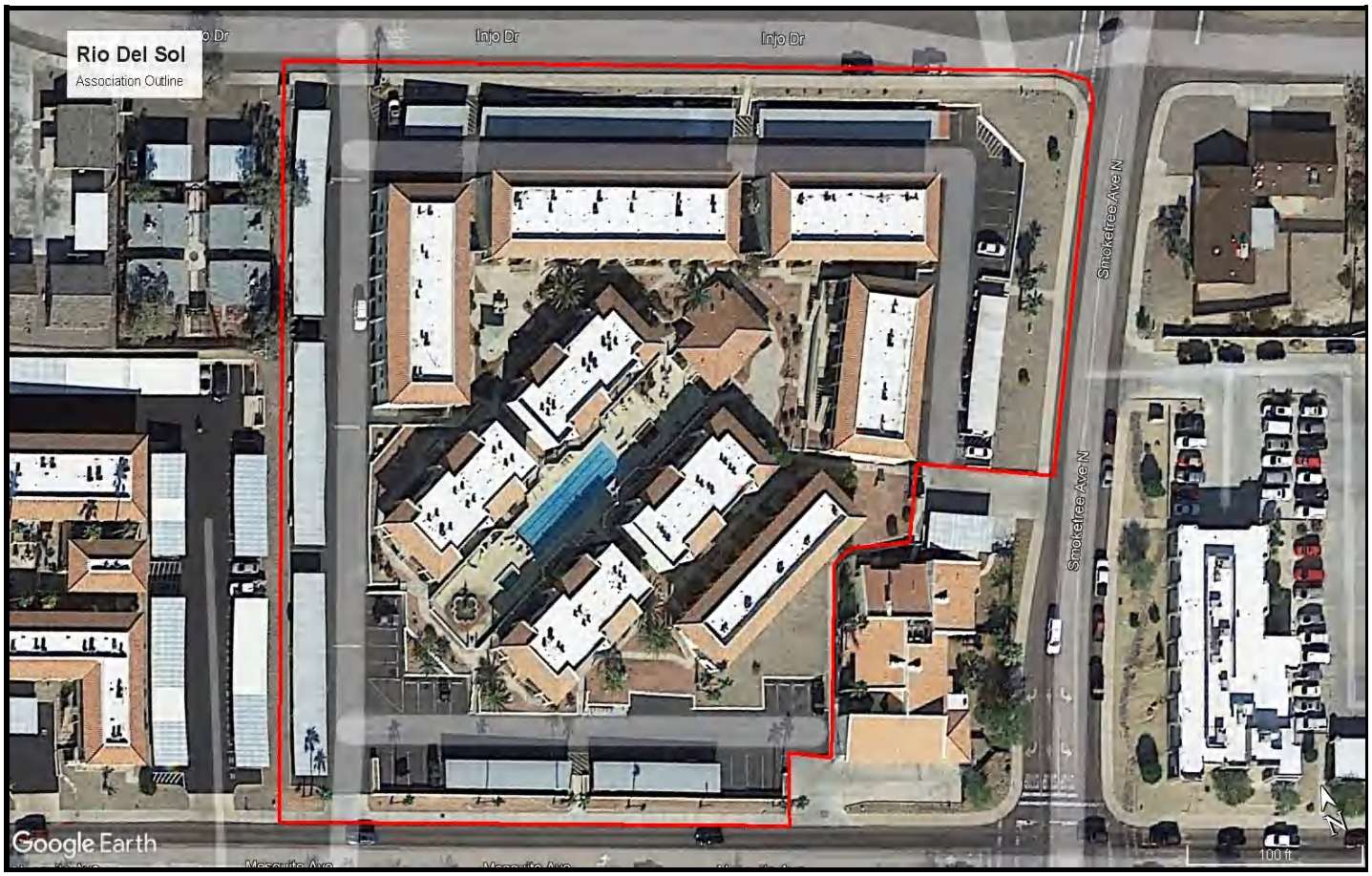
It has been a pleasure working with your association and I look forward to continuing to update this report in the future. Please feel free to contact me with any questions or concerns.

Thank you,

Byron Goetting
Owner, GeoReserves

Physical Analysis Summary

Association Map:



Association Details:

Association Name:	Rio Del Sol
Association ID:	03.02.0106
Association State:	AZ
Association City:	Lake Havasu City
Association Type:	Condominiums
# of Units:	96
Construction Year:	1991

Expenditures Projected to Occur in Initial Funding Plan Year:

This is a list of projects that are scheduled to occur during the initial year of this report.

Comp #	Component Name	Cost
1703	Residential Buildings - Roof Re-Stack (Phase 1)	$30,250
402	Concrete - Repair	$20,000
1502	Fountain - Refurbish	$20,000
306	Asphalt - Preservation	$18,130
1603	Clubhouse Building - Roof Re-Stack	$11,825
1717	Residential Buildings - Doors Replace	$10,080
1707	Residential Buildings - Stairways & Landings Major Repair	$9,925
1506	Fountain Equipment - Major Replacements	$8,000

Top 5 expenditures ranked by significance:

These are the most significant components in this reserve study. These components have the biggest impact on the funding plan recommendations. These projects are not necessarily scheduled to occur the initial funding plan year. Refer to the Physical Analysis to see the remaining useful life of each component.

Comp #	Component Name	UL	Cost	Significance	Sig. %
1712	Residential Buildings - Exterior Stucco Repaint	15	$288,000	$19,200	15.35%
1705	Residential Buildings - Exteriors Major Repair	24	$360,000	$15,000	11.99%
1725	Residential Buildings - Utility Lines Major Repair	40	$288,000	$7,200	5.75%
306	Asphalt - Preservation	3	$18,130	$6,043	4.83%
301	Asphalt - Major Rehab	40	$207,200	$5,180	4.14%

Financial Analysis Summary

Report Details:

Report Type:	Level 1 -- Full Reserve Study with Site Visit
Report Period:	January, 1, 2026 - December, 31, 2026

Starting Reserve Fund Assessment:

Projected Starting Balance	$142,690.00
Projected Starting Fully-Funded (100%) Balance	$1,291,706.05
Projected Starting Percent Funded	11.0%
Projected First Year Reserve Expenditures	$128,210.00
Current Budgeted Monthly Reserve Contribution	$6,216.88
Cost Per Unit Per Month:	$64.76
#1 - Fully Funded (100%) Plan	
Annual Reserve Contribution	$135,936.00
Monthly Reserve Contribution	$11,328.00
Per Unit Reserve Contribution	$118.00
Increase/(Decrease) Compared to Current ($)	$5,111.12
Percent Increase/(Decrease) (%)	82%
Recommended Immediate Special Assessment	$201,600.00
#2 - 10% Threshold Plan	
Annual Reserve Contribution	$109,440.00
Monthly Reserve Contribution	$9,120.00
Per Unit Reserve Contribution	$95.00
Increase/(Decrease) Compared to Current ($)	$2,903.12
Percent Increase/(Decrease) (%)	47%
Recommended Immediate Special Assessment	$201,600.00

Introduction

The following report is a reserve study prepared for Rio Del Sol by GeoReserves. GeoReserves will be working with the Association's manager, board of directors, and/or any other representative agents (the Client) to finalize and adopt this report. This report begins with an executive summary and introduction. It is then divided into three main sections, followed by appendices to help the Client understand this report and reserve studies in general.

The first section is the **Physical Analysis**. The Physical Analysis includes the component inventory. The component inventory is a list of the components the Association maintains.

The second section is the **Financial Analysis**. The Financial Analysis evaluates the Association's reserve income and expenditures over the course of the next 30 years. This section discusses the recommended funding goals and reserve contributions, as well as the methods used for determining these recommendations.

The third section is the **Component Detail** section, which includes the component assessment and valuation. The component assessment and valuation provides additional information related to the life expectancy, condition, and cost estimates associated for each component. This section also includes areas for Client feedback for specific components, such as installation dates, cost histories, and other notes.

This report concludes with three appendices. The first appendix has the preparer's qualifications and other legal disclosures. The second appendix is a general reference guide to help better understand how to read this reserve study. The third appendix is a glossary of commonly used reserve study terms. It is important to note that a reserve study is a complex budgeting tool. Please refer to all appendices and consult GeoReserves if necessary for any questions about the contents of this report.

Physical Analysis

The following table is the list of components that comprise this reserve study. For each component the Useful Life (UL), Remaining Useful Life (RUL), and Cost Estimate has been determined. Based on these estimates, the Significance Percent of each component is calculated. The higher the significance percent, the more of an impact this component has on the final recommendations of this reserve study. Please see the Appendix 2 for additional information.

Component Inventory						
Subgroup 1: Common Area						
Comp #	**Component**	**Quantity**	**Sig. %**	**UL**	**RUL**	**Cost**
1.205	Pole Lights - Replace	1 Allowance	1.00%	12	6	$15,000
1.220	Mailbox CBUs - Replace	8 CBUs	0.88%	20	5	$22,000
1.301	Asphalt - Major Rehab	51,800 Sq. Ft	4.14%	40	27	$207,200
1.306	Asphalt - Preservation	51,800 Sq. Ft.	4.83%	3	0	$18,130
1.341	Carports - Major Repair	13,500 Sq. Ft.	3.60%	30	5	$135,000
1.402	Concrete - Repair	1 Allowance	1.60%	10	0	$20,000
1.502	Block Wall - Repair	1,300 Linear Ft.	0.52%	20	8	$13,000
1.504	Block Wall - Repaint	1,300 Linear ft.	1.04%	10	3	$13,000
1.536	Wrought Iron Fencing - Replace	1,200 Linear Ft.	1.73%	36	4	$78,000
1.539	Wrought Iron Fencing - Repaint	1,200 Linear Ft.	2.40%	6	4	$18,000
1.602	Landscaping - Renovate	1 Allowance	2.00%	10	5	$25,000
1.811	Park Furniture - Replace	1 Allowance	0.40%	20	12	$10,000
1.817	Gas Barbecue Grill - Replace	2 Grills	0.46%	7	1	$4,000
1.843	Shade Structure - Replace	1 Shade Structure	0.32%	30	14	$12,000
1.3001	Reserve Study - Update	1 Reserve Study	0.93%	3	2	$3,500
			Total Cost for 1/Common Area:			**$593,830.00**

Subgroup 2: Pool Area						
Comp #	**Component**	**Quantity**	**Sig. %**	**UL**	**RUL**	**Cost**
2.1201	Pool - Re-Plaster	1 Pool	1.67%	12	11	$25,000
2.1204	Pool Cover - Replace	1 Pool Cover	2.40%	15	14	$45,000
2.1212	Pool Pump - Replace	1 Pump	0.23%	12	11	$3,500
2.1213	Pool Filter - Replace	1 Filter	0.27%	15	14	$5,000
2.1215	Pool Heater - Replace	1 Heater	0.40%	10	9	$5,000
2.1217	Pool Chemical Controller System - Replace	1 System	0.37%	15	14	$7,000
2.1301	Spa - Re-Plaster (Fountain)	1 Spa	0.80%	6	5	$6,000
2.1305	Spa Pumps - Replace (Fountain)	2 Pumps	0.30%	12	11	$4,500
2.1306	Spa Filter - Replace (Fountain)	1 Filter	0.27%	15	14	$5,000

Subgroup 2: Pool Area						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
2.1308	Spa Heater - Replace (Fountain)	1 Heater	0.36%	10	9	$4,500
2.1310	Spa Chemical Controller System - Replace (Fou	1 System	0.37%	15	14	$7,000
2.1312	Second Spa - Re-Plaster (Clubhouse)	1 Spa	0.80%	6	5	$6,000
2.1316	Second Spa Pumps - Replace (Clubhouse)	2 Pumps	0.60%	12	11	$9,000
2.1317	Second Spa Filter - Replace (Clubhouse)	1 Filter	0.27%	15	14	$5,000
2.1319	Second Spa Heater - Replace (Clubhouse)	1 Heater	0.44%	10	9	$5,500
2.1321	Second Spa Chemical Controller System - Repla	1 System	0.37%	15	14	$7,000
2.1402	Pool Deck - Resurface	4,975 Sq. Ft.	3.03%	20	19	$75,869
2.1404	Pool Deck - Reseal	4,975 Sq. Ft.	1.74%	4	3	$8,706
2.1413	Pool Area Furniture - Replace	1 See Detail	1.20%	10	9	$15,000
2.1502	Fountain - Refurbish	1 Fountain	0.53%	30	0	$20,000
2.1506	Fountain Equipment - Major Replacements	1 Allowance	0.64%	10	0	$8,000
			Total Cost for 2/Pool Area:			**$277,575.00**

Subgroup 3: Clubhouse						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
3.1603	Clubhouse Building - Roof Re-Stack	2,150 Sq. Ft.	0.32%	30	0	$11,825
3.1607	Clubhouse Building - Exterior Stucco Repaint	1 Clubhouse	0.56%	10	6	$7,000
3.1609	Clubhouse Building - Interior Remodel	1 Allowance	0.80%	20	5	$20,000
3.1610	Clubhouse Building - Restroom Remodel	2 Restroom	1.33%	30	5	$50,000
			Total Cost for 3/Clubhouse :			**$88,825.00**

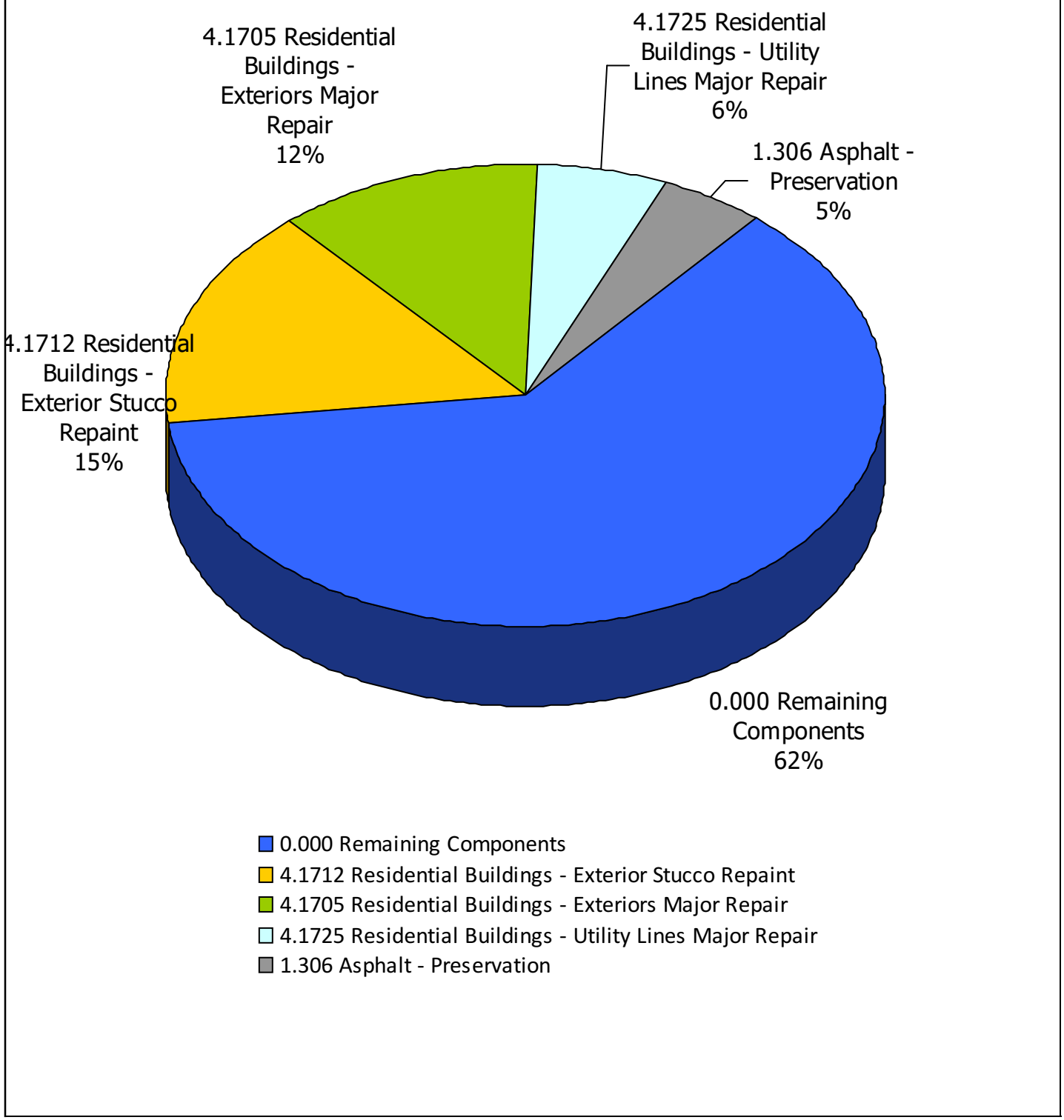
Subgroup 4: Residential Buildings						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
4.1702	Residential Buildings - Flat Roof Replace (Phase	1 Project	1.61%	20	17	$40,288
4.1702	Residential Buildings - Flat Roof Replace (Phase	1 Project	1.30%	20	18	$32,570
4.1702	Residential Buildings - Flat Roof Replace (Phase	1 Project	2.46%	20	19	$61,624
4.1703	Residential Buildings - Roof Re-Stack (Phase 1)	22,000 Sq. Ft.	0.81%	30	0	$30,250
4.1703	Residential Buildings - Roof Re-Stack (Phase 2)	22,000 Sq. Ft.	0.81%	30	1	$30,250
4.1703	Residential Buildings - Roof Re-Stack (Phase 3)	22,000 Sq. Ft.	0.81%	30	2	$30,250
4.1703	Residential Buildings - Roof Re-Stack (Phase 4)	22,000 Sq. Ft.	0.81%	30	3	$30,250
4.1704	Residential Buildings - Flat Roof Re-coat (Phase	3 Roofs	2.19%	5	2	$13,692
4.1704	Residential Buildings - Flat Roof Re-coat (Phase	2 Roofs	1.46%	5	3	$9,128
4.1704	Residential Buildings - Flat Roof Re-coat (Phase	4 Roofs	2.92%	5	4	$18,256
4.1705	Residential Buildings - Exteriors Major Repair	9 Buildings	11.99%	24	6	$360,000

Subgroup 4: Residential Buildings						
Comp #	**Component**	**Quantity**	**Sig. %**	**UL**	**RUL**	**Cost**
4.1707	Residential Buildings - Stairways & Landings Ma	397 Stair Treads	1.59%	5	0	$9,925
4.1712	Residential Buildings - Exterior Stucco Repaint	96 Units	15.35%	15	11	$288,000
4.1714	Residential Buildings - Light Fixtures Replace	251 Lights	0.37%	15	1	$6,903
4.1717	Residential Buildings - Doors Replace	96 Units	1.61%	5	0	$10,080
4.1718	Residential Buildings - Garage Doors Replace	38 Doors	2.28%	20	5	$57,000
4.1725	Residential Buildings - Utility Lines Major Repai	96 Units	5.75%	40	5	$288,000
					Total Cost for 4/Residential Buildings:	**$1,316,465.50**

Total Cost of Component Inventory:	**$2,276,695.50**

These are the components with the highest signficance in this report. These components have the biggest impact on the final reserve contribution recommendations.

Component Inventory Ranked By Significance



The following tables shows how the Fully Funded Balance (FFB) for the first year of this report is calculated. The formula for this calculation is: FFB = (Effective Age / Useful Life) x Current Cost. The Effective Age of each component is its Useful Life – Remaining Useful Life. Each year the current cost is adjusted for inflation and will therefore increase by the projected inflation rate.

See Appendix II for additional information, and contact GeoReserves to receive an additional report showing the calculation of the FFB for all 30 years.

Fully Funded Balance Calculation Year 2026						
Subgroup 1: Common Area						
Comp #	**Component**	**UL**	**RUL**	**Effective Age / Useful Life**	**Cost**	**FFB**
1.205	Pole Lights - Replace	12	6	0.5	$15,000	$7,500
1.220	Mailbox CBUs - Replace	20	5	0.75	$22,000	$16,500
1.301	Asphalt - Major Rehab	40	27	0.32	$207,200	$67,340
1.306	Asphalt - Preservation	3	0	1	$18,130	$18,130
1.341	Carports - Major Repair	30	5	0.83	$135,000	$112,500
1.402	Concrete - Repair	10	0	1	$20,000	$20,000
1.502	Block Wall - Repair	20	8	0.6	$13,000	$7,800
1.504	Block Wall - Repaint	10	3	0.7	$13,000	$9,100
1.536	Wrought Iron Fencing - Replace	36	4	0.89	$78,000	$69,333
1.539	Wrought Iron Fencing - Repaint	6	4	0.33	$18,000	$6,000
1.602	Landscaping - Renovate	10	5	0.5	$25,000	$12,500
1.811	Park Furniture - Replace	20	12	0.4	$10,000	$4,000
1.817	Gas Barbecue Grill - Replace	7	1	0.86	$4,000	$3,429
1.843	Shade Structure - Replace	30	14	0.53	$12,000	$6,400
1.3001	Reserve Study - Update	3	2	0.33	$3,500	$1,167
				FY 2026 Totals for 1/Common Area:	**$593,830**	**$361,699**
Subgroup 2: Pool Area						
Comp #	**Component**	**UL**	**RUL**	**Effective Age / Useful Life**	**Cost**	**FFB**
2.1201	Pool - Re-Plaster	12	11	0.08	$25,000	$2,083
2.1204	Pool Cover - Replace	15	14	0.07	$45,000	$3,000
2.1212	Pool Pump - Replace	12	11	0.08	$3,500	$292
2.1213	Pool Filter - Replace	15	14	0.07	$5,000	$333
2.1215	Pool Heater - Replace	10	9	0.1	$5,000	$500
2.1217	Pool Chemical Controller System - Replace	15	14	0.07	$7,000	$467
2.1301	Spa - Re-Plaster (Fountain)	6	5	0.17	$6,000	$1,000
2.1305	Spa Pumps - Replace (Fountain)	12	11	0.08	$4,500	$375

Fully Funded Balance Calculation Year 2026						
Subgroup 2: Pool Area						
Comp #	**Component**	**UL**	**RUL**	**Effective Age / Useful Life**	**Cost**	**FFB**
2.1306	Spa Filter - Replace (Fountain)	15	14	0.07	$5,000	$333
2.1308	Spa Heater - Replace (Fountain)	10	9	0.1	$4,500	$450
2.1310	Spa Chemical Controller System - Replace (Fou	15	14	0.07	$7,000	$467
2.1312	Second Spa - Re-Plaster (Clubhouse)	6	5	0.17	$6,000	$1,000
2.1316	Second Spa Pumps - Replace (Clubhouse)	12	11	0.08	$9,000	$750
2.1317	Second Spa Filter - Replace (Clubhouse)	15	14	0.07	$5,000	$333
2.1319	Second Spa Heater - Replace (Clubhouse)	10	9	0.1	$5,500	$550
2.1321	Second Spa Chemical Controller System - Repl	15	14	0.07	$7,000	$467
2.1402	Pool Deck - Resurface	20	19	0.05	$75,869	$3,793
2.1404	Pool Deck - Reseal	4	3	0.25	$8,706	$2,177
2.1413	Pool Area Furniture - Replace	10	9	0.1	$15,000	$1,500
2.1502	Fountain - Refurbish	30	0	1	$20,000	$20,000
2.1506	Fountain Equipment - Major Replacements	10	0	1	$8,000	$8,000
				FY 2026 Totals for 2/Pool Area:	**$277,575**	**$47,870**
Subgroup 3: Clubhouse						
Comp #	**Component**	**UL**	**RUL**	**Effective Age / Useful Life**	**Cost**	**FFB**
3.1603	Clubhouse Building - Roof Re-Stack	30	0	1	$11,825	$11,825
3.1607	Clubhouse Building - Exterior Stucco Repaint	10	6	0.4	$7,000	$2,800
3.1609	Clubhouse Building - Interior Remodel	20	5	0.75	$20,000	$15,000
3.1610	Clubhouse Building - Restroom Remodel	30	5	0.83	$50,000	$41,667
				FY 2026 Totals for 3/Clubhouse :	**$88,825**	**$71,292**
Subgroup 4: Residential Buildings						
Comp #	**Component**	**UL**	**RUL**	**Effective Age / Useful Life**	**Cost**	**FFB**
4.1702	Residential Buildings - Flat Roof Replace (Phas	20	17	0.15	$40,288	$6,043
4.1702	Residential Buildings - Flat Roof Replace (Phas	20	18	0.1	$32,570	$3,257
4.1702	Residential Buildings - Flat Roof Replace (Phas	20	19	0.05	$61,624	$3,081
4.1703	Residential Buildings - Roof Re-Stack (Phase 1)	30	0	1	$30,250	$30,250
4.1703	Residential Buildings - Roof Re-Stack (Phase 2)	30	1	0.97	$30,250	$29,242
4.1703	Residential Buildings - Roof Re-Stack (Phase 3)	30	2	0.93	$30,250	$28,233
4.1703	Residential Buildings - Roof Re-Stack (Phase 4)	30	3	0.9	$30,250	$27,225
4.1704	Residential Buildings - Flat Roof Re-coat (Phase	5	2	0.6	$13,692	$8,215
4.1704	Residential Buildings - Flat Roof Re-coat (Phase	5	3	0.4	$9,128	$3,651
4.1704	Residential Buildings - Flat Roof Re-coat (Phase	5	4	0.2	$18,256	$3,651

Fully Funded Balance Calculation Year 2026						
Subgroup 4: Residential Buildings						
Comp #	**Component**	**UL**	**RUL**	**Effective Age / Useful Life**	**Cost**	**FFB**
4.1705	Residential Buildings - Exteriors Major Repair	24	6	0.75	$360,000	$270,000
4.1707	Residential Buildings - Stairways & Landings M	5	0	1	$9,925	$9,925
4.1712	Residential Buildings - Exterior Stucco Repaint	15	11	0.27	$288,000	$76,800
4.1714	Residential Buildings - Light Fixtures Replace	15	1	0.93	$6,902	$6,442
4.1717	Residential Buildings - Doors Replace	5	0	1	$10,080	$10,080
4.1718	Residential Buildings - Garage Doors Replace	20	5	0.75	$57,000	$42,750
4.1725	Residential Buildings - Utility Lines Major Repai	40	5	0.88	$288,000	$252,000
				FY 2026 Totals for 4/Residential Buildings:	**$1,316,465**	**$810,846**
				Totals for Fiscal Year 2026:	**$2,276,695**	**$1,291,706**

Financial Analysis

The financial analysis begins with an estimate of the projected reserve balance. This amount represents how much money will be in the reserve account at the beginning of the report period.

In order for the association to use the reserve study as a budgeting tool, reserve studies are typically prepared prior to when the budget for the initial funding plan year is made. Therefore, the projected starting reserve balance is only an approximation of what the actual reserve balance will be.

Evaluation of Current Reserve Fund	
Association Details	
Name of Association	Rio Del Sol
# of Units	96
Construction Year	1991
Fiscal Year End	12/31
Report Details	
Report Type	Level 1 -- Full Reserve Study with Site Visit
Report Period	January, 1, 2026 - December, 31, 2026
Funding Goal	Fully Funded (100%) Plan
Analysis Method	Cash Flow Method
Economic Assumptions	
Projected Inflation Rate	3.00%
Projected After-Tax Interest Rate	2.50%
Current Financial Data	
Most Recent Reported Reserve Balance	$286,738.08
Reported As Of:	3/31/2025
Monthly Reserve Contribution	$6,216.88
Budgeted Remaining Reserve Contribution	$55,951.92
Projected Investment Income (i.e. After-Tax Interest)	$0.00
Budgeted Special Assessment (if any)	$0.00
Other Reserve Contribution	$0.00
Total Projected Reserve Account Balance	$342,690.00
Estimated Remaining Reserve Expenses	$200,000.00
Projected Funding Plan Starting Reserve Balance	**$142,690.00**

Starting Reserve Fund Assessment	
Projected Funding Plan Starting Reserve Balance	$142,690.00
Report Starting Date:	1/1/2026
Projected Funding Plan Starting Fully-Funded Balance	$1,291,706.05
Projected Starting Percent Funded	11.0%
Funding Plan First Year Reserve Expenditures	$128,210.00

Fully Funded (100%) Plan: First Six Years Summary

Although this reserve study has a funding plan projected 30 years into the future, the association should focus on the first three years of this report. As a budgeting tool, a reserve study is most useful during these initial years. After that, there is a high degree of uncertainty to the future cost and future condition of these components. It is therefore recommended that a reserve study is updated every three years.

For any projected expenses that are programmed to occur within these years, the association should begin to work with appropriate vendors and contractors to determine a specific scope of work and actual cost. Should these costs deviate substantially from this study's estimates, an update may be necessary to determine if any changes to the recommended funding plan are necessary.

After that, if any major projects are scheduled within the following three years, the association should make sure that their funding plan has them on a path to pay for these expenses. Major projects are defined as any projects with a high significance percentage as shown in the pie chart in the Physical Analysis of this report.

The association should also be mindful of major projects that are not scheduled until later in the future. Although these projects may have many years before they are scheduled to occur, the association has a fiduciary responsibility to plan ahead for these expenses. It is recommended that the association adopts a funding plan that enables them to be adequately funded in the future.

	2026	2027	2028	2029	2030	2031
Projected Starting Reserve Balance	$142,690	$360,816	$469,904	$577,882	$655,861	$697,269
Recommended Annual Reserve Contribution	$135,936	$140,014	$144,215	$148,541	$152,997	$157,587
Recommended Monthly Reserve Contribution	$11,328	$11,668	$12,018	$12,378	$12,750	$13,132
Recommended Monthly Per Unit Reserve Contribution	$118.00	$121.54	$125.19	$128.94	$132.81	$136.79
Recommended Special Reserve Assessment	$201,600	$0	$0	$0	$0	$0
Recommended Special Per Unit Reserve Assessment	$2,100	$0	$0	$0	$0	$0
Projected Investment Income (i.e. After-Tax Interest)	$8,800	$11,461	$14,095	$15,997	$17,007	$3,040
Projected Reserve Expenses (Inflation-Adjusted)	($128,210)	($42,388)	($50,331)	($86,559)	($128,596)	($733,248)
Projected Ending Reserve Balance	**$360,816**	**$469,903**	**$577,883**	**$655,861**	**$697,269**	**$124,648**
Projected Fully-Funded (100%) Balance	$1,327,267	$1,456,151	$1,584,706	$1,683,905	$1,747,003	$1,193,554
Year-End Percent Funded	27%	32%	36%	39%	40%	10%

10% Threshold Plan: First Six Years Summary

In addition to the recommended funding plan, this reserve study also has an alternative funding plan. This plan is typically a minimum recommendation, which the association should not fall below or it will not be adequately funded for future projects. The first six years of this alternative funding plan are shown here.

	2026	2027	2028	2029	2030	2031
Projected Starting Reserve Balance	$142,690	$333,658	$414,093	$491,865	$538,016	$545,910
Recommended Annual Reserve Contribution	$109,440	$112,723	$116,105	$119,588	$123,176	$126,871
Recommended Monthly Reserve Contribution	$9,120	$9,394	$9,675	$9,966	$10,265	$10,573
Recommended Monthly Per Unit Reserve Contribution	$95.00	$97.85	$100.79	$103.81	$106.92	$110.13
Recommended Special Reserve Assessment	$201,600	$0	$0	$0	$0	$0
Recommended Special Per Unit Reserve Assessment	$2,100	$0	$0	$0	$0	$0
Projected Investment Income (i.e. After-Tax Interest)	$8,138	$10,100	$11,997	$13,122	$13,315	($1,513)
Projected Reserve Expenses (Inflation-Adjusted)	($128,210)	($42,388)	($50,331)	($86,559)	($128,596)	($733,248)
Projected Ending Reserve Balance	**$333,658**	**$414,093**	**$491,864**	**$538,016**	**$545,911**	**($61,980)**
Projected Fully-Funded (100%) Balance	$1,327,267	$1,456,151	$1,584,706	$1,683,905	$1,747,003	$1,193,554
Year-End Percent Funded	25%	28%	31%	32%	31%	-5%

This page shows the annual cash flow projections for the next 30 years when following the recommended funding plan. It includes the budgeted reserve contribution, special assessments, interest earned in savings accounts, and the projected reserve expenses.

This page also shows the future % increases to the budgeted reserve contribution. If following this plan, the association will get to a recommended 100% funded level.

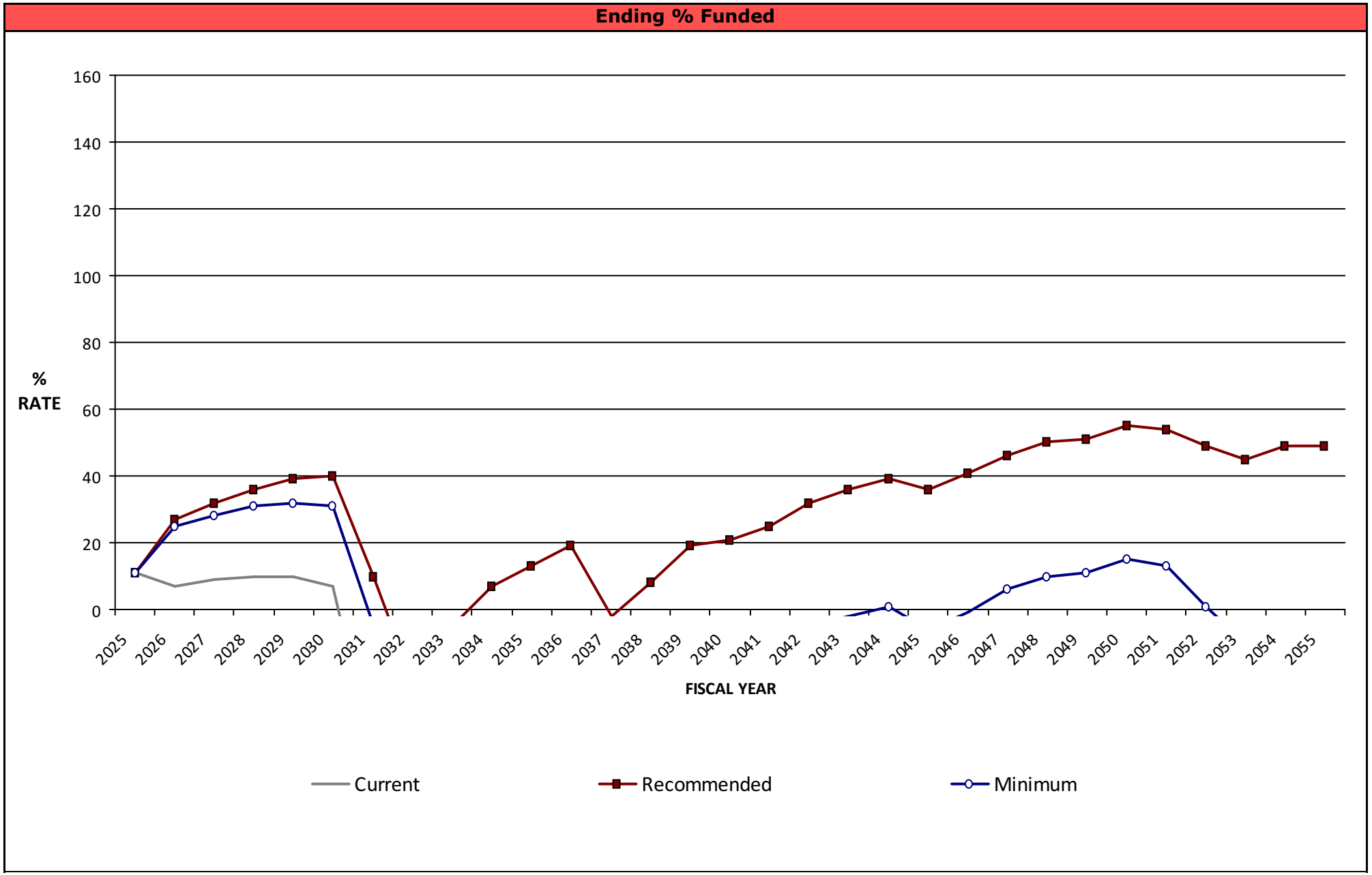
Fully-Funded Plan: Annual Cash Flow Projections							
Year	Starting Balance	Reserve Contribution	% Increase	Special Assessment	After-Tax Interest	Reserve Expenditures	Ending Balance
2026	$142,690	$135,936	82.21%	$201,600	$8,800	($128,210)	$360,816
2027	$360,816	$140,014	3.00%	$0	$11,461	($42,388)	$469,903
2028	$469,904	$144,215	3.00%	$0	$14,095	($50,331)	$577,883
2029	$577,882	$148,541	3.00%	$0	$15,997	($86,559)	$655,861
2030	$655,861	$152,997	3.00%	$0	$17,007	($128,596)	$697,269
2031	$697,269	$157,587	3.00%	$0	$3,040	($733,248)	$124,648
2032	$124,649	$162,315	3.00%	$0	($4,771)	($477,777)	($195,584)
2033	($195,583)	$167,184	3.00%	$0	($1,400)	($27,547)	($57,346)
2034	($57,345)	$172,200	3.00%	$0	$1,933	($37,532)	$79,256
2035	$79,256	$177,366	3.00%	$0	$4,250	($86,619)	$174,253
2036	$174,253	$182,687	3.00%	$0	$6,706	($88,704)	$274,942
2037	$274,942	$188,167	3.00%	$0	($681)	($490,304)	($27,876)
2038	($27,875)	$193,812	3.00%	$0	$2,658	($59,629)	$108,966
2039	$108,967	$199,627	3.00%	$0	$6,902	($32,496)	$283,000
2040	$283,000	$205,615	3.00%	$0	$7,876	($173,579)	$322,912
2041	$322,912	$211,784	3.00%	$0	$10,413	($118,158)	$426,951
2042	$426,951	$218,137	3.00%	$0	$14,847	($51,194)	$608,741
2043	$608,742	$224,681	3.00%	$0	$17,965	($114,840)	$736,548
2044	$736,548	$231,422	3.00%	$0	$21,015	($127,389)	$861,596
2045	$861,596	$238,365	3.00%	$0	$18,975	($340,978)	$777,958
2046	$777,958	$245,516	3.00%	$0	$23,261	($93,024)	$953,711
2047	$953,710	$252,881	3.00%	$0	$29,322	($33,727)	$1,202,186
2048	$1,202,186	$260,467	3.00%	$0	$34,857	($68,389)	$1,429,121
2049	$1,429,122	$268,281	3.00%	$0	$38,077	($174,338)	$1,561,142
2050	$1,561,142	$276,330	3.00%	$0	$44,088	($73,966)	$1,807,594
2051	$1,807,594	$284,620	3.00%	$0	$44,767	($301,514)	$1,835,467
2052	$1,835,467	$293,158	3.00%	$0	$37,122	($643,743)	$1,522,004
2053	$1,522,005	$301,953	3.00%	$0	$31,842	($550,277)	$1,305,523
2054	$1,305,524	$311,012	3.00%	$0	$38,118	($91,810)	$1,562,844
2055	$1,562,844	$320,342	3.00%	$0	$38,316	($350,552)	$1,570,950

This page shows the annual cash flow projections for the next 30 years when following the minimum funding plan. It includes the budgeted reserve contribution, special assessments, interest earned in savings accounts, and the projected reserve expenses.

This page also shows the future % increases to the budgeted reserve contribution. If following this plan, the association will not fall below $0 under normal circumstances.

10% Threshold Plan: Annual Cash Flow Projections							
Year	Starting Balance	Reserve Contribution	% Increase	Special Assessment	After-Tax Interest	Reserve Expenditures	Ending Balance
2026	$142,690	$109,440	46.70%	$201,600	$8,138	($128,210)	$333,658
2027	$333,658	$112,723	3.00%	$0	$10,100	($42,388)	$414,093
2028	$414,093	$116,105	3.00%	$0	$11,997	($50,331)	$491,864
2029	$491,865	$119,588	3.00%	$0	$13,122	($86,559)	$538,016
2030	$538,016	$123,176	3.00%	$0	$13,315	($128,596)	$545,911
2031	$545,910	$126,871	3.00%	$0	($1,513)	($733,248)	($61,980)
2032	($61,979)	$130,677	3.00%	$0	($10,228)	($477,777)	($419,307)
2033	($419,305)	$134,597	3.00%	$0	($7,807)	($27,547)	($320,062)
2034	($320,060)	$138,635	3.00%	$0	($5,475)	($37,532)	($224,432)
2035	($224,431)	$142,794	3.00%	$0	($4,207)	($86,619)	($172,463)
2036	($172,462)	$147,078	3.00%	$0	($2,853)	($88,704)	($116,941)
2037	($116,939)	$151,491	3.00%	$0	($11,395)	($490,304)	($467,147)
2038	($467,146)	$156,035	3.00%	$0	($9,269)	($59,629)	($380,009)
2039	($380,008)	$160,716	3.00%	$0	($6,296)	($32,496)	($258,084)
2040	($258,082)	$165,538	3.00%	$0	($6,654)	($173,579)	($272,777)
2041	($272,776)	$170,504	3.00%	$0	($5,512)	($118,158)	($225,942)
2042	($225,941)	$175,619	3.00%	$0	($2,539)	($51,194)	($104,055)
2043	($104,054)	$180,888	3.00%	$0	($951)	($114,840)	($38,957)
2044	($38,957)	$186,314	3.00%	$0	$499	($127,389)	$20,467
2045	$20,468	$191,904	3.00%	$0	($3,216)	($340,978)	($131,822)
2046	($131,822)	$197,661	3.00%	$0	($681)	($93,024)	($27,866)
2047	($27,865)	$203,591	3.00%	$0	$3,550	($33,727)	$145,549
2048	$145,549	$209,698	3.00%	$0	$7,171	($68,389)	$294,029
2049	$294,030	$215,989	3.00%	$0	$8,392	($174,338)	$344,073
2050	$344,073	$222,469	3.00%	$0	$12,314	($73,966)	$504,890
2051	$504,890	$229,143	3.00%	$0	$10,813	($301,514)	$443,332
2052	$443,332	$236,017	3.00%	$0	$890	($643,743)	$36,496
2053	$36,497	$243,098	3.00%	$0	($6,768)	($550,277)	($277,450)
2054	($277,448)	$250,391	3.00%	$0	($2,973)	($91,810)	($121,840)
2055	($121,840)	$257,903	3.00%	$0	($5,363)	($350,552)	($219,852)

This chart shows the projected percent-funded each year for the association's current funding plan and this reserve study's recommendations.



The Ending % Funded is calculated by dividing the Projected Ending Balance by the Ending Fully-Funded 100% Balance.

Funding Plans Fiscal Year End							
		Current Funding Plan		Fully Funded (100%) Plan		10% Threshold Plan	
Year	Ending Fully-Funded 100% Balance	Projected Ending Balance	Ending % Funded	Projected Ending Balance	Ending % Funded	Projected Ending Balance	Ending % Funded
2025	$1,291,707	$142,690	11%	$142,690	11%	$142,690	11%
2026	$1,327,267	$91,310	7%	$360,816	27%	$333,658	25%
2027	$1,456,151	$128,907	9%	$469,904	32%	$414,093	28%
2028	$1,584,706	$161,664	10%	$577,884	36%	$491,865	31%
2029	$1,683,905	$160,541	10%	$655,862	39%	$538,017	32%
2030	$1,747,003	$118,809	7%	$697,270	40%	$545,912	31%
2031	$1,193,554	($541,155)	0%	$124,648	10%	($61,981)	0%
2032	$891,119	($953,099)	0%	($195,585)	0%	($419,308)	0%
2033	$1,047,967	($911,114)	0%	($57,347)	0%	($320,063)	0%
2034	$1,203,986	($875,495)	0%	$79,256	7%	($224,433)	0%
2035	$1,319,023	($886,394)	0%	$174,253	13%	($172,464)	0%
2036	$1,440,411	($896,709)	0%	$274,942	19%	($116,942)	0%
2037	$1,156,986	($1,315,840)	0%	($27,877)	0%	($467,148)	0%
2038	$1,314,008	($1,300,830)	0%	$108,966	8%	($380,010)	0%
2039	$1,509,196	($1,254,363)	0%	$283,000	19%	($258,085)	0%
2040	$1,570,602	($1,347,976)	0%	$322,912	21%	($272,778)	0%
2041	$1,696,778	($1,383,654)	0%	$426,951	25%	($225,943)	0%
2042	$1,901,740	($1,348,011)	0%	$608,742	32%	($104,056)	0%
2043	$2,053,499	($1,373,032)	0%	$736,549	36%	($38,958)	0%
2044	$2,203,273	($1,407,751)	0%	$861,597	39%	$20,467	1%
2045	$2,144,123	($1,658,361)	0%	$777,959	36%	($131,823)	0%
2046	$2,345,372	($1,657,060)	0%	$953,712	41%	($27,867)	0%
2047	$2,620,718	($1,590,804)	0%	$1,202,187	46%	$145,549	6%
2048	$2,875,816	($1,554,154)	0%	$1,429,122	50%	$294,029	10%
2049	$3,036,845	($1,620,787)	0%	$1,561,143	51%	$344,073	11%
2050	$3,313,715	($1,581,679)	0%	$1,807,595	55%	$504,891	15%
2051	$3,372,379	($1,770,167)	0%	$1,835,468	54%	$443,333	13%
2052	$3,088,395	($2,309,348)	0%	$1,522,005	49%	$36,496	1%
2053	$2,900,507	($2,761,258)	0%	$1,305,524	45%	($277,451)	0%
2054	$3,187,782	($2,749,441)	0%	$1,562,845	49%	($121,841)	0%
2055	$3,226,022	($2,997,292)	0%	$1,570,951	49%	($219,853)	0%

The Projected Annual Expenditures shows which projects will be performed each fiscal year. If the fiscal year is missing on this list, then there are no projects scheduled for that particular year.

The Current Cost represents the estimated cost of the project for the initial year of this report. The Future Cost represents the inflation-adjusted cost of the project.

Any components highlighted in red have a $0 cost associated with the project and are funded outside of this reserve study.

Projected Annual Expenditures			
Fiscal Year 2026			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 306	Asphalt - Preservation	$18,130	$18,130
1. 402	Concrete - Repair	$20,000	$20,000
2. 1502	Fountain - Refurbish	$20,000	$20,000
2. 1506	Fountain Equipment - Major Replacements	$8,000	$8,000
3. 1603	Clubhouse Building - Roof Re-Stack	$11,825	$11,825
4. 1703	Residential Buildings - Roof Re-Stack (Phase 1)	$30,250	$30,250
4. 1707	Residential Buildings - Stairways & Landings Major Repair	$9,925	$9,925
4. 1717	Residential Buildings - Doors Replace	$10,080	$10,080
Fiscal Year 2026 Total:		**$128,210**	**$128,210**

Fiscal Year 2027			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 817	Gas Barbecue Grill - Replace	$4,000	$4,120
4. 1703	Residential Buildings - Roof Re-Stack (Phase 2)	$30,250	$31,158
4. 1714	Residential Buildings - Light Fixtures Replace	$6,903	$7,110
Fiscal Year 2027 Total:		**$41,153**	**$42,388**

Fiscal Year 2028			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 3001	Reserve Study - Update	$3,500	$3,713
4. 1703	Residential Buildings - Roof Re-Stack (Phase 3)	$30,250	$32,092
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 1)	$13,692	$14,526
Fiscal Year 2028 Total:		**$47,442**	**$50,331**

Fiscal Year 2029			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 306	Asphalt - Preservation	$18,130	$19,811
1. 504	Block Wall - Repaint	$13,000	$14,205

2. 1404	Pool Deck - Reseal	$8,706	$9,514
4. 1703	Residential Buildings - Roof Re-Stack (Phase 4)	$30,250	$33,055
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 2)	$9,128	$9,974
Fiscal Year 2029 Total:		**$79,214**	**$86,559**

Fiscal Year 2030			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 536	Wrought Iron Fencing - Replace	$78,000	$87,790
1. 539	Wrought Iron Fencing - Repaint	$18,000	$20,259
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 3)	$18,256	$20,547
Fiscal Year 2030 Total:		**$114,256**	**$128,596**

Fiscal Year 2031			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 220	Mailbox CBUs - Replace	$22,000	$25,504
1. 341	Carports - Major Repair	$135,000	$156,502
1. 602	Landscaping - Renovate	$25,000	$28,982
1. 3001	Reserve Study - Update	$3,500	$4,057
2. 1301	Spa - Re-Plaster (Fountain)	$6,000	$6,956
2. 1312	Second Spa - Re-Plaster (Clubhouse)	$6,000	$6,956
3. 1609	Clubhouse Building - Interior Remodel	$20,000	$23,185
3. 1610	Clubhouse Building - Restroom Remodel	$50,000	$57,964
4. 1707	Residential Buildings - Stairways & Landings Major Repair	$9,925	$11,506
4. 1717	Residential Buildings - Doors Replace	$10,080	$11,685
4. 1718	Residential Buildings - Garage Doors Replace	$57,000	$66,079
4. 1725	Residential Buildings - Utility Lines Major Repair	$288,000	$333,871
Fiscal Year 2031 Total:		**$632,505**	**$733,247**

Fiscal Year 2032			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 205	Pole Lights - Replace	$15,000	$17,911
1. 306	Asphalt - Preservation	$18,130	$21,648
3. 1607	Clubhouse Building - Exterior Stucco Repaint	$7,000	$8,358
4. 1705	Residential Buildings - Exteriors Major Repair	$360,000	$429,859
Fiscal Year 2032 Total:		**$400,130**	**$477,776**

Fiscal Year 2033			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
2. 1404	Pool Deck - Reseal	$8,706	$10,708

4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 1)	$13,692	$16,839
Fiscal Year 2033 Total:		**$22,398**	**$27,547**

Fiscal Year 2034			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 502	Block Wall - Repair	$13,000	$16,468
1. 817	Gas Barbecue Grill - Replace	$4,000	$5,067
1. 3001	Reserve Study - Update	$3,500	$4,434
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 2)	$9,128	$11,563
Fiscal Year 2034 Total:		**$29,628**	**$37,532**

Fiscal Year 2035			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 306	Asphalt - Preservation	$18,130	$23,656
2. 1215	Pool Heater - Replace	$5,000	$6,524
2. 1308	Spa Heater - Replace (Fountain)	$4,500	$5,871
2. 1319	Second Spa Heater - Replace (Clubhouse)	$5,500	$7,176
2. 1413	Pool Area Furniture - Replace	$15,000	$19,572
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 3)	$18,256	$23,820
Fiscal Year 2035 Total:		**$66,386**	**$86,619**

Fiscal Year 2036			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 402	Concrete - Repair	$20,000	$26,878
1. 539	Wrought Iron Fencing - Repaint	$18,000	$24,190
2. 1506	Fountain Equipment - Major Replacements	$8,000	$10,751
4. 1707	Residential Buildings - Stairways & Landings Major Repair	$9,925	$13,338
4. 1717	Residential Buildings - Doors Replace	$10,080	$13,547
Fiscal Year 2036 Total:		**$66,005**	**$88,704**

Fiscal Year 2037			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 3001	Reserve Study - Update	$3,500	$4,845
2. 1201	Pool - Re-Plaster	$25,000	$34,606
2. 1212	Pool Pump - Replace	$3,500	$4,845
2. 1301	Spa - Re-Plaster (Fountain)	$6,000	$8,305
2. 1305	Spa Pumps - Replace (Fountain)	$4,500	$6,229
2. 1312	Second Spa - Re-Plaster (Clubhouse)	$6,000	$8,305
2. 1316	Second Spa Pumps - Replace (Clubhouse)	$9,000	$12,458

2. 1404	Pool Deck - Reseal	$8,706	$12,051
4. 1712	Residential Buildings - Exterior Stucco Repaint	$288,000	$398,659
Fiscal Year 2037 Total:		**$354,206**	**$490,303**

Fiscal Year 2038			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 306	Asphalt - Preservation	$18,130	$25,849
1. 811	Park Furniture - Replace	$10,000	$14,258
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 1)	$13,692	$19,522
Fiscal Year 2038 Total:		**$41,822**	**$59,629**

Fiscal Year 2039			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 504	Block Wall - Repaint	$13,000	$19,091
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 2)	$9,128	$13,405
Fiscal Year 2039 Total:		**$22,128**	**$32,496**

Fiscal Year 2040			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 843	Shade Structure - Replace	$12,000	$18,151
1. 3001	Reserve Study - Update	$3,500	$5,294
2. 1204	Pool Cover - Replace	$45,000	$68,067
2. 1213	Pool Filter - Replace	$5,000	$7,563
2. 1217	Pool Chemical Controller System - Replace	$7,000	$10,588
2. 1306	Spa Filter - Replace (Fountain)	$5,000	$7,563
2. 1310	Spa Chemical Controller System - Replace (Fountain)	$7,000	$10,588
2. 1317	Second Spa Filter - Replace (Clubhouse)	$5,000	$7,563
2. 1321	Second Spa Chemical Controller System - Replace (Clubhouse)	$7,000	$10,588
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 3)	$18,256	$27,614
Fiscal Year 2040 Total:		**$114,756**	**$173,579**

Fiscal Year 2041			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 306	Asphalt - Preservation	$18,130	$28,246
1. 602	Landscaping - Renovate	$25,000	$38,949
1. 817	Gas Barbecue Grill - Replace	$4,000	$6,232
2. 1404	Pool Deck - Reseal	$8,706	$13,564
4. 1707	Residential Buildings - Stairways & Landings Major Repair	$9,925	$15,463
4. 1717	Residential Buildings - Doors Replace	$10,080	$15,704

Fiscal Year 2041 Total:		$75,841	$133,862

Fiscal Year 2042			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 539	Wrought Iron Fencing - Repaint	$18,000	$28,885
3. 1607	Clubhouse Building - Exterior Stucco Repaint	$7,000	$11,233
4. 1714	Residential Buildings - Light Fixtures Replace	$6,903	$11,076
Fiscal Year 2042 Total:		**$31,903**	**$51,194**

Fiscal Year 2043			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 3001	Reserve Study - Update	$3,500	$5,785
2. 1301	Spa - Re-Plaster (Fountain)	$6,000	$9,917
2. 1312	Second Spa - Re-Plaster (Clubhouse)	$6,000	$9,917
4. 1702	Residential Buildings - Flat Roof Replace (Phase 1)	$40,288	$66,590
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 1)	$13,692	$22,631
Fiscal Year 2043 Total:		**$69,480**	**$114,840**

Fiscal Year 2044			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 205	Pole Lights - Replace	$15,000	$25,536
1. 306	Asphalt - Preservation	$18,130	$30,865
4. 1702	Residential Buildings - Flat Roof Replace (Phase 2)	$32,570	$55,448
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 2)	$9,128	$15,540
Fiscal Year 2044 Total:		**$74,828**	**$127,389**

Fiscal Year 2045			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
2. 1215	Pool Heater - Replace	$5,000	$8,768
2. 1308	Spa Heater - Replace (Fountain)	$4,500	$7,891
2. 1319	Second Spa Heater - Replace (Clubhouse)	$5,500	$9,644
2. 1402	Pool Deck - Resurface	$75,869	$133,036
2. 1404	Pool Deck - Reseal	$8,706	$15,266
2. 1413	Pool Area Furniture - Replace	$15,000	$26,303
4. 1702	Residential Buildings - Flat Roof Replace (Phase 3)	$61,624	$108,058
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 3)	$18,256	$32,012
Fiscal Year 2045 Total:		**$194,455**	**$340,978**

Fiscal Year 2046			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 402	Concrete - Repair	$20,000	$36,122
1. 3001	Reserve Study - Update	$3,500	$6,321
2. 1506	Fountain Equipment - Major Replacements	$8,000	$14,449
4. 1707	Residential Buildings - Stairways & Landings Major Repair	$9,925	$17,926
4. 1717	Residential Buildings - Doors Replace	$10,080	$18,206
Fiscal Year 2046 Total:		**$51,505**	**$93,024**

Fiscal Year 2047			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 306	Asphalt - Preservation	$18,130	$33,727
Fiscal Year 2047 Total:		**$18,130**	**$33,727**

Fiscal Year 2048			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 539	Wrought Iron Fencing - Repaint	$18,000	$34,490
1. 817	Gas Barbecue Grill - Replace	$4,000	$7,664
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 1)	$13,692	$26,235
Fiscal Year 2048 Total:		**$35,692**	**$68,389**

Fiscal Year 2049			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 504	Block Wall - Repaint	$13,000	$25,657
1. 3001	Reserve Study - Update	$3,500	$6,908
2. 1201	Pool - Re-Plaster	$25,000	$49,340
2. 1212	Pool Pump - Replace	$3,500	$6,908
2. 1301	Spa - Re-Plaster (Fountain)	$6,000	$11,842
2. 1305	Spa Pumps - Replace (Fountain)	$4,500	$8,881
2. 1312	Second Spa - Re-Plaster (Clubhouse)	$6,000	$11,842
2. 1316	Second Spa Pumps - Replace (Clubhouse)	$9,000	$17,762
2. 1404	Pool Deck - Reseal	$8,706	$17,183
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 2)	$9,128	$18,015
Fiscal Year 2049 Total:		**$88,334**	**$174,338**

Fiscal Year 2050			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 306	Asphalt - Preservation	$18,130	$36,855

4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 3)	$18,256	$37,111
Fiscal Year 2050 Total:		**$36,386**	**$73,966**

Fiscal Year 2051			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 220	Mailbox CBUs - Replace	$22,000	$46,063
1. 602	Landscaping - Renovate	$25,000	$52,344
3. 1609	Clubhouse Building - Interior Remodel	$20,000	$41,876
4. 1707	Residential Buildings - Stairways & Landings Major Repair	$9,925	$20,781
4. 1717	Residential Buildings - Doors Replace	$10,080	$21,105
4. 1718	Residential Buildings - Garage Doors Replace	$57,000	$119,345
Fiscal Year 2051 Total:		**$144,005**	**$301,514**

Fiscal Year 2052			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 3001	Reserve Study - Update	$3,500	$7,548
3. 1607	Clubhouse Building - Exterior Stucco Repaint	$7,000	$15,096
4. 1712	Residential Buildings - Exterior Stucco Repaint	$288,000	$621,098
Fiscal Year 2052 Total:		**$298,500**	**$643,742**

Fiscal Year 2053			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 301	Asphalt - Major Rehab	$207,200	$460,251
1. 306	Asphalt - Preservation	$18,130	$40,272
2. 1404	Pool Deck - Reseal	$8,706	$19,339
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 1)	$13,692	$30,414
Fiscal Year 2053 Total:		**$247,728**	**$550,276**

Fiscal Year 2054			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 502	Block Wall - Repair	$13,000	$29,743
1. 539	Wrought Iron Fencing - Repaint	$18,000	$41,183
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 2)	$9,128	$20,884
Fiscal Year 2054 Total:		**$40,128**	**$91,810**

Fiscal Year 2055			
Comp #	**Component Name**	**Current Cost**	**Future Cost**
1. 817	Gas Barbecue Grill - Replace	$4,000	$9,426
1. 3001	Reserve Study - Update	$3,500	$8,248

2. 1204	Pool Cover - Replace	$45,000	$106,045
2. 1213	Pool Filter - Replace	$5,000	$11,783
2. 1215	Pool Heater - Replace	$5,000	$11,783
2. 1217	Pool Chemical Controller System - Replace	$7,000	$16,496
2. 1301	Spa - Re-Plaster (Fountain)	$6,000	$14,139
2. 1306	Spa Filter - Replace (Fountain)	$5,000	$11,783
2. 1308	Spa Heater - Replace (Fountain)	$4,500	$10,605
2. 1310	Spa Chemical Controller System - Replace (Fountain)	$7,000	$16,496
2. 1312	Second Spa - Re-Plaster (Clubhouse)	$6,000	$14,139
2. 1317	Second Spa Filter - Replace (Clubhouse)	$5,000	$11,783
2. 1319	Second Spa Heater - Replace (Clubhouse)	$5,500	$12,961
2. 1321	Second Spa Chemical Controller System - Replace (Clubhouse)	$7,000	$16,496
2. 1413	Pool Area Furniture - Replace	$15,000	$35,348
4. 1704	Residential Buildings - Flat Roof Re-coat (Phase 3)	$18,256	$43,021
Fiscal Year 2055 Total:		**$148,756**	**$350,552**

Component Detail

Subgroup 1: Common Area

Component List

205	Pole Lights - Replace
220	Mailbox CBUs - Replace
301	Asphalt - Major Rehab
306	Asphalt - Preservation
341	Carports - Major Repair
402	Concrete - Repair
502	Block Wall - Repair
504	Block Wall - Repaint
536	Wrought Iron Fencing - Replace
539	Wrought Iron Fencing - Repaint
602	Landscaping - Renovate
811	Park Furniture - Replace
817	Gas Barbecue Grill - Replace
843	Shade Structure - Replace

3001	Reserve Study - Update

Comp #: 1.205 Pole Lights - Replace

Quantity:	1 Allowance	**Original Service Date:**	2020
Unit Cost:	$15,000.00	**Useful Life:**	12
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$15,000.00	**Remaining Useful Life:**	6
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2032
Description:	This component funds to replace the pole lights. These pole lights should be replaced every 20 to 25 years or when necessary to maintain appearance standards and functionality. This cost estimates includes an allowance to replace any cables and other parts such as the concrete base, power system, transformers, drivers, and other related costs.		
Evaluation:	No problems with these street light fixtures noted at time of site visit. However, this community should regularly inspect these lights during nighttime hours to check for any issues.		
General Notes:			

Comp #: 1.220 Mailbox CBUs - Replace

Quantity:	8 CBUs	**Original Service Date:**	2011
Unit Cost:	$2,750.00	**Useful Life:**	20
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$22,000.00	**Remaining Useful Life:**	5
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2031
Description:	Current standard Cluster Box Units (CBU's) are usually made of a heavy duty aluminum and stainless steel hardware. In certain associations, the local post office may be responsible for these CBUs. Should the association be responsible, we recommend funding to replace these units every 20 years. Some of the paint may fade or peel, and other minor issues may arise which can be addressed as an operating expense.		
Evaluation:	These mailboxes appear to be older and may need replacements in the near future.		
General Notes:	6, small CBUs 2, 2-box clusters		

Comp #: 1.301 Asphalt - Major Rehab

Quantity:	51,800 Sq. Ft	**Original Service Date:**	2013
Unit Cost:	$4.00	**Useful Life:**	40
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$207,200.00	**Remaining Useful Life:**	27
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2053
Description:	As the asphalt ages certain signs of damage may appear. These signs can include alligator cracking, block cracking, thermal cracking, potholes, raveling, and other issues. It is imperative that proper asphalt preservation and maintenance is performed to prevent these problems from developing prematurely. However, over time, the asphalt will begin to fail and more significant work will be needed. Major asphalt repair work can include a thin overlay, mill and overlay, or more significant reconstruction. It can be difficult to predict when this major repair work will occur, or the appropriate scope of work. It is therefore necessary for the community to continually consult the advice of an expert and develop a suitable maintenance plan. This component budgets for a major repair project to occur every 30 to 40 years.		
Evaluation:	No problems noted at time of site visit.		
General Notes:			

Association maintained asphalt

Comp #: 1.306 Asphalt - Preservation

Quantity:	51,800 Sq. Ft.	**Original Service Date:**	2023
Unit Cost:	$0.35	**Useful Life:**	3
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$18,130.00	**Remaining Useful Life:**	0
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2026
Description:	The purpose of the asphalt streets is to provide a smooth driving experience, with adequate surface friction as well as to distribute the wheel load evenly to support weight and protect the natural soil. Different treatments may be applied to maintain and preserve the asphalt and underlying base. These include: crack sealing, fog seal, slurry seal, chip seal, micro-surfacing, patching, and other types of repairs. Factors to be considered to determine the appropriate treatment include age, condition, homeowner preferences, and budget. This community should consult with an expert to determine the appropriate treatment and scope of work. Additional information can be found at www.asphaltpavement.org, www.rtcsnv.com, and www.appliedpavement.com.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 1.341 Carports - Major Repair

Quantity:	13,500 Sq. Ft.	**Original Service Date:**	1991
Unit Cost:	$10.00	**Useful Life:**	30
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	10
Total Cost:	$135,000.00	**Remaining Useful Life:**	5
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2031
Description:	This component funds to make major repairs and replacements to the carports. This also includes the replacing of the carport light fixtures. These carports should have any minor repairs made as necessary and budget for more significant work to occur every 30 years or when necessary.		
Evaluation:	No immediate need for repairs. This cost schedule can be adjusted as necessary.		
General Notes:			

Comp #: 1.402 Concrete - Repair

Quantity:	1 Allowance	**Original Service Date:**	2016
Unit Cost:	$20,000.00	**Useful Life:**	10
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$20,000.00	**Remaining Useful Life:**	0
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2026
Description:	This component funds for repairs to the association maintained sidewalks, walkways, curbs, and other concrete areas. These repairs should be made every five to ten years depending on the quantity and age of community. Any tripping hazards should be addressed when they arise. This cost schedule can be adjusted as necessary.		
Evaluation:	Areas of cracking and delamination noted. This work should be done in the near future.		
General Notes:			

Comp #: 1.502 Block Wall - Repair

Quantity:	1,300 Linear Ft.	**Original Service Date:**	2014
Unit Cost:	$100.00	**Useful Life:**	20
% of Unit Cost:	10.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$13,000.00	**Remaining Useful Life:**	8
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2034
Description:	This component includes the portions of the block wall that the association is obligated to maintain. These walls are designed to last a very long time and funding for a complete replacement is not necessary. However, repairs are usually necessary due to water damage, tree roots and other ground movement, and vandalism or other damages. A feasible reserve study plan is to make repairs every 10 to 20 years. However, this schedule and cost estimate may be adjusted as the community ages and a cost history is developed.		
Evaluation:	No major issues such as water damage, cracking or other issues noted.		
General Notes:			

Association maintained block wall

Comp #: 1.504 Block Wall - Repaint

Quantity:	1,300 Linear ft.	**Original Service Date:**	2019
Unit Cost:	$10.00	**Useful Life:**	10
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$13,000.00	**Remaining Useful Life:**	3
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2029
Description:	This component includes painting the block wall, along with making any minor repairs to the surface. This project should be performed every 10 to 12 years or when necessary to maintain appearance. Different paint materials and techniques will determine the actual useful life and may result in adjusting this schedule.		
Evaluation:	No significant problems or appearance concerns noted.		
General Notes:			

Comp #: 1.536 Wrought Iron Fencing - Replace

Quantity:	1,200 Linear Ft.	**Original Service Date:**	1991
Unit Cost:	$65.00	**Useful Life:**	36
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	3
Total Cost:	$78,000.00	**Remaining Useful Life:**	4
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2030
Description:	Although this fencing is referred to as wrought iron, it is typically hollow metal that has been rolled and made to give a classic wrought iron look. With regular painting and maintenance, this fencing should last approximately 30 to 40 years.		
Evaluation:	No major rusting, bent areas or other damage noted.		
General Notes:			

Comp #: 1.539 Wrought Iron Fencing - Repaint

Quantity:	1,200 Linear Ft.	**Original Service Date:**	2024
Unit Cost:	$15.00	**Useful Life:**	6
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$18,000.00	**Remaining Useful Life:**	4
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2030
Description:	This component includes painting the metal fencing, along with making any repairs to bent or rusted areas. This project should be performed every 6 years or when necessary to maintain appearance and ensure the fence realizes a full useful life. Different paint materials and techniques will determine the actual useful life and may result in adjusting this schedule.		
Evaluation:	No significant rusting or faded paint noted.		
General Notes:			

Comp #: 1.602 Landscaping - Renovate

Quantity:	1 Allowance	**Original Service Date:**	2021
Unit Cost:	$25,000.00	**Useful Life:**	10
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$25,000.00	**Remaining Useful Life:**	5
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2031
Description:	Landscaping should be maintained on a regular basis primarily as an operating expense. As small plants, portions of rocks, or parts of the irrigation system need to be replaced it is usually included in the standard maintenance contract with the landscaper. However, over time larger portions of landscaping and irrigation should be upgraded or replaced to maintain appearance standards. These types of projects are very much subjective and up to the board and residents to determine the scope and cost. This reserve study funds for a general cost that should be looked at closely by the association to determine their specific landscaping needs. Visit local water district website for water conservation ideas and additional information.		
Evaluation:	No major appearance concerns noted. This landscaping should be maintained on a regular basis and the association should work with the landscaper to determine any specific areas of improvement that go beyond the normal maintenance contract.		
General Notes:			

Comp #: 1.811 Park Furniture - Replace

Quantity:	1 Allowance	**Original Service Date:**	2018
Unit Cost:	$10,000.00	**Useful Life:**	20
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$10,000.00	**Remaining Useful Life:**	12
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2038
Description:	This component includes replacing all of the outdoor furniture items commonly referred to as park furniture. This includes any tables, benches, trash receptacles, and other related items. Each individual item may have its own useful life. However, unless an item breaks prematurely, they should all be replaced at the same time to maintain a common appearance. This study funds to replace these items every 20 years but this can be adjusted depending on the amount of use.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 1.817 Gas Barbecue Grill - Replace

Quantity:	2 Grills	**Original Service Date:**	2020
Unit Cost:	$2,000.00	**Useful Life:**	7
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$4,000.00	**Remaining Useful Life:**	1
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2027
Description:	This component funds to replace the exterior barbeques. These barbeques should be replaced every 7 years to ensure safety of persons and food.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 1.843 Shade Structure - Replace

Quantity:	1 Shade Structure	**Original Service Date:**	2010
Unit Cost:	$12,000.00	**Useful Life:**	30
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$12,000.00	**Remaining Useful Life:**	14
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2040
Description:	This component funds to completely replace or rebuild the shade structure. With proper maintenance and repairs, these types of structures should have an extended useful life. However, they may need to be replaced every 30 to 40 years to maintain modern appearance and functionality standards.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 1.3001 Reserve Study - Update

Quantity:	1 Reserve Study	**Original Service Date:**	2025
Unit Cost:	$3,500.00	**Useful Life:**	3
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$3,500.00	**Remaining Useful Life:**	2
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2028
Description:	This component funds to update the reserve study. A reserve study with On-Site Inspection should be performed typically every 3 to 6 years based on industry standards and state requirements.		
Evaluation:	There is no law requiring a reserve study in Arizona. Industry average is 3 years based on recent lending requirements.		
General Notes:			

Subgroup 2: Pool Area

Component List

1201	Pool - Re-Plaster
1204	Pool Cover - Replace
1212	Pool Pump - Replace
1213	Pool Filter - Replace
1215	Pool Heater - Replace
1217	Pool Chemical Controller System - Replace
1301	Spa - Re-Plaster (Fountain)
1305	Spa Pumps - Replace (Fountain)
1306	Spa Filter - Replace (Fountain)
1308	Spa Heater - Replace (Fountain)
1310	Spa Chemical Controller System - Replace (Fountain)
1312	Second Spa - Re-Plaster (Clubhouse)
1316	Second Spa Pumps - Replace (Clubhouse)
1317	Second Spa Filter - Replace (Clubhouse)
1319	Second Spa Heater - Replace (Clubhouse)
1321	Second Spa Chemical Controller System - Replace (Clubhouse)

1402	Pool Deck - Resurface
1404	Pool Deck - Reseal
1413	Pool Area Furniture - Replace
1502	Fountain - Refurbish
1506	Fountain Equipment - Major Replacements

Comp #: 2.1201 Pool - Re-Plaster

Quantity:	1 Pool	**Original Service Date:**	2025
Unit Cost:	$25,000.00	**Useful Life:**	12
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$25,000.00	**Remaining Useful Life:**	11
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2037
Description:	There are generally two main issues with the surface of a pool that will create the need for a replaster. The first is stains and other discoloration with the surface of the pool. While this is a cosmetic concern and not related to any structural issues, the look of the pool may be important in keeping a clean and inviting environment. The other issues is structural, as the plaster is the waterproof layer that protects the concrete and rest of the shell of the pool. Minor spots may be repaired, but a complete replaster should occur when necessary. A typical useful life is 12 to 15 years, but that may be adjusted depending on the amount of use, repairs made, and condition of the water. Additional information can be found at blog.poolcenter.com, nspf.org, and apsp.org.		
Evaluation:	No significant staining or other issues noted.		
General Notes:			

Comp #: 2.1204 Pool Cover - Replace

Quantity:	1 Pool Cover	**Original Service Date:**	2025
Unit Cost:	$45,000.00	**Useful Life:**	15
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$45,000.00	**Remaining Useful Life:**	14
Cost Source:	Provided by Client	**Next Scheduled Year:**	2040
Description:	This component funds to replace the pool cover. The useful life of this pool cover can vary depending on the material and type of cover. This work should be done every 10 to 15 years or when necessary. This cost schedule can be adjusted as necessary.		
Evaluation:	Per Client, this pool cover will be installed in the near future.		
General Notes:			

Comp #: 2.1212 Pool Pump - Replace

Quantity:	1 Pump	**Original Service Date:**	2025
Unit Cost:	$3,500.00	**Useful Life:**	12
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$3,500.00	**Remaining Useful Life:**	11
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2037
Description:	This component includes replacing the pool pump. These standard pool/spa pumps have a useful life of approximately 10 to 12 years. Occasionally the motors or other individual parts should be replaced or repaired as an operating expense.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 2.1213 Pool Filter - Replace

Quantity:	1 Filter	**Original Service Date:**	2025
Unit Cost:	$5,000.00	**Useful Life:**	15
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$5,000.00	**Remaining Useful Life:**	14
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2040
Description:	There are two types of pool filters, cartridge filters and sand filters. The cartridges and sand should be replaced regularly as an operating expense, approximately every other year or more frequently depending on use. This component is for the filter housing which should be replaced when it begins to leak. Sometimes only individual parts may need to be replaced, which may be significant enough to justify a reserve expense. With regular cartridge replacement and maintenance, the filter housing should last approximately 15 years.		
Evaluation:	No leaks or other problems with the filter noted.		
General Notes:			

Comp #: 2.1215 Pool Heater - Replace

Quantity:	1 Heater	**Original Service Date:**	2025
Unit Cost:	$5,000.00	**Useful Life:**	10
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$5,000.00	**Remaining Useful Life:**	9
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2035
Description:	This component includes replacing the pool heater. A standard pool heater has a typical useful life of 10 to 12 years. Certain parts may be replaced as an operating expense if necessary.		
Evaluation:	No problems with this pool heater noted.		
General Notes:			

Comp #: 2.1217 Pool Chemical Controller System - Replace

Quantity:	1 System	**Original Service Date:**	2025
Unit Cost:	$7,000.00	**Useful Life:**	15
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$7,000.00	**Remaining Useful Life:**	14
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2040
Description:	This component funds to replace the automated chemical controller system for the pool. This system should be replaced every 10 to 15 years or as needed.		
Evaluation:	Per Client, this work will be done in the near future.		
General Notes:			

Comp #: 2.1301 Spa - Re-Plaster (Fountain)

Quantity:	1 Spa	**Original Service Date:**	2025
Unit Cost:	$6,000.00	**Useful Life:**	6
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$6,000.00	**Remaining Useful Life:**	5
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2031
Description:	There are generally two main issues with the surface of a spa that will create the need for a replaster. The first is stains and other discoloration with the surface of the spa. While this is a cosmetic concern and not related to any structural issues, the look of the spa may be important in keeping a clean and inviting environment. The other issue is structural, as the plaster is the waterproof layer that protects the concrete and rest of the shell of the spa. Because the surface of the spa is smaller and it receives more use, it has a useful life of approximately 6 years. However, that life may be adjusted depending on the amount of use, repairs made, and condition of the water. Additional information can be found at blog.poolcenter.com, nspf.org, and apsp.org.		
Evaluation:	No significant staining or other issues noted.		
General Notes:			

Comp #: 2.1305 Spa Pumps - Replace (Fountain)

Quantity:	2 Pumps	**Original Service Date:**	2025
Unit Cost:	$4,500.00	**Useful Life:**	12
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$4,500.00	**Remaining Useful Life:**	11
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2037
Description:	This component includes replacing the spa pumps. These standard pool/spa pumps have a useful life of approximately 10 to 12 years. Occasionally the motors or other individual parts should be replaced or repaired as an operating expense.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 2.1306 Spa Filter - Replace (Fountain)

Quantity:	1 Filter	**Original Service Date:**	2025
Unit Cost:	$5,000.00	**Useful Life:**	15
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$5,000.00	**Remaining Useful Life:**	14
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2040
Description:	There are two types of spa filters, cartridge filters and sand filters. The cartridges and sand should be replaced regularly as an operating expense, approximately every other year or more frequently depending on use. This component is for the filter housing which should be replaced when it begins to leak. Sometimes only individual parts may need to be replaced, which may be significant enough to justify a reserve expense. With regular cartridge replacement and maintenance, the filter housing should last approximately 15 years.		
Evaluation:	No leaks or other problems with the filter noted.		
General Notes:			

Comp #: 2.1308 Spa Heater - Replace (Fountain)

Quantity:	1 Heater	**Original Service Date:**	2025
Unit Cost:	$4,500.00	**Useful Life:**	10
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$4,500.00	**Remaining Useful Life:**	9
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2035
Description:	This component includes replacing the spa heater. A standard spa heater has a typical useful life of 8 to 10 years. Certain parts may be replaced as an operating expense if necessary.		
Evaluation:	No problems with this spa heater noted.		
General Notes:			

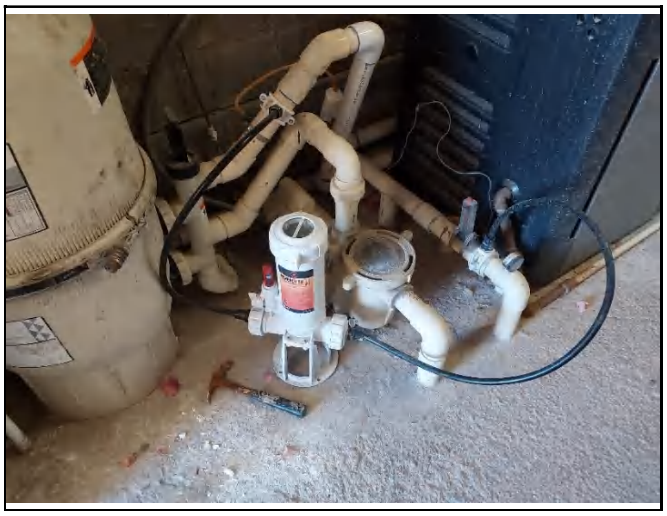
Comp #: 2.1310 Spa Chemical Controller System - Replace (Fountain)

Quantity:	1 System	**Original Service Date:**	2025
Unit Cost:	$7,000.00	**Useful Life:**	15
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$7,000.00	**Remaining Useful Life:**	14
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2040
Description:	This component funds to replace the automated chemical controller system for the spa. This system should be replaced every 10 to 15 years or as needed.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 2.1312 Second Spa - Re-Plaster (Clubhouse)

Quantity:	1 Spa	**Original Service Date:**	2025
Unit Cost:	$6,000.00	**Useful Life:**	6
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$6,000.00	**Remaining Useful Life:**	5
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2031
Description:	There are generally two main issues with the surface of a spa that will create the need for a replaster. The first is stains and other discoloration with the surface of the spa. While this is a cosmetic concern and not related to any structural issues, the look of the spa may be important in keeping a clean and inviting environment. The other issue is structural, as the plaster is the waterproof layer that protects the concrete and rest of the shell of the spa. Because the surface of the spa is smaller and it receives more use, it has a useful life of approximately 6 years. However, that life may be adjusted depending on the amount of use, repairs made, and condition of the water. Additional information can be found at blog.poolcenter.com, nspf.org, and apsp.org.		
Evaluation:	Per Client, this work will be done in the near future.		
General Notes:			

Comp #: 2.1316 Second Spa Pumps - Replace (Clubhouse)



Quantity:	2 Pumps	**Original Service Date:**	2025
Unit Cost:	$4,500.00	**Useful Life:**	12
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$9,000.00	**Remaining Useful Life:**	11
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2037
Description:	This component includes replacing the spa pumps. These standard pool/spa pumps have a useful life of approximately 10 to 12 years. Occasionally the motors or other individual parts should be replaced or repaired as an operating expense.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 2.1317 Second Spa Filter - Replace (Clubhouse)

Quantity:	1 Filter	**Original Service Date:**	2025
Unit Cost:	$5,000.00	**Useful Life:**	15
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$5,000.00	**Remaining Useful Life:**	14
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2040
Description:	There are two types of spa filters, cartridge filters and sand filters. The cartridges and sand should be replaced regularly as an operating expense, approximately every other year or more frequently depending on use. This component is for the filter housing which should be replaced when it begins to leak. Sometimes only individual parts may need to be replaced, which may be significant enough to justify a reserve expense. With regular cartridge replacement and maintenance, the filter housing should last approximately 15 years.		
Evaluation:	No leaks or other problems with these filters noted.		
General Notes:			

Comp #: 2.1319 Second Spa Heater - Replace (Clubhouse)

Quantity:	1 Heater	**Original Service Date:**	2025
Unit Cost:	$5,500.00	**Useful Life:**	10
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$5,500.00	**Remaining Useful Life:**	9
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2035
Description:	This component includes replacing the spa heater. A standard spa heater has a typical useful life of 8 to 10 years. Certain parts may be replaced as an operating expense if necessary.		
Evaluation:	Per Client, this heater will be replaced in the near future.		
General Notes:			

Comp #: 2.1321 Second Spa Chemical Controller System - Replace (Clubhouse)

Quantity:	1 System	**Original Service Date:**	2025
Unit Cost:	$7,000.00	**Useful Life:**	15
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$7,000.00	**Remaining Useful Life:**	14
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2040
Description:	This component funds to replace the automated chemical controller system for the spa. This system should be replaced every 10 to 15 years or as needed.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 2.1402 Pool Deck - Resurface

Quantity:	4,975 Sq. Ft.	**Original Service Date:**	2025
Unit Cost:	$15.25	**Useful Life:**	20
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$75,868.75	**Remaining Useful Life:**	19
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2045
Description:	The purpose of the pool deck is to keep a cool, non-slip surface for bare feet, allow proper drainage, and to protect the underlying concrete. There are many materials available, and most have a similar "Kool" deck style appearance. Because the appearances are so similar it can be difficult to determine the material just by visual inspection. As a general guide, acrylic sealers should be applied every year, silane or siloxane sealers should be applied every three years, and urethane, polyurethane, and epoxy coatings can last over 10 years. This reserve study budgets for major reserve work to be done every 20 years. If coatings need to be applied more frequently, that can usually be done as an operating expense. This cost schedule can be adjusted as necessary based on feedback from the client.		
Evaluation:	No problems with this pool deck noted.		
General Notes:			

Comp #: 2.1404 Pool Deck - Reseal

Quantity:	4,975 Sq. Ft.	**Original Service Date:**	2025
Unit Cost:	$1.75	**Useful Life:**	4
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$8,706.25	**Remaining Useful Life:**	3
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2029
Description:	This component funds to seal the pool deck. This deck should be sealed every three to five years, or as recommended by the pool service company to maintain appearance and non-slip properties.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 2.1413 Pool Area Furniture - Replace

Quantity:	1 See Detail	**Original Service Date:**	2025
Unit Cost:	$15,000.00	**Useful Life:**	10
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$15,000.00	**Remaining Useful Life:**	9
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2035
Description:	This component includes replacing the pool furniture. Several conditions affect the life of a piece of pool furniture including the amount of maintenance and care, weather, amount of use, vandalism, and quality of furniture. This study funds to make replacements every 10 years but can be adjusted as necessary.		
Evaluation:	No problems or appearance concerns with this furniture noted.		
General Notes:	24 Chaise Loungers 7 Table Stands 19 Chairs 4 Tables		

Comp #: 2.1502 Fountain - Refurbish

Quantity:	1 Fountain	**Original Service Date:**	1991
Unit Cost:	$20,000.00	**Useful Life:**	30
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	5
Total Cost:	$20,000.00	**Remaining Useful Life:**	0
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2026
Description:	This component includes renovating and updating the water feature. Over time this water feature will appear dated and discolored from the water. This project can range in scope from a significant washing to remove all chemical and mineral build-up to completely renovating the entire water feature. The board has authority to decide how it wants to refurbish this component. The cost will vary accordingly, therefore feedback from the board based on their plans should be provided.		
Evaluation:	This work should be done in the near future.		
General Notes:			

Comp #: 2.1506 Fountain Equipment - Major Replacements

Quantity:	1 Allowance	**Original Service Date:**	2016
Unit Cost:	$8,000.00	**Useful Life:**	10
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$8,000.00	**Remaining Useful Life:**	0
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2026
Description:	This component funds to replace the fountain equipment. This work can include pumps, motors, filters, or any other component required to function. These individual items can have varying useful lives, therefore this study funds for an allowance to make any necessary replacements every 10 years or as needed. This cost schedule can be adjusted as necessary.		
Evaluation:	This work should be done in the near future.		
General Notes:			

Subgroup 3: Clubhouse

Component List

1603	Clubhouse Building - Roof Re-Stack
1607	Clubhouse Building - Exterior Stucco Repaint
1609	Clubhouse Building - Interior Remodel
1610	Clubhouse Building - Restroom Remodel

Comp #: 3.1603 Clubhouse Building - Roof Re-Stack

Quantity:	2,150 Sq. Ft.	**Original Service Date:**	1991
Unit Cost:	$5.50	**Useful Life:**	30
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	5
Total Cost:	$11,825.00	**Remaining Useful Life:**	0
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2026
Description:	This component includes replacing the underlayment underneath the tile roof for the clubhouse. It is this underlayment that offers the protection from water damage other elements. This project is known as a roof re-stacking, and should be expected to occur approximately every 25 to 30 years. In addition, regular maintenance, repairs, and inspections should occur on an annual basis as an operating expense.		
Evaluation:	Per Client, This work will be done in the near future.		
General Notes:	This project should be done with the first phase of the residential roof re-stack project.		

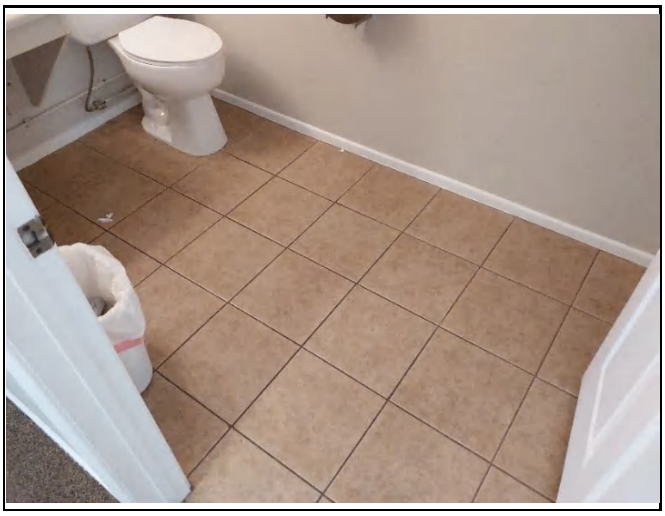
Comp #: 3.1607 Clubhouse Building - Exterior Stucco Repaint

Quantity:	1 Clubhouse	**Original Service Date:**	2022
Unit Cost:	$7,000.00	**Useful Life:**	10
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$7,000.00	**Remaining Useful Life:**	6
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2032
Description:	This component includes painting the clubhouse exterior, along with any minor repairs to the building siding. This work should be done every 10 years.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 3.1609 Clubhouse Building - Interior Remodel

Quantity:	1 Allowance	**Original Service Date:**	2011
Unit Cost:	$20,000.00	**Useful Life:**	20
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$20,000.00	**Remaining Useful Life:**	5
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2031
Description:	This component includes a general update and remodel to the clubhouse interior. This includes painting, replacing the floor, replacing any furniture and appliances, and any other related work. Not all of this work needs to be done at one time. This component funds for a general allowance for projects to occur every 20 years or when necessary.		
Evaluation:	No major problems or appearance concerns noted.		
General Notes:			

Comp #: 3.1610 Clubhouse Building - Restroom Remodel



Quantity:	2 Restroom	**Original Service Date:**	1991
Unit Cost:	$25,000.00	**Useful Life:**	30
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	10
Total Cost:	$50,000.00	**Remaining Useful Life:**	5
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2031
Description:	This component funds to remodel the restrooms. This includes replacing the fixtures, floor and wall tile, as well as any plumbing and electrical work and other related costs. These restrooms should be remodeled every 25 to 30 years to maintain appearance and functionality standards.		
Evaluation:	No problems noted.		
General Notes:			

Subgroup 4: Residential Buildings

Component List

1702	Residential Buildings - Flat Roof Replace (Phase 1)
1702	Residential Buildings - Flat Roof Replace (Phase 2)
1702	Residential Buildings - Flat Roof Replace (Phase 3)
1703	Residential Buildings - Roof Re-Stack (Phase 1)
1703	Residential Buildings - Roof Re-Stack (Phase 2)
1703	Residential Buildings - Roof Re-Stack (Phase 3)
1703	Residential Buildings - Roof Re-Stack (Phase 4)
1704	Residential Buildings - Flat Roof Re-coat (Phase 1)
1704	Residential Buildings - Flat Roof Re-coat (Phase 2)
1704	Residential Buildings - Flat Roof Re-coat (Phase 3)
1705	Residential Buildings - Exteriors Major Repair
1707	Residential Buildings - Stairways & Landings Major Repair
1712	Residential Buildings - Exterior Stucco Repaint
1714	Residential Buildings - Light Fixtures Replace
1717	Residential Buildings - Doors Replace
1718	Residential Buildings - Garage Doors Replace

1725	Residential Buildings - Utility Lines Major Repair

Comp #: 4.1702 Residential Buildings - Flat Roof Replace (Phase 1)

Quantity:	1 Project	**Original Service Date:**	2023
Unit Cost:	$40,288.00	**Useful Life:**	20
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$40,288.00	**Remaining Useful Life:**	17
Cost Source:	Provided by Client	**Next Scheduled Year:**	2043
Description:	This component funds to replace the building flat roofs. The specific cost schedule can vary widely based on the material and application method recommended at time of replacement. This association should work with a professional roofer to schedule regular maintenance and inspections and provide feedback to adjust this component as necessary.		
Evaluation:	No access to roofs. This association should be scheduling annual or semi-annual maintenance and inspections.		
General Notes:	This project includes buildings 3, 6, and 7.		


Rio Del Sol
Association Flat Roofs
100 ft
Google Earth

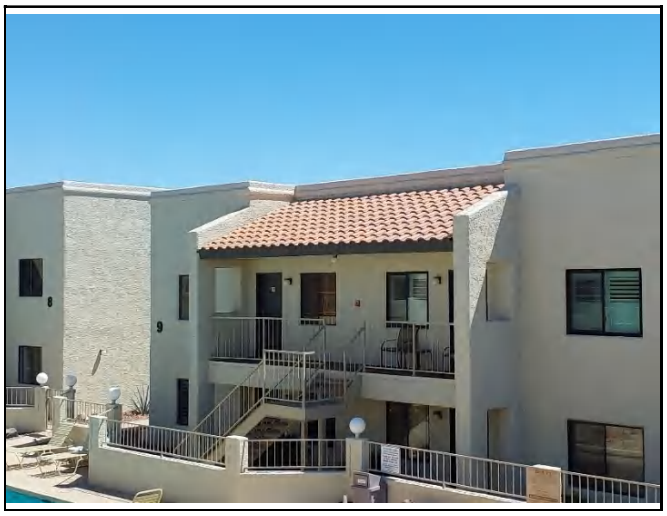
Comp #: 4.1702 Residential Buildings - Flat Roof Replace (Phase 2)

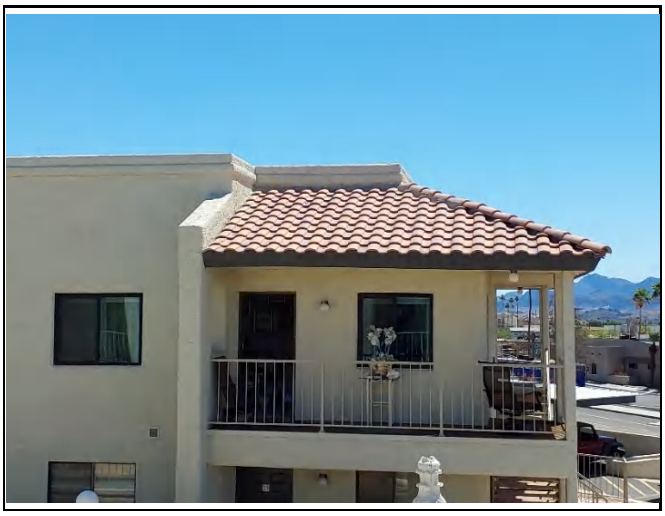
Quantity:	1 Project	**Original Service Date:**	2024
Unit Cost:	$32,570.00	**Useful Life:**	20
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$32,570.00	**Remaining Useful Life:**	18
Cost Source:	Provided by Client	**Next Scheduled Year:**	2044
Description:	This component funds to replace the building flat roofs. The specific cost schedule can vary widely based on the material and application method recommended at time of replacement. This association should work with a professional roofer to schedule regular maintenance and inspections and provide feedback to adjust this component as necessary.		
Evaluation:	No access to roofs. This association should be scheduling annual or semi-annual maintenance and inspections.		
General Notes:	This project includes buildings 4 and 5.		

Comp #: 4.1702 Residential Buildings - Flat Roof Replace (Phase 3)

Quantity:	1 Project	**Original Service Date:**	2025
Unit Cost:	$61,624.00	**Useful Life:**	20
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$61,624.00	**Remaining Useful Life:**	19
Cost Source:	Provided by Client	**Next Scheduled Year:**	2045
Description:	This component funds to replace the building flat roofs. The specific cost schedule can vary widely based on the material and application method recommended at time of replacement. This association should work with a professional roofer to schedule regular maintenance and inspections and provide feedback to adjust this component as necessary.		
Evaluation:	No access to roofs. This association should be scheduling annual or semi-annual maintenance and inspections.		
General Notes:	This project includes buildings 1, 2, 8, and 9.		

Comp #: 4.1703 Residential Buildings - Roof Re-Stack (Phase 1)

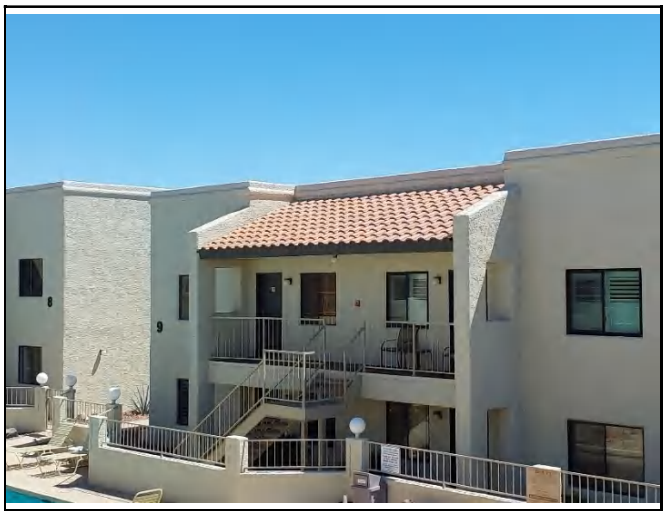


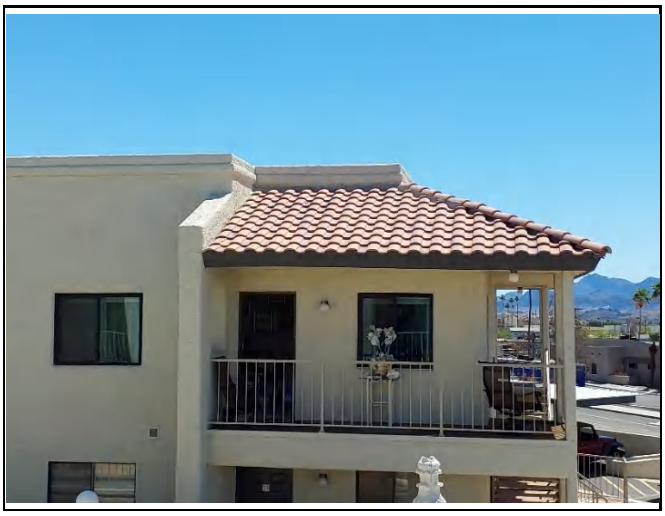


Quantity:	22,000 Sq. Ft.	**Original Service Date:**	1991
Unit Cost:	$5.50	**Useful Life:**	30
% of Unit Cost:	25.0%	**Rem. Useful Life Adjustment:**	5
Total Cost:	$30,250.00	**Remaining Useful Life:**	0
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2026
Description:	This component includes replacing the underlayment underneath the roof tiles. It is this underlayment that offers the protection from water damage and other elements. This project is known as a roof re-stacking, and should be expected to occur approximately every 20 to 30 years depending such factors as geographical location, weather, underlayment material, and amount of maintenance and repairs done. It is recommended that these roofs have regular inspections done and any specific recommendations or other feedback from the roofer should be provided to adjust this component as necessary.		
Evaluation:	Per Client, this work will be done in the near future.		
General Notes:	The clubhouse roof is scheduled to be done with phase 1 of this project.		


Rio Del Sol
Association Tile Roofs
100 ft
Google Earth

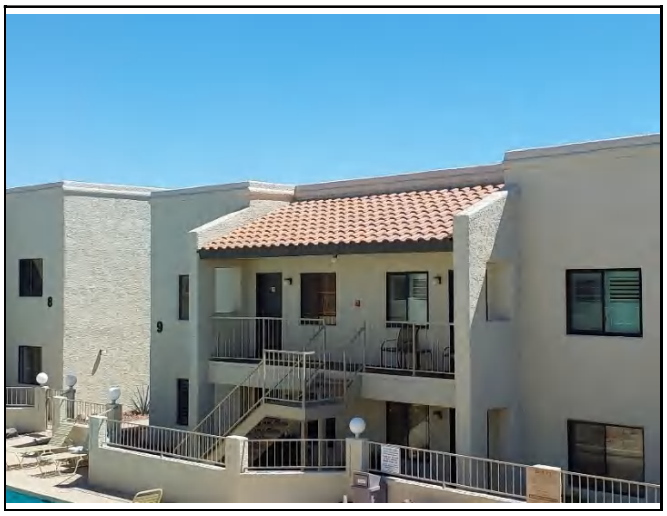
Comp #: 4.1703 Residential Buildings - Roof Re-Stack (Phase 2)

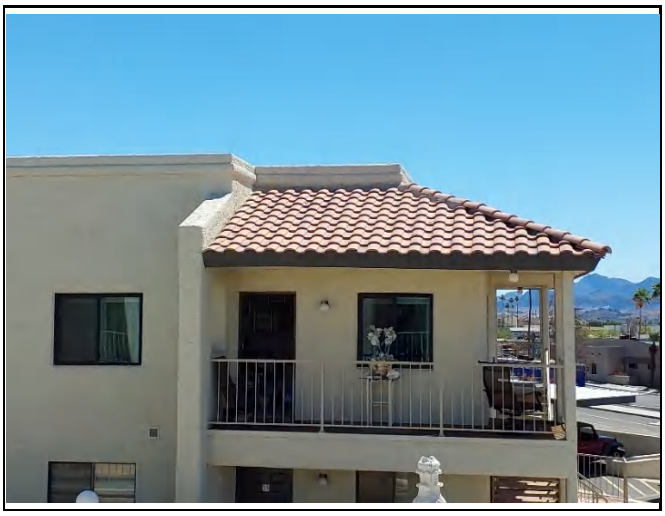




Quantity:	22,000 Sq. Ft.	**Original Service Date:**	1991
Unit Cost:	$5.50	**Useful Life:**	30
% of Unit Cost:	25.0%	**Rem. Useful Life Adjustment:**	6
Total Cost:	$30,250.00	**Remaining Useful Life:**	1
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2027
Description:	This component includes replacing the underlayment underneath the roof tiles. It is this underlayment that offers the protection from water damage and other elements. This project is known as a roof re-stacking, and should be expected to occur approximately every 20 to 30 years depending such factors as geographical location, weather, underlayment material, and amount of maintenance and repairs done. It is recommended that these roofs have regular inspections done and any specific recommendations or other feedback from the roofer should be provided to adjust this component as necessary.		
Evaluation:	Remaining life based on current schedule.		
General Notes:			

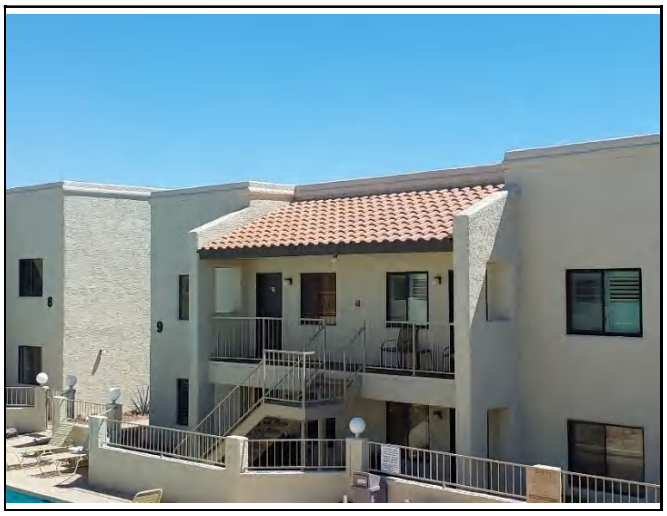
Comp #: 4.1703 Residential Buildings - Roof Re-Stack (Phase 3)

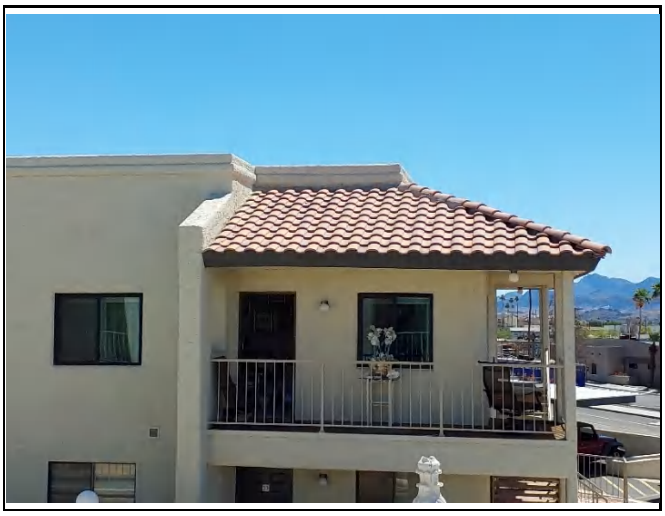




Quantity:	22,000 Sq. Ft.	**Original Service Date:**	1991
Unit Cost:	$5.50	**Useful Life:**	30
% of Unit Cost:	25.0%	**Rem. Useful Life Adjustment:**	7
Total Cost:	$30,250.00	**Remaining Useful Life:**	2
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2028
Description:	This component includes replacing the underlayment underneath the roof tiles. It is this underlayment that offers the protection from water damage and other elements. This project is known as a roof re-stacking, and should be expected to occur approximately every 20 to 30 years depending such factors as geographical location, weather, underlayment material, and amount of maintenance and repairs done. It is recommended that these roofs have regular inspections done and any specific recommendations or other feedback from the roofer should be provided to adjust this component as necessary.		
Evaluation:			
General Notes:			

Comp #: 4.1703 Residential Buildings - Roof Re-Stack (Phase 4)





Quantity:	22,000 Sq. Ft.	**Original Service Date:**	1991
Unit Cost:	$5.50	**Useful Life:**	30
% of Unit Cost:	25.0%	**Rem. Useful Life Adjustment:**	8
Total Cost:	$30,250.00	**Remaining Useful Life:**	3
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2029
Description:	This component includes replacing the underlayment underneath the roof tiles. It is this underlayment that offers the protection from water damage and other elements. This project is known as a roof re-stacking, and should be expected to occur approximately every 20 to 30 years depending such factors as geographical location, weather, underlayment material, and amount of maintenance and repairs done. It is recommended that these roofs have regular inspections done and any specific recommendations or other feedback from the roofer should be provided to adjust this component as necessary.		
Evaluation:	Remaining life based on current schedule.		
General Notes:			

Comp #: 4.1704 Residential Buildings - Flat Roof Re-coat (Phase 1)

Quantity:	3 Roofs	**Original Service Date:**	2023
Unit Cost:	$4,564.00	**Useful Life:**	5
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$13,692.00	**Remaining Useful Life:**	2
Cost Source:	Provided by Client	**Next Scheduled Year:**	2028
Description:	This component funds to recoat the building flat roofs. The specific cost schedule can vary widely based on the material, application method, and any issues these roofs may have. This association should work with a professional roofer to schedule regular maintenance and inspections and provide feedback to adjust this component as necessary.		
Evaluation:	This roofs should be maintained annually or bi-annually and any feedback by the roofer should be incorporated into this report.		
General Notes:	This project includes buildings 3, 6, and 7.		

Comp #: 4.1704 Residential Buildings - Flat Roof Re-coat (Phase 2)

Quantity:	2 Roofs	**Original Service Date:**	2024
Unit Cost:	$4,564.00	**Useful Life:**	5
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$9,128.00	**Remaining Useful Life:**	3
Cost Source:	Provided by Client	**Next Scheduled Year:**	2029
Description:	This component funds to recoat the building flat roofs. The specific cost schedule can vary widely based on the material, application method, and any issues these roofs may have. This association should work with a professional roofer to schedule regular maintenance and inspections and provide feedback to adjust this component as necessary.		
Evaluation:	This roofs should be maintained annually or bi-annually and any feedback by the roofer should be incorporated into this report.		
General Notes:	This project includes buildings 4, and 5.		

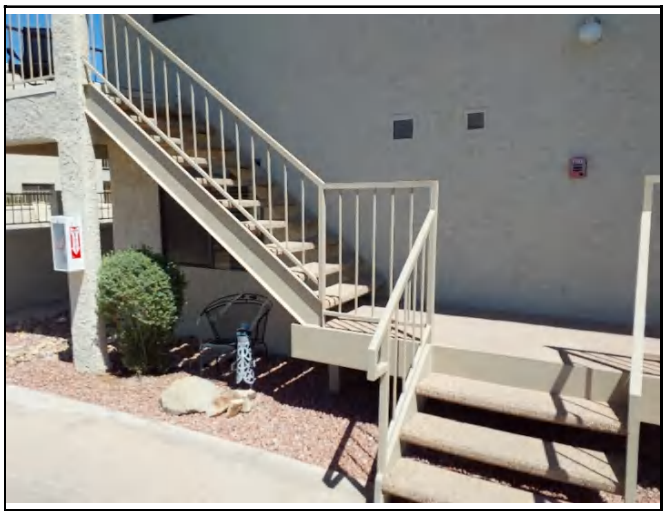
Comp #: 4.1704 Residential Buildings - Flat Roof Re-coat (Phase 3)

Quantity:	4 Roofs	**Original Service Date:**	2025
Unit Cost:	$4,564.00	**Useful Life:**	5
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$18,256.00	**Remaining Useful Life:**	4
Cost Source:	Provided by Client	**Next Scheduled Year:**	2030
Description:	This component funds to recoat the building flat roofs. The specific cost schedule can vary widely based on the material, application method, and any issues these roofs may have. This association should work with a professional roofer to schedule regular maintenance and inspections and provide feedback to adjust this component as necessary.		
Evaluation:	This roofs should be maintained annually or bi-annually and any feedback by the roofer should be incorporated into this report.		
General Notes:	This project includes buildings 1, 2, 8, and 9.		

Comp #: 4.1705 Residential Buildings - Exteriors Major Repair

Quantity:	9 Buildings	**Original Service Date:**	1991
Unit Cost:	$40,000.00	**Useful Life:**	24
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	17
Total Cost:	$360,000.00	**Remaining Useful Life:**	6
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2032
Description:	This component funds to make major repairs to the building exteriors. This includes repairing the siding and other surfaces, replacing the building signage, replacing the exterior light fixtures and other related work. This work is scheduled to be done every 24 years, but should be done as necessary.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 4.1707 Residential Buildings - Stairways & Landings Major Repair



Quantity:	397 Stair Treads	**Original Service Date:**	2021
Unit Cost:	$500.00	**Useful Life:**	5
% of Unit Cost:	5.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$9,925.00	**Remaining Useful Life:**	0
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2026
Description:	This component funds to make repairs to the building stairways and landings. This work will be done every 5 years with minor repairs done annually as an operating expense. This community should have regular inspections done to the buildings and can make any adjustments based on feedback by a qualified building inspector.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 4.1712 Residential Buildings - Exterior Stucco Repaint

Quantity:	96 Units	**Original Service Date:**	2022
Unit Cost:	$3,000.00	**Useful Life:**	15
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$288,000.00	**Remaining Useful Life:**	11
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2037
Description:	This component funds to repaint the building exterior surfaces and make any related repairs. There are several different scopes of work that can be performed for this project. Painting can be done with acrylic, elastomeric, or other types of paint. Also, a fog coating can be performed depending on the age and condition of the siding. This component funds to repaint the stucco every 10 to 15 years, but input should be provided by a stucco and/or paint professional at the time this project is scheduled to occur.		
Evaluation:	No major appearance issues noted.		
General Notes:			

Comp #: 4.1714 Residential Buildings - Light Fixtures Replace

Quantity:	251 Lights	**Original Service Date:**	2012
Unit Cost:	$55.00	**Useful Life:**	15
% of Unit Cost:	50.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$6,902.50	**Remaining Useful Life:**	1
Cost Source:	Provided by Client	**Next Scheduled Year:**	2027
Description:	This component includes replacing the exterior light fixtures as well as updating any related electrical work or other associated costs. These light fixtures should be replaced every 30 years, or when necessary.		
Evaluation:	No problems noted.		
General Notes:			

Comp #: 4.1717 Residential Buildings - Doors Replace

Quantity:	96 Units	**Original Service Date:**	2016
Unit Cost:	$700.00	**Useful Life:**	5
% of Unit Cost:	15.0%	**Rem. Useful Life Adjustment:**	5
Total Cost:	$10,080.00	**Remaining Useful Life:**	0
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2026
Description:	This component funds to replace the residential unit doors. This study recommends replacing these doors as needed every 10 years.		
Evaluation:	These doors are older and will need replacements as necessary.		
General Notes:	This component funds to replace a portion of the doors every 5 years and can be adjusted as necessary.		

Comp #: 4.1718 Residential Buildings - Garage Doors Replace

Quantity:	38 Doors	**Original Service Date:**	2011
Unit Cost:	$1,500.00	**Useful Life:**	20
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$57,000.00	**Remaining Useful Life:**	5
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2031
Description:	This component funds to replace the association maintained garage doors. These doors can reach an extended useful life with regular maintenance. However this study funds for replacements to be done every 20 to 30 years. This cost schedule can be adjusted as necessary.		
Evaluation:	No problems noted.		
General Notes:	Client has reported that some of these garage doors have been replaced at the owners expense due to negligent damage.		

Comp #: 4.1725 Residential Buildings - Utility Lines Major Repair

Quantity:	96 Units	**Original Service Date:**	1991
Unit Cost:	$3,000.00	**Useful Life:**	40
% of Unit Cost:	100.0%	**Rem. Useful Life Adjustment:**	0
Total Cost:	$288,000.00	**Remaining Useful Life:**	5
Cost Source:	GeoReserves Database	**Next Scheduled Year:**	2031
Description:	This component funds to make repairs to the various water, sewer, and other utility lines the association is responsible to maintain. These utility lines are designed to have an extended useful life, however, it is common for water and sewer lines to require major repairs after 40 years. This community should have inspections done on a regular basis and provide any feedback to adjust this cost schedule as necessary.		
Evaluation:	No problems reported.		
General Notes:			

Appendix I: Preparer's Qualifications and Disclosures

Preparer's Qualifications

Byron Goetting has been preparing reserve studies since 2008. He has also worked as a financial analyst for a major Las Vegas hotel and casino, and as an economist for an economic consulting firm. He holds a Bachelor's degree in Finance as well as a Master's degree in Economics.

Mr. Goetting has prepared over 2,000 reserve studies for single-family, condominium, townhome, high-rise, master-planned, commercial and other types of communities. He has worked on small communities consisting of no more than a single cul-de-sac of houses to large Master-planned HOAs and luxurious condominium high-rise towers. He has prepared reserve studies for communities located in Nevada, California, Arizona, Washington, Colorado, Utah, and North Carolina.

Disclosures

Unless otherwise mentioned, no representative of GeoReserves has any relationship with the Client which could result in actual or perceived conflicts of interest.

GeoReserves is not bonded but has both professional and general liability insurance policies.

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

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

This reserve study offers no expressed or implied warrantees or guarantees regarding condition, useful life and cost estimates. These estimates and projections are general in nature and for informative and budget planning purposes only. For the components listed within this study, it is highly recommended that the client relies on advice of contractors and other component-specific vendors in terms of what work should be done as well as up-to-date and accurate cost estimates.

If this reserve study is labeled as a "Draft" then it should not be considered to be an accurate tool to for budgeting or other management purposes. In addition, it will not satisfy any laws requiring a reserve study to be conducted in the Community's state or local area. As part of the contractual obligation between the Client and GeoReserves, the Client has agreed to check the contents of this study for accuracy and provide other areas of feedback.

As mentioned above, it is the responsibility of the Client to review and approve the information within this reserve study. This includes adding, removing or revising any components, quantities, costs, conditions, and all other relevant data. GeoReserves will make any reasonable revisions to the initial draft at the request of the Client. However, GeoReserves is an independent contractor and will not be obligated to make every request the Client may have. Such unreasonable requests may include, for example, removing any component that has not yet realized its economic life and which the current and future residents of the Community would still expect the Community to maintain. Any refusal of revision request does not remove the Client of its obligation of payment or to approve a final draft if required by any applicable statute or regulation.

This reserve study will be labeled as a "Draft" until the Client has given its final approval and upon

doing so recognizes that it took due care in assisting with the preparation of this report and removes GeoReserves of any liability that may arise from the resulting recommendations.

If this report is an update to a previous report: 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.

If an on-site inspection was not conducted (A Level 3 report), then GeoReserves makes no claims to the current condition of the components.

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

GeoReserves has assumed all components have been properly built and free from defects. This includes any defects in construction, workmanship, materials, and anything else that can reduce the useful life of a component or lead to premature failure.

Appendix II: Understanding This Report

This section offers a background of reserve studies in general, using industry standards as described by the Association of Professional Reserve Analysts (APRA) and Community Association Institute (CAI). Additional information relating to how GeoReserves prepares its reserve studies can be found here as well. This study is meant to be a collaboration between the Client and GeoReserves. Therefore, it is important for all readers to understand this introduction when reviewing the reserve study as it can answer any questions that may arise.

A reserve study, as defined by APRA, is a budgeting tool intended to aid the directors of Community Associations or other entities responsible for maintaining residential property, retail property, special districts or any other physical plant/property for the future repair, replacement, and restoration of major components of the common areas during the Economic Life of a property.

There are two main sections of a reserve study: The Physical Analysis and Financial Analysis. Part of the Physical Analysis is the Component Assessment and Valuation, which is found in the Component Detail of this report. All of these sections are described below. It is the Client's responsibility to understand not only the contents of the reserve study but his/her role in providing any feedback in the preparation of the final version of this report.

Physical Analysis Overview

The general purpose of the Physical Analysis is to identify the Reserve Components and to estimate the general condition and expenditure needs of these components. The Reserve Components are the major common area elements maintained by the Association, listed in the Component Inventory. The Component Inventory also shows the quantity, and if the component is included in the Financial Analysis, the cost, useful life, and remaining useful life. Information within the Component Inventory is determined primarily from the Site Visit but can also come from additional sources such as the client, vendor, or previous reserve study.

Component Inventory

Determining the Reserve Components

In order to determine what components are included in the component inventory, certain criteria must be met. Typically, a component is considered to be a Reserve Component if it meets the following guidelines:

A. Association Responsibility – The component must be owned or obligated by the Association. Any component that is publicly maintained, maintained by homeowners, a different Association, or any other agency should be excluded from the Component Inventory. Furthermore, leased components, those maintained in full by an existing maintenance contract, or those that are only temporarily under the control of the Association are not included.

B. Limited Useful Life – Many reserve analysts suggest that reserve study components should have useful life 30 or fewer years, and greater than one year. Components with a useful life of more than 30 years are usually considered to last the "economic life of the community" and excluded from the Component Inventory. These include such projects as rebuilding the community buildings or replacing any major utility system. There is, however, some debate on this 30-year limit, and GeoReserves sets the useful life of several components at 40 years. As the Association ages, the client may want to consider adding some of these major costs to the reserve study. For example, in certain parts of the country plumbing repairs are common and expected to occur when the Association is about 40 years old. Furthermore, annual expenses, even those relating to Reserve

Components such as annual roof inspections and repairs, are typically budgeted as an operating expense and not included in the reserve study.

C. Predictable Remaining Useful Life – The component should follow a reasonably predictable schedule. Most components have the risk of premature failure or can last longer than estimated. However typical projects excluded from the Component Inventory are those related to construction defects, acts of God, environmental hazards, future code changes, or other unpredictable events.

D. Above a Minimum Cost – Minor repairs and replacements, those costing less than a certain threshold, are considered to be operating expenses. It is important to note that the threshold is not a set figure that is the same for every Association. A small, single-family home community may have a $500 minimum threshold cost while a high-rise condominium building may use operating funds to pay for any expense less than several thousand dollars or more.

E. Required by Applicable Statutes – Any component that is usually excluded from the Component Inventory, either from reasons stated above or for any other reason, may be included if necessary, to satisfy applicable statutes. These statutes may be directed from a state or local agency, or from the Association's governing documents.

While the above guidelines are used by all reserve study providers, they are not meant to be rigid rules with no room for exceptions. For example, non-physical components such as legal, financial, or other consulting services or reports, including reserve studies, may fit the requirements above but still not be included unless requested by the Client. Also, if the component is funded for in another part of the budget it may be unnecessary to include in the Component Inventory. The Client should work with the reserve study preparer to finalize the Component Inventory, making sure all appropriate components are either included or excluded.

Estimating Quantity, Cost and Useful Life

Once the Component Inventory is finalized, the next step is to measure and quantify the Reserve Components. This reserve study goes to great lengths to ensure that these quantities and measurements are accurate and reliable for budgeting purposes. However, these quantities are not guaranteed. Mistakes can be made when taking measurements or counts. The client should review and check for any potential inaccuracies. See the Component Detail section below for additional information.

A cost estimate, and useful life is then assigned to those Reserve Components that are included in the Financial Analysis. The cost estimate and useful life of each component is gathered from various sources of information including construction cost estimators, research with vendors, actual costs or other information provided by the client and other sources. These are only general estimates and may vary widely from actual expenditures depending on the size and scope of the component. Reserve studies usually do not promote specific procedures and the Client should defer to the expert opinion of component specific vendors or experts at the time of the expenditure for a proper scope of work.

Remaining Useful Life

The Remaining Useful Life (RUL) of each component is based not only on the age of a component, but also on general evaluations and assumptions as well as from any feedback provided by the Client or vendors working with the Association. The RUL of a component with many individual items, such as streetlights or gate operators are usually grouped together. Individual failures within these groups are usually not separated.

Component's Significance

A component's significance is calculated by dividing its Cost by Useful Life (Cost/UL). The significance percentage rate is the portion of each component's significance cost compared to the summed total of these costs. Often times, neglect of components can lead to an unforeseen rise in replacement and repair costs far beyond those projected in this reserve study. Therefore, when reviewing the reserve study and looking for areas to focus the Association's money and resources, these components are a good place to start.

Financial Analysis Overview

The Financial Analysis is comprised of two major sections. The first is an evaluation of the current condition of the Association's reserve funds. Second, an appropriate funding plan is recommended based on the Association's current financial condition and projected future expenditures.

Evaluation of Current Reserve Fund

In order to evaluate the current financial condition, the Fully Funded Balance (FFB) for each component must first be calculated. This is done by taking each future expenditure, as described in the Physical Analysis, and applying the following formula: $\mathbf{FFB} = \left(\frac{Current\ Cost * Effective\ Age}{Useful\ Life}\right)$. The Effective Age is the difference between the Useful Life and the Remaining Useful Life. For Example, if the Useful life of a component is 15 years and the Remaining Useful Life is 12 years, its Effective Age is 3 years. Furthermore, if this same component has a Current Cost of $10,000 its Fully Funded Balance is equal $2,000, because $10,000 * (3/15) equals $2,000. This formula is applied to each component individually and then added together to get the total Fully Funded Balance for the Association.

Percent Funded Metric

The metric used to evaluate the Association's current financial condition is the Percent Funded. This is the actual cash balance compared to the calculated Fully Funded Balance, displayed as a percentage rate. For example, if the Fully Funded Balance for the Association is $100,000 and the Association currently has $90,000, then the association would be 90% Funded.

The Percent Funded shows only a current snapshot of the Association's financial position. The closer to 100% (Fully Funded) the better prepared a community is to pay for its upcoming projected expenses. **A general gauge of strength can be applied to the Percent Funded to determine the current financial position. It is important to note that this gauge only evaluates the current financial position of the Association. It does not evaluate the long-term stability of the funding position.**

The typical gauge used to measure the strength of the current financial position is as follows:
Over 100% Funded: If the Association has a Percent Funded over 100%, it is over-funded. The Association has a reserve fund greater than the ideal amount and presumably, is more than capable of paying for its upcoming projected expenses.

100% Funded: If the Association is 100% Funded, then it is Fully Funded and has the ideal amount of reserve funds necessary at the current moment of time.

70% - 99% Funded: Generally, any Association with its Percent Funded amount within this range is in a strong position. The association should be able to pay for its upcoming projected expenditures.

31% - 69% Funded: If the Association has a Percent Funded amount within this range it is usually considered to be in a fair position. The Association may need to prioritize what upcoming projects it can afford to do and push other projects back or issue a special assessment or some other means of raising additional funds to pay for upcoming projected expenses.

0% - 30% Funded: If the Association has a Percent Funded within this range it usually means the Association is in a weak financial position. This will typically result in the Association being unable to pay for upcoming projected expenses. The Association will most likely push back projected expenses in order to have time to raise the proper amount of funds. It is important to note that the Association can have a low percent funded amount and still be able to pay for its projected expenses provided if follows the recommended plan.

Limitations of Percent Funded Metric

As noted above, the Percent Funded metric shows only a snapshot of the current financial position. It does not show any indication of the Association's future ability to pay for projected expenses.

For example, a newly constructed development needs little money in its reserve account, as all the common area components have been recently installed, there is little need for major repairs or replacements. Therefore, the dollar amount representing the ideal Fully Funded percent rate is usually a low number. As the Association ages, it will need more and more money in its reserve account in order to be at the Fully Funded level. Therefore, a recently built Association can be in a strong, or even over-funded position in the current year, but quickly drop to a weak position in the future if it does not follow the recommended funding plan. However, it is important to note that certain state statutes may require the developer to transfer a certain amount of money to the reserve fund and these statutes should be followed accordingly.

Also, if the Association is older and reaching the point in time where major repairs and replacements are scheduled to occur, it will be spending more money than it takes in and the Percent Funded may drop to a low percentage rate. The Association may appear to be in a weak funding position; however, as the work is finished it will quickly jump from a weak position to a strong position in a short amount of time if following the recommended funding plan.

Another limitation of relying solely on the Percent Funded metric is that the Association may have a project that costs more than expected or needs to be done sooner than anticipated. The reserve study cost schedule is only a guideline, and if not updated on a regular basis to reflect the Association's specific needs, will result in inadequate information and recommendations.

Funding Plan Methodology

The key metric in evaluating the Association's long-term ability to pay for all projected expenditures of the 30-year span of the study is whether the Association is following the recommended Funding Plan. After the current reserve fund is evaluated in the manner described above, the Funding Plan is then prepared. In order to develop an appropriate plan, the first step is to set a target Funding Goal. There are four possible Funding Goals to choose from: Full Funding, Threshold Funding, Statutory Funding and Baseline Funding.

Full Funding – The most common Funding Goal is Full Funding, in which the Funding Plan target is for the Association to have reserve funds equal to the Fully Funded Balance or 100% funded. This is the appropriate Funding Plan for small to medium sized communities, and many large-scale communities as well.

Threshold Funding – This Funding Goal is set at a specific Percent Funded target. The target could be 80%, 75% or any specific Percent Funded target as determined by the Association and the reserve study preparer. A Threshold Funding Goal is usually seen in larger communities with a really high Fully Funded Balance, and when no projected year of reserve expenditures comes close to that amount.

For example, a very large-scale project with a long list of reserve components may have a Fully Funded Balance of $5 million, however no single year of projected expenses is over $500,000. There would be no

reason for the Association to sit on millions of dollars in the reserve fund when the probability of needing to spend that much in a single year is very low.

Statutory Funding – Similar to a Threshold Funding Goal however instead of a target Percent Funded, there is a target minimum amount of reserve funds that must be kept because of any applicable statute or other requirement.

Baseline Funding – This is a specific version of the Threshold Funding Goal in which the Percent Funded target is only 0%. Due to the uncertainty surrounded with estimating costs and predicting when future expenditures will occur, there is a tremendous amount of risk associated with a Baseline Funding Goal.

This report shows the Baseline Funding Goal for comparison purposes only and to give the client a better understanding of what the bare minimum reserve contribution should be. Even the most cash-strapped associations should contribute enough to the reserve fund to meet this Baseline Funding Goal.

Once the Funding Goal is set, the Funding Plan is then prepared. The Funding Plans prepared in this reserve study use the Cash Flow Method. The Cash Flow Method is a method used for preparing reserves studies in which the reserve study preparer tests different reserve contributions against the projected annual reserve expenditures until the Funding Goal is met.

Financial Analysis Limitations and Exclusions

There are certain factors and services that are not considered when preparing the Financial Analysis. These include accounting services such as an audit, review, or compilation when evaluating the current reserve fund. Any financial information provided by the client is assumed to be accurate. However, any settlement or other amount of money that has not yet been transferred to reserves, and before the final amount has been approved, should not be included in the Evaluation of the Current Reserve Fund. The Funding Plan should not include projected interest earnings or other returns on investment that are higher than standard savings, certificates of deposit, or other low-risk accounts. The Funding Plan offers a recommended reserve contribution; beyond that it does not promote any specific investment strategy, nor does it consider external limitations such as restrictions dictated by the Governing Documents or homeowner budget constraints.

Final Thoughts on Financial Analysis

No matter what Funding Goal or Method is used, all reserve study Funding Plans should follow certain basic principles. There should be sufficient reserve funds when required, contributions should be relatively stable and even over time, and the Funding Plan should be fiscally responsible to the Association and all interested parties.

As long as the Association is following its recommended Funding Plan that has it on track to hit its Funding Goal, and is updating the reserve study on a regular basis, it should be able to pay for all projected expenditures in the near-term and long-term. This is the true determination in the strength of the Association's financial condition

Component Detail

The Component Detail section includes the Component Assessment and Valuation, which is the basically the findings of the site visit. In addition to the information already listed in the Component Inventory, this section provides pictures and maps, an evaluation of the condition, a description of what work the component entails, as well as other notes such as model numbers, quantity breakdowns, etc. Also located in this section are any notes the Client has provided. These notes may include the original installation date, the scope of any work performed, actual costs, an any other relevant feedback.

Site Visit

When the Site Visit is performed, the Reserve Analyst will travel to the community to make all necessary measurements, quantifications, and evaluations of the general condition of the Reserve Components.

It is very important to note that certain common area elements or components the Association is obligated to maintain, repair, or replace may not be located within the normal community boundaries. For example, utility system components, drainage easements, walkways, and landscaping may be located away from the residential units and in places that would not appear to be part of the Association's common area. It is the responsibility of the Client to inform the Reserve Analyst of any areas in which the Association maintains these components. Any CC&R's, maps, or other relevant documents should be provided by the Client for review.

Not every Reserve Component included in the Physical Analysis may be quantified or evaluated in the Site Visit. Components may be excluded from the Site Visit if the component is not readily accessible or available during the time of the Site Visit. This would include components that not available for reasons beyond control of the Reserve Analyst, or which the Client has specified to be excluded, or are under ground, under water, or where the Reserve Analyst would come into contact with water.

Measurements & Quantifications

GeoReserves was founded on the idea that by utilizing Geographical Information Systems (GIS), and Global Positioning System (GPS) devices and software, we can create some of the most accurate and easy to understand reserve studies available. During the site visit we will use GPS devices and software to quantify and track many of the Reserve Components, such as streetlights, signs, and other Reserve Components located throughout the Association. We also utilize Geographical Information Systems (GIS) to create maps and take measurements, such as walls, asphalt and roofs.

Maps of certain components are included to help make this report more reliable and easier to understand. These maps may contain lines, shapes, or other markings to be used as visual aids for the Client to check for any inaccuracies. For example, some Associations may maintain only certain sections of the perimeter block walls. The Client can easily review our map of the included block walls against what the Association is actually obligated to maintain.

Condition Evaluations

The most difficult aspect of any reserve study is the attempt to try to predict just how many years a component will have until failure occurs. Often times even experts in the fields of specific components will have a hard time trying to make that determination. It is therefore important for the Client and all readers of this reserve study understand that the evaluations determined from the site visit only general observations of each component.

These evaluations are not intended to be exhausted in nature and may include representative sampling. When evaluating the condition of components, only the visible features are examined. No activating, operating or shutting down, dismantling, or removing any walls or access panels to any inspect any system or component beyond the most basic of user controls are involved.

Furthermore, the evaluations will typically not determine whether a component is in compliance with any installation guidelines, codes, or other standards or regulations. No intensive examinations relating to the structural, geological, environmental or any other characteristics of the component are involved. This

includes the acoustical and other nuisance characteristics. No water damage/leakage tests, fire resistive tests, or any tests relating to conditions of nature are performed.

As mentioned in the Physical Analysis section above, certain items may be grouped together into a single component. As the ages of each building or individual item may vary, the site visit is not intended to attempt to differentiate original construction or subsequent additions or modifications.

The most important thing to consider when understanding the evaluation and the Remaining Useful Life of each component is that any component can fail prematurely or last longer than suggested. That is why reserve studies should be updated and reviewed regularly, and in many states, Associations are required to do so. Also, the RUL is only one variable in the funding model, and so long as the Association makes its best effort to follow the recommended funding plan, in most cases it should have enough funds for any variances in actual reserve expenditures.

Appendix III: Glossary of Terms

As defined by the Association of Professional Reserve Analysts

* All definitions apply to derivatives of these terms when italicized in the text.

1. Association: For the purposes of this document "Association" shall encompass Community Associations, schools, commercial buildings, mutual utility properties, worship facilities, and any other entity interested in the long range planning for the maintenance and replacement of the major components.

2. Cash Flow Method - A method of calculating Reserve contributions where contributions to the Reserve Fund are designed to offset the variable annual expenditures from the Reserve Fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

3. Component – or Reserve Component. An individual line item in the Reserve Study developed or updated in the Physical Analysis. These elements form the building blocks of the Reserve Study. Components typically are: 1) Association responsibility, 2) with limited Useful Life expectancies, 3) predictable Remaining Useful Life expectancies, 4) above a minimum threshold cost, and 5) as required by applicable statutes.

4. Component Assessment and Valuation - The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve Components. This task is accomplished either with or without onsite visual observations, based on Level of Service selected by the client.

5. Component Inventory - The task of selecting and quantifying Reserve Components. This task is accomplished through any of the following: onsite visual observations, review of association design and organizational documents, review of a previous Reserve Study, review of established association precedents.

6. Component Method - A method of calculating Reserve contributions where the total reserve contribution is based on the sum of contributions for individual Components.

7. Current Cost – A component's current replacement cost as of the date of the financial analysis. Current cost may be less or greater than the total replacement cost depending on the defined replacement scope.

8. Deficit - An actual (or projected) Reserve Balance less than the Fully Funded Balance. The opposite would be a Surplus.

9. Economic Life – the portion of the total life of a property up until the infrastructure is no longer economically viable to maintain and a significant reinvestment, rebuilding, or renovation is necessary.

10. Effective Age - The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some Components age irregularly. Used primarily in computation.

11. Extended Useful Life – Systems or Components generally designed to last the life of the community or for which the replacement cost would be economically impractical. Items generally excluded in this category include utility systems, building infrastructure, permanent structures, asphalt streets, swimming pools, tennis courts, etc.

12. Financial Analysis - The portion of a Reserve Study where current status of the Reserves (measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived. The Financial Analysis is one of the two parts of a Reserve Study.

13. Full Study – Complete qualitative and quantitative study, includes site visit.

14. Fully Funded - 100% Funded. When the actual (or projected) Reserve Balance is equal to the Fully Funded Balance.

15. Fully Funded Balance (FFB) - Total Accrued Depreciation. An indicator against which Actual (or projected) Reserve Balance can be compared. In essence, it is the Reserve Balance that is proportional to the current Repair/replacement cost and the fraction of life "used up". This number is calculated for each Component, then summed together for an association total. Two formulae can be utilized, depending on the provider's sensitivity to interest and inflation effects. Note: both yield identical results when interest and inflation are equivalent.

16. Funding Goals - Independent of Methodology utilized, the following represent the basic categories of Funding Plan goals.
16.1. Baseline Funding - Establishing a Reserve Funding goal of keeping the Reserve cash balance above zero.
16.2. Fully Funded - Setting a Reserve Funding goal of attaining and maintaining Reserves at or near 100% funded.
16.3. Statutory Funding - Establishing a Reserve Funding Goal of setting aside the specific minimum amount of funds required by applicable statutes.
16.4. Threshold Funding - Establishing a Reserve Funding goal of keeping the Reserve Balance above a specified dollar or Percent Funded amount. Depending on the threshold this may be more or less conservative than "Fully Funded".

17. Funding Plan - An Association's plan to provide income to a Reserve Fund to offset anticipated expenditures from that fund.

18. Inflated Expenditures - The combined annual expenditures for a given year inflated to reflect their estimated future replacement cost.

19. Inflationary Multiplier - The number multiplies by the annual expenditures to estimate the future replacement cost. If inflation was currently projected at 3%, the initial year multiplier would be 1.00, Next Year 1.03, Next year 1.061, etc.

20. Methodology - A statement which addresses the procedures and methods used to prepare a Reserve Study

21. Minimum Balance - A minimum Reserve Balance established by the client or recommended within the Financial Analysis.

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

23. Physical Analysis - The portion of the Reserve Study where the Component Inventory and Component Assessment and Valuation adjustment tasks are performed. This represents one of the two parts of the Reserve Study.

24. Quantity - The total Quantity of each Component.

25. Readily Accessible - Can be reached, entered, or viewed without difficulty, moving obstructions, or requiring any action which may harm or endanger persons or property.

26. Remaining Useful Life (RUL) - Also referred to as Remaining Life (RL). The estimated time, in years, that a Reserve Component can be expected to continue to serve its intended function. Replacements anticipated to occur in the initial or base year have "zero" Remaining Useful Life.

27. Reserve Analyst – A person who prepares Reserve Studies.

28. Reserve Assessment - The portion of assessments contributed to the Reserve Fund.

29. Reserve Balance - Actual or projected funds as of a particular point in time that the association has identified for use to defray the future repair or replacement of those major components which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves.

30. Reserve Component – see Component.

31. Reserve Fund – Those funds set aside for the future repair, replacement, or restoration of the Reserve Components.

32. Reserve Study - A budgeting tool which identified the current status of the Reserve Fund and a stable and equitable Funding Plan to offset the anticipated future "major common area expenditures". The Reserve Study consists of two parts: the Physical Analysis and the Financial Analysis.

33. Site Visit – A visit to the common areas of the association for the purposes of determining the Component Inventory and the Component Assessment and Valuation.

34. Special Assessment - An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by Governing Documents or applicable statutes.

35. Straight Line - A formula used to calculate the annual Reserve Fund contribution for a specific Component. Projected replacement cost divided by the Useful Life equals the annual payment.

36. Surplus - An actual (or projected) Reserve Balance greater than the Fully Funded Balance. See "Deficit".

37. Unit Cost - The cost of a Component. The Unit Cost is multiplied by the Component's Quantity to obtain the total estimated replacement cost for the Component.

38. Unit of Measure - Refers to the method of measurement applied to a particular Component. The following are examples:
38.1. Square Feet
38.2. Lineal Feet or Linear Feet
38.3. Each
38.4. Square Yards
38.5. Lump Sum
38.6. Squares

39. Update with Site Visit - Qualitative only update and review study, includes site visit.

40. Update without Site Visit – Financial only update study, does not include site visit.

41. Useful Life (UL) - Total Useful Life or Depreciable Life. The estimated time, in years, that a Reserve Component can be expected to serve its intended function in its present application or installation.