Monday, June 12, 2023

Level 2, Premium Reserve Analysis

Carriage Homes at Stapleton
8606 E. 25th Pl.
Denver, CO. 80236

FINAL VERSION

Report Period – 01/01/23 – 12/31/23

Client Reference Number – 05062

Property Type – Condominiums, Townhomes

Fiscal Year End – December 31st

Number of Units – 90

Date of Property Observation – October 13, 2022

Property Observation Conducted by – Mike Kelsen

Project Manager – Mike Kelsen, RS, PRA

Main Contact Person – Virginia Johnson, Community Manager

ASSOCIATION OF PROFESSIONAL RESERVE ANALYSTS
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ARS
Aspen Reserve Specialties

Introduction to the Reserve Analysis –

The elected officials of this association made a wise decision to invest in a Reserve Analysis to get a better understanding of the status of the Reserve funds. This Analysis will be a valuable tool to assist the Board of Directors in making the decision to which the dues are derived. Typically, the Reserve contribution makes up 15% - 40% of the association's total budget. Therefore, Reserves is considered to be a significant part of the overall monthly association payment.

Every association conducts its business within a budget. There are typically two main parts to this budget, Operating and Reserves. The Operating budget includes all expenses that are fixed on an annual basis. These would include management fees, maintenance fees, utilities, etc. The Reserves is primarily made up of Capital Replacement items such as asphalt, roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis.

The Reserve Analysis is also broken down into two different parts, the Physical Analysis and the Financial Analysis. The Physical Analysis is information regarding the physical status and replacement cost of major common area components that the association is responsible to maintain. It is important to understand that while the Component Inventory will remain relatively "stable" from year to year, the Condition Assessment and Life/Valuation Estimates will most likely vary from year to year. You can find this information in the ***Asset Inventory Section*** (Section 2) of this Reserve Analysis. The ***Financial Analysis Section*** is the evaluation of the association's Reserve balance, income, and expenses. This is made up of a finding of the clients current Reserve Fund Status (measured as Percent Funded) and a recommendation for an appropriate Reserve Allocation rate (also known as the Funding Plan). You can find this information in Section 3 of this Reserve Analysis.

The purpose of this Reserve Analysis is to provide an educated estimate as to what the Reserve Allocation needs to be. The detailed schedules will serve as an advanced warning that major projects will need to be addressed in the future. This will allow the Board of Directors to have ample timing to obtain competitive estimates and bids that will result in cost savings to the individual homeowners. This will also ensure the physical well being of the property and ultimately enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to Special Assessments.

It is important for the client, homeowners, and potential future homeowners to understand that the information contained in this analysis is based on estimates and assumptions gathered from various sources. Estimated life expectancies and cycles are based upon conditions that were readily visible and accessible at time of the observation. No destructive or intrusive methods (such as entering the walls to inspect the condition of electrical wiring, plumbing lines, and telephone wires) were performed. In addition, environmental hazards (such as lead paint, asbestos, radon, etc.), construction defects, and acts of nature have not been investigated in the preparation of this report. If problem areas were revealed, a reasonable effort has been made to include these items within the report. While every effort has been made to ensure accurate results, this report reflects the judgment of Aspen Reserve Specialties and should not be construed as a guarantee or assurance of predicting future events.

General Information and Answers to Frequently Asked Questions –

Why is it important to perform a Reserve Study?

As previously mentioned, the Reserve allocation makes up a significant portion of the total monthly dues. This report provides the essential information that is needed to guide the Board of Directors in establishing the budget in order to run the daily operations of your association. It is suggested that a third party professionally prepare a Reserve Study since there is no vested interest in the property. Also, a professional knows what to look for and how to properly develop an accurate and reliable component list.

Now that we have "it", what do we do with "it"?

Hopefully, you will not look at this report and think it is too cumbersome to understand. Our intention is to make this Reserve Analysis very easy to read and understand. Please take the time to review it carefully and make sure the "main ingredients" (asset information) are complete and accurate. If there are any inaccuracies, please inform us immediately so we may revise the report.

Once you feel the report is an accurate tool to work from, use it to help establish your budget for the upcoming fiscal year. The Reserve allocation makes up a significant portion of the total monthly dues and this report should help you determine the correct amount of money to go into the Reserve fund. Additionally, the Reserve Study should act as a guide to obtain proposals in advance of pending normal maintenance and replacement projects. This will give you an opportunity to shop around for the best price available.

The Reserve Study should be readily available for Real Estate agents, brokerage firms, and lending institutions for potential future homeowners. As the importance of Reserves becomes more of a household term, people are requesting homeowners associations to reveal the strength of the Reserve fund prior to purchasing a condominium or townhome.

How often do we update or review "it"?

Unfortunately, there is a misconception that these reports are good for an extended period of time since the report has projections for the next 30 years. Just like any major line item in the budget, the Reserve Analysis should be reviewed *each year* before the budget is established. Invariably, some assumptions have to be made during the compilation of this analysis. Anticipated events may not materialize and unpredictable circumstances could occur. Aging rates and repair/replacement costs will vary from causes that are unforeseen. Earned interest rates may vary from year to year. These variations could alter the content of the Reserve Analysis. Therefore, this analysis should be reviewed annually, and a property observation should be conducted at least once every three years.

Is it the law to have a Reserve Study conducted?

The Government requires reserve analyses in approximately 20 states. The State of Colorado currently requires all associations to adopt a Reserve policy, but does not currently enforce a Reserve Study be completed. Despite enacting this current law, the chances are also very good the documents of the association require the association to have a Reserve fund established. This may not mean a Reserve Analysis is required, but how are you going to know there are enough funds in the account if you don't have the proper information? Hypothetically, some associations look at the Reserve fund and think $75,000 is a lot of money and they are in good shape. What they don't know is a major project will need to be replaced within 5 years, and the cost of the project is going to exceed $125,000. So while $75,000 sounds like a lot of money, in reality it won't even cover the cost of this major project, let alone all the other amenities the association is responsible to maintain.

What makes an asset a "Reserve" item versus an "Operating" item?

A "Reserve" asset is an item that is the responsibility of the association to maintain, has a limited Useful Life, predictable Remaining Useful Life expectancies, typically occurs on a cyclical basis that exceeds 1 year, and costs above a minimum threshold cost. An "operating" expense is typically a fixed expense that occurs on an annual basis. For instance, minor repairs to a roof for damage caused by high winds or other weather elements would be considered an "operating" expense. However, if the entire roof needs to be replaced because it has reached the end of its life expectancy, then the replacement would be considered a Reserve expense.

The GREY area of "maintenance" items that are often seen in a Reserve Study –

One of the most popular questions revolves around major "maintenance" items, such as painting the buildings or seal coating the asphalt. You may hear from your accountant that since painting or seal coating is not replacing a "capital" item, then it cannot be considered a Reserve issue. However, it is the opinion of several major Reserve Study providers that these items are considered to be major expenses that occur on a cyclical basis. Therefore, it makes it very difficult to ignore a major expense that meets the criteria to be considered a Reserve component. Once explained in this context, many accountants tend to agree and will include any expenses, such as these examples, as a Reserve component.

The Property Observation –

The Property Observation was conducted following a review of the documents that were established by the developer identifying all common area assets. In some cases, the Board of Directors at some point may have revised the documents. In either case, the most current set of documents was reviewed prior to inspecting the property. In addition, common area assets may have been reported to Aspen Reserve Specialties by the client, or by other parties.

Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the observation. We did not destroy any landscape work, building walls, or perform any methods of intrusive investigation during the observation. In these cases, information may have been obtained by contacting the contractor or vendor that has worked on the property.

The Reserve Fund Analysis –

We projected the starting balance from taking the most recent balance statement, adding expected Reserve contributions for the rest of the year, and subtracting any pending projects for the rest of the year. We compared this number to the ideal Reserve Balance and arrived at the Percent funded level. Measures of strength are as follows:

0% - 30% Funded – Is considered to be a "weak" financial position. Associations that fall into this category are subject to Special Assessments and deferred maintenance, which could lead to lower property values. If the association is in this position, actions should be taken to improve the financial strength of the Reserve Fund.

31% - 69% Funded – The majority of associations are considered to be in this "fair" financial position. While this doesn't represent financial strength and stability, the likelihood of Special Assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial position of the Reserve fund.

70% - 99% Funded – This indicates financial strength of a Reserve fund and every attempt to maintain this level should be a goal of the association.

100% Funded – This is the ideal amount of Reserve funding. This means that the association has the exact amount of funds in the Reserve account that should be at any given time.

Summary of Carriage Homes at Stapleton - Assoc.# - 05062

Projected Starting Balance as of January 1, 2023 -	**$537,742.71**
Ideal Reserve Balance as of January 1, 2023 -	**$860,427**
Percent Funded as of January 1, 2023 -	**62%**
Recommended Reserve Allocation (per month) -	**$4,802 (rest of 2023)**
Recommended Reserve Allocation (per month) -	**$13,850 (starting 2024)**
Minimum Reserve Allocation (per month) -	**$12,200 (starting 2024)**
Recommended Special Assessment -	**$0**

This report is an update to an existing Reserve Study that was prepared for the association 4 years ago for the 2019 fiscal period by Aspen Reserve Specialties. An observation of the property's common area elements took place on October13, 2022 to verify the information from this previous report. In addition, we obtained information by contacting local vendors and contractors, as well as communicating with the property representative. To the best of our knowledge, the conclusions and suggestions of this report are considered reliable and accurate insofar as the information obtained from these sources.

This property contains 90 condominiums and townhomes that were constructed from 2005 to 2008. For purposes of this report, we used 2006 as an average "installation date" of the components. The maintenance responsibilities of the association include building exterior surfaces (including decks), separate garage buildings, common sidewalks, and an irrigation system. Please refer to the *Projected Reserve Expenditure* table of the financial analysis for a list of projects that are programmed to occur within the scope of this report.

In comparing the projected balance of $537,742.71 versus the ideal Reserve Balance of $860,427, we find the association Reserve fund to be in an average financial position (approximately 62% funded of ideal) at this time. Since the 2023 budget has already been proposed, we recommend maintaining the proposed budgeted Reserve contribution ($4,802 per month) for the rest of 2023. However, in order to avoid Special Assessments and deferred maintenance in the future, we suggest increasing the Reserve contribution to $13,850 per month in 2024 (representing an increase of $100.54 per unit), followed by nominal annual increases of 4.0% - 4.75% thereafter to help offset the effects of inflation. By following the recommendation, the plan will maintain the Reserve account in a positive manner, while gradually increasing to a fully funded position within the thirty-year period.

In the percent Funded graph, you will see we have also provided a "minimum Reserve contribution" of $12,200 per month. If the Reserve contribution falls below this rate, then the Reserve fund will fall into a situation where Special Assessments, deferred maintenance, and lower property values are possible at some point in the future. The minimum Reserve allocation follows the "threshold" theory of Reserve funding where the "percent funded" status is not allowed to dip below 30% funded at any point during the thirty-year period.

This was provided for one purpose only, to show the association how small the difference is between the two scenarios and how it would not make financial sense to contribute less money (approximately 12% in this case) to the Reserve fund to only stay above a certain threshold. As you can see, the difference between the two scenarios is considered to be minimal, and based on the risk, we strongly suggest the recommended Reserve Allocation is followed.

Comp #: 105 Comp Shingle Roof - Replace

Observations:
- All roofs were replaced in 2014 as a result of damage sustained during a hail storm.
- It appears this roof material is rated as a 30 - 40 year product. Despite this rating, a life expectancy of 18 - 20 years is expected in this environment due to heavy snow, ice, UV, and temperature fluctuations.
- Remaining life is based on age of roof and observed conditions.

Location: **All building roofs**

Quantity: **Approx. 1,228 squares**

Life Expectancy: **20** *Remaining Life:* **11**

Best Cost: **$614,000**
$500/square; Estimate to remove and replace

Worst Cost: **$706,100**
$575/square; Higher estimate for more labor costs

Source Information: Cost database

General Notes:

Bldg A (8506/8526) - 26 sqs x 4 bldgs = 104 sqs
Bldg B (8546/8536) - 21 sqs x 6 bldgs = 126 sqs
Bldg C (8606/8626) - 23 sqs x 7 bldgs = 161 sqs
Bldg D (8636/8646) - 19 sqs x 4 bldgs = 76 sqs
Bldg E (8686/8696) - 23 sqs x 7 bldgs = 161 sqs
Bldg F (2609/2607) - 21 sqs x 5 bldgs = 105 sqs
Garages -
3 car - 14 squares x 2 buildings = 28 squares
5 car - 23 squares x 12 buildings = 276 squares E. 24th Dr.
Detached home buildings (8272, 8280, 8288, 8294) 17 squares each building x 4 = 68 squares
Duplex buildings (8260/8262, 8266/8270, 8274/8278, 8282/8284, 8290/8292) - 22 squares each building x 5 = 110 squares
Garage building - 3 car - 13 squares x 1 building = 13 squares

Comp #: 120 Raingutters/Downspouts - Replace

Observations:
-At time of site observation, it is noted that the downspout is missing on garage 10381
-It is typical for debris, such as roof granules and dirt, to build up in the lines.
-When debris remains in the raingutters, it will stay wet after rains and snow melt which will cause premature deterioration of the materials.
-Therefore, we recommend cleaning out the lines at least once a year as a maintenance expense to ensure full life expectancy.
-Average life expectancy for gutters and downspouts ranges from 20 - 25 years under normal conditions.
-It is typical to replace raingutters and downspouts at the same time as roof materials for best cost estimate.
-However, lines were not replaced in 2014 along with roofing, so remaining life is based on the age of the original lines.

Location: **Perimeter of roofs**

Quantity: **Approx.11,400 LF**

Life Expectancy: **24** *Remaining Life:* **6**

Best Cost: **$88,350**
$7.75/LF; Estimate to replace

Worst Cost: **$96,900**
$8.50/LF: Higher estimate for larger lines

Source Information: Cost database

General Notes:

Bldg A (8506/8526) - 290 LF x 4 bldgs = 1,160 LF
Bldg B (8546/8536) - 210 LF x 6 bldgs = 1,260 LF
Bldg C (8606/8626) - 225 LF x 7 bldgs = 1,575 LF
Bldg D (8636/8646) - 270 LF x 4 bldgs = 1,080 LF
Bldg E (8686/8696) - 245 LF x 7 bldgs = 1,715 LF
Bldg F (2609/2607) - 230 LF x 5 bldgs = 1,150 LF
Garages - 3 car - 100 LF x 2 buildings = 200 LF
5 car - 190 LF x 12 buildings = 2,280 LF E. 24th Dr,:
Duplex buildings (8260/8262, 8266/8270, 8274/8278, 8282/8284, 8290/8292) - 175 LF each building x 5 = 875 LF
Garages - 3 car - 100 LF x 1 buildings = 100 LF

Comp #: 203 Doors - Repaint

Observations:
-Estimated painting cost is included with building exterior surfaces (components #204 - #206).
-Therefore, separate Reserve funding is not required for this component.

Location:	**Front doors to units and garage doors**	
Quantity:	**Approx. (200) assorted doors**	
Life Expectancy:	**N/A**	*Remaining Life:*
Best Cost:	**$0**	
Worst Cost:	**$0**	
Source Information:		

General Notes:

Comp #: 204 Exterior Surfaces - Repaint (Ph 1)

Observations:
-Reported ALL buildings were last painted at the same time in 2015. No reported painting since then.
-Despite this information, client requested in the last Reserve Study that the community is separated into a 3-year cycle.
-Based on observed conditions, it does not appear any pf the buildings have been painted
-If the association still prefers to paint in phases, we recommend starting with the first phase immediately.

Location: **Siding, doors, trim**

Quantity: **(26) units + garages**

Life Expectancy: **6** *Remaining Life:* **0**

Best Cost: **$61,100**
$2,350/unit, garage; Estimate to repaint

Worst Cost: **$67,600**
$2,600/unit, garage; Higher estimate for more labor

Source Information: Cost database

General Notes:
Phase 1 - (10) Units + Garages (E. 25th Place)
Phase 2 - (6) Units + garages (Xenia Street)
Phase 3 - (10) Units + garages (E. 26th Ave from Emporia Street to Emporia Court)

Comp #: 204 Exterior Surfaces - Repaint (Ph 2)

Observations:
-Reported ALL buildings were last painted at the same time in 2015. No reported painting since then.
-Despite this information, client requested in the last Reserve Study that the community is separated into a 3-year cycle.
-Based on observed conditions, it does not appear any pf the buildings have been painted
-If the association still prefers to paint in phases, we recommend starting with the first phase immediately.

Location: **Siding, doors, trim**

Quantity: **(34) units + garages**

Life Expectancy: **6** *Remaining Life:* **1**

Best Cost: **$79,900**
$2,350/unit, garage; Estimate to repaint

Worst Cost: **$88,400**
$2,600/unit, garage; Higher estimate for more labor

Source Information: Cost database

General Notes:
Phase 7 - (10) Units + garages (E. 26th Ave)
Phase 8 - (10) Units + garages (E. 26th Ave from Geneva Court to Hanover St.)
Phase 9 and 10 - (14) Units + garages (E. 24th Place)

Comp #: 204 Exterior Surfaces - Repaint (Ph 3)

Observations:
-Reported ALL buildings were last painted at the same time in 2015. No reported painting since then.
-Despite this information, client requested in the last Reserve Study that the community is separated into a 3-year cycle.
-Based on observed conditions, it does not appear any pf the buildings have been painted
-If the association still prefers to paint in phases, we recommend starting with the first phase immediately.

Location: **Siding, doors, trim**

Quantity: **(30) units + garages**

Life Expectancy: **6** *Remaining Life:* **2**

Best Cost: **$70,500**
$2,350/unit, garage; Estimate to repaint

Worst Cost: **$78,000**
$2,600/unit, garage; Higher estimate for more labor

Source Information: Cost database

General Notes:
Phase 4 - (10) Units + garages (E. 26th Ave from Emporia Court to Elmira Street)
Phase 5 - (10) units + Garages (E. 26th Ave from Elmira Street to Florence Street)
Phase 6 - (10) units + Garages (E. 26th Ave from Galena Street to Geneva Street

Comp #: 303 Siding/Trim - Major Repairs (Ph 2)

Observations:
-As the property ages, this type of material has been known to start delaminating if not painted and caulked on a proper cycle.
-We suggest establishing Reserve funds for major repairs every other painting cycle.
-The remaining life is based on the observed conditions at the time of our site evaluation and the timing of the next paint job.

Location: **Siding materials on buildings**

Quantity: **(34) units + garages**

Life Expectancy: **12** *Remaining Life:* **1**

Best Cost: **$20,400**
$600/unit; Allowance for major repairs

Worst Cost: **$22,950**
$675/unit; Higher allowance for more repairs

Source Information: Cost database

General Notes:

Phase 7 - (10) Units + garages (E. 26th Ave)
Phase 8 - (10) Units + garages (E. 26th Ave from Geneva Court to Hanover St.)
Phase 9 and 10 - (14) Units + garages (E. 24th Place)

Comp #: 303 Siding/Trim - Major Repairs (Ph 3)

Observations:
-As the property ages, this type of material has been known to start delaminating if not painted and caulked on a proper cycle.
-We suggest establishing Reserve funds for major repairs every other painting cycle.
-The remaining life is based on the observed conditions at the time of our site evaluation and the timing of the next paint job.

Location: **Siding materials on buildings**

Quantity: **(30) units + garages**

Life Expectancy: **12** *Remaining Life:* **2**

Best Cost: **$18,000**
$600/unit; Allowance for major repairs

Worst Cost: **$20,250**
$675/unit; Higher allowance for more repairs

Source Information: Cost database

General Notes:

Phase 4 - (10) Units + garages (E. 26th Ave from Emporia Court to Elmira Street)
Phase 5 - (10) units + Garages (E. 26th Ave from Elmira Street to Florence Street)
Phase 6 - (10) units + Garages (E. 26th Ave from Galena Street to Geneva Street)

Comp #: 303 Siding/Trim - Major Repairs (Ph1)

Observations:
-As the property ages, this type of material has been known to start delaminating if not painted and caulked on a proper cycle.
-We suggest establishing Reserve funds for major repairs every other painting cycle.
-The remaining life is based on the observed conditions at the time of our site evaluation and the timing of the next paint job.

Location: **Siding materials on buildings**

Quantity: **(26) units + garages**

Life Expectancy: **12** *Remaining Life:* **0**

Best Cost: **$15,600**
$600/unit; Allowance for major repairs

Worst Cost: **$17,550**
$675/unit; Higher allowance for more repairs

Source Information: Cost database

General Notes:
Phase 1 - (10) Units + Garages (E. 25th Place)
Phase 2 - (6) Units + garages (Xenia Street)
Phase 3 - (10) Units + garages (E. 26th Ave from Emporia Street to Emporia Court)

Comp #: 306 Brick - Inspect/Major Repairs

Observations:
-Typically, this material has an extended life expectancy and complete replacement is unlikely.
-There are times where minor repairs may become necessary, but this is unpredictable when and how much would occur.
-However, based on the age of building, we recommend establishing an allowance for periodic inspections and repairs
-This line item is for periodic inspections and repairs and should not be misinterpreted as complete replacement.

Location: **Siding on some buildings**

Quantity: **Approx. 11,600 GSF**

Life Expectancy: **10** *Remaining Life:* **5**

Best Cost: **$13,600**
Allowance for periodic inspections and repairs

Worst Cost: **$15,600**
Higher allowance for more repairs

Source Information: Cost database

General Notes:

Building Type C (8606/8626) - 500 GSF each x 7 buildings = 3,500 GSF
Building Type D (8636/8646) - 1200 GSF each x 4 buildings = 4,800 GSF
Building Type F (2609/2607) - 660 GSF each x 5 buildings = 3,300 GSF

Comp #: 403 Concrete - Partial Replace

Observations:
-At time of site observation, apron at 9971/2607 is in poor shape
-It is unlikely that all concrete will fail and need to be replaced at the same time. Therefore, we recommend reserving an allowance for periodic repairs to a percentage of the total area.
-Coordinate this project with other concrete projects for best cost estimates based on quantity of work.
-This line item is not intended to be interpreted as complete replacement.

Location: **Parking areas/Garage aprons**

Quantity: **Approx. 13,130 GSF**

Life Expectancy: **3** *Remaining Life:* **0**

Best Cost: **$9,750**
Allowance to replace 5% of area

Worst Cost: **$10,725**
Higher allowance for more repairs

Source Information: Cost Database

General Notes:
Garage Aprons - Approx. 6825 GSF
2301/2321 - NOTE: Approx. 85 GSF is new at 2301)
Parking - Approx. 6305 GSF

Comp #: 501 Front Doors - Replace

Observations:
-According to the associations maintenance chart that was developed by an attorney after reviewing the legal documents, it was determined the doors are the responsibility of the unit owner.
-Therefore, separate Reserve funding is not required for this component.

Location:	**Front doors to units and garage doors**	
Quantity:	**Approx. (200) assorted doors**	
Life Expectancy:	**N/A**	*Remaining Life:*
Best Cost:	**$0**	
Worst Cost:	**$0**	
Source Information:		

General Notes:

Comp #: 502 Garage Doors - Replace

Observations:
-According to the maintenance responsibility chart in the declarations, the garage doors are not the responsibility of the association.
-Therefore, at this time, Reserve funding is not required for this component.
-Some associations decide to take on the responsibility as an HOA expense in order to maintain a consistent appearance and to obtain the best replacement cost possible.
-For now, Reserve funding will continue to be excluded from the report. If the philosophy of the association changes, we can add Reserve funding in future Reserve Study updates.

Location: **At each garage**

Quantity: **(90) 8x7 doors**

Life Expectancy: **N/A** *Remaining Life:*

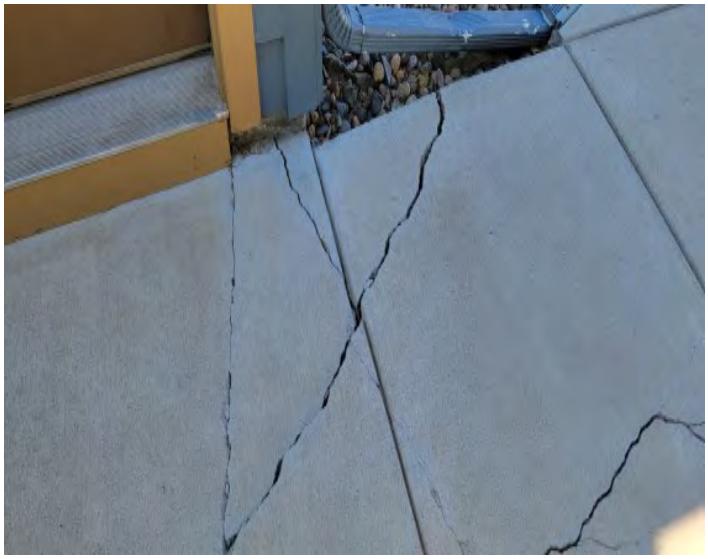
Best Cost: **$0**

Worst Cost: **$0**

Source Information:

General Notes:

Comp #: 601 Concrete Surfaces - Repair



Observations:
-At time of site observation, there are major cracking issues by 8686. Throughout the community there are several trip hazards and cracked areas.
-While it is unlikely that all concrete surfaces will fail at the same time and completely need replacement, it is likely that major repairs will be needed periodically.
-We suggest establishing Reserve funding for periodic major repairs, as opposed to minor repairs annually.
-Each time a contractor comes out to the property to fix an area, a "trip charge" is usually built into the repair bill.
-Therefore, by doing larger areas at the same time, the cost is cheaper on a per square footage basis.
-This line item is for periodic major repairs and should not be misinterpreted as complete replacement.

Location: **Sidewalks, unit entries, driveways**

Quantity: **Approx. 21,900 GSF**

Life Expectancy: **3** *Remaining Life:* **0**

Best Cost: **$14,850**
Estimate to replace 5% of area every 4-years

Worst Cost: **$16,225**
Higher allowance for more repairs

Source Information: Cost database

General Notes:
25th Place - 5,120 GSF
Xenia - 2,395 GSF
26th Ave - 4,200 GSF
26th Ave./N. Emporia - 1,385 GSF
10221 - 4,065 GSF
8260-8294 E. 24th Ave - 4,720 GSF

Comp #: 607 Unit Trex Decks - Replace

Observations:
-Unable to access each deck due to privacy and exclusive use areas.
-There were no reported problems with the decks.
-It was reported these are the responsibility of the association to maintain and replace when necessary.
-While the life expectancy established by the manufcaturer is considered "lifetime", this material is also subject to scratching and deterioration that could warrant replacement within 20 - 25 years.
-For aesthetic purposes, we suggest establishing a life cycle of 25 years at this time.
-If it later turns out that the deterioration rate is not as we expected, then the life and remaining life can be adjusted in future Reserve Study updates.

Location: **Upper units**

Quantity: **(45) Assorted decks**

Life Expectancy: **25** *Remaining Life:* **7**

Best Cost: **$135,000**
$3000/deck; Average cost to replace each deck

Worst Cost: **$157,500**
$3500/deck; Higher estimate for more labor

Source Information: Cost database

General Notes:

Bldg B (8546/8536) - (1) 4x16 deck, 24 LF railing per bldg = 6 decks
Bldg C (8606/8626) - (1) 2x8 deck, (1) 5x15deck, 37 LF railing per bldg = 14 decks
Bldg D (8636/8646) - (1) 5x22 deck, 32 LF railing per bldg = 4 decks
Bldg E (8686/8696) - (1) 5x12 deck, 18 LF railing per bldg = 7 decks
Bldg F (2609/2607) - (1) 3x7 deck, 20 LF railing per bldg = 5 decks
E 24th Drive - (4) 3x6 decks, (5) 4x16 deck, 24 LF railing per bldg = 5 decks

Comp #: 1601 Flood Lights - Replace

Observations:
-Due to small quantity of lights and since individual replacement can occur without affecting the consistent appearance, we suggest replacing these as needed with general operating funds.
-Therefore, at this time, Reserve funding is not required for this component.

Location:	**Walls of Building Type F (2609/2607)**	
Quantity:	**(5) Flood lights**	
Life Expectancy:	**N/A**	*Remaining Life:*
Best Cost:	**$0**	
Worst Cost:	**$0**	
Source Information:		

General Notes:

Comp #: 1602 Exterior Wall mount - Replace (Ph 1)

Observations:
-While replacement can occur on an as needed basis, it is our opinion and recommendation to replace all lights at the same time every 15 - 20 years to maintain a consistent appearance throughout the property.
-By replacing multiple fixtures, the association will be able to obtain a quantity discount for replacement and installation of the fixtures.
-This will also ensure a consistent appearance for the community by repalcing all at the same time.

Location: **Attached to walls of buildings**

Quantity: **Approx. (302) Lights**

Life Expectancy: **18** *Remaining Life:* **0**

Best Cost: **$22,725**
$225/light; Estimate to replace 101 lights

Worst Cost: **$27,775**
$275/light; Higher estimate for better quality

Source Information: Cost database

General Notes:

Bldg A (8506/8526) - 3 lights x 4 bldgs = 12 lights
Bldg B (8546/8536) - 4 lights x 6 bldgs = 24 lights
Bldg C (8606/8626) - 3 lights x 7 bldgs = 21 lights
Bldg D (8636/8646) - 3 lights x 4 bldgs = 12 lights
Bldg E (8686/8696) - 3 lights x 7 bldgs = 21 lights
Bldg F (2609/2607) - 4 lights x 5 bldgs = 20 lights
Garages - 3 car - 6 lights x 2 buildings = 12 lights
5 car - 10 lights x 12 buildings = 120 lights
E. 24th Dr.:
Detached home buildings (8272, 8280, 8288, 8294) 9 lights each building x 4 = 36 lights
Duplex buildings (8260/8262, 8266/8270, 8274/8278, 8282/8284, 8290/8292) - 4 lights each building x 5 = 20 squares
Garages - 3 car - 6 lights x 1 buildings = 6 lights

Comp #: 1602 Exterior Wall mount - Replace (Ph 2)

Observations:
-While replacement can occur on an as needed basis, it is our opinion and recommendation to replace all lights at the same time every 15 - 20 years to maintain a consistent appearance throughout the property.
-By replacing multiple fixtures, the association will be able to obtain a quantity discount for replacement and installation of the fixtures.
-This will also ensure a consistent appearance for the community by repalcing all at the same time.

Location: **Attached to walls of buildings**

Quantity: **Approx. (302) Lights**

Life Expectancy: **18** *Remaining Life:* **1**

Best Cost: **$22,725**
$225/light; Estimate to replace 101 lights

Worst Cost: **$27,775**
$275/light; Higher estimate for better quality

Source Information: Cost database

General Notes:

Bldg A (8506/8526) - 3 lights x 4 bldgs = 12 lights
Bldg B (8546/8536) - 4 lights x 6 bldgs = 24 lights
Bldg C (8606/8626) - 3 lights x 7 bldgs = 21 lights
Bldg D (8636/8646) - 3 lights x 4 bldgs = 12 lights
Bldg E (8686/8696) - 3 lights x 7 bldgs = 21 lights
Bldg F (2609/2607) - 4 lights x 5 bldgs = 20 lights
Garages - 3 car - 6 lights x 2 buildings = 12 lights
5 car - 10 lights x 12 buildings = 120 lights
E. 24th Dr.:
Detached home buildings (8272, 8280, 8288, 8294) 9 lights each building x 4 = 36 lights
Duplex buildings (8260/8262, 8266/8270, 8274/8278, 8282/8284, 8290/8292) - 4 lights each building x 5 = 20 squares
Garages - 3 car - 6 lights x 1 buildings = 6 lights

Comp #: 1602 Exterior Wall mount - Replace (Ph 3)

Observations:
-While replacement can occur on an as needed basis, it is our opinion and recommendation to replace all lights at the same time every 15 - 20 years to maintain a consistent appearance throughout the property.
-By replacing multiple fixtures, the association will be able to obtain a quantity discount for replacement and installation of the fixtures.
-This will also ensure a consistent appearance for the community by repalcing all at the same time.

Location: **Attached to walls of buildings**

Quantity: **Approx. (302) Lights**

Life Expectancy: **18** *Remaining Life:* **2**

Best Cost: **$22,725**
$225/light; Estimate to replace 101 lights

Worst Cost: **$27,775**
$275/light; Higher estimate for better quality

Source Information: Cost database

General Notes:

Bldg A (8506/8526) - 3 lights x 4 bldgs = 12 lights
Bldg B (8546/8536) - 4 lights x 6 bldgs = 24 lights
Bldg C (8606/8626) - 3 lights x 7 bldgs = 21 lights
Bldg D (8636/8646) - 3 lights x 4 bldgs = 12 lights
Bldg E (8686/8696) - 3 lights x 7 bldgs = 21 lights
Bldg F (2609/2607) - 4 lights x 5 bldgs = 20 lights
Garages - 3 car - 6 lights x 2 buildings = 12 lights
5 car - 10 lights x 12 buildings = 120 lights
E. 24th Dr.:
Detached home buildings (8272, 8280, 8288, 8294) 9 lights each building x 4 = 36 lights
Duplex buildings (8260/8262, 8266/8270, 8274/8278, 8282/8284, 8290/8292) - 4 lights each building x 5 = 20 squares
Garages - 3 car - 6 lights x 1 buildings = 6 lights

Comp #: 1605 Bollard Lights - Replace

Observations:
-One light in the 10351/10381 section has been replaced due to unknown reasons.
-Majority of lights appeared in good to fair condition with the only consistent issue being faded and/or thinning paint near the base (at grade).
-The typical useful life for this type of fixture is 18 - 20 years with a high level of maintenance and care.

Location: **Adjacent to buildings and sidewalks**

Quantity: **Approx. 40 lights**

Life Expectancy: **20** *Remaining Life:* **3**

Best Cost: **$28,000**
$700/light; Estimate to replace

Worst Cost: **$35,000**
$875/light; Higher estimate for better quality

Source Information: Cost Database

General Notes:
25th Place - (9) - breakdown (8506/8526 - (2), 8536/8546 - (2), 8626/8606 (1), 8636/8646 - (2), 8696 - (2)
Xenia - (5)
26th Ave - (6)
Alleyway by N. Emporia - (4)
10221 - (4)
24th Dr. - (12)

Comp #: 1701 Irrigation System - Rebuild

Observations:
-This line item is for repairs and replacement that lies outside the scope of routine maintenance: bulk sprinkler head replacement, bulk valve replacement, backflow devices, rerouting lateral lines, rewiring, etc.
-In order to ensure the funds are available for major repairs, we recommend reserving funds for these projects every 4 - 5 years.
-The funding on this line item is for major repairs and is not to be interpreted as complete irrigation system replacement.

Location: **Landscaped areas**

Quantity: **Extensive system**

Life Expectancy: **5** *Remaining Life:* **3**

Best Cost: **$16,500**
Estimate for major repairs and renovating system

Worst Cost: **$19,000**
Higher allowance for more needed repairs

Source Information: Cost database

General Notes:

Comp #: 1703 Irrigation Timeclocks - Replace

Observations:
-Approximately 6 controllers have been replaced over the past 4 years. Th erest are original to when the property was constructed.
-The overall life expectancy of irrigation controllers typically ranges between 10 - 12 years if properly maintained and under normal conditions.
-Due to the varying types and ages of controllers, we have established a Reserve allowance for partial replacement of controllers every 3 years.
-This line item should not be intended to be interpreted as complete replacement.

Location: **See general notes**

Quantity: **(13) Various Timeclocks**

Life Expectancy: **4** *Remaining Life:* **0**

Best Cost: **$6,000**
$1500/clock; Estimate to replace 4 controllers every 4 years

Worst Cost: **$7,200**
$1800/Clock; Higher estimate for larger clock

Source Information: Cost database

General Notes:

8606 Garage - (1) Hunter Pro C, 12 station, April 05
8696 - (1) Hunter Pro C, 12 station, February 19
2301 - (1) Hunter Pro C, 12 station, Nov 04
2607 - (1) Hunter X2, 4 stations, July 21
9901 - (1) Hunter Pro C, 4 stations, Aug 05
9893 - (1) Hunter X2, 5 stations, July 21
2602 Emporia - (1) Hunter Pro C, 12 station, May 05
2609 Emporia - (1) Hunter Pro C, 12 station, June 05
9801 W. 26th Ave - (1) Hunter Pro C, 5 stations, July 14
8294 W. 24th Dr. - (1) Hunter Pro C, 9 stations, Jul 07
10201/10241 Garage - (1) Hunter Pro C, 10 stations, Jan 22
10343 - (1) Hunter Pro C, 10 stations, April 14
10351/10381 - (1) Hunter Pro C, 9 stations, Aug 18 Rain sensor
8606 - (1) new

Comp #: 1706 Backflow Devices/Cages - Replace

Observations:
-Devices are enclosed in a protective enclosure to prevent theft. No reported problems with any of the devices.
-Due to the ability to rebuild and replace these devices for a relatively low cost and the fact that failure of the device is unpredictable, we do not recommend reserving for replacement.
-Repair and/or replace these devices/enclosures on an as needed basis using operating funds, or include as part of major irrigation repairs (See component #1701)

Location: **Parkways of streets**

Quantity: **(9) Febco, 825Y**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source Information:

General Notes:

Xenia - (1)
25th Place - (1)
26th Ave - (3)
Emporia Ct. - (1)
Emporia St. - (1)
Elmira St. - (1)
E. 24th Drive - (1)

Comp #: 1801 Groundcover - Replenish

Observations:
-This line item, similar to irrigation repairs, is for projects that lie outside the scope of routine maintenance.
-In order to preserve an attractive curb appeal and to maintain the health of the plants and shrubs, we recommend reserving for refurbishment projects every 2 - 4 years.
-This line item is for cyclical refurbishment and should not be considered as complete landscaping replacement.

Location: **Landscaped areas**

Quantity: **Extensive areas**

Life Expectancy: **4** *Remaining Life:* **2**

Best Cost: **$5,000**
Allowance for major replenishment

Worst Cost: **$5,750**
Higher allowance for more ground material

Source Information: Cost Database

General Notes:

Comp #: 1804 Tree - Replacement/Major Maintenance

Observations:
- It is very difficult to predict a replacement cycle for trees as there are several factors that will contribute to a tree dying. - Factors such as disease, infestation of insects, heavy snow storms, etc. can all attribute to eventual tree replacement. - Since it is difficult to predict when the replacement will be necessary, Reserve funding is typically not a factor. - However, based on our recent experience, an allowance for periodic replacement has been included.

Location: **Landscaped areas**

Quantity: **Numerous sizes and types**

Life Expectancy: **6** *Remaining Life:* **3**

Best Cost: **$8,000**
Allowance for major maintenance/replacement

Worst Cost: **$10,000**
Higher allowance for more maintenance

Source Information: Cost Database

General Notes:

Comp #: 2001 Wood Trellis' - Replace

Observations:
-All trellis' were weathered and in fair condition with typical signs of deterioration for raw wood in this climate.
-We suggest repairing these as part of prep work before painting.
-Therefore, separate Reserve funding is not required for this component at this time.

Location: **Garage buildings**

Quantity: **(42) 2x15 trellis'**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source Information:

General Notes:

5 car garages - (3) 2x15 each
3 car garage - (4) 2x15 each

Funding Summary For Carriage Homes at Stapleton

NOTE: The results of this report are based on replacement costs we know as of the date of this report. We are not responsible for higher than normal price increases after the date of this report.

Beginning Assumptions	
Financial Information Source	Research With Client
# of units	90
Fiscal Year End	December 31, 2023
Monthly Dues from 2023 budget	$24,750.00
Monthly Reserve Allocation from 2023 Budget	$4,801.50
Projected Starting Reserve Balance (as of 1/1/2023)	$537,742.71
Reserve Balance: Average Per Unit	$5,975
Ideal Starting Reserve Balance (as of 1/1/2023)	$860,427
Ideal Reserve Balance: Average Per Unit	$9,560

Economic Factors	
Past 20 year Average Inflation Rate (Based on CCI)	4.75%
Current Average Interest Rate	1.00%

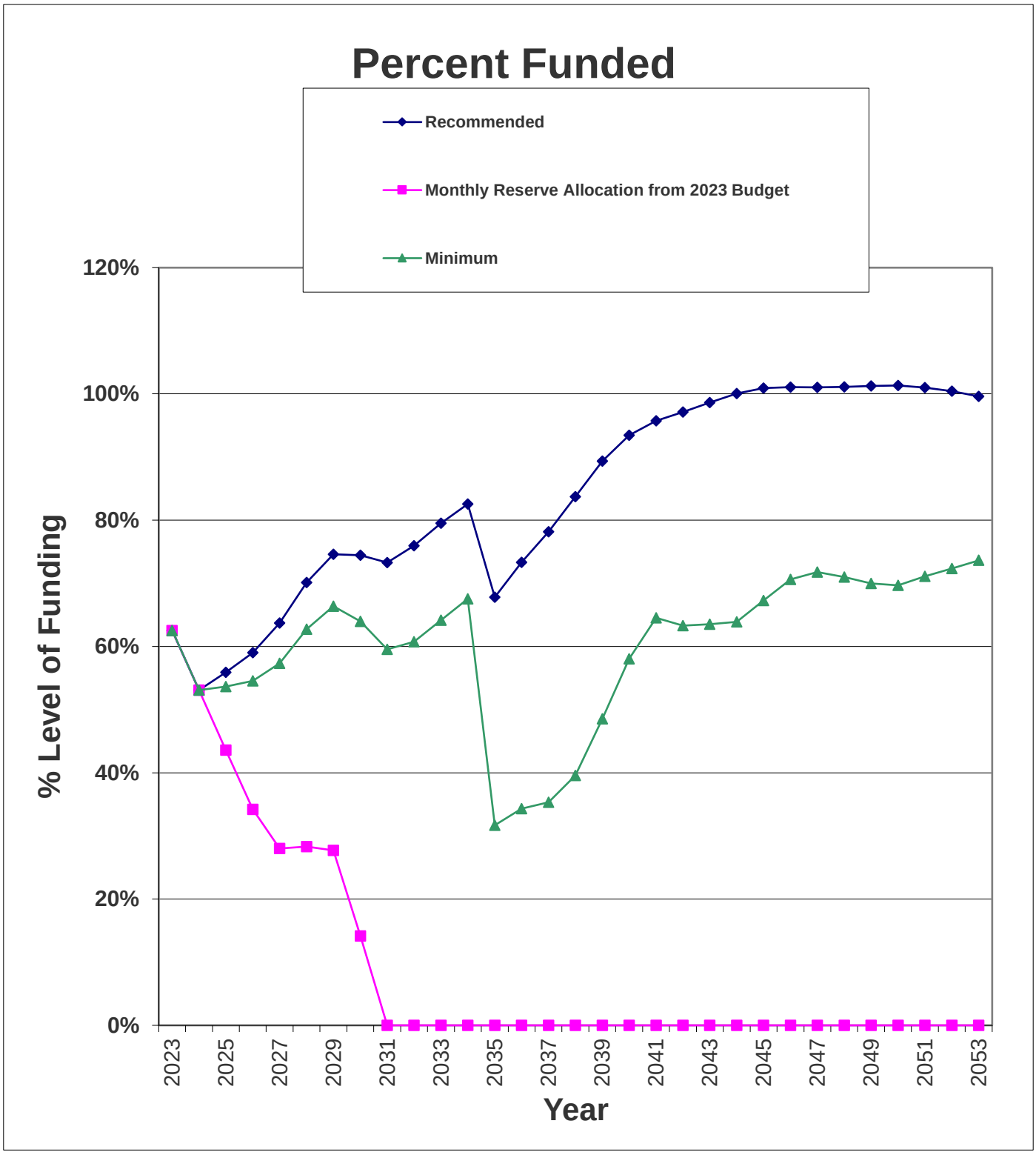
Current Reserve Status	
Current Balance as a % of Ideal Balance	62%

Recommendations for 2022 Fiscal Year	
Monthly Reserve Allocation (rest of 2023)	$4,802
Per Unit	$53.35
Monthly Reserve Allocation (starting 2024)	$13,850
Per Unit	$153.89
Minimum Monthly Reserve Allocation (starting 2024)	$12,200
Per Unit	$135.56
Primary Annual Increases	4.00%
# of Years	15
Secondary Annual Increases	4.75%
# of Years	15
Special Assessment	$0
Per Unit	$0

Changes To Current 2023 Reserve Contribution	
Increase/Decrease to Reserve Allocation	$0
as Percentage	0%
Average Per Unit	$0.00

Changes from 2023 to 2024 Reserve Contribution	
Increase/Decrease to Reserve Allocation	$9,049
as Percentage	188%
Average Per Unit	$100.54

Percent Funded Graph For Carriage Homes at Stapleton



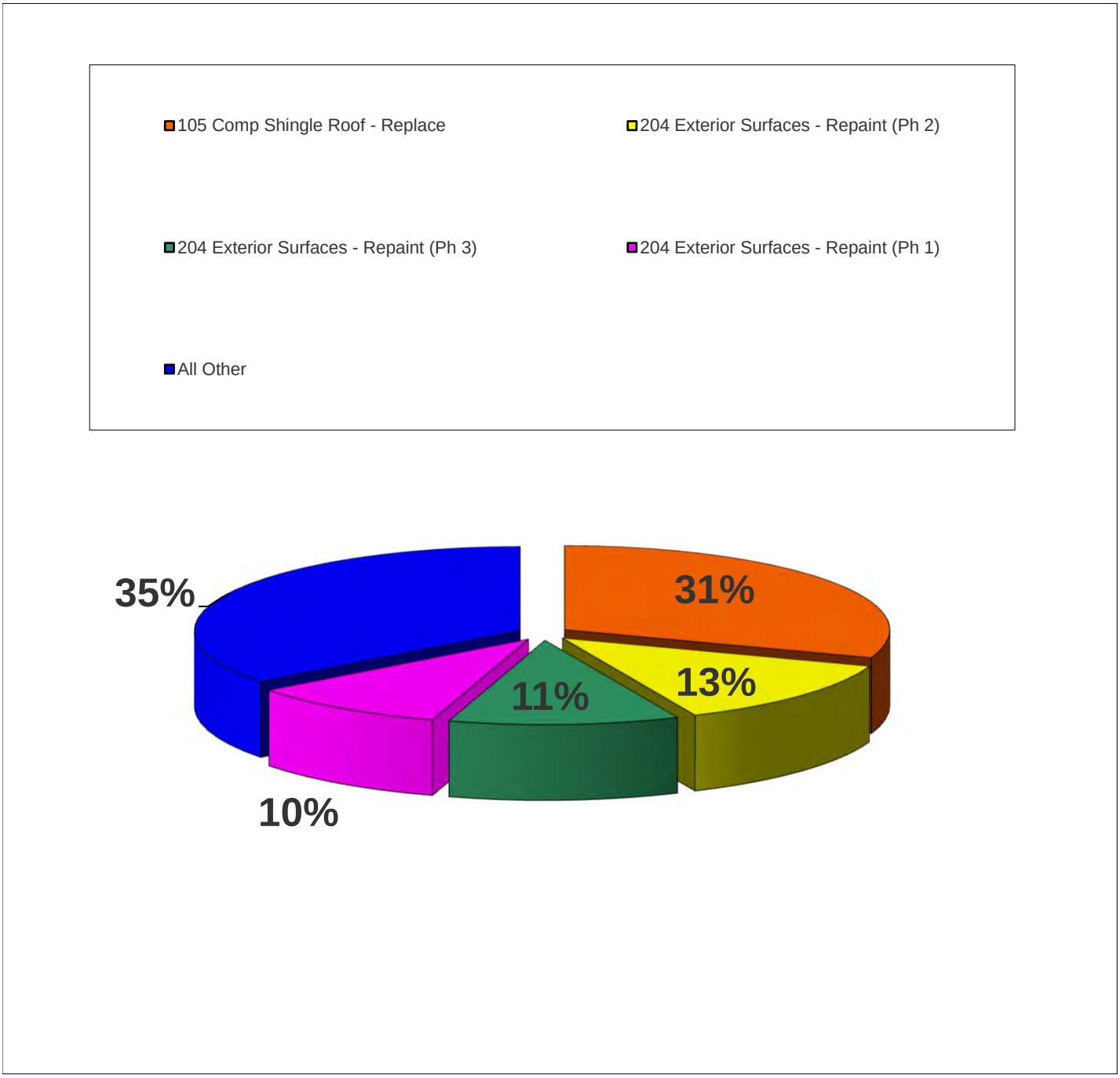
Component Inventory for Carriage Homes at Stapleton

Category	Asset #	Asset Name	UL	RUL	Best Cost	Worst Cost
Roofing	105	Comp Shingle Roof - Replace	20	11	$614,000	$706,100
	120	Raingutters/Downspouts - Replace	24	6	$88,350	$96,900
Painted Surfaces	203	Doors - Repaint	N/A		$0	$0
	204	Exterior Surfaces - Repaint (Ph 1)	6	0	$61,100	$67,600
	204	Exterior Surfaces - Repaint (Ph 2)	6	1	$79,900	$88,400
	204	Exterior Surfaces - Repaint (Ph 3)	6	2	$70,500	$78,000
Siding Materials	303	Siding/Trim - Major Repairs (Ph 2)	12	1	$20,400	$22,950
	303	Siding/Trim - Major Repairs (Ph 3)	12	2	$18,000	$20,250
	303	Siding/Trim - Major Repairs (Ph1)	12	0	$15,600	$17,550
	306	Brick - Inspect/Major Repairs	10	5	$13,600	$15,600
Drive Materials	403	Concrete - Partial Replace	3	0	$9,750	$10,725
Property Access	501	Front Doors - Replace	N/A		$0	$0
	502	Garage Doors - Replace	N/A		$0	$0
Walking Surfaces	601	Concrete Surfaces - Repair	3	0	$14,850	$16,225
	607	Unit Trex Decks - Replace	25	7	$135,000	$157,500
Light Fixtures	1601	Flood Lights - Replace	N/A		$0	$0
	1602	Exterior Wall mount - Replace (Ph 1)	18	0	$22,725	$27,775
	1602	Exterior Wall mount - Replace (Ph 2)	18	1	$22,725	$27,775
	1602	Exterior Wall mount - Replace (Ph 3)	18	2	$22,725	$27,775
	1605	Bollard Lights - Replace	20	3	$28,000	$35,000
Irrig. System	1701	Irrigation System - Rebuild	5	3	$16,500	$19,000
	1703	Irrigation Timeclocks - Replace	4	0	$6,000	$7,200
	1706	Backflow Devices/Cages - Replace	N/A		$0	$0
Landscaping	1801	Groundcover - Replenish	4	2	$5,000	$5,750
	1804	Tree - Replacement/Major Maintenance	6	3	$8,000	$10,000
Miscellaneous	2001	Wood Trellis' - Replace	N/A		$0	$0

Significant Components For Carriage Homes at Stapleton

ID	Asset Name	UL	RUL	Ave Curr Cost	Significance: (Curr Cost/UL) As $	As %
105	Comp Shingle Roof - Replace	20	11	$660,050	$33,003	30.4179%
120	Raingutters/Downspouts - Replace	24	6	$92,625	$3,859	3.5571%
204	Exterior Surfaces - Repaint (Ph 1)	6	0	$64,350	$10,725	9.8851%
204	Exterior Surfaces - Repaint (Ph 2)	6	1	$84,150	$14,025	12.9266%
204	Exterior Surfaces - Repaint (Ph 3)	6	2	$74,250	$12,375	11.4059%
303	Siding/Trim - Major Repairs (Ph 2)	12	1	$21,675	$1,806	1.6648%
303	Siding/Trim - Major Repairs (Ph 3)	12	2	$19,125	$1,594	1.4689%
303	Siding/Trim - Major Repairs (Ph1)	12	0	$16,575	$1,381	1.2731%
306	Brick - Inspect/Major Repairs	10	5	$14,600	$1,460	1.3457%
403	Concrete - Partial Replace	3	0	$10,238	$3,413	3.1453%
601	Concrete Surfaces - Repair	3	0	$15,538	$5,179	4.7736%
607	Unit Trex Decks - Replace	25	7	$146,250	$5,850	5.3919%
1602	Exterior Wall mount - Replace (Ph 1)	18	0	$25,250	$1,403	1.2929%
1602	Exterior Wall mount - Replace (Ph 2)	18	1	$25,250	$1,403	1.2929%
1602	Exterior Wall mount - Replace (Ph 3)	18	2	$25,250	$1,403	1.2929%
1605	Bollard Lights - Replace	20	3	$31,500	$1,575	1.4517%
1701	Irrigation System - Rebuild	5	3	$17,750	$3,550	3.2720%
1703	Irrigation Timeclocks - Replace	4	0	$6,600	$1,650	1.5208%
1801	Groundcover - Replenish	4	2	$5,375	$1,344	1.2385%
1804	Tree - Replacement/Major Maintenance	6	3	$9,000	$1,500	1.3825%

Significant Components Graph For Carriage Homes at Stapleton

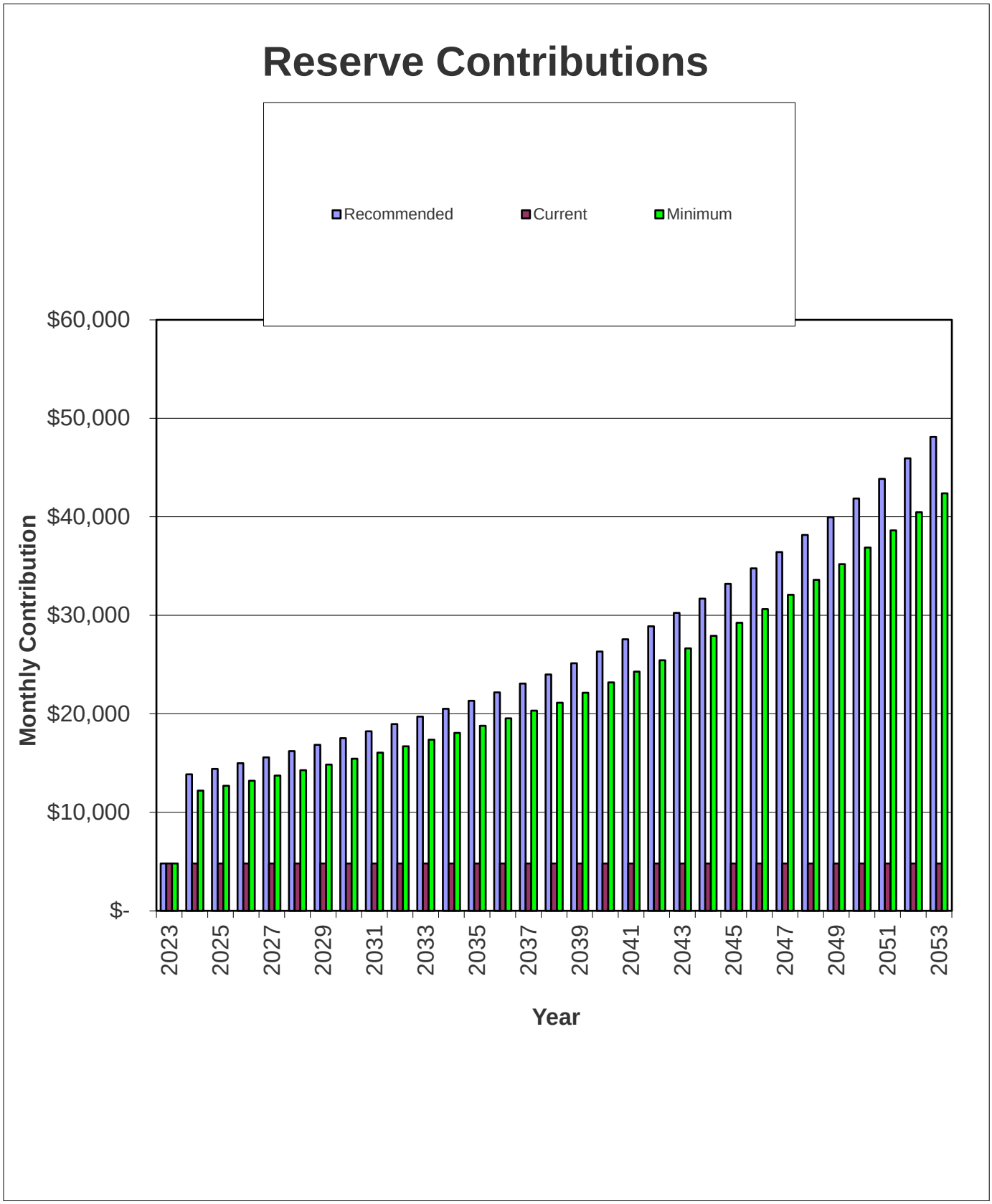


Asset ID	Asset Name	UL	RUL	Average Curr. Cost	Significance: (Curr Cost/UL) As $	As %
105	Comp Shingle Roof - Replace	20	11	$660,050	$33,003	30%
204	Exterior Surfaces - Repaint (Ph 2)	6	1	$84,150	$14,025	13%
204	Exterior Surfaces - Repaint (Ph 3)	6	2	$74,250	$12,375	11%
204	Exterior Surfaces - Repaint (Ph 1)	6	0	$64,350	$10,725	10%
All Other	See Expanded Table on Page 4 For Additional Breakdown				$38,369	35%

Yearly Summary For Carriage Homes at Stapleton

Fiscal Year Start	Fully Funded Balance	Starting Reserve Balance	Percent Funded	Annual Reserve Contribs	Alternative Funding	Interest Income	Reserve Expenses
2023	$860,427	$537,743	62%	$57,618	$0	$4,996	$138,550
2024	$869,816	$461,806	53%	$166,200	$0	$4,784	$137,301
2025	$886,359	$495,490	56%	$172,848	$0	$5,162	$136,060
2026	$910,642	$537,440	59%	$179,762	$0	$5,817	$96,576
2027	$983,361	$626,443	64%	$186,952	$0	$7,192	$7,946
2028	$1,158,578	$812,642	70%	$194,430	$0	$9,048	$18,413
2029	$1,337,655	$997,707	75%	$202,208	$0	$9,790	$248,525
2030	$1,291,003	$961,180	74%	$210,296	$0	$9,111	$318,831
2031	$1,175,621	$861,755	73%	$218,708	$0	$9,038	$142,925
2032	$1,246,491	$946,576	76%	$227,456	$0	$10,387	$52,802
2033	$1,422,955	$1,131,616	80%	$236,554	$0	$12,513	$8,549
2034	$1,662,354	$1,372,135	83%	$246,017	$0	$9,496	$1,099,692
2035	$778,739	$527,956	68%	$255,857	$0	$5,596	$197,733
2036	$806,948	$591,676	73%	$266,092	$0	$6,146	$225,909
2037	$816,404	$638,005	78%	$276,735	$0	$6,850	$189,101
2038	$874,735	$732,488	84%	$287,805	$0	$8,307	$99,042
2039	$1,040,511	$929,558	89%	$301,475	$0	$10,783	$13,868
2040	$1,314,209	$1,227,949	93%	$315,795	$0	$13,922	$0
2041	$1,626,778	$1,557,666	96%	$330,796	$0	$15,706	$319,317
2042	$1,631,591	$1,584,851	97%	$346,509	$0	$16,335	$264,207
2043	$1,706,807	$1,683,487	99%	$362,968	$0	$17,387	$268,408
2044	$1,794,232	$1,795,434	100%	$380,209	$0	$19,484	$92,151
2045	$2,084,095	$2,102,975	101%	$398,269	$0	$23,052	$14,920
2046	$2,482,932	$2,509,375	101%	$417,186	$0	$26,585	$143,202
2047	$2,781,324	$2,809,945	101%	$437,003	$0	$28,690	$345,085
2048	$2,898,113	$2,930,552	101%	$457,760	$0	$29,810	$384,209
2049	$2,995,909	$3,033,913	101%	$479,504	$0	$31,229	$330,021
2050	$3,172,336	$3,214,625	101%	$502,280	$0	$34,205	$121,738
2051	$3,593,362	$3,629,373	101%	$526,139	$0	$38,655	$89,292
2052	$4,087,271	$4,104,875	100%	$551,130	$0	$44,006	$0

Reserve Contributions For Carriage Homes at Stapleton



Component Funding Information For Carriage Homes at Stapleton

ID	Component Name	Ave Current Cost	Ideal Balance	Current Fund Balance	Monthly
105	Comp Shingle Roof - Replace	$660,050	$297,023	$0	$1,460.52
120	Raingutters/Downspouts - Replace	$92,625	$69,469	$69,469	$170.80
204	Exterior Surfaces - Repaint (Ph 1)	$64,350	$64,350	$64,350	$474.63
204	Exterior Surfaces - Repaint (Ph 2)	$84,150	$70,125	$70,125	$620.67
204	Exterior Surfaces - Repaint (Ph 3)	$74,250	$49,500	$49,500	$547.65
303	Siding/Trim - Major Repairs (Ph 2)	$21,675	$19,869	$19,869	$79.94
303	Siding/Trim - Major Repairs (Ph 3)	$19,125	$15,938	$15,938	$70.53
303	Siding/Trim - Major Repairs (Ph1)	$16,575	$16,575	$16,575	$61.13
306	Brick - Inspect/Major Repairs	$14,600	$7,300	$7,300	$64.61
403	Concrete - Partial Replace	$10,238	$10,238	$10,238	$151.02
601	Concrete Surfaces - Repair	$15,538	$15,538	$15,538	$229.20
607	Unit Trex Decks - Replace	$146,250	$105,300	$79,639	$258.89
1602	Exterior Wall mount - Replace (Ph 1)	$25,250	$25,250	$25,250	$62.08
1602	Exterior Wall mount - Replace (Ph 2)	$25,250	$23,847	$23,847	$62.08
1602	Exterior Wall mount - Replace (Ph 3)	$25,250	$22,444	$22,444	$62.08
1605	Bollard Lights - Replace	$31,500	$26,775	$26,775	$69.70
1701	Irrigation System - Rebuild	$17,750	$7,100	$7,100	$157.10
1703	Irrigation Timeclocks - Replace	$6,600	$6,600	$6,600	$73.02
1801	Groundcover - Replenish	$5,375	$2,688	$2,688	$59.47
1804	Tree - Replacement/Major Maintenance	$9,000	$4,500	$4,500	$66.38

Yearly Cash Flow For Carriage Homes at Stapleton

Year	2023	2024	2025	2026	2027
Starting Balance	$537,743	$461,806	$495,490	$537,440	$626,443
Reserve Income	$57,618	$166,200	$172,848	$179,762	$186,952
Interest Earnings	$4,996	$4,784	$5,162	$5,817	$7,192
Alternative Funding	$0	$0	$0	$0	$0
Funds Available	$600,356	$632,791	$673,500	$723,019	$820,588
Reserve Expenditures	$138,550	$137,301	$136,060	$96,576	$7,946
Ending Balance	$461,806	$495,490	$537,440	$626,443	$812,642

Year	2028	2029	2030	2031	2032
Starting Balance	$812,642	$997,707	$961,180	$861,755	$946,576
Reserve Income	$194,430	$202,208	$210,296	$218,708	$227,456
Interest Earnings	$9,048	$9,790	$9,111	$9,038	$10,387
Alternative Funding	$0	$0	$0	$0	$0
Funds Available	$1,016,120	$1,209,705	$1,180,586	$1,089,501	$1,184,418
Reserve Expenditures	$18,413	$248,525	$318,831	$142,925	$52,802
Ending Balance	$997,707	$961,180	$861,755	$946,576	$1,131,616

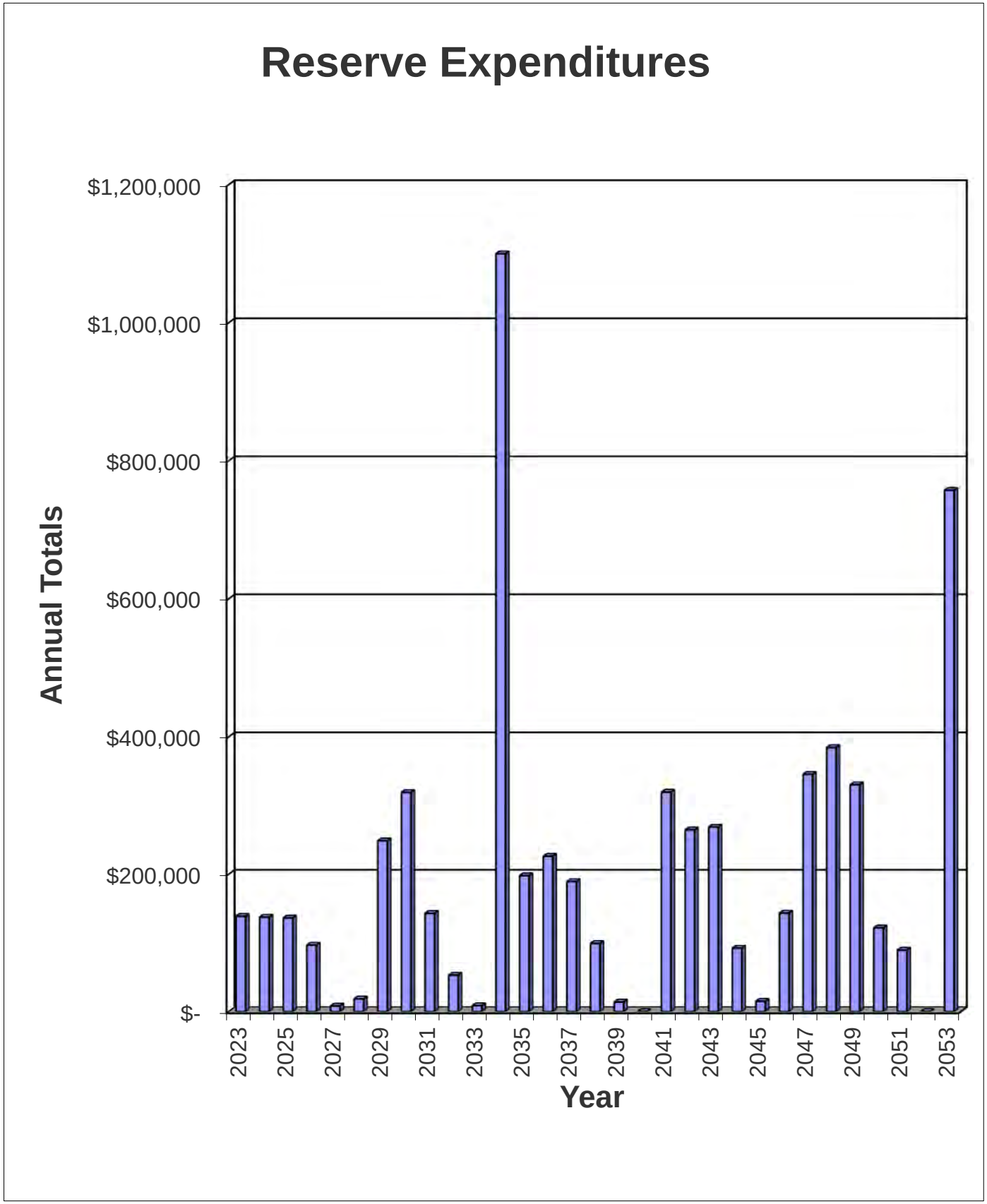
Year	2033	2034	2035	2036	2037
Starting Balance	$1,131,616	$1,372,135	$527,956	$591,676	$638,005
Reserve Income	$236,554	$246,017	$255,857	$266,092	$276,735
Interest Earnings	$12,513	$9,496	$5,596	$6,146	$6,850
Alternative Funding	$0	$0	$0	$0	$0
Funds Available	$1,380,684	$1,627,648	$789,409	$863,913	$921,589
Reserve Expenditures	$8,549	$1,099,692	$197,733	$225,909	$189,101
Ending Balance	$1,372,135	$527,956	$591,676	$638,005	$732,488

Year	2038	2039	2040	2041	2042
Starting Balance	$732,488	$929,558	$1,227,949	$1,557,666	$1,584,851
Reserve Income	$287,805	$301,475	$315,795	$330,796	$346,509
Interest Earnings	$8,307	$10,783	$13,922	$15,706	$16,335
Alternative Funding	$0	$0	$0	$0	$0
Funds Available	$1,028,600	$1,241,816	$1,557,666	$1,904,168	$1,947,694
Reserve Expenditures	$99,042	$13,868	$0	$319,317	$264,207
Ending Balance	$929,558	$1,227,949	$1,557,666	$1,584,851	$1,683,487

Year	2043	2044	2045	2046	2047
Starting Balance	$1,683,487	$1,795,434	$2,102,975	$2,509,375	$2,809,945
Reserve Income	$362,968	$380,209	$398,269	$417,186	$437,003
Interest Earnings	$17,387	$19,484	$23,052	$26,585	$28,690
Alternative Funding	$0	$0	$0	$0	$0
Funds Available	$2,063,842	$2,195,126	$2,524,295	$2,953,147	$3,275,638
Reserve Expenditures	$268,408	$92,151	$14,920	$143,202	$345,085
Ending Balance	$1,795,434	$2,102,975	$2,509,375	$2,809,945	$2,930,552

Year	2048	2049	2050	2051	2052
Starting Balance	$2,930,552	$3,033,913	$3,214,625	$3,629,373	$4,104,875
Reserve Income	$457,760	$479,504	$502,280	$526,139	$551,130
Interest Earnings	$29,810	$31,229	$34,205	$38,655	$44,006
Alternative Funding	$0	$0	$0	$0	$0
Funds Available	$3,418,122	$3,544,647	$3,751,111	$4,194,167	$4,700,011
Reserve Expenditures	$384,209	$330,021	$121,738	$89,292	$0
Ending Balance	$3,033,913	$3,214,625	$3,629,373	$4,104,875	$4,700,011

Yearly Expenditures Graph For Carriage Homes at Stapleton



Projected Reserve Expenditures For Carriage Homes at Stapleton

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
2023	204	Exterior Surfaces - Repaint (Ph 1)	$64,350	
	303	Siding/Trim - Major Repairs (Ph1)	$16,575	
	403	Concrete - Partial Replace	$10,238	
	601	Concrete Surfaces - Repair	$15,538	
	1602	Exterior Wall mount - Replace (Ph 1)	$25,250	
	1703	Irrigation Timeclocks - Replace	$6,600	$138,550
2024	204	Exterior Surfaces - Repaint (Ph 2)	$88,147	
	303	Siding/Trim - Major Repairs (Ph 2)	$22,705	
	1602	Exterior Wall mount - Replace (Ph 2)	$26,449	$137,301
2025	204	Exterior Surfaces - Repaint (Ph 3)	$81,471	
	303	Siding/Trim - Major Repairs (Ph 3)	$20,985	
	1602	Exterior Wall mount - Replace (Ph 3)	$27,706	
	1801	Groundcover - Replenish	$5,898	$136,060
2026	403	Concrete - Partial Replace	$11,767	
	601	Concrete Surfaces - Repair	$17,858	
	1605	Bollard Lights - Replace	$36,205	
	1701	Irrigation System - Rebuild	$20,401	
	1804	Tree - Replacement/Major Maintenance	$10,344	$96,576
2027	1703	Irrigation Timeclocks - Replace	$7,946	$7,946
2028	306	Brick - Inspect/Major Repairs	$18,413	$18,413
2029	120	Raingutters/Downspouts - Replace	$122,364	
	204	Exterior Surfaces - Repaint (Ph 1)	$85,011	
	403	Concrete - Partial Replace	$13,524	
	601	Concrete Surfaces - Repair	$20,526	
	1801	Groundcover - Replenish	$7,101	$248,525
2030	204	Exterior Surfaces - Repaint (Ph 2)	$116,448	
	607	Unit Trex Decks - Replace	$202,383	$318,831
2031	204	Exterior Surfaces - Repaint (Ph 3)	$107,629	
	1701	Irrigation System - Rebuild	$25,729	
	1703	Irrigation Timeclocks - Replace	$9,567	$142,925
2032	403	Concrete - Partial Replace	$15,545	
	601	Concrete Surfaces - Repair	$23,592	
	1804	Tree - Replacement/Major Maintenance	$13,666	$52,802
2033	1801	Groundcover - Replenish	$8,549	$8,549
2034	105	Comp Shingle Roof - Replace	$1,099,692	$1,099,692
2035	204	Exterior Surfaces - Repaint (Ph 1)	$112,304	
	303	Siding/Trim - Major Repairs (Ph1)	$28,927	
	403	Concrete - Partial Replace	$17,867	
	601	Concrete Surfaces - Repair	$27,116	
	1703	Irrigation Timeclocks - Replace	$11,518	$197,733
2036	204	Exterior Surfaces - Repaint (Ph 2)	$153,835	
	303	Siding/Trim - Major Repairs (Ph 2)	$39,624	
	1701	Irrigation System - Rebuild	$32,449	$225,909
2037	204	Exterior Surfaces - Repaint (Ph 3)	$142,185	
	303	Siding/Trim - Major Repairs (Ph 3)	$36,623	
	1801	Groundcover - Replenish	$10,293	$189,101
2038	306	Brick - Inspect/Major Repairs	$29,286	
	403	Concrete - Partial Replace	$20,535	
	601	Concrete Surfaces - Repair	$31,167	
	1804	Tree - Replacement/Major Maintenance	$18,053	$99,042
2039	1703	Irrigation Timeclocks - Replace	$13,868	$13,868
2040		No Expenditures Projected		$0
2041	204	Exterior Surfaces - Repaint (Ph 1)	$148,361	

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
	403	Concrete - Partial Replace	$23,603	
	601	Concrete Surfaces - Repair	$35,822	
	1602	Exterior Wall mount - Replace (Ph 1)	$58,215	
	1701	Irrigation System - Rebuild	$40,923	
	1801	Groundcover - Replenish	$12,392	$319,317
2042	204	Exterior Surfaces - Repaint (Ph 2)	$203,227	
	1602	Exterior Wall mount - Replace (Ph 2)	$60,980	$264,207
2043	204	Exterior Surfaces - Repaint (Ph 3)	$187,835	
	1602	Exterior Wall mount - Replace (Ph 3)	$63,877	
	1703	Irrigation Timeclocks - Replace	$16,696	$268,408
2044	403	Concrete - Partial Replace	$27,129	
	601	Concrete Surfaces - Repair	$41,173	
	1804	Tree - Replacement/Major Maintenance	$23,849	$92,151
2045	1801	Groundcover - Replenish	$14,920	$14,920
2046	1605	Bollard Lights - Replace	$91,591	
	1701	Irrigation System - Rebuild	$51,611	$143,202
2047	204	Exterior Surfaces - Repaint (Ph 1)	$195,995	
	303	Siding/Trim - Major Repairs (Ph1)	$50,484	
	403	Concrete - Partial Replace	$31,181	
	601	Concrete Surfaces - Repair	$47,324	
	1703	Irrigation Timeclocks - Replace	$20,102	$345,085
2048	204	Exterior Surfaces - Repaint (Ph 2)	$268,476	
	303	Siding/Trim - Major Repairs (Ph 2)	$69,153	
	306	Brick - Inspect/Major Repairs	$46,580	$384,209
2049	204	Exterior Surfaces - Repaint (Ph 3)	$248,143	
	303	Siding/Trim - Major Repairs (Ph 3)	$63,916	
	1801	Groundcover - Replenish	$17,963	$330,021
2050	403	Concrete - Partial Replace	$35,839	
	601	Concrete Surfaces - Repair	$54,393	
	1804	Tree - Replacement/Major Maintenance	$31,507	$121,738
2051	1701	Irrigation System - Rebuild	$65,090	
	1703	Irrigation Timeclocks - Replace	$24,202	$89,292
2052		No Expenditures Projected		$0
2053	120	Raingutters/Downspouts - Replace	$372,691	
	204	Exterior Surfaces - Repaint (Ph 1)	$258,922	
	403	Concrete - Partial Replace	$41,192	
	601	Concrete Surfaces - Repair	$62,518	
	1801	Groundcover - Replenish	$21,627	$756,950

Glossary of Commonly used Words and Phrases (provided by the National Reserve Study Standards of the Community Associations Institute)

Asset or Component – Individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association Responsibility, 2) with limited Useful Life expectancies, 3) have predictable Remaining Life expectancies, 4) above a minimum threshold cost, and 5) required by local codes.

Cash Flow Method – A method of developing a Reserve Funding Plan where contributions to the Reserve fund are designed to offset the variable annual expenditures from the Reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

Component Inventory – The task of selecting and quantifying Reserve Components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representatives.

Deficit – An actual (or projected) Reserve Balance, which is less than the Fully Funded Balance.

Effective Age – The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

Financial Analysis – The portion of the Reserve Study where current status of the Reserves (Measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived, and the projected Reserve income and expense over time is presented. The Financial Analysis is one of the two parts of the Reserve Study.

Component Full Funding – When the actual (or projected) cumulative Reserve balance for all components is equal to the Fully Funded Balance.

Fully Fund Balance (aka – Ideal Balance) – An indicator against which Actual (or projected) Reserve Balance can be compared. The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost. This number is calculated for each component, and then summed together for an association total.

FFB = Replacement Cost X Effective Age / Useful Life

Fund Status – The status of the Reserve Fund as compared to an established benchmark, such as percent funding.

Funding Goals – Independent of methodology utilized, the following represent the basic categories of Funding Plan Goals.

- **Baseline Funding:** Establishing a Reserve funding goal of keeping the Reserve Balance above zero.
- **Component Full Funding:** Setting a Reserve funding goal of attaining and maintaining cumulative Reserves at or near 100% funded.
- **Threshold Funding:** Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than the "Component Fully Funding" method.

Funding Plan – An association's plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

Funding Principles –

- Sufficient Funds When Required
- Stable Contribution Rate over the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

Life and Valuation Estimates – The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components.

Percent Funded – The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the *actual* (or *projected*) Reserve Balance to the accrued *Fund Balance*, expressed as a percentage.

Physical Analysis – The portion of the Reserve Study where the Component Inventory, Condition Assessment, and Life and Valuation Estimate tasks are performed. This represents one of the two parts of the Reserve Study.

Remaining Useful Life (RUL) – Also referred to as "Remaining Life" (RL). The estimated time, in years, that a reserve component can be expected to *continue* to serve its intended function. Projects anticipated to occur in the initial year have "0" Remaining Useful Life.

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

Reserve Balance – Actual or projected funds as of a particular point in time (typically the beginning of the fiscal year) that the association has identified for use to defray the future repair or replacement of those major components in which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves. This is based upon information provided and is not audited.

Reserve Provider – An individual that prepares Reserve Studies. Also known as ***Aspen Reserve Specialties.***

Reserve Study – A budget-planning tool that identifies the current status of the Reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures. The Reserve Study consists of two parts: The Physical Analysis and the Financial Analysis.

Special Assessment – An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by governing documents or local statutes.

Surplus – An actual (or projected) Reserve Balance that is greater that the Fully Funded Balance.

Useful Life (UL) – Also known as "Life Expectancy", or "Depreciable Life". The estimated time, in years, that a Reserve component can be expected to serve its intended function if properly constructed and maintained in its present application or installation.