



LAKE JANE POOL

— MEMBERS & GUESTS WELCOME —

RESERVE STUDY LAKE JANE ESTATES

Bonney Lake, WA 98391
Financial Year 01.2020—12.2020
Level 1 | Full Reserve Study
01/27/20



A New Strategy for Reserve Funding.

Our reserve study approach is simple. We provide you with the insight needed to make fast, accurate and informed decisions. We focus on understanding your situation and providing funding solutions that are designed with your goals in mind. By focusing on the detail and the big picture we provide the information you need to best manage your reserve fund and annual contributions.

As a long-term capital budget plan, the reserve study identifies the current status of the reserve fund and whether contributions to the fund are adequate to address future needs. The report helps the Association make necessary decisions regarding the development of their reserve fund and establish expectations in relation to the timing and cost of significant repair and replacement projects.

The reserve study recommends funding through smaller monthly contributions rather than risking large, unanticipated special assessments. Regular and ongoing reserve contributions are favored over special assessment as they help distribute expenses equally between current and future owners, and establish a stable contribution rate.

The reserve study contains 'forward looking' concepts which reflect expectations with respect to certain future events and potential financial performance. Although we believe at this time that the expectations reflected within the reserve study are reasonable, no assurances can be given that such expectations will prove correct. We recommend that the reserve study be updated annually to address changing circumstances and conditions.



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EXECUTIVE SUMMARY

PROPERTY SUMMARY

ASSOCIATION NAME	Lake Jane Estates
LOCATION	Bonney Lake, WA 98391
YEAR CONSTRUCTED	1959
NUMBER OF UNITS	444
FINANCIAL YEAR	2020 (January 1, 2020 - December 31, 2020)
REPORT LEVEL	Level 1 Full Study with Site Visit

RESERVE FUND

PROJECTED STARTING BALANCE ¹	\$15,064
FULL FUNDED BALANCE, IDEAL	\$155,610
CURRENT PER UNIT DEFICIENCY/(SURPLUS) IN RESERVES	\$317
PERCENT FUNDED ²	10%
INTEREST EARNED	0.08%
INFLATION RATE ³	3.00%

RESERVE CONTRIBUTIONS

CURRENT RESERVE FUND CONTRIBUTION	\$0
FULL FUNDING, MAXIMUM CONTRIBUTION	\$34,203
BASELINE FUNDING, MINIMUM CONTRIBUTION	\$26,274
SPECIAL ASSESSMENT	\$0

¹ Information in relation to the Association's finances were supplied by the Association's representative and is not audited.

² The ratio, at a particular point of time (the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage (www.caionline.org). Used to highlight the strength of the Association's reserve fund.

³ Inflation rate is based upon the average annual increase of the Consumer Price Index (CPI) over the last 30-years, as published by the US Bureau of Labor Statistics (www.labor.gov).



KEY INSIGHTS

\$15,064

RESERVE ACCOUNT
BALANCE

\$0

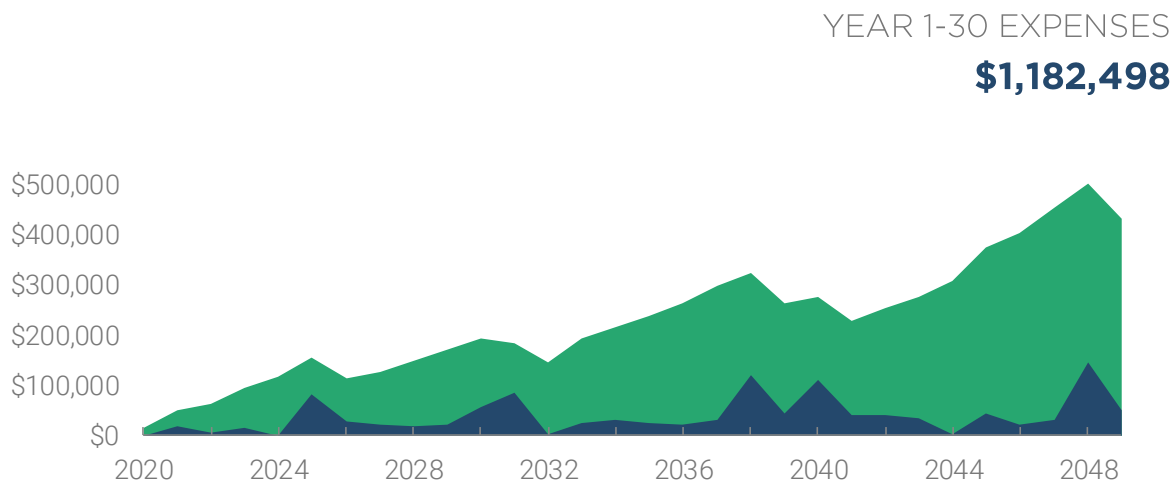
ANNUAL RESERVE
CONTRIBUTION

\$1,182,498

PROJECTED EXPENSES
OVER 30 YEARS

FULL FUNDING STRATEGY

Annual member contributions to the reserve fund are used to address those expenses too large or infrequent to be addressed through annual operating funds. The chart below highlights the outcome of the Full Funding strategy over the mid-to-long term.



STARTING BALANCE

\$15,064

ENDING BALANCE

\$465,513

Note: Figures based upon the expectation that the Association will continue to increase member contributions by an inflationary rate of 3.00% annually. Year-over-year change the result of projected expenses on the Association's reserve account.



CONTRIBUTION RANGE

We recommend that reserve contributions be evenly distributed between members over the life of a community. To achieve this goal, we establish an ideal contribution range within which the Association should establish ongoing payments.

\$26,274

MINIMUM

BASELINE FUNDING

\$34,203

MAXIMUM

FULL FUNDING

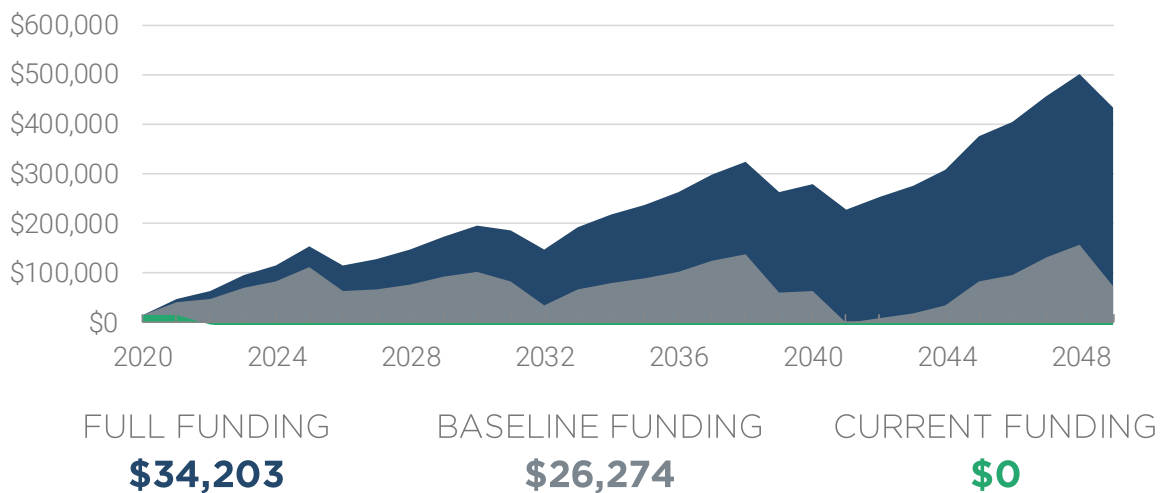


\$0

CURRENT FUNDING

FUNDING STRATEGIES

The funding strategy chosen will have a direct impact on the growth of the Association's reserve fund. The chart below highlights the outcomes of the various funding strategies.



FULL FUNDING

\$34,203

BASELINE FUNDING

\$26,274

CURRENT FUNDING

\$0

Note: Figures based upon the expectation that the Association will continue to increase the contributions highlighted by an inflationary rate of 3.00% annually.



FULL FUNDING PLAN | SUMMARY

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2020	\$155,610	10%	\$15,064	\$34,203	\$0	\$26	\$0	\$49,293
2021	\$186,309	26%	\$49,293	\$35,230	\$0	\$46	\$19,802	\$64,767
2022	\$198,313	33%	\$64,767	\$36,286	\$0	\$64	\$5,835	\$95,282
2023	\$225,868	42%	\$95,282	\$37,375	\$0	\$85	\$15,817	\$116,925
2024	\$244,796	48%	\$116,925	\$38,496	\$0	\$109	\$0	\$155,530
2025	\$281,437	55%	\$155,530	\$39,651	\$0	\$108	\$81,236	\$114,053
2026	\$236,383	48%	\$114,053	\$40,841	\$0	\$97	\$27,045	\$127,945
2027	\$246,699	52%	\$127,945	\$42,066	\$0	\$111	\$21,584	\$148,537
2028	\$263,882	56%	\$148,537	\$43,328	\$0	\$129	\$19,002	\$172,992
2029	\$285,201	61%	\$172,992	\$44,628	\$0	\$147	\$23,127	\$194,640
2030	\$303,900	64%	\$194,640	\$45,967	\$0	\$152	\$55,967	\$184,791
2031	\$290,352	64%	\$184,791	\$47,346	\$0	\$132	\$85,788	\$146,481
2032	\$246,733	59%	\$146,481	\$48,766	\$0	\$136	\$2,852	\$192,531
2033	\$288,311	67%	\$192,531	\$50,229	\$0	\$164	\$25,295	\$217,629
2034	\$309,132	70%	\$217,629	\$51,736	\$0	\$182	\$31,991	\$237,555
2035	\$324,828	73%	\$237,555	\$53,288	\$0	\$201	\$26,485	\$264,558
2036	\$347,847	76%	\$264,558	\$54,887	\$0	\$225	\$20,364	\$299,307
2037	\$379,078	79%	\$299,307	\$56,533	\$0	\$249	\$32,602	\$323,486
2038	\$399,894	81%	\$323,486	\$58,229	\$0	\$234	\$119,128	\$262,822
2039	\$333,504	79%	\$262,822	\$59,976	\$0	\$216	\$45,197	\$277,818
2040	\$342,600	81%	\$277,818	\$61,775	\$0	\$203	\$110,678	\$229,117
2041	\$285,893	80%	\$229,117	\$63,629	\$0	\$193	\$39,485	\$253,454
2042	\$302,224	84%	\$253,454	\$65,537	\$0	\$212	\$41,627	\$277,576
2043	\$318,291	87%	\$277,576	\$67,504	\$0	\$235	\$35,475	\$309,839
2044	\$342,673	90%	\$309,839	\$69,529	\$0	\$274	\$4,066	\$375,577
2045	\$401,680	94%	\$375,577	\$71,614	\$0	\$312	\$43,027	\$404,476
2046	\$423,913	95%	\$404,476	\$73,763	\$0	\$344	\$22,644	\$455,939
2047	\$469,444	97%	\$455,939	\$75,976	\$0	\$383	\$29,932	\$502,366
2048	\$510,518	98%	\$502,366	\$78,255	\$0	\$375	\$146,427	\$434,568
2049	\$434,568	100%	\$434,568	\$80,603	\$0	\$360	\$50,018	\$465,513



BASELINE FUNDING PLAN | SUMMARY

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2020	\$155,610	10%	\$15,064	\$26,274	\$0	\$23	\$0	\$41,360
2021	\$186,309	22%	\$41,360	\$27,062	\$0	\$36	\$19,802	\$48,657
2022	\$198,313	25%	\$48,657	\$27,874	\$0	\$48	\$5,835	\$70,743
2023	\$225,868	31%	\$70,743	\$28,710	\$0	\$62	\$15,817	\$83,698
2024	\$244,796	34%	\$83,698	\$29,571	\$0	\$79	\$0	\$113,348
2025	\$281,437	40%	\$113,348	\$30,459	\$0	\$70	\$81,236	\$62,641
2026	\$236,383	26%	\$62,641	\$31,372	\$0	\$52	\$27,045	\$67,020
2027	\$246,699	27%	\$67,020	\$32,313	\$0	\$58	\$21,584	\$77,807
2028	\$263,882	29%	\$77,807	\$33,283	\$0	\$68	\$19,002	\$92,156
2029	\$285,201	32%	\$92,156	\$34,281	\$0	\$78	\$23,127	\$103,389
2030	\$303,900	34%	\$103,389	\$35,310	\$0	\$74	\$55,967	\$82,806
2031	\$290,352	29%	\$82,806	\$36,369	\$0	\$46	\$85,788	\$33,433
2032	\$246,733	14%	\$33,433	\$37,460	\$0	\$41	\$2,852	\$68,083
2033	\$288,311	24%	\$68,083	\$38,584	\$0	\$60	\$25,295	\$81,431
2034	\$309,132	26%	\$81,431	\$39,742	\$0	\$68	\$31,991	\$89,249
2035	\$324,828	27%	\$89,249	\$40,934	\$0	\$77	\$26,485	\$103,775
2036	\$347,847	30%	\$103,775	\$42,162	\$0	\$92	\$20,364	\$125,665
2037	\$379,078	33%	\$125,665	\$43,427	\$0	\$105	\$32,602	\$136,594
2038	\$399,894	34%	\$136,594	\$44,729	\$0	\$80	\$119,128	\$62,275
2039	\$333,504	19%	\$62,275	\$46,071	\$0	\$50	\$45,197	\$63,200
2040	\$342,600	18%	\$63,200	\$47,453	\$0	\$25	\$110,678	\$0
2041	\$285,893	0%	\$0	\$48,877	\$0	\$4	\$39,485	\$9,396
2042	\$302,224	3%	\$9,396	\$50,343	\$0	\$11	\$41,627	\$18,123
2043	\$318,291	6%	\$18,123	\$51,854	\$0	\$21	\$35,475	\$34,523
2044	\$342,673	10%	\$34,523	\$53,409	\$0	\$47	\$4,066	\$83,914
2045	\$401,680	21%	\$83,914	\$55,012	\$0	\$72	\$43,027	\$95,970
2046	\$423,913	23%	\$95,970	\$56,662	\$0	\$90	\$22,644	\$130,078
2047	\$469,444	28%	\$130,078	\$58,362	\$0	\$115	\$29,932	\$158,623
2048	\$510,518	31%	\$158,623	\$60,113	\$0	\$92	\$146,427	\$72,401
2049	\$434,568	17%	\$72,401	\$61,916	\$0	\$63	\$50,018	\$84,362



CURRENT FUNDING PLAN | SUMMARY

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2020	\$155,610	10%	\$15,064	\$0	\$0	\$12	\$0	\$15,076
2021	\$186,309	8%	\$15,076	\$0	\$0	\$4	\$19,802	-\$4,722
2022	\$198,313	0%	-\$4,722	\$0	\$0	\$0	\$5,835	-\$10,557
2023	\$225,868	0%	-\$10,557	\$0	\$0	\$0	\$15,817	-\$26,374
2024	\$244,796	0%	-\$26,374	\$0	\$0	\$0	\$0	-\$26,374
2025	\$281,437	0%	-\$26,374	\$0	\$0	\$0	\$81,236	-\$107,610
2026	\$236,383	0%	-\$107,610	\$0	\$0	\$0	\$27,045	-\$134,655
2027	\$246,699	0%	-\$134,655	\$0	\$0	\$0	\$21,584	-\$156,239
2028	\$263,882	0%	-\$156,239	\$0	\$0	\$0	\$19,002	-\$175,241
2029	\$285,201	0%	-\$175,241	\$0	\$0	\$0	\$23,127	-\$198,368
2030	\$303,900	0%	-\$198,368	\$0	\$0	\$0	\$55,967	-\$254,335
2031	\$290,352	0%	-\$254,335	\$0	\$0	\$0	\$85,788	-\$340,123
2032	\$246,733	0%	-\$340,123	\$0	\$0	\$0	\$2,852	-\$342,975
2033	\$288,311	0%	-\$342,975	\$0	\$0	\$0	\$25,295	-\$368,270
2034	\$309,132	0%	-\$368,270	\$0	\$0	\$0	\$31,991	-\$400,262
2035	\$324,828	0%	-\$400,262	\$0	\$0	\$0	\$26,485	-\$426,747
2036	\$347,847	0%	-\$426,747	\$0	\$0	\$0	\$20,364	-\$447,111
2037	\$379,078	0%	-\$447,111	\$0	\$0	\$0	\$32,602	-\$479,713
2038	\$399,894	0%	-\$479,713	\$0	\$0	\$0	\$119,128	-\$598,841
2039	\$333,504	0%	-\$598,841	\$0	\$0	\$0	\$45,197	-\$644,038
2040	\$342,600	0%	-\$644,038	\$0	\$0	\$0	\$110,678	-\$754,716
2041	\$285,893	0%	-\$754,716	\$0	\$0	\$0	\$39,485	-\$794,201
2042	\$302,224	0%	-\$794,201	\$0	\$0	\$0	\$41,627	-\$835,828
2043	\$318,291	0%	-\$835,828	\$0	\$0	\$0	\$35,475	-\$871,303
2044	\$342,673	0%	-\$871,303	\$0	\$0	\$0	\$4,066	-\$875,369
2045	\$401,680	0%	-\$875,369	\$0	\$0	\$0	\$43,027	-\$918,396
2046	\$423,913	0%	-\$918,396	\$0	\$0	\$0	\$22,644	-\$941,040
2047	\$469,444	0%	-\$941,040	\$0	\$0	\$0	\$29,932	-\$970,972
2048	\$510,518	0%	-\$970,972	\$0	\$0	\$0	\$146,427	-\$1,117,400
2049	\$434,568	0%	-\$1,117,400	\$0	\$0	\$0	\$50,018	-\$1,167,418



METHODOLOGY

An important aspect of living in a common area development such as a cooperative, condominium, or homeowner Association is the community's ownership and commitment to maintain its common areas.

Association members have a vested interest in maintaining and preserving their investment. To meet these obligations, the Association should prudently prepare for the future and contribute funds into a reserve account. Periodic contributions provide the freedom to gradually accumulate funds for anticipated expenditures while limiting the need to raise large sums of money through alternative means, such as special assessments.

When implementing a policy to fund major repair or replacement, the Board must educate owners about the benefits of accumulating reserve funds in advance through periodic contributions. Benefits of a systematic accumulation of funds include:

- having assurance that funds for major repairs and replacements will be available when needed;
- development of an equitable method of charging both current and future owners for ongoing use of assets;
- preservation of the market value of individual units; and
- compliance with the governing documents, statutes, mortgages, and other similar requirements.

A reserve study recommends the preferable mode of funding through smaller monthly contributions rather than facing large, unanticipated special assessments. The reserve study provides an Association with access to information and materials that will assist them in making timely and informed decisions about their reserve fund and contributions.

A reserve study is the sum of two parts: the physical and financial analysis. The physical analysis is a result of the on-site collection and review of data specific to the property's reserve components, common areas, and limited common areas. Through an onsite inspection and the use of source materials, the Reserve Specialist quantifies and establishes the reserve component inventory and assesses the physical condition of the Association's reserve components. Data from the physical analysis is used to define the scope and timing of future anticipated expenses.

The financial analysis evaluates the condition of the Association's reserve fund in relation to its income and anticipated expenses. It appraises the adequacy of the reserve fund, and associated



member contributions, against the current and future expenditures of the Association. To adequately forecast these expenditures over the 30-year projection period, current costs, projected inflation, and interest rates must be established. Recommendations are then provided to establish a reserve fund that addresses anticipated expenses, without having to resort to special assessments.

Due to the long-term nature of a reserve study, certain assumptions must be made. Every effort has been made to ensure that the recommendations are based upon reliable and experienced sources in the building industry. However, there can be no guarantee that events will occur at the predicted specific intervals, or that they will occur at all. Any reserve study must be viewed in the light of circumstances existing at the actual time of the study.

PHYSICAL ANALYSIS

As part of this reserve study a comprehensive list of reserve components (major common and limited common elements) has been compiled. Estimates for the useful life, remaining life, plus current repair and replacement costs for each of these reserve components have been calculated. This list is not intended to be exhaustive. However, an inaccurate or incomplete list of components can have an adverse impact upon the Association's long-term funding plan.

Site Inspection

A site inspection is conducted to assess the general condition of the property and its common areas. The on-site inspection is visual in nature, and no destructive or invasive testing is conducted. Observations are recorded using a representative sampling of the Association's common areas and reserve components. The component inventory and associated field measurements are also substantiated as part of the inspection.

Reserve Components

Determination of what constitutes a reserve component is dependent on a number of factors. A four-part test is generally used to distinguish a reserve item from an operational or maintenance expense. A component is included as a reserve item only if it satisfies ALL criteria outlined below:

- It is part of the Association's common and limited common area responsibilities.
- It has a predictable useful service life.
- Its useful life fits within the projection period. This means that components with a life of 30 years or more may not be included as part of the report if it is determined that they will last beyond the projection period.
- Its cost for repair or replacement is too high to include as part of the operating budget.



The components of common property that an Association includes in its reserve funding plan are also dependent on the type of project, the construction properties and the Association's applicable governing documents and state statutes.

Component Useful Life

The useful life of a reserve component relates to the number of years it is expected to last, given reasonable care and maintenance. The prediction of reserve and building component life can be no more than an informed estimate based upon information made available at the time of the report's development. Consideration is given to vendor recommendations, material warranty information provided at the time of the report's development, along with other published sources. The data and service life estimates in this report are based on information gathered from various groups and industry sources as outlined below:

- Historical data and feedback from the Association;
- Management groups and maintenance managers;
- Manufacturer recommendations and industry standards;
- Published sources of service life data;
- Manufacturers' and suppliers' data.

Component Remaining Useful Life

The remaining life of a reserve component refers to the number of years left before an item's expected repair or replacement. A component's remaining life is contingent upon the following factors:

- Age/years in service;
- Physical condition;
- Frequency and quality of inspections and maintenance;
- General use;
- Environment, impact of weather and building location;
- Installation methods that meets or exceed industry standards;
- Design and quality of materials used.

In addition to deterioration or anticipated failure of a component, the longevity may be impacted by obsolescence. The accuracy of the estimate is contingent upon reliable information made available at the time of the report's development. It is important to note that even with the highest degree of diligence and experience, outcomes will vary, and no guarantee can be given as to the timing or service life of the reserve components. All service life assessments in this report are based on the assumption that installation is carried out in accordance with manufacturer's recommendations and installation instructions, together with industry standards of workmanship.



FINANCIAL ANALYSIS

An Association, like any business entity, must prepare financially for the replacement and repair of its assets. Reserve study funding analysis is an important part of the annual budget process. Reserve funding should be reviewed at least once annually to help determine the annual assessment to be charged to members. The following elements are used in the financial analysis.

Recommended Funding Rate

We advocate a program of regular reserve fund contributions and promote a gradual means of reserving for future repair and replacement expenses. Recommended contributions are set at a level where they require only minor annual increases. The rate is designed to distribute the anticipated cost of common property ownership equitably between all members over the entire projection period.

Fully Funded Balance

The Fully Funded balance is equal to the total depreciable cost of all the Association's reserve components. It is determined by dividing each reserve component's cost by its useful life, and multiplying that by the number of years the component has been in service (effectively its age). In essence, the depreciated or 'used up' value of a component is utilized to establish an amount that the Association should have saved by a particular time. The recommendations in this report are based upon a Full Funding plan, which sets the goal of achieving one hundred percent fully funded reserves by the end of the 30-year projection period. We advocate full funding as we feel that this approach provides a solid platform to address future needs, thus dramatically reducing the need for special assessment.

Percent Funded

An Association's reserve fund status is assessed by comparing the ratio of actual or projected funds available verses how much they 'should have saved'. The result is presented as a percentage and is commonly known as "percent funded". In other words, percent funded is calculated by dividing the Association's current reserve fund balance by the fully funded balance. This equation is an industry measure of how well prepared an Association is to meet its current and future repair and replacement obligations. Percent funded highlights the strength of the Association's reserve account in relation to the anticipated costs of repair and replacement.

Reserve Component Cost

Current cost estimates for reserve components are derived from a variety of sources but typically are based on cost data sourced from national construction estimators (R.S. Means) and vendor pricing acquired from regional contractors and suppliers. All cost estimates formulated from national estimators are based upon the latest specific geographical information for the area. Future cost estimates are determined by applying the assumed annual inflation rate to the current cost of each component.



Individual cost estimates are for budgeting purposes only. Actual construction costs can vary significantly due to economies of scale, material availability, labor, seasonal considerations, and other factors beyond our control. We recommend that project costs be substantiated well in advance of the anticipated date of repair and replacement. A detailed evaluation by a qualified professional should also be undertaken to establish the scope and budget of each project.

Cost estimates do not account for permits, architectural, or project management fees that may be required. Allowances and contingencies must also be added to the total as the scope of work is defined.

Inflation Rate

The effect of inflation on the cost of reserve components is a key factor in the financial projections. Historically, the cost of construction materials and labor rise at a higher rate than that experienced by the general economy. RSG has chosen to use an inflationary multiplier that is somewhat higher than the current general consumer index for inflation. The rate used is based upon the historical average of inflation over the last 30 years. This rate reflects a realistic appreciation of future costs for reserve components and assists the Association in adequately budgeting for increasing cost.

Interest Rate

The interest rate used in this report is formulated on a conservative rate of return. Unless otherwise advised by the Association, an assumed net interest rate of 1.00% is used. RSG offers no guarantee or opinion in relation to investment decisions made by the Association or the rate of return achieved.

Current Reserve Fund Balance

The analysis, recommendations, and financial projections made within this report are heavily reliant on information provided by the Association and its representatives. The starting reserve fund balance (current or projected) and member contribution totals are supplied by these sources. This information has not been audited nor have the financial projections or recommendations.

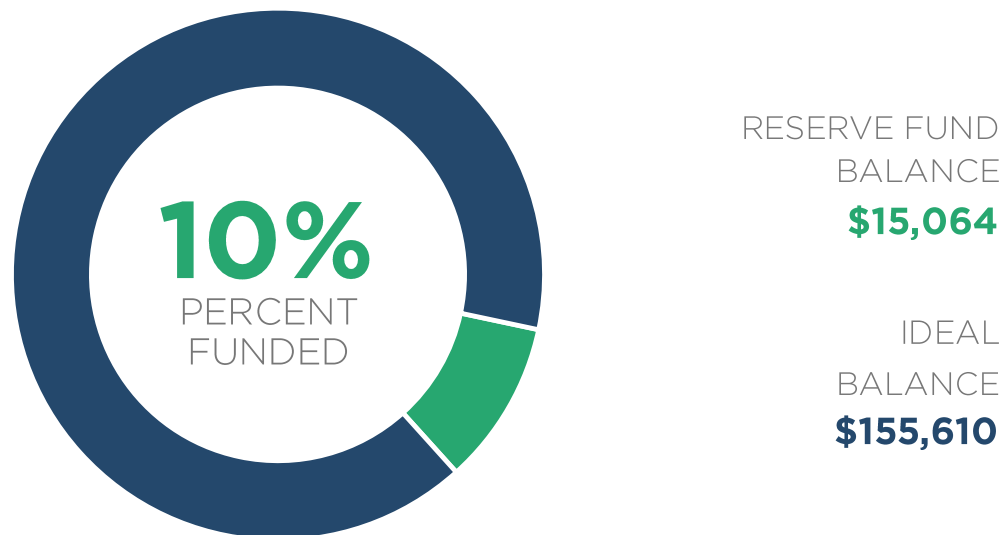


FINANCIAL ANALYSIS

This section of the report is intended to provide the association with the awareness to adequately plan for the ongoing major maintenance, repair and replacement of their common property components. The recommendations included within this report represent one scenario, and are not intended to represent the only means of achieving the association's goals. We recommend that the Board of Directors use the following information as a guide in planning for their future objectives.

Percent Funded

The Percent Funded equation is the industry measure of how well prepared an association is to meet its current and future repair and replacement obligations. Percent funded highlights the strength of the association's reserve account in relation to its anticipated costs of repair and replacement. The higher the funded level, the less exposed an association is to market conditions, unanticipated expenses or events, and fluctuations in the general economy.



An Association at or below a funding level of 30% has an increased risk of requiring special assessments to meet their ongoing obligations, as compared to Associations with higher funding levels. A level of funding at and above 60% is categorized as good or well funded. We recommend that associations look to achieve and maintain funding levels at and above 60%, with a preference to being 100% funded.



Funding Goals

There is a range of funding alternatives available to the association. In our opinion the strategy chosen should not only meet the immediate needs and risk tolerance of current members, but also the longer term needs of the association.

The association needs to establish a reserve contribution rate which, at a minimum, meets their anticipated financial needs without having to resort to special assessment or deferred maintenance. In addition, the funding goal needs to be prudent enough to meet the expectations of current members while not unfairly burdening future owners.

The minimum funding goal needed to meet planned expenditure is Baseline Funding. Baseline Funding maintains the reserve account at or above zero dollars, but leaves the association with no contingency to address unanticipated outcomes. Threshold funding is a strategy designed to provide for this contingency by keeping cash reserves above a specific dollar amount or percent funded level.

FULL FUNDING

Establishes a goal of achieving one hundred percent fully funded reserves by the end of the projection period.

THRESHOLD FUNDING

Sets out to keep the cash reserves above a specified dollar or percent funded amount for the duration of the projection period.

BASELINE FUNDING

Establishes a goal of maintaining a reserve account balance above zero dollars throughout the study period.

The reserve fund plan highlighted in this report is based upon the Full Funding program of reserve contributions. The Full Funding plan highlights an ideal level of contributions which will enable an association to be 100% funded by the end of the projection period. As stated previously, we recommend that the association implement a program that moves them toward and maintains a funding level of 60-100%.



RESERVE COMPONENT LIST

Component	Useful Life	Remaining Useful Life	Quantity	Unit of Measure	Unit Cost	Current Cost	Current Fully Funded Balance
Pool House - Bldg Exterior, Roof	25	16	12	Squares	\$600.00	\$7,200	\$2,592
Pool House - Bldg Exterior, Gutters & Downspouts	25	16	70	LF	\$7.00	\$490	\$176
Pool House - Bldg Exterior, Caulk & Paint	10	8	1	Lump Sum	\$3,500.00	\$3,500	\$700
Pool House - Bldg Exterior, Siding	40	18	1,365	SF	\$15.00	\$20,475	\$11,261
Pool House - Bldg Exterior, Windows & Doors	10	8	1	Allowance	\$2,000.00	\$2,000	\$400
Pool House - Bldg Interior, Remodel	20	18	1	Lump Sum	\$22,000.00	\$22,000	\$2,200
Pool House - Electrical, Security System	15	13	1	Lump Sum	\$2,000.00	\$2,000	\$267
Pool House - Plumbing, Water Heater	15	10	1	Each	\$1,375.00	\$1,375	\$458
Pool - Repair & Resurface	15	5	1	Lump Sum	\$27,400.00	\$27,400	\$18,267
Pool - Coping, Replace	30	5	180	LF	\$100.00	\$18,000	\$15,000
Pool - Equipment, Pump & Filters	5	1	1	Allowance	\$5,000.00	\$5,000	\$4,000
Pool - Equipment, Heaters	15	7	1	Lump Sum	\$6,075.00	\$6,075	\$3,240
General Site - Concrete Sidewalk [5% Limited Repair]	10	5	7,050	SF	\$10.00	\$3,525	\$1,763
General Site - Landscape, Tree Felling & Removal	2	1	1	Allowance	\$7,975.00	\$7,975	\$3,988
General Site - Landscape, Tree & Shrub Replacement	2	1	1	Allowance	\$3,500.00	\$3,500	\$1,750
General Site - Landscape, Irrigation System	3	2	1	Allowance	\$5,500.00	\$5,500	\$1,833
General Site - Signage, Miscellaneous	5	3	1	Allowance	\$1,000.00	\$1,000	\$400
General Site - Bridge @ Lake Debra Jane, Replace	50	28	1	Lump Sum	\$52,500.00	\$52,500	\$23,100
General Site - Fence, Chain Link 10'	30	10	370	LF	\$40.00	\$14,800	\$9,867
General Site - Fence, Chain Link 6'	30	10	1,030	LF	\$24.00	\$24,720	\$16,480
General Site - Fence, Chain Link 4'	30	20	1,290	LF	\$22.00	\$28,380	\$9,460
General Site - Fence, Wood Split Rail	20	10	50	LF	\$15.00	\$750	\$375
General Site - Playground, Equipment @ Upper Park	20	11	1	Lump Sum	\$40,000.00	\$40,000	\$18,000
General Site - Playground, Equipment @ Lower Park	20	18	1	Lump Sum	\$16,000.00	\$16,000	\$1,600
General Site - Playground, Surface Material	4	1	1	Lump Sum	\$2,750.00	\$2,750	\$2,063
General Site - Equipment, Tennis Court	10	9	1	Lump Sum	\$1,500.00	\$1,500	\$150
General Site - Equipment, B'ball Court	20	5	1	Lump Sum	\$1,425.00	\$1,425	\$1,069
General Site - B'ball Court, Surface Color Coat & Repair	8	6	1	Lump Sum	\$5,150.00	\$5,150	\$1,288
General Site - Tennis Court, Surface Color Coat & Repair	8	6	1	Lump Sum	\$10,500.00	\$10,500	\$2,625
General Site - Equipment, Picnic Tables	3	3	1	Allowance	\$2,000.00	\$2,000	\$0
General Site - Park Shelters, Maintenance & Repair	10	8	1	Allowance	\$3,000.00	\$3,000	\$600
General Site - Dog Park	20	19	1	Lump Sum	\$12,800.00	\$12,800	\$640
TOTALS						\$353,290	\$155,610

- Readers should be aware that certain property elements are considered 'long life' elements and are not accounted for within the reserve study in conjunction with elements that are or can be managed as part of the Association's operating budget.

Cost estimates do not account for permits, architectural, or project management fees that may be required. Allowances and contingencies must also be added to the total as the scope of work is defined.



RESERVE EXPENSES 1-10 YEARS

Component	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Pool House - Bldg Exterior, Roof	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool House - Bldg Exterior, Gutters & Downspouts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool House - Bldg Exterior, Caulk & Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,434	\$0
Pool House - Bldg Exterior, Siding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool House - Bldg Exterior, Windows & Doors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,534	\$0
Pool House - Bldg Interior, Remodel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool House - Electrical, Security System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool House - Plumbing, Water Heater	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool - Repair & Resurface	\$0	\$0	\$0	\$0	\$0	\$31,764	\$0	\$0	\$0	\$0
Pool - Coping, Replace	\$0	\$0	\$0	\$0	\$0	\$20,867	\$0	\$0	\$0	\$0
Pool - Equipment, Pump & Filters	\$0	\$5,150	\$0	\$0	\$0	\$0	\$5,970	\$0	\$0	\$0
Pool - Equipment, Heaters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,471	\$0	\$0
General Site - Concrete Sidewalk [5% Limited Repair]	\$0	\$0	\$0	\$0	\$0	\$4,086	\$0	\$0	\$0	\$0
General Site - Landscape, Tree Felling & Removal	\$0	\$8,214	\$0	\$8,714	\$0	\$9,245	\$0	\$9,808	\$0	\$10,406
General Site - Landscape, Tree & Shrub Replacement	\$0	\$3,605	\$0	\$3,825	\$0	\$4,057	\$0	\$4,305	\$0	\$4,567
General Site - Landscape, Irrigation System	\$0	\$0	\$5,835	\$0	\$0	\$6,376	\$0	\$0	\$6,967	\$0
General Site - Signage, Miscellaneous	\$0	\$0	\$0	\$1,093	\$0	\$0	\$0	\$0	\$1,267	\$0
General Site - Bridge @ Lake Debra Jane, Replace	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 10'	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 6'	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 4'	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Wood Split Rail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Playground, Equipment @ Upper Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Playground, Equipment @ Lower Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Playground, Surface Material	\$0	\$2,833	\$0	\$0	\$0	\$3,188	\$0	\$0	\$0	\$3,588
General Site - Equipment, Tennis Court	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,957
General Site - Equipment, B'ball Court	\$0	\$0	\$0	\$0	\$0	\$1,652	\$0	\$0	\$0	\$0
General Site - B'ball Court, Surface Color Coat & Repair	\$0	\$0	\$0	\$0	\$0	\$0	\$6,149	\$0	\$0	\$0
General Site - Tennis Court, Surface Color Coat & Repair	\$0	\$0	\$0	\$0	\$0	\$0	\$12,538	\$0	\$0	\$0
General Site - Equipment, Picnic Tables	\$0	\$0	\$0	\$2,185	\$0	\$0	\$2,388	\$0	\$0	\$2,610
General Site - Park Shelters, Maintenance & Repair	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,800	\$0
General Site - Dog Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Expenditure	\$0	\$19,802	\$5,835	\$15,817	\$0	\$81,236	\$27,045	\$21,584	\$19,002	\$23,127

YEARS 1 THROUGH 10



RESERVE EXPENSES 11-20 YEARS

Component	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Pool House - Bldg Exterior, Roof	\$0	\$0	\$0	\$0	\$0	\$0	\$11,554	\$0	\$0	\$0
Pool House - Bldg Exterior, Gutters & Downspouts	\$0	\$0	\$0	\$0	\$0	\$0	\$786	\$0	\$0	\$0
Pool House - Bldg Exterior, Caulk & Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,959	\$0
Pool House - Bldg Exterior, Siding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,857	\$0
Pool House - Bldg Exterior, Windows & Doors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,405	\$0
Pool House - Bldg Interior, Remodel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$37,454	\$0
Pool House - Electrical, Security System	\$0	\$0	\$0	\$2,937	\$0	\$0	\$0	\$0	\$0	\$0
Pool House - Plumbing, Water Heater	\$1,848	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool - Repair & Resurface	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool - Coping, Replace	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool - Equipment, Pump & Filters	\$0	\$6,921	\$0	\$0	\$0	\$0	\$8,024	\$0	\$0	\$0
Pool - Equipment, Heaters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Concrete Sidewalk [5% Limited Repair]	\$0	\$0	\$0	\$0	\$0	\$5,492	\$0	\$0	\$0	\$0
General Site - Landscape, Tree Felling & Removal	\$0	\$11,039	\$0	\$11,712	\$0	\$12,425	\$0	\$13,181	\$0	\$13,984
General Site - Landscape, Tree & Shrub Replacement	\$0	\$4,845	\$0	\$5,140	\$0	\$5,453	\$0	\$5,785	\$0	\$6,137
General Site - Landscape, Irrigation System	\$0	\$7,613	\$0	\$0	\$8,319	\$0	\$0	\$9,091	\$0	\$0
General Site - Signage, Miscellaneous	\$0	\$0	\$0	\$1,469	\$0	\$0	\$0	\$0	\$1,702	\$0
General Site - Bridge @ Lake Debra Jane, Replace	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 10'	\$19,890	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 6'	\$33,222	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 4'	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Wood Split Rail	\$1,008	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Playground, Equipment @ Upper Park	\$0	\$55,369	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Playground, Equipment @ Lower Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,239	\$0
General Site - Playground, Surface Material	\$0	\$0	\$0	\$4,038	\$0	\$0	\$0	\$4,545	\$0	\$0
General Site - Equipment, Tennis Court	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,630
General Site - Equipment, B'ball Court	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - B'ball Court, Surface Color Coat & Repair	\$0	\$0	\$0	\$0	\$7,790	\$0	\$0	\$0	\$0	\$0
General Site - Tennis Court, Surface Color Coat & Repair	\$0	\$0	\$0	\$0	\$15,882	\$0	\$0	\$0	\$0	\$0
General Site - Equipment, Picnic Tables	\$0	\$0	\$2,852	\$0	\$0	\$3,116	\$0	\$0	\$3,405	\$0
General Site - Park Shelters, Maintenance & Repair	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,107	\$0
General Site - Dog Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,445
Annual Expenditure	\$55,967	\$85,788	\$2,852	\$25,295	\$31,991	\$26,485	\$20,364	\$32,602	\$119,128	\$45,197

YEARS 11 THROUGH 20



RESERVE EXPENSES 21-30 YEARS

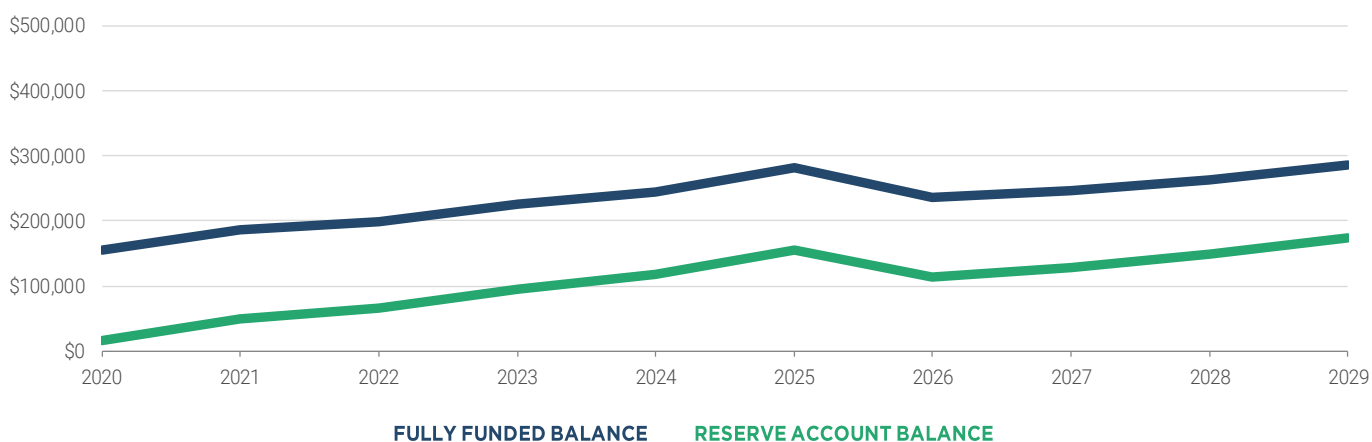
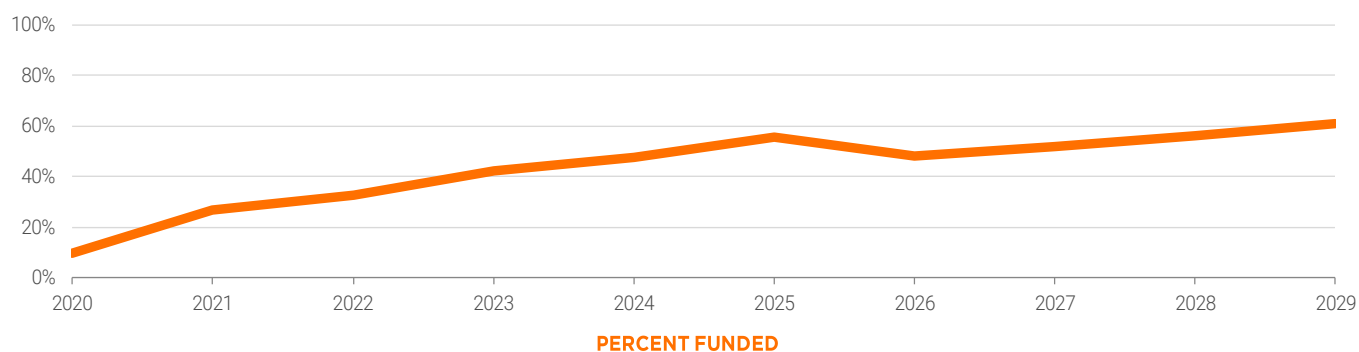
Component	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Pool House - Bldg Exterior, Roof	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool House - Bldg Exterior, Gutters & Downspouts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool House - Bldg Exterior, Caulk & Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,008	\$0
Pool House - Bldg Exterior, Siding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool House - Bldg Exterior, Windows & Doors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,576	\$0
Pool House - Bldg Interior, Remodel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool House - Electrical, Security System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,576	\$0
Pool House - Plumbing, Water Heater	\$0	\$0	\$0	\$0	\$0	\$2,879	\$0	\$0	\$0	\$0
Pool - Repair & Resurface	\$49,487	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool - Coping, Replace	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool - Equipment, Pump & Filters	\$0	\$9,301	\$0	\$0	\$0	\$0	\$10,783	\$0	\$0	\$0
Pool - Equipment, Heaters	\$0	\$0	\$11,640	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Concrete Sidewalk [5% Limited Repair]	\$0	\$0	\$0	\$0	\$0	\$7,381	\$0	\$0	\$0	\$0
General Site - Landscape, Tree Felling & Removal	\$0	\$14,836	\$0	\$15,739	\$0	\$16,698	\$0	\$17,715	\$0	\$18,794
General Site - Landscape, Tree & Shrub Replacement	\$0	\$6,511	\$0	\$6,908	\$0	\$7,328	\$0	\$7,775	\$0	\$8,248
General Site - Landscape, Irrigation System	\$9,934	\$0	\$0	\$10,855	\$0	\$0	\$11,861	\$0	\$0	\$12,961
General Site - Signage, Miscellaneous	\$0	\$0	\$0	\$1,974	\$0	\$0	\$0	\$0	\$2,288	\$0
General Site - Bridge @ Lake Debra Jane, Replace	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,116	\$0
General Site - Fence, Chain Link 10'	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 6'	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 4'	\$51,257	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Wood Split Rail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Playground, Equipment @ Upper Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Playground, Equipment @ Lower Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Playground, Surface Material	\$0	\$5,116	\$0	\$0	\$0	\$5,758	\$0	\$0	\$0	\$6,481
General Site - Equipment, Tennis Court	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,535
General Site - Equipment, B'ball Court	\$0	\$0	\$0	\$0	\$0	\$2,984	\$0	\$0	\$0	\$0
General Site - B'ball Court, Surface Color Coat & Repair	\$0	\$0	\$9,868	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Tennis Court, Surface Color Coat & Repair	\$0	\$0	\$20,119	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Equipment, Picnic Tables	\$0	\$3,721	\$0	\$0	\$4,066	\$0	\$0	\$4,443	\$0	\$0
General Site - Park Shelters, Maintenance & Repair	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,864	\$0
General Site - Dog Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Expenditure	\$110,678	\$39,485	\$41,627	\$35,475	\$4,066	\$43,027	\$22,644	\$29,932	\$146,427	\$50,018

YEARS 21 THROUGH 30



FULL FUNDING PLAN 1-10 YEARS

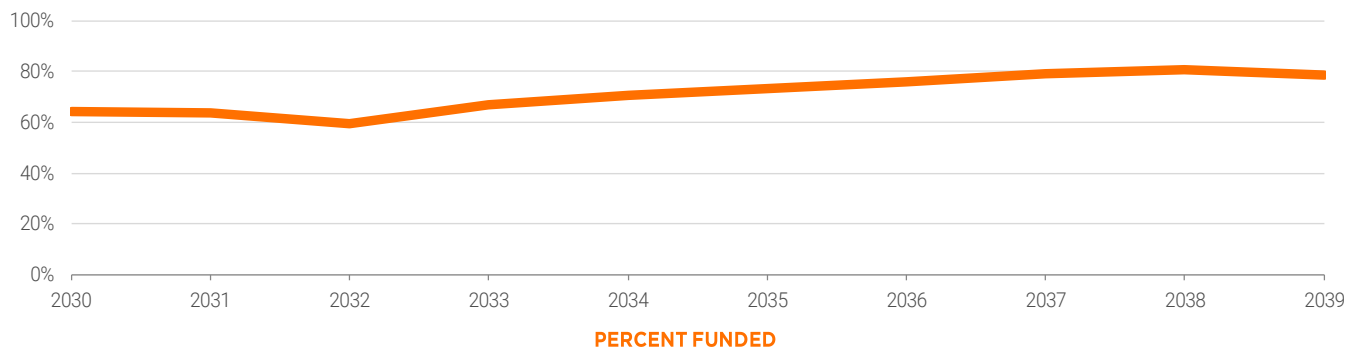
YEAR 1 - 10	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Fully Funded Balance	\$155,610	\$186,309	\$198,313	\$225,868	\$244,796	\$281,437	\$236,383	\$246,699	\$263,882	\$285,201
Percentage Funded (%)	10%	26%	33%	42%	48%	55%	48%	52%	56%	61%
Beginning Balance	\$15,064	\$49,293	\$64,767	\$95,282	\$116,925	\$155,530	\$114,053	\$127,945	\$148,537	\$172,992
Reserve Contribution	\$34,203	\$35,230	\$36,286	\$37,375	\$38,496	\$39,651	\$40,841	\$42,066	\$43,328	\$44,628
Avg Unit Contribution (mth)	\$6.42	\$6.61	\$6.81	\$7.01	\$7.23	\$7.44	\$7.67	\$7.90	\$8.13	\$8.38
Contribution Increase (%)		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	\$26	\$46	\$64	\$85	\$109	\$108	\$97	\$111	\$129	\$147
Reserve Expenditures	\$0	\$19,802	\$5,835	\$15,817	\$0	\$81,236	\$27,045	\$21,584	\$19,002	\$23,127
ENDING BALANCE	\$49,293	\$64,767	\$95,282	\$116,925	\$155,530	\$114,053	\$127,945	\$148,537	\$172,992	\$194,640





FULL FUNDING PLAN 11-20 YEARS

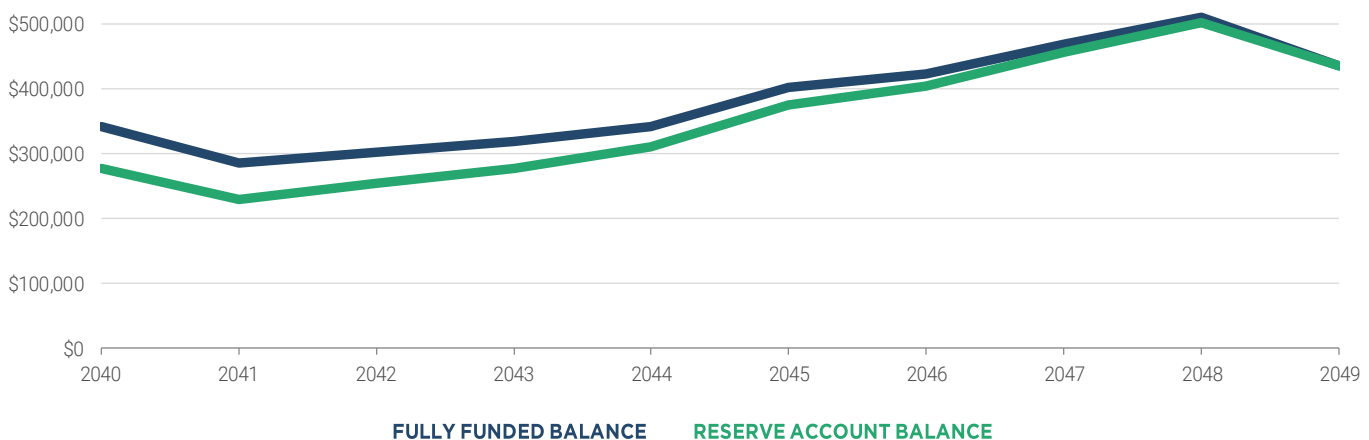
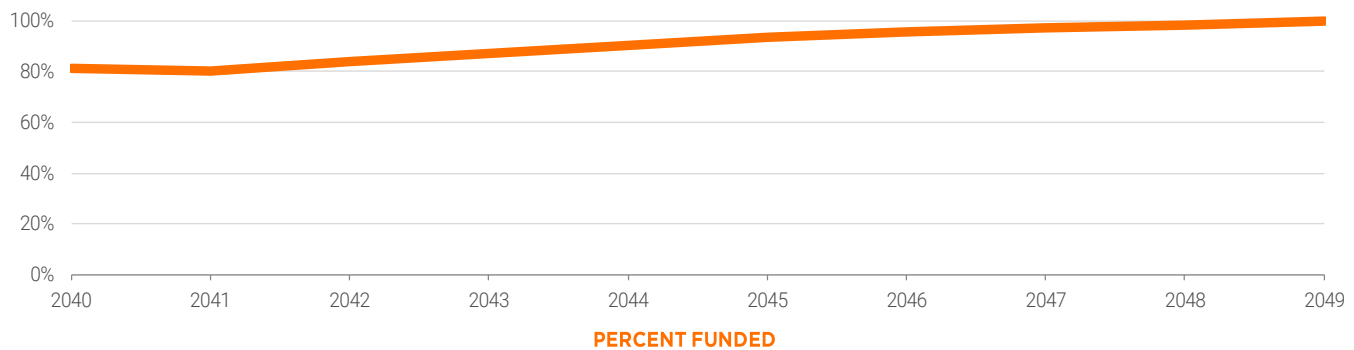
YEAR 11 - 20	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Fully Funded Balance	\$303,900	\$290,352	\$246,733	\$288,311	\$309,132	\$324,828	\$347,847	\$379,078	\$399,894	\$333,504
Percentage Funded (%)	64%	64%	59%	67%	70%	73%	76%	79%	81%	79%
Beginning Balance	\$194,640	\$184,791	\$146,481	\$192,531	\$217,629	\$237,555	\$264,558	\$299,307	\$323,486	\$262,822
Reserve Contribution	\$45,967	\$47,346	\$48,766	\$50,229	\$51,736	\$53,288	\$54,887	\$56,533	\$58,229	\$59,976
Avg Unit Contribution (mth)	\$8.63	\$8.89	\$9.15	\$9.43	\$9.71	\$10.00	\$10.30	\$10.61	\$10.93	\$11.26
Contribution Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	\$152	\$132	\$136	\$164	\$182	\$201	\$225	\$249	\$234	\$216
Reserve Expenditures	\$55,967	\$85,788	\$2,852	\$25,295	\$31,991	\$26,485	\$20,364	\$32,602	\$119,128	\$45,197
ENDING BALANCE	\$184,791	\$146,481	\$192,531	\$217,629	\$237,555	\$264,558	\$299,307	\$323,486	\$262,822	\$277,818





FULL FUNDING PLAN 21-30 YEARS

YEAR 21 - 30	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Fully Funded Balance	\$342,600	\$285,893	\$302,224	\$318,291	\$342,673	\$401,680	\$423,913	\$469,444	\$510,518	\$434,568
Percentage Funded (%)	81%	80%	84%	87%	90%	94%	95%	97%	98%	100%
Beginning Balance	\$277,818	\$229,117	\$253,454	\$277,576	\$309,839	\$375,577	\$404,476	\$455,939	\$502,366	\$434,568
Reserve Contribution	\$61,775	\$63,629	\$65,537	\$67,504	\$69,529	\$71,614	\$73,763	\$75,976	\$78,255	\$80,603
Avg Unit Contribution (mth)	\$11.59	\$11.94	\$12.30	\$12.67	\$13.05	\$13.44	\$13.84	\$14.26	\$14.69	\$15.13
Contribution Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	\$203	\$193	\$212	\$235	\$274	\$312	\$344	\$383	\$375	\$360
Reserve Expenditures	\$110,678	\$39,485	\$41,627	\$35,475	\$4,066	\$43,027	\$22,644	\$29,932	\$146,427	\$50,018
ENDING BALANCE	\$229,117	\$253,454	\$277,576	\$309,839	\$375,577	\$404,476	\$455,939	\$502,366	\$434,568	\$465,513





PHYSICAL ANALYSIS

This section of the report provides specific information regarding the physical condition of the property and common area assets. The data that follows is a result of the visual [non-intrusive] site review.

SITE INSPECTION

An on-site field survey was conducted to assess the general condition of the property and its reserve components. The survey was visual in nature, and no destructive or invasive testing was conducted. Observations were recorded using a representative sampling of the Association's common areas and reserve components. The component inventory and associated field measurements were also substantiated as part of the inspection. Due to the general and non-invasive nature of the site inspection, RSG cannot comment on components and conditions not visible to the naked eye.

COMPONENT INVENTORY

The component inventory summarizes associated costs of each reserve component, and additionally highlights those components which require further review. The inventory provides a visual reference point for understanding the Association's common area responsibilities.



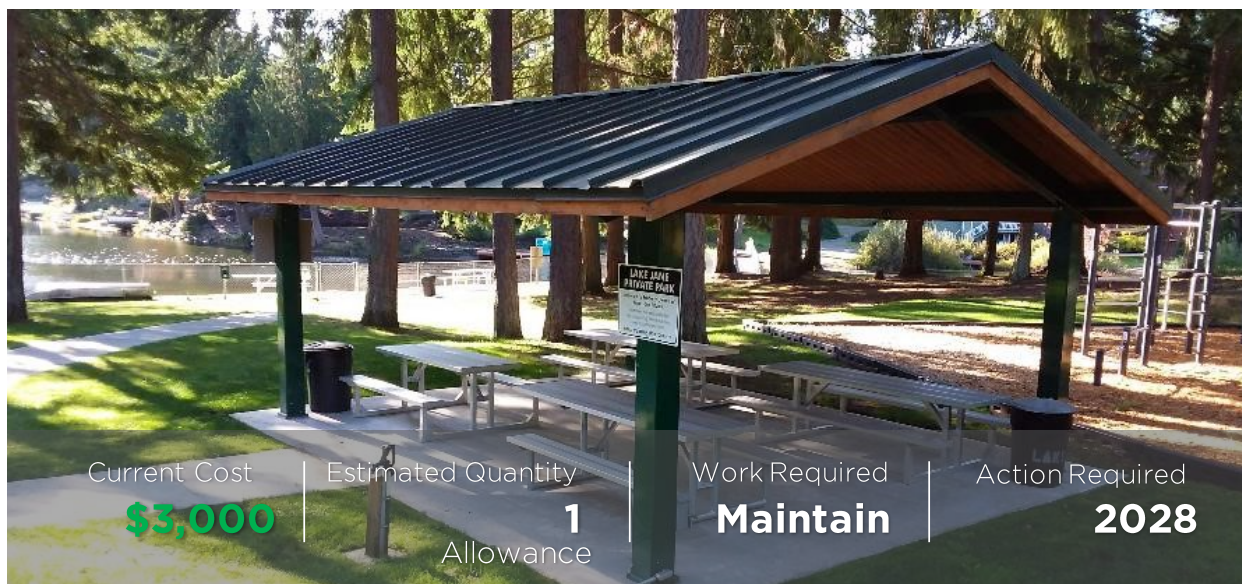
COMPONENT INVENTORY

The following inventory summarizes the key data points of each reserve component funded through the Association's reserves. The list of components is unique to the Association and may serve as a general guide in determining the current condition and level of care needed to adequately maintain each component.

Understanding the Component Inventory

The information is intended to visually simplify and summarize the key points of information on a component by component basis.

General Site - Park Shelters, Maintenance & Repair



The orange badge highlights reserve components that are significant in nature, accounting for more than 5% of the Association's total reserve funding budget. The Association should give greater consideration to the maintenance and ongoing review of these particular items.



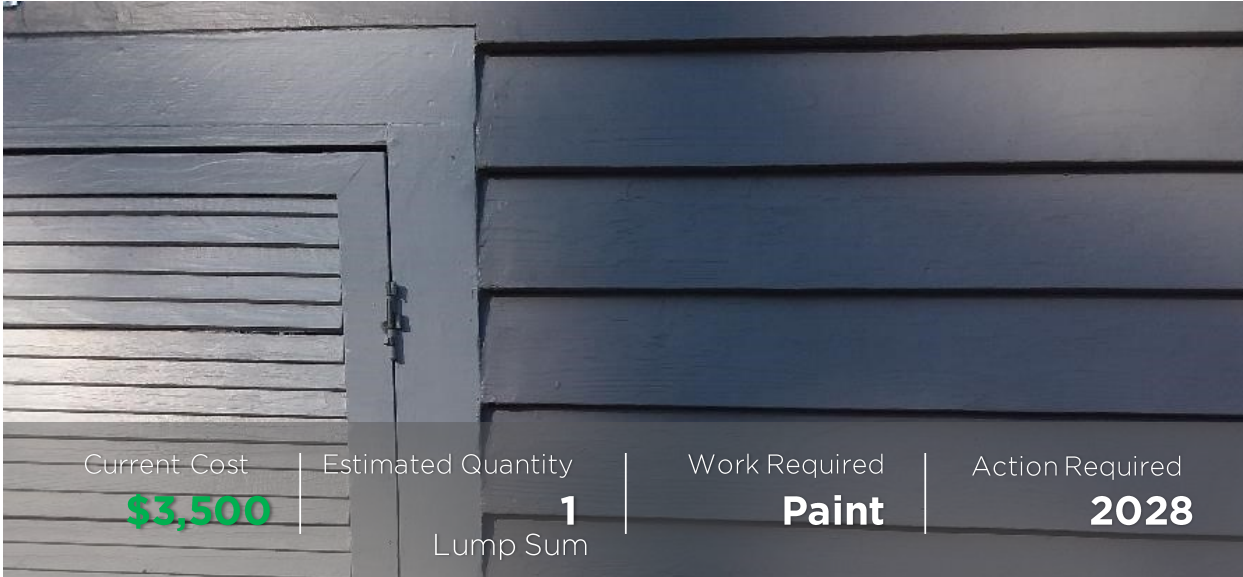
Pool House - Bldg Exterior, Roof

Current Cost	Estimated Quantity	Work Required	Action Required
\$7,200	12 Squares	Replace	2036

Pool House - Bldg Exterior, Gutters & Downspouts

Current Cost	Estimated Quantity	Work Required	Action Required
\$490	70 LF	Replace	2036

Pool House - Bldg Exterior, Caulk & Paint



Current Cost	Estimated Quantity	Work Required	Action Required
\$3,500	1 Lump Sum	Paint	2028

Pool House - Bldg Exterior, Siding

Current Cost	Estimated Quantity	Work Required	Action Required
\$20,475	1,365 SF	Replace	2038



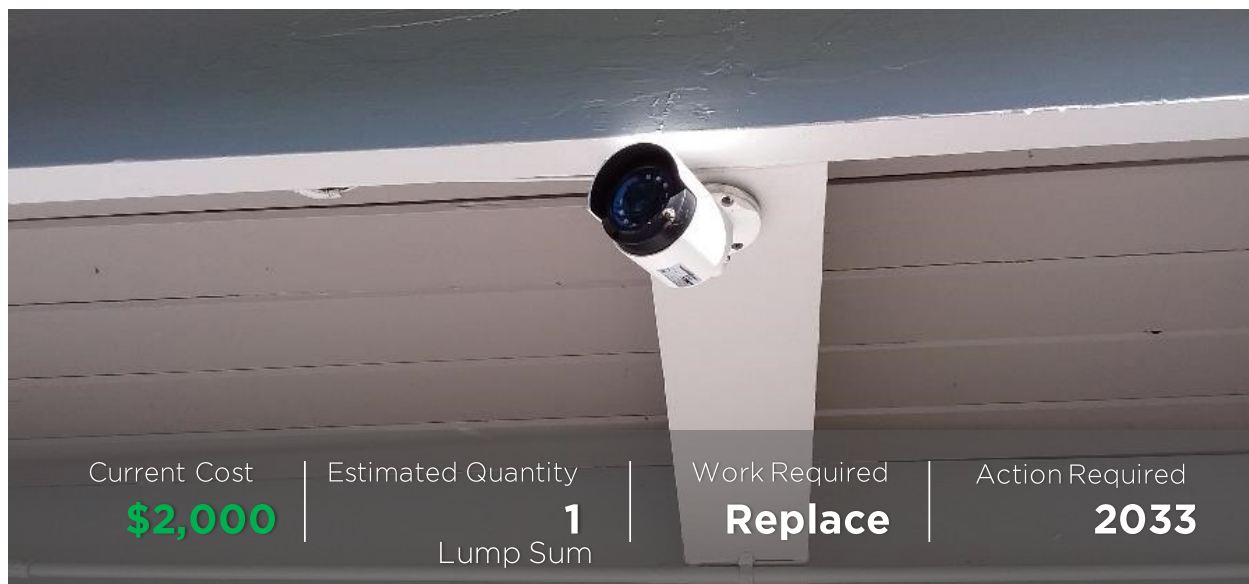
Pool House - Bldg Exterior, Windows & Doors

Current Cost	Estimated Quantity	Work Required	Action Required
\$2,000	1 Allowance	Replace	2028

Pool House - Bldg Interior, Remodel

Current Cost	Estimated Quantity	Work Required	Action Required
\$22,000	1 Lump Sum	Remodel	2038

Pool House - Electrical, Security System



Pool House - Plumbing, Water Heater

Current Cost	Estimated Quantity	Work Required	Action Required
\$1,375	1 Each	Replace	2030




Pool - Repair & Resurface



A wide-angle photograph of an outdoor swimming pool. The pool is filled with clear blue water and is surrounded by a concrete deck. A chain-link fence is visible in the background, and there are some trees and a building in the distance.

Current Cost	Estimated Quantity	Work Required	Action Required
\$27,400	1 Lump Sum	Resurface	2025

Pool - Coping, Replace



A close-up photograph of the pool's coping, which is the concrete edge of the pool. The coping appears to be made of a textured material and shows some signs of wear and discoloration. The blue water of the pool is visible in the background.

Current Cost	Estimated Quantity	Work Required	Action Required
\$18,000	180 LF	Replace	2025



Pool - Equipment, Pump & Filters

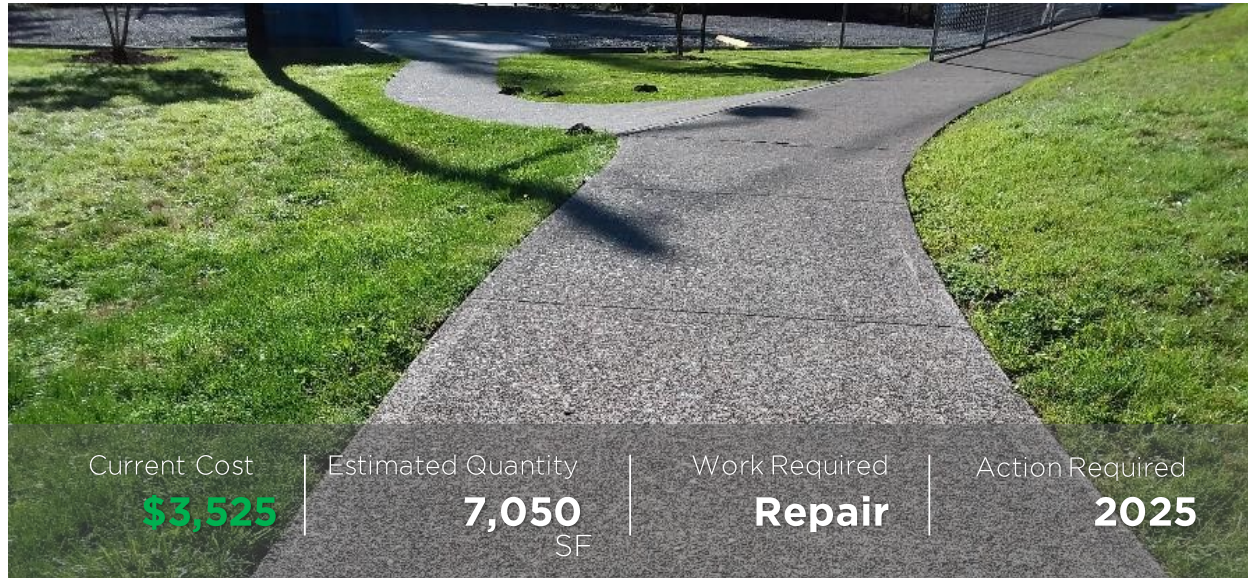


Pool - Equipment, Heaters





General Site - Concrete Sidewalk [5% Limited Repair]



Current Cost	Estimated Quantity	Work Required	Action Required
\$3,525	7,050 SF	Repair	2025

General Site - Landscape, Tree Felling & Removal

Current Cost	Estimated Quantity	Work Required	Action Required
\$7,975	1 Allowance	Maintain	2021

General Site - Landscape, Tree & Shrub Replacement


Current Cost	Estimated Quantity	Work Required	Action Required
\$3,500	1 Allowance	Replace	2021

General Site - Landscape, Irrigation System

Current Cost	Estimated Quantity	Work Required	Action Required
\$5,500	1 Allowance	Repair	2022



General Site - Signage, Miscellaneous



A photograph of a large, rectangular sign for Lake Jane Pool. The sign is white with a dark green border and is mounted on two dark green posts. It features a logo at the top with a tree and a mountain, and the text "EST. 1959", "LAKE JANE POOL", and "MEMBERS & GUESTS WELCOME".

Current Cost	Estimated Quantity	Work Required	Action Required
\$1,000	1 Allowance	Replace	2023

General Site - Bridge @ Lake Debra Jane, Replace



A photograph of a long, narrow wooden bridge with a metal railing, crossing a body of water. The bridge is supported by several wooden posts. The surrounding area is lush with green trees and grass.

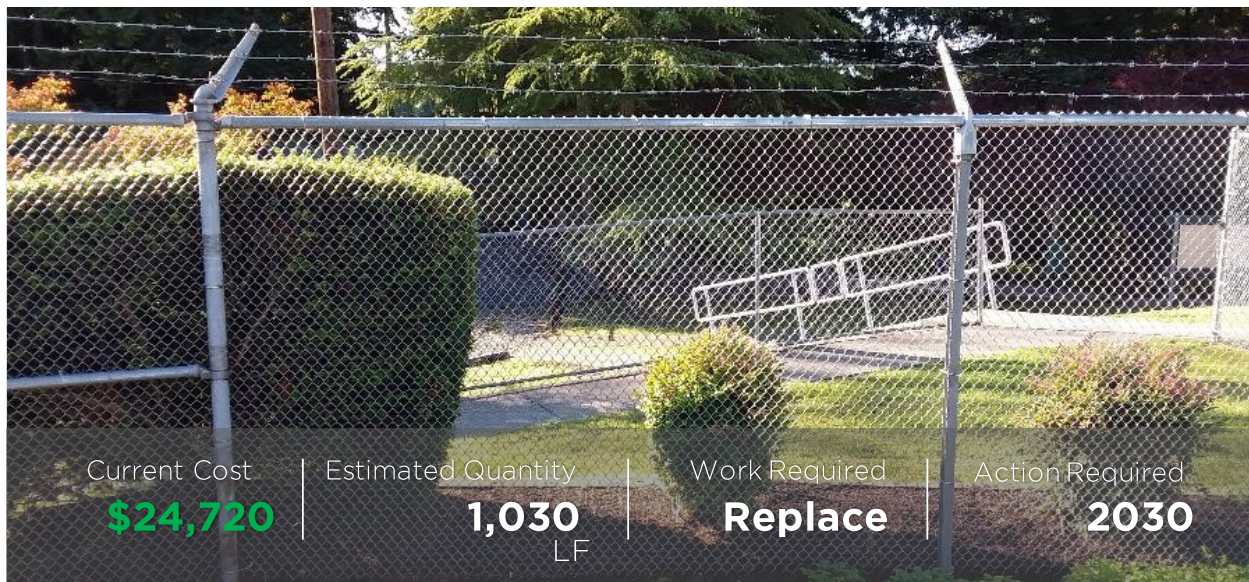
Current Cost	Estimated Quantity	Work Required	Action Required
\$52,500	1 Lump Sum	Replace	2048



General Site - Fence, Chain Link 10'




General Site - Fence, Chain Link 6'





General Site - Fence, Chain Link 4'



Current Cost	Estimated Quantity	Work Required	Action Required
\$28,380	1,290 LF	Replace	2040

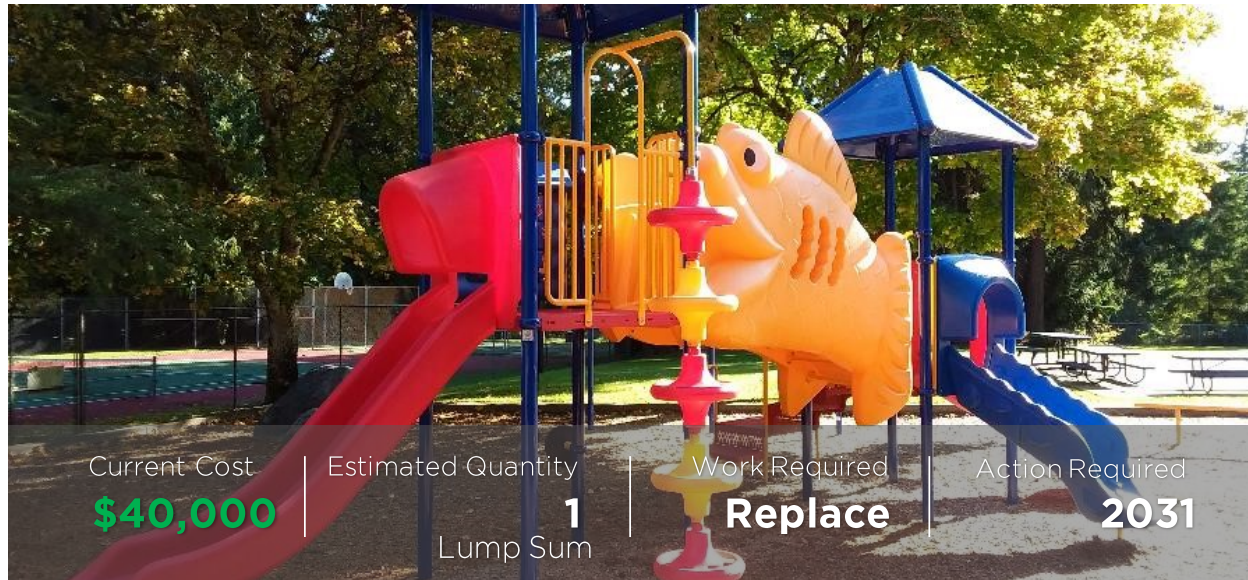
General Site - Fence, Wood Split Rail



Current Cost	Estimated Quantity	Work Required	Action Required
\$750	50 LF	Replace	2030



General Site - Playground, Equipment @ Upper Park



Current Cost \$40,000	Estimated Quantity 1 Lump Sum	Work Required Replace	Action Required 2031
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General Site - Playground, Equipment @ Lower Park

Current Cost \$16,000	Estimated Quantity 1 Lump Sum	Work Required Replace	Action Required 2038
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General Site - Playground, Surface Material

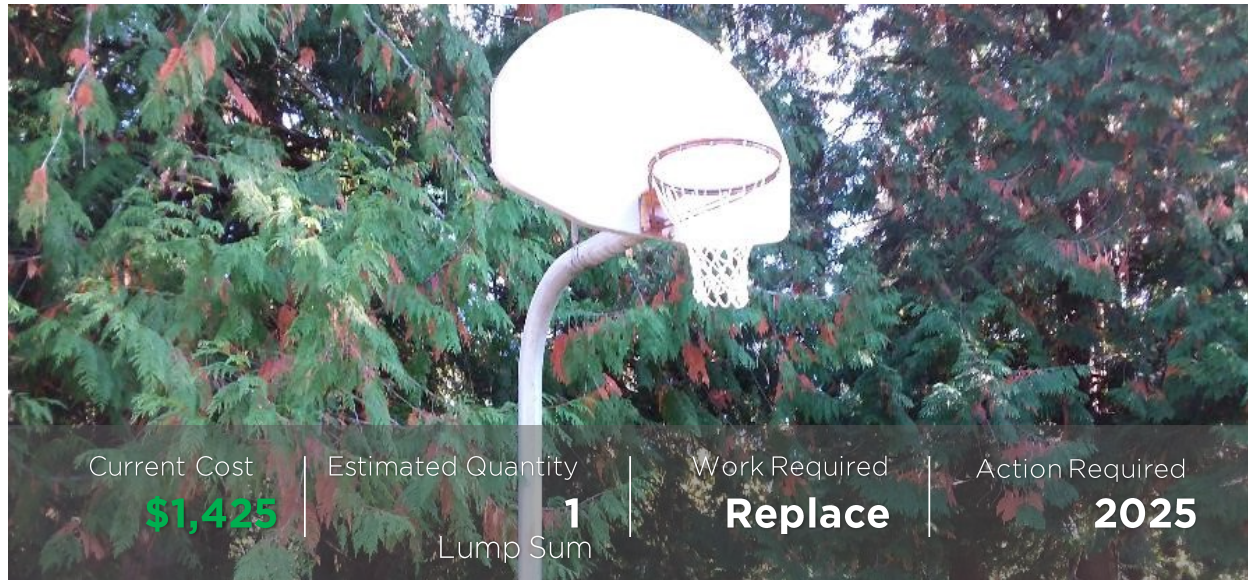
Current Cost \$2,750	Estimated Quantity 1 Lump Sum	Work Required Replace	Action Required 2021
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General Site - Equipment, Tennis Court

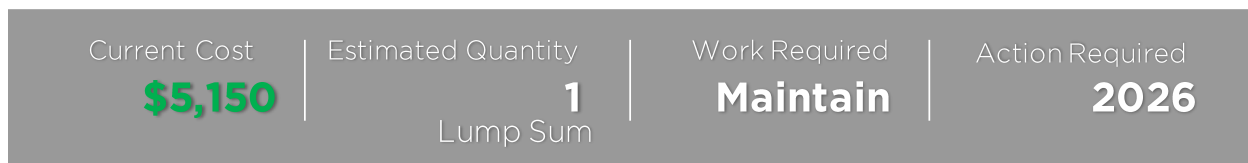
Current Cost \$1,500	Estimated Quantity 1 Lump Sum	Work Required Replace	Action Required 2029
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General Site - Equipment, B'ball Court



General Site - B'ball Court, Surface Color Coat & Repair



General Site - Tennis Court, Surface Color Coat & Repair



General Site - Equipment, Picnic Tables





General Site - Dog Park

Current Cost	Estimated Quantity	Work Required	Action Required
\$12,800	1 Lump Sum	Replace	2039



DISCLOSURES

As a guideline for establishing and spending reserves, it is assumed that the reserve study will be regularly updated to address the Association's changing physical and financial circumstances. As such this report is valid at the date shown and Reserve Study Group, LLC (RSG) cannot be held responsible for subsequent changes in physical/chemical environmental conditions and/or legislation over which we have no control.

This reserve study is based on visual inspections of the physical plant's major components. No invasive or destructive testing, or testing of materials was conducted during the inspections, or at any other time during the preparation of this report. It is assumed that all building and ancillary components have been designed and constructed properly and that life cycles will approximate normal industry performance standards. RSG shall not be responsible for accurate determination of remaining life expectancies of components that may have been improperly designed and constructed. Our opinions of the remaining life expectancy of the property's components do not represent a guarantee or warranty of performance in relation to the product, materials or workmanship.

Cost estimates used represent a preliminary opinion only and are neither a quote nor a warranty of actual costs that may be incurred. These estimates are based on typical cost data that may not fully characterize the scope of the underlying property conditions. It should be anticipated that actual cost outcomes will be impacted by varying physical and economic conditions, maintenance practices, changes in technology, and future regulatory actions.

The authors of this report make no representation or warranty, expressed or implied, with respect to the contents of this publication or any part thereof and cannot accept any legal responsibility or liability for any inaccuracies, errors or omissions contained in this publication or any part thereof. Our best professional judgment has been used, however certain facts forming the basis of this report are subject to professional interpretation and differing conclusions could be reached.

RSG nor any of its representatives, agents or employees maintain management roles or vested interest in, or have other business relationships with the Association. There is no perceived or actual conflicts of interest between RSG and the Association. Our reserve studies are prepared by a reserve study professional and also comply with the requirements of the Washington Unified Common Interest Act (WUCIOA).

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



GLOSSARY OF TERMS

Component

The individual line items in the Reserve Study which are included in the Physical Analysis. These elements form the building blocks for the Reserve Study.

Estimated Useful Life

The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed in its present application or installation.

Fully Funded

When the actual (or projected) Reserve balance is equal to the Fully Funded Balance.

Fully Funded Balance (FFB)

The Reserve balance that is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This number is calculated for each component, then summed together for an Association total.

$$\text{FFB} = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$$

Percent Funded

The ratio, at a particular point of time, of the actual Reserve Balance to the Fully Funded Balance (FFB), expressed as a percentage.

Remaining Useful Life

The estimated time, in years, that a Reserve Component can be expected to continue to service its intended function. Projects anticipated to occur in the initial year have a “zero” Remaining Life.

Unit Cost Estimate

The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition. The Current Replacement Cost would be the cost to replace, repair, or restore the component during the current year.

Unit of Measure

Various units of measure have been used to quantify the amounts and costs in relation to each reserve component. Below are the key units used as part of this report.

SF = Square Foot
LF = Linear Foot

SY = Square Yard
SQUARE = 100 Square Feet (Roofing)

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