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Garden Grove Condominium Owners Association
Everett, WA

RICHARD DUBUQUE CAI-RS 00444 DESIGNATION RESERVE SPECIALIST

Report #: 13381-0
Beginning: January 1, 2023
Expires: December 31, 2023

RESERVE STUDY
"Full"

December 20, 2022

Welcome to your Reserve Study!

A Reserve Study is a valuable tool to help you budget responsibly for your property. This report contains all the information you need to avoid surprise expenses, make informed decisions, save money, and protect property values.

Regardless of the property type, it's a fact of life that the very moment construction is completed, every major building component begins a predictable process of physical deterioration. The operative word is " predictable" because planning for the inevitable is what a Reserve Study by **Association Reserves** is all about!

In this Report, you will find three key results:

- **Component List**
  Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.
- **Reserve Fund Strength**
  A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.
- **Reserve Funding Plan**
  A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

Questions?

Please contact your Project Manager directly.

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Reserve Study Executive Summary — Full

Garden Grove Condominium - Owners Association Report #: **13381-0**
Everett, WA # of Units: 134
Level of Service: **"Full"** **January 1, 2023** through **December 31, 2023**

Findings & Recommendations — as of January 1, 2023

Starting Reserve Balance	**$91,195**
Current Fully Funded Reserve Balance	**$4,526,061**
Percent Funded	**2.0 %**
Average Reserve Deficit or (Surplus) Per Unit	**$33,096**
Recommended 2023 100% Monthly "Full Funding" Contributions	**$28,005**
2023 "Baseline Funding" minimum to keep Reserves above $0	**$27,135**
Recommended 2023 Special Assessment	****$375,000**
Most Recent Budgeted Contribution Rate	**$13,923**

Reserve Fund Strength: 2.0%

Weak	Fair	Strong
< 30%	< 70%	> 130%
X		

Risk of Special Assessment: High | Medium | Low

Economic Assumptions:

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

• This is a "Full", meeting all requirements of the Revised Code of Washington (RCW). This study was prepared by, or under the supervision of a credentialed Reserve Specialist (RS™).

• Your Reserve Fund is currently 2.0 % Funded. This means the association's special assessment & deferred maintenance risk is currently High. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of such Reserve cash flow problems. The current annual deterioration of your reserve components is $263,070 - see Component Significance table.

• Based on this starting point and your anticipated future expenses, our recommendation is to budget Reserve Contributions to within the 70% to 100% range as noted above. The 100% "Full" and 70% contribution rates are designed to gradually achieve these funding objectives by the end of our 30-year report scope.

•**The special assessment amount is preliminary in nature, and subject to change pending the final scope of work, contractor selection, and the actual timing of the project. The special assessment shown above is to assist in completing the projects listed in 2023, including roof replacement and deck recoating.

• No assets appropriate for Reserve designation known to be excluded. See appendix for component information and the basis of our assumptions. "Baseline Funding" in this report is as defined within the RCW, "to maintain the reserve account balance above zero throughout the thirty-year study period, without special assessments." Funding plan contribution rates, and reserves deficit or (surplus) are presented as an aggregate total, assuming average percentage of ownership. The actual ownership allocation may vary - refer to your governing documents, and assessment computational tools to adjust for any variation.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
	Site & Grounds			
120	Shared Asphalt - Resurface	35	11	$8,950
122	1999 Asphalt - Resurface	35	11	$296,850
123	2019 Parking Area - Resurface	35	31	$7,000
125	Asphalt - Repair & Seal	5	0	$43,700
140	Perimeter Fence - Repair/Replace	20	13	$38,600
142	Yard Fencing - Repair/Replace	5	4	$50,000
143	Storm Pond Fence - Repair/Replace	20	0	$28,950
145	Vinyl Fence – Repair/Replace	35	11	$55,750
147	Garbage Enclosures - Repair/Replace	25	1	$13,000
160	Pole Lights - Repair/Replace	40	16	$12,100
205	Mailboxes - Repair/Replace	30	24	$25,200
220	Concrete Sport Court - Resurface	45	21	$16,550
	Building Exteriors			
500	Bldgs BB & DD Roofs-Repair/Replace	25	21	$127,700
501	Bldg Y Roof - Repair/Replace	25	23	$33,500
502	Bldgs D, O, & AA Roofs - Replace	25	24	$124,800
503	2023 Roofs - Repair/Replace	25	0	$198,000
504	2024 Roofs - Repair/Replace	25	1	$198,000
505	2025 Roofs - Repair/Replace	25	2	$198,000
506	2026 Roofs - Repair/Replace	25	3	$198,000
507	Garage Roofs - Repair/Replace	20	4	$53,100
513	2023 Skylights - Repair/Replace	25	0	$9,000
514	2024 Skylights - Repair/Replace	25	1	$9,000
515	2025 Skylights - Repair/Replace	25	2	$9,000
516	2026 Skylights - Repair/Replace	25	3	$8,000
517	Gutters & Downspouts-Repair/Replace	40	16	$180,700
520	Vinyl Siding - Exterior Renovation	40	16	$3,383,600
521	Vinyl Siding - Clean & Inspect	4	3	$29,100
533	Exterior Surfaces - Caulk & Paint	8	1	$125,000
535	Windows & Sliders - Repair/Replace	40	16	$1,493,200
542	Coated Decks - Recoat	5	0	$87,400
543	Elevated Walkway - Repair & Recoat	5	0	$10,000
545	Wood Decks - Repair/Replace	10	8	$65,000
555	Building Wood Rails-Repair/Replace	10	6	$50,000
	Systems & Evaluations			
965	Fire Alarm Panel - Repair/Replace	20	0	$18,000
34	**Total Funded Components**			

Note 1: Yellow highlighted line items are expected to require attention in this initial year, light blue highlighted items are expected to occur within the first-five years.

Introduction

A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.

RESERVE STUDY RESULTS

Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology

For this Full Reserve Study, we started with a review of your Governing Documents, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents. We performed an on-site inspection to quantify and evaluate your common areas, creating your Reserve Component List *from scratch*.

Which Physical Assets are Funded by Reserves?

RESERVE COMPONENT "FOUR-PART TEST"

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

How do we establish Useful Life and Remaining Useful Life estimates?

1) Visual Inspection (observed wear and age)
2) Association Reserves database of experience
3) Client History (install dates & previous life cycle information)
4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

1) Actual client cost history, or current proposals
2) Comparison to Association Reserves database of work done at similar associations
3) Vendor Recommendations
4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
2) Compare that to the Reserve Fund Balance, and express as a percentage.

Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

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

How much should we contribute?

RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

What is our Recommended Funding Goal?

FUNDING OBJECTIVES

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Site Inspection Notes

During our site visit on 12/9/2022, we visually inspected all visible common areas, while compiling a photographic inventory, noting: general exterior observations, make & model information where appropriate, apparent levels of care and maintenance, exposure to weather elements and other factors that may affect the components useful life.

Several ends of trim pieces were noted to have rot and deterioration. We strongly recommend the association have the pieces repaired and complete an exterior painting project. Paint is not only aesthetically pleasing, it also waterproofs the wood.

Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away.

The figure below summarizes the projected future expenses at your association as defined by your Reserve Component List. A summary of these expenses are shown in the 30-yr Summary Table, while details of the projects that make up these expenses are shown in the Cash Flow Detail Table.

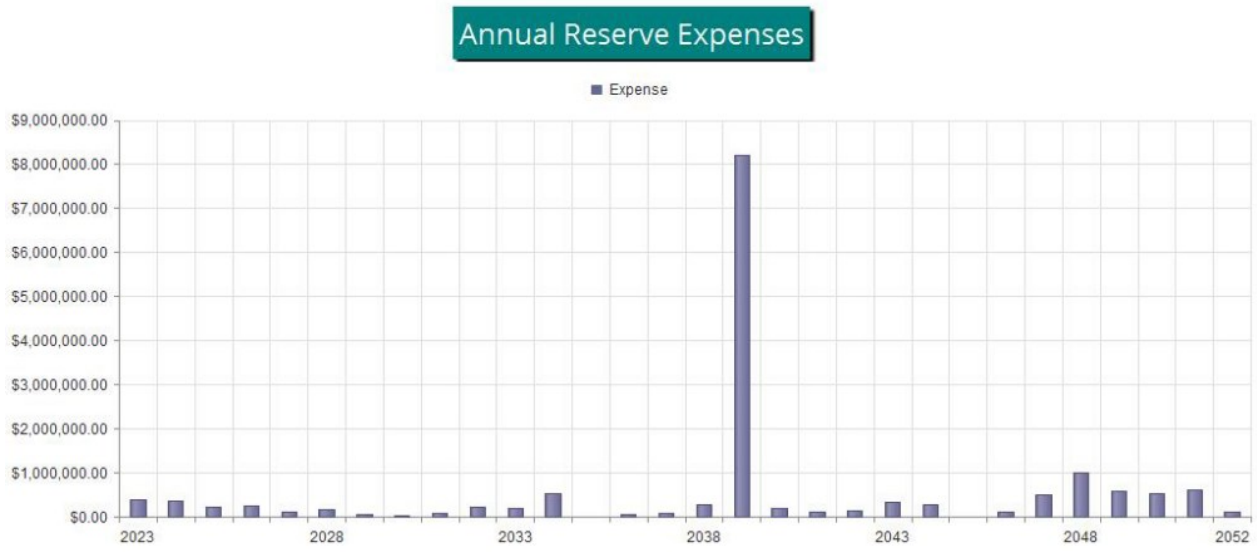


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be $91,195 as-of the start of your Fiscal Year on 1/1/2023. As of that date, your Fully Funded Balance is computed to be $4,526,061 (see Fully Funded Balance Table). This figure represents the deteriorated value of your common area components.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of $28,005 per month this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary Table and the Cash Flow Detail Table.

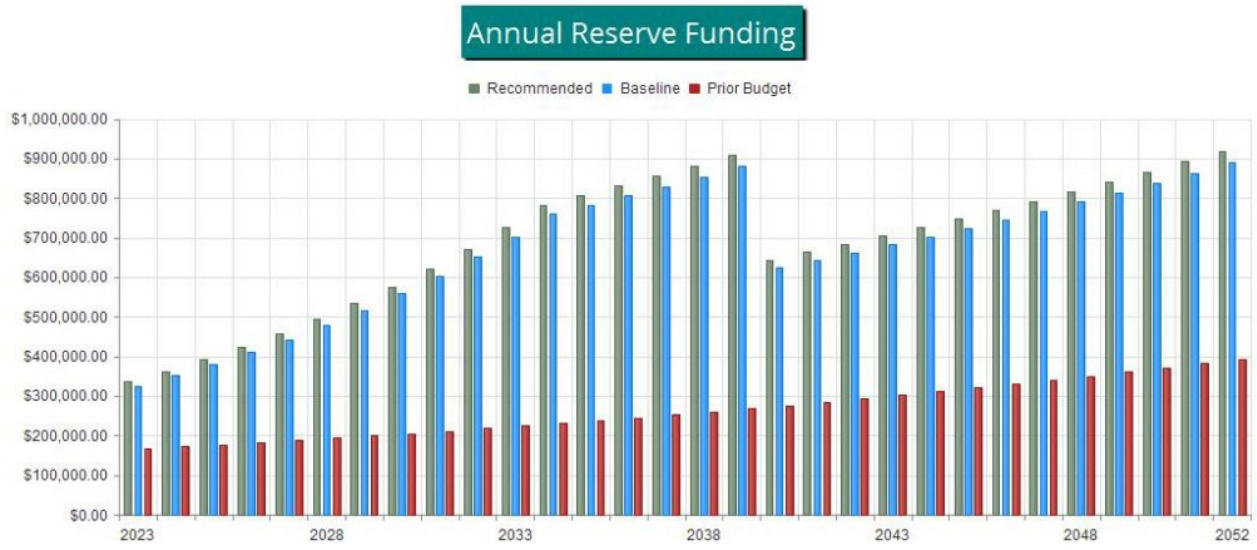


Figure 2

The following chart shows your Reserve balance under our recommended Full Funding Plan, an alternate Baseline Funding Plan, and at your current budgeted contribution rate (assumes future increases), compared to your always-changing Fully Funded Balance target.

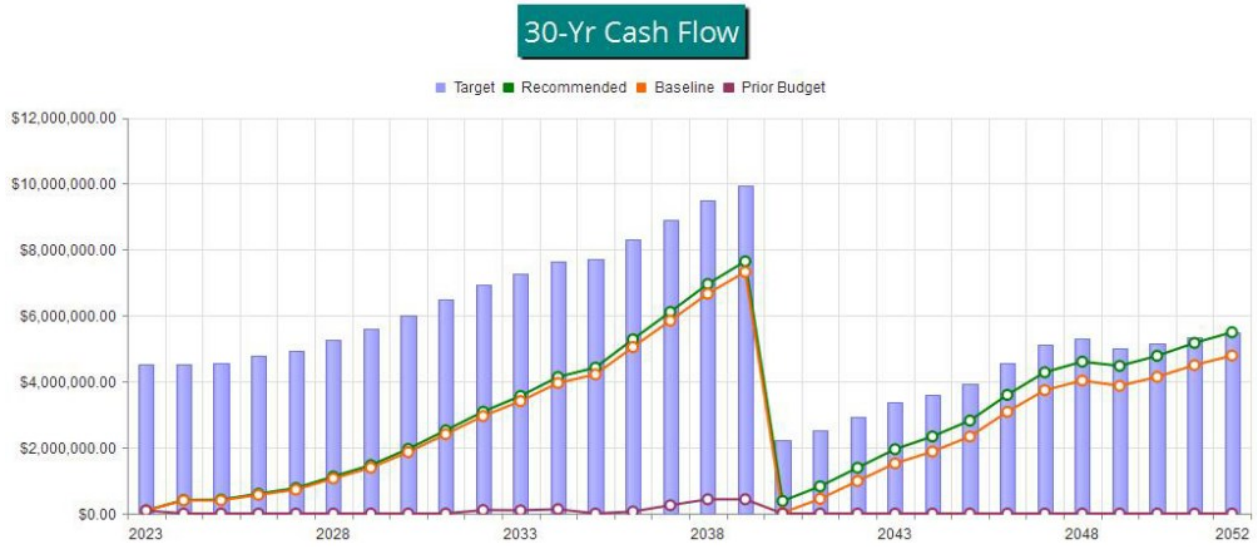


Figure 3

This figure shows the same information plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan.

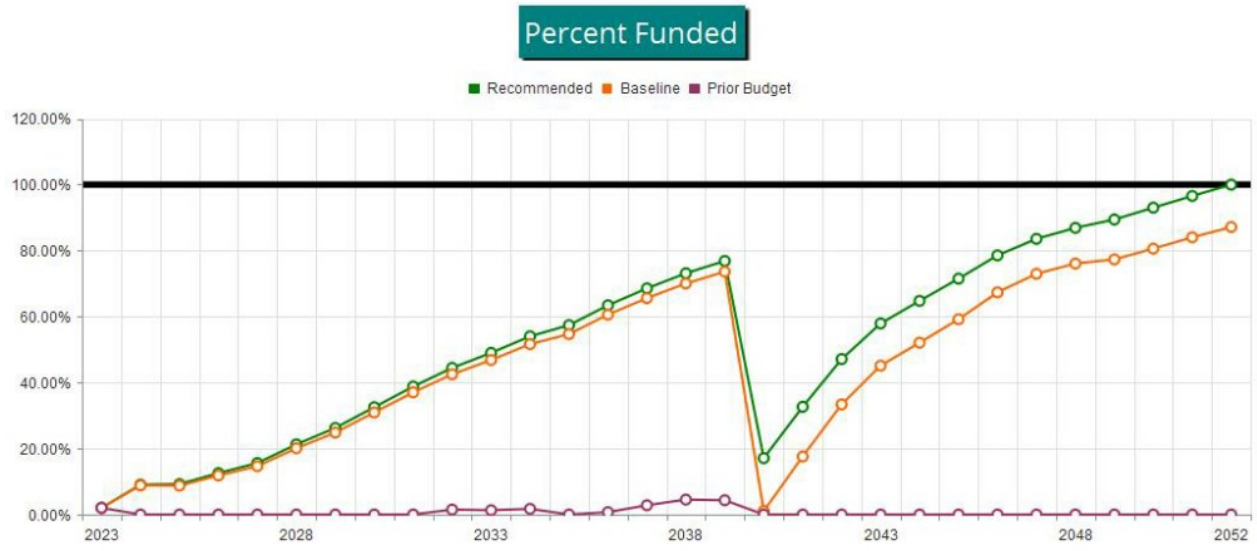


Figure 4

Table Descriptions

Executive Summary is a summary of your Reserve Components

Reserve Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the property total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the property, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

Accounting & Tax Summary provides information on each Component's proportion of key totals. If shown, the Current Fund Balance is a re-distribution of the current Reserve total to near-term (low RUL) projects first. Any Reserve contribution shown is a portion of the total current contribution rate, assigned proportionally on the basis of that component's deterioration cost/yr. As this is a Cash Flow analysis in which no funds are assigned or restricted to particular components, all values shown are only representative and have no merit outside of tax preparation purposes. They are not useful for Reserve funding calculations.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

#	Unit Name	Ownership Portion	Deficit/(Surplus)
1	A1	0.8500%	$ 37,696.36
2	A2	0.9700%	$ 43,018.20
3	B1	0.8500%	$ 37,696.36
4	B2	0.8500%	$ 37,696.36
5	C1	0.8500%	$ 37,696.36
6	C2	0.8500%	$ 37,696.36
7	D1	1.1100%	$ 49,227.01
8	D2	1.1100%	$ 49,227.01
9	E1	0.8500%	$ 37,696.36
10	E2	0.8500%	$ 37,696.36
11	F1	0.8500%	$ 37,696.36
12	F2	0.8500%	$ 37,696.36
13	G1	0.8500%	$ 37,696.36
14	G2	0.8500%	$ 37,696.36
15	H1	0.8500%	$ 37,696.36
16	H2	0.8500%	$ 37,696.36
17	I1	0.9700%	$ 43,018.20
18	I2	0.8500%	$ 37,696.36
19	J1	0.8500%	$ 37,696.36
20	J2	0.8200%	$ 36,365.90
21	J3	0.8200%	$ 36,365.90
22	J4	0.8500%	$ 37,696.36
23	K1	1.1100%	$ 49,227.01
24	K2	1.1100%	$ 49,227.01
25	L1	0.9100%	$ 40,357.28
26	L2	0.8800%	$ 39,026.82
27	L3	0.8800%	$ 39,026.82
28	L4	0.9100%	$ 40,357.28
29	M1	0.8500%	$ 37,696.36
30	M2	0.8500%	$ 37,696.36
31	N1	0.8500%	$ 37,696.36
32	N2	0.8500%	$ 37,696.36
33	O1	0.8500%	$ 37,696.36
34	O2	0.8200%	$ 36,365.90
35	O3	0.8200%	$ 36,365.90
36	O4	0.8500%	$ 37,696.36
37	P1	0.9100%	$ 40,357.28
38	P2	0.8800%	$ 39,026.82
39	P3	0.8800%	$ 39,026.82
40	P4	0.9100%	$ 40,357.28
41	Q1	0.9700%	$ 43,018.20
42	Q2	0.8500%	$ 37,696.36
43	R1	0.8500%	$ 37,696.36
44	R2	0.9700%	$ 43,018.20
45	S1	0.9700%	$ 43,018.20
46	S2	0.8500%	$ 37,696.36

47	T1	1.1100%	$ 49,227.01
48	T2	1.1100%	$ 49,227.01
49	U1	0.8500%	$ 37,696.36
50	U2	0.8200%	$ 36,365.90
51	U3	0.8200%	$ 36,365.90
52	U4	0.8500%	$ 37,696.36
53	V101	0.7100%	$ 31,487.55
54	V102	0.6000%	$ 26,609.19
55	V103	0.5700%	$ 25,278.73
56	V104	0.6300%	$ 27,939.65
57	V201	0.7400%	$ 32,818.01
58	V202	0.6000%	$ 26,609.19
59	V203	0.5700%	$ 25,278.73
60	V204	0.6300%	$ 27,939.65
61	W101	0.7100%	$ 31,487.55
62	W102	0.6800%	$ 30,157.09
63	W103	0.6800%	$ 30,157.09
64	W104	0.7100%	$ 31,487.55
65	W201	0.7400%	$ 32,818.01
66	W202	0.7100%	$ 31,487.55
67	W203	0.7100%	$ 31,487.55
68	W204	0.7400%	$ 32,818.01
69	X101	0.7400%	$ 32,818.01
70	X102	0.6000%	$ 26,609.19
71	X103	0.6800%	$ 30,157.09
72	X201	0.7400%	$ 32,818.01
73	X202	0.6000%	$ 26,609.19
74	X203	0.6800%	$ 30,157.09
75	X301	0.7400%	$ 32,818.01
76	X302	0.6000%	$ 26,609.19
77	Y101	0.6800%	$ 30,157.09
78	Y102	0.6000%	$ 26,609.19
79	Y103	0.7400%	$ 32,818.01
80	Y201	0.6800%	$ 30,157.09
81	Y202	0.6000%	$ 26,609.19
82	Y203	0.7400%	$ 32,818.01
83	Y302	0.6300%	$ 27,939.65
84	Y303	0.7400%	$ 32,818.01
85	Z101	0.7400%	$ 32,818.01
86	Z102	0.6000%	$ 26,609.19
87	Z103	0.6800%	$ 30,157.09
88	Z201	0.7400%	$ 32,818.01
89	Z202	0.6000%	$ 26,609.19
90	Z203	0.6800%	$ 30,157.09
91	AA101	0.7100%	$ 31,487.55
92	AA102	0.6800%	$ 30,157.09
93	AA103	0.0700%	$ 3,104.41
94	AA104	0.0700%	$ 3,104.41
95	AA201	0.7400%	$ 32,818.01
96	AA202	0.7100%	$ 31,487.55
97	AA203	0.7100%	$ 31,487.55

98	AA204	0.7400%	$ 32,818.01
99	BB101	0.7100%	$ 31,487.55
100	BB102	0.6800%	$ 30,157.09
101	BB103	0.6800%	$ 30,157.09
102	BB104	0.7100%	$ 31,487.55
103	BB201	0.7400%	$ 32,818.01
104	BB202	0.7100%	$ 31,487.55
105	BB203	0.7100%	$ 31,487.55
106	BB204	0.7400%	$ 32,818.01
107	CC101	0.6500%	$ 28,826.63
108	CC102	0.5700%	$ 25,278.73
109	CC103	0.6000%	$ 26,609.19
110	CC104	0.6000%	$ 26,609.19
111	CC105	0.5700%	$ 25,278.73
112	CC106	0.6000%	$ 26,609.19
113	CC107	0.6500%	$ 28,826.63
114	CC201	0.6500%	$ 28,826.63
115	CC202	0.5700%	$ 25,278.73
116	CC203	0.6000%	$ 26,609.19
117	CC204	0.6000%	$ 26,609.19
118	CC205	0.5700%	$ 25,278.73
119	CC206	0.6000%	$ 26,609.19
120	CC207	0.6500%	$ 28,826.63
121	CC301	0.6500%	$ 28,826.63
122	CC302	0.5700%	$ 25,278.73
123	CC303	0.6000%	$ 26,609.19
124	CC304	0.6000%	$ 26,609.19
125	CC305	0.5700%	$ 25,278.73
126	CC306	0.6400%	$ 28,383.14
127	DD101	0.7100%	$ 31,487.55
128	DD102	0.6800%	$ 30,157.09
129	DD103	0.6800%	$ 30,157.09
130	DD104	0.7100%	$ 31,487.55
131	DD201	0.7400%	$ 32,818.01
132	DD202	0.7100%	$ 31,487.55
133	DD203	0.7100%	$ 31,487.55
134	DD204	0.7400%	$ 32,818.01
TOTALS		**100.0%**	**$ 4,434,865.67**

#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate	
					Best Case	Worst Case
	Site & Grounds					
120	Shared Asphalt - Resurface	~4,500 SF	35	11	$8,200	$9,700
122	1999 Asphalt - Resurface	~104,170 SF	35	11	$270,800	$322,900
123	2019 Parking Area - Resurface	~2,450 SF	35	31	$6,400	$7,600
125	Asphalt - Repair & Seal	~106,620 SF	5	0	$34,100	$53,300
140	Perimeter Fence - Repair/Replace	~965 LF wood	20	13	$33,800	$43,400
142	Yard Fencing - Repair/Replace	Extensive quantity	5	4	$42,500	$57,500
143	Storm Pond Fence - Repair/Replace	~445 LF wood	20	0	$24,500	$33,400
145	Vinyl Fence – Repair/Replace	~1,930 LF	35	11	$50,700	$60,800
147	Garbage Enclosures - Repair/Replace	4/~200 LF wood	25	1	$11,000	$15,000
160	Pole Lights - Repair/Replace	10 assemblies	40	16	$10,200	$14,000
205	Mailboxes - Repair/Replace	7 clusters/134 boxes	30	24	$21,400	$29,000
220	Concrete Sport Court - Resurface	~1,125 SF/~45' x 25'	45	21	$14,200	$18,900
	Building Exteriors					
500	Bldgs BB & DD Roofs-Repair/Replace	~19,990 SF	25	21	$108,500	$146,900
501	Bldg Y Roof - Repair/Replace	~6,060 SF	25	23	$28,500	$38,500
502	Bldgs D, O, & AA Roofs - Replace	~19,460 SF	25	24	$106,100	$143,500
503	2023 Roofs - Repair/Replace	~28,285 SF	25	0	$168,300	$227,700
504	2024 Roofs - Repair/Replace	~28,285 SF	25	1	$168,300	$227,700
505	2025 Roofs - Repair/Replace	~28,285 SF	25	2	$168,300	$227,700
506	2026 Roofs - Repair/Replace	~28,285 SF	25	3	$168,300	$227,700
507	Garage Roofs - Repair/Replace	~7,580 SF	20	4	$45,100	$61,100
513	2023 Skylights - Repair/Replace	9 fixtures	25	0	$7,600	$10,400
514	2024 Skylights - Repair/Replace	9 fixtures	25	1	$7,600	$10,400
515	2025 Skylights - Repair/Replace	9 fixtures	25	2	$7,600	$10,400
516	2026 Skylights - Repair/Replace	8 fixtures	25	3	$6,800	$9,200
517	Gutters & Downspouts-Repair/Replace	~11,295 LF	40	16	$146,800	$214,600
520	Vinyl Siding - Exterior Renovation	~123,940 SF	40	16	$2,578,000	$4,189,200
521	Vinyl Siding - Clean & Inspect	~123,940 SF	4	3	$26,000	$32,200
533	Exterior Surfaces - Caulk & Paint	Trim, doors, etc.	8	1	$106,200	$143,800
535	Windows & Sliders - Repair/Replace	930 windows & 134 doors	40	16	$1,209,700	$1,776,700
542	Coated Decks - Recoat	~5,405 SF	5	0	$73,300	$101,500
543	Elevated Walkway - Repair & Recoat	~805 SF	5	0	$8,400	$11,600
545	Wood Decks - Repair/Replace	~2,560 SF	10	8	$55,200	$74,800
555	Building Wood Rails-Repair/Replace	Extensive quantity	10	6	$42,500	$57,500
	Systems & Evaluations					
965	Fire Alarm Panel - Repair/Replace	3 panels	20	0	$15,000	$21,000
34	Total Funded Components					

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
	Site & Grounds							
120	Shared Asphalt - Resurface	$8,950	X	24	/	35	=	$6,137
122	1999 Asphalt - Resurface	$296,850	X	24	/	35	=	$203,554
123	2019 Parking Area - Resurface	$7,000	X	4	/	35	=	$800
125	Asphalt - Repair & Seal	$43,700	X	5	/	5	=	$43,700
140	Perimeter Fence - Repair/Replace	$38,600	X	7	/	20	=	$13,510
142	Yard Fencing - Repair/Replace	$50,000	X	1	/	5	=	$10,000
143	Storm Pond Fence - Repair/Replace	$28,950	X	20	/	20	=	$28,950
145	Vinyl Fence – Repair/Replace	$55,750	X	24	/	35	=	$38,229
147	Garbage Enclosures - Repair/Replace	$13,000	X	24	/	25	=	$12,480
160	Pole Lights - Repair/Replace	$12,100	X	24	/	40	=	$7,260
205	Mailboxes - Repair/Replace	$25,200	X	6	/	30	=	$5,040
220	Concrete Sport Court - Resurface	$16,550	X	24	/	45	=	$8,827
	Building Exteriors							
500	Bldgs BB & DD Roofs-Repair/Replace	$127,700	X	4	/	25	=	$20,432
501	Bldg Y Roof - Repair/Replace	$33,500	X	2	/	25	=	$2,680
502	Bldgs D, O, & AA Roofs - Replace	$124,800	X	1	/	25	=	$4,992
503	2023 Roofs - Repair/Replace	$198,000	X	25	/	25	=	$198,000
504	2024 Roofs - Repair/Replace	$198,000	X	24	/	25	=	$190,080
505	2025 Roofs - Repair/Replace	$198,000	X	23	/	25	=	$182,160
506	2026 Roofs - Repair/Replace	$198,000	X	22	/	25	=	$174,240
507	Garage Roofs - Repair/Replace	$53,100	X	16	/	20	=	$42,480
513	2023 Skylights - Repair/Replace	$9,000	X	25	/	25	=	$9,000
514	2024 Skylights - Repair/Replace	$9,000	X	24	/	25	=	$8,640
515	2025 Skylights - Repair/Replace	$9,000	X	23	/	25	=	$8,280
516	2026 Skylights - Repair/Replace	$8,000	X	22	/	25	=	$7,040
517	Gutters & Downspouts-Repair/Replace	$180,700	X	24	/	40	=	$108,420
520	Vinyl Siding - Exterior Renovation	$3,383,600	X	24	/	40	=	$2,030,160
521	Vinyl Siding - Clean & Inspect	$29,100	X	1	/	4	=	$7,275
533	Exterior Surfaces - Caulk & Paint	$125,000	X	7	/	8	=	$109,375
535	Windows & Sliders - Repair/Replace	$1,493,200	X	24	/	40	=	$895,920
542	Coated Decks - Recoat	$87,400	X	5	/	5	=	$87,400
543	Elevated Walkway - Repair & Recoat	$10,000	X	5	/	5	=	$10,000
545	Wood Decks - Repair/Replace	$65,000	X	2	/	10	=	$13,000
555	Building Wood Rails-Repair/Replace	$50,000	X	4	/	10	=	$20,000
	Systems & Evaluations							
965	Fire Alarm Panel - Repair/Replace	$18,000	X	20	/	20	=	$18,000
								$4,526,061

#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
	Site & Grounds				
120	Shared Asphalt - Resurface	35	$8,950	$256	0.10 %
122	1999 Asphalt - Resurface	35	$296,850	$8,481	3.22 %
123	2019 Parking Area - Resurface	35	$7,000	$200	0.08 %
125	Asphalt - Repair & Seal	5	$43,700	$8,740	3.32 %
140	Perimeter Fence - Repair/Replace	20	$38,600	$1,930	0.73 %
142	Yard Fencing - Repair/Replace	5	$50,000	$10,000	3.80 %
143	Storm Pond Fence - Repair/Replace	20	$28,950	$1,448	0.55 %
145	Vinyl Fence – Repair/Replace	35	$55,750	$1,593	0.61 %
147	Garbage Enclosures - Repair/Replace	25	$13,000	$520	0.20 %
160	Pole Lights - Repair/Replace	40	$12,100	$303	0.11 %
205	Mailboxes - Repair/Replace	30	$25,200	$840	0.32 %
220	Concrete Sport Court - Resurface	45	$16,550	$368	0.14 %
	Building Exteriors				
500	Bldgs BB & DD Roofs-Repair/Replace	25	$127,700	$5,108	1.94 %
501	Bldg Y Roof - Repair/Replace	25	$33,500	$1,340	0.51 %
502	Bldgs D, O, & AA Roofs - Replace	25	$124,800	$4,992	1.90 %
503	2023 Roofs - Repair/Replace	25	$198,000	$7,920	3.01 %
504	2024 Roofs - Repair/Replace	25	$198,000	$7,920	3.01 %
505	2025 Roofs - Repair/Replace	25	$198,000	$7,920	3.01 %
506	2026 Roofs - Repair/Replace	25	$198,000	$7,920	3.01 %
507	Garage Roofs - Repair/Replace	20	$53,100	$2,655	1.01 %
513	2023 Skylights - Repair/Replace	25	$9,000	$360	0.14 %
514	2024 Skylights - Repair/Replace	25	$9,000	$360	0.14 %
515	2025 Skylights - Repair/Replace	25	$9,000	$360	0.14 %
516	2026 Skylights - Repair/Replace	25	$8,000	$320	0.12 %
517	Gutters & Downspouts-Repair/Replace	40	$180,700	$4,518	1.72 %
520	Vinyl Siding - Exterior Renovation	40	$3,383,600	$84,590	32.15 %
521	Vinyl Siding - Clean & Inspect	4	$29,100	$7,275	2.77 %
533	Exterior Surfaces - Caulk & Paint	8	$125,000	$15,625	5.94 %
535	Windows & Sliders - Repair/Replace	40	$1,493,200	$37,330	14.19 %
542	Coated Decks - Recoat	5	$87,400	$17,480	6.64 %
543	Elevated Walkway - Repair & Recoat	5	$10,000	$2,000	0.76 %
545	Wood Decks - Repair/Replace	10	$65,000	$6,500	2.47 %
555	Building Wood Rails-Repair/Replace	10	$50,000	$5,000	1.90 %
	Systems & Evaluations				
965	Fire Alarm Panel - Repair/Replace	20	$18,000	$900	0.34 %
34	Total Funded Components			$263,070	100.00 %

#	Component	UL	RUL	Current Cost Estimate	Fully Funded Balance	Proportional Reserve Funding
	Site & Grounds					
120	Shared Asphalt - Resurface	35	11	$8,950	$6,137	$27.22
122	1999 Asphalt - Resurface	35	11	$296,850	$203,554	$902.89
123	2019 Parking Area - Resurface	35	31	$7,000	$800	$21.29
125	Asphalt - Repair & Seal	5	0	$43,700	$43,700	$930.41
140	Perimeter Fence - Repair/Replace	20	13	$38,600	$13,510	$205.46
142	Yard Fencing - Repair/Replace	5	4	$50,000	$10,000	$1,064.54
143	Storm Pond Fence - Repair/Replace	20	0	$28,950	$28,950	$154.09
145	Vinyl Fence – Repair/Replace	35	11	$55,750	$38,229	$169.57
147	Garbage Enclosures - Repair/Replace	25	1	$13,000	$12,480	$55.36
160	Pole Lights - Repair/Replace	40	16	$12,100	$7,260	$32.20
205	Mailboxes - Repair/Replace	30	24	$25,200	$5,040	$89.42
220	Concrete Sport Court - Resurface	45	21	$16,550	$8,827	$39.15
	Building Exteriors					
500	Bldgs BB & DD Roofs-Repair/Replace	25	21	$127,700	$20,432	$543.77
501	Bldg Y Roof - Repair/Replace	25	23	$33,500	$2,680	$142.65
502	Bldgs D, O, & AA Roofs - Replace	25	24	$124,800	$4,992	$531.42
503	2023 Roofs - Repair/Replace	25	0	$198,000	$198,000	$843.12
504	2024 Roofs - Repair/Replace	25	1	$198,000	$190,080	$843.12
505	2025 Roofs - Repair/Replace	25	2	$198,000	$182,160	$843.12
506	2026 Roofs - Repair/Replace	25	3	$198,000	$174,240	$843.12
507	Garage Roofs - Repair/Replace	20	4	$53,100	$42,480	$282.64
513	2023 Skylights - Repair/Replace	25	0	$9,000	$9,000	$38.32
514	2024 Skylights - Repair/Replace	25	1	$9,000	$8,640	$38.32
515	2025 Skylights - Repair/Replace	25	2	$9,000	$8,280	$38.32
516	2026 Skylights - Repair/Replace	25	3	$8,000	$7,040	$34.07
517	Gutters & Downspouts-Repair/Replace	40	16	$180,700	$108,420	$480.91
520	Vinyl Siding - Exterior Renovation	40	16	$3,383,600	$2,030,160	$9,004.98
521	Vinyl Siding - Clean & Inspect	4	3	$29,100	$7,275	$774.46
533	Exterior Surfaces - Caulk & Paint	8	1	$125,000	$109,375	$1,663.35
535	Windows & Sliders - Repair/Replace	40	16	$1,493,200	$895,920	$3,973.94
542	Coated Decks - Recoat	5	0	$87,400	$87,400	$1,860.82
543	Elevated Walkway - Repair & Recoat	5	0	$10,000	$10,000	$212.91
545	Wood Decks - Repair/Replace	10	8	$65,000	$13,000	$691.95
555	Building Wood Rails-Repair/Replace	10	6	$50,000	$20,000	$532.27
	Systems & Evaluations					
965	Fire Alarm Panel - Repair/Replace	20	0	$18,000	$18,000	$95.81
34	**Total Funded Components**				**$4,526,061**	**$28,005**

30-Year Reserve Plan Summary

Report # 13381-0
Full

Fiscal Year Start: 2023 | **Interest:** 1.00 % | **Inflation:** 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date | **Projected Reserve Balance Changes**

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase In Annual Reserve Funding	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2023	$91,195	$4,526,061	2.0 %	High	101.14 %	$336,060	$375,000	$2,503	$395,050
2024	$409,708	$4,525,903	9.1 %	High	8.00 %	$362,945	$0	$4,154	$355,350
2025	$421,457	$4,574,761	9.2 %	High	8.00 %	$391,980	$0	$5,100	$219,606
2026	$598,931	$4,773,274	12.5 %	High	8.00 %	$423,339	$0	$6,853	$256,900
2027	$772,223	$4,947,953	15.6 %	High	8.00 %	$457,206	$0	$9,471	$116,040
2028	$1,122,860	$5,281,841	21.3 %	High	8.00 %	$493,782	$0	$12,939	$163,574
2029	$1,466,008	$5,585,935	26.2 %	High	8.00 %	$533,285	$0	$17,106	$59,703
2030	$1,956,696	$6,015,562	32.5 %	Medium	8.00 %	$575,948	$0	$22,370	$35,789
2031	$2,519,225	$6,492,416	38.8 %	Medium	8.00 %	$622,024	$0	$28,019	$82,340
2032	$3,086,927	$6,945,625	44.4 %	Medium	8.00 %	$671,785	$0	$33,239	$228,335
2033	$3,563,616	$7,272,353	49.0 %	Medium	8.00 %	$725,528	$0	$38,492	$189,627
2034	$4,138,010	$7,659,359	54.0 %	Medium	8.00 %	$783,571	$0	$42,790	$540,751
2035	$4,423,619	$7,707,241	57.4 %	Medium	3.00 %	$807,078	$0	$48,493	$0
2036	$5,279,190	$8,324,786	63.4 %	Medium	3.00 %	$831,290	$0	$56,925	$56,685
2037	$6,110,720	$8,914,061	68.6 %	Medium	3.00 %	$856,229	$0	$65,309	$75,629
2038	$6,956,629	$9,513,440	73.1 %	Low	3.00 %	$881,916	$0	$72,984	$265,166
2039	$7,646,362	$9,947,872	76.9 %	Low	3.00 %	$908,373	$0	$40,112	$8,215,455
2040	$379,392	$2,219,205	17.1 %	High	-29.07 %	$644,299	$0	$6,010	$206,606
2041	$823,095	$2,520,836	32.7 %	Medium	3.00 %	$663,628	$0	$11,046	$110,658
2042	$1,387,112	$2,943,779	47.1 %	Medium	3.00 %	$683,537	$0	$16,672	$138,702
2043	$1,948,618	$3,364,363	57.9 %	Medium	3.00 %	$704,043	$0	$21,406	$339,639
2044	$2,334,428	$3,604,854	64.8 %	Medium	3.00 %	$725,165	$0	$25,746	$268,347
2045	$2,816,991	$3,940,671	71.5 %	Low	3.00 %	$746,919	$0	$32,051	$0
2046	$3,595,962	$4,578,083	78.5 %	Low	3.00 %	$769,327	$0	$39,369	$123,547
2047	$4,281,111	$5,122,941	83.6 %	Low	3.00 %	$792,407	$0	$44,404	$514,500
2048	$4,603,421	$5,297,504	86.9 %	Low	3.00 %	$816,179	$0	$45,370	$990,566
2049	$4,474,404	$5,003,481	89.4 %	Low	3.00 %	$840,664	$0	$46,248	$582,280
2050	$4,779,036	$5,138,193	93.0 %	Low	3.00 %	$865,884	$0	$49,725	$524,446
2051	$5,170,199	$5,354,045	96.6 %	Low	3.00 %	$891,861	$0	$53,305	$620,028
2052	$5,495,337	$5,495,979	100.0 %	Low	3.00 %	$918,617	$0	$59,228	$117,828

30-Year Reserve Plan Summary (Alternate Funding Plan)

Report # 13381-0
Full

Fiscal Year Start: 2023 | **Interest:** 1.00 % | **Inflation:** 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date					Projected Reserve Balance Changes					
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase In Annual Reserve Funding	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2023	$91,195	$4,526,061	2.0 %	High	94.89 %	$325,620	$375,000	$2,451	$395,050
2024	$399,216	$4,525,903	8.8 %	High	8.00 %	$351,670	$0	$3,992	$355,350
2025	$399,528	$4,574,761	8.7 %	High	8.00 %	$379,803	$0	$4,818	$219,606
2026	$564,543	$4,773,274	11.8 %	High	8.00 %	$410,187	$0	$6,441	$256,900
2027	$724,271	$4,947,953	14.6 %	High	8.00 %	$443,002	$0	$8,918	$116,040
2028	$1,060,152	$5,281,841	20.1 %	High	8.00 %	$478,443	$0	$12,232	$163,574
2029	$1,387,253	$5,585,935	24.8 %	High	8.00 %	$516,718	$0	$16,232	$59,703
2030	$1,860,500	$6,015,562	30.9 %	Medium	8.00 %	$558,055	$0	$21,314	$35,789
2031	$2,404,080	$6,492,416	37.0 %	Medium	8.00 %	$602,700	$0	$26,765	$82,340
2032	$2,951,205	$6,945,625	42.5 %	Medium	8.00 %	$650,916	$0	$31,770	$228,335
2033	$3,405,556	$7,272,353	46.8 %	Medium	8.00 %	$702,989	$0	$36,791	$189,627
2034	$3,955,709	$7,659,359	51.6 %	Medium	8.00 %	$759,228	$0	$40,836	$540,751
2035	$4,215,023	$7,707,241	54.7 %	Medium	3.00 %	$782,005	$0	$46,272	$0
2036	$5,043,300	$8,324,786	60.6 %	Medium	3.00 %	$805,465	$0	$54,426	$56,685
2037	$5,846,506	$8,914,061	65.6 %	Medium	3.00 %	$829,629	$0	$62,521	$75,629
2038	$6,663,027	$9,513,440	70.0 %	Low	3.00 %	$854,518	$0	$69,897	$265,166
2039	$7,322,276	$9,947,872	73.6 %	Low	3.00 %	$880,154	$0	$36,714	$8,215,455
2040	$23,688	$2,219,205	1.1 %	High	-29.11 %	$623,958	$0	$2,334	$206,606
2041	$443,375	$2,520,836	17.6 %	High	3.00 %	$642,677	$0	$7,126	$110,658
2042	$982,520	$2,943,779	33.4 %	Medium	3.00 %	$661,957	$0	$12,499	$138,702
2043	$1,518,274	$3,364,363	45.1 %	Medium	3.00 %	$681,816	$0	$16,971	$339,639
2044	$1,877,422	$3,604,854	52.1 %	Medium	3.00 %	$702,271	$0	$21,040	$268,347
2045	$2,332,385	$3,940,671	59.2 %	Medium	3.00 %	$723,339	$0	$27,064	$0
2046	$3,082,788	$4,578,083	67.3 %	Medium	3.00 %	$745,039	$0	$34,091	$123,547
2047	$3,738,372	$5,122,941	73.0 %	Low	3.00 %	$767,390	$0	$38,826	$514,500
2048	$4,030,088	$5,297,504	76.1 %	Low	3.00 %	$790,412	$0	$39,481	$990,566
2049	$3,869,414	$5,003,481	77.3 %	Low	3.00 %	$814,124	$0	$40,037	$582,280
2050	$4,141,295	$5,138,193	80.6 %	Low	3.00 %	$838,548	$0	$43,181	$524,446
2051	$4,498,577	$5,354,045	84.0 %	Low	3.00 %	$863,704	$0	$46,417	$620,028
2052	$4,788,669	$5,495,979	87.1 %	Low	3.00 %	$889,615	$0	$51,983	$117,828

	Fiscal Year	2023	2024	2025	2026	2027
	Starting Reserve Balance	$91,195	$409,708	$421,457	$598,931	$772,223
	Annual Reserve Funding	$336,060	$362,945	$391,980	$423,339	$457,206
	Recommended Special Assessments	$375,000	$0	$0	$0	$0
	Interest Earnings	$2,503	$4,154	$5,100	$6,853	$9,471
	Total Income	$804,758	$776,807	$818,537	$1,029,123	$1,238,900
#	Component					
	Site & Grounds					
120	Shared Asphalt - Resurface	$0	$0	$0	$0	$0
122	1999 Asphalt - Resurface	$0	$0	$0	$0	$0
123	2019 Parking Area - Resurface	$0	$0	$0	$0	$0
125	Asphalt - Repair & Seal	$43,700	$0	$0	$0	$0
140	Perimeter Fence - Repair/Replace	$0	$0	$0	$0	$0
142	Yard Fencing - Repair/Replace	$0	$0	$0	$0	$56,275
143	Storm Pond Fence - Repair/Replace	$28,950	$0	$0	$0	$0
145	Vinyl Fence – Repair/Replace	$0	$0	$0	$0	$0
147	Garbage Enclosures - Repair/Replace	$0	$13,390	$0	$0	$0
160	Pole Lights - Repair/Replace	$0	$0	$0	$0	$0
205	Mailboxes - Repair/Replace	$0	$0	$0	$0	$0
220	Concrete Sport Court - Resurface	$0	$0	$0	$0	$0
	Building Exteriors					
500	Bldgs BB & DD Roofs-Repair/Replace	$0	$0	$0	$0	$0
501	Bldg Y Roof - Repair/Replace	$0	$0	$0	$0	$0
502	Bldgs D, O, & AA Roofs - Replace	$0	$0	$0	$0	$0
503	2023 Roofs - Repair/Replace	$198,000	$0	$0	$0	$0
504	2024 Roofs - Repair/Replace	$0	$203,940	$0	$0	$0
505	2025 Roofs - Repair/Replace	$0	$0	$210,058	$0	$0
506	2026 Roofs - Repair/Replace	$0	$0	$0	$216,360	$0
507	Garage Roofs - Repair/Replace	$0	$0	$0	$0	$59,765
513	2023 Skylights - Repair/Replace	$9,000	$0	$0	$0	$0
514	2024 Skylights - Repair/Replace	$0	$9,270	$0	$0	$0
515	2025 Skylights - Repair/Replace	$0	$0	$9,548	$0	$0
516	2026 Skylights - Repair/Replace	$0	$0	$0	$8,742	$0
517	Gutters & Downspouts-Repair/Replace	$0	$0	$0	$0	$0
520	Vinyl Siding - Exterior Renovation	$0	$0	$0	$0	$0
521	Vinyl Siding - Clean & Inspect	$0	$0	$0	$31,798	$0
533	Exterior Surfaces - Caulk & Paint	$0	$128,750	$0	$0	$0
535	Windows & Sliders - Repair/Replace	$0	$0	$0	$0	$0
542	Coated Decks - Recoat	$87,400	$0	$0	$0	$0
543	Elevated Walkway - Repair & Recoat	$10,000	$0	$0	$0	$0
545	Wood Decks - Repair/Replace	$0	$0	$0	$0	$0
555	Building Wood Rails-Repair/Replace	$0	$0	$0	$0	$0
	Systems & Evaluations					
965	Fire Alarm Panel - Repair/Replace	$18,000	$0	$0	$0	$0
	Total Expenses	$395,050	$355,350	$219,606	$256,900	$116,040
	Ending Reserve Balance	$409,708	$421,457	$598,931	$772,223	$1,122,860

	Fiscal Year	2028	2029	2030	2031	2032
	Starting Reserve Balance	$1,122,860	$1,466,008	$1,956,696	$2,519,225	$3,086,927
	Annual Reserve Funding	$493,782	$533,285	$575,948	$622,024	$671,785
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$12,939	$17,106	$22,370	$28,019	$33,239
	Total Income	$1,629,581	$2,016,399	$2,555,014	$3,169,267	$3,791,951
#	Component					
	Site & Grounds					
120	Shared Asphalt - Resurface	$0	$0	$0	$0	$0
122	1999 Asphalt - Resurface	$0	$0	$0	$0	$0
123	2019 Parking Area - Resurface	$0	$0	$0	$0	$0
125	Asphalt - Repair & Seal	$50,660	$0	$0	$0	$0
140	Perimeter Fence - Repair/Replace	$0	$0	$0	$0	$0
142	Yard Fencing - Repair/Replace	$0	$0	$0	$0	$65,239
143	Storm Pond Fence - Repair/Replace	$0	$0	$0	$0	$0
145	Vinyl Fence – Repair/Replace	$0	$0	$0	$0	$0
147	Garbage Enclosures - Repair/Replace	$0	$0	$0	$0	$0
160	Pole Lights - Repair/Replace	$0	$0	$0	$0	$0
205	Mailboxes - Repair/Replace	$0	$0	$0	$0	$0
220	Concrete Sport Court - Resurface	$0	$0	$0	$0	$0
	Building Exteriors					
500	Bldgs BB & DD Roofs-Repair/Replace	$0	$0	$0	$0	$0
501	Bldg Y Roof - Repair/Replace	$0	$0	$0	$0	$0
502	Bldgs D, O, & AA Roofs - Replace	$0	$0	$0	$0	$0
503	2023 Roofs - Repair/Replace	$0	$0	$0	$0	$0
504	2024 Roofs - Repair/Replace	$0	$0	$0	$0	$0
505	2025 Roofs - Repair/Replace	$0	$0	$0	$0	$0
506	2026 Roofs - Repair/Replace	$0	$0	$0	$0	$0
507	Garage Roofs - Repair/Replace	$0	$0	$0	$0	$0
513	2023 Skylights - Repair/Replace	$0	$0	$0	$0	$0
514	2024 Skylights - Repair/Replace	$0	$0	$0	$0	$0
515	2025 Skylights - Repair/Replace	$0	$0	$0	$0	$0
516	2026 Skylights - Repair/Replace	$0	$0	$0	$0	$0
517	Gutters & Downspouts-Repair/Replace	$0	$0	$0	$0	$0
520	Vinyl Siding - Exterior Renovation	$0	$0	$0	$0	$0
521	Vinyl Siding - Clean & Inspect	$0	$0	$35,789	$0	$0
533	Exterior Surfaces - Caulk & Paint	$0	$0	$0	$0	$163,097
535	Windows & Sliders - Repair/Replace	$0	$0	$0	$0	$0
542	Coated Decks - Recoat	$101,321	$0	$0	$0	$0
543	Elevated Walkway - Repair & Recoat	$11,593	$0	$0	$0	$0
545	Wood Decks - Repair/Replace	$0	$0	$0	$82,340	$0
555	Building Wood Rails-Repair/Replace	$0	$59,703	$0	$0	$0
	Systems & Evaluations					
965	Fire Alarm Panel - Repair/Replace	$0	$0	$0	$0	$0
	Total Expenses	$163,574	$59,703	$35,789	$82,340	$228,335
	Ending Reserve Balance	$1,466,008	$1,956,696	$2,519,225	$3,086,927	$3,563,616

	Fiscal Year	2033	2034	2035	2036	2037
	Starting Reserve Balance	$3,563,616	$4,138,010	$4,423,619	$5,279,190	$6,110,720
	Annual Reserve Funding	$725,528	$783,571	$807,078	$831,290	$856,229
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$38,492	$42,790	$48,493	$56,925	$65,309
	Total Income	$4,327,636	$4,964,370	$5,279,190	$6,167,406	$7,032,258
#	Component					
	Site & Grounds					
120	Shared Asphalt - Resurface	$0	$12,389	$0	$0	$0
122	1999 Asphalt - Resurface	$0	$410,910	$0	$0	$0
123	2019 Parking Area - Resurface	$0	$0	$0	$0	$0
125	Asphalt - Repair & Seal	$58,729	$0	$0	$0	$0
140	Perimeter Fence - Repair/Replace	$0	$0	$0	$56,685	$0
142	Yard Fencing - Repair/Replace	$0	$0	$0	$0	$75,629
143	Storm Pond Fence - Repair/Replace	$0	$0	$0	$0	$0
145	Vinyl Fence – Repair/Replace	$0	$77,171	$0	$0	$0
147	Garbage Enclosures - Repair/Replace	$0	$0	$0	$0	$0
160	Pole Lights - Repair/Replace	$0	$0	$0	$0	$0
205	Mailboxes - Repair/Replace	$0	$0	$0	$0	$0
220	Concrete Sport Court - Resurface	$0	$0	$0	$0	$0
	Building Exteriors					
500	Bldgs BB & DD Roofs-Repair/Replace	$0	$0	$0	$0	$0
501	Bldg Y Roof - Repair/Replace	$0	$0	$0	$0	$0
502	Bldgs D, O, & AA Roofs - Replace	$0	$0	$0	$0	$0
503	2023 Roofs - Repair/Replace	$0	$0	$0	$0	$0
504	2024 Roofs - Repair/Replace	$0	$0	$0	$0	$0
505	2025 Roofs - Repair/Replace	$0	$0	$0	$0	$0
506	2026 Roofs - Repair/Replace	$0	$0	$0	$0	$0
507	Garage Roofs - Repair/Replace	$0	$0	$0	$0	$0
513	2023 Skylights - Repair/Replace	$0	$0	$0	$0	$0
514	2024 Skylights - Repair/Replace	$0	$0	$0	$0	$0
515	2025 Skylights - Repair/Replace	$0	$0	$0	$0	$0
516	2026 Skylights - Repair/Replace	$0	$0	$0	$0	$0
517	Gutters & Downspouts-Repair/Replace	$0	$0	$0	$0	$0
520	Vinyl Siding - Exterior Renovation	$0	$0	$0	$0	$0
521	Vinyl Siding - Clean & Inspect	$0	$40,281	$0	$0	$0
533	Exterior Surfaces - Caulk & Paint	$0	$0	$0	$0	$0
535	Windows & Sliders - Repair/Replace	$0	$0	$0	$0	$0
542	Coated Decks - Recoat	$117,458	$0	$0	$0	$0
543	Elevated Walkway - Repair & Recoat	$13,439	$0	$0	$0	$0
545	Wood Decks - Repair/Replace	$0	$0	$0	$0	$0
555	Building Wood Rails-Repair/Replace	$0	$0	$0	$0	$0
	Systems & Evaluations					
965	Fire Alarm Panel - Repair/Replace	$0	$0	$0	$0	$0
	Total Expenses	$189,627	$540,751	$0	$56,685	$75,629
	Ending Reserve Balance	$4,138,010	$4,423,619	$5,279,190	$6,110,720	$6,956,629

	Fiscal Year	2038	2039	2040	2041	2042
	Starting Reserve Balance	$6,956,629	$7,646,362	$379,392	$823,095	$1,387,112
	Annual Reserve Funding	$881,916	$908,373	$644,299	$663,628	$683,537
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$72,984	$40,112	$6,010	$11,046	$16,672
	Total Income	$7,911,528	$8,594,847	$1,029,701	$1,497,770	$2,087,320
#	Component					
	Site & Grounds					
120	Shared Asphalt - Resurface	$0	$0	$0	$0	$0
122	1999 Asphalt - Resurface	$0	$0	$0	$0	$0
123	2019 Parking Area - Resurface	$0	$0	$0	$0	$0
125	Asphalt - Repair & Seal	$68,083	$0	$0	$0	$0
140	Perimeter Fence - Repair/Replace	$0	$0	$0	$0	$0
142	Yard Fencing - Repair/Replace	$0	$0	$0	$0	$87,675
143	Storm Pond Fence - Repair/Replace	$0	$0	$0	$0	$0
145	Vinyl Fence – Repair/Replace	$0	$0	$0	$0	$0
147	Garbage Enclosures - Repair/Replace	$0	$0	$0	$0	$0
160	Pole Lights - Repair/Replace	$0	$19,417	$0	$0	$0
205	Mailboxes - Repair/Replace	$0	$0	$0	$0	$0
220	Concrete Sport Court - Resurface	$0	$0	$0	$0	$0
	Building Exteriors					
500	Bldgs BB & DD Roofs-Repair/Replace	$0	$0	$0	$0	$0
501	Bldg Y Roof - Repair/Replace	$0	$0	$0	$0	$0
502	Bldgs D, O, & AA Roofs - Replace	$0	$0	$0	$0	$0
503	2023 Roofs - Repair/Replace	$0	$0	$0	$0	$0
504	2024 Roofs - Repair/Replace	$0	$0	$0	$0	$0
505	2025 Roofs - Repair/Replace	$0	$0	$0	$0	$0
506	2026 Roofs - Repair/Replace	$0	$0	$0	$0	$0
507	Garage Roofs - Repair/Replace	$0	$0	$0	$0	$0
513	2023 Skylights - Repair/Replace	$0	$0	$0	$0	$0
514	2024 Skylights - Repair/Replace	$0	$0	$0	$0	$0
515	2025 Skylights - Repair/Replace	$0	$0	$0	$0	$0
516	2026 Skylights - Repair/Replace	$0	$0	$0	$0	$0
517	Gutters & Downspouts-Repair/Replace	$0	$289,970	$0	$0	$0
520	Vinyl Siding - Exterior Renovation	$0	$5,429,685	$0	$0	$0
521	Vinyl Siding - Clean & Inspect	$45,337	$0	$0	$0	$51,027
533	Exterior Surfaces - Caulk & Paint	$0	$0	$206,606	$0	$0
535	Windows & Sliders - Repair/Replace	$0	$2,396,148	$0	$0	$0
542	Coated Decks - Recoat	$136,166	$0	$0	$0	$0
543	Elevated Walkway - Repair & Recoat	$15,580	$0	$0	$0	$0
545	Wood Decks - Repair/Replace	$0	$0	$0	$110,658	$0
555	Building Wood Rails-Repair/Replace	$0	$80,235	$0	$0	$0
	Systems & Evaluations					
965	Fire Alarm Panel - Repair/Replace	$0	$0	$0	$0	$0
	Total Expenses	$265,166	$8,215,455	$206,606	$110,658	$138,702
	Ending Reserve Balance	$7,646,362	$379,392	$823,095	$1,387,112	$1,948,618

	Fiscal Year	2043	2044	2045	2046	2047
	Starting Reserve Balance	$1,948,618	$2,334,428	$2,816,991	$3,595,962	$4,281,111
	Annual Reserve Funding	$704,043	$725,165	$746,919	$769,327	$792,407
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$21,406	$25,746	$32,051	$39,369	$44,404
	Total Income	$2,674,067	$3,085,339	$3,595,962	$4,404,657	$5,117,922
#	Component					
	Site & Grounds					
120	Shared Asphalt - Resurface	$0	$0	$0	$0	$0
122	1999 Asphalt - Resurface	$0	$0	$0	$0	$0
123	2019 Parking Area - Resurface	$0	$0	$0	$0	$0
125	Asphalt - Repair & Seal	$78,927	$0	$0	$0	$0
140	Perimeter Fence - Repair/Replace	$0	$0	$0	$0	$0
142	Yard Fencing - Repair/Replace	$0	$0	$0	$0	$101,640
143	Storm Pond Fence - Repair/Replace	$52,287	$0	$0	$0	$0
145	Vinyl Fence – Repair/Replace	$0	$0	$0	$0	$0
147	Garbage Enclosures - Repair/Replace	$0	$0	$0	$0	$0
160	Pole Lights - Repair/Replace	$0	$0	$0	$0	$0
205	Mailboxes - Repair/Replace	$0	$0	$0	$0	$51,226
220	Concrete Sport Court - Resurface	$0	$30,788	$0	$0	$0
	Building Exteriors					
500	Bldgs BB & DD Roofs-Repair/Replace	$0	$237,560	$0	$0	$0
501	Bldg Y Roof - Repair/Replace	$0	$0	$0	$66,115	$0
502	Bldgs D, O, & AA Roofs - Replace	$0	$0	$0	$0	$253,693
503	2023 Roofs - Repair/Replace	$0	$0	$0	$0	$0
504	2024 Roofs - Repair/Replace	$0	$0	$0	$0	$0
505	2025 Roofs - Repair/Replace	$0	$0	$0	$0	$0
506	2026 Roofs - Repair/Replace	$0	$0	$0	$0	$0
507	Garage Roofs - Repair/Replace	$0	$0	$0	$0	$107,941
513	2023 Skylights - Repair/Replace	$0	$0	$0	$0	$0
514	2024 Skylights - Repair/Replace	$0	$0	$0	$0	$0
515	2025 Skylights - Repair/Replace	$0	$0	$0	$0	$0
516	2026 Skylights - Repair/Replace	$0	$0	$0	$0	$0
517	Gutters & Downspouts-Repair/Replace	$0	$0	$0	$0	$0
520	Vinyl Siding - Exterior Renovation	$0	$0	$0	$0	$0
521	Vinyl Siding - Clean & Inspect	$0	$0	$0	$57,431	$0
533	Exterior Surfaces - Caulk & Paint	$0	$0	$0	$0	$0
535	Windows & Sliders - Repair/Replace	$0	$0	$0	$0	$0
542	Coated Decks - Recoat	$157,854	$0	$0	$0	$0
543	Elevated Walkway - Repair & Recoat	$18,061	$0	$0	$0	$0
545	Wood Decks - Repair/Replace	$0	$0	$0	$0	$0
555	Building Wood Rails-Repair/Replace	$0	$0	$0	$0	$0
	Systems & Evaluations					
965	Fire Alarm Panel - Repair/Replace	$32,510	$0	$0	$0	$0
	Total Expenses	$339,639	$268,347	$0	$123,547	$514,500
	Ending Reserve Balance	$2,334,428	$2,816,991	$3,595,962	$4,281,111	$4,603,421

	Fiscal Year	2048	2049	2050	2051	2052
	Starting Reserve Balance	$4,603,421	$4,474,404	$4,779,036	$5,170,199	$5,495,337
	Annual Reserve Funding	$816,179	$840,664	$865,884	$891,861	$918,617
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$45,370	$46,248	$49,725	$53,305	$59,228
	Total Income	$5,464,970	$5,361,316	$5,694,646	$6,115,365	$6,473,182
#	Component					
	Site & Grounds					
120	Shared Asphalt - Resurface	$0	$0	$0	$0	$0
122	1999 Asphalt - Resurface	$0	$0	$0	$0	$0
123	2019 Parking Area - Resurface	$0	$0	$0	$0	$0
125	Asphalt - Repair & Seal	$91,498	$0	$0	$0	$0
140	Perimeter Fence - Repair/Replace	$0	$0	$0	$0	$0
142	Yard Fencing - Repair/Replace	$0	$0	$0	$0	$117,828
143	Storm Pond Fence - Repair/Replace	$0	$0	$0	$0	$0
145	Vinyl Fence – Repair/Replace	$0	$0	$0	$0	$0
147	Garbage Enclosures - Repair/Replace	$0	$28,036	$0	$0	$0
160	Pole Lights - Repair/Replace	$0	$0	$0	$0	$0
205	Mailboxes - Repair/Replace	$0	$0	$0	$0	$0
220	Concrete Sport Court - Resurface	$0	$0	$0	$0	$0
	Building Exteriors					
500	Bldgs BB & DD Roofs-Repair/Replace	$0	$0	$0	$0	$0
501	Bldg Y Roof - Repair/Replace	$0	$0	$0	$0	$0
502	Bldgs D, O, & AA Roofs - Replace	$0	$0	$0	$0	$0
503	2023 Roofs - Repair/Replace	$414,568	$0	$0	$0	$0
504	2024 Roofs - Repair/Replace	$0	$427,005	$0	$0	$0
505	2025 Roofs - Repair/Replace	$0	$0	$439,815	$0	$0
506	2026 Roofs - Repair/Replace	$0	$0	$0	$453,010	$0
507	Garage Roofs - Repair/Replace	$0	$0	$0	$0	$0
513	2023 Skylights - Repair/Replace	$18,844	$0	$0	$0	$0
514	2024 Skylights - Repair/Replace	$0	$19,409	$0	$0	$0
515	2025 Skylights - Repair/Replace	$0	$0	$19,992	$0	$0
516	2026 Skylights - Repair/Replace	$0	$0	$0	$18,303	$0
517	Gutters & Downspouts-Repair/Replace	$0	$0	$0	$0	$0
520	Vinyl Siding - Exterior Renovation	$0	$0	$0	$0	$0
521	Vinyl Siding - Clean & Inspect	$0	$0	$64,640	$0	$0
533	Exterior Surfaces - Caulk & Paint	$261,722	$0	$0	$0	$0
535	Windows & Sliders - Repair/Replace	$0	$0	$0	$0	$0
542	Coated Decks - Recoat	$182,996	$0	$0	$0	$0
543	Elevated Walkway - Repair & Recoat	$20,938	$0	$0	$0	$0
545	Wood Decks - Repair/Replace	$0	$0	$0	$148,715	$0
555	Building Wood Rails-Repair/Replace	$0	$107,830	$0	$0	$0
	Systems & Evaluations					
965	Fire Alarm Panel - Repair/Replace	$0	$0	$0	$0	$0
	Total Expenses	$990,566	$582,280	$524,446	$620,028	$117,828
	Ending Reserve Balance	$4,474,404	$4,779,036	$5,170,199	$5,495,337	$6,355,354

Accuracy, Limitations, and Disclosures

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

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. James Talaga, company President, is a credentialed Reserve Specialist (#066). All work done by Association Reserves WA, LLC is performed under his responsible charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

Per NRSS, information provided by official representative(s) of the client, vendors, and suppliers regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable, and is not intended to be used for the purpose of any type of audit, quality/forensic analysis, or background checks of historical records. As such, information provided to us has not been audited or independently verified.

Estimates for interest and inflation have been included, because including such estimates are more accurate than ignoring them completely. When we are hired to prepare Update reports, the client is considered to have deemed those previously developed component quantities as accurate and reliable, whether established by our firm or other individuals/firms (unless specifically mentioned in our Site Inspection Notes). During inspections our company standard is to establish measurements within 5% accuracy, and our scope includes visual inspection of accessible areas and components and does not include any destructive or other testing. Our work is done only for budget purposes. Uses or expectations outside our expertise and scope of work include, but are not limited to: project audit, quality inspection, and the identification of construction defects, hazardous materials, or dangerous conditions. Identifying hidden issues such as but not limited to, plumbing or electrical problems are also outside our scope of work. Our estimates assume proper original installation & construction, adherence to recommended preventive maintenance, a stable economic environment, and do not consider frequency or severity of natural disasters. Our opinions of component Useful Life, Remaining Useful Life, and current or future cost estimates are not a warranty or guarantee of actual costs or timing.

Because the physical and financial status of the property, legislation, the economy, weather, owner expectations, and usage are all in a continual state of change over which we have no control, we do not expect that the events projected in this document will all occur exactly as planned. This Reserve Study is by nature a "one-year" document in need of being updated annually so that more accurate estimates can be incorporated. It is only because a long-term perspective improves the accuracy of near-term planning that this Report projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of expense projections and the funding necessary to prepare for those estimated expenses.

In this engagement our compensation is not contingent upon our conclusions, and our liability in any matter involving this Reserve Study is limited to our fee for services rendered.

Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)
Effective Age	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
Fully Funded Balance (FFB)	The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.
Inflation	Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on the "30-yr Income/Expense Detail" table.
Interest	Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.
Percent Funded	The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life (RUL)	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
Useful Life (UL)	The estimated time, in years, that a common area component can be expected to serve its intended function.

Component Details

The primary purpose of the Component Details appendix is to provide the reader with the basis of our funding assumptions resulting from our research and analysis. The information presented here represents a wide range of components that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding.

1) Common area repair & replacement responsibility
2) Component must have a limited useful life
3) Life limit must be predictable
4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of Annual operating expenses).

Not all your components may have been found appropriate for reserve funding. In our judgment, the components meeting the above four criteria are shown with the Useful Life (how often the project is expected to occur), Remaining Useful Life (when the next instance of the expense will be) and representative market cost range termed "Best Cost" and "Worst Cost". There are many factors that can result in a wide variety of potential costs, and we have attempted to present the cost range in which your actual expense will occur.

Where no Useful Life, Remaining Useful Life, or pricing exists, the component was deemed inappropriate for Reserve Funding.

Comp #: 100 Concrete - Maintain/Repair **Quantity: Extensive quantity**
Location: The community sidewalks, walkways, patios, and curbs.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: The concrete appeared generally stable. Some cracking and lifting were observed on the front sidewalk by the community entrance, as were localized broken curbs.

The annual repair needs are below the reserve funding threshold (1% or more of total annual expenses), and should be factored into the operating budget. In our experience, as the community ages larger repair/replacement expenses may emerge that cannot be comfortably absorbed into the operating budget. Currently, it is difficult to predict the timing, scope, and costs of larger repairs. Monitor the concrete annually and if conditions deteriorate leading to larger repair needs, funding can be included within a reserve study update.

As routine maintenance, inspect regularly and pressure wash for appearance. Repair any trip hazards (1/2” difference in height) immediately to ensure safety. Repair promptly, as needed, to prevent water penetrating into the base, which can cause further damage. Factors affecting the quality and service life of the concrete include the preparation of the underlying soil and drainage, thickness and strength of the concrete used, steel reinforcement (none likely), amount and weight of vehicle traffic, and tree roots.

Resources:
http://www.mrsc.org/subjects/pubworks/sidew.aspx
http://www.sakrete.com/media-center/blog-detail.cfm/bp_alias/Placing-Concrete-in-hot-or-cold-weather
http://www.concretenetwork.com/cold-weather-concrete/weather.html

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 106 Gravel Paths - Refurbish **Quantity: Moderate quantity**

Location: Scattered throughout the community.

Funded?: No. Costs are best handled with operating funds.

History: None known.

Comments: Fair coverage with no major depressions observed. Profile and drainage appear adequate. We recommend replenishing the gravel utilizing operating funds. Track the actual history and costs, and if warranted, funding can be added to this component in future reserve studies.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 120 Shared Asphalt - Resurface **Quantity: ~4,500 SF**

Location: The community entrances of Garden Grove and Kiley Court.
Funded?: Yes. Garden Grove is reported to be responsible for 69.8% of the total costs.
History: Installed 1999.
Comments: This component represents the shared asphalt with Kiley Court at the community entrance. It was reported Garden Grove is responsible for 69.8% of the total costs for maintaining, repairing, and replacing this asphalt.

The asphalt appeared stable condition with no widespread problems like cracking, excessive wear, alligator cracking, etc observed during our limited visual review.

The useful life below assumes regular repairs and seal coating (see component #121). The lack of repairs and seal coating can greatly decrease the asphalt's useful life. Resurfacing is typically one of the larger expense items in a reserve study. When the need to resurface is becoming apparent, consult with a geotechnical engineer for recommendations, specifications/scope of work, and project oversight.

As routine maintenance, keep surfaces clean and free of debris, ensure that drains are free flowing, repair cracks, and clean oil stains promptly. Assuming proactive maintenance, plan to resurface at roughly the time frame below.

Note: The photograph may not be representative of the actual component.

Resources:
Pavement Surface Condition Field Rating Manual for Asphalt Pavement:
https://www.wsdot.wa.gov/publications/manuals/fulltext/m0000/AsphaltPavements.pdf
Washington Asphalt Pavement Association: http://www.asphaltwa.com/

Useful Life:
35 years

Remaining Life:
11 years

Best Case: $ 8,200 Worst Case: $ 9,700

Lower Allowance (69.8% of the total costs) Higher Allowance (69.8% of the total costs)

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 121 Shared Asphalt - Repair & Seal **Quantity: ~4,500 SF**

Location: The community entrances of Garden Grove and Kiley Court.
Funded?: No. Costs are best handled with operating funds.
History: Stripped 2019; sealed 2016; sealed 2010; sealed 2005.
Comments: This component represents the shared asphalt with Kiley Court at the community entrance. It was reported Garden Grove is responsible for 69.8% of the total costs for maintaining, repairing, and replacing this asphalt. The costs for resealing this area of asphalt are projected to be below the minimal requirement for reserves funding (1% of the annual operating budget). We recommend the association complete the project utilizing operating funds.

The State of Washington Department of Transportation (WSDOT) recommends regular cycles of seal coating, along with needed repairs, for the long-term care of asphalt paving with low traffic and low speed to extend the useful life. The primary reason to seal coat asphalt pavement is to protect the pavement from the deteriorating effects of sun and water. When asphalt pavement is exposed, the asphalt oxidizes or hardens, and this causes the pavement to become increasingly brittle. As a result, the pavement will become more likely to crack, as it is unable to bend and flex when subjected to traffic (weight) and temperature changes (thermal expansion and contraction). A seal coat combats this situation by providing a waterproof membrane, which not only slows down the oxidation process, but also helps the pavement shed water. Seal coating also provides uniform appearance, and conceals the inevitable patching and repairs which accumulate over time, ultimately extending the useful life of asphalt before more costly resurfacing is needed (see component #120).

Repairing asphalt before seal coating is imperative. Surface preparation and dry weather during and following application is key to lasting performance.

Note: The photograph may not be representative of the actual component.

Resources:
Asphalt Pavement Maintenance Best Practices Handbook: http://www.cee.mtu.edu/~balkire/CE5403/AsphaltPaveMaint.pdf
Asphalt Seal Coat Treatments General Overview: https://www.wsdot.wa.gov/research/reports/fullreports/136.1.pdf
Other: http://www.pavementinteractive.org/article/bituminous-surface-treatments/

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 122 1999 Asphalt - Resurface **Quantity: ~104,170 SF**

Location: The community roadways and parking areas.
Funded?: Yes.
History: Installed 1999.
Comments: This component represents resurfacing the community asphalt roadways and parking areas.

Useful Life:
35 years

Remaining Life:
11 years

Best Case: $ 270,800 Worst Case: $ 322,900

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 123 2019 Parking Area - Resurface **Quantity: ~2,450 SF**

Location: The southeast area of the community behind the garages.
Funded?: Yes.
History: Installed 2019.
Comments: This component represents resurfacing the parking areas that were installed in 2019.

Note: The photograph may not be representative of the actual component.

Useful Life:
35 years

Remaining Life:
31 years

Best Case: $ 6,400 Worst Case: $ 7,600

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 125 Asphalt - Repair & Seal **Quantity: ~106,620 SF**

Location: The community roadways and parking areas, including the southeast area behind the garages.
Funded?: Yes.
History: Speedbumps added & striped 2019; sealed 2016; sealed 2010; sealed 2005; installed 1999.
Comments: This component represents maintaining, repairing, and sealing the community asphalt roadways and parking areas.

Useful Life:
5 years

Remaining Life:
0 years

Best Case: $ 34,100 Worst Case: $ 53,300

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 135 Metal Gate - Repair/Replace **Quantity: 1 gate**

Location: Adjacent to the storm pond on the south community perimeter.
Funded?: No. The useful life is not predictable.
History: None known.
Comments: The metal gate appeared to be functional during our site review. No damage or corrosion was observed.

As routine maintenance, inspect the gate regularly for any damage, and repair as needed. Apply a rust inhibitor if corrosion is found. Clean by wiping down for appearance, change lock cylinders, and lubricate the hinges.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 137 Emergency Access Gate - Replace **Quantity: ~30 LF**
Location: The southwest area of the community.
Funded?: No. The useful life is not predictable.
History: Replaced 2022; installed 1999.
Comments: This component represents the emergency access gate in the southwest area of the community adjacent to the stormwater pond. Although it was reported to have been replaced in 2022, due to its minimal use we are unable to predict an estimated remaining useful life. Track the actual history, and adjust future reserve studies accordingly.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

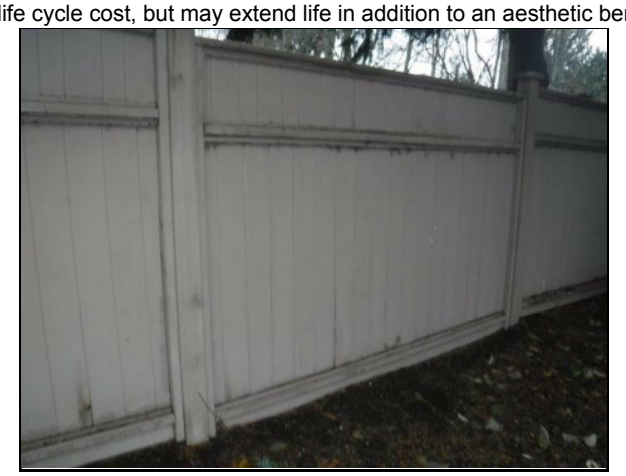
Comp #: 140 Perimeter Fence - Repair/Replace **Quantity: ~965 LF wood**
Location: The west and south community perimeters.
Funded?: Yes.
History: None known.
Comments: The wood fence appeared generally stable with aging apparent.

Plan to replace the fence at roughly the time frame below. Typical failures occur from deterioration through the end grains, and contact with the ground and surrounding landscape.

As routine maintenance, inspect regularly for any damage, and repair as needed. Avoid unnecessary contact with the ground, sprinkler patterns, and surrounding vegetation. Regular cycles of stain/paint will help to maintain appearance. Painting or staining the fence has a higher overall life cycle cost, but may extend life in addition to an aesthetic benefit.

Useful Life:
20 years

Remaining Life:
13 years



Best Case: $ 33,800 Worst Case: $ 43,400

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 141 East Fence - Repair/Replace **Quantity: ~310 LF wood**

Location: The shared east perimeter with Kiley Court.
Funded?: No. Reported to be the responsibility of Kiley Court.
History: None known.
Comments: This component represents the wood fence along the shared east perimeter with Kiley Court. It was reported Kiley Court is responsible for maintaining, repairing, and replacing this fence.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 142 Yard Fencing - Repair/Replace **Quantity: Extensive quantity**

Location: The perimeters of individual yards/lots.
Funded?: Yes.
History: Varies.
Comments: This component represents the wood fencing along the perimeters of individual lots/yards. We have provided a cyclical allowance below for localized replacement of this fencing as it is unlikely simultaneous replacement will be required. Track the actual history and costs, and adjust future reserve studies accordingly.

Useful Life:
5 years

Remaining Life:
4 years

Best Case: $ 42,500 Worst Case: $ 57,500

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 143 Storm Pond Fence - Repair/Replace **Quantity: ~445 LF wood**

Location: The stormwater pond perimeters.
Funded?: Yes.
History: None known.
Comments: This component represents repair/replacement of the wood stormwater pond fence. A board had fallen to the ground. Loose nails and some warped boards were observed. The fencing had some moss growth. The ends of several boards had rot.

Useful Life:
20 years

Remaining Life:
0 years

Best Case: $ 24,500 Worst Case: $ 33,400

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 145 Vinyl Fence – Repair/Replace **Quantity: ~1,930 LF**

Location: The perimeters of the Native Growth Protection Area.
Funded?: Yes.
History: Installed 1999.
Comments: The split rail vinyl fence appeared generally stable. Some aging was apparent, but no significant damage or unusual wear was observed. One board adjacent to the sport court was falling off the posts.

Plan to replace the fence at roughly the time frame below. As routine maintenance, clean the fence, and inspect it regularly for any damage. Repair as needed with operating funds.

Useful Life:
35 years

Remaining Life:
11 years

Best Case: $ 50,700 Worst Case: $ 60,800

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 147 Garbage Enclosures - Repair/Replace **Quantity: 4/~200 LF wood**

Location: Scattered throughout the community.
Funded?: Yes.
History: None known.
Comments: The garbage enclosures appeared functional with aging present.

A general rotating funding allowance is factored below for repairs/replacement. Track history and actual expenses, and adjust accordingly in reserve study updates.

These garbage enclosures are subject to abuse. It is reasonable to expect repairs at relatively small intervals due to misuse, although it is difficult to predict the precise scope and timing of such repairs. We suggest at the next replacement to consider a more durable enclosure material such as steel posts and rails. By utilizing such materials, the enclosure can better withstand regular abuse, reduce repair costs, and increase its useful life. A less expensive option is to install concrete wheel stops (typically used at the front of parking spaces) to prevent the container or vehicles from impacting the enclosure.

Useful Life:
25 years

Remaining Life:
1 years

Best Case: $ 11,000 Worst Case: $ 15,000

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 160 Pole Lights - Repair/Replace **Quantity: 10 assemblies**
Location: Scattered throughout the community.
Funded?: Yes.
History: None known.
Comments: The pole lights were observed to be functional.

Our recommendation is to plan for a large-scale replacement at roughly the time frame below, for both cost efficiency and consistent quality/appearance throughout the association. There are a variety of materials and styles available and a general mid-range funding allowance is projected below. Cost can vary significantly depending on the quality of the light pole chosen.

As routine maintenance, inspect, repair, and change bulbs as needed. Where possible, take precautions to limit damage from landscaping equipment.

Useful Life:
40 years

Remaining Life:
16 years

Best Case: $ 10,200 Worst Case: $ 14,000

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 165 Grounds Lighting - Repair/Replace **Quantity: 5 fixtures**
Location: Along the front sidewalk.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: The ground lighting was observed during daylight hours and is assumed to be functional. One fixture was broken.

As routine maintenance, inspect, and repair/change bulbs, as needed. Some local replacement may be needed from time to time - use general operating funds.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 170 Landscape - Maintain/Refurbish **Quantity: Turf, shrubs, etc.**
Location: Throughout the community.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: The landscape is generally healthy.

Landscape maintenance is currently funded through the operating budget. As associations age, many find the need or desire for large-scale refurbishment projects not covered within the maintenance contract, and they allocate funds within reserves. These types of projects can include bed renovations, major replanting, large-scale bark or mulch replacements, turf renovations, drainage improvements, irrigation system extensions/replacement, etc.

Walk the landscaped areas each year with the community's landscape contractor, and perhaps a landscape architect, to assess the overall health, function, and future needs of maintenance and refurbish to determine if supplemental reserve funding should be planned.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 172 Native Growth Area - Maintain **Quantity: Trees, wetlands, etc.**

Location: The northwest and east areas of the community.
Funded?: No. The useful life is not predictable.
History: None known.
Comments: Native growth areas are typically a low maintenance item, as they are designed to be left permanently undisturbed in a substantially natural state.

There is no basis for reserve funding at this time, but can be incorporated into future reserve study updates if funding basis emerges.

Comply with any and all governmental regulations regarding these areas. Activities that are allowed in a native growth area are very limited, but may include maintenance of the drainage basin, and removal of trees deemed hazardous by the local jurisdiction.

Washington State's Growth Management Act (GMA) was established by the state legislature in 1990. The GMA requires the State and local governments to identify and protect critical areas and natural resource lands. Native growth areas are typically either recorded as an easement, or as a separate tract/parcel of land.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 173 Trees - Trim/Remove & Replace **Quantity: Moderate quantity**
Location: Throughout the community.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: There were no specific problems with the trees observed or reported at this time.

This component may be utilized for larger tree removal/trimming projects which do not occur on an annual basis. If the community has not already done so, consult with a qualified arborist to assess the current plantings and to prepare a long term plan for the care and management of the community's trees, balancing aesthetics with the protection of the association's assets. Tree roots can be damaging to walkways, irrigation, underground utilities, and building structures. Track actual expenses, and adjust accordingly in reserve study updates.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 175 Irrigation System - Repair/Replace **Quantity: Heads, lines, timers, etc**

Location: Throughout the community.

Funded?: No. Costs are best handled with operating funds.

History: None known.

Comments: Our visual observation of the irrigation system was limited, as the majority of system components are below grade. There were no reports of repairs or problems. At the time of this study, no information (plans and/or specifications) was provided to us regarding the extent of the irrigation system.

There are no predictable large-scale costs at this time. Have your landscaper or irrigation specialist periodically unearth sections to check lines for any damage or deterioration. PVC can eventually become brittle and leak (typically not before the 40 year mark of life).

As routine maintenance, inspect, test, and repair the system, as needed, as part of the operating budget. Follow proper winterization and spring startup procedures. If properly installed and bedded without defect, the lines could last for many years. Controls for the system can vary greatly in number, cost, and life expectancy - typically each controller is less than $500. Other elements (i.e. sprinkler heads, valves) within this system are generally lower cost, and have a failure rate that is difficult to predict. These elements are better suited to be handled with operating funds, not reserves.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 182 Drainage & Stormwater - Maintain **Quantity: Catchbasins, drains, etc.**
Location: Throughout the community.
Funded?: No. The useful life is not predictable.
History: None known.
Comments: An analysis of the drainage system is beyond the scope of a reserve study, as the vast majority of the drainage system is located below ground. Our observations were very limited to catch basin areas. No problems were reported to us.

There is no predictable large-scale repair/replacement at this time. Local repairs should be performed as part of general maintenance. If problems become known from a professional evaluation, funding can be included in future reserve studies.

As routine maintenance, inspect regularly, and keep drains/grates free of debris to ensure water drains as intended. Maintenance schedules on stormwater systems depend on the condition of the system itself, and the amount of sediment and debris moving around on site. Stormwater inspections usually consist of inspecting the catch basins and manholes, and ensuring vaults and control structures are properly functioning. Evaluation of the drainage system can include the visual review of the interior drain lines with the use of a miniature remote camera. Clean out the drain lines and basins as often as needed in order to prevent decreased drainage capacity. Repair as needed. The responsibility of keeping the stormwater system in good working order falls on the association.

Resources:
City of Everett Surface & Stormwater: https://www.everettwa.gov/668/Surface-Stormwater
Snohomish County Surface Water Management: https://snohomishcountywa.gov/208/Surface-Water-Management

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 185 Stormwater Ponds - Refurbish **Quantity: 2 ponds**

Location: The community entrance and the southwest corner of the community.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: The large stormwater pond has some excessive vegetation. Ongoing maintenance is assumed.

The state Department of Ecology and local (i.e. county or city) stormwater resources have standards for maintaining, and constructing or reconstructing the pond(s) to the engineer's design parameters. Sediment must be removed when the governing authority has determined a maximum reduction in pond volume. The pond may also be tested for any contaminants, and acceptable turbidity level. Timing is difficult to predict, but in our experience and research, it may be in the 15-year range. Regular maintenance and inspection are keys to extending the useful life. Have the pond periodically assessed by a professional engineer, in addition to the overseeing governmental authority.

Costs for large-scale non-routine maintenance such as sediment removal and structural repairs can vary widely depending upon a number of factors, including but not limited to contractor selection and mobilization fees, engineering and oversight, disposal options for excavated material per pond testing, liner type, etc. A general budget allowance range is provided below - work with the governing authority and local contractor(s) to better define.

Resource:
Municipal Research and Services Center - Washington State Stormwater Manuals: http://mrsc.org/Home/Explore-Topics/Environment/Water-Topics/Storm-and-Surface-Water-Management/Stormwater-Detention-Facility-Maintenance.aspx

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 200 Community Monument - Repair/Replace **Quantity: 1 wood & stone**
Location: The community entrance.
Funded?: No. Costs are best handled with operating funds.
History: Installed 1999.
Comments: The community monument was legible and stable.

Costs to refurbish or replace the wood sign itself are unlikely to reach the minimal requirement for reserves funding. Paint and replace/refurbish the wood sign utilizing operating funds. Stone is a durable material that should require minimal maintenance. Replace the roof with operating funds or simultaneously as the buildings. Replace individual light fixtures with operating funds or as part of a larger project with the buildings.

Inspect periodically, repair, clean, and touch up for appearance, as needed, using operating funds.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 205 Mailboxes - Repair/Replace **Quantity: 7 clusters/134 boxes**
Location: The community entrance.
Funded?: Yes.
History: None known.
Comments: The mailboxes are protected from the rain by a structure.

In our experience, it is best to plan for total replacement at roughly the time frame below due to constant usage and wear over time.

As routine maintenance, inspect regularly, clean by wiping down for appearance, change lock cylinders, lubricate hinges, and repair as needed with operating funds.

Useful Life:
30 years

Remaining Life:
24 years

Best Case: $ 21,400 Worst Case: $ 29,000

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 206 Mailbox Kiosk - Repair/Replace **Quantity: 1 wood & stone**
Location: The community entrance.
Funded?: No. Costs are best handled with operating funds.
History: Constructed 1999.
Comments: This component represents maintaining, repairing, and replacing the mailbox kiosk. Complete any necessary repair projects, including siding repairs and painting, with operating funds. Replace the roof with operating funds or simultaneously as the buildings. Track the actual history and costs, and adjust future reserve studies accordingly.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 220 Concrete Sport Court - Resurface **Quantity: ~1,125 SF/~45' x 25'**
Location: Behind building CC (#11501).
Funded?: Yes.
History: Installed 1999.
Comments: The sport court surface was stable with some local cracks noted, but not significant or widespread at this time.

Plan for an eventual total resurface. Repair the base as needed at that time to ensure positive drainage. As routine maintenance, inspect regularly, clean as needed, and fill cracks with operating funds.

Useful Life:
45 years

Remaining Life:
21 years

Best Case: $ 14,200 Worst Case: $ 18,900

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 222 Basketball Hoops - Repair/Replace **Quantity: 2 assemblies**
Location: The sport court.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: The basketball hoop assemblies were observed to be dirty, but stable and functional. Aging apparent, however, no significant damage or deterioration.

Inspect regularly, and complete any necessary repairs or replacement with operating funds. Track history and expenses, and if warranted, funding can be added to this component in future reports.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 223 Volleyball Assembly - Replace **Quantity: 2 poles**

Location: The sport court.

Funded?: No. The useful life is not predictable.

History: None known.

Comments: Similar to the basketball assemblies, the volleyball poles were stable and functional. The net was not in service during our site visit.

Inspect regularly, and complete any necessary repairs or replacement with operating funds. Track history and expenses, and if warranted, funding can be added to this component in future reports.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 500 Bldgs BB & DD Roofs-Repair/Replace **Quantity: ~19,990 SF**
Location: The rooftops of buildings BB and DD.
Funded?: Yes.
History: Replaced 2019 Four Seasons; installed 1999.
Comments: This component represents repair/replacement of the rooftops of buildings BB and DD which were reported to have been replaced in 2019.

The new roofs have ventilation (the lack of which can greatly reduce the roof's useful life) at the eave and ridge. Eave venting consisted of circular holes in blocking between the rafters. Ridge venting appeared to be provided by continuous ridge vents, gable end louvers, roof jacks. Portions of roof flashing were visible at the rake, headwall, sidewall, and valleys. Diverter (kick-out) flashing was observed. Gutters blocked the view of the eaves, so eave flashing was not confirmed. Debris and moss were not observed on the roof surface. A reserve study conducts a limited visual review for budget purposes, and many of the critical waterproofing and ventilation items of the roof are not readily viewable. For a full evaluation have a professional roof consultant/contractor perform a thorough up-close survey of your entire roof system, including attic inspection (if any).

It is assumed future replaced roofs will have similar features.

As routine maintenance, many manufacturers recommend inspections at least twice annually (once in the fall before the rainy season, and again in the spring), and after large storm events. Promptly replace any damaged/missing sections and complete any other repairs needed to ensure the waterproof integrity of the roof. Keep the roof surface, gutters, and downspouts clear and free of moss and/or debris.

At the time of re-roofing, we recommend that you hire a professional consultant to evaluate the existing roof, specify the new roof materials/design, and provide installation oversight. We recommend that all associations hire qualified consultants whenever they are considering having work performed on any building envelope (waterproofing) components including the roof, walls, windows, decks, exterior painting, and caulking/sealant.

Note: The photograph may not be representative of the actual component.

Resources:
National Roofing Contractors Association (NRCA) http://www.nrca.net/.
Asphalt Roofing Manufacturers Association (ARMA) http://www.asphaltroofing.org/
Roof Consultant Institute (RCI) http://www.rci-online.org/
Western States Roofing Contractors Association (WSRCA) http://www.wsrca.com/

Useful Life:
25 years

Remaining Life:
21 years

Best Case: $ 108,500 Worst Case: $ 146,900

Lower Allowance Higher Allowance

Cost Source: Inflated Extrapolated Client Cost History: 2022 Four Seasons ~$6.20/SF (bldgs D, O, & AA)

Comp #: 501 Bldg Y Roof - Repair/Replace **Quantity: ~6,060 SF**
Location: The rooftop of building Y.
Funded?: Yes.
History: Replaced 2021 Four Seasons ~$31,600; installed 1999.
Comments: This component represents repair/replacement of the rooftop of building Y. It was reported this rooftop was replaced in 2021.

Note: The photograph may not be representative of the actual component.

Useful Life:
25 years

Remaining Life:
23 years

Best Case: $ 28,500 Worst Case: $ 38,500

Lower Allowance Higher Allowance

Cost Source: Inflated Client Cost History: 2021 Four Seasons ~$31,600

Comp #: 502 Bldgs D, O, & AA Roofs - Replace **Quantity: ~19,460 SF**
Location: The rooftops of buildings D, O, and AA.
Funded?: Yes.
History: Replaced 2022 Four Seasons ~$121,200; installed 1999.
Comments: This component represents repair/replacement of the rooftops of buildings D, O, and AA. It was reported these rooftops were replaced in 2022.

Note: The photograph may not be representative of the actual component.

Useful Life:
25 years

Remaining Life:
24 years

Best Case: $ 106,100 Worst Case: $ 143,500

Lower Allowance Higher Allowance

Cost Source: Inflated Client Cost History: 2022 Four Seasons ~$121,200

Comp #: 503 2023 Roofs - Repair/Replace **Quantity: ~28,285 SF**

Location: The rooftops of 1/4 of the remaining buildings to be replaced.
Funded?: Yes.
History: Anticipated 2023.
Comments: As discussed in components #500, #501, and #502, the association has began a roof replacement project and had completed six buildings at the time of this report. We have prepared this report under the assumption the association will complete replacement of 1/4 of the remaining residential roofs (excludes garages) in 2023 thru 2026, with the garage roofs being replaced in 2027. Adjustments to these components can be made based on the actual history of the roof replacement project.

Useful Life:
25 years

Remaining Life:
0 years

Best Case: $ 168,300 Worst Case: $ 227,700

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 504 2024 Roofs - Repair/Replace **Quantity: ~28,285 SF**

Location: The rooftops of 1/4 of the remaining buildings to be replaced.
Funded?: Yes.
History: Anticipated 2024.
Comments: This component represents replacement of 1/4 of the remaining residential roofs to be replaced in 2024.

Note: The photograph may not be representative of the actual component.

Useful Life:
25 years

Remaining Life:
1 years

Best Case: $ 168,300 Worst Case: $ 227,700

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 505 2025 Roofs - Repair/Replace **Quantity: ~28,285 SF**
Location: The rooftops of 1/4 of the remaining buildings to be replaced.
Funded?: Yes.
History: Anticipated 2025.
Comments: This component represents replacement of 1/4 of the remaining residential roofs to be replaced in 2025.

Note: The photograph may not be representative of the actual component.

Useful Life:
25 years

Remaining Life:
2 years

Best Case: $ 168,300 Worst Case: $ 227,700

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 506 2026 Roofs - Repair/Replace **Quantity: ~28,285 SF**
Location: The rooftops of 1/4 of the remaining buildings to be replaced.
Funded?: Yes.
History: Anticipated 2026.
Comments: This component represents replacement of 1/4 of the remaining residential roofs to be replaced in 2026.

Note: The photograph may not be representative of the actual component.

Useful Life:
25 years

Remaining Life:
3 years

Best Case: $ 168,300 Worst Case: $ 227,700

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 507 Garage Roofs - Repair/Replace **Quantity: ~7,580 SF**

Location: The garage rooftops.
Funded?: Yes.
History: Installed 1999.
Comments: This component represents replacement of the garage roofs. We have set this component for this project to occur in 2027.

Note: The photograph may not be representative of the actual component.

Useful Life:
20 years

Remaining Life:
4 years

Best Case: $ 45,100 Worst Case: $ 61,100

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 512 Bldg O Skylights - Repair/Replace **Quantity: 4 fixtures**

Location: The rooftop of building O.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: This component represents repair/replacement of the skylights for building O which are assumed to have been replaced during the 2022 roof replacement project.

Observation of the skylights revealed curb mounted skylights with visible portions of flashing. No current water leaks or other problems were reported by the association.

Estimated costs of replacing the skylights does not meet the minimal threshold requirements. Replace the skylights utilizing operating funds or, for best practice and costs efficiencies, simultaneously as the roof.

Inspect the skylights as part of the ongoing roof inspections, and repair as needed to maintain the waterproof integrity. Review the skylight conditions with a consultant or roof contractor while evaluating the roofing project.

Note: The photograph may not be representative of the actual component.

Resource:
https://www.veluxusa.com/help/installation-help/service-and-maintenance

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 513 2023 Skylights - Repair/Replace **Quantity: 9 fixtures**
Location: The rooftops of 1/4 of the remaining buildings to be replaced.
Funded?: Yes.
History: Anticipated 2023.
Comments: This component represents replacement of 1/4 of the remaining skylights to be replaced in 2023.

Note: The photograph may not be representative of the actual component.

Useful Life:
25 years

Remaining Life:
0 years

Best Case: $ 7,600 Worst Case: $ 10,400

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 514 2024 Skylights - Repair/Replace **Quantity: 9 fixtures**
Location: The rooftops of 1/4 of the remaining buildings to be replaced.
Funded?: Yes.
History: Anticipated 2024.
Comments: This component represents replacement of 1/4 of the remaining skylights to be replaced in 2024.

Note: The photograph may not be representative of the actual component.

Useful Life:
25 years

Remaining Life:
1 years

Best Case: $ 7,600 Worst Case: $ 10,400

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 515 2025 Skylights - Repair/Replace **Quantity: 9 fixtures**
Location: The rooftops of 1/4 of the remaining buildings to be replaced.
Funded?: Yes.
History: Anticipated 2025.
Comments: This component represents replacement of 1/4 of the remaining skylights to be replaced in 2025.

Note: The photograph may not be representative of the actual component.

Useful Life:
25 years

Remaining Life:
2 years

Best Case: $ 7,600 Worst Case: $ 10,400

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 516 2026 Skylights - Repair/Replace **Quantity: 8 fixtures**
Location: The rooftops of 1/4 of the remaining buildings to be replaced.
Funded?: Yes.
History: Anticipated 2026.
Comments: This component represents replacement of 1/4 of the remaining skylights to be replaced in 2026.

Note: The photograph may not be representative of the actual component.

Useful Life:
25 years

Remaining Life:
3 years

Best Case: $ 6,800 Worst Case: $ 9,200

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 517 Gutters & Downspouts-Repair/Replace **Quantity: ~11,295 LF**

Location: The building and garage perimeters.
Funded?: Yes.
History: Installed 1999.
Comments: Based on our limited visual inspection, the metal gutters and downspouts appeared to be functional.

We recommend planning for a total replacement of the gutters and downspouts at the same intervals as the roof replacement for cost efficiency. Evaluate these components at the time of the project to determine if replacement or re-use is the better value.

As routine maintenance, inspect regularly, and keep gutters and downspouts free of debris.

Useful Life:
40 years

Remaining Life:
16 years

Best Case: $ 146,800 Worst Case: $ 214,600

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 520 Vinyl Siding - Exterior Renovation **Quantity: ~123,940 SF**

Location: The exterior walls, underlying waterproofing components, and structural components.
Funded?: Yes.
History: Installed 1999.
Comments: The vinyl siding was a horizontal clapboard and shingle style. The siding no missing pieces, damage, or unusual wear observed. No view of the critical underlying waterproofing was available as part of our limited visual review.

Siding replacement may ultimately be needed due to the failure of the underlying waterproofing due to degradation over the decades, and/or the end of the useful life of the siding materials from general aging. Many factors influence the useful life, including exposure to (or protection from) wind driven rain, and the quality of the waterproofing and flashing beneath the siding. Evaluate the siding and the critical underlying waterproofing (typically building paper or house-wrap) more frequently as the remaining useful life approaches zero years. Adjust the remaining useful life as dictated by the evaluation. When practical, align with window replacement for cost efficiencies and building envelope integrity. Inspect annually and repair locally, as needed, using general maintenance funds.

Replacing the underlying waterproofing and flashing is projected to require replacement of the vinyl siding. Vinyl siding will typically fade over the years, and when replacing pieces it may be difficult to match the faded color.

Note: Rehabilitative construction projects with associated costs are equal to or greater than 5% of the assessed value of the units must comply with the requirements of RCW 64.55 http://app.leg.wa.gov/rcw/default.aspx?cite=64.55. These requirements include building enclosure design documents with waterproofing details by an architect or engineer, and independent oversight during construction to verify compliance with those details.

Project costs can vary depending upon materials chosen and the condition of the underlying structural framing when exposed. We recommend the Board conduct research well in advance in order to define the scope, timing, and costs; including a plan for some margin of contingency.

Useful Life:
40 years

Remaining Life:
16 years

Best Case: $ 2,578,000 Worst Case: $ 4,189,200

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 521 Vinyl Siding - Clean & Inspect **Quantity: ~123,940 SF**

Location: The building surfaces.
Funded?: Yes.
History: None known.
Comments: The vinyl siding had localized areas with some grime and/or moss growth.

It is best practice to clean vinyl siding every few years to remove contaminants that can reduce its service life, and to maintain appearance. This is also a good opportunity to have the exterior sealant inspected. We have projected the higher end of the cost range for cleaning to include sealant inspection at the same time as power washing. When washing, we advise not to use too high of pressure, and ensure spray angles do not allow water beneath the vinyl. Hand washing is also available, but is often more expensive.

Useful Life:
4 years

Remaining Life:
3 years

Best Case: $ 26,000 Worst Case: $ 32,200

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 525 Stone Veneer - Maintain/Repair **Quantity: Moderate quantity**

Location: The exterior walls, underlying waterproofing components, and structural components.
Funded?: No. The useful life is not predictable.
History: Installed 1999.
Comments: Some stone veneer was used for cladding on small portions of the buildings. No cracked grout or broken stones were observed during our site visit. During our limited visual review, we are not able to view or evaluate the critical underlying waterproofing and flashings.

Stone veneer is a relatively low maintenance item. Inspect periodically, and repair as needed using operating funds.

Many factors influence the useful life, including exposure to (or protection from) wind driven rain, the quality of the siding material, and the quality of the waterproofing and flashing beneath the siding. Almost all waterproofing systems will degrade over time (years or decades) as it ages.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 533 Exterior Surfaces - Caulk & Paint **Quantity: Trim, doors, etc.**
Location: The exterior paintable building surfaces.
Funded?: Yes.
History: None known.
Comments: The ends of several trim pieces were noted to have faded paint and damage.

Typical Northwest paint cycles vary greatly depending upon many factors including the type of material painted, surface preparation, quality of the primer/paint/stain, application methods, weather conditions during the application process, moisture beneath the surface, and exposure to weather conditions. Repair areas, as needed, prior to painting/caulking. As routine maintenance, inspect regularly (including sealants), repair locally, and touch-up paint, as needed, using operating funds.

Proper sealant/caulking is critical to keeping water out of the walls, and preventing water damage. Incorrect installation of sealants is very common, and can greatly decrease its useful life. Inspect sealants (more frequently as they age) to determine if failing is occurring. Typical sealant problems include failure of the sealant to adhere to adjacent materials, and tearing/splitting of the sealant itself. As sealants age, and due to exposure to ultraviolet sunlight, they will dry out, harden, and lose their elastic ability. Remove and replace all sealants at the time sealant failure begins to appear. Proper cleaning, prep work, and installation technique (shape, size, tooling of joint) are critical for a long lasting sealant/caulking. Do not install sealant in locations that would block water drainage from behind the siding (e.g. at head flashings).

Resources:
American Coatings Association: http://www.paint.org/
Master Paint Institute: http://www.paintinfo.com/

Useful Life:
8 years

Remaining Life:
1 years

Best Case: $ 106,200 Worst Case: $ 143,800

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 535 Windows & Sliders - Repair/Replace **Quantity: 930 windows & 134 doors**

Location: The exterior building walls.
Funded?: Yes.
History: Installed 1999.
Comments: The windows are mostly horizontal sliders and fixed operation. Head flashing was not observed. We were unable to determine if the jambs and sills had sealant joints between the window frame and cladding due to the vinyl trim. The weep holes at exterior lower corners were observed to be clear in the few windows sampled for our study. No observation of the critical underlying waterproofing details and flashing was part of our limited visual review. The underlying details and flashing are critical to maintaining the waterproofing of the building envelope and preventing structural damage as a result of water infiltration. A reserve study is a budget model, limited to visual exterior observation and research. It is outside the scope of our services, and the purpose of a reserve study, to assess the adequacy of the building envelope performance, as many of the key details are hidden from view. Periodic reviews by an architect, building envelope professional, etc. are prudent.

Many factors affect the useful life, including the quality of window (design pressure rating), waterproofing and flashing details, building movement, and exposure to the elements, including wind driven rain. Those same variables, along with glazing and frame materials, can also greatly affect the appropriate choice and replacement costs. You can learn more about window design here: http://rci-online.org/wp-content/uploads/2010-04-hinjosa.pdf

Inspect regularly, including sealant, if any, and repair as needed. Typical sealant failures include a lack of adhesion to adjacent materials, tearing/splitting of the sealant itself, and loss of elastic ability. Loss of elastic ability can be caused by exposure to ultraviolet light, and general aging. Remove and replace all sealants as signs of failure begin to appear. Proper cleaning, prep work, and installation of specified joint design are critical for lasting performance. Keep weep holes free and clear to allow proper drainage of water that gets into the window frame. Do not block (caulk or seal) the gap at the top of head flashing, as this allows water that gets behind the siding to drain out.

We recommend the board conduct research well in advance of this project to help better define timing and costs (scope of work, material specifications, etc.). Further, we recommend that you hire a professional consultant (architect, engineer, building envelope consultant) to evaluate the existing windows, design and specify new installation requirements, assist with the bid process, and observe the construction to increase the likelihood of proper installation. We recommend all associations hire qualified consultants whenever they are considering having work performed on any high-risk building envelope components (roof, walls, windows, decks, exterior painting and caulking/sealant).

Note: Costs below factor for professional architectural details, specifications, and installation oversight. Any needed repair of the underlying structural framing can add significantly to the project cost. No observation of the critical underlying waterproofing details and flashing was part of our limited visual review.

Resource:
Fenestration & Glazing Industry Alliance (formerly AAMA): https://fgiaonline.org/

Useful Life:
40 years

Remaining Life:
16 years

Best Case: $ 1,209,700 Worst Case: $ 1,776,700

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 540 Exterior Doors - Repair/Replace **Quantity: 190 doors**
Location: The exterior building walls.
Funded?: No. The useful life is not predictable.
History: None known.
Comments: No widespread problems with the exterior doors were observed or reported.

There is no predictable large-scale repair or replacement of doors.

Door painting is included as part of component #533. Inspect periodically, and repair as needed to maintain appearance, security, and operation with operating funds. Touch up paint, as needed, between painting cycles.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 541 Coated Decks - Repair/Replace **Quantity: ~5,405 SF**

Location: Select units.

Funded?: No. The useful life is not predictable.

History: None known.

Comments: Direct access to a deck was not available during our site visit and viewing was limited from the ground surface. The surface appearance of the deck appeared to be a urethane/elastomeric coating. The drip edge of the deck was open. A vertical portion of drip edge flashing was observed. We were unable to view if the coating was turned up the wall a few inches beneath the cladding to prevent water from entering behind the siding. We were unable to determine if the threshold of the door was raised slightly above the deck surface to allow proper flashing. Venting on the underside of the deck, at the soffit below, was observed. Venting is a good practice as it can reduce problems from condensation. The railing connections did not attach through the deck surface. The fewer penetrations through the waterproof surface, the fewer opportunities there are for water penetration.

Re-application of the topcoat periodically is required to maintain its waterproof integrity - see the next component. If decks are not maintained adequately, significant repair/replacement expenses often occur.

Most deck coatings come with a warranty. A typical warranty is three to five years if properly maintained. Some warranties can be extended if the re-coating, and any other prescribed maintenance, is performed within a certain time frame. Check your warranty paperwork to determine the necessary timing of recoating and maintenance.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 542 Coated Decks - Recoat **Quantity: ~5,405 SF**

Location: Select units.
Funded?: Yes.
History: None known.
Comments: The deck surface appearance was of a urethane/elastomeric coating. Re-application of the topcoat periodically is required to maintain its waterproof integrity. If decks are not maintained adequately, significant repair/replacement expenses often occur. Proactive coating cycles are cost effective. Extending the time between coatings runs the risk of increased costs due to wear on the second coat in addition to the topcoat and potential water penetration, which can damage the underlying components and greatly increase costs. Elastomeric deck surfaces are typically a three-coat system. The top coat loses thickness each year, primarily from exposure to ultraviolet sunlight, and to a lesser extent wear and tear. If more than the topcoat is allowed to wear off, the surface may still appear to be in 'good' condition, but the waterproof integrity may be compromised by nearly imperceptible "pin holes". Evaluate and repair, as needed, before recoating. Check with your specific manufacturer for cleaning instructions to avoid damage to the coating. Many manufacturers allow cleaning with a mild solution, such as soap and water, TSP, etc.

Most deck coatings come with a warranty. A typical warranty is three to five years if properly maintained. Some warranties can be extended if the re-coating is performed within a certain time frame. Check your warranty paperwork to determine the necessary timing of recoating and maintenance.

Resource:
https://deckandfloorcoating.com/how-to-maintain-your-waterproof-deck/

Useful Life:
5 years

Remaining Life:
0 years

Best Case: $ 73,300 Worst Case: $ 101,500

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 543 Elevated Walkway - Repair & Recoat **Quantity: ~805 SF**

Location: Building CC (#11501).
Funded?: Yes.
History: None known.
Comments: This component represents repairing and recoating the elevated walkway and stair landings of building CC (#11501). Fading of the coating and some puddling of water were observed.

Useful Life:
5 years

Remaining Life:
0 years

Best Case: $ 8,400 Worst Case: $ 11,600

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 545 Wood Decks - Repair/Replace **Quantity: ~2,560 SF**

Location: Select units.
Funded?: Yes.
History: None known.
Comments: The deck surface has open boards that allow water to drain between them. The wood deck surface was stained. No decay of boards was observed.

Funding factored below is for replacing the existing walking surface materials with like-kind materials. The costs may be greater if the structural framing is found to need repair or replacement.

Inspect the deck, stairs, and railings annually, and repair as needed. As part of maintenance, apply water repellent stain/preservative at least every other year. Painting is included in component #533. Almost all exterior wood exposed to the Puget Sound area weather will decay over time, and require replacement. Current building codes require flashing of the ledger joist (at the exterior building wall) to prevent decay from compromising the structural integrity. Options for a longer lasting deck include using thick wood boards or a composite product (increased costs).

Useful Life:
10 years

Remaining Life:
8 years

Best Case: $ 55,200 Worst Case: $ 74,800

Lower Allowance Higher Allowance

Cost Source: Budget Allowance

Comp #: 553 Exterior Stairs - Maintain/Repair **Quantity: Moderate quantity**
Location: Select buildings.
Funded?: No. The useful life is not predictable.
History: Constructed 1999.
Comments: The stair stringers are wood. The concrete stair treads are attached to the stair stringer by steel angle and bolts. The railings are wood. No corrosion was observed on the steel angle attachments and no decay of wood was observed in the few stairs sampled for our visual review. The stairs are mostly protected from the weather by the overhead structure.

There is no predictable large-scale repairs or replacement at this time. Repair, as needed, using general maintenance funds. As stairs age, and repair needs become evident, funding can be added to future reserve studies.

As routine maintenance, inspect regularly to ensure safety and stability. Repair promptly, as needed, with operating funds. Paint as a part of an exterior paint project - see component #533. Treat corroded metal with a rusted inhibitor to extend the useful life.

Useful Life:

Remaining Life:

Best Case: Worst Case:

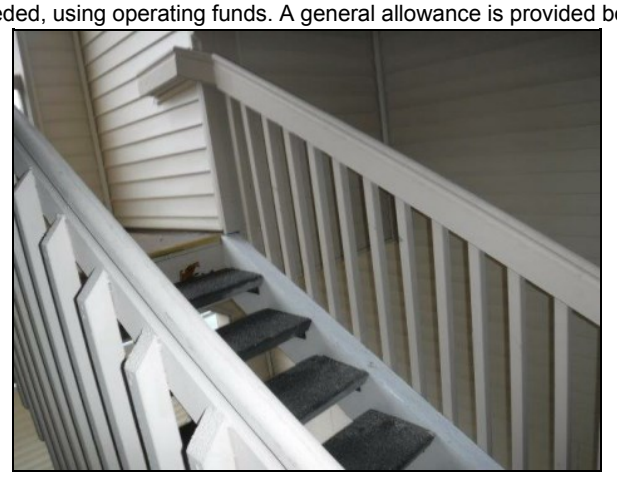
Cost Source:

Comp #: 555 Building Wood Rails-Repair/Replace **Quantity: Extensive quantity**
Location: The decks, walkway, and stairs.
Funded?: Yes.
History: Installed 1999.
Comments: The wood rails were stable. Some localized rot was observed. The rails were not attached through the waterproof surface of the deck.

As routine maintenance, all railings and connections should be inspected at least annually for structural and/or waterproofing issues. Repair promptly, as needed, using operating funds. A general allowance is provided below for larger repair projects.

Useful Life:
10 years

Remaining Life:
6 years



Best Case: $ 42,500 Worst Case: $ 57,500

Lower Allowance Higher Allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 560 Exterior Lights - Repair/Replace **Quantity: Extensive quantity**
Location: Mounted to the building exteriors.
Funded?: No. Costs are best handled with operating funds.
History: Varies.
Comments: Some exterior lights were observed to be functional. It assumed the remaining exterior lights operate properly.

The fixtures varied in age and style. It assumed unit owners are permitted to replace fixtures, or they are replaced as needed with operating funds. As routine maintenance, inspect, and repair/change bulbs, as needed. If a large-scale replacement project becomes necessary or desired, funding can be added to this component in future reserve studies.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 900 Plumbing - Systems Evaluation **Quantity: Supply, drains, etc.**

Location: Throughout the buildings.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: Plumbing systems are generally considered by the engineering community to be life limited. The costs for replacement can vary widely depending upon the specifications, site conditions, unit repairs after install, hazardous material handling, etc.

The vast majority of the plumbing system is hidden, and not visible for review. A reserve study is limited to visual exterior observations and research for budget purposes.

We highly recommend the association engage a qualified firm to evaluate the plumbing systems, including forensic wall openings, and test sections of piping. Additional testing may be further recommended. Patterns of significant repair expenses, leaks, poor flow, and sediments in the lines, should accelerate the need to address proactively and seek a detailed analysis to identify hidden conditions, project a remaining useful life, and recommendations for any needed repairs, maintenance, etc. The cost can vary depending on the complexity of systems, the number of wall or ceiling openings, etc. Prior to such an evaluation, there is no predictable basis at this time for large-scale plumbing repair or replacement expenses. Results should be included in the subsequent reserve study update.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 901 Plumbing - Repair/Replace **Quantity: Supply & drain lines**

Location: Throughout the buildings.
Funded?: No. The useful life is not predictable.
History: None known.
Comments: Plumbing systems are generally considered by the engineering community to be life limited. The costs for systems replacement can vary widely depending upon the specifications, site conditions, unit repairs after install, hazardous material handling, etc.

See the previous component for a recommended plumbing evaluation. Until a qualified engineering firm has performed an evaluation of your plumbing systems, and provided specific recommendations, there is no predictable basis for system replacement reserve funding at this time.

Manufacturing defects become apparent from time to time, and certain site conditions (e.g. galvanic corrosion, dissimilar metals in contact with piping, chemical reactions, etc.) can contribute to premature deterioration of the plumbing systems.

Treat minor repairs as an ongoing maintenance expense.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 920 Electrical System - Maintain/Repair **Quantity: Main & branch systems**
Location: Throughout the community.
Funded?: No. The useful life is not predictable.
History: None known.
Comments: The majority of the electrical system was not visible for review. Analysis of the electrical system, beyond a limited visual review, is not within the scope of a reserve study. No large issues or problems/defects were reported.

We recommend periodic evaluation by engineer/master electrician to evaluate the system(s) for safety, code-compliance, maintenance, repair & replacement needs. Any predictable expenses identified that meet the criteria for reserve funding can be included in the reserve plan. Some electrical system components are known to be life limited. Manufacturing defects become known from time to time, and certain site conditions can contribute to premature deterioration of electrical components.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 964 Fire System - Inspect/Test/Evaluate **Quantity: Bells, pulls, etc.**
Location: Select buildings.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: Fire jurisdictions across the region may vary in their local enforcement and recommendations relating to the International Fire Code. Codes evolve over time, and are generally amended every three years - inspections, vendor recommendations, need to replace older technology, etc. are examples of drivers that may require significant upgrades to your current system. It is therefore our recommendation that you engage a fire systems consultant from time to time, funded from the operating budget, to evaluate and provide specific recommendations for your system and locale.

Several tests are required over time per the NFPA 25, Inspections, Testing and Maintenance of Water-Based Fire Protection Systems. These types of expenses are typically most appropriately factored within the annual operating budget, not reserves.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 965 Fire Alarm Panel - Repair/Replace **Quantity: 3 panels**

Location: Buildings X (727), Y (723), and 11501 (CC).
Funded?: Yes.
History: None known.
Comments: Fire alarm control rooms were noted in a few buildings. It is assumed only the larger buildings have a fire alarm panel, and the panels are original to construction. We have funded for six panels below, but adjust accordingly in revisions or future reports.

Our experience suggests that an approximate useful life for the panel for budget planning purposes is in the 12-20 year range. Discuss this component with your fire panel vendor or consultant to better determine the timing of the panel's repair or replacement needs, and to assess the overall system in relation to the current codes, and parts and technician availability to determine if upgrades or replacement will be required.

Fire alarm panels are required to be inspected annually, and the company performing the inspection is required to log/note it at the panel so that the fire department can view it. Fire departments can issue a fine if inspections are not performed. Fire panels are a critical life safety item that needs to be well maintained, following all requirements of the National Fire Protection Association (N.F.P.A.) and local codes.

The scope of work at the time of repairs can vary greatly based on the amount of work needed to bring the existing fire system to the level required by the fire/building codes in place at that time. Evaluating the entire fire prevention system is beyond the scope of a reserve study. Replace the panel proactively, and perform additional upgrades as required by code. The costs below are for the repair and/or replacement of the panel only.

Useful Life:
20 years

Remaining Life:
0 years

Best Case:	$ 15,000	Worst Case:	$ 21,000
	Lower Allowance		Higher Allowance

Cost Source: Budget Allowance

Comp #: 966 Fire Sprinkler Heads - Test/Replace **Quantity: Extensive quantity**

Location: Select buildings.

Funded?: No. Costs are best handled with operating funds.

History: None known.

Comments: There are a variety of heads that may be present as part of wet and/or dry sprinkler systems. Fire sprinkler heads are required to be inspected regularly per NFPA, and pass testing or be replaced at prescribed intervals depending upon the type of head(s) in place, and other factors such as environment. If large scale replacement is deemed necessary and predictable, reserve funding can be appropriate. If testing expense is less than 1% of your operating budget, expense within the operating budget in the year of occurrence.

Fire sprinklers remain idle in most instances making it difficult to identify any problems. The NFPA 25 handbook recommends testing a representative sample of dry sprinkler heads at 10 years then every 10 year thereafter, high-risk or exposure every 5 years, wet system quick response at 20 years and every 10 thereafter, conventional at 50 years and every 10 thereafter. If the representative sample heads fail, all sprinkler heads should be replaced. If testing of heads is a significant expense and/or requires significant carpentry expense to repair surrounding structure, replacement may be the prudent choice.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 969 Fire Hydrants - Maintain/Replace **Quantity: Moderate quantity**
Location: Scattered throughout the community.
Funded?: No. Reported to be the responsibility of Snohomish County.
History: None known.
Comments: The fire hydrants are assumed to be functional. It was reported Snohomish County is responsible for maintaining, repairing, and replacing the fire hydrants.

Our research indicates fire hydrants can last anywhere from 30 to over 100 years. Inspect the hydrants regularly, and report any concerns to the Snohomish County Public Works Department via an option below:

Phone: 425-388-6453
Email: Contact.PWCustomerServiceCenter@snoco.org
Website: https://snohomishcountywa.gov/204/Public-Works

Useful Life:

Remaining Life:

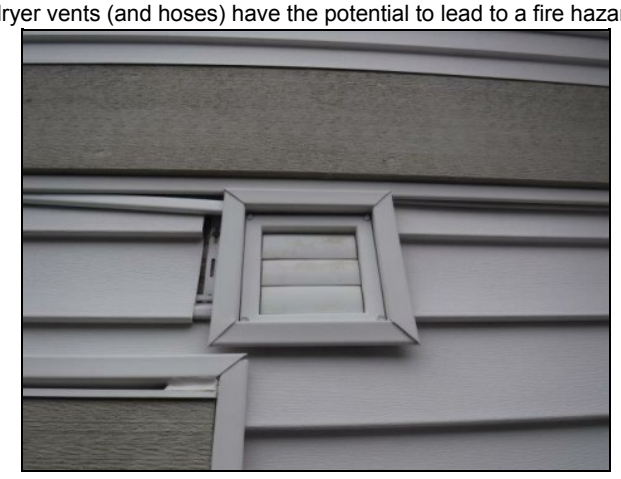
Best Case: Worst Case:

Cost Source:

Comp #: 971 Vents - Clean & Inspect **Quantity: Extensive quantity**
Location: The building exteriors.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: The buildings include multiple vents that serve various purposes. We recommend the association have the vents inspected and cleaned annually with operating funds. Heightened attention should be given to dryer vents to ensure no blockages have occurred. Dirty/blocked dryer vents (and hoses) have the potential to lead to a fire hazard.

Useful Life:

Remaining Life:



Best Case: Worst Case:

Cost Source:

Comp #: 990 Ancillary Evaluations **Quantity: Specialty evaluations**

Location: To augment reserve planning.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: A reserve study is a budget model, limited to visual exterior observations and research. As there are some key details and factors of buildings and grounds hidden from view, it is prudent to conduct additional ancillary evaluations from time to time. The purpose of these evaluations is to aid planning and assess for any basis of predictable funding that may be incorporated into the reserve study. We recommend that you periodically engage specialty evaluations in the following areas/fields as applicable to your property:

- Civil Engineering review: Soils & drainage, pavement specifications, below grade waterproofing
- Arborist: Trees & landscape - plan of care and life cycle forecast
- Legal Responsibility Matrix: Governing document review for clear expense delineation between the association and unit owners
- Legal Governing Document review periodically to incorporate changes in law over time and best practices
- Investment consultant: Maximize return and cash flow management while protecting principal
- Insurance policy & coverage review: Understand what is and is not covered and by whom (association vs. owner policies)
- Masonry consultant: Assess mortar condition and waterproofing, and provide forecast and recommendations
- Energy Audit: Typically conducted by a utility company, HVAC vendor or consulting engineer to assess efficiency, and cost benefit to retrofit existing equipment. WA Clean Building Performance Standard is a new law in Washington for residential buildings 20,000 GSF and larger - see Dept. of Commerce for more information. Rules and compliance are not yet fully formed.

Note: There are several other important professional evaluations to augment reserve planning that are of heightened importance such as Life-Safety and/or Building Envelope & Structural issues, and Plumbing. Those components are addressed separately within this report.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 995 Building Envelope & Structure **Quantity: Inspection**

Location: The exterior walls, underlying waterproofing components, and structural components.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: A reserve study is a budget model, limited to visual exterior observations and research. It is outside the scope of our services, and the purpose of a reserve study, to assess the adequacy of the building envelope and structural performance, as many of the key details are hidden from view. Many associations are required to have annual inspections by a qualified engineer or architect to assess the physical condition of the improvements - check your governing documents for any such requirements. Any areas of concern observable from our limited exterior observations, and cycles for repair and replacement, have been stated in the various component field notes throughout this report. We highly recommend regular professional specialty inspections by a qualified engineering, architectural, or building envelope consulting firm to evaluate the performance of the building envelope and structural components.

Many associations are required by their Declaration to have annual inspections by a qualified architect or engineer to assess the physical condition of the building envelope enclosure. The building envelope inspection typically covers at minimum the roofs, decks, siding, windows, doors, sealants/caulking, and flashings. As the building ages, and the waterproofing typically deteriorates, provide more frequent inspections.

Building envelope inspections can be either visual or intrusive. An intrusive investigation (where finished materials are removed to view and better understand the underlying systems, conditions and performance) should be of greater benefit, since a visual review provides only a limited amount of information derived from surface observations.

In addition, we recommend the association annually survey residents to inquire about conditions only visible from the unit interiors that the association may not be aware of. Survey questions may include, but are not limited to, water intrusion/organic growth (particularly at windows and doors, skylights, water heaters, plumbing fixtures, etc), cracking or any other movement of drywall or structural members, and any other general building concerns. Such surveys can be key in identifying potential concerns early, thus increasing the opportunity to conduct repairs before advanced deterioration/damage and, therefore, larger expenses occur.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

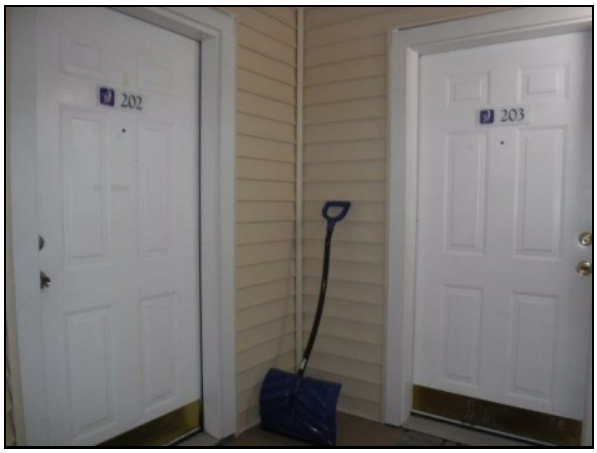
Comp #: 997 Unit High-Risk Components **Quantity: Inspection & report**

Location: Analysis of in-unit high-risk components.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: While this component does not meet the criteria for reserve funding, our experience in preparing well over 10,000 reserve studies in the Pacific NW indicates that most communities would benefit from a review of the high-risk components within the individual units. High-risk components are those with a history of failure, often leading to significant damage of unit interiors and surrounding common area structural components. High-risk components include, but are not limited to water heaters, washer and dryer hookups, ice maker lines, plumbing angle stops, electrical panels, window and door waterproofing, etc. The Board of Directors is charged with a duty to set the standard of care in the community. Many governing documents and state law governing Common Interest Communities (RCW 64.90.440) provide guidance for those physical components that pose a heightened risk.

It is our strong recommendation that you factor the cost for a high-risk component review within an upcoming operating budget. Consult with an engineering firm specializing in such inspections and analysis. The cost for such a study may be in the range of $50 - $200 per unit, depending upon the complexity and scope of work. High-risk component review is not within the scope of our services.

Useful Life:

Remaining Life:



Best Case: Worst Case:

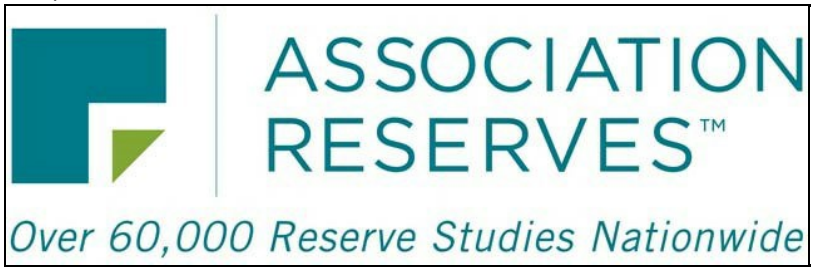
Cost Source:

Comp #: 999 Reserve Study - Update **Quantity: Annual update**

Location: The community common and limited common elements.
Funded?: No. Costs are best handled with operating funds.
History: 2023 Full.
Comments: Per Washington law (RCW), reserve studies are to be updated annually, with site inspections by an independent reserve study professional to occur no less than every three years to assess changes in condition (i.e., physical, economic, governmental, etc.), and the resulting effect on the community's long-term reserve plan. Most appropriately factored within operating budget, not as reserve component.

Useful Life:

Remaining Life:



Best Case: Worst Case:

Cost Source:
