

RESERVE STUDY

for the

Pacific Point

HOMEOWNERS ASSOCIATION

Date Prepared: 07/13/05 *for Fiscal Year 2005*

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Reserve Study

This report documents the results of a reserve study performed by John D. Beatty & Company for the Pacific Point Homeowners Association in Pacifica, California. It provides an analysis of the repair and replacement requirements for the association's major components and recommends a funding plan to meet those obligations. This study was performed in compliance with California Civil Code sections 1365 and 1365.5. The intent of this legislation is to insure that associations maintain a plan to meet all future obligations for major component maintenance. The essential elements of this legislation are:

1. Identification of the major components which the association is obligated to maintain
2. Current estimate of the useful life of each component
3. Current estimate of the remaining life of each component
4. Current estimate of the replacement cost of each component
5. Current estimate of the total annual contribution necessary to maintain the major components
6. Current estimate of the amount of cash reserves necessary to maintain the major components
7. Disclosure of the current amount of accumulated cash reserves actually funded
8. Disclosure of the percentage of reserves actually funded
9. Disclosure of any determined or anticipated special assessments
10. A general statement of methodology

SCOPE

This study is aligned with the association's fiscal year and establishes January 1, 2005 through December 31, 2044 as the period of time for which reserve expenditures and reserve fund balances are projected.

METHODOLOGY

A cash flow methodology was used to determine the annual reserve contribution. The underlying premise of this reserve funding approach is to establish a contribution level that will allow the association to maintain a positive balance in the reserve fund while meeting all anticipated maintenance obligations. The cash flow method allows the association to achieve this goal without the unnecessary overfunding of reserves. Also, as the interest earned on the reserve fund will not totally offset inflation, projections were made using the current inflation factor and an average interest rate on fully insured certificates of deposit.

In preparing this study, a comprehensive list of major components was developed and information was compiled on the type, number, age and cost of each of these components. In gathering this data, certain assumptions were made about costs, conditions, and future events and circumstances that may occur. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this report. Therefore, the actual replacement costs and remaining lives may vary from this report and the variations could be material. All life expectancies were based on reasonable industry experience for equipment and material and, unless specifically noted, all components were in a reasonable and ordinary condition.

This study was limited to a visual inspection of the property and as such did not disturb the major components. Therefore, all common areas for which there is no access without defacement are specifically omitted. However, if sufficient historical data were available that would allow a reasonable projection of future expenditures for any unobservable components e.g., plumbing or electrical wiring, those components could be included in this report.

Since no destructive testing was undertaken, this study does not purport to address any latent and/or patent defects, nor does it address any life expectancies that are abnormally short due to either improper design or installation, or to subsequent improper maintenance. It is assumed that all components are to be reasonably maintained for the remainder of their life expectancy.

For a component to be included in this study, the following criteria must be met:

1. The maintenance of the component is the responsibility of the association;
2. The maintenance of the component is not included in the annual operating budget;
3. The estimated useful life of the component is greater than one year; and
4. The estimated remaining life of the component is less than 30 years.

This study is intended to reflect the estimated replacement cost of the components and is not intended to project the actual cost of the work when performed. This limitation is necessary, as it is virtually impossible to predict with any degree of certainty the myriad factors that will impact costs at a future date. Because of this qualification, it is necessary for the results of this study to be reviewed annually to reflect any meaningful changes in use or significant increases in labor and/or materials costs.

The funding for this study has a threshold margin of 10%. This means that the projected ending balance for each fiscal year is at least 10% of the projected expenditures for the same year. This margin provides for any unforeseen or out of the ordinary repair or replacement expense. Additionally, it can be used in subsequent years as a source of funds for reallocation of the life cycles should the aging of any components be abnormally accelerated.

FINDINGS

The findings of this study indicate that it will be necessary to adjust the annual reserve contribution as indicated on pages 15, 16, 17 and 18 of this report in order to meet projected expenditures and keep pace with inflation. For fiscal year 2005 an increase of 0.0% is recommended in the reserve contribution, however it is recommended that the Association implement a special assessment in the amount of \$294,119 in fiscal year 2005 and an additional special assessment of \$392,000 in fiscal year 2006. These findings are based upon the following:

1. Projected reserve fund balance as of January 1, 2005.....\$60,000
2. Reserve contribution for fiscal year 2004\$164,863
3. Reserve contribution for fiscal year 2005\$164,863
4. Special Assessment for fiscal year 2005\$294,119
5. Special Assessment for fiscal year 2006\$392,000
6. Assumed annual inflation rate..... 3.0%
7. All "after tax" interest earned on reserve fund investments will be retained in the reserve fund.

DISCLOSURES

This plan provides adequate funds to meet projected expenditures while relying on special assessments in both fiscal years 2005 and 2006, which will require votes of the membership. However, the recommended increase in the regular assessment will not require a vote of the membership. Based on the assumption that the association will fund reserves in accordance with this plan, which includes those increases indicated above, the percent funded was calculated in the following manner:

Accumulated Cash Reserves (Numerator)

Projected reserve fund balance as of January 1, 2005.....\$60,000

**Accrued Liability (Denominator)
(Refer to page 24 of this report)**

**Estimate of the amount of cash necessary to repair, replace, restore
or maintain the association's major components as of January 1, 2005\$1,089,406**

**Percent Funded.....

6%

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Fiscal Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2005 2005	2006 2006	2007 2007	2008 2008	2009 2009	2010 2010	2011 2011	2012 2012	2013 2013	2014 2014
BUILDING EXTERIORS:															
1 - Plywood Siding & Trim Paint		59,837	5	2			61,632					71,448			
2 - Plywood Siding & Trim Repair	20%	47,689	5	2			49,120					56,944			
3 - Staircase Repairs		20,600	5	1		20,600					23,881				
4 - Stucco Siding Paint		144,155	10	2			148,480								
5 - Stucco Siding Repair	5%	42,597	10	2			43,875								
6 - Unit Deck Stacks Rebuild		219,493	20	20											
7 - Unit Deck Stacks Rebuild		219,493	20	1		155,812	63,681								
8 - Unit Deck Joist Repairs		28,922	5	1		28,922					33,529				
9 - Water Intrusion Contingency		79,825	20	1		26,609	26,608	26,608							
10 - Wing Wall Repairs		49,440	3	1		49,440			54,024			59,034			64,508
11 - Wood Bridgeway Repairs		30,900	10	1		30,900									
BUILDING INTERIORS - CLUBHOUSE:															
12 - Concealed Decay Contingency		21,000	15	1		21,000									
13 - Walls & Ceilings Paint		3,754	7	2			3,866							4,755	
CLUBHOUSE DECK SYSTEM:															
14 - Deck Railings Repair		4,297	15	15											
15 - Deck Structure Rebuild		29,000	25	25											
FENCING & WALLS:															
16 - Chain Link Repairs - Tennis Court	20%	1,680	15	5						1,891					
17 - Retaining Walls Repair	25%	2,387	5	3				2,532					2,936		
18 - Wood Gates Paint & Repair		2,864	5	2			2,950					3,420			
19 - Wrought Iron Paint		1,650	5	2			1,699					1,970			
20 - Wrought Iron Repair	10%	3,590	10	6							4,162				
FLOOR COVERINGS:															
21 - Recreation Room Carpet Replace		2,507	7	1		2,507							3,084		
22 - Wood & Tile Floor Refinish		3,021	7	1		3,021							3,715		
FURNISHINGS & APPLIANCES:															
23 - Recreation Room Items		2,652	10	1		2,652									
LANDSCAPING:															
24 - Irrigation Timer Replace		1,167	5	3				1,238					1,435		
25 - Irrigation Valves		1,326	2	1		1,326		1,407		1,493		1,583		1,680	
26 - Major Tree Maintenance		5,305	3	1		5,305			5,796			6,334			6,921
LIGHT FIXTURES:															
27 - Garage Lights Replace		3,437	20	5						3,869					
28 - Building Lights Interior		424	25	10											554
29 - Exit Lights Replace		191	25	5						215					
30 - Ground Lights Replace		3,151	20	5						3,546					

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Fiscal Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
LIGHT FIXTURES - CONTINUED:															
31 - Pole Lights - Fixture Replace		6,684	20	5						7,523					
32 - Unit Entry Lights Replace		9,877	20	5						11,117					
33 - Unit Patio & Deck Lights Replace		5,644	20	5						6,353					
34 - Walkway Lights Replace		5,952	20	5						6,699					
MECHANICAL SYSTEMS - GARAGE DOORS:															
35 - Garage Doors Replace - Doubles		40,314	20	5						45,374					
36 - Garage Doors Replace - Singles		1,008	20	5						1,134					
MECHANICAL SYSTEMS-HVAC:															
37 - Forced Air Furnace Replace		1,591	20	10											2,076
MECHANICAL SYSTEMS-WATER:															
38 - Circulation Pumps Replace		1,500	10	3				1,591							
39 - Boilers Replace		12,000	15	8								14,758			
40 - Circulation Pumps Replace		3,000	10	4					3,278						
41 - Boilers Replace		24,000	15	9										30,402	
42 - Circulation Pumps Replace		7,500	10	5						8,441					
43 - Boilers Replace		60,000	15	10											78,286
44 - Water Valve Replacements (2)		3,183	30	1		3,183									
45 - Water Valve Replacements (2)		3,183	30	2			3,278								
46 - Water Valve Replacements (2)		3,183	30	3				3,377							
47 - Water Valve Replacements (2)		3,183	30	4					3,478						
48 - Water Valve Replacements (1)		1,591	30	5						1,791					
PAVED SURFACES:															
49 - Asphalt Major Repair	33%	89,752	25	12											
50 - Asphalt Minor Repair	20%	27,197	10	7								32,475			
51 - Asphalt Sealcoat & Stripe		10,905	5	2				11,232				13,021			
52 - Concrete Walkway Repairs		1,591	5	2				1,639				1,900			
53 - Tennis Court Colorcoat		8,784	7	2				9,048						11,127	
54 - Tennis Court Resurfacing		17,208	21	9										21,799	
RECREATION FACILITIES:															
55 - Tennis Court Net Replace		451	5	3				478					555		
56 - Tot Lot Fixtures		4,244	20	5						4,776					
ROOFING SYSTEM:															
BUILDING #1 - 5015															
57 - Built-Up Roofing Replace		36,075	20	12											
58 - Composition Shingles Replace		6,807	25	17											
BUILDING #2 - 5011															
59 - Built-Up Roofing Replace		36,075	20	12											
60 - Composition Shingles Replace		6,807	25	17											

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Fiscal Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
BUILDING #3 - 5009															
61 - Built-Up Roofing Replace		36,075	20	12											
62 - Composition Shingles Replace		6,807	25	17											
BUILDING #4 - 5007															
63 - Built-Up Roofing Replace		36,075	20	12											
64 - Composition Shingles Replace		6,807	25	17											
BUILDING #5 - 5005															
65 - Built-Up Roofing Replace		36,075	20	12											
66 - Composition Shingles Replace		6,807	25	17											
BUILDING #6 - 5017															
67 - Built-Up Roofing Replace		36,075	20	12											
68 - Composition Shingles Replace		6,807	25	17											
BUILDING #7 - 5001															
69 - Built-Up Roofing Replace		36,075	20	12											
70 - Composition Shingles Replace		6,807	25	17											
BUILDING #8 - 5003															
71 - Built-Up Roofing Replace		53,043	20	3				56,274							
72 - Composition Shingles Replace		6,608	25	1		6,608									
ROOFING SYSTEM - ALL BUILDINGS:															
ROOFING SYSTEM:															
73 - Chimney Caps Replace		20,188	20	1		20,188									
74 - Chimney Caps Replace		20,188	20	2			20,794								
75 - Gutters & Downspouts Replace		2,575	2	1		2,575		2,732		2,898		3,075		3,262	
76 - Spark Arrestors Replace		9,085	25	1		9,085									
77 - Spark Arrestors Replace		9,085	25	2			9,357								
ROOFING SYSTEM - GARAGES:															
78 - Composition Shingles Replace		51,936	25	12											
MISCELLANEOUS:															
79 - Mailboxes Replace		10,397	10	5						11,702					
CONSTRUCTION LOAN:															
80 - Amortization Payment Schedule		173,782	1	1		48,070	48,070	48,070	48,070						
UNSCHEDULED.....	5%					16,305	16,794	17,298	17,817	18,351	18,902	19,469	20,053	20,655	21,274
TOTAL EXPENDITURES		2,046,939				454,108	522,123	161,605	132,464	137,173	80,474	270,673	46,536	93,680	173,620

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Fiscal Year	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
BUILDING EXTERIORS:															
1 - Plywood Siding & Trim Paint		59,837	5	2			82,828					96,020			
2 - Plywood Siding & Trim Repair	20%	47,689	5	2			66,013					76,527			
3 - Staircase Repairs		20,600	5	1		27,685					32,094				
4 - Stucco Siding Paint		144,155	10	2			199,545								
5 - Stucco Siding Repair	5%	42,597	10	2			58,964								
6 - Unit Deck Stacks Rebuild		219,493	20	20											384,882
7 - Unit Deck Stacks Rebuild		219,493	20	1											
8 - Unit Deck Joist Repairs		28,922	5	1		38,869					45,060				
9 - Water Intrusion Contingency		79,825	20	1											
10 - Wing Wall Repairs		49,440	3	1				70,490			77,026			84,168	
11 - Wood Bridgeway Repairs		30,900	10	1		41,527									
BUILDING INTERIORS - CLUBHOUSE:															
12 - Concealed Decay Contingency		21,000	15	1							32,717				
13 - Walls & Ceilings Paint		3,754	7	2							5,848				
CLUBHOUSE DECK SYSTEM:															
14 - Deck Railings Repair		4,297	15	15						6,499					
15 - Deck Structure Rebuild		29,000	25	25											
FENCING & WALLS:															
16 - Chain Link Repairs - Tennis Court	20%	1,680	15	5											2,947
17 - Retaining Walls Repair	25%	2,387	5	3				3,403					3,945		
18 - Wood Gates Paint & Repair		2,864	5	2			3,965					4,597			
19 - Wrought Iron Paint		1,650	5	2			2,284					2,647			
20 - Wrought Iron Repair	10%	3,590	10	6							5,593				
FLOOR COVERINGS:															
21 - Recreation Room Carpet Replace		2,507	7	1						3,793					
22 - Wood & Tile Floor Refinish		3,021	7	1						4,570					
FURNISHINGS & APPLIANCES:															
23 - Recreation Room Items		2,652	10	1		3,564									
LANDSCAPING:															
24 - Irrigation Timer Replace		1,167	5	3				1,664					1,929		
25 - Irrigation Valves		1,326	2	1		1,782		1,891		2,006		2,128		2,258	
26 - Major Tree Maintenance		5,305	3	1				7,563			8,264			9,031	
LIGHT FIXTURES:															
27 - Garage Lights Replace		3,437	20	5											
28 - Building Lights Interior		424	25	10											
29 - Exit Lights Replace		191	25	5											
30 - Ground Lights Replace		3,151	20	5											

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Fiscal Year	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
LIGHT FIXTURES - CONTINUED:															
31 - Pole Lights - Fixture Replace		6,684	20	5											
32 - Unit Entry Lights Replace		9,877	20	5											
33 - Unit Patio & Deck Lights Replace		5,644	20	5											
34 - Walkway Lights Replace		5,952	20	5											
MECHANICAL SYSTEMS - GARAGE DOORS:															
35 - Garage Doors Replace - Doubles		40,314	20	5											
36 - Garage Doors Replace - Singles		1,008	20	5											
MECHANICAL SYSTEMS-HVAC:															
37 - Forced Air Furnace Replace		1,591	20	10											
MECHANICAL SYSTEMS-WATER:															
38 - Circulation Pumps Replace		1,500	10	3			2,139								
39 - Boilers Replace		12,000	15	8											
40 - Circulation Pumps Replace		3,000	10	4				4,406							
41 - Boilers Replace		24,000	15	9											
42 - Circulation Pumps Replace		7,500	10	5					11,344						
43 - Boilers Replace		60,000	15	10											
44 - Water Valve Replacements (2)		3,183	30	1											
45 - Water Valve Replacements (2)		3,183	30	2											
46 - Water Valve Replacements (2)		3,183	30	3											
47 - Water Valve Replacements (2)		3,183	30	4											
48 - Water Valve Replacements (1)		1,591	30	5											
PAVED SURFACES:															
49 - Asphalt Major Repair	33%	89,752	25	12			124,237								
50 - Asphalt Minor Repair	20%	27,197	10	7								43,644			
51 - Asphalt Sealcoat & Stripe		10,905	5	2			15,095						17,499		
52 - Concrete Walkway Repairs		1,591	5	2			2,203						2,554		
53 - Tennis Court Colorcoat		8,784	7	2						13,685					
54 - Tennis Court Resurfacing		17,208	21	9											
RECREATION FACILITIES:															
55 - Tennis Court Net Replace		451	5	3			643						745		
56 - Tot Lot Fixtures		4,244	20	5											
ROOFING SYSTEM:															
BUILDING #1 - 5015															
57 - Built-Up Roofing Replace		36,075	20	12			49,937								
58 - Composition Shingles Replace		6,807	25	17								10,923			
BUILDING #2 - 5011															
59 - Built-Up Roofing Replace		36,075	20	12			49,937								
60 - Composition Shingles Replace		6,807	25	17								10,923			

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%		Current	Estimated	Fiscal Year	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
RESERVE COMPONENTS	Repair %	Repair/Replace Cost	Usfl Life	Jan 1 Dec 31	2015 2015	2016 2016	2017 2017	2018 2018	2019 2019	2020 2020	2021 2021	2022 2022	2023 2023	2024 2024
BUILDING #3 - 5009														
61 - Built-Up Roofing Replace		36,075	20	12		49,937								
62 - Composition Shingles Replace		6,807	25	17							10,923			
BUILDING #4 - 5007														
63 - Built-Up Roofing Replace		36,075	20	12		49,937								
64 - Composition Shingles Replace		6,807	25	17							10,923			
BUILDING #5 - 5005														
65 - Built-Up Roofing Replace		36,075	20	12		49,937								
66 - Composition Shingles Replace		6,807	25	17							10,923			
BUILDING #6 - 5017														
67 - Built-Up Roofing Replace		36,075	20	12		49,937								
68 - Composition Shingles Replace		6,807	25	17							10,923			
BUILDING #7 - 5001														
69 - Built-Up Roofing Replace		36,075	20	12		49,937								
70 - Composition Shingles Replace		6,807	25	17							10,923			
BUILDING #8 - 5003														
71 - Built-Up Roofing Replace		53,043	20	3										
72 - Composition Shingles Replace		6,608	25	1										
ROOFING SYSTEM - ALL BUILDINGS:														
ROOFING SYSTEM:														
73 - Chimney Caps Replace		20,188	20	1										
74 - Chimney Caps Replace		20,188	20	2										
75 - Gutters & Downspouts Replace		2,575	2	1	3,461		3,671		3,895		4,132		4,384	
76 - Spark Arrestors Replace		9,085	25	1										
77 - Spark Arrestors Replace		9,085	25	2										
ROOFING SYSTEM - GARAGES:														
78 - Composition Shingles Replace		51,936	25	12		71,892								
MISCELLANEOUS:														
79 - Mailboxes Replace		10,397	10	5					15,726					
CONSTRUCTION LOAN:														
80 - Amortization Payment Schedule		173,782	1	1										
UNSCHEDULED.....	5%				21,913	22,570	23,247	23,944	24,663	25,403	26,165	26,950	27,758	28,591
TOTAL EXPENDITURES		2,046,939			138,801	999,151	114,710	28,350	72,495	245,691	352,372	33,569	127,599	416,420

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Fiscal Year	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
		Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
BUILDING EXTERIORS:															
1 - Plywood Siding & Trim Paint		59,837	5	2			111,314					129,043			
2 - Plywood Siding & Trim Repair	20%	47,689	5	2			88,716					102,847			
3 - Staircase Repairs		20,600	5	1		37,206					43,132				
4 - Stucco Siding Paint		144,155	10	2			268,171								
5 - Stucco Siding Repair	5%	42,597	10	2			79,242								
6 - Unit Deck Stacks Rebuild		219,493	20	20											
7 - Unit Deck Stacks Rebuild		219,493	20	1		396,429									
8 - Unit Deck Joist Repairs		28,922	5	1		52,237					60,557				
9 - Water Intrusion Contingency		79,825	20	1		144,173									
10 - Wing Wall Repairs		49,440	3	1			91,973			100,501			109,821		
11 - Wood Bridgeway Repairs		30,900	10	1		55,809									
BUILDING INTERIORS - CLUBHOUSE:															
12 - Concealed Decay Contingency		21,000	15	1											
13 - Walls & Ceilings Paint		3,754	7	2				7,192							8,846
CLUBHOUSE DECK SYSTEM:															
14 - Deck Railings Repair		4,297	15	15											10,125
15 - Deck Structure Rebuild		29,000	25	25						58,951					
FENCING & WALLS:															
16 - Chain Link Repairs - Tennis Court	20%	1,680	15	5											
17 - Retaining Walls Repair	25%	2,387	5	3				4,574					5,302		
18 - Wood Gates Paint & Repair		2,864	5	2			5,329					6,177			
19 - Wrought Iron Paint		1,650	5	2			3,069					3,558			
20 - Wrought Iron Repair	10%	3,590	10	6							7,516				
FLOOR COVERINGS:															
21 - Recreation Room Carpet Replace		2,507	7	1			4,665							5,737	
22 - Wood & Tile Floor Refinish		3,021	7	1			5,620							6,912	
FURNISHINGS & APPLIANCES:															
23 - Recreation Room Items		2,652	10	1		4,790									
LANDSCAPING:															
24 - Irrigation Timer Replace		1,167	5	3				2,236					2,592		
25 - Irrigation Valves		1,326	2	1		2,395		2,541		2,696		2,860		3,034	
26 - Major Tree Maintenance		5,305	3	1			9,868			10,783			11,783		
LIGHT FIXTURES:															
27 - Garage Lights Replace		3,437	20	5						6,987					
28 - Building Lights Interior		424	25	10											
29 - Exit Lights Replace		191	25	5											
30 - Ground Lights Replace		3,151	20	5						6,405					450

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Fiscal Year	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
		Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
LIGHT FIXTURES - CONTINUED:															
31 - Pole Lights - Fixture Replace		6,684	20	5						13,587					
32 - Unit Entry Lights Replace		9,877	20	5						20,079					
33 - Unit Patio & Deck Lights Replace		5,644	20	5						11,474					
34 - Walkway Lights Replace		5,952	20	5						12,099					
MECHANICAL SYSTEMS - GARAGE DOORS:															
35 - Garage Doors Replace - Doubles		40,314	20	5						81,950					
36 - Garage Doors Replace - Singles		1,008	20	5						2,049					
MECHANICAL SYSTEMS-HVAC:															
37 - Forced Air Furnace Replace		1,591	20	10											3,750
MECHANICAL SYSTEMS-WATER:															
38 - Circulation Pumps Replace		1,500	10	3				2,874							
39 - Boilers Replace		12,000	15	8				22,993							
40 - Circulation Pumps Replace		3,000	10	4					5,921						
41 - Boilers Replace		24,000	15	9					47,366						
42 - Circulation Pumps Replace		7,500	10	5						15,246					
43 - Boilers Replace		60,000	15	10						121,968					
44 - Water Valve Replacements (2)		3,183	30	1											
45 - Water Valve Replacements (2)		3,183	30	2											
46 - Water Valve Replacements (2)		3,183	30	3											
47 - Water Valve Replacements (2)		3,183	30	4											
48 - Water Valve Replacements (1)		1,591	30	5											
PAVED SURFACES:															
49 - Asphalt Major Repair	33%	89,752	25	12											
50 - Asphalt Minor Repair	20%	27,197	10	7								58,654			
51 - Asphalt Sealcoat & Stripe		10,905	5	2			20,286					23,517			
52 - Concrete Walkway Repairs		1,591	5	2			2,960					3,432			
53 - Tennis Court Colorcoat		8,784	7	2				16,831							20,700
54 - Tennis Court Resurfacing		17,208	21	9											40,552
RECREATION FACILITIES:															
55 - Tennis Court Net Replace		451	5	3			864						1,002		
56 - Tot Lot Fixtures		4,244	20	5						8,626					
ROOFING SYSTEM:															
BUILDING #1 - 5015															
57 - Built-Up Roofing Replace		36,075	20	12											
58 - Composition Shingles Replace		6,807	25	17											
BUILDING #2 - 5011															
59 - Built-Up Roofing Replace		36,075	20	12											
60 - Composition Shingles Replace		6,807	25	17											

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%		Current	Estimated	Fiscal Year	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	
RESERVE COMPONENTS	Repair %	Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2025 2025	2026 2026	2027 2027	2028 2028	2029 2029	2030 2030	2031 2031	2032 2032	2033 2033	2034 2034
BUILDING #3 - 5009															
61 - Built-Up Roofing Replace		36,075	20	12											
62 - Composition Shingles Replace		6,807	25	17											
BUILDING #4 - 5007															
63 - Built-Up Roofing Replace		36,075	20	12											
64 - Composition Shingles Replace		6,807	25	17											
BUILDING #5 - 5005															
65 - Built-Up Roofing Replace		36,075	20	12											
66 - Composition Shingles Replace		6,807	25	17											
BUILDING #6 - 5017															
67 - Built-Up Roofing Replace		36,075	20	12											
68 - Composition Shingles Replace		6,807	25	17											
BUILDING #7 - 5001															
69 - Built-Up Roofing Replace		36,075	20	12											
70 - Composition Shingles Replace		6,807	25	17											
BUILDING #8 - 5003															
71 - Built-Up Roofing Replace		53,043	20	3				101,637							
72 - Composition Shingles Replace		6,608	25	1						13,837					
ROOFING SYSTEM - ALL BUILDINGS:															
ROOFING SYSTEM:															
73 - Chimney Caps Replace		20,188	20	1		36,462									
74 - Chimney Caps Replace		20,188	20	2			37,556								
75 - Gutters & Downspouts Replace		2,575	2	1		4,651		4,934		5,234		5,553		5,891	
76 - Spark Arrestors Replace		9,085	25	1							19,021				
77 - Spark Arrestors Replace		9,085	25	2								19,592			
ROOFING SYSTEM - GARAGES:															
78 - Composition Shingles Replace		51,936	25	12											
MISCELLANEOUS:															
79 - Mailboxes Replace		10,397	10	5						21,135					
CONSTRUCTION LOAN:															
80 - Amortization Payment Schedule		173,782	1	1											
UNSCHEDULED.....	5%					29,449	30,332	31,242	32,179	33,145	34,139	35,163	36,218	37,305	38,424
TOTAL EXPENDITURES		2,046,939				763,600	759,101	197,918	85,466	532,914	178,202	390,396	166,718	58,879	122,847

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Fiscal Year	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
		Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
BUILDING EXTERIORS:															
1 - Plywood Siding & Trim Paint		59,837	5	2			149,597					173,423			
2 - Plywood Siding & Trim Repair	20%	47,689	5	2			119,227					138,217			
3 - Staircase Repairs		20,600	5	1		50,002					57,966				
4 - Stucco Siding Paint		144,155	10	2			360,400								
5 - Stucco Siding Repair	5%	42,597	10	2			106,495								
6 - Unit Deck Stacks Rebuild		219,493	20	20											695,140
7 - Unit Deck Stacks Rebuild		219,493	20	1											
8 - Unit Deck Joist Repairs		28,922	5	1		70,202					81,384				
9 - Water Intrusion Contingency		79,825	20	1											
10 - Wing Wall Repairs		49,440	3	1		120,004			131,131			143,291			156,578
11 - Wood Bridgeway Repairs		30,900	10	1		75,002									
BUILDING INTERIORS - CLUBHOUSE:															
12 - Concealed Decay Contingency		21,000	15	1		50,973									
13 - Walls & Ceilings Paint		3,754	7	2								10,879			
CLUBHOUSE DECK SYSTEM:															
14 - Deck Railings Repair		4,297	15	15											
15 - Deck Structure Rebuild		29,000	25	25											
FENCING & WALLS:															
16 - Chain Link Repairs - Tennis Court	20%	1,680	15	5						4,591					
17 - Retaining Walls Repair	25%	2,387	5	3				6,147					7,126		
18 - Wood Gates Paint & Repair		2,864	5	2			7,161					8,302			
19 - Wrought Iron Paint		1,650	5	2			4,124					4,781			
20 - Wrought Iron Repair	10%	3,590	10	6							10,101				
FLOOR COVERINGS:															
21 - Recreation Room Carpet Replace		2,507	7	1							7,055				
22 - Wood & Tile Floor Refinish		3,021	7	1							8,501				
FURNISHINGS & APPLIANCES:															
23 - Recreation Room Items		2,652	10	1		6,438									
LANDSCAPING:															
24 - Irrigation Timer Replace		1,167	5	3				3,005					3,484		
25 - Irrigation Valves		1,326	2	1		3,219		3,415		3,623		3,844		4,078	
26 - Major Tree Maintenance		5,305	3	1		12,875			14,069			15,374			16,799
LIGHT FIXTURES:															
27 - Garage Lights Replace		3,437	20	5											
28 - Building Lights Interior		424	25	10						1,159					
29 - Exit Lights Replace		191	25	5											
30 - Ground Lights Replace		3,151	20	5											

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

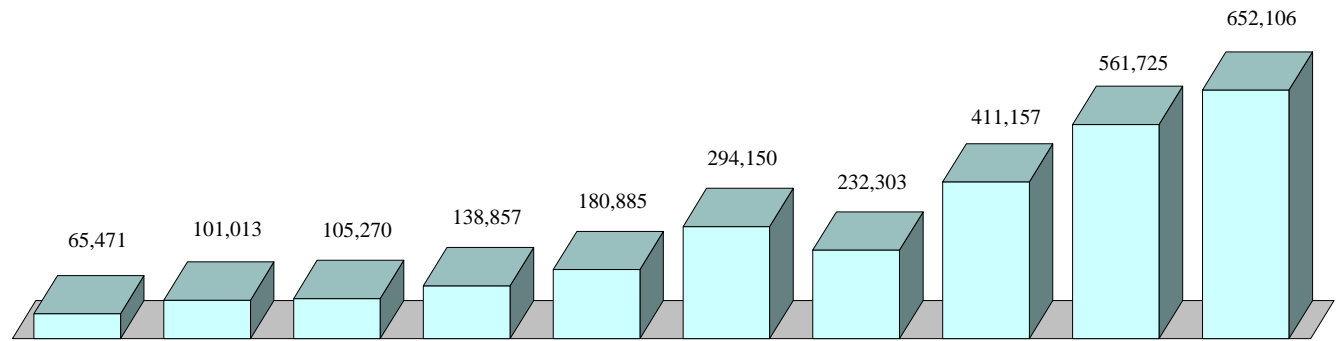
RESERVE COMPONENTS	Repair %	Current	Estimated		Fiscal Year	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
		Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
LIGHT FIXTURES - CONTINUED:															
31 - Pole Lights - Fixture Replace		6,684	20	5											
32 - Unit Entry Lights Replace		9,877	20	5											
33 - Unit Patio & Deck Lights Replace		5,644	20	5											
34 - Walkway Lights Replace		5,952	20	5											
MECHANICAL SYSTEMS - GARAGE DOORS:															
35 - Garage Doors Replace - Doubles		40,314	20	5											
36 - Garage Doors Replace - Singles		1,008	20	5											
MECHANICAL SYSTEMS-HVAC:															
37 - Forced Air Furnace Replace		1,591	20	10											
MECHANICAL SYSTEMS-WATER:															
38 - Circulation Pumps Replace		1,500	10	3				3,863							
39 - Boilers Replace		12,000	15	8								35,823			
40 - Circulation Pumps Replace		3,000	10	4					7,957						
41 - Boilers Replace		24,000	15	9										73,795	
42 - Circulation Pumps Replace		7,500	10	5						20,489					
43 - Boilers Replace		60,000	15	10											190,022
44 - Water Valve Replacements (2)		3,183	30	1		7,725									
45 - Water Valve Replacements (2)		3,183	30	2			7,957								
46 - Water Valve Replacements (2)		3,183	30	3				8,196							
47 - Water Valve Replacements (2)		3,183	30	4					8,442						
48 - Water Valve Replacements (1)		1,591	30	5						4,347					
PAVED SURFACES:															
49 - Asphalt Major Repair	33%	89,752	25	12								260,125			
50 - Asphalt Minor Repair	20%	27,197	10	7								78,826			
51 - Asphalt Sealcoat & Stripe		10,905	5	2			27,263					31,605			
52 - Concrete Walkway Repairs		1,591	5	2			3,979					4,612			
53 - Tennis Court Colorcoat		8,784	7	2								25,458			
54 - Tennis Court Resurfacing		17,208	21	9											
RECREATION FACILITIES:															
55 - Tennis Court Net Replace		451	5	3				1,161					1,346		
56 - Tot Lot Fixtures		4,244	20	5											
ROOFING SYSTEM:															
BUILDING #1 - 5015															
57 - Built-Up Roofing Replace		36,075	20	12				90,191							
58 - Composition Shingles Replace		6,807	25	17											
BUILDING #2 - 5011															
59 - Built-Up Roofing Replace		36,075	20	12				90,191							
60 - Composition Shingles Replace		6,807	25	17											

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%		Current	Estimated	Fiscal Year	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	
RESERVE COMPONENTS	Repair %	Repair/Replace Cost	Usfl Life	Rmng Life	Jan 1 Dec 31	2035 2036	2037 2038	2038 2039	2039 2040	2040 2041	2041 2042	2042 2043	2043 2044	2044	
BUILDING #3 - 5009															
61 - Built-Up Roofing Replace		36,075	20	12					90,191						
62 - Composition Shingles Replace		6,807	25	17											
BUILDING #4 - 5007															
63 - Built-Up Roofing Replace		36,075	20	12					90,191						
64 - Composition Shingles Replace		6,807	25	17											
BUILDING #5 - 5005															
65 - Built-Up Roofing Replace		36,075	20	12					90,191						
66 - Composition Shingles Replace		6,807	25	17											
BUILDING #6 - 5017															
67 - Built-Up Roofing Replace		36,075	20	12					90,191						
68 - Composition Shingles Replace		6,807	25	17											
BUILDING #7 - 5001															
69 - Built-Up Roofing Replace		36,075	20	12					90,191						
70 - Composition Shingles Replace		6,807	25	17											
BUILDING #8 - 5003															
71 - Built-Up Roofing Replace		53,043	20	3											
72 - Composition Shingles Replace		6,608	25	1											
ROOFING SYSTEM - ALL BUILDINGS:															
ROOFING SYSTEM:															
73 - Chimney Caps Replace		20,188	20	1											
74 - Chimney Caps Replace		20,188	20	2											
75 - Gutters & Downspouts Replace		2,575	2	1		6,250		6,631		7,035		7,463		7,918	
76 - Spark Arrestors Replace		9,085	25	1											
77 - Spark Arrestors Replace		9,085	25	2											
ROOFING SYSTEM - GARAGES:															
78 - Composition Shingles Replace		51,936	25	12							150,525				
MISCELLANEOUS:															
79 - Mailboxes Replace		10,397	10	5					28,403						
CONSTRUCTION LOAN:															
80 - Amortization Payment Schedule		173,782	1	1											
UNSCHEDULED.....	5%					39,577	40,764	41,987	43,246	44,544	45,880	47,257	48,674	50,134	51,638
TOTAL EXPENDITURES		2,046,939				442,267	1,458,304	74,404	204,846	114,191	210,887	1,103,982	96,452	135,924	1,110,178

Funding Plan

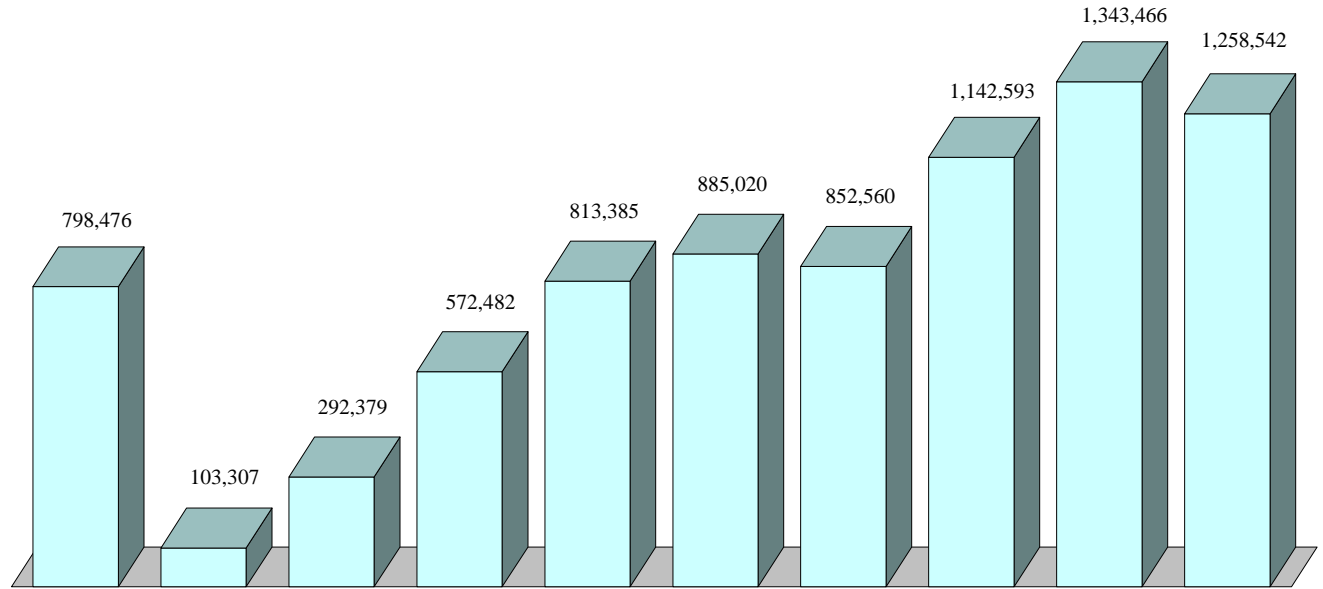
Projected Cash Balance



Fiscal Year		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Jan 1		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Dec 31		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
BEGINNING BALANCE		60,000	65,471	101,013	105,270	138,857	180,885	294,150	232,303	411,157	561,725
EXPENDITURES (inflated \$)	3.0%	454,108	522,123	161,605	132,464	137,173	80,474	270,673	46,536	93,680	173,620
RESERVE CONTRIBUTION		164,836	164,836	164,836	164,836	177,611	191,376	206,207	222,188	239,408	257,962
Per Unit Per Month (98 units)		140.17	140.17	140.17	140.17	151.03	162.73	175.35	188.94	203.58	219.36
Percentage Increase to Reserves		0.0	0.0	0.0	0.0	7.8	7.8	7.8	7.8	7.8	7.8
Percentage Increase to Total Assessment		0.0	0.0	0.0	0.0	2.5	2.7	2.8	2.9	3.1	3.2
SPECIAL ASSESSMENTS		294,119	392,000	0	0	0	0	0	0	0	0
INTEREST	1.0%	624	828	1,026	1,215	1,591	2,363	2,619	3,201	4,840	6,039
ENDING BALANCE		65,471	101,013	105,270	138,857	180,885	294,150	232,303	411,157	561,725	652,106

Funding Plan

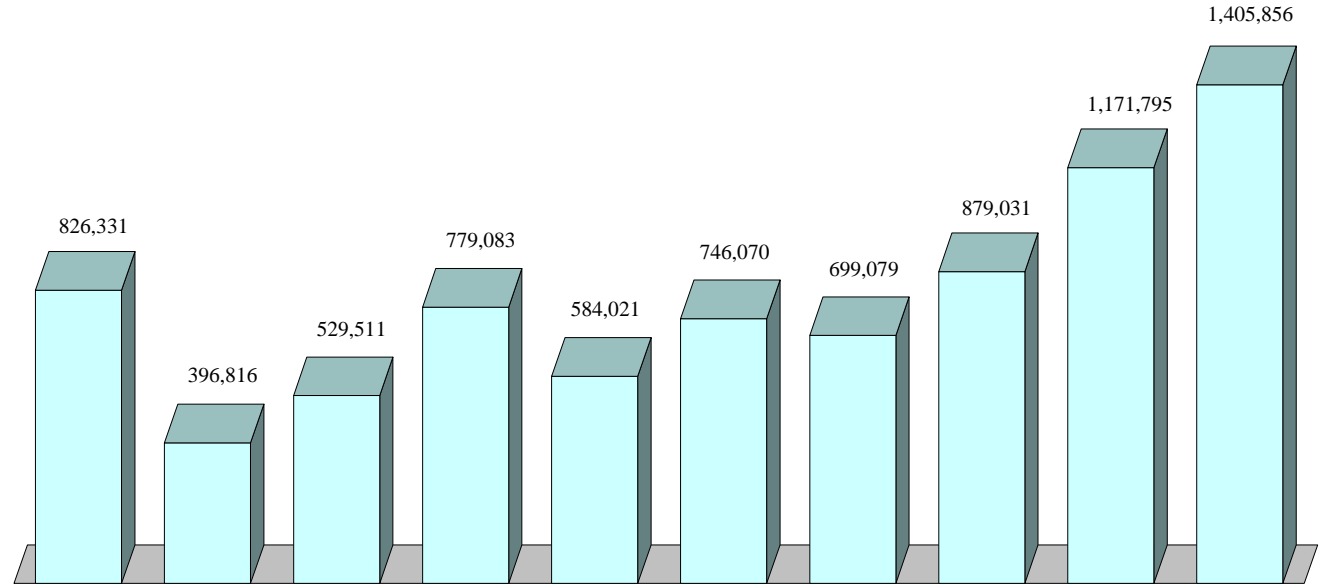
Projected Cash Balance



Fiscal Year		(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Jan 1		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Dec 31		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
BEGINNING BALANCE		652,106	798,476	103,307	292,379	572,482	813,385	885,020	852,560	1,142,593	1,343,466
EXPENDITURES (inflated \$)	3.0%	138,801	999,151	114,710	28,350	72,495	245,691	352,372	33,569	127,599	416,420
RESERVE CONTRIBUTION		277,954	299,495	301,814	304,150	306,504	308,876	311,267	313,676	316,104	318,550
Per Unit Per Month (98 units)		236.36	254.67	256.64	258.63	260.63	262.65	264.68	266.73	268.80	270.88
Percentage Increase to Reserves		7.8	7.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Percentage Increase to Total Assessment		3.4	3.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
SPECIAL ASSESSMENTS		0	0	0	0	0	0	0	0	0	0
INTEREST	1.0%	7,217	4,486	1,969	4,303	6,895	8,450	8,645	9,926	12,368	12,945
ENDING BALANCE		798,476	103,307	292,379	572,482	813,385	885,020	852,560	1,142,593	1,343,466	1,258,542

Funding Plan

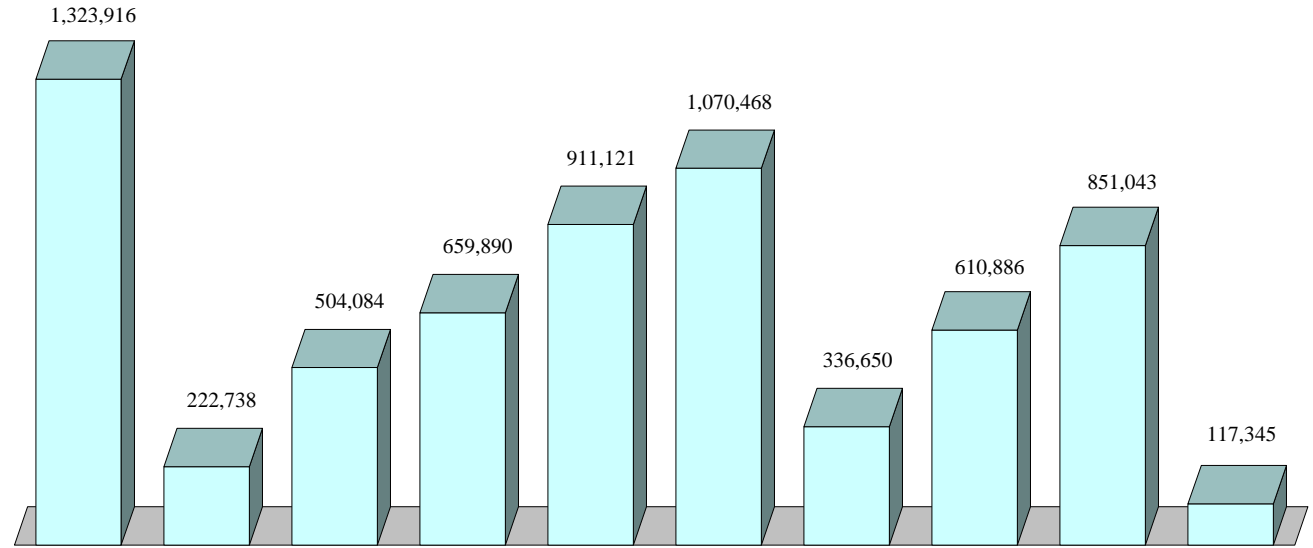
Projected Cash Balance



Fiscal Year		(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Jan 1		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Dec 31		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
BEGINNING BALANCE		1,258,542	826,331	396,816	529,511	779,083	584,021	746,070	699,079	879,031	1,171,795
EXPENDITURES (inflated \$)	3.0%	763,600	759,101	197,918	85,466	532,914	178,202	390,396	166,718	58,879	122,847
RESERVE CONTRIBUTION		321,016	323,501	326,005	328,528	331,071	333,633	336,216	338,818	341,440	344,083
Per Unit Per Month (98 units)		272.97	275.09	277.21	279.36	281.52	283.70	285.90	288.11	290.34	292.59
Percentage Increase to Reserves		0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Percentage Increase to Total Assessment		0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
SPECIAL ASSESSMENTS		0	0	0	0	0	0	0	0	0	0
INTEREST	1.0%	10,373	6,085	4,609	6,510	6,782	6,617	7,190	7,851	10,203	12,824
ENDING BALANCE		826,331	396,816	529,511	779,083	584,021	746,070	699,079	879,031	1,171,795	1,405,856

Funding Plan

Projected Cash Balance



Fiscal Year		(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Jan 1		2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Dec 31		2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
BEGINNING BALANCE		1,405,856	1,323,916	222,738	504,084	659,890	911,121	1,070,468	336,650	610,886	851,043
EXPENDITURES (inflated \$)	3.0%	442,267	1,458,304	74,404	204,846	114,191	210,887	1,103,982	96,452	135,924	1,110,178
RESERVE CONTRIBUTION		346,746	349,430	352,135	354,860	357,607	360,375	363,164	365,975	368,807	371,662
Per Unit Per Month (98 units)		294.85	297.13	299.43	301.75	304.09	306.44	308.81	311.20	313.61	316.04
Percentage Increase to Reserves		0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Percentage Increase to Total Assessment		0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
SPECIAL ASSESSMENTS		0	0	0	0	0	0	0	0	0	0
INTEREST	1.0%	13,581	7,695	3,616	5,791	7,816	9,859	7,001	4,714	7,273	4,818
ENDING BALANCE		1,323,916	222,738	504,084	659,890	911,121	1,070,468	336,650	610,886	851,043	117,345

Component Quantification

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Quantity	Unit of Measurement	Unit Cost	Notes
		Repair/Replace Cost	Usfl Life	Rmng Life				
BUILDING EXTERIORS:								
1 - Plywood Siding & Trim Paint		59,837	5	2	44,990	square feet	1.33	All notes to accompany final report pending further discussions and potential revisions to this preliminary report submitted to the current management team on 11/11/04.
2 - Plywood Siding & Trim Repair	20%	47,689	5	2	44,990	square feet	5.30	
3 - Staircase Repairs		20,600	5	1	4	locations	5,150.00	
4 - Stucco Siding Paint		144,155	10	2	118,160	square feet	1.22	
5 - Stucco Siding Repair	5%	42,597	10	2	118,160	square feet	7.21	
6 - Unit Deck Stacks Rebuild		219,493	20	20	1	fund	219,493.00	
7 - Unit Deck Stacks Rebuild		219,493	20	1	1	fund	219,493.00	
8 - Unit Deck Joist Repairs		28,922	5	1	18	locations	1,606.80	
9 - Water Intrusion Contingency		79,825	20	1	1	fund	79,825.00	
10 - Wing Wall Repairs		49,440	3	1	8	buildings	6,180.00	
11 - Wood Bridgeway Repairs		30,900	10	1	2	locations	15,450.00	
BUILDING INTERIORS - CLUBHOUSE:								
12 - Concealed Decay Contingency		21,000	15	1	1	bid	21,000.00	
13 - Walls & Ceilings Paint		3,754	7	2	5,440	square feet	0.69	
CLUBHOUSE DECK SYSTEM:								
14 - Deck Railings Repair		4,297	15	15	45	linear feet	95.48	
15 - Deck Structure Rebuild		29,000	25	25	1	bid	29,000.00	
FENCING & WALLS:								
16 - Chain Link Repairs - Tennis Court	20%	1,680	15	5	360	linear feet	23.34	
17 - Retaining Walls Repair	25%	2,387	5	3	90	linear feet	106.09	
18 - Wood Gates Paint & Repair		2,864	5	2	6	gates	477.41	
19 - Wrought Iron Paint		1,650	5	2	1,410	linear feet	1.17	
20 - Wrought Iron Repair	10%	3,590	10	6	1,410	linear feet	25.46	
FLOOR COVERINGS:								
21 - Recreation Room Carpet Replace		2,507	7	1	630	square feet	3.98	
22 - Wood & Tile Floor Refinish		3,021	7	1	950	square feet	3.18	
FURNISHINGS & APPLIANCES:								
23 - Recreation Room Items		2,652	10	1	1	fund	2,652.25	
LANDSCAPING:								
24 - Irrigation Timer Replace		1,167	5	3	1	timer	1,166.99	
25 - Irrigation Valves		1,326	2	1	5	valves	265.23	
26 - Major Tree Maintenance		5,305	3	1	1	fund	5,304.50	
LIGHT FIXTURES:								
27 - Garage Lights Replace		3,437	20	5	24	fixtures	143.22	
28 - Building Lights Interior		424	25	10	4	fixtures	106.09	
29 - Exit Lights Replace		191	25	5	2	fixtures	95.48	
30 - Ground Lights Replace		3,151	20	5	27	fixtures	116.70	

Component Quantification

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Quantity	Unit of Measurement	Unit Cost	Notes
		Repair/Replace Cost	Usfl Life	Rmng Life				
LIGHT FIXTURES - CONTINUED:								
31 - Pole Lights - Fixture Replace		6,684	20	5	21	fixtures	318.27	
32 - Unit Entry Lights Replace		9,877	20	5	98	fixtures	100.79	
33 - Unit Patio & Deck Lights Replace		5,644	20	5	56	fixtures	100.79	
34 - Walkway Lights Replace		5,952	20	5	51	fixtures	116.70	
MECHANICAL SYSTEMS - GARAGE DOORS:								
35 - Garage Doors Replace - Doubles		40,314	20	5	20	doors	2,015.71	
36 - Garage Doors Replace - Singles		1,008	20	5	1	door	1,007.86	
MECHANICAL SYSTEMS-HVAC:								
37 - Forced Air Furnace Replace		1,591	20	10	1	unit	1,591.35	
MECHANICAL SYSTEMS-WATER:								
38 - Circulation Pumps Replace		1,500	10	3	1	pump	1,500.00	Information in this section is based on limited information from various vendors. All recommendations are estimates only.
39 - Boilers Replace		12,000	15	8	1	boilers	12,000.00	
40 - Circulation Pumps Replace		3,000	10	4	2	pumps	1,500.00	
41 - Boilers Replace		24,000	15	9	2	boilers	12,000.00	
42 - Circulation Pumps Replace		7,500	10	5	5	pumps	1,500.00	
43 - Boilers Replace		60,000	15	10	5	boilers	12,000.00	
44 - Water Valve Replacements (2)		3,183	30	1	2	locations	1,591.35	
45 - Water Valve Replacements (2)		3,183	30	2	2	locations	1,591.35	
46 - Water Valve Replacements (2)		3,183	30	3	2	locations	1,591.35	
47 - Water Valve Replacements (2)		3,183	30	4	2	locations	1,591.35	Information in this section is based on limited information from various vendors. All recommendations are estimates only.
48 - Water Valve Replacements (1)		1,591	30	5	1	location	1,591.35	
PAVED SURFACES:								
49 - Asphalt Major Repair	33%	89,752	25	12	64,145	square feet	4.24	
50 - Asphalt Minor Repair	20%	27,197	10	7	64,145	square feet	2.12	
51 - Asphalt Sealcoat & Stripe		10,905	5	2	64,145	square feet	0.17	
52 - Concrete Walkway Repairs		1,591	5	2	1	fund	1,591.35	
53 - Tennis Court Colorcoat		8,784	7	2	7,200	square feet	1.22	
54 - Tennis Court Resurfacing		17,208	21	9	7,200	square feet	2.39	
RECREATION FACILITIES:								
55 - Tennis Court Net Replace		451	5	3	1	net	450.88	
56 - Tot Lot Fixtures		4,244	20	5	2	fixtures	2,121.80	
ROOFING SYSTEM:								
BUILDING #1 - 5015								
57 - Built-Up Roofing Replace		36,075	20	12	1	contract	36,075.26	
58 - Composition Shingles Replace		6,807	25	17	1	contract	6,806.65	

Component Quantification

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Quantity	Unit of Measurement	Unit Cost	Notes
		Repair/Replace Cost	Usfl Life	Rmng Life				
BUILDING #2 - 5011								
59 - Built-Up Roofing Replace		36,075	20	12	1	contract	36,075.26	
60 - Composition Shingles Replace		6,807	25	17	1	contract	6,806.65	
BUILDING #3 - 5009								
61 - Built-Up Roofing Replace		36,075	20	12	1	contract	36,075.26	
62 - Composition Shingles Replace		6,807	25	17	1	contract	6,806.65	
BUILDING #4 - 5007								
63 - Built-Up Roofing Replace		36,075	20	12	1	contract	36,075.26	
64 - Composition Shingles Replace		6,807	25	17	1	contract	6,806.65	
BUILDING #5 - 5005								
65 - Built-Up Roofing Replace		36,075	20	12	1	contract	36,075.26	
66 - Composition Shingles Replace		6,807	25	17	1	contract	6,806.65	
BUILDING #6 - 5017								
67 - Built-Up Roofing Replace		36,075	20	12	1	contract	36,075.26	
68 - Composition Shingles Replace		6,807	25	17	1	contract	6,806.65	
BUILDING #7 - 5001								
69 - Built-Up Roofing Replace		36,075	20	12	1	contract	36,075.26	
70 - Composition Shingles Replace		6,807	25	17	1	contract	6,806.65	
BUILDING #8 - 5003								
71 - Built-Up Roofing Replace		53,043	20	3	1	contract	53,043.44	
72 - Composition Shingles Replace		6,608	25	1	1	contract	6,608.40	
ROOFING SYSTEM - ALL BUILDINGS:								
ROOFING SYSTEM:								
73 - Chimney Caps Replace		20,188	20	1	49	locations	412.00	
74 - Chimney Caps Replace		20,188	20	2	49	locations	412.00	
75 - Gutters & Downspouts Replace		2,575	2	1	1	fund	2,575.00	
76 - Spark Arrestors Replace		9,085	25	1	49	locations	185.40	
77 - Spark Arrestors Replace		9,085	25	2	49	locations	185.40	
ROOFING SYSTEM - GARAGES:								
78 - Composition Shingles Replace		51,936	25	12	9,600	square feet	5.41	
MISCELLANEOUS:								
79 - Mailboxes Replace		10,397	10	5	98	structures	106.09	
CONSTRUCTION LOAN:								
80 - Amortization Payment Schedule		173,782	1	1	1	loan	173,782.00	

Accrued Liability

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Annual Liability	Accrued Liability
		Repair/Replace Cost	Usfl Life	Rmng Life		
BUILDING EXTERIORS:						
1 - Plywood Siding & Trim Paint		59,837	5	2	11,967	35,902
2 - Plywood Siding & Trim Repair	20%	47,689	5	2	9,538	28,614
3 - Staircase Repairs		20,600	5	1	4,120	16,480
4 - Stucco Siding Paint		144,155	10	2	14,416	115,324
5 - Stucco Siding Repair	5%	42,597	10	2	4,260	34,077
6 - Unit Deck Stacks Rebuild		219,493	20	20	10,975	0
7 - Unit Deck Stacks Rebuild		219,493	20	1	10,975	208,518
8 - Unit Deck Joist Repairs		28,922	5	1	5,784	23,138
9 - Water Intrusion Contingency		79,825	20	1	3,991	75,834
10 - Wing Wall Repairs		49,440	3	1	16,480	32,960
11 - Wood Bridgeway Repairs		30,900	10	1	3,090	27,810
BUILDING INTERIORS - CLUBHOUSE:						
12 - Concealed Decay Contingency		21,000	15	1	1,400	19,600
13 - Walls & Ceilings Paint		3,754	7	2	536	2,681
CLUBHOUSE DECK SYSTEM:						
14 - Deck Railings Repair		4,297	15	15	286	0
15 - Deck Structure Rebuild		29,000	25	25	1,160	0
FENCING & WALLS:						
16 - Chain Link Repairs - Tennis Court	20%	1,680	15	5	112	1,120
17 - Retaining Walls Repair	25%	2,387	5	3	477	955
18 - Wood Gates Paint & Repair		2,864	5	2	573	1,719
19 - Wrought Iron Paint		1,650	5	2	330	990
20 - Wrought Iron Repair	10%	3,590	10	6	359	1,436
FLOOR COVERINGS:						
21 - Recreation Room Carpet Replace		2,507	7	1	358	2,149
22 - Wood & Tile Floor Refinish		3,021	7	1	432	2,589
FURNISHINGS & APPLIANCES:						
23 - Recreation Room Items		2,652	10	1	265	2,387
LANDSCAPING:						
24 - Irrigation Timer Replace		1,167	5	3	233	467
25 - Irrigation Valves		1,326	2	1	663	663
26 - Major Tree Maintenance		5,305	3	1	1,768	3,536
LIGHT FIXTURES:						
27 - Garage Lights Replace		3,437	20	5	172	2,578
28 - Building Lights Interior		424	25	10	17	255
29 - Exit Lights Replace		191	25	5	8	153
30 - Ground Lights Replace		3,151	20	5	158	2,363

Accrued Liability

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Annual Liability	Accrued Liability
		Repair/Replace Cost	Usfl Life	Rmng Life		
LIGHT FIXTURES - CONTINUED:						
31 - Pole Lights - Fixture Replace		6,684	20	5	334	5,013
32 - Unit Entry Lights Replace		9,877	20	5	494	7,408
33 - Unit Patio & Deck Lights Replace		5,644	20	5	282	4,233
34 - Walkway Lights Replace		5,952	20	5	298	4,464
MECHANICAL SYSTEMS - GARAGE DOORS:						
35 - Garage Doors Replace - Doubles		40,314	20	5	2,016	30,236
36 - Garage Doors Replace - Singles		1,008	20	5	50	756
MECHANICAL SYSTEMS-HVAC:						
37 - Forced Air Furnace Replace		1,591	20	10	80	796
MECHANICAL SYSTEMS-WATER:						
38 - Circulation Pumps Replace		1,500	10	3	150	1,050
39 - Boilers Replace		12,000	15	8	800	5,600
40 - Circulation Pumps Replace		3,000	10	4	300	1,800
41 - Boilers Replace		24,000	15	9	1,600	9,600
42 - Circulation Pumps Replace		7,500	10	5	750	3,750
43 - Boilers Replace		60,000	15	10	4,000	20,000
44 - Water Valve Replacements (2)		3,183	30	1	106	3,077
45 - Water Valve Replacements (2)		3,183	30	2	106	2,971
46 - Water Valve Replacements (2)		3,183	30	3	106	2,864
47 - Water Valve Replacements (2)		3,183	30	4	106	2,758
48 - Water Valve Replacements (1)		1,591	30	5	53	1,326
PAVED SURFACES:						
49 - Asphalt Major Repair	33%	89,752	25	12	3,590	46,671
50 - Asphalt Minor Repair	20%	27,197	10	7	2,720	8,159
51 - Asphalt Sealcoat & Stripe		10,905	5	2	2,181	6,543
52 - Concrete Walkway Repairs		1,591	5	2	318	955
53 - Tennis Court Colorcoat		8,784	7	2	1,255	6,274
54 - Tennis Court Resurfacing		17,208	21	9	819	9,833
RECREATION FACILITIES:						
55 - Tennis Court Net Replace		451	5	3	90	180
56 - Tot Lot Fixtures		4,244	20	5	212	3,183
ROOFING SYSTEM:						
BUILDING #1 - 5015						
57 - Built-Up Roofing Replace		36,075	20	12	1,804	14,430
58 - Composition Shingles Replace		6,807	25	17	272	2,178

Accrued Liability

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current	Estimated		Annual Liability	Accrued Liability
		Repair/Replace Cost	Usfl Life	Rmng Life		
BUILDING #2 - 5011						
59 - Built-Up Roofing Replace		36,075	20	12	1,804	14,430
60 - Composition Shingles Replace		6,807	25	17	272	2,178
BUILDING #3 - 5009						
61 - Built-Up Roofing Replace		36,075	20	12	1,804	14,430
62 - Composition Shingles Replace		6,807	25	17	272	2,178
BUILDING #4 - 5007						
63 - Built-Up Roofing Replace		36,075	20	12	1,804	14,430
64 - Composition Shingles Replace		6,807	25	17	272	2,178
BUILDING #5 - 5005						
65 - Built-Up Roofing Replace		36,075	20	12	1,804	14,430
66 - Composition Shingles Replace		6,807	25	17	272	2,178
BUILDING #6 - 5017						
67 - Built-Up Roofing Replace		36,075	20	12	1,804	14,430
68 - Composition Shingles Replace		6,807	25	17	272	2,178
BUILDING #7 - 5001						
69 - Built-Up Roofing Replace		36,075	20	12	1,804	14,430
70 - Composition Shingles Replace		6,807	25	17	272	2,178
BUILDING #8 - 5003						
71 - Built-Up Roofing Replace		53,043	20	3	2,652	45,087
72 - Composition Shingles Replace		6,608	25	1	264	6,344
ROOFING SYSTEM - ALL BUILDINGS:						
ROOFING SYSTEM:						
73 - Chimney Caps Replace		20,188	20	1	1,009	19,179
74 - Chimney Caps Replace		20,188	20	2	1,009	18,169
75 - Gutters & Downspouts Replace		2,575	2	1	1,288	1,288
76 - Spark Arrestors Replace		9,085	25	1	363	8,721
77 - Spark Arrestors Replace		9,085	25	2	363	8,358
ROOFING SYSTEM - GARAGES:						
78 - Composition Shingles Replace		51,936	25	12	2,077	27,007
MISCELLANEOUS:						
79 - Mailboxes Replace		10,397	10	5	1,040	5,198
CONSTRUCTION LOAN:						
80 - Amortization Payment Schedule		173,782	1	1	173,782	0
UNSCHEDULED.....	5%					
		2,046,939			326,101	1,089,406