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CHRISTIAN COLUNGA
CAI-RS
00208
DESIGNATION
RESERVE SPECIALIST

Report #: 26109-4
Beginning: January 1, 2024
Expires: December 31, 2024

RESERVE STUDY
Update "With-Site-Visit"

June 30, 2023

Welcome to your Reserve Study!

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

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

In this Report, you will find three key results:

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

Questions?

Please contact your Project Manager directly.

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Table of Contents

Reserve Study Executive Summary — With-Site-Visit

Siena del Lago
Seattle, WA
Level of Service: **Update "With-Site-Visit"**

Report #: **26109-4**
# of Units: 12
January 1, 2024 through **December 31, 2024**

Findings & Recommendations — as of January 1, 2024

Starting Reserve Balance	**$138,494**
Current Fully Funded Reserve Balance	**$359,964**
Percent Funded	**38.5 %**
Average Reserve (Deficit) or Surplus Per Unit	**($18,456)**
Recommended 2024 100% Monthly "Full Funding" Contributions	**$4,140**
Recommended 2024 70% Monthly "Threshold Funding" Contributions	**$3,720**
2024 "Baseline Funding" minimum to keep Reserves above $0	**$3,100**
Most Recent Budgeted Contribution Rate	**$2,000**

Reserve Fund Strength: 38.5%

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

Risk of Special Assessment: High | Medium | Low

Economic Assumptions:

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

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

• Your Reserve Fund is currently 38.5 % Funded. This means the association's special assessment & deferred maintenance risk is currently Medium. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of such Reserve cash flow problems. The current annual deterioration of your reserve components is $35,526 - see Component Significance table.

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

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

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
	Site & Grounds			
110	Site Stairs - Replace	10	8	$3,000
135	Vehicle Gate - Replace	40	6	$5,400
143	Perimeter Walls - Clean/Recoat	24	14	$3,650
	Pool			
300	Pool Building/Rails - Repair/Paint	12	2	$12,800
301	Pool Building - Refurbish	48	14	$27,100
302	Pool Deck - Replace	48	14	$8,000
303	Pool Deck - Recoat/Resurface	12	2	$5,650
304	Pool - Resurface	15	2	$19,500
305	Pool - Retile	30	26	$4,685
307	Pool Heater - Replace	15	2	$3,300
309	Pool Cover- Replace	15	2	$6,550
	Building Exteriors			
502	Concrete Tile Roof - Replace	50	46	$238,000
504	Concrete Tile Roof - Inspect/Repair	50	23	$79,800
514	Chimney Shrouds & Caps - Replace	50	46	$18,000
516	Gutters & Downspouts- Replace	32	21	$12,800
528	Stucco Siding - Repair/Recoat	32	21	$74,500
533	Exterior Surfaces - Paint & Caulk	12	2	$11,150
534	Sealants - Remove & Replace	16	2	$12,050
535	Windows/Glass Doors - Replace	32	21	$175,000
543	Traffic Coated Surfaces - Recoat	5	0	$45,450
550	Metal Decks - Refurbish	36	21	$12,900
555	Deck Rails - Replace	36	21	$51,550
556	Deck Rails - Clean & Paint	12	2	$20,050
560	Exterior Lights - Replace	32	21	$4,200
605	West Garage Gate - Replace	40	6	$5,450
	Systems & Equipment			
900	Plumbing - Systems Evaluation	50	0	$9,250
945	Surveillance System - Replace	12	4	$1,750
951	Exterior Gate Operator - Replace	15	3	$3,100
952	West Garage Door Operator-Replace	15	2	$3,100
953	North Garage Door Operator-Replace	15	14	$3,100
961	Fire Alarm Panel - Replace	20	7	$3,850
31	**Total Funded Components**			

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

Introduction

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

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

RESERVE STUDY RESULTS

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

Methodology

For this Update With-Site-Visit Reserve Study, we started with a review of your prior Reserve Study, then looked into recent Reserve expenditures, evaluated how expenditures are handled (ongoing maintenance vs Reserves), and researched any well-established association precedents. We performed an on-site inspection to evaluate your common areas, updating and adjusting your Reserve Component List as appropriate.

Which Physical Assets are Funded by Reserves?

RESERVE COMPONENT "FOUR-PART TEST"

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

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

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

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

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

How much Reserves are enough?

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

Adequacy is measured in a two-step process:

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

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

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

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

How much should we contribute?

RESERVE FUNDING PRINCIPLES

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

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

What is our Recommended Funding Goal?

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

FUNDING OBJECTIVES

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

Site Inspection Notes

During our site visit on 6/7/2023, we visually inspected all visible common areas, while compiling a photographic inventory, noting: general exterior observations, make & model information where appropriate, apparent levels of care and maintenance, exposure to weather elements and other factors that may affect the components useful life.

Projected Expenses

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

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

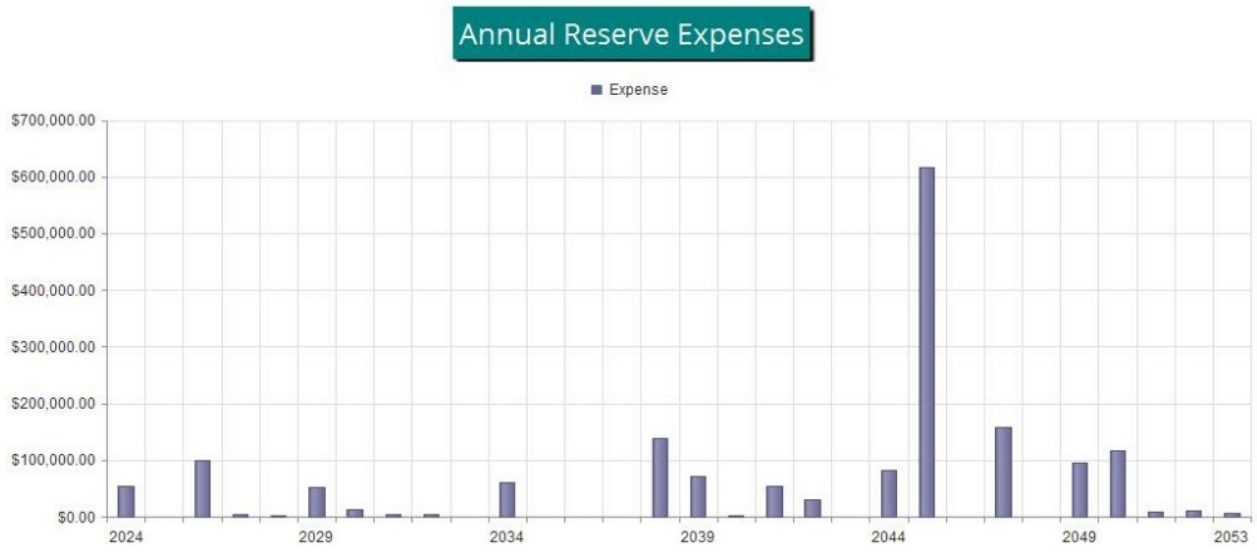


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be $138,494 as-of the start of your Fiscal Year on 1/1/2024. As of that date, your Fully Funded Balance is computed to be $359,964 (see Fully Funded Balance Table). This figure represents the deteriorated value of your common area components.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of $4,140 per month this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary Table and the Cash Flow Detail Table.

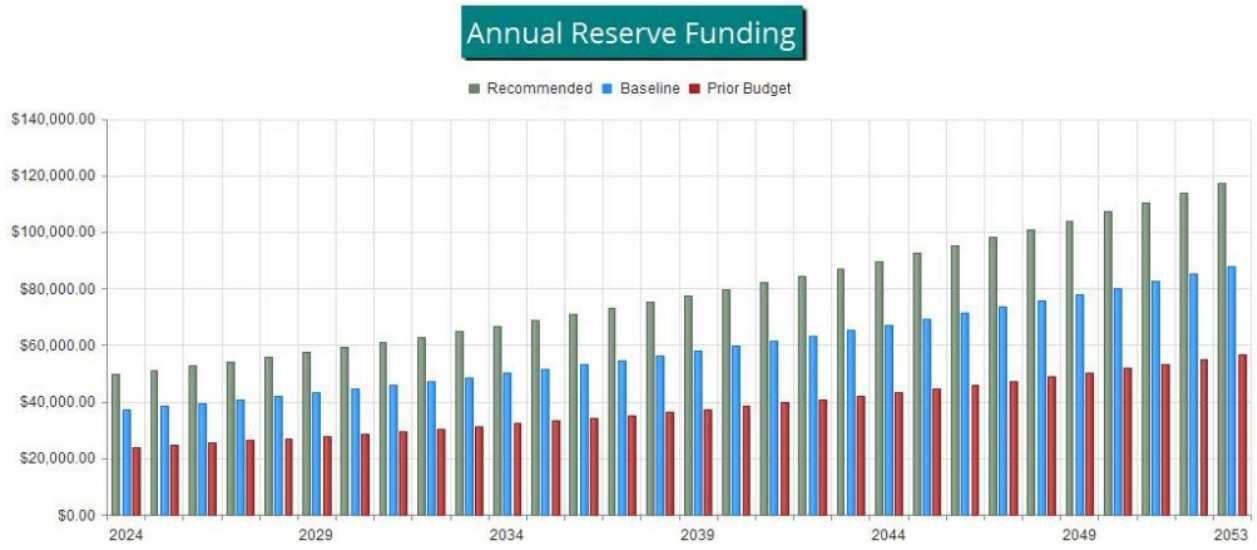


Figure 2

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

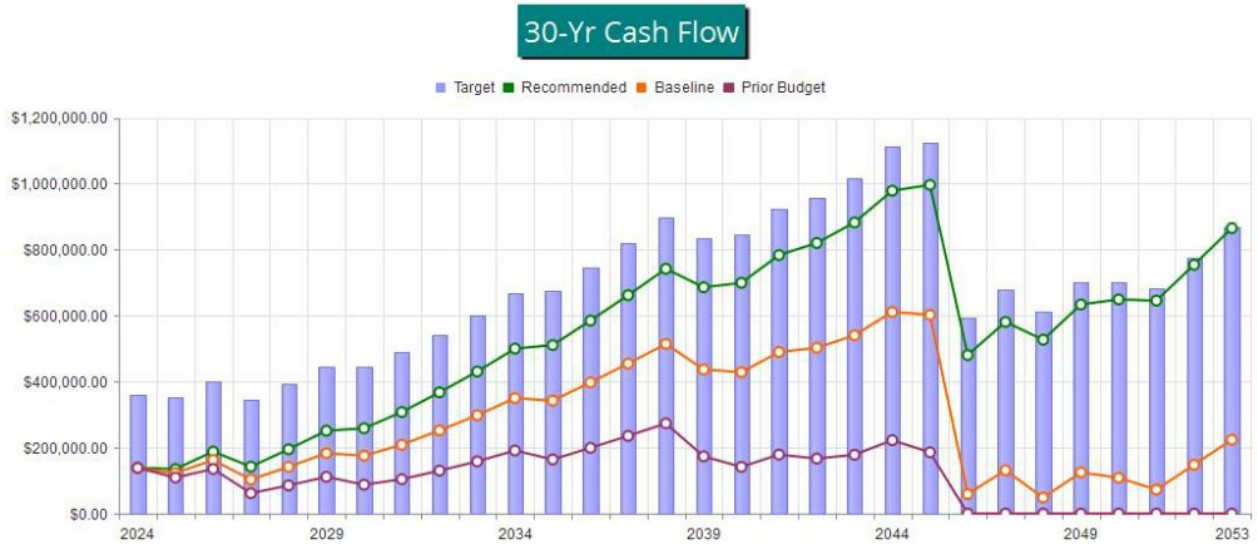


Figure 3

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

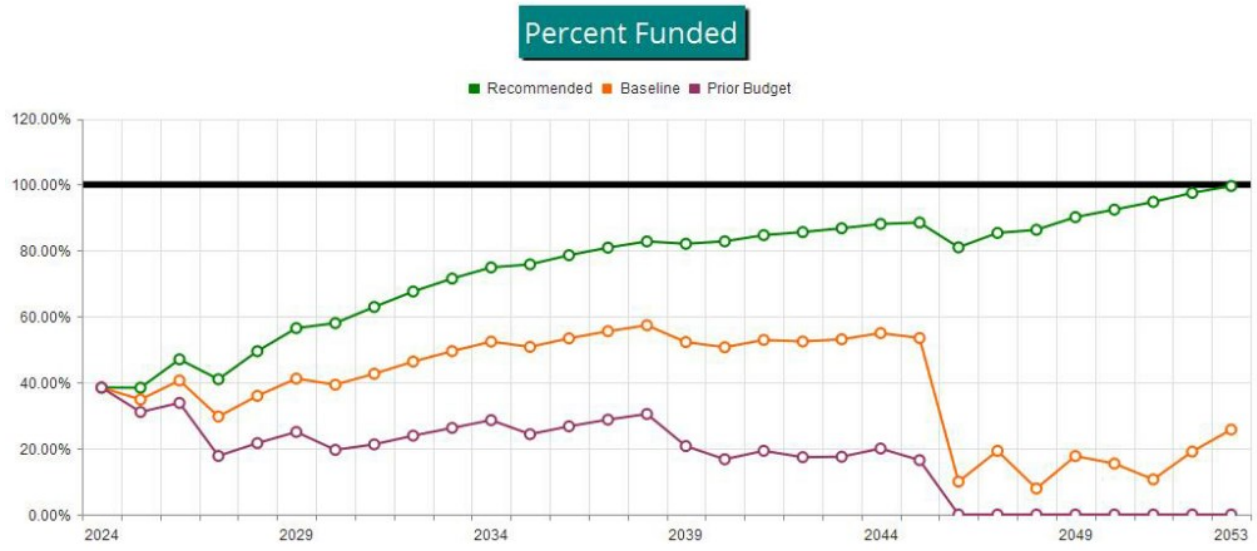


Figure 4

Table Descriptions

Executive Summary is a summary of your Reserve Components

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

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

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

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

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

#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate	
					Best Case	Worst Case
	Site & Grounds					
110	Site Stairs - Replace	(6) Concrete Sets	10	8	$2,000	$4,000
135	Vehicle Gate - Replace	12' x 6' / Metal	40	6	$4,500	$6,300
143	Perimeter Walls - Clean/Recoat	~2,200 SF/Stucco & Brick	24	14	$3,100	$4,200
	Pool					
300	Pool Building/Rails - Repair/Paint	~1,400 SF	12	2	$10,900	$14,700
301	Pool Building - Refurbish	~ 1,400 SF	48	14	$21,700	$32,500
302	Pool Deck - Replace	~ 800 SF / Concrete	48	14	$6,400	$9,600
303	Pool Deck - Recoat/Resurface	~ 800 SF	12	2	$5,100	$6,200
304	Pool - Resurface	~ 540 SF / Plaster	15	2	$16,000	$23,000
305	Pool - Retile	~ 120 LF	30	26	$4,530	$4,840
307	Pool Heater - Replace	1 Raypak	15	2	$2,800	$3,800
309	Pool Cover- Replace	~12' x 45' / Auto Solar	15	2	$5,600	$7,500
	Building Exteriors					
502	Concrete Tile Roof - Replace	~12,000 SF	50	46	$204,000	$272,000
504	Concrete Tile Roof - Inspect/Repair	Underlayment/Structure	50	23	$67,800	$91,800
514	Chimney Shrouds & Caps - Replace	8 shrouds & 12 caps	50	46	$15,200	$20,800
516	Gutters & Downspouts- Replace	~ 800 LF / Metal	32	21	$10,400	$15,200
528	Stucco Siding - Repair/Recoat	~ 11,000 SF	32	21	$67,000	$82,000
533	Exterior Surfaces - Paint & Caulk	Wood Trim and Doors	12	2	$9,400	$12,900
534	Sealants - Remove & Replace	~ 1,500 LF	16	2	$9,800	$14,300
535	Windows/Glass Doors - Replace	~ 94 windows & 16 doors	32	21	$142,000	$208,000
543	Traffic Coated Surfaces - Recoat	~2,100 SF / Elastomeric	5	0	$36,800	$54,100
550	Metal Decks - Refurbish	~ 400 SF	36	21	$10,300	$15,500
555	Deck Rails - Replace	~ 410 LF / Metal	36	21	$47,100	$56,000
556	Deck Rails - Clean & Paint	~ 410 LF / Metal	12	2	$14,800	$25,300
560	Exterior Lights - Replace	30 fixtures	32	21	$3,600	$4,800
605	West Garage Gate - Replace	1 Metal	40	6	$4,600	$6,300
	Systems & Equipment					
900	Plumbing - Systems Evaluation	Supply, drains, etc.	50	0	$8,000	$10,500
945	Surveillance System - Replace	(4) Cameras / DVR	12	4	$1,400	$2,100
951	Exterior Gate Operator - Replace	1 DoorKing	15	3	$2,600	$3,600
952	West Garage Door Operator-Replace	1 DoorKing	15	2	$2,600	$3,600
953	North Garage Door Operator-Replace	1 Stanley	15	14	$2,600	$3,600
961	Fire Alarm Panel - Replace	(1) Addressable Panel	20	7	$3,300	$4,400
31	Total Funded Components					

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
	Site & Grounds							
110	Site Stairs - Replace	$3,000	X	2	/	10	=	$600
135	Vehicle Gate - Replace	$5,400	X	34	/	40	=	$4,590
143	Perimeter Walls - Clean/Recoat	$3,650	X	10	/	24	=	$1,521
	Pool							
300	Pool Building/Rails - Repair/Paint	$12,800	X	10	/	12	=	$10,667
301	Pool Building - Refurbish	$27,100	X	34	/	48	=	$19,196
302	Pool Deck - Replace	$8,000	X	34	/	48	=	$5,667
303	Pool Deck - Recoat/Resurface	$5,650	X	10	/	12	=	$4,708
304	Pool - Resurface	$19,500	X	13	/	15	=	$16,900
305	Pool - Retile	$4,685	X	4	/	30	=	$625
307	Pool Heater - Replace	$3,300	X	13	/	15	=	$2,860
309	Pool Cover- Replace	$6,550	X	13	/	15	=	$5,677
	Building Exteriors							
502	Concrete Tile Roof - Replace	$238,000	X	4	/	50	=	$19,040
504	Concrete Tile Roof - Inspect/Repair	$79,800	X	27	/	50	=	$43,092
514	Chimney Shrouds & Caps - Replace	$18,000	X	4	/	50	=	$1,440
516	Gutters & Downspouts- Replace	$12,800	X	11	/	32	=	$4,400
528	Stucco Siding - Repair/Recoat	$74,500	X	11	/	32	=	$25,609
533	Exterior Surfaces - Paint & Caulk	$11,150	X	10	/	12	=	$9,292
534	Sealants - Remove & Replace	$12,050	X	14	/	16	=	$10,544
535	Windows/Glass Doors - Replace	$175,000	X	11	/	32	=	$60,156
543	Traffic Coated Surfaces - Recoat	$45,450	X	5	/	5	=	$45,450
550	Metal Decks - Refurbish	$12,900	X	15	/	36	=	$5,375
555	Deck Rails - Replace	$51,550	X	15	/	36	=	$21,479
556	Deck Rails - Clean & Paint	$20,050	X	10	/	12	=	$16,708
560	Exterior Lights - Replace	$4,200	X	11	/	32	=	$1,444
605	West Garage Gate - Replace	$5,450	X	34	/	40	=	$4,633
	Systems & Equipment							
900	Plumbing - Systems Evaluation	$9,250	X	50	/	50	=	$9,250
945	Surveillance System - Replace	$1,750	X	8	/	12	=	$1,167
951	Exterior Gate Operator - Replace	$3,100	X	12	/	15	=	$2,480
952	West Garage Door Operator-Replace	$3,100	X	13	/	15	=	$2,687
953	North Garage Door Operator-Replace	$3,100	X	1	/	15	=	$207
961	Fire Alarm Panel - Replace	$3,850	X	13	/	20	=	$2,503
								$359,964

#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
	Site & Grounds				
110	Site Stairs - Replace	10	$3,000	$300	0.84 %
135	Vehicle Gate - Replace	40	$5,400	$135	0.38 %
143	Perimeter Walls - Clean/Recoat	24	$3,650	$152	0.43 %
	Pool				
300	Pool Building/Rails - Repair/Paint	12	$12,800	$1,067	3.00 %
301	Pool Building - Refurbish	48	$27,100	$565	1.59 %
302	Pool Deck - Replace	48	$8,000	$167	0.47 %
303	Pool Deck - Recoat/Resurface	12	$5,650	$471	1.33 %
304	Pool - Resurface	15	$19,500	$1,300	3.66 %
305	Pool - Retile	30	$4,685	$156	0.44 %
307	Pool Heater - Replace	15	$3,300	$220	0.62 %
309	Pool Cover- Replace	15	$6,550	$437	1.23 %
	Building Exteriors				
502	Concrete Tile Roof - Replace	50	$238,000	$4,760	13.40 %
504	Concrete Tile Roof - Inspect/Repair	50	$79,800	$1,596	4.49 %
514	Chimney Shrouds & Caps - Replace	50	$18,000	$360	1.01 %
516	Gutters & Downspouts- Replace	32	$12,800	$400	1.13 %
528	Stucco Siding - Repair/Recoat	32	$74,500	$2,328	6.55 %
533	Exterior Surfaces - Paint & Caulk	12	$11,150	$929	2.62 %
534	Sealants - Remove & Replace	16	$12,050	$753	2.12 %
535	Windows/Glass Doors - Replace	32	$175,000	$5,469	15.39 %
543	Traffic Coated Surfaces - Recoat	5	$45,450	$9,090	25.59 %
550	Metal Decks - Refurbish	36	$12,900	$358	1.01 %
555	Deck Rails - Replace	36	$51,550	$1,432	4.03 %
556	Deck Rails - Clean & Paint	12	$20,050	$1,671	4.70 %
560	Exterior Lights - Replace	32	$4,200	$131	0.37 %
605	West Garage Gate - Replace	40	$5,450	$136	0.38 %
	Systems & Equipment				
900	Plumbing - Systems Evaluation	50	$9,250	$185	0.52 %
945	Surveillance System - Replace	12	$1,750	$146	0.41 %
951	Exterior Gate Operator - Replace	15	$3,100	$207	0.58 %
952	West Garage Door Operator-Replace	15	$3,100	$207	0.58 %
953	North Garage Door Operator-Replace	15	$3,100	$207	0.58 %
961	Fire Alarm Panel - Replace	20	$3,850	$193	0.54 %
31	Total Funded Components			$35,526	100.00 %

30-Year Reserve Plan Summary

Report # 26109-4
With-Site-Visit

Fiscal Year Start: 2024	Interest: 1.00 %	Inflation: 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date					Projected Reserve Balance Changes				
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase In Annual Reserve Funding	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2024	$138,494	$359,964	38.5 %	Medium	107.00 %	$49,680	$0	$1,366	$54,700
2025	$134,840	$350,823	38.4 %	Medium	3.00 %	$51,170	$0	$1,612	$0
2026	$187,622	$398,841	47.0 %	Medium	3.00 %	$52,706	$0	$1,648	$99,884
2027	$142,092	$346,543	41.0 %	Medium	3.00 %	$54,287	$0	$1,683	$3,387
2028	$194,674	$393,227	49.5 %	Medium	3.00 %	$55,915	$0	$2,227	$1,970
2029	$250,847	$443,965	56.5 %	Medium	3.00 %	$57,593	$0	$2,545	$52,689
2030	$258,295	$445,213	58.0 %	Medium	3.00 %	$59,321	$0	$2,828	$12,955
2031	$307,488	$488,690	62.9 %	Medium	3.00 %	$61,100	$0	$3,372	$4,735
2032	$367,225	$543,242	67.6 %	Medium	3.00 %	$62,933	$0	$3,986	$3,800
2033	$430,344	$601,737	71.5 %	Low	3.00 %	$64,821	$0	$4,649	$0
2034	$499,814	$667,284	74.9 %	Low	3.00 %	$66,766	$0	$5,050	$61,081
2035	$510,548	$673,309	75.8 %	Low	3.00 %	$68,769	$0	$5,474	$0
2036	$584,791	$743,895	78.6 %	Low	3.00 %	$70,832	$0	$6,231	$0
2037	$661,854	$818,111	80.9 %	Low	3.00 %	$72,957	$0	$7,015	$0
2038	$741,826	$896,111	82.8 %	Low	3.00 %	$75,145	$0	$7,135	$138,402
2039	$685,704	$835,500	82.1 %	Low	3.00 %	$77,400	$0	$6,922	$70,810
2040	$699,216	$844,343	82.8 %	Low	3.00 %	$79,722	$0	$7,411	$2,808
2041	$783,540	$925,193	84.7 %	Low	3.00 %	$82,113	$0	$8,014	$53,635
2042	$820,033	$957,870	85.6 %	Low	3.00 %	$84,577	$0	$8,508	$30,899
2043	$882,218	$1,016,751	86.8 %	Low	3.00 %	$87,114	$0	$9,300	$0
2044	$978,633	$1,111,083	88.1 %	Low	3.00 %	$89,728	$0	$9,870	$82,088
2045	$996,142	$1,125,609	88.5 %	Low	3.00 %	$92,419	$0	$7,379	$615,664
2046	$480,276	$592,959	81.0 %	Low	3.00 %	$95,192	$0	$5,303	$0
2047	$580,771	$680,496	85.3 %	Low	3.00 %	$98,048	$0	$5,536	$157,492
2048	$526,863	$610,535	86.3 %	Low	3.00 %	$100,989	$0	$5,800	$0
2049	$633,652	$702,847	90.2 %	Low	3.00 %	$104,019	$0	$6,410	$95,162
2050	$648,919	$702,130	92.4 %	Low	3.00 %	$107,139	$0	$6,469	$117,178
2051	$645,349	$681,003	94.8 %	Low	3.00 %	$110,354	$0	$6,994	$8,552
2052	$754,145	$773,481	97.5 %	Low	3.00 %	$113,664	$0	$8,092	$10,868
2053	$865,034	$868,775	99.6 %	Low	3.00 %	$117,074	$0	$9,241	$7,305

30-Year Reserve Plan Summary (Alternate Funding Plan)

Report # 26109-4
With-Site-Visit

Fiscal Year Start: 2024	Interest: 1.00 %	Inflation: 3.00 %
Reserve Fund Strength: as-of Fiscal Year Start Date	Projected Reserve Balance Changes	

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded		Special Assmt Risk	% Increase In Annual Reserve Funding	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2024	$138,494	$359,964	38.5 %		Medium	55.00 %	$37,200	$0	$1,303	$54,700
2025	$122,298	$350,823	34.9 %		Medium	3.00 %	$38,316	$0	$1,421	$0
2026	$162,035	$398,841	40.6 %		Medium	3.00 %	$39,465	$0	$1,324	$99,884
2027	$102,941	$346,543	29.7 %		High	3.00 %	$40,649	$0	$1,221	$3,387
2028	$141,424	$393,227	36.0 %		Medium	3.00 %	$41,869	$0	$1,621	$1,970
2029	$182,944	$443,965	41.2 %		Medium	3.00 %	$43,125	$0	$1,790	$52,689
2030	$175,170	$445,213	39.3 %		Medium	3.00 %	$44,419	$0	$1,918	$12,955
2031	$208,551	$488,690	42.7 %		Medium	3.00 %	$45,751	$0	$2,301	$4,735
2032	$251,869	$543,242	46.4 %		Medium	3.00 %	$47,124	$0	$2,748	$3,800
2033	$297,940	$601,737	49.5 %		Medium	3.00 %	$48,538	$0	$3,237	$0
2034	$349,715	$667,284	52.4 %		Medium	3.00 %	$49,994	$0	$3,458	$61,081
2035	$342,085	$673,309	50.8 %		Medium	3.00 %	$51,493	$0	$3,695	$0
2036	$397,273	$743,895	53.4 %		Medium	3.00 %	$53,038	$0	$4,257	$0
2037	$454,569	$818,111	55.6 %		Medium	3.00 %	$54,629	$0	$4,841	$0
2038	$514,040	$896,111	57.4 %		Medium	3.00 %	$56,268	$0	$4,751	$138,402
2039	$436,657	$835,500	52.3 %		Medium	3.00 %	$57,956	$0	$4,322	$70,810
2040	$428,126	$844,343	50.7 %		Medium	3.00 %	$59,695	$0	$4,587	$2,808
2041	$489,600	$925,193	52.9 %		Medium	3.00 %	$61,486	$0	$4,958	$53,635
2042	$502,409	$957,870	52.5 %		Medium	3.00 %	$63,331	$0	$5,210	$30,899
2043	$540,050	$1,016,751	53.1 %		Medium	3.00 %	$65,230	$0	$5,753	$0
2044	$611,034	$1,111,083	55.0 %		Medium	3.00 %	$67,187	$0	$6,064	$82,088
2045	$602,197	$1,125,609	53.5 %		Medium	3.00 %	$69,203	$0	$3,305	$615,664
2046	$59,040	$592,959	10.0 %		High	3.00 %	$71,279	$0	$951	$0
2047	$131,270	$680,496	19.3 %		High	3.00 %	$73,417	$0	$896	$157,492
2048	$48,092	$610,535	7.9 %		High	3.00 %	$75,620	$0	$863	$0
2049	$124,575	$702,847	17.7 %		High	3.00 %	$77,889	$0	$1,165	$95,162
2050	$108,466	$702,130	15.4 %		High	3.00 %	$80,225	$0	$904	$117,178
2051	$72,417	$681,003	10.6 %		High	3.00 %	$82,632	$0	$1,100	$8,552
2052	$147,596	$773,481	19.1 %		High	3.00 %	$85,111	$0	$1,856	$10,868
2053	$223,695	$868,775	25.7 %		High	3.00 %	$87,664	$0	$2,651	$7,305

	Fiscal Year	2024	2025	2026	2027	2028
	Starting Reserve Balance	$138,494	$134,840	$187,622	$142,092	$194,674
	Annual Reserve Funding	$49,680	$51,170	$52,706	$54,287	$55,915
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$1,366	$1,612	$1,648	$1,683	$2,227
	Total Income	$189,540	$187,622	$241,976	$198,062	$252,816
#	Component					
	Site & Grounds					
110	Site Stairs - Replace	$0	$0	$0	$0	$0
135	Vehicle Gate - Replace	$0	$0	$0	$0	$0
143	Perimeter Walls - Clean/Recoat	$0	$0	$0	$0	$0
	Pool					
300	Pool Building/Rails - Repair/Paint	$0	$0	$13,580	$0	$0
301	Pool Building - Refurbish	$0	$0	$0	$0	$0
302	Pool Deck - Replace	$0	$0	$0	$0	$0
303	Pool Deck - Recoat/Resurface	$0	$0	$5,994	$0	$0
304	Pool - Resurface	$0	$0	$20,688	$0	$0
305	Pool - Retile	$0	$0	$0	$0	$0
307	Pool Heater - Replace	$0	$0	$3,501	$0	$0
309	Pool Cover- Replace	$0	$0	$6,949	$0	$0
	Building Exteriors					
502	Concrete Tile Roof - Replace	$0	$0	$0	$0	$0
504	Concrete Tile Roof - Inspect/Repair	$0	$0	$0	$0	$0
514	Chimney Shrouds & Caps - Replace	$0	$0	$0	$0	$0
516	Gutters & Downspouts- Replace	$0	$0	$0	$0	$0
528	Stucco Siding - Repair/Recoat	$0	$0	$0	$0	$0
533	Exterior Surfaces - Paint & Caulk	$0	$0	$11,829	$0	$0
534	Sealants - Remove & Replace	$0	$0	$12,784	$0	$0
535	Windows/Glass Doors - Replace	$0	$0	$0	$0	$0
543	Traffic Coated Surfaces - Recoat	$45,450	$0	$0	$0	$0
550	Metal Decks - Refurbish	$0	$0	$0	$0	$0
555	Deck Rails - Replace	$0	$0	$0	$0	$0
556	Deck Rails - Clean & Paint	$0	$0	$21,271	$0	$0
560	Exterior Lights - Replace	$0	$0	$0	$0	$0
605	West Garage Gate - Replace	$0	$0	$0	$0	$0
	Systems & Equipment					
900	Plumbing - Systems Evaluation	$9,250	$0	$0	$0	$0
945	Surveillance System - Replace	$0	$0	$0	$0	$1,970
951	Exterior Gate Operator - Replace	$0	$0	$0	$3,387	$0
952	West Garage Door Operator-Replace	$0	$0	$3,289	$0	$0
953	North Garage Door Operator-Replace	$0	$0	$0	$0	$0
961	Fire Alarm Panel - Replace	$0	$0	$0	$0	$0
	Total Expenses	$54,700	$0	$99,884	$3,387	$1,970
	Ending Reserve Balance	$134,840	$187,622	$142,092	$194,674	$250,847

	Fiscal Year	2029	2030	2031	2032	2033
	Starting Reserve Balance	$250,847	$258,295	$307,488	$367,225	$430,344
	Annual Reserve Funding	$57,593	$59,321	$61,100	$62,933	$64,821
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$2,545	$2,828	$3,372	$3,986	$4,649
	Total Income	$310,984	$320,443	$371,960	$434,144	$499,814
#	Component					
	Site & Grounds					
110	Site Stairs - Replace	$0	$0	$0	$3,800	$0
135	Vehicle Gate - Replace	$0	$6,448	$0	$0	$0
143	Perimeter Walls - Clean/Recoat	$0	$0	$0	$0	$0
	Pool					
300	Pool Building/Rails - Repair/Paint	$0	$0	$0	$0	$0
301	Pool Building - Refurbish	$0	$0	$0	$0	$0
302	Pool Deck - Replace	$0	$0	$0	$0	$0
303	Pool Deck - Recoat/Resurface	$0	$0	$0	$0	$0
304	Pool - Resurface	$0	$0	$0	$0	$0
305	Pool - Retile	$0	$0	$0	$0	$0
307	Pool Heater - Replace	$0	$0	$0	$0	$0
309	Pool Cover- Replace	$0	$0	$0	$0	$0
	Building Exteriors					
502	Concrete Tile Roof - Replace	$0	$0	$0	$0	$0
504	Concrete Tile Roof - Inspect/Repair	$0	$0	$0	$0	$0
514	Chimney Shrouds & Caps - Replace	$0	$0	$0	$0	$0
516	Gutters & Downspouts- Replace	$0	$0	$0	$0	$0
528	Stucco Siding - Repair/Recoat	$0	$0	$0	$0	$0
533	Exterior Surfaces - Paint & Caulk	$0	$0	$0	$0	$0
534	Sealants - Remove & Replace	$0	$0	$0	$0	$0
535	Windows/Glass Doors - Replace	$0	$0	$0	$0	$0
543	Traffic Coated Surfaces - Recoat	$52,689	$0	$0	$0	$0
550	Metal Decks - Refurbish	$0	$0	$0	$0	$0
555	Deck Rails - Replace	$0	$0	$0	$0	$0
556	Deck Rails - Clean & Paint	$0	$0	$0	$0	$0
560	Exterior Lights - Replace	$0	$0	$0	$0	$0
605	West Garage Gate - Replace	$0	$6,508	$0	$0	$0
	Systems & Equipment					
900	Plumbing - Systems Evaluation	$0	$0	$0	$0	$0
945	Surveillance System - Replace	$0	$0	$0	$0	$0
951	Exterior Gate Operator - Replace	$0	$0	$0	$0	$0
952	West Garage Door Operator-Replace	$0	$0	$0	$0	$0
953	North Garage Door Operator-Replace	$0	$0	$0	$0	$0
961	Fire Alarm Panel - Replace	$0	$0	$4,735	$0	$0
	Total Expenses	$52,689	$12,955	$4,735	$3,800	$0
	Ending Reserve Balance	$258,295	$307,488	$367,225	$430,344	$499,814

	Fiscal Year	2034	2035	2036	2037	2038
	Starting Reserve Balance	$499,814	$510,548	$584,791	$661,854	$741,826
	Annual Reserve Funding	$66,766	$68,769	$70,832	$72,957	$75,145
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$5,050	$5,474	$6,231	$7,015	$7,135
	Total Income	$571,629	$584,791	$661,854	$741,826	$824,106
#	Component					
	Site & Grounds					
110	Site Stairs - Replace	$0	$0	$0	$0	$0
135	Vehicle Gate - Replace	$0	$0	$0	$0	$0
143	Perimeter Walls - Clean/Recoat	$0	$0	$0	$0	$5,521
	Pool					
300	Pool Building/Rails - Repair/Paint	$0	$0	$0	$0	$19,361
301	Pool Building - Refurbish	$0	$0	$0	$0	$40,991
302	Pool Deck - Replace	$0	$0	$0	$0	$12,101
303	Pool Deck - Recoat/Resurface	$0	$0	$0	$0	$8,546
304	Pool - Resurface	$0	$0	$0	$0	$0
305	Pool - Retile	$0	$0	$0	$0	$0
307	Pool Heater - Replace	$0	$0	$0	$0	$0
309	Pool Cover- Replace	$0	$0	$0	$0	$0
	Building Exteriors					
502	Concrete Tile Roof - Replace	$0	$0	$0	$0	$0
504	Concrete Tile Roof - Inspect/Repair	$0	$0	$0	$0	$0
514	Chimney Shrouds & Caps - Replace	$0	$0	$0	$0	$0
516	Gutters & Downspouts- Replace	$0	$0	$0	$0	$0
528	Stucco Siding - Repair/Recoat	$0	$0	$0	$0	$0
533	Exterior Surfaces - Paint & Caulk	$0	$0	$0	$0	$16,865
534	Sealants - Remove & Replace	$0	$0	$0	$0	$0
535	Windows/Glass Doors - Replace	$0	$0	$0	$0	$0
543	Traffic Coated Surfaces - Recoat	$61,081	$0	$0	$0	$0
550	Metal Decks - Refurbish	$0	$0	$0	$0	$0
555	Deck Rails - Replace	$0	$0	$0	$0	$0
556	Deck Rails - Clean & Paint	$0	$0	$0	$0	$30,327
560	Exterior Lights - Replace	$0	$0	$0	$0	$0
605	West Garage Gate - Replace	$0	$0	$0	$0	$0
	Systems & Equipment					
900	Plumbing - Systems Evaluation	$0	$0	$0	$0	$0
945	Surveillance System - Replace	$0	$0	$0	$0	$0
951	Exterior Gate Operator - Replace	$0	$0	$0	$0	$0
952	West Garage Door Operator-Replace	$0	$0	$0	$0	$0
953	North Garage Door Operator-Replace	$0	$0	$0	$0	$4,689
961	Fire Alarm Panel - Replace	$0	$0	$0	$0	$0
	Total Expenses	$61,081	$0	$0	$0	$138,402
	Ending Reserve Balance	$510,548	$584,791	$661,854	$741,826	$685,704

	Fiscal Year	2039	2040	2041	2042	2043
	Starting Reserve Balance	$685,704	$699,216	$783,540	$820,033	$882,218
	Annual Reserve Funding	$77,400	$79,722	$82,113	$84,577	$87,114
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$6,922	$7,411	$8,014	$8,508	$9,300
	Total Income	$770,025	$786,348	$873,668	$913,118	$978,633
#	Component					
	Site & Grounds					
110	Site Stairs - Replace	$0	$0	$0	$5,107	$0
135	Vehicle Gate - Replace	$0	$0	$0	$0	$0
143	Perimeter Walls - Clean/Recoat	$0	$0	$0	$0	$0
	Pool					
300	Pool Building/Rails - Repair/Paint	$0	$0	$0	$0	$0
301	Pool Building - Refurbish	$0	$0	$0	$0	$0
302	Pool Deck - Replace	$0	$0	$0	$0	$0
303	Pool Deck - Recoat/Resurface	$0	$0	$0	$0	$0
304	Pool - Resurface	$0	$0	$32,231	$0	$0
305	Pool - Retile	$0	$0	$0	$0	$0
307	Pool Heater - Replace	$0	$0	$5,454	$0	$0
309	Pool Cover- Replace	$0	$0	$10,826	$0	$0
	Building Exteriors					
502	Concrete Tile Roof - Replace	$0	$0	$0	$0	$0
504	Concrete Tile Roof - Inspect/Repair	$0	$0	$0	$0	$0
514	Chimney Shrouds & Caps - Replace	$0	$0	$0	$0	$0
516	Gutters & Downspouts- Replace	$0	$0	$0	$0	$0
528	Stucco Siding - Repair/Recoat	$0	$0	$0	$0	$0
533	Exterior Surfaces - Paint & Caulk	$0	$0	$0	$0	$0
534	Sealants - Remove & Replace	$0	$0	$0	$20,514	$0
535	Windows/Glass Doors - Replace	$0	$0	$0	$0	$0
543	Traffic Coated Surfaces - Recoat	$70,810	$0	$0	$0	$0
550	Metal Decks - Refurbish	$0	$0	$0	$0	$0
555	Deck Rails - Replace	$0	$0	$0	$0	$0
556	Deck Rails - Clean & Paint	$0	$0	$0	$0	$0
560	Exterior Lights - Replace	$0	$0	$0	$0	$0
605	West Garage Gate - Replace	$0	$0	$0	$0	$0
	Systems & Equipment					
900	Plumbing - Systems Evaluation	$0	$0	$0	$0	$0
945	Surveillance System - Replace	$0	$2,808	$0	$0	$0
951	Exterior Gate Operator - Replace	$0	$0	$0	$5,278	$0
952	West Garage Door Operator-Replace	$0	$0	$5,124	$0	$0
953	North Garage Door Operator-Replace	$0	$0	$0	$0	$0
961	Fire Alarm Panel - Replace	$0	$0	$0	$0	$0
	Total Expenses	$70,810	$2,808	$53,635	$30,899	$0
	Ending Reserve Balance	$699,216	$783,540	$820,033	$882,218	$978,633

	Fiscal Year	2044	2045	2046	2047	2048
	Starting Reserve Balance	$978,633	$996,142	$480,276	$580,771	$526,863
	Annual Reserve Funding	$89,728	$92,419	$95,192	$98,048	$100,989
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$9,870	$7,379	$5,303	$5,536	$5,800
	Total Income	$1,078,230	$1,095,941	$580,771	$684,355	$633,652
#	Component					
	Site & Grounds					
110	Site Stairs - Replace	$0	$0	$0	$0	$0
135	Vehicle Gate - Replace	$0	$0	$0	$0	$0
143	Perimeter Walls - Clean/Recoat	$0	$0	$0	$0	$0
	Pool					
300	Pool Building/Rails - Repair/Paint	$0	$0	$0	$0	$0
301	Pool Building - Refurbish	$0	$0	$0	$0	$0
302	Pool Deck - Replace	$0	$0	$0	$0	$0
303	Pool Deck - Recoat/Resurface	$0	$0	$0	$0	$0
304	Pool - Resurface	$0	$0	$0	$0	$0
305	Pool - Retile	$0	$0	$0	$0	$0
307	Pool Heater - Replace	$0	$0	$0	$0	$0
309	Pool Cover- Replace	$0	$0	$0	$0	$0
	Building Exteriors					
502	Concrete Tile Roof - Replace	$0	$0	$0	$0	$0
504	Concrete Tile Roof - Inspect/Repair	$0	$0	$0	$157,492	$0
514	Chimney Shrouds & Caps - Replace	$0	$0	$0	$0	$0
516	Gutters & Downspouts- Replace	$0	$23,812	$0	$0	$0
528	Stucco Siding - Repair/Recoat	$0	$138,592	$0	$0	$0
533	Exterior Surfaces - Paint & Caulk	$0	$0	$0	$0	$0
534	Sealants - Remove & Replace	$0	$0	$0	$0	$0
535	Windows/Glass Doors - Replace	$0	$325,552	$0	$0	$0
543	Traffic Coated Surfaces - Recoat	$82,088	$0	$0	$0	$0
550	Metal Decks - Refurbish	$0	$23,998	$0	$0	$0
555	Deck Rails - Replace	$0	$95,898	$0	$0	$0
556	Deck Rails - Clean & Paint	$0	$0	$0	$0	$0
560	Exterior Lights - Replace	$0	$7,813	$0	$0	$0
605	West Garage Gate - Replace	$0	$0	$0	$0	$0
	Systems & Equipment					
900	Plumbing - Systems Evaluation	$0	$0	$0	$0	$0
945	Surveillance System - Replace	$0	$0	$0	$0	$0
951	Exterior Gate Operator - Replace	$0	$0	$0	$0	$0
952	West Garage Door Operator-Replace	$0	$0	$0	$0	$0
953	North Garage Door Operator-Replace	$0	$0	$0	$0	$0
961	Fire Alarm Panel - Replace	$0	$0	$0	$0	$0
	Total Expenses	$82,088	$615,664	$0	$157,492	$0
	Ending Reserve Balance	$996,142	$480,276	$580,771	$526,863	$633,652

	Fiscal Year	2049	2050	2051	2052	2053
	Starting Reserve Balance	$633,652	$648,919	$645,349	$754,145	$865,034
	Annual Reserve Funding	$104,019	$107,139	$110,354	$113,664	$117,074
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$6,410	$6,469	$6,994	$8,092	$9,241
	Total Income	$744,081	$762,527	$762,697	$875,901	$991,349
#	Component					
	Site & Grounds					
110	Site Stairs - Replace	$0	$0	$0	$6,864	$0
135	Vehicle Gate - Replace	$0	$0	$0	$0	$0
143	Perimeter Walls - Clean/Recoat	$0	$0	$0	$0	$0
	Pool					
300	Pool Building/Rails - Repair/Paint	$0	$27,604	$0	$0	$0
301	Pool Building - Refurbish	$0	$0	$0	$0	$0
302	Pool Deck - Replace	$0	$0	$0	$0	$0
303	Pool Deck - Recoat/Resurface	$0	$12,185	$0	$0	$0
304	Pool - Resurface	$0	$0	$0	$0	$0
305	Pool - Retile	$0	$10,104	$0	$0	$0
307	Pool Heater - Replace	$0	$0	$0	$0	$0
309	Pool Cover- Replace	$0	$0	$0	$0	$0
	Building Exteriors					
502	Concrete Tile Roof - Replace	$0	$0	$0	$0	$0
504	Concrete Tile Roof - Inspect/Repair	$0	$0	$0	$0	$0
514	Chimney Shrouds & Caps - Replace	$0	$0	$0	$0	$0
516	Gutters & Downspouts- Replace	$0	$0	$0	$0	$0
528	Stucco Siding - Repair/Recoat	$0	$0	$0	$0	$0
533	Exterior Surfaces - Paint & Caulk	$0	$24,046	$0	$0	$0
534	Sealants - Remove & Replace	$0	$0	$0	$0	$0
535	Windows/Glass Doors - Replace	$0	$0	$0	$0	$0
543	Traffic Coated Surfaces - Recoat	$95,162	$0	$0	$0	$0
550	Metal Decks - Refurbish	$0	$0	$0	$0	$0
555	Deck Rails - Replace	$0	$0	$0	$0	$0
556	Deck Rails - Clean & Paint	$0	$43,240	$0	$0	$0
560	Exterior Lights - Replace	$0	$0	$0	$0	$0
605	West Garage Gate - Replace	$0	$0	$0	$0	$0
	Systems & Equipment					
900	Plumbing - Systems Evaluation	$0	$0	$0	$0	$0
945	Surveillance System - Replace	$0	$0	$0	$4,004	$0
951	Exterior Gate Operator - Replace	$0	$0	$0	$0	$0
952	West Garage Door Operator-Replace	$0	$0	$0	$0	$0
953	North Garage Door Operator-Replace	$0	$0	$0	$0	$7,305
961	Fire Alarm Panel - Replace	$0	$0	$8,552	$0	$0
	Total Expenses	$95,162	$117,178	$8,552	$10,868	$7,305
	Ending Reserve Balance	$648,919	$645,349	$754,145	$865,034	$984,044

Accuracy, Limitations, and Disclosures

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

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Christian Colunga, company President, is a credentialed Reserve Specialist (#208). All work done by Association Reserves WA, LLC is performed under his responsible charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

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

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

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

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

Terms and Definitions

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

Component Details

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

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

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

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

Site & Grounds

Comp #: 100 Concrete - Maintain/Repair **Quantity: Moderate quantity**
Location: Adjacent to building and within courtyard
Funded?: No. No predictable large scale replacement projected
History: Stair repairs 2014.
Comments: Some cracking was noted.

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

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

Resources:
https://mrsc.org/explore-topics/public-works/streets,-road-and-sidewalks/sidewalk-construction-maintenance-and-repair
https://www.sakrete.com/blog/post/5-key-considerations-for-small-concrete-repairs/
http://www.concretenetwork.com/cold-weather-concrete/weather.html

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 104 Public Sidewalks - Maintain **Quantity: Concrete Walkways**
Location: Adjacent to community
Funded?: No. Annual costs best handled through operating budget
History: None known
Comments: Some cracking and upheaval were noted.

In Seattle, certain parts of the public right of way (i.e. sidewalks) are the adjacent property owner's (condominium) responsibility to maintain. Include these areas as part of your regular maintenance and repair.

City of Seattle Property Owners' Responsibilities: http://www.seattle.gov/transportation/projects-and-programs/programs/maintenance-and-paving/property-owners-responsibilities

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 110 Site Stairs - Replace **Quantity: (6) Concrete Sets**
Location: Scattered throughout courtyard
Funded?: Yes.
History: 2022, East stair and railing replaced
Comments: Some cracking was noted.

We have included the below allowances to supplement the operating budget for larger scale projects which are likely to arise. Track the actual history and costs, and adjust this component accordingly in reserve study updates.

As routine maintenance, inspect regularly, and perform any repairs as a general maintenance expense. Concrete is a fairly low maintenance material, however, small cracking is typical of concrete as it ages.

Useful Life:
10 years

Remaining Life:
8 years

Best Case: $ 2,000 Worst Case: $ 4,000

Cost Source: Budget Allowance

Comp #: 112 Metal Site Rails - Replace **Quantity: ~ 70 LF / Painted**
Location: The perimeters of the concrete stairs and driveway.
Funded?: No. No predictable large scale replacement projected
History: Repairs 2020 J4 Metal Works ~$2,200.
Comments: No obvious damage or unusual wear was noted.

No predictable large scale replacement projected. Replacements are best combined with similar projects.

Routinely inspect for stability, security, and appearance. Repair locally, as needed, with operating funds.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

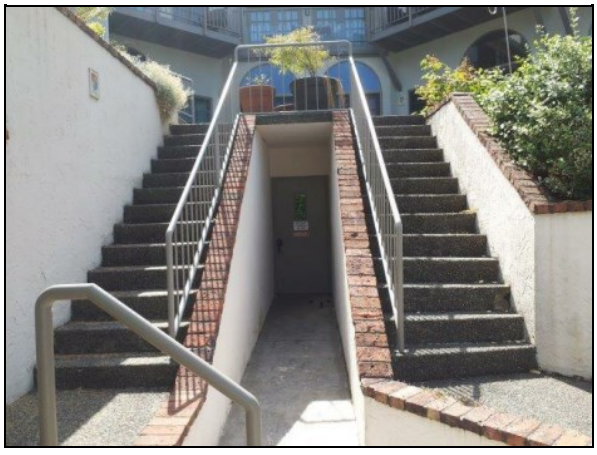
Comp #: 113 Metal Site Rail - Repair/Paint **Quantity: ~ 70 LF**
Location: The concrete stairs and driveway perimeters.
Funded?: No. Funding included within Component #300; no separate funding if necessary.
History: None known.
Comments: No obvious chipping, peeling, or unusual wear was noted.

As historically combined with the Pool Building projects, the funding allowances for these projects are included within Component #300; no separate funding if necessary.

Touch up paint, and secure any fasteners, as needed, as part of general maintenance. If corrosion is found, apply a rust inhibitor to prevent corrosion and extend the useful life.

Useful Life:

Remaining Life:



Best Case: Worst Case:

Cost Source:

Comp #: 135 Vehicle Gate - Replace **Quantity: 12' x 6' / Metal**

Location: The northwest corner of the community off E Boston St.
Funded?: Yes.
History: None known
Comments: No obvious damage or excessive corrosion was noted. No problems were reported.

We recommend planning for the eventual replacement of the gate. Replacement is typically caused by vehicles or other damage not covered by insurance (or prohibitive due to a high deductible), and/or the failure of hinges and welds.

Inspect periodically, and repair locally as needed using the operating funds.

Useful Life:
40 years

Remaining Life:
6 years

Best Case: $ 4,500 Worst Case: $ 6,300

Cost Source: Budget Allowance

Comp #: 143 Perimeter Walls - Clean/Recoat **Quantity: ~2,200 SF/Stucco & Brick**

Location: The community perimeter along E Boston St and Fairview Ave E.
Funded?: Yes.
History: Coated 2014 ~$2,800.
Comments: Stucco can be recoated to help limit the amount of water penetrating into the stucco. There are three general options for recoating stucco. The least expensive option is applying a new acrylic topcoat. The second option is coating the stucco with a permeable elastomeric finish, (~50% more expensive than acrylic topcoat - a good choice if surface cracking is prevalent). The third option is a skim coat of stucco (about three times as expensive as acrylic topcoat but lasts much longer). Of the three coating options for stucco, we have used acrylic top coating for financial planning purposes. Evaluate coating options at the time of the project.

As annual maintenance, inspect sealants, the stucco, and the control joints for any visible problems. Stucco is a relatively low maintenance material, although the sealants may require more frequent maintenance. Sealants are typically located at the intersections of the stucco and other material such as windows, doors, and vents. Replacing sealants is an important part of maintaining stucco's waterproof integrity. The life of sealants can vary greatly based on the quality of the installation and the material of the sealant. We have assumed the sealants are silicone, which with proper installation may have a useful life of approximately 15 to 20 years. Urethane sealants may have a useful life of 8-12 years. At the time of sealant replacement we recommend recoating the stucco to minimize water penetration and for appearance. See component #526 for eventual exterior systems renovation.

Resources:
Portland Cement Association: http://www.cement.org/stucco/index.asp
Northwest Wall and Ceiling Bureau: http://www.nwcb.org/

Useful Life:
24 years

Remaining Life:
14 years

Best Case: $ 3,100 Worst Case: $ 4,200

Cost Source: Inflated Client Cost History

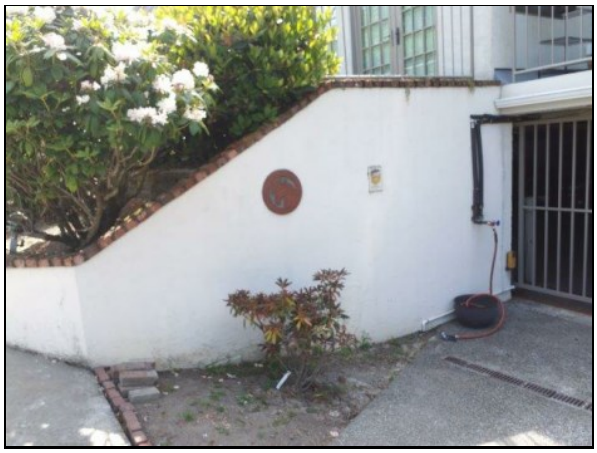
Comp #: 157 Retaining/Landscape Walls - Repair **Quantity: Extensive/Stucco & CMU**

Location: Scattered throughout the community.
Funded?: No. No predictable large scale replacement projected
History: Installed 1989.
Comments: Our limited observation revealed no signs of the stucco or masonry block walls being extremely out of plumb, or having large-scale cracking and/or spalling. Analysis of a retaining wall is beyond the scope of a reserve study. If problems, including shifting, leaning, or cracking are observed or suspected, consult with an engineer (structural, civil, and/or geo-technical) for an evaluation and repair recommendations. There were no reported problems at this time.

No information was provided to us concerning how the retaining wall was designed or constructed. Observation of drainage was not possible. Proper drainage on the uphill side prevents a backlog of water (water, if present, can add substantial weight and pressure to the wall). A backlog of water, if left unchecked, could damage or break the wall. The interior of drainage lines (or pipes) can be viewed by video using a remote miniature camera. Clean out the drain lines as often as needed to prevent decreased drainage. See component #180 Drainage & Stormwater for additional information. Utilize a mobile evacuator service if needed.

Useful Life:

Remaining Life:



Best Case: Worst Case:

Cost Source:

Comp #: 165 Landscape Lights - Replace **Quantity: ~ (34) fixtures**

Location: Throughout the landscaped areas of the community.
Funded?: No. No predictable large scale replacement projected
History: Plastic boxes installed 2019.
Comments: The ground lighting was observed during daylight hours and is assumed to be functional. No problems were reported. Reportedly the underground junction boxes for each fixture were converted from metal to plastic in 2019; no details provided.

No predictable large scale replacement projected and these installations have been historically replaced through the operating budget. Therefore, no reserve funding is warranted at this time. Reserve funding may be included upon request.

Lighting is most efficiently replaced as a grouping to maintain a consistent appearance and quality, and for cost efficiency, as multiple trip charges for an electrician erase any savings by replacing sporadically. Check with local utility before replacing any group of lights, as energy savings rebate programs may be available.

As routine maintenance, inspect, and repair/change bulbs as needed. Continue to repair and replace, as needed, utilizing operating funds.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 170 Landscape - Refurbish **Quantity: Plantings, shrubs, trees**
Location: Throughout the community.
Funded?: No. Costs are best handled with operating funds.
History: None known
Comments: The landscape appeared to be generally healthy.

Note: Some areas of the planting beds are within six inches of the siding. Building codes require a minimum six inch clearance between the ground and the siding in order to prevent insect and water damage of the structural wood walls beneath the siding. We suggest having the landscapers re-grade areas adjacent to the building(s), as required, to obtain a minimum six-inch clearance, although eight inches to a foot would be optimal.

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

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

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 173 Irrigation System - Replace **Quantity: Heads, lines, timers, etc**

Location: Throughout the community.

Funded?: No. There are no predictable large-scale costs at this time.

History: Backflow replaced 2020.

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

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

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

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 180 Drainage & Stormwater - Maintain **Quantity: Catchbasins, drains, etc.**
Location: Throughout the community.
Funded?: No. There is no predictable large-scale repair/replacement at this time.
History: None known
Comments: An analysis of the drainage system is beyond the scope of a reserve study, as the vast majority of the drainage system is located below ground. Our observations were very limited to catch basin areas. No problems were observed or reported to us.

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

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

Resource:
Municipal Research and Services Center - Washington State Stormwater Manuals
https://mrsc.org/explore-topics/environment/water-topics/storm-and-surface-water-drainage-utilities

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 191 Unit Signage – Replace **Quantity: Minimal / Wood and Metal**
Location: Scattered throughout the community.
Funded?: No. No predictable large scale replacement projected
History: None known
Comments: No obvious damage or unusual wear was noted. The metal unit identifiers are wall mounted with (1) wood sign adjacent to path.

No predictable large scale replacement projected at this time. Best to handle replacements through the operating budget on an as needed basis.

As routine maintenance, inspect regularly, clean, and touch up for appearance. Repair with operating funds.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Pool

Comp #: 300 Pool Building/Rails - Repair/Paint **Quantity: ~1,400 SF**
Location: The northwest area of the community.
Funded?: Yes. Includes funding for exterior ground level metal rails.
History: Painted 2014 ~$9,800.
Comments: The pool building consists of concrete and retaining walls with metal framed with glass window/doors and retractable glass roof. No obvious surface paint defects or failed sealants were noted.

We have included the below allowances based on reported client costs history. These allowances include painting of the metal site rails as historically combined. Track the actual history and costs, and adjust this component accordingly in reserve study updates.

High humidity in pool building could lead to shortened life of paint and corrosion of metal structure.

Inspect annually, and repair or touch up paint, as needed.

Useful Life:
12 years

Remaining Life:
2 years

Best Case: $ 10,900 Worst Case: $ 14,700

Cost Source: Inflated Client Cost History

Comp #: 301 Pool Building - Refurbish **Quantity: ~ 1,400 SF**
Location: Courtyard area of the community.
Funded?: Yes.
History: None known.
Comments: The pool building consists of concrete and retaining walls with metal framed with glass window/doors and retractable glass roof. Steel frame roof has translucent panels, the ridge portion of which are operable. Roof operation is provided by a direct drive motor with a belt. No previous large scale repairs are reported.

We have included the below allowances for periodic refurbishment. These projects are likely to include replacement of sliding glass doors, windows and tractable roof assembly. Evaluate glazing as it ages and adjust remaining useful life accordingly.

Motor and belt are expected to be replaced as needed through operating; projected costs are too small for reserve funding.

Useful Life:
48 years

Remaining Life:
14 years

Best Case: $ 21,700 Worst Case: $ 32,500

Cost Source: Budget Allowance

Comp #: 302 Pool Deck - Replace **Quantity: ~ 800 SF / Concrete**
Location: The pool perimeter.
Funded?: Yes.
History: None known
Comments: Some cracking was noted.

Plan for total replacement as shown below based upon our experience with similar communities. There are a variety of topical resurface products that may be of lower cost if the base is solid and coating is feasible. Research the community's options thoroughly prior to the anticipated replacement. Total slab replacement is factored below for financial planning purposes.

Useful Life:
48 years

Remaining Life:
14 years

Best Case: $ 6,400 Worst Case: $ 9,600

Cost Source: Budget Allowance

Comp #: 303 Pool Deck - Recoat/Resurface **Quantity: ~ 800 SF**

Location: The pool perimeter.
Funded?: Yes.
History: 2011
Comments: A coating applied over a concrete slab and there is a vinyl/rubber flooring at the east end of the pool deck. Actual product on the deck surface was not known.

We have included the below allowances, aligned with similar projects, for periodic recoating and resurfacing needs. Track the actual history and costs, and adjust this component accordingly in reserve study updates.

Inspect the membrane annually, and repair as needed. Vinyl (PVC) membranes deteriorate from exposure to the ultraviolet sunlight, and from thermal expansion and contraction. Patch any damage as soon as possible to maintain the waterproof integrity.

Useful Life:
12 years

Remaining Life:
2 years

Best Case: $ 5,100 Worst Case: $ 6,200

Cost Source: Budget Allowance

Comp #: 304 Pool - Resurface **Quantity: ~ 540 SF / Plaster**
Location: The pool surface.
Funded?: Yes.
History: None known
Comments: The pool was covered during our site visit, which limited our observations. No problems were reported.

Plan to resurface the pool at the time frame below. Incorporate re-tiling every other resurface cycle - see component #304.

Proactive cleaning, proper chemical balance, and the use of a cover when possible are keys to achieving a maximum service life of the plaster. There are a variety of pool surface types - plan in advance as the cost and life cycle can vary.

Resources:
https://www.nationalplastererscouncil.com/pool-resurfacing/

Useful Life:
15 years

Remaining Life:
2 years

Best Case: $ 16,000 Worst Case: $ 23,000

Cost Source: Budget Allowance

Comp #: 305 Pool - Retile **Quantity: ~ 120 LF**
Location: The pool waterline.
Funded?: Yes.
History: Replaced 2019.
Comments: No missing tiles or cracked tiles were noted. Reportedly, these installations were replaced in 2019.

It is best to plan for regular intervals of tile replacement. We have timed tile work to coincide with every other pool resurface project for cost efficiency and consistency - see component #303.

Inspect regularly, clean, and repair as part of routine maintenance.

Useful Life:
30 years

Remaining Life:
26 years

Best Case: $ 4,530 Worst Case: $ 4,840

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 307 Pool Heater - Replace **Quantity: 1 Raypak**
Location: The pool building.
Funded?: Yes.
History: None known
Comments: The pool heater is manufactured by Raypac. No problems were observed or reported to us.

Provide regular service, and maintain as recommended by the manufacturer.

Useful Life:
15 years

Remaining Life:
2 years

Best Case: $ 2,800 Worst Case: $ 3,800

Cost Source: Budget Allowance

Comp #: 308 Pool Filter & Pumps- Replace **Quantity: (1) Sand Filter/Assorted**
Location: The pool equipment room.
Funded?: No. Costs are best handled with operating funds.
History: None known
Comments: The pool equipment is assumed to be functional. No maintenance was reported to us during our site visit.

The cost of replacing the equipment individually is typically too small for reserves funding. If replaced individually, use operating funds. This component can factor replacement as a group, and may include some plumbing or other repair work as well.

Provide regular service and maintain the equipment as recommended by the manufacturer.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

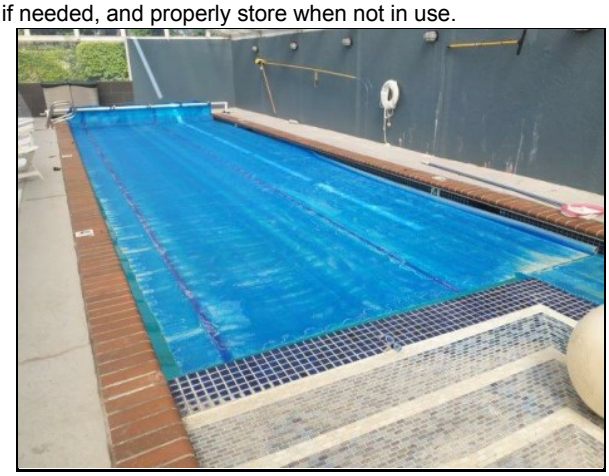
Comp #: 309 Pool Cover- Replace **Quantity: ~12' x 45' / Auto Solar**
Location: At pool area
Funded?: Yes.
History: None known
Comments: No obvious damage or unusual wear was noted.

A pool cover can provide cost savings for temperature differentials, reduce cleaning costs, and provide safety. We suggest planning to replace it at regular intervals to maintain proper functionality. A winter mesh safety cover anchored into the pool deck is a good option.

Inspect regularly, repair locally if needed, and properly store when not in use.

Useful Life:
15 years

Remaining Life:
2 years



Best Case: $ 5,600 Worst Case: $ 7,500

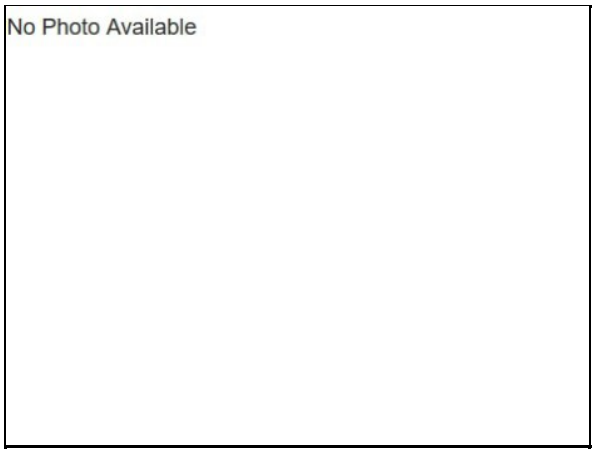
Cost Source: Budget Allowance

Comp #: 313 Patio & Pool Furniture - Replace **Quantity: Limited pieces**

Location: The pool and central patio.
Funded?: No. Costs are best handled with operating funds.
History: None known.
Comments: These pieces were stored during our site visit, with no access provided.

We recommend regular intervals of replacement as noted below to maintain function and appearance.

Inspect regularly, and repair or replace any damaged pieces promptly to ensure safety. Store the furniture inside during the off-season, if possible, to extend the useful life.



Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 502 Concrete Tile Roof - Replace **Quantity: ~12,000 SF**
Location: The building rooftop.
Funded?: Yes.
History: Assumed original to Construction
Comments: No obvious damage or unusual wear was noted during our limited observations from the ground level. Reportedly a roof inspection was completed in 2020, whereas the vendor estimated 50 years of life was remaining; however, this was dependent upon the life of the underlayment. The underlayment was reported to be ASTM 30# felt, which has a typical useful life of 20-30 years. We assume the life could be extended by the robust tile covering. The roof is assumed to be original to construction (1989), which is well beyond the typical useful life of the underlayment. See Component #504 for recommended intrusive inspection and potential repairs.

Ventilation (the lack of which can greatly reduce the roof's useful life) was observed at eave and ridge. Continuous screened venting was noted in blocking between rafters. Ridge venting appeared to be provided by roof jacks. Visible portions of roof flashing were observed at the headwall and sidewall. Diverter (kick-out) flashing was observed in areas. Eave flashing was confirmed. Debris and moss were not observed on the roof surface. Annual cleaning projects were reported. A reserve study conducts only a limited visual review, and many of the critical waterproofing and ventilation items of the roof are not readily viewable. For a full evaluation have a professional roof consultant/contractor perform a thorough up-close survey of your entire roof system, including attic inspection (if any).

Concrete or clay tile should last in the 50-75 year range, but the underlayment and the wood battens beneath the roofing will likely need to be replaced sooner. As routine maintenance, many manufacturers recommend inspections at least twice annually (once in the fall before the rainy season and again in the spring), and after large storm events. Promptly replace any damaged/missing sections or any other repair needed to ensure the waterproof integrity of the roof. Keep the roof surface, gutters, and downspouts clear and free of moss or debris.

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

Resources:
National Roofing Contractors Association (NRCA): http://www.nrca.net/
The Basics of Roof Maintenance: https://www.buildings.com/feature/article/10193212/the-basics-of-roof-maintenance

Useful Life:
50 years

Remaining Life:
46 years

Best Case: $ 204,000 Worst Case: $ 272,000

Cost Source: Inflated Vendor Estimate - Tile Roof Specialists

Comp #: 504 Concrete Tile Roof - Inspect/Repair **Quantity: Underlayment/Structure**
Location: The rooftop.
Funded?: Yes.
History: 2013 ~$60,000, repairs
Comments: This component factors recommended intrusive inspection of the roof underlayment and potential repairs of the substructure. Significant repairs were reported in 2013.

An inspection was reported in 2020, which estimated an extended remaining life of the roof dependent upon the underlayment. The underlayment was reported to be ASTM 30# felt, which has a typical useful life of 20-30 years.

While difficult to predict, we have included the below allowance based on prior reported history of repairs to occur at mid-life of the roof replacement cycles. We recommend planning for periodic inspections to better determine the condition of the underlayment, substructure and projected needs between roof replacement cycles. The projected costs related to these inspection are potentially significant and reserve funding may be included upon request.

Useful Life:
50 years

Remaining Life:
23 years

Best Case: $ 67,800 Worst Case: $ 91,800

Cost Source: Inflated Client Cost History

Comp #: 514 Chimney Shrouds & Caps - Replace **Quantity: 8 shrouds & 12 caps**
Location: The building rooftop.
Funded?: Yes.
History: Replaced 2013.
Comments: Observation of the top of the chimney was not possible due to limited access. No excessive corrosion was noted from the ground level.

Replacement cycles are typically timed to coincide with re-roofing. Review the condition of chimney covers and flue caps with a consultant while evaluating the roofing project.

As routine maintenance, inspect and clean during roof maintenance. Repair locally, as needed.

Useful Life:
50 years

Remaining Life:
46 years

Best Case: $ 15,200 Worst Case: $ 20,800

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 516 Gutters & Downspouts- Replace **Quantity: ~ 800 LF / Metal**
Location: The building perimeters.
Funded?: Yes.
History: Replaced 2019; replaced 2013
Comments: Based on our limited visual inspection, the metal gutters and downspouts appeared to be functional.

We have aligned total replacement of the gutters and downspouts at the same intervals as similar exterior projects for cost efficiency. Evaluate these components at the time of the project to determine if replacement or re-use is the better value.

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

Useful Life:
32 years

Remaining Life:
21 years

Best Case: $ 10,400 Worst Case: $ 15,200

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 528 Stucco Siding - Repair/Recoat **Quantity: ~ 11,000 SF**

Location: The exterior walls, underlying waterproofing components, and structural components.
Funded?: Yes.
History: Repaired 2013.
Comments: The stucco had vertical and horizontal control joints. No compression of the control joints was observed. Visible portion of through wall flashing was seen at each floor. Limited cracks in the stucco were noted. Minor cracking is expected in stucco, however, no large-scale cracking of the stucco was observed. Sealant joints were observed at the window jambs and sills. The sealant material is unknown. No view of the critical underlying waterproofing was available as part of our limited visual review.

Stucco can be recoated to help limit the amount of water penetrating into the stucco. There are three general options for recoating stucco. The least expensive option is applying a new acrylic topcoat. The second option is coating the stucco with a permeable elastomeric finish, (~50% more expensive than acrylic topcoat - a good choice if surface cracking is prevalent). The third option is a skim coat of stucco (about three times as expensive as acrylic topcoat but lasts much longer). Of the three coating options for stucco, we have used acrylic top coating for financial planning purposes. Evaluate coating options at the time of the project.

As annual maintenance, inspect sealants, the stucco, and the control joints for any visible problems. Stucco is a relatively low maintenance material, although the sealants may require more frequent maintenance. Sealants are typically located at the intersections of the stucco and other material such as windows, doors, and vents. Replacing sealants is an important part of maintaining stucco's waterproof integrity. The life of sealants can vary greatly based on the quality of the installation and the material of the sealant. We have assumed the sealants are silicone, which with proper installation may have a useful life of approximately 15 to 20 years. Urethane sealants may have a useful life of 8-12 years. At the time of sealant replacement we recommend recoating the stucco to minimize water penetration and for appearance.

Replacement may ultimately be needed due to the failure of the underlying waterproofing components degrading over the decades, and/or the end of the useful life of the siding materials from general aging. Many factors influence the useful life, including exposure to (or protection from) wind driven rain, snow and the quality of the waterproofing and flashing beneath the siding. Evaluate the siding and the critical underlying waterproofing (typically building paper or house-wrap) periodically. There is no predictable basis for these projects at this time; Adjust as dictated by the evaluation. When practical, align siding replacement with window replacement for cost efficiencies and building envelope integrity. Inspect annually and repair locally, as needed, using general operating maintenance funds.

As annual maintenance, inspect sealants, the stucco, and the control joints for any visible problems. Stucco is a relatively low maintenance material, although the sealants may require more frequent maintenance. Sealants are typically located at the intersections of the stucco and other material such as windows, doors, and vents. Replacing sealants is an important part of maintaining stucco's waterproof integrity. The life of sealants can vary greatly based on the quality of the installation and the material of the sealant. We have assumed the sealants are silicone, which with proper installation may have a useful life of approximately 15 to 20 years. Urethane sealants may have a useful life of 8-12 years. At the time of sealant replacement we recommend recoating the stucco to minimize water penetration and for appearance.

Resources:
Portland Cement Association: http://www.cement.org/stucco/index.asp
Northwest Wall and Ceiling Bureau: http://www.nwcb.org/

Useful Life:
32 years

Remaining Life:
21 years

Best Case: $ 67,000 Worst Case: $ 82,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 533 Exterior Surfaces - Paint & Caulk **Quantity: Wood Trim and Doors**

Location: The exterior wood trim (roof rake, eaves, soffits, doors, and door trim).
Funded?: Yes.
History: Painted 2013
Comments: No peeling or blistering were observed, but fading in localized areas was noted.

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

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

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

Useful Life:
12 years

Remaining Life:
2 years

Best Case: $ 9,400 Worst Case: $ 12,900

Cost Source: Budget Allowance

Comp #: 534 Sealants - Remove & Replace **Quantity: ~ 1,500 LF**

Location: Between the stucco siding, and window and door frames.
Funded?: Yes.
History: Inspected and replaced as needed annually; Replaced 2013.
Comments: No failed sealants were noted during our limited observations from the ground level.

Reportedly, the sealants are inspected annually by McLeod Construction and replaced as necessary. We assume this practice will continue; however, have included the below allowances to supplement the operating budget for larger scale projects which are likely to arise.

The sealant life will vary greatly based on the quality of the installation and the type of sealant (silicone or polyurethane) used. Inspect sealants annually as part of the building envelope inspections (component #995) to better determine when to replace the sealant, and adjust remaining useful life accordingly.

Proper sealant/caulking is critical to keeping water out of the walls and preventing water damage. Incorrect installation of sealant is common, and can greatly decrease its useful life. Inspect sealant joints more frequently as it ages to determine if it is failing. Typical sealant failures include the lack of adherence to adjacent materials, tearing/splitting of the sealant itself, and a loss of elastic ability. Failure can be caused by improper installation, exposure to ultraviolet light, or general aging. Remove and replace all sealant joints as signs of failure begin to appear. Align sealant replacement with exterior painting or the window replacement project for cost efficiency. If washing of the building is performed, we recommend having the sealant inspection combined as part of the washing project, regardless of the minimal cost increase
.
For a sealant project, we recommend that you hire a professional consultant such as an architect, engineer, or building envelope consultant to evaluate, design, specify, help bid the project, select the best bidder, and observe the work to increase the likelihood of proper installation. We recommend that all associations seek advice from a qualified consultant whenever they are considering having work performed on any building envelope components (roof, walls, windows, decks, exterior painting and caulking/sealant).

Resource:
Architect Magazine Joint Sealants: https://www.architectmagazine.com/technology/products/joint-sealants_o

Useful Life:
16 years

Remaining Life:
2 years

Best Case: $ 9,800 Worst Case: $ 14,300

Cost Source: Budget Allowance

Comp #: 535 Windows/Glass Doors - Replace **Quantity: ~ 94 windows & 16 doors**

Location: The exterior building walls.
Funded?: Yes.
History: Repairs 2013.
Comments: Windows and French doors are wood frame with a metal exterior cladding, manufactured by Pella. Windows and doors typically had head flashing with end dams and sill flashing. Half circle windows did not have head flashing.

The metal framed windows are mostly horizontal sliders and fixed operation. Head flashing was observed during our limited visual review. The jambs and sills had sealant joints between the window frame and cladding. The weep holes at the exterior lower corners were observed to be clear in the few windows sampled for our study. No condensation was observed between the window panes, which is typically indicative of failed glazing seals. Failed glazing seals are common in windows as they age, especially areas with high UV exposure (may be owners responsibility to replace). No observation of the critical underlying waterproofing details and flashing was part of our limited visual review. The underlying details and flashing are critical to maintaining the waterproofing of the building envelope, and preventing structural damage as a result of water infiltration.

Review the sealant annually, and repair as needed to maintain the waterproof integrity. See component #534 for replacement of the sealants.

We have included the below allowances for periodic replacements during similar exterior projects. These allowances should be considered placeholder amounts until specific estimates are available.

Useful Life:
32 years

Remaining Life:
21 years

Best Case: $ 142,000 Worst Case: $ 208,000

Cost Source: Budget Allowance

Comp #: 540 Exterior Doors - Replace **Quantity: (12) Wood**

Location: The main entrance to each unit.
Funded?: No. The useful life is not predictable.
History: Painted 2013
Comments: Exterior doors are wood with wood frames. Doors appeared in stable condition. No widespread problems were observed.

No predictable large-scale repair or replacement of doors.

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

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 541 Coated Decks/Patios - Resurface **Quantity: ~2,100 SF / Elastomeric**

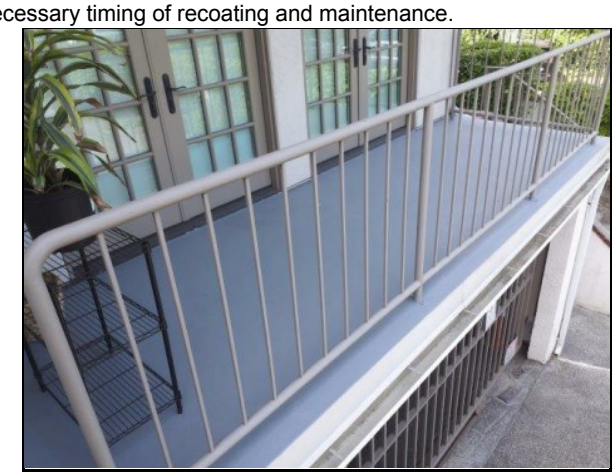
Location: The unit decks and patios.
Funded?: No. Large-scale repairs or replacements are not predictable.
History: None known
Comments: The surface of the deck is a urethane/elastomeric coating. The slope appeared adequate at most locations observed during our limited visual review; one patio area had evidence of ponding water. The drip edge of the deck is open. A vertical portion of drip edge flashing was observed. We were unable to view if the coating is turned up the wall a few inches beneath the cladding to prevent water from entering behind the siding. The threshold of the door is raised slightly above the deck surface to allow proper flashing. Venting on the underside of the deck, at the soffit below, was not observed. Venting is a good practice as it can reduce problems from condensation. The railing connections do attach through the deck surface. The fewer penetrations through the waterproof surface, the fewer opportunities there are for water penetration.

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

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

Useful Life:

Remaining Life:



Best Case: Worst Case:

Cost Source:

Comp #: 543 Traffic Coated Surfaces - Recoat **Quantity: ~2,100 SF / Elastomeric**

Location: The surfaces of the unit decks and patios.
Funded?: Yes.
History: 2019; 2013
Comments: The surfaces are a urethane/elastomeric coating. Some cracking was noted. Re-application of the topcoat periodically is required to maintain its waterproof integrity. If decks are not maintained adequately, significant repair/replacement expenses often occur. Proactive coating cycles are cost effective. Extending the time between coatings runs the risk of increased costs due to wear on the second coat in addition to the topcoat and potential water penetration, which can damage the underlying components and greatly increase costs. Elastomeric deck surfaces are typically a three-coat system. The top coat loses thickness each year, primarily from exposure to ultraviolet sunlight, and to a lesser extent wear and tear. If more than the topcoat is allowed to wear off, the surface may still appear to be in 'good' condition, but the waterproof integrity may be compromised by nearly imperceptible "pin holes". Evaluate and repair, as needed, before recoating. Check with your specific manufacturer for cleaning instructions to avoid damage to the coating. Many manufacturers allow cleaning with a mild solution, such as soap and water, TSP, etc.

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

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

Useful Life:
5 years

Remaining Life:
0 years

Best Case: $ 36,800 Worst Case: $ 54,100

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 550 Metal Decks - Refurbish **Quantity: ~ 400 SF**
Location: The 2nd floor elevated decks.
Funded?: Yes.
History: Repaired 2013.
Comments: Access to the walking surfaces of these installations was not provided. Decks had a tubular steel structure with a 'knife blade' connection to the exterior walls. The deck surface was an open metal grating.

Assuming the metal is kept painted to prevent corrosion, currently there are no predictable large-scale replacements at this time. The below allowances are included for eventual large scale repairs and refurbishment needs which are likely to arise as consistently exposed to the elements.

Useful Life:
36 years

Remaining Life:
21 years

Best Case: $ 10,300 Worst Case: $ 15,500

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 555 Deck Rails - Replace **Quantity: ~ 410 LF / Metal**
Location: The deck perimeters.
Funded?: Yes.
History: Replaced 2013.
Comments: The metal rails are attached through the waterproof surface of the decks.

As routine maintenance, all railings and connections should be inspected at least annually for structural and/or waterproofing issues. Repair promptly, as needed, using operating funds.

Useful Life:
36 years

Remaining Life:
21 years

Best Case: $ 47,100 Worst Case: $ 56,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 556 Deck Rails - Clean & Paint **Quantity: ~ 410 LF / Metal**
Location: The deck perimeters.
Funded?: Yes.
History: Painted 2013.
Comments: No chipping, peeling, or unusual wear was noted.

The timing for painting is estimated below for financial planning purposes. Evaluate regularly to determine the most appropriate timing for repainting. When practical, we recommend including rail painting with the painting of the exterior building surfaces (component #533) for cost efficiency.

Touch up paint, and secure any fasteners, as needed, as part of general maintenance. If corrosion is found, apply a rust inhibitor to prevent corrosion and extend the useful life.

Useful Life:
12 years

Remaining Life:
2 years

Best Case: $ 14,800 Worst Case: $ 25,300

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 560 Exterior Lights - Replace **Quantity: 30 fixtures**

Location: Mounted to the exterior walls.
Funded?: Yes.
History: Replaced 2013.
Comments: The exterior lights were observed during daylight hours and are assumed to be functional.

It is best to plan for large-scale replacement of these fixtures at roughly the time frame indicated below - timed to coincide with exterior painting projects for cost efficiency, and a consistent quality appearance throughout the community. A mid-range replacement allowance is factored below for planning purposes.

As routine maintenance, inspect, and repair/change bulbs, as needed.

Useful Life:
32 years

Remaining Life:
21 years

Best Case: $ 3,600 Worst Case: $ 4,800

Cost Source: Budget Allowance

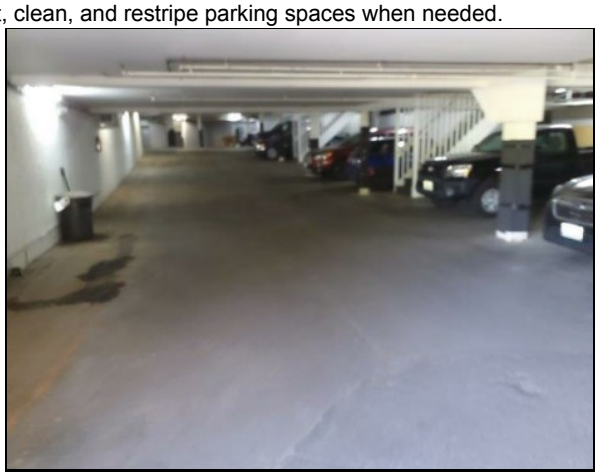
Comp #: 590 Garage - Maintain/Repair **Quantity: ~11,000 SF**
Location: Below the building.
Funded?: No. Large-scale repairs or replacements are not predictable.
History: None known
Comments: Some cracking and efflorescence stains were observed.

Efflorescence is white staining on the concrete. As water from the exterior moves through the concrete, it dissolves salts and minerals from the concrete. When the water reaches the interior face of the concrete, the water can evaporate which leaves behind the salts and minerals as white stains. Typically, trying to waterproof the exterior surface of the garage is cost prohibitive. Less expensive interior surface remedies, such as epoxy coating and injections, may (or may not) help limit water penetration, and the resulting efflorescence.

As routine maintenance, inspect, clean, and restripe parking spaces when needed.

Useful Life:

Remaining Life:



Best Case: Worst Case:

Cost Source:

Comp #: 605 West Garage Gate - Replace **Quantity: 1 Metal**
Location: The west vehicle entrance to the garage.
Funded?: Yes.
History: None known
Comments: No obvious damage or excessive corrosion was noted. No problems were reported.

We recommend planning for the eventual replacement of the gates. Replacement is typically caused by vehicles or other damage not covered by insurance (or prohibitive due to a high deductible), and/or the failure of hinges and welds.

Inspect periodically, and repair locally as needed using the operating funds.

Useful Life:
40 years

Remaining Life:
6 years

Best Case: $ 4,600 Worst Case: $ 6,300

Cost Source: Budget Allowance

Comp #: 606 North Garage Door - Replace **Quantity: 1 metal**
Location: The vehicle entrance to the garage.
Funded?: No. The useful life is not predictable.
History: None known
Comments: This component represents the north vehicle garage entrance gate. It was reported this gate is rarely used due to the steep slope of the driveway (removable metal bollards are set at the top of the driveway which block vehicle access).

With limited use, there is no predicable useful life at this time. Reserve funding may be included if conditions dictate.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 615 Garage Lighting - Replace **Quantity: ~ 22 Fixtures**
Location: The garage area.
Funded?: No. No predictable large scale replacement projected
History: LED upgrade 2018.
Comments: The garage lighting is four foot long fluorescents with two lamps (bulbs) per fixture. The lights were operational during our site visit.

Maintain as needed - replace lamps (bulbs) and ballasts as required on an individual basis. Keep track of ballast expenses. If these costs are large enough, they may need to be added to a future reserve study.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 620 Garage Unit Stairs - Replace **Quantity: 6 sets**

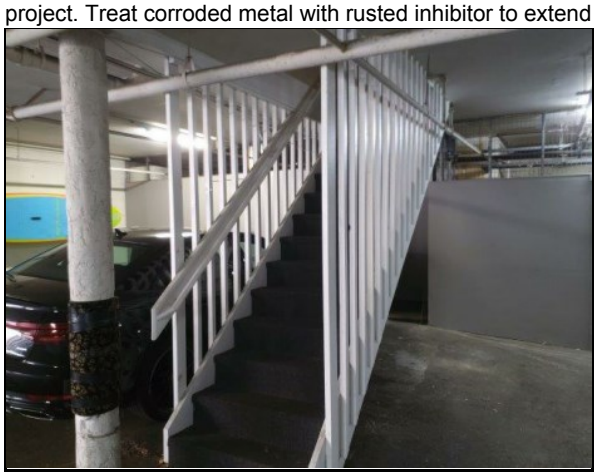
Location: In the garage.
Funded?: No. No predictable large scale replacement projected
History: Painted & carpet replaced 2018.
Comments: No damage or unusual wear was noted at the garage interior wood stair sets. Railings are wood. It was reported the stairs were painted and carpet was replaced in 2018.

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

As routine maintenance, inspect regularly to ensure safety and stability. Repair promptly as needed using general operating funds. Paint as part of an exterior paint project. Treat corroded metal with rusted inhibitor to extend useful life.

Useful Life:

Remaining Life:



Best Case: Worst Case:

Cost Source:

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

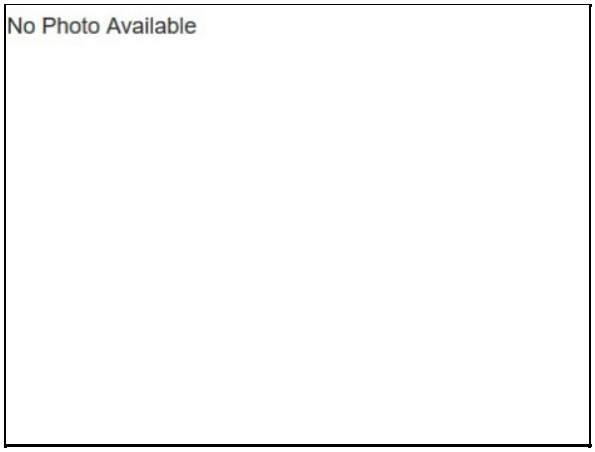
Location: Common plumbing
Funded?: Yes. Costs are best handled with operating funds.
History: Regular video evaluations & hydro-jetting of lines.
Comments: Plumbing systems are generally considered life limited by the engineering community. The costs for replacement can vary widely depending upon the specifications, site conditions, unit repairs after install, hazardous material handling, etc.

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

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

Useful Life:
50 years

Remaining Life:
0 years



Best Case: $ 8,000 Worst Case: $ 10,500

Cost Source: Budget Allowance: Kent Engineering 206-455-5121

Comp #: 901 Plumbing - Repair/Replace **Quantity: Supply & drain lines**
Location: Throughout the community.
Funded?: No. No basis for reserve funding, pending evaluation and scope of work
History: Regular video evaluations & hydro-jetting of lines.
Comments: Plumbing systems are generally considered life limited by the engineering community. The costs for systems replacement can vary widely depending upon the specifications, site conditions, unit repairs after install, hazardous material handling, etc.

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

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

Treat minor repairs as an ongoing maintenance expense.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 905 Unit Water Heaters - Replace **Quantity: (12) Units**
Location: Garage utility closets.
Funded?: No. Reportedly the responsibility of Individual Unit Owner(s), not the Association.
History: None known.
Comments: No access was provided during our site visit. No problems were reported at the time of our visit.

These installations are reportedly the responsibility of Individual Unit Owner(s), not the Association. Therefore, reserve funding is not warranted.

Useful Life:

Remaining Life:

No Photo Available

Best Case: Worst Case:

Cost Source:

Comp #: 916 AC Unit - Replace **Quantity: (1) Mini Split**
Location: Wall mounted in the garage.
Funded?: No. Reportedly the responsibility of Individual Unit Owner(s), not the Association.
History: None known
Comments: The AC unit was noted to be in functional, normal operating condition. There were no reports of maintenance. No conditions (rattling / noise, rust / damage, exterior soiling) observed or reported that could adversely affect the function and service life.

This installation is reportedly the responsibility of Individual Unit Owner(s), not the Association. Therefore, reserve funding is not warranted.

Useful Life:

Remaining Life:

Best Case: Worst Case:

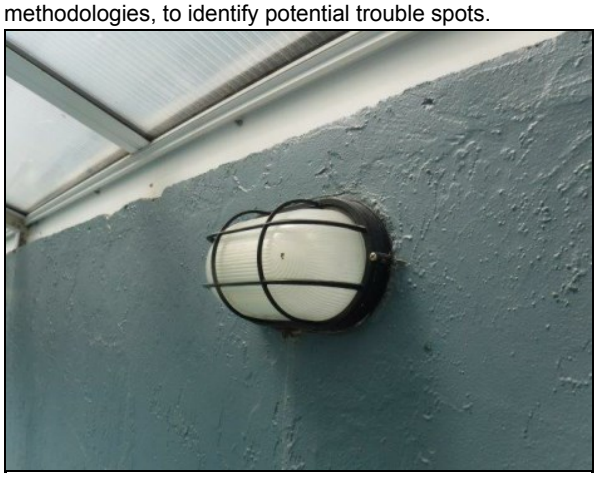
Cost Source:

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

Typically, if installed per architectural specifications and local building codes, there is no predictable time frame for large-scale repair/replacement expenses within the scope of our review. Some electrical system components are known to be life limited. Manufacturing defects become known from time to time, and certain site conditions can contribute to premature deterioration of electrical components. Periodic inspections and maintenance by a master electrician may become necessary. Some associations employ infrared, or other testing methodologies, to identify potential trouble spots.

Useful Life:

Remaining Life:



Best Case: Worst Case:

Cost Source:

Comp #: 945 Surveillance System - Replace **Quantity: (4) Cameras / DVR**
Location: Throughout the community.
Funded?: Yes.
History: None known
Comments: The surveillance system appeared operational at time of our site visit. The association reported no problems with the existing setup.

Although it is difficult to predict the timing, cost, and scope of future replacement, we suggest a general funding allowance for periodic upgrades and significant repair/replacements. Costs and timing can vary greatly depending upon the number and quality of the cameras, and other system specifications. Expect some local repair/replacement maintained with operating funds in between overhaul cycles.

Another option is to set up a lease arrangement with the vendor. Typically, the lease covers hardware, maintenance, and operation costs for a given time period (usually 10 years). At the end of the lease, there may be an option of purchasing the existing system for a nominal fee, or installing new hardware with either another lease option or outright purchase.

Useful Life:
12 years

Remaining Life:
4 years

Best Case: $ 1,400 Worst Case: $ 2,100

Cost Source: Budget Allowance

Comp #: 951 Exterior Gate Operator - Replace **Quantity: 1 DoorKing**
Location: Adjacent to the exterior vehicle gate off E Boston St.
Funded?: Yes.
History: Replaced 2012.
Comments: No problems were reported.

Major repairs can be intermittent, and somewhat difficult to predict, but in our experience occur at roughly the interval below. We have used a general useful life below for financial planning purposes. Replace the operators when failure occurs. Provide regular service to extend the useful life. The useful life varies depending on the quality of the operator and the amount of use.

Useful Life:
15 years

Remaining Life:
3 years

Best Case: $ 2,600 Worst Case: $ 3,600

Cost Source: Budget Allowance

Comp #: 952 West Garage Door Operator-Replace **Quantity: 1 DoorKing**
Location: Adjacent to the west vehicle garage entrance on the interior side.
Funded?: Yes.
History: None known
Comments: No problems were reported.

Major repairs can be intermittent, and somewhat difficult to predict, but in our experience occur at roughly the interval below. We have used a general useful life below for financial planning purposes. Replace the operators when failure occurs. Provide regular service to extend the useful life. The useful life varies depending on the quality of the operator and the amount of use.

Useful Life:
15 years

Remaining Life:
2 years

Best Case: $ 2,600 Worst Case: $ 3,600

Cost Source: Budget Allowance

Comp #: 953 North Garage Door Operator-Replace **Quantity: 1 Stanley**

Location: Adjacent to the north vehicle garage entrance on the interior side.
Funded?: Yes.
History: 2023 ~$3,029
Comments: This component represents the gate operator for the north entrance. Reportedly replaced in 2023.

Useful Life:
15 years

Remaining Life:
14 years

Best Case: $ 2,600 Worst Case: $ 3,600

Cost Source: Inflated Client Cost History

Comp #: 961 Fire Alarm Panel - Replace **Quantity: (1) Addressable Panel**
Location: The southeast corner of the garage.
Funded?: Yes.
History: None known
Comments: Fire panel is a Silent Knight model #5107. Log notes indicated that it has been inspected annually. No problems were reported to us at the time of our site visit.

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

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

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

Useful Life:
20 years

Remaining Life:
7 years

Best Case: $ 3,300 Worst Case: $ 4,400

Cost Source: Budget Allowance

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

Location: To augment reserve planning.

Funded?: No. Operating expense in year of occurrence

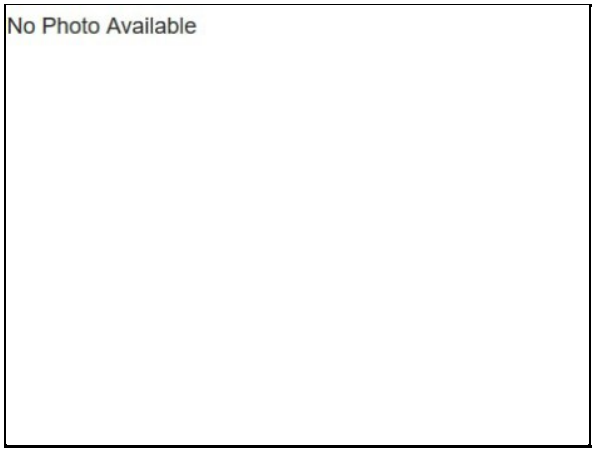
History: None known

Comments: A reserve study is a budget model, limited to visual exterior observations and research. As there are some key details and factors of buildings and grounds hidden from view, it is prudent to conduct additional ancillary evaluations from time to time. The purpose of these evaluations is to aid planning and assess for any basis of predictable funding that may be incorporated into the reserve study. We recommend that you periodically engage specialty evaluations in the following areas/fields as applicable to your property:

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

-Surveillance: Have local law enforcement visit the community to assess potential risks and provide suggestions for security and safety. This is typically completed free of charge. This assessment can help guide a service vendor in the bid process.

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



Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

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

Location: The exterior walls, underlying waterproofing components, and structural components.
Funded?: No. Costs are best handled with operating funds.
History: Annual visual bldg inspection McLeod Construction.
Comments: In 2019, visual building inspection performed by McLeod Construction which recommended minor repairs and various maintenance items. Following this report, the Association has engaged with McLeod annually for similar services.

A reserve study is a budget model, limited to visual exterior observations and research. It is outside the scope of our services, and the purpose of a reserve study, to assess the adequacy of the building envelope and structural performance, as many of the key details are hidden from view. Many associations are required to have annual inspections by a qualified engineer or architect to assess the physical condition of the improvements - check your governing documents for any such requirements. Any areas of concern observable from our limited exterior observations, and cycles for repair and replacement, have been stated in the various component field notes throughout this report. We highly recommend regular professional specialty inspections by a qualified engineering, architectural, or building envelope consulting firm to evaluate the performance of the building envelope and structural components.

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

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

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

Useful Life:

Remaining Life:

Best Case: Worst Case:

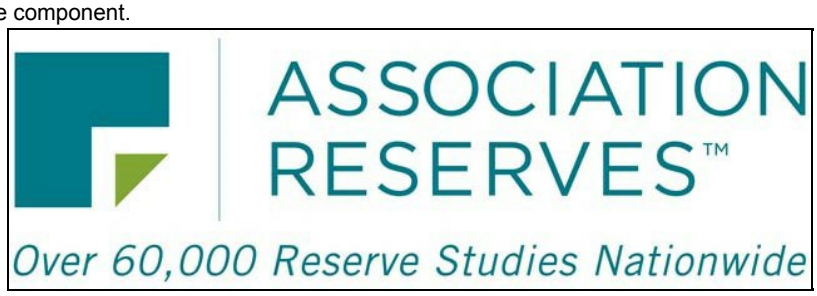
Cost Source:

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

Location: The common and limited common elements of the community.
Funded?: No. Costs are best handled with operating funds.
History: 2024 WSV; 2023 NSV, 2022 NSV; 2021 WSV; 2015 Full.
Comments: Per Washington law (RCW), reserve studies are to be updated annually, with site inspections by an independent reserve study professional to occur no less than every three years to assess changes in condition (i.e. physical, economic, governmental, etc.), and the resulting effect on the community's long-term reserve plan. Most appropriately factored within operating budget, not as reserve component.

Useful Life:

Remaining Life:



Best Case: Worst Case:

Cost Source: