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Talon Pointe Metro District

Thornton, CO

BRYAN FARLEY CAI-RS 00260 DESIGNATION RESERVE SPECIALIST

Report #: 49612-0
Beginning: January 1, 2024
Expires: December 31, 2024

RESERVE STUDY

"Full"

September 29, 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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Reserve Study Executive Summary — Full

Talon Pointe Metro District
Thornton, CO
Level of Service: **"Full"**

Report #: **49612-0**
# of Units: 180
January 1, 2024 through **December 31, 2024**

Findings & Recommendations — as of January 1, 2024

Starting Reserve Balance	**$0**
Fully Funded Reserve Balance	**$292,577**
Annual Rate (Cost) of Deterioration	**$76,924**
Percent Funded	**0.0 %**
Recommended 2024 Annual "Fully Funding" Contributions	**$98,500**
Alternate/Baseline Annual Minimum Contributions to Keep Reserves Above $0	**$91,450**
Recommended 2024 Special Assessments for Reserves	**$0**
Most Recent Annual Reserve Contribution Rate	**$0**

Reserve Fund Strength: 0.0%

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

Risk of Special Assessment: High | Medium | Low

Economic Assumptions:

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

• This "Full", (original, created “from scratch”), is based on our site inspection on 9/7/2023.
• The Reserve Study was reviewed by a credentialed Reserve Specialist (RS).
• Your Reserve Fund is currently 0.0 % Funded. This means the client’s special assessment & deferred maintenance risk is currently High.
• Based on this starting point and your anticipated future expenses, our recommendation is to budget the Annual Reserve contributions at $98,500 with 3% annual increases in order to be within the 70% to 130% level as noted above. 100% “Full” contribution rates are designed to achieve these funding objectives by the end of our 30-year report scope.
• The goal of the Reserve Study is to help the client offset inevitable annual deterioration of the common area components. The Reserve Study will guide the client to establish an appropriate Reserve Contribution rate that offsets the annual deterioration of the components and 'keep pace' with the rate of ongoing deterioration. No assets appropriate for Reserve designation were excluded. See appendix for component details; the basis of our assumptions.
• We recommend that this Reserve Study be updated annually, with a With-Site-Visit Reserve Study every three years. Clients that update their Reserve Study annually with a No-Site-Visit Reserve Study reduce their risk of special assessment by ~ 35%.
• Please watch this 5-minute video to understand the key results of a Reserve Study - https://youtu.be/u83t4BRRIRE

Executive Summary Table

Report # 49612-0
Full

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
	Sites and Grounds			
21090	Concrete Walkways - Repair - 5%	5	3	$37,800
21320	Fence: Double Sided - Paint/Stain	5	1	$20,050
21320	Fence: Single Sided - Paint/Stain	5	1	$40,250
21320	Fence: Three Rail - Paint/Stain	5	1	$64,050
21330	Fence: Double Sided - Replace	30	26	$157,300
21330	Fence: Single Sided - Replace	25	21	$273,150
21340	Fence: Three Rail - Replace	30	26	$428,500
21440	Gazebo Roof – Replace	30	26	$7,550
21600	Mailbox Kiosks - Replace	30	26	$36,100
21610	Sign/Monuments - Refurbish	30	26	$11,800
21660	Site Pole Lights - Replace	30	26	$40,600
21690	Site Furnishings - Replace	30	26	$33,975
	Amenities			
26030	Playground Cover - Refill/Replace	10	6	$15,100
26050	Playground Equipment - Replace	20	16	$128,750
26070	Grills/BBQs – Replace	10	6	$1,600
	Mechnical			
25570	Irrigation Clocks - Replace	15	11	$24,000
16	**Total Funded Components**			

Introduction

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

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

RESERVE STUDY RESULTS

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

Methodology

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

Which Physical Assets are Funded by Reserves?

RESERVE COMPONENT "FOUR-PART TEST"

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

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

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

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

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

How much Reserves are enough?

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

Adequacy is measured in a two-step process:

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

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

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

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

How much should we contribute?

RESERVE FUNDING PRINCIPLES

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

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

What is our Recommended Funding Goal?

FUNDING OBJECTIVES

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

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

Site Inspection Notes

During our site visit on 9/7/2023 we visually inspected the common area assets and were able to see a majority of the common areas.

Please see photo appendix for component details; the basis of our assumptions.

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. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses as defined by your Reserve Component List. A summary of these expenses are shown in the 30-Year Reserve Plan Summary Table, while details of the projects that make up these expenses are shown in the 30-Year Income/Expense Detail.

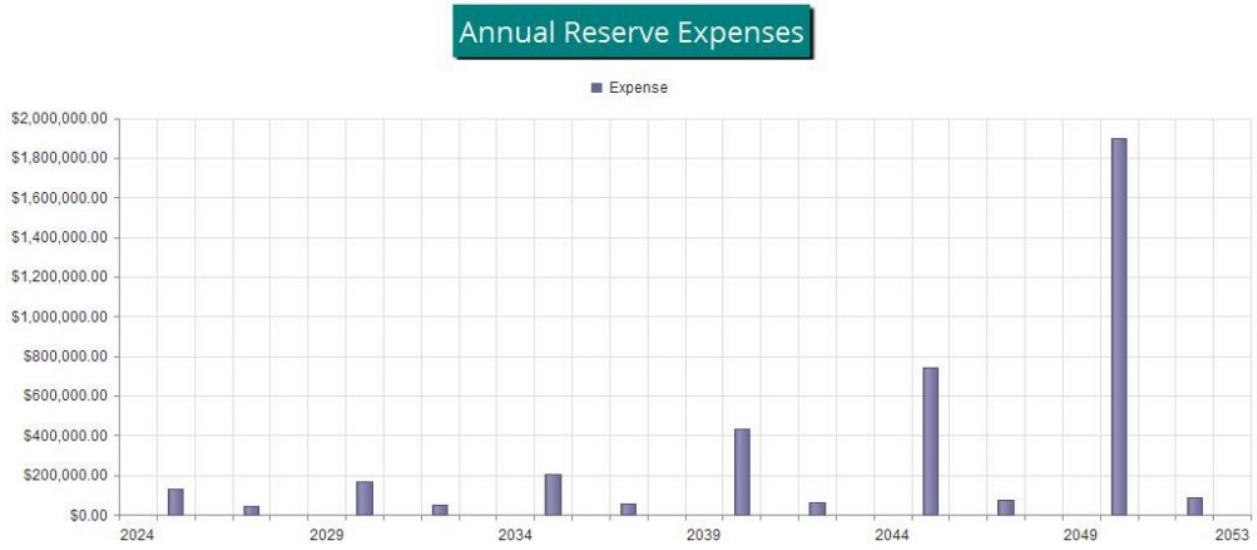


Figure 1

Reserve Fund Status

As of 1/1/2024 your Reserve Fund balance is projected to be $0 and your Fully Funded Balance is computed to be $292,577 (see the Fully Funded Balance Table). The Fully Funded Balance represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 0.0 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending Annual budgeted contributions of $98,500. The overall 30-Year Plan, in perspective, is shown below in the Annual Reserve Funding (Fig. 2). This same information is shown numerically in both the 30-Year Reserve Plan Summary Table and the 30-Year Income/Expense Detail.

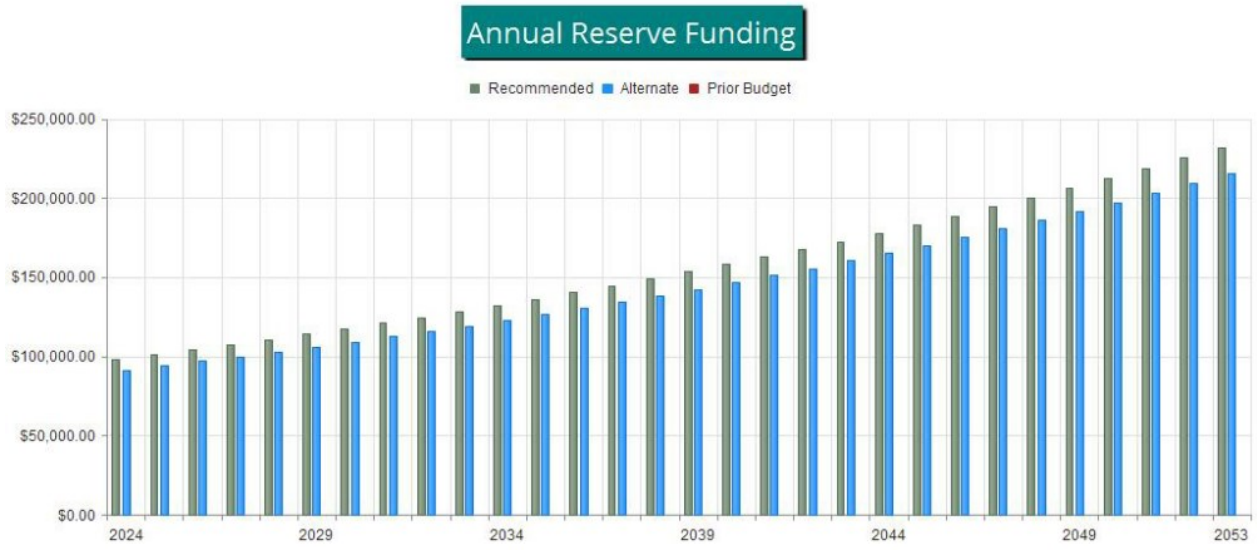


Figure 2

The reserve balance under our recommended Full Funding Plan, an alternate Baseline Funding Plan, and at your current budgeted contribution rate, compared to your always—changing Fully Funded Balance target is shown in the 30-Yr Cash Flow (Fig. 3).

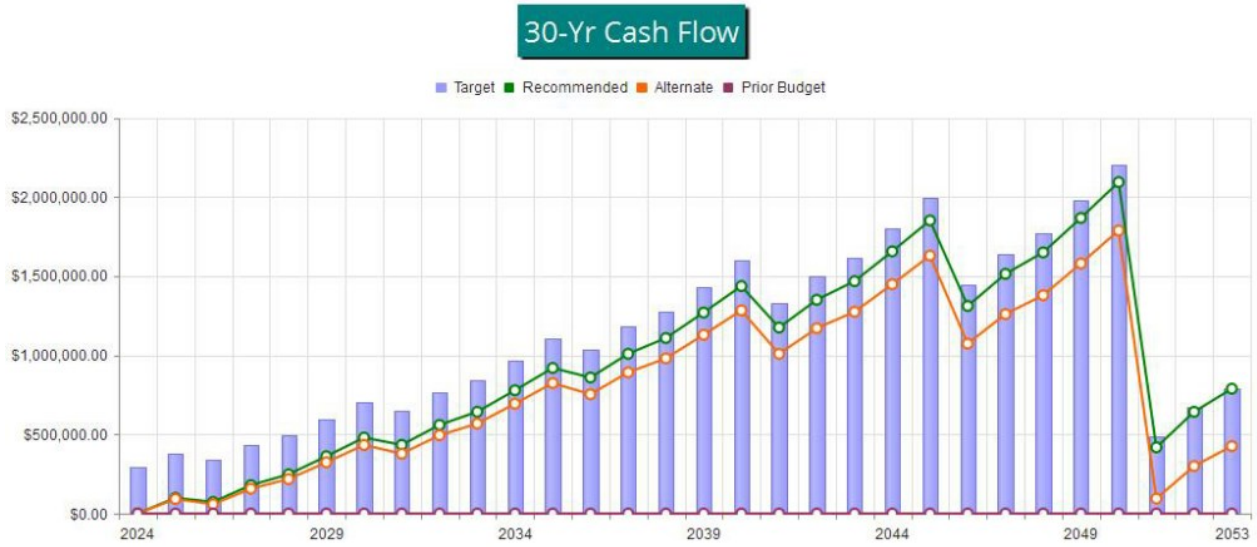


Figure 3

The information from Figure 3 is plotted on a Percent Funded scale in Figure 4. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan.
A client that has a percent funded level of <30% may experience an ~ 20%-60% chance risk of special assessment. A client that is between 30% and 70% may experience an ~ 20%-5% chance risk of special assessment. A client that has a percent funded of >70% may experience an ~ <1% chance risk of special assessment.

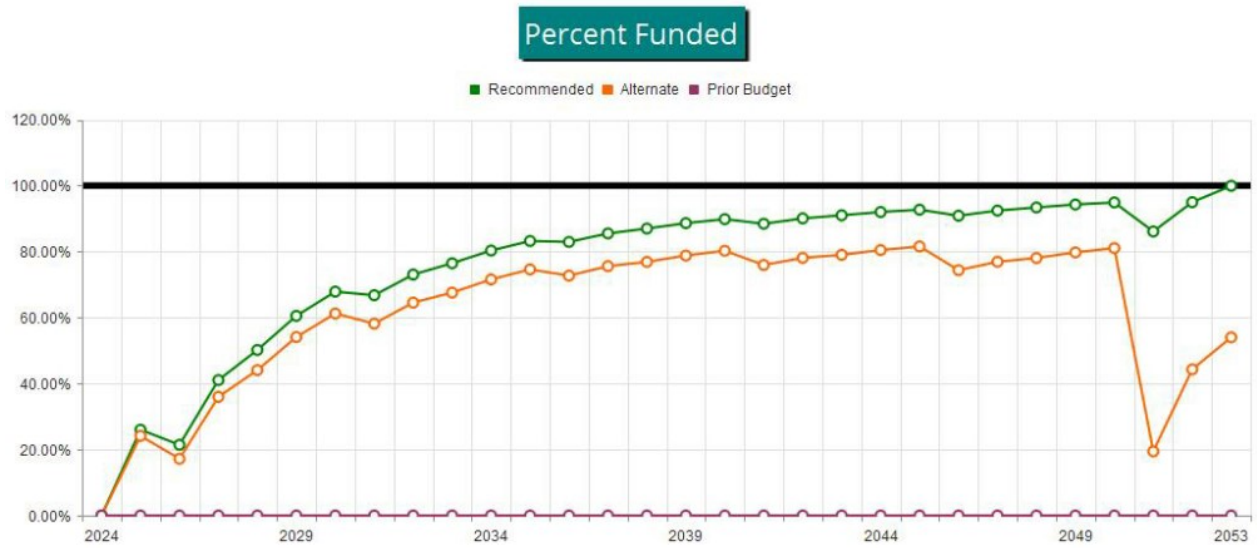


Figure 4

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	Current Cost Estimate Worst Case
	Sites and Grounds					
21090	Concrete Walkways - Repair - 5%	5% of ~ 43200 GSF	5	3	$32,400	$43,200
21320	Fence: Double Sided - Paint/Stain	~ 2900 LF	5	1	$17,200	$22,900
21320	Fence: Single Sided - Paint/Stain	~ 5800 LF	5	1	$34,500	$46,000
21320	Fence: Three Rail - Paint/Stain	~ 9850 LF	5	1	$49,300	$78,800
21330	Fence: Double Sided - Replace	~ 2900 LF	30	26	$128,700	$185,900
21330	Fence: Single Sided - Replace	~ 5800 LF	25	21	$230,000	$316,300
21340	Fence: Three Rail - Replace	~ 9850 LF	30	26	$394,000	$463,000
21440	Gazebo Roof – Replace	(2) Roofs, ~ 630 GSF	30	26	$6,300	$8,800
21600	Mailbox Kiosks - Replace	~ (19) CBUs	30	26	$30,400	$41,800
21610	Sign/Monuments - Refurbish	~ (2) Monuments	30	26	$10,000	$13,600
21660	Site Pole Lights - Replace	~ (29) Pole Lights	30	26	$34,800	$46,400
21690	Site Furnishings - Replace	~ (39) Units	30	26	$26,500	$41,450
	Amenities					
26030	Playground Cover - Refill/Replace	~ 6300 GSF	10	6	$12,600	$17,600
26050	Playground Equipment - Replace	~ (5) Pieces	20	16	$117,500	$140,000
26070	Grills/BBQs – Replace	~ (4) BBQs	10	6	$1,200	$2,000
	Mechnical					
25570	Irrigation Clocks - Replace	~ (6) Controllers	15	11	$21,000	$27,000

16 Total Funded Components

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
	Sites and Grounds							
21090	Concrete Walkways - Repair - 5%	$37,800	X	2	/	5	=	$15,120
21320	Fence: Double Sided - Paint/Stain	$20,050	X	4	/	5	=	$16,040
21320	Fence: Single Sided - Paint/Stain	$40,250	X	4	/	5	=	$32,200
21320	Fence: Three Rail - Paint/Stain	$64,050	X	4	/	5	=	$51,240
21330	Fence: Double Sided - Replace	$157,300	X	4	/	30	=	$20,973
21330	Fence: Single Sided - Replace	$273,150	X	4	/	25	=	$43,704
21340	Fence: Three Rail - Replace	$428,500	X	4	/	30	=	$57,133
21440	Gazebo Roof – Replace	$7,550	X	4	/	30	=	$1,007
21600	Mailbox Kiosks - Replace	$36,100	X	4	/	30	=	$4,813
21610	Sign/Monuments - Refurbish	$11,800	X	4	/	30	=	$1,573
21660	Site Pole Lights - Replace	$40,600	X	4	/	30	=	$5,413
21690	Site Furnishings - Replace	$33,975	X	4	/	30	=	$4,530
	Amenities							
26030	Playground Cover - Refill/Replace	$15,100	X	4	/	10	=	$6,040
26050	Playground Equipment - Replace	$128,750	X	4	/	20	=	$25,750
26070	Grills/BBQs – Replace	$1,600	X	4	/	10	=	$640
	Mechnical							
25570	Irrigation Clocks - Replace	$24,000	X	4	/	15	=	$6,400
								$292,577

#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
	Sites and Grounds				
21090	Concrete Walkways - Repair - 5%	5	$37,800	$7,560	9.83 %
21320	Fence: Double Sided - Paint/Stain	5	$20,050	$4,010	5.21 %
21320	Fence: Single Sided - Paint/Stain	5	$40,250	$8,050	10.46 %
21320	Fence: Three Rail - Paint/Stain	5	$64,050	$12,810	16.65 %
21330	Fence: Double Sided - Replace	30	$157,300	$5,243	6.82 %
21330	Fence: Single Sided - Replace	25	$273,150	$10,926	14.20 %
21340	Fence: Three Rail - Replace	30	$428,500	$14,283	18.57 %
21440	Gazebo Roof – Replace	30	$7,550	$252	0.33 %
21600	Mailbox Kiosks - Replace	30	$36,100	$1,203	1.56 %
21610	Sign/Monuments - Refurbish	30	$11,800	$393	0.51 %
21660	Site Pole Lights - Replace	30	$40,600	$1,353	1.76 %
21690	Site Furnishings - Replace	30	$33,975	$1,133	1.47 %
	Amenities				
26030	Playground Cover - Refill/Replace	10	$15,100	$1,510	1.96 %
26050	Playground Equipment - Replace	20	$128,750	$6,438	8.37 %
26070	Grills/BBQs – Replace	10	$1,600	$160	0.21 %
	Mechnical				
25570	Irrigation Clocks - Replace	15	$24,000	$1,600	2.08 %
16	Total Funded Components			$76,924	100.00 %

30-Year Reserve Plan Summary

Report # 49612-0
Full

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	$0	$292,577	0.0 %	High	0.00 %	$98,500	$0	$495	$0
2025	$98,995	$380,587	26.0 %	High	3.00 %	$101,455	$0	$861	$128,081
2026	$73,230	$341,690	21.4 %	High	3.00 %	$104,499	$0	$1,261	$0
2027	$178,989	$435,998	41.1 %	Medium	3.00 %	$107,634	$0	$2,131	$41,305
2028	$247,449	$493,113	50.2 %	Medium	3.00 %	$110,863	$0	$3,043	$0
2029	$361,354	$597,083	60.5 %	Medium	3.00 %	$114,188	$0	$4,204	$0
2030	$479,747	$706,847	67.9 %	Medium	3.00 %	$117,614	$0	$4,564	$168,421
2031	$433,504	$649,186	66.8 %	Medium	3.00 %	$121,143	$0	$4,963	$0
2032	$559,610	$766,107	73.0 %	Low	3.00 %	$124,777	$0	$6,008	$47,884
2033	$642,511	$840,139	76.5 %	Low	3.00 %	$128,520	$0	$7,100	$0
2034	$778,131	$968,723	80.3 %	Low	3.00 %	$132,376	$0	$8,482	$0
2035	$918,989	$1,104,266	83.2 %	Low	3.00 %	$136,347	$0	$8,886	$205,351
2036	$858,871	$1,035,558	82.9 %	Low	3.00 %	$140,437	$0	$9,334	$0
2037	$1,008,642	$1,179,590	85.5 %	Low	3.00 %	$144,651	$0	$10,581	$55,511
2038	$1,108,362	$1,274,157	87.0 %	Low	3.00 %	$148,990	$0	$11,883	$0
2039	$1,269,235	$1,432,228	88.6 %	Low	3.00 %	$153,460	$0	$13,522	$0
2040	$1,436,216	$1,598,635	89.8 %	Low	3.00 %	$158,064	$0	$13,047	$432,950
2041	$1,174,378	$1,327,800	88.4 %	Low	3.00 %	$162,805	$0	$12,616	$0
2042	$1,349,799	$1,498,593	90.1 %	Low	3.00 %	$167,690	$0	$14,079	$64,352
2043	$1,467,215	$1,612,155	91.0 %	Low	3.00 %	$172,720	$0	$15,607	$0
2044	$1,655,543	$1,799,454	92.0 %	Low	3.00 %	$177,902	$0	$17,525	$0
2045	$1,850,970	$1,996,539	92.7 %	Low	3.00 %	$183,239	$0	$15,801	$739,467
2046	$1,310,543	$1,442,180	90.9 %	Low	3.00 %	$188,736	$0	$14,114	$0
2047	$1,513,393	$1,637,262	92.4 %	Low	3.00 %	$194,398	$0	$15,805	$74,602
2048	$1,648,995	$1,765,911	93.4 %	Low	3.00 %	$200,230	$0	$17,571	$0
2049	$1,866,796	$1,979,951	94.3 %	Low	3.00 %	$206,237	$0	$19,790	$0
2050	$2,092,823	$2,205,244	94.9 %	Low	3.00 %	$212,424	$0	$12,549	$1,899,687
2051	$418,109	$485,595	86.1 %	Low	3.00 %	$218,797	$0	$5,299	$0
2052	$642,206	$676,160	95.0 %	Low	3.00 %	$225,361	$0	$7,149	$86,484
2053	$788,232	$788,644	99.9 %	Low	3.00 %	$232,122	$0	$9,084	$0

	Fiscal Year	2024	2025	2026	2027	2028
	Starting Reserve Balance	$0	$98,995	$73,230	$178,989	$247,449
	Annual Reserve Funding	$98,500	$101,455	$104,499	$107,634	$110,863
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$495	$861	$1,261	$2,131	$3,043
	Total Income	$98,995	$201,311	$178,989	$288,754	$361,354
#	Component					
	Sites and Grounds					
21090	Concrete Walkways - Repair - 5%	$0	$0	$0	$41,305	$0
21320	Fence: Double Sided - Paint/Stain	$0	$20,652	$0	$0	$0
21320	Fence: Single Sided - Paint/Stain	$0	$41,458	$0	$0	$0
21320	Fence: Three Rail - Paint/Stain	$0	$65,972	$0	$0	$0
21330	Fence: Double Sided - Replace	$0	$0	$0	$0	$0
21330	Fence: Single Sided - Replace	$0	$0	$0	$0	$0
21340	Fence: Three Rail - Replace	$0	$0	$0	$0	$0
21440	Gazebo Roof – Replace	$0	$0	$0	$0	$0
21600	Mailbox Kiosks - Replace	$0	$0	$0	$0	$0
21610	Sign/Monuments - Refurbish	$0	$0	$0	$0	$0
21660	Site Pole Lights - Replace	$0	$0	$0	$0	$0
21690	Site Furnishings - Replace	$0	$0	$0	$0	$0
	Amenities					
26030	Playground Cover - Refill/Replace	$0	$0	$0	$0	$0
26050	Playground Equipment - Replace	$0	$0	$0	$0	$0
26070	Grills/BBQs – Replace	$0	$0	$0	$0	$0
	Mechnical					
25570	Irrigation Clocks - Replace	$0	$0	$0	$0	$0
	Total Expenses	$0	$128,081	$0	$41,305	$0
	Ending Reserve Balance	$98,995	$73,230	$178,989	$247,449	$361,354

	Fiscal Year	2029	2030	2031	2032	2033
	Starting Reserve Balance	$361,354	$479,747	$433,504	$559,610	$642,511
	Annual Reserve Funding	$114,188	$117,614	$121,143	$124,777	$128,520
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$4,204	$4,564	$4,963	$6,008	$7,100
	Total Income	$479,747	$601,925	$559,610	$690,395	$778,131
#	Component					
	Sites and Grounds					
21090	Concrete Walkways - Repair - 5%	$0	$0	$0	$47,884	$0
21320	Fence: Double Sided - Paint/Stain	$0	$23,941	$0	$0	$0
21320	Fence: Single Sided - Paint/Stain	$0	$48,061	$0	$0	$0
21320	Fence: Three Rail - Paint/Stain	$0	$76,479	$0	$0	$0
21330	Fence: Double Sided - Replace	$0	$0	$0	$0	$0
21330	Fence: Single Sided - Replace	$0	$0	$0	$0	$0
21340	Fence: Three Rail - Replace	$0	$0	$0	$0	$0
21440	Gazebo Roof – Replace	$0	$0	$0	$0	$0
21600	Mailbox Kiosks - Replace	$0	$0	$0	$0	$0
21610	Sign/Monuments - Refurbish	$0	$0	$0	$0	$0
21660	Site Pole Lights - Replace	$0	$0	$0	$0	$0
21690	Site Furnishings - Replace	$0	$0	$0	$0	$0
	Amenities					
26030	Playground Cover - Refill/Replace	$0	$18,030	$0	$0	$0
26050	Playground Equipment - Replace	$0	$0	$0	$0	$0
26070	Grills/BBQs – Replace	$0	$1,910	$0	$0	$0
	Mechnical					
25570	Irrigation Clocks - Replace	$0	$0	$0	$0	$0
	Total Expenses	$0	$168,421	$0	$47,884	$0
	Ending Reserve Balance	$479,747	$433,504	$559,610	$642,511	$778,131

	Fiscal Year	2034	2035	2036	2037	2038
	Starting Reserve Balance	$778,131	$918,989	$858,871	$1,008,642	$1,108,362
	Annual Reserve Funding	$132,376	$136,347	$140,437	$144,651	$148,990
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$8,482	$8,886	$9,334	$10,581	$11,883
	Total Income	$918,989	$1,064,222	$1,008,642	$1,163,873	$1,269,235
#	Component					
	Sites and Grounds					
21090	Concrete Walkways - Repair - 5%	$0	$0	$0	$55,511	$0
21320	Fence: Double Sided - Paint/Stain	$0	$27,754	$0	$0	$0
21320	Fence: Single Sided - Paint/Stain	$0	$55,715	$0	$0	$0
21320	Fence: Three Rail - Paint/Stain	$0	$88,660	$0	$0	$0
21330	Fence: Double Sided - Replace	$0	$0	$0	$0	$0
21330	Fence: Single Sided - Replace	$0	$0	$0	$0	$0
21340	Fence: Three Rail - Replace	$0	$0	$0	$0	$0
21440	Gazebo Roof – Replace	$0	$0	$0	$0	$0
21600	Mailbox Kiosks - Replace	$0	$0	$0	$0	$0
21610	Sign/Monuments - Refurbish	$0	$0	$0	$0	$0
21660	Site Pole Lights - Replace	$0	$0	$0	$0	$0
21690	Site Furnishings - Replace	$0	$0	$0	$0	$0
	Amenities					
26030	Playground Cover - Refill/Replace	$0	$0	$0	$0	$0
26050	Playground Equipment - Replace	$0	$0	$0	$0	$0
26070	Grills/BBQs – Replace	$0	$0	$0	$0	$0
	Mechnical					
25570	Irrigation Clocks - Replace	$0	$33,222	$0	$0	$0
	Total Expenses	$0	$205,351	$0	$55,511	$0
	Ending Reserve Balance	$918,989	$858,871	$1,008,642	$1,108,362	$1,269,235

	Fiscal Year	2039	2040	2041	2042	2043
	Starting Reserve Balance	$1,269,235	$1,436,216	$1,174,378	$1,349,799	$1,467,215
	Annual Reserve Funding	$153,460	$158,064	$162,805	$167,690	$172,720
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$13,522	$13,047	$12,616	$14,079	$15,607
	Total Income	$1,436,216	$1,607,328	$1,349,799	$1,531,567	$1,655,543
#	Component					
	Sites and Grounds					
21090	Concrete Walkways - Repair - 5%	$0	$0	$0	$64,352	$0
21320	Fence: Double Sided - Paint/Stain	$0	$32,174	$0	$0	$0
21320	Fence: Single Sided - Paint/Stain	$0	$64,589	$0	$0	$0
21320	Fence: Three Rail - Paint/Stain	$0	$102,781	$0	$0	$0
21330	Fence: Double Sided - Replace	$0	$0	$0	$0	$0
21330	Fence: Single Sided - Replace	$0	$0	$0	$0	$0
21340	Fence: Three Rail - Replace	$0	$0	$0	$0	$0
21440	Gazebo Roof – Replace	$0	$0	$0	$0	$0
21600	Mailbox Kiosks - Replace	$0	$0	$0	$0	$0
21610	Sign/Monuments - Refurbish	$0	$0	$0	$0	$0
21660	Site Pole Lights - Replace	$0	$0	$0	$0	$0
21690	Site Furnishings - Replace	$0	$0	$0	$0	$0
	Amenities					
26030	Playground Cover - Refill/Replace	$0	$24,231	$0	$0	$0
26050	Playground Equipment - Replace	$0	$206,606	$0	$0	$0
26070	Grills/BBQs – Replace	$0	$2,568	$0	$0	$0
	Mechnical					
25570	Irrigation Clocks - Replace	$0	$0	$0	$0	$0
	Total Expenses	$0	$432,950	$0	$64,352	$0
	Ending Reserve Balance	$1,436,216	$1,174,378	$1,349,799	$1,467,215	$1,655,543

	Fiscal Year	2044	2045	2046	2047	2048
	Starting Reserve Balance	$1,655,543	$1,850,970	$1,310,543	$1,513,393	$1,648,995
	Annual Reserve Funding	$177,902	$183,239	$188,736	$194,398	$200,230
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$17,525	$15,801	$14,114	$15,805	$17,571
	Total Income	$1,850,970	$2,050,010	$1,513,393	$1,723,596	$1,866,796
#	Component					
	Sites and Grounds					
21090	Concrete Walkways - Repair - 5%	$0	$0	$0	$74,602	$0
21320	Fence: Double Sided - Paint/Stain	$0	$37,299	$0	$0	$0
21320	Fence: Single Sided - Paint/Stain	$0	$74,877	$0	$0	$0
21320	Fence: Three Rail - Paint/Stain	$0	$119,152	$0	$0	$0
21330	Fence: Double Sided - Replace	$0	$0	$0	$0	$0
21330	Fence: Single Sided - Replace	$0	$508,139	$0	$0	$0
21340	Fence: Three Rail - Replace	$0	$0	$0	$0	$0
21440	Gazebo Roof – Replace	$0	$0	$0	$0	$0
21600	Mailbox Kiosks - Replace	$0	$0	$0	$0	$0
21610	Sign/Monuments - Refurbish	$0	$0	$0	$0	$0
21660	Site Pole Lights - Replace	$0	$0	$0	$0	$0
21690	Site Furnishings - Replace	$0	$0	$0	$0	$0
	Amenities					
26030	Playground Cover - Refill/Replace	$0	$0	$0	$0	$0
26050	Playground Equipment - Replace	$0	$0	$0	$0	$0
26070	Grills/BBQs – Replace	$0	$0	$0	$0	$0
	Mechnical					
25570	Irrigation Clocks - Replace	$0	$0	$0	$0	$0
	Total Expenses	$0	$739,467	$0	$74,602	$0
	Ending Reserve Balance	$1,850,970	$1,310,543	$1,513,393	$1,648,995	$1,866,796

	Fiscal Year	2049	2050	2051	2052	2053
	Starting Reserve Balance	$1,866,796	$2,092,823	$418,109	$642,206	$788,232
	Annual Reserve Funding	$206,237	$212,424	$218,797	$225,361	$232,122
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$19,790	$12,549	$5,299	$7,149	$9,084
	Total Income	$2,092,823	$2,317,797	$642,206	$874,716	$1,029,438
#	Component					
	Sites and Grounds					
21090	Concrete Walkways - Repair - 5%	$0	$0	$0	$86,484	$0
21320	Fence: Double Sided - Paint/Stain	$0	$43,240	$0	$0	$0
21320	Fence: Single Sided - Paint/Stain	$0	$86,803	$0	$0	$0
21320	Fence: Three Rail - Paint/Stain	$0	$138,130	$0	$0	$0
21330	Fence: Double Sided - Replace	$0	$339,232	$0	$0	$0
21330	Fence: Single Sided - Replace	$0	$0	$0	$0	$0
21340	Fence: Three Rail - Replace	$0	$924,099	$0	$0	$0
21440	Gazebo Roof – Replace	$0	$16,282	$0	$0	$0
21600	Mailbox Kiosks - Replace	$0	$77,853	$0	$0	$0
21610	Sign/Monuments - Refurbish	$0	$25,448	$0	$0	$0
21660	Site Pole Lights - Replace	$0	$87,558	$0	$0	$0
21690	Site Furnishings - Replace	$0	$73,270	$0	$0	$0
	Amenities					
26030	Playground Cover - Refill/Replace	$0	$32,565	$0	$0	$0
26050	Playground Equipment - Replace	$0	$0	$0	$0	$0
26070	Grills/BBQs – Replace	$0	$3,451	$0	$0	$0
	Mechnical					
25570	Irrigation Clocks - Replace	$0	$51,758	$0	$0	$0
	Total Expenses	$0	$1,899,687	$0	$86,484	$0
	Ending Reserve Balance	$2,092,823	$418,109	$642,206	$788,232	$1,029,438

Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Bryan Farley, R.S., president of the Colorado LLC, is a credentialed Reserve Specialist (#260). All work done by Association Reserves 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.

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 photographic appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The photographs herein represent a wide range of elements that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding:

1) Common are maintenance, repair & replacement reasonability
2) Components must have a limited life
3) Life limit must be predictable
4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of annual operating expenses).

Some components are recommended for reserve funding, while others are not. The components that meet these criteria in our judgment are shown with corresponding maintenance, repair or replacement cycles to the left of the photo (UL = Useful Life or how often the project is expected to occur, RUL = Remaining Useful Life or how many years from our reporting period) and a representative market cost range termed "Best Cost" and "Worst Cost" below the photo. There are many factors that can result in a wide variety of potential cost; we are attempting to represent a market average for budget purposes. Where there is no UL, the component is expected to be a one-time expense. Where no pricing, the component deemed inappropriate for Reserve Funding.

Comp #: 21090 Concrete Walkways - Repair - 5% **Quantity: 5% of ~ 43200 GSF**

Location: Common Areas

Funded?: Yes.

History:

Comments: Concrete sidewalks determined to be in fair condition typically exhibit minor changes in slope and a moderate percentage of cracking and surface wear. Trip hazards may be increasing in frequency and severity and should be closely monitored to prevent further risks. The Rocky Mountain Region is home to expansive soils. One of the causes of concrete damage in this type of climate is soil moisture. Expansive soils tend to swell in size when wet and contract as they dry out. As the soil expands and contracts it can create enough force to cause major damage to sidewalks. Repair any trip and fall hazards immediately to ensure safety. As routine maintenance inspect regularly pressure wash for appearance and repair promptly as needed to prevent water penetrating into the base and causing further damage. In our experience larger repair/replacement expenses emerge as the community ages. Although difficult to predict timing cost and scope we suggest a rotating funding allowance to supplement the operating/maintenance budget for periodic larger repairs. Adjust as conditions actual expense patterns dictate within future reserve study updates.

Useful Life:
5 years

Remaining Life:
3 years

Best Case: $ 32,400 Worst Case: $ 43,200

Cost Source: Allowance

Comp #: 21100 Site Drainage System - Inspect **Quantity: System**

Location: Common Areas

Funded?: No. Too indeterminate for Reserve designation - handle as an Operational Expense.

History:

Comments: No access to inspect in-ground drainage infrastructure. Annual preventive maintenance work is typically performed as part of an client's general maintenance/operating fund. Under normal circumstances site drainage components are constructed of very durable materials which should have a very long useful life (often assumed to be 50 years or more). Repairs may occasionally be required but timing and scope of work is too unpredictable for Reserve funding in accordance with National Reserve Study Standards. If there are specific known concerns with drainage system we recommend further investigation using cameras or other means to document and identify conditions. Some clients consult with civil and/or geotechnical engineers in order to develop scopes of work for repair/replacement. If more comprehensive analysis becomes available findings should be incorporated into Reserve Study updates as appropriate.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 21320 Fence: Double Sided - Paint/Stain **Quantity: ~ 2900 LF**

Location: Common Areas bordering Quebec St

Funded?: Yes.

History:

Comments: Wood fencing determined to be in fair condition typically exhibits a finish coat which is mostly uniform but exhibits minor to moderate surface wear or fading possibly exposing wood substrate in some areas. Regular uniform professional paint or sealer applications are recommended for appearance protection of wood and maximum design life. Repair as needed and clean prior to application. Plan for regular applications as shown below. Timing of repair/paint cycles may need to be coordinated with eventual fence replacement.

Useful Life:
5 years

Remaining Life:
1 years

Best Case: $ 17,200 Worst Case: $ 22,900

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21320 Fence: Single Sided - Paint/Stain **Quantity: ~ 5800 LF**

Location: Common Areas bordering E 159th, Syracuse Way, 156th

Funded?: Yes.

History:

Comments: Wood fencing determined to be in fair condition typically exhibits a finish coat which is mostly uniform but exhibits minor to moderate surface wear or fading possibly exposing wood substrate in some areas. Regular uniform professional paint or sealer applications are recommended for appearance protection of wood and maximum design life. Repair as needed and clean prior to application. Plan for regular applications as shown below. Timing of repair/paint cycles may need to be coordinated with eventual fence replacement.

Useful Life:
5 years

Remaining Life:
1 years

Best Case: $ 34,500 Worst Case: $ 46,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21320 Fence: Three Rail - Paint/Stain **Quantity: ~ 9850 LF**

Location: Common Adjacent to common open space, behind homes

Funded?: Yes.

History:

Comments: Wood fencing determined to be in fair condition typically exhibits a finish coat which is mostly uniform but exhibits minor to moderate surface wear or fading, possibly exposing wood substrate in some areas. Regular uniform, professional paint or sealer applications are recommended for appearance, protection of wood and maximum design life. Repair as needed and clean prior to application. Plan for regular applications as shown below. Timing of repair/paint cycles may need to be coordinated with eventual fence replacement.

Useful Life:
5 years

Remaining Life:
1 years

Best Case: $ 49,300 Worst Case: $ 78,800

Cost Source:

Comp #: 21330 Fence: Double Sided - Replace **Quantity: ~ 2900 LF**

Location: Common Areas bordering Quebec St

Funded?: Yes.

History:

Comments: Wood fencing determined to be in fair condition typically exhibits some minor to moderate amounts of surface wear and other signs of age which may include a small percentage of warped split and/or rotted sections. In general appearance is consistent but declining. As routine maintenance inspect regularly for any damage repair as needed and avoid contact with ground and surrounding vegetation wherever possible. Regular cycles of uniform professional sealing/painting will help to maintain appearance and maximize life. In our experience wood fencing will typically eventually break down due to a combination of sun and weather exposure which is sometimes exacerbated by other factors such as irrigation overspray abuse and lack of preventive maintenance. Recommendation and costs shown here are based on replacement with similar style and material. However the client might want to consider replacing with more sturdy lower-maintenance products like composite vinyl etc. Although installation costs are higher total life cycle cost is lower due to less maintenance and longer design life expectancy.

Useful Life:
30 years

Remaining Life:
26 years

Best Case: $ 128,700 Worst Case: $ 185,900

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21330 Fence: Single Sided - Replace **Quantity: ~ 5800 LF**

Location: Common Areas bordering E 159th, Syracuse Way, 156th

Funded?: Yes.

History:

Comments: Wood fencing determined to be in fair condition typically exhibits some minor to moderate amounts of surface wear and other signs of age which may include a small percentage of warped split and/or rotted sections. In general appearance is consistent but declining. As routine maintenance inspect regularly for any damage repair as needed and avoid contact with ground and surrounding vegetation wherever possible. Regular cycles of uniform professional sealing/painting will help to maintain appearance and maximize life. In our experience wood fencing will typically eventually break down due to a combination of sun and weather exposure which is sometimes exacerbated by other factors such as irrigation overspray abuse and lack of preventive maintenance. Recommendation and costs shown here are based on replacement with similar style and material. However the client might want to consider replacing with more sturdy lower-maintenance products like composite vinyl etc. Although installation costs are higher total life cycle cost is lower due to less maintenance and longer design life expectancy.

Useful Life:
25 years

Remaining Life:
21 years

Best Case: $ 230,000 Worst Case: $ 316,300

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21340 Fence: Three Rail - Replace **Quantity: ~ 9850 LF**

Location: Adjacent to common open space, behind homes
Funded?: Yes.
History:
Comments: Wood fencing determined to be in fair condition typically exhibits some minor to moderate amounts of surface wear and other signs of age which may include a small percentage of warped split and/or rotted sections. In general appearance is consistent but declining. As routine maintenance inspect regularly for any damage repair as needed and avoid contact with ground and surrounding vegetation wherever possible. Regular cycles of uniform professional sealing/painting will help to maintain appearance and maximize life. In our experience wood fencing will typically eventually break down due to a combination of sun and weather exposure which is sometimes exacerbated by other factors such as irrigation overspray abuse and lack of preventive maintenance. Recommendation and costs shown here are based on replacement with similar style and material. However the client might want to consider replacing with more sturdy lower-maintenance products like composite vinyl etc. Although installation costs are higher total life cycle cost is lower due to less maintenance and longer design life expectancy.

Useful Life:
30 years

Remaining Life:
26 years

Best Case: $ 394,000 Worst Case: $ 463,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21400 Retaining Walls - Inspect **Quantity: Walls**

Location: Common Areas

Funded?: No.

History:

Comments: Our limited 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 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. Utilize a mobile evacuator service if needed. Inspect regularly and repair, as needed, using operating funds. Comprehensive inspection is not included within the scope of this engagement. We recommend periodic professional inspections by specialized engineering firms to identify any unusual problems. Due to potentially unlimited useful life and unpredictable remaining useful life, this project is considered inappropriate for Reserve funding at this time. If a pattern of repair expenses emerges over time, the Reserve Study should be updated to reflect appropriate funding recommendations as needed.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 21410 Pillars - Inspect **Quantity: Pillars**

Location: Common Areas

Funded?: No.

History:

Comments: Our limited Analysis of a pillar/column 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 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. Utilize a mobile evacuator service if needed. Inspect regularly and repair, as needed, using operating funds. Comprehensive inspection is not included within the scope of this engagement. We recommend periodic professional inspections by specialized engineering firms to identify any unusual problems. Due to potentially unlimited useful life and unpredictable remaining useful life, this project is considered inappropriate for Reserve funding at this time. If a pattern of repair expenses emerges over time, the Reserve Study should be updated to reflect appropriate funding recommendations as needed.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 21440 Gazebo Roof – Replace **Quantity: (2) Roofs, ~ 630 GSF**

Location: Common Areas

Funded?: Yes.

History:

Comments: Roofing consists of a standing seam metal roof. Typically metal roofs are either Pro-Panel seamed roofs or Standing Seam roofs. Pro Panel roofs are installed with exposed metal screws and fasteners, while Standing Seam will snap lock panels over the mechanical seam, with no penetrations to the underlayment. Advantages of metal roofs include long life expectancies with relatively low need to repair. Metal roofing is typically a long-lived component assuming it was properly installed and is properly maintained. 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 conduct any other repair needed to ensure waterproof integrity of roof. We recommend having roof inspected in greater detail (including conditions of sub-surface materials) by an independent roofing consultant prior to replacement. There is a wealth of information available through organizations such as the Roof Consultant Institute http://www.rci-online.org and the National Roofing Contractors client (NRCA) http://www.nrca.net/. If the roof has a warranty, be sure to review terms and conduct proper inspections/repairs as needed to keep warranty in force.

Useful Life:
30 years

Remaining Life:
26 years

Best Case: $ 6,300 Worst Case: $ 8,800

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21450 Entry Water Feature – Refurbish **Quantity: ~ (1) Feature**

Location: Common Areas

Funded?: No. Too indeterminate for Reserve designation - handle as an Operational Expense.

History:

Comments: Fountains should be inspected routinely for leaks and mechanical problems. In general costs related to this component are expected to be included in the Client's Operating budget. No recommendation for Reserve funding at this time. However any repair and maintenance or other related expenditures should be tracked and this component should be re-evaluated during future Reserve Study updates based on most recent information and data available at that time. If deemed appropriate for Reserve funding component can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 21540 Detention Ponds - Maintain **Quantity: ~ (2) Ponds**

Location: Common Areas

Funded?: No. Too indeterminate for Reserve designation - handle as an Operational Expense.

History:

Comments: We recommend having pond inspected and treated on a regular basis as part of a maintenance/management contract with a qualified vendor. Under normal circumstances well-maintained retention ponds should not require major repair/refurbishing projects on a predictable timeline. In some cases large projects such as erosion control weed abatement or dredging may be required but the scope and frequency of such projects is very unpredictable. In general costs related to this component are expected to be included in the Client's Operating budget if required. No recommendation for Reserve funding at this time. However any significant expenditures for projects other than routine maintenance should be tracked and this component should be re-evaluated during future Reserve Study updates based on most recent information and data available at that time. If deemed appropriate for Reserve funding component can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 21600 Mailbox Kiosks - Replace **Quantity: ~ (19) CBUs**

Location: Common Areas

Funded?: Yes.

History:

Comments: Mailbox kiosks determined to be in fair condition typically exhibit minor to moderate surface wear at this stage. All components and hardware appear to function properly but appearance is diminishing. Inspect regularly and clean by wiping down exterior surfaces. If necessary change lock cylinders lubricate hinges and repair as an Operating expense. Best to plan for total replacement at roughly the time frame below due to constant exposure usage and wear over time. Note USPS has a limited budget for replacement and should not be relied upon for purposes of long term planning.

Useful Life:
30 years

Remaining Life:
26 years

Best Case: $ 30,400 Worst Case: $ 41,800

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21610 Sign/Monuments - Refurbish **Quantity: ~ (2) Monuments**

Location: Common Areas

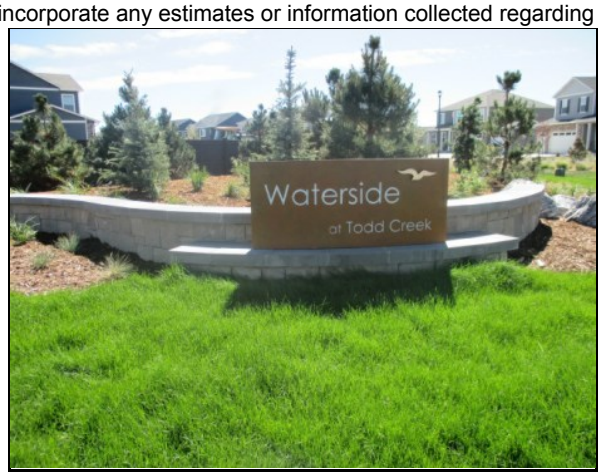
Funded?: Yes.

History:

Comments: Monument signage determined to be in fair condition typically exhibits acceptable appearance and aesthetics in keeping with local area but with more weathering and wear showing on surfaces. If present landscaping and lighting are still in serviceable condition. At this stage signage may be becoming more dated and diminishing in appeal. As routine maintenance inspect regularly clean/touch-up and repair as an Operating expense. Plan to refurbish or replace at the interval below. Timing and scope of refurbishing or replacement projects is subjective but should always be scheduled in order to maintain good curb appeal. In our experience most clients choose to refurbish or replace signage periodically in order to maintain good appearance and aesthetics in keeping with local area often before signage is in poor physical condition. If present concrete walls are expected to be painted and repaired as part of refurbishing but not fully replaced unless otherwise noted. Costs can vary significantly depending on style/type desired and may include additional costs for design work landscaping lighting water features etc. Reserve Study updates should incorporate any estimates or information collected regarding potential projects.

Useful Life:
30 years

Remaining Life:
26 years



Best Case: $ 10,000 Worst Case: $ 13,600

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21660 Site Pole Lights - Replace **Quantity: ~ (29) Pole Lights**

Location: Common Areas

Funded?: Yes.

History:

Comments: Pole lights determined to be in fair condition typically exhibit somewhat faded/worn appearance but overall assembly is sturdy and aging normally. Serviceable physical condition and still appropriate for aesthetic standards. Observed during daylight hours assumed to be in functional operating condition. As routine maintenance inspect repair/change bulbs as needed. Best to plan for large scale replacement at roughly the time frame below for cost efficiency and consistent quality/appearance throughout client. Replacement costs can vary greatly estimates shown here are based on replacement with a comparable size and design unless otherwise noted.

Useful Life:
30 years

Remaining Life:
26 years

Best Case: $ 34,800 Worst Case: $ 46,400

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21690 Site Furnishings - Replace **Quantity: ~ (39) Units**

Location: Common Areas

Funded?: Yes. Meets National Reserve Study Standards four-part test.

History:

Comments: Includes (20) Benches, (13) Trash Cans, (6) Picnic Tables.

Outdoor/site furniture determined to be in fair condition typically exhibits typical signs of wear and age. Style is still appropriate for the local aesthetic standards of the development. Inspect regularly clean for appearance and repair as needed from general Operating funds. Cost to replace individual pieces may not meet threshold for Reserve funding. We recommend planning for regular intervals of complete replacement at the time frame indicated below to maintain a good consistent appearance in the common areas. Costs shown are based on replacement with comparable types unless otherwise noted.

Useful Life:
30 years

Remaining Life:
26 years

Best Case: $ 26,500 Worst Case: $ 41,450

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21710 Trees - Trim/Remove **Quantity: Numerous Trees**

Location: Common Areas

Funded?: No. Too indeterminate for Reserve designation - handle as an Operational Expense.

History:

Comments: Routine tree trimming is expected to be included within the client's landscaping contract or otherwise reflected in the annual Operating budget. No need for Reserve funding at this time. If a pattern of larger expenses develops or if substantial removal or replacement becomes necessary the Reserve Study should be updated to incorporate new information. In this case many clients choose to work with a qualified arborist or other landscaping professional to develop appropriate guidelines and scope of work.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 21720 Landscaping - Refurbish **Quantity: Common Areas**

Location: Common Areas

Funded?: No. Handle as an Operational Expense.

History:

Comments: In general costs related to this component are expected to be included in the client's Operating budget. No recommendation for Reserve funding at this time. However any repair and maintenance or other related expenditures should be tracked and this component should be re-evaluated during future Reserve Study updates based on most recent information and data available at that time. If deemed appropriate for Reserve funding component can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 26030 Playground Cover - Refill/Replace **Quantity: ~ 6300 GSF**
Location: Common Areas
Funded?: Yes.
History:
Comments: Coverage was generally sufficient but small areas of heavy use were noted. Playground surfaces should be inspected regularly for hazards slip and fall risks etc. Plan to replace at the approximate interval shown here for aesthetic and functional reasons. When evaluating replacement options the client should consult with vendors to ensure adequate protection from falls. Costs shown are based on replacement with same surface type unless otherwise noted. Natural playground bases (mulch sand etc.) should be inspected regularly to ensure adequate coverage in all areas. Should be cleaned and refilled in sections as a maintenance expense but in some cases complete replacement/re-filling is required.

Useful Life:
10 years

Remaining Life:
6 years

Best Case: $ 12,600 Worst Case: $ 17,600

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 26050 Playground Equipment - Replace **Quantity: ~ (5) Pieces**
Location: Common Areas
Funded?: Yes.
History:
Comments: Includes (2) Slides, (1) Swing Set (4 swings), (1) Spring Toy, (1) Merry-Go-Round. The equipment was observed to be in fair condition with minor issues observed at the time of the inspection. Our inspection is not intended to identify any structural or latent defects safety hazards or other liability concerns. Funding recommendation shown here is strictly for budget purposes. As a routine maintenance expense inspect for stability damage and excessive wear and utilize maintenance funds for any repairs needed between replacement cycles. Life expectancy can vary depending on the amount of use/abuse. Unless otherwise noted cost estimates assume replacement would be with comparable size and style of equipment as noted during inspection.

Useful Life:
20 years

Remaining Life:
16 years

Best Case: $ 117,500 Worst Case: $ 140,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 26070 Grills/BBQs – Replace **Quantity: ~ (4) BBQs**
Location: Common Areas
Funded?: Yes.
History:
Comments: BBQs were observed to be in fair condition. No major cracking or missing observed. Barbecues were not tested during site inspection and are assumed to be functional. Should be cleaned after each use and covered when not in use in order to prolong life expectancy. Unless otherwise noted funding recommendation assumes that barbecues would be replaced with comparable types. Schedule for replacement is subject to the client's preferences and standards in the local area. Life estimates shown here are based on our experience with similar properties.

Useful Life:
10 years

Remaining Life:
6 years

Best Case: $ 1,200 Worst Case: $ 2,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 25570 Irrigation Clocks - Replace **Quantity: ~ (6) Controllers**
Location: Common Areas
Funded?: Yes.
History:
Comments: Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted remaining useful life expectancy is based primarily on original installation or last replacement/purchase date our experience with similar systems/components and assuming normal amount of usage and good preventive maintenance. Irrigation controllers should have a relatively long life expectancy under normal circumstances. Replacement is often required due to lack of available replacement parts lightning strikes etc. as opposed to complete failure of existing equipment. Exposure to the elements can affect overall life expectancy and controllers should be located in protected areas or within protective enclosures whenever possible. When evaluating replacement options the client should consider replacement with smart" models (i.e. respond to projected weather data) to minimize unnecessary water usage. Payback period for efficient controllers that minimize water use is typically very short

Useful Life:
15 years

Remaining Life:
11 years

Best Case: $ 21,000 Worst Case: $ 27,000

Cost Source: Research with Local Vendor/Contractor

Comp #: 25580 Irrigation System - Repair **Quantity: System**

Location: Common Areas

Funded?: No. Too indeterminate for Reserve designation

History:

Comments: Detailed analysis of piping infrastructure is not included within the scope of this Reserve Study. Some system components used historically have been found to be life-limited but even when component failures occur the predictability of such failures in terms of frequency and scope is very difficult to determine. Manufacturing defects may become apparent from time to time and certain site conditions can contribute to premature deterioration of system components. 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 report. In our experience working with similar clients service life typically lasts well beyond rated life of components. Treat minor repairs as ongoing maintenance expense. Periodic inspections of distribution system by qualified vendors are wise to clean and tighten etc. Some clients employ infrared or other testing methodologies to identify trouble spots and potential hazards. Funding may be incorporated into future Reserve Study updates if conditions dictate. Keep track of any relevant expenses and include information during future Reserve Study updates as necessary. No basis for Reserve funding at this time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source: