

Reserve Analysis Report

Carriage Park HOA

1465 S Chambers Rd
Aurora, CO 80017

Level I Study with Site Inspection

Fiscal Year End Date: December 31, 2020



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Sections of This Report

Section

1 Preface

Written description of a reserve study and the figures in the report

Includes glossary, preparer qualifications, and calculation description

2-7 Executive Summary

Summarizes key findings of the report. Includes development description and lists the projected balance and percent funded. Summarizes the funding plans

Includes funding plans bar graph

2-8 Percent Funded

Describes percent funded calculation and funding levels

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2-10 Category Significance

Includes category percentage column charts for fully funded balance and annual depreciation

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Lists details of each of the 3 funding plans (current, recommended, and threshold) over the next 30 years

Charts of the figures in this table are located in the 30 year projections

2-12 Future Percent Funded

Includes table and chart of percent funded for various levels of funding over the next 15 years

3 Component Summary & Component Significance

Lists all components included in the study in table form

Shows Depreciation and Fully Funded Balance Significance including quick glance graph

These figures are the basis for all other calculations in the study

4 Annual Expenses by Component

Lists all projected expenses for each component over the next 30 years in table form

5 Component Details

Lists details of each individual component

Includes notes and pictures of selected components if site inspection was conducted

Preface

A reserve study is a detailed report that assists common interest developments (CID) in planning for long-term common area repair and replacement expenses. These common areas differ for every development. They can include streets, roofs, recreational facilities and many other items.

A reserve study estimates the costs of common area repairs and replacements over a 30 year period. Each component is given a useful life, remaining life, and estimated cost. A reserve study then calculates the funds necessary to cover these expenses by creating funding plans.

The Big Picture - What are the significant figures to look at in the report?

- **The Component List** – What are our reserve components and when will they need maintenance

Every reserve study must start with a list of the components. The component summary contains the list of all the components, their useful and remaining lives, and their estimated costs. These numbers are the building blocks for most of the figures in the study.

- **Percent Funded** - What is our current financial standing

Probably the most important number in a reserve study is percent funded. It's almost like a credit score for an association. It tells them the current strength of their reserve fund.

Over 70% = Well Funded Between 30-70% = Fairly Funded Below 30% = Poorly Funded

The lower your percent funded the higher the risk of a special assessment. A low percent funded also increases the likelihood of deferred maintenance which can cause declining property values.

- **Funding Plans** - How much do we need to save for the future

The next important part of the study is the theoretical 30 year funding plans. The study contains 3 funding plans. It projects what the percent funded will be over the next 30 years if the CID follows each of these plans.

Current Funding Plan – This plan is based on what the association is currently contributing to its reserve fund. This information is supplied by the board or management

Recommended Funding Plan – This is McCaffery's recommendation, if a CID follows the recommended plan they should end up well funded and near the 100% funded level.

5% Threshold Funding Plan - The threshold funding plan is a 30 year cash flow plan that calculates the minimum amount a CID should contribute so their reserve balance won't fall below 5% funded and cause the need for a special assessment. The percent funded will at some point fall into poorly funded levels but will never drop below 5%. If a CID has a funding plan that is below this threshold plan they should also plan on a future special assessment and/or a deferred maintenance. (Following this plan does carry higher risk of a special assessment if a component fails early or costs more than expected)

Why Should a Reserve Study be performed?

Certain states, such as California, require that reserve studies be completed and updated annually and that the board of directors inform owners of the reserve status with their annual budget. In addition, the board of directors of a common interest development (CID) has a legal and fiduciary duty to maintain the community in a good state of repair. Property Values are directly affected by the level of maintenance and upkeep of the common area components. Reserve studies create a maintenance plan, which keeps a development in good condition, therefore increasing property appreciation and value. The amount of funds in the reserve account also greatly affects property values. Reserve studies inform CID's how much they should have in their reserve account, which eliminates costly special assessments. Over time each member of a CID should contribute their fair share to the reserve account so when expenses arise the required funds are available. Reserve Studies help board members fulfill their fiduciary duty and also help avoid litigation against an association.

Where do Component Repair/Replacement Cost Estimates Come From?

The most accurate cost source is actual bids from contractors or to look at contracts from when the repair/replacement was last performed. In most cases bids or contracts are not available so unit costs for similar work done in the same local area are used. In addition, it is helpful to talk to local vendors who have knowledge of the work and can help with a cost estimate. A third source is to use construction cost estimators such as RS Means. Many times the entire quantity of a component will not need to be replaced or repaired all at once. An example of this is concrete sidewalks. All sidewalks should never have to be replaced, but some sections may experience cracking. In this case an allowance can be created for their partial replacement.

The cost source number for each component is provided in the component summary and details. An explanation of each follows:

1. **Local Historical Cost** – Cost based on bids for similar work done in same area.
2. **McCaffery Estimate** – Estimate or Allowance made by McCaffery Staff Member.
3. **Board/Manager Direction** – Cost estimate provided by board member or property manager.
4. **Bid/Contract** – Bid came from actual bid or contract.
5. **Cost Manual** – Cost came from estimating manual.
6. **Previous Study** – Cost came from previous reserve study.

Glossary of Terms:

Contingency – An allowance for miscellaneous components, unpredictable expenses and/or costs that were higher than expected. (5% of total current cost unless directed otherwise)

Current Budgeted Reserve Assessment – Amount currently being deposited into reserve account. Provided by Property Manager or Board Member.

Depreciation This Year – Amount that should be saved for component during current year. Provided for each component and summed for all components. If the association is 100% funded this is the amount they should contribute to the reserve fund annually. $=(\text{Total Current Cost} / \text{Normal Useful Life})$

Depreciation Percent – A components percentage of the total depreciation of all components. $=(\text{Component Depreciation} / \text{Total Depreciation of all components})$

Fully Funded Balance – The total depreciation over the life of the component. In other words, the amount that should have been saved during the life of the component. Provided for each component and summed for all components $=((\text{Useful Life} - \text{Remaining Life}) * \text{Depreciation This Year})$

Full Funded Balance Percent – A component's percentage of the total fully funded balance of all components. $=(\text{Component FFB} / \text{Total FFB of all Components})$

Monthly Contribution – The amount that should be allocated to each component using the recommended funding plan. $=((\text{Component Depreciation} / \text{Total Depreciation}) * \text{Recommended Monthly Funding})$

Life Remaining Percent – The percentage of life that a component has remaining $=(\text{Remaining Live} / \text{Useful Life})$

Normal Useful Life – Typical useable life for a component.

Percent Funded – The percentage of the fully funded balance that the CID has in reserve fund. $(\text{Projected Balance} / \text{Fully Funded Balance})$

Projected Balance – Projected balance at fiscal year end with current funding plan. Calculated using current reserve balance, remaining contributions to reserves before year-end, and planned expenses before year-end. Supplied by board or management.

Recommended Reserve Contribution – Recommended amount that the CID should allocate into reserves to offset future expenses.

Remaining Life – Expected remaining useable life of component. (0 year remaining life means the component will be serviced in the upcoming fiscal year)

Replacement Year – Year that component is projected to be replaced or repaired.

Total Cost – Total cost to replace or repair component in today’s dollars. $=(\text{Quantity} \times \text{Unit Cost})$

Total Future Cost - Current cost adjusted to future cost taking into account inflation and replacement year. $=(\text{Current Cost} * (1 + \text{inflation rate})^{(\text{Replacement Year} - \text{Present Year})})$

Threshold Reserve Contribution – Reserve contribution that should be allocated into reserves to keep reserve balance above a minimum amount during the next 30 years. (Minimum amount is 5% funded unless otherwise noted)

Under Funded – Amount association is short of fully funded balance; also known as a deficit. $=(\text{Fully Funded Balance} - \text{Projected Balance})$

Unit Cost – Cost per Unit.

Unit of Measure – Unit used to measure component. (Explanations shown below)

SF – Square Feet

SY – Square Yard

LF – Linear Feet

Each – Per Single Unit

Lump Sum - Total cost for component

Allowance – Allowance for component repair or replacement

Contract – Cost obtained from actual contract or bid

Useful Life – Time in years component is expected to last.

What Procedures were used for calculation and establishment of reserves?

In this study the fully funded reserve balance for a component at a given time was computed using the component method. Using the component method the fully funded reserve balance equals the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component.

For example if the cost of a boiler is \$10,000, the useful life is 10 years and the remaining life is 3 years. The recommended reserve balance would be:

$$\$10,000 \times ((10-3)/10) = \$7,000.$$

Preparer Qualifications

Brian McCaffery, President and founder of McCaffery Reserve Consulting, earned his Bachelor of Science Degree in Architectural Engineering from the University of Colorado in Boulder. His degree program included coursework in Building Exterior, Lighting, Electrical Systems, Heating Ventilating and Air Conditioning, Concrete and Steel Design, Civil Engineering, Structural Engineering, and Estimating. He has worked in the Building Construction/Architectural Engineering industry for 11 years and has been performing reserve studies for the past 9 years. During his professional career, Brian has worked for multiple companies that perform reserve studies. He has performed over 3,000 reserve studies throughout the state of California and the United States. Brian is a certified Reserve Specialist, designated by the Community Associations Institute (CAI). The Reserve Specialist designation is awarded to experienced, qualified reserve specialists, who through years of specialized experience, can help ensure that your community association prepares its reserve budget as accurately as possible. Brian also has a permit to perform reserve studies in the state of Nevada (Reserve study permit #9).

McCaffery understands that most homeowners, board members, and property managers can have a difficult time understanding all the numbers in a reserve study. That is why we make it a priority to make our report easy for anyone to understand. The layout of this report is set up with graphs, explanations and figures to make it easy to follow. If you read though the full report you should have a good understanding of the numbers and calculations. We strive to make sure our studies are second to none in the industry. The important figures are summarized in the executive summary and the supporting graphs and figures give a full explanation of how the findings were derived. Further descriptions are provided in the descriptions section.

For more useful information on reserve studies please visit:

www.mccafferyreserveconsulting.com

For a quick video that highlights the main sections please see:

<http://www.mccafferyreserveconsulting.com/sample-reserve-study>

Or scan QR code below with a smart phone



One Page Description of how we come up with the Numbers in this Report

The numbers in this report start with the components listed in the component summary.

1. Every component is given a useful life, remaining life, and an estimated cost

We will use a boiler as an example. This boiler is expected to last 10 years and has been in use for 7 years. The estimated cost is \$10,000.

Component	Useful Life	Remaining Life	Cost
Boiler	10	3	\$10,000

2. The fully funded balance is calculated

Fully Funded Balance = (Useful life-Remaining Life)/Useful Life * Cost

$$(10-3)/10 * \$10,000 = \$7,000$$

The fully funded balance is then summed for all components and this is the total fully funded balance for the development.

3. Fully Funded Balance is then compared to the actual projected year-end balance that the development has saved for reserves

This is called the percent funded. For our example let's say the development had \$5,000 saved for their boiler. Their percent funded would be:

$$\text{Percent Funded} = \text{Projected Year End Reserve Balance}/\text{Fully Funded Balance}$$
$$\$5,000/\$7,000 = 71\%$$

4. Next expenses are projected for each component for the next 30 years using the useful and remaining lives

This information is shown in the annual expenses by component section. Inflation is included in these figures.

5. Using the projected expenses for the next 30 years the funding plans are created

Funding plans are created so that the development has enough money to offset their projected expenses for the next 30 years.

We try to create funding plans that have a uniform contribution over a 30 year period with a slight increase over time for inflation.

Executive Summary

Carriage Park HOA

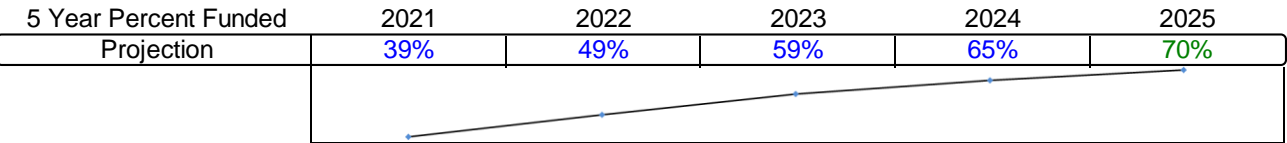
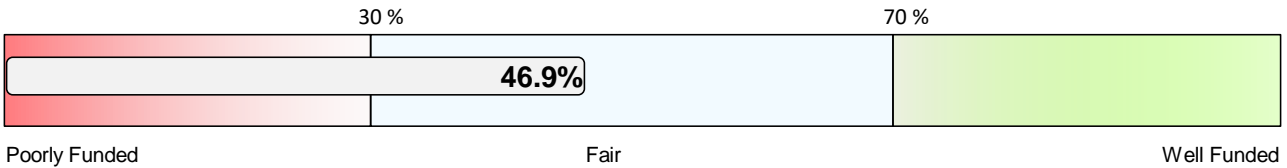
This is a Homeowners Association with 79 Condominium Units.

The common area components include: asphalt, fencing, and building exterior.

A Full Study with an on-site inspection was performed on June 15th, 2020

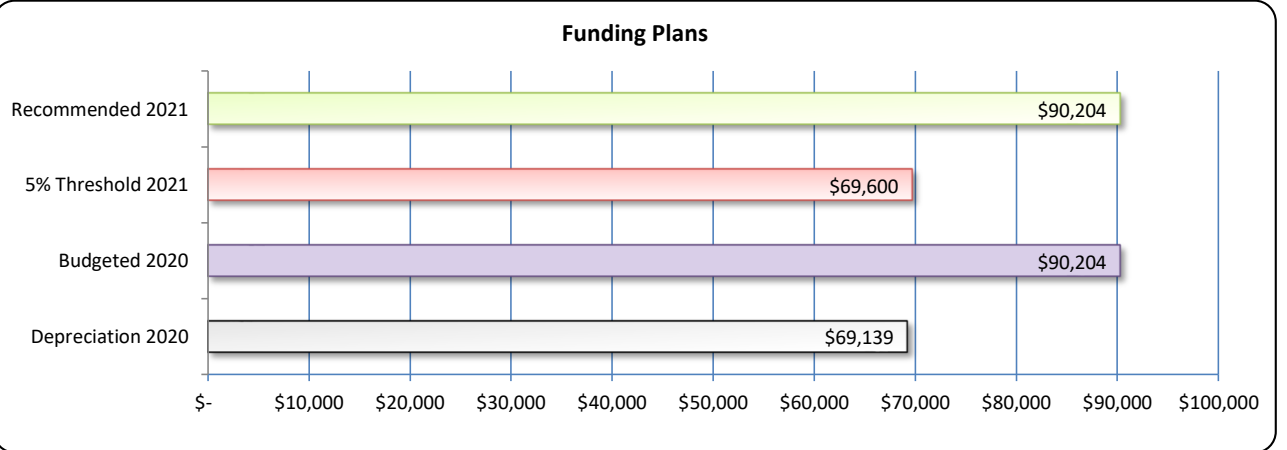
Reserve Fund Balance at Fiscal Year End

Fully Funded Reserve Balance	\$ 550,911
Projected Balance December 31, 2020	\$ 258,328
Under Funded (Deficiency in Reserve Funding)	\$ 292,583
Deficiency in Reserve Funding Per Unit	\$ 3,703.58
Percent Funded	46.9%



Funding Plans

	Annually	Monthly	Per Unit Monthly
Depreciation of Components in 2020	\$ 69,139	\$ 5,762	\$ 72.93
Budgeted Reserve Contribution 2020	\$ 90,204	\$ 7,517	\$ 95.15
5% Threshold Reserve Contribution for 2021	\$ 69,600	\$ 5,800	\$ 73.42
Recommended Reserve Contribution for 2021	\$ 90,204	\$ 7,517	\$ 95.15



Percent Funded

Percent Funded is probably the most important number in a reserve study

Your current percent funded is:

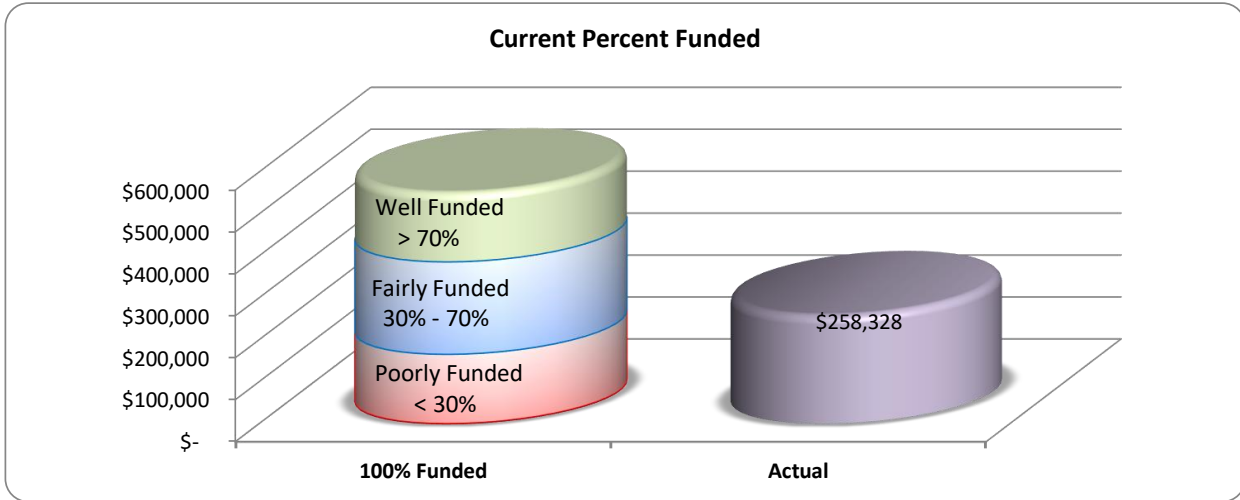
Year End Balance	\$	258,328	=	47%
Fully Funded Balance	\$	550,911		

Above 70% = Well Funded

Between 30% and 70% = Fairly Funded

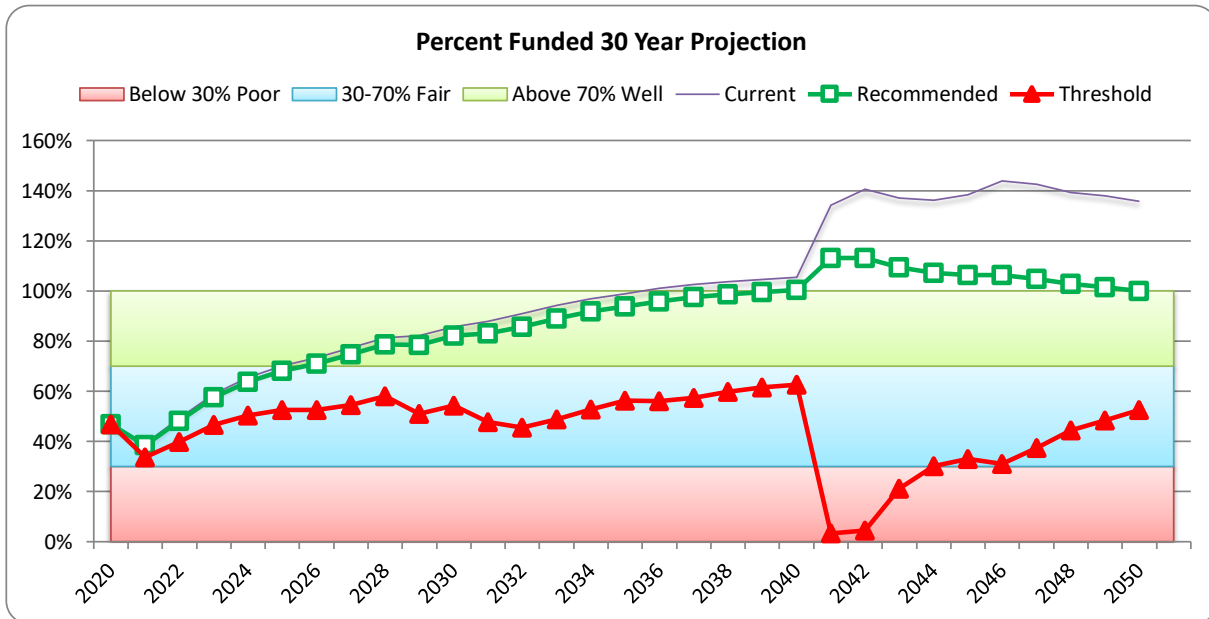
Below 30% = Poorly Funded

The higher your percent funded, the lower the risk of special assessments and deferred maintenance.



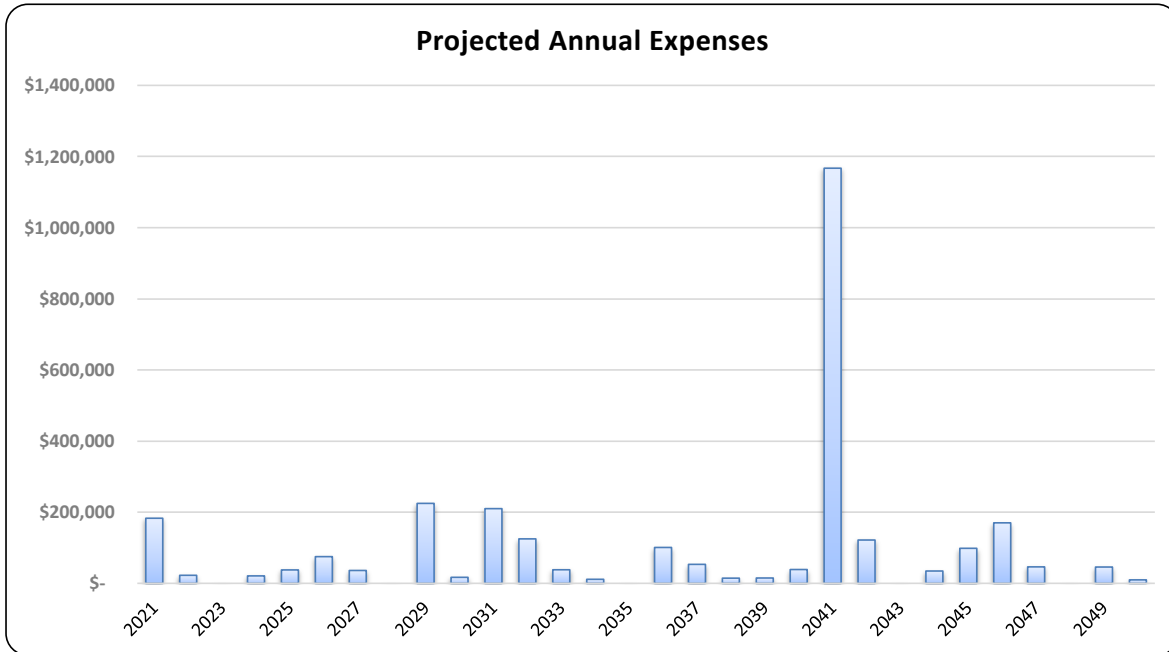
If you follow one of the 3 funding plans in this reserve study this is what your percent funded may look like over the next 30 years. Anytime the Current line drops below 0% a special assessment is likely.

	Annually	Monthly	Per Unit Monthly
Current Reserve Contribution 2020	\$ 90,204	\$ 7,517	\$ 95.15
5% Threshold Reserve Contribution for 2021	\$ 69,600	\$ 5,800	\$ 73.42
Recommended Reserve Contribution for 2021	\$ 90,204	\$ 7,517	\$ 95.15

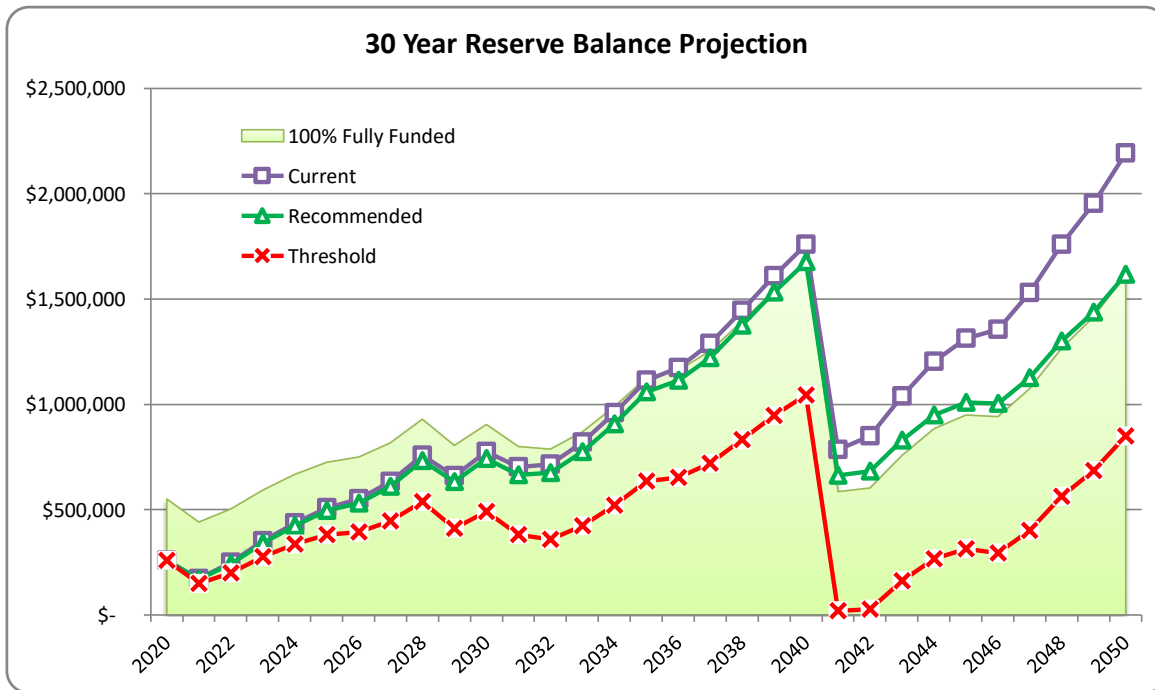


30 Year Projections

Reserve expenses will vary from year to year. A reserve study predicts these expenses and offsets them by creating a uniform funding plan that increases slightly over time to keep up with inflation.



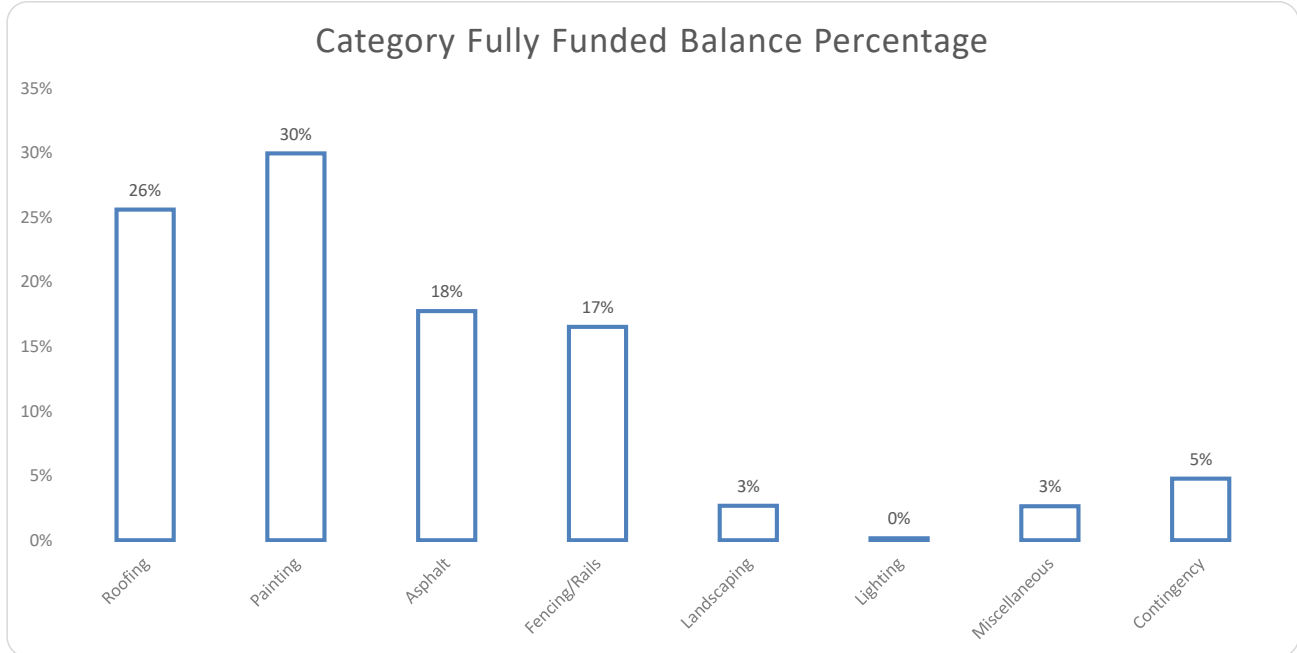
The green 100% funded shaded area shows the ideal balance over the next 30 years. It increases over time due to inflation and depreciation of your components. The 100% funded area will drop after years with large expenses. The recommend funding plan will keep you well funded. The threshold plan will approach \$0 dollars, following this plan has a higher risk of special assessments or deferred maintenance.



Category Significance

This chart breaks down the total fully funded balance for each category

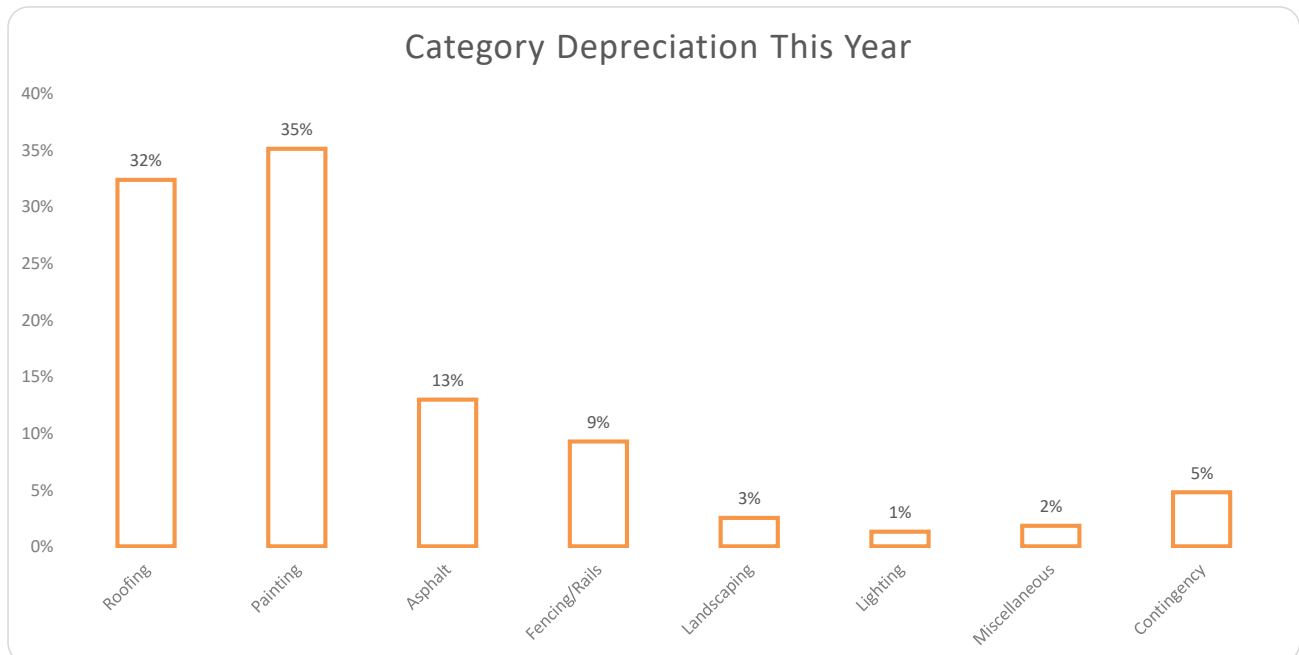
Roofing	Fully Funded Balance	\$	140,973	=	26%
Total	Fully Funded Balance	\$	550,911		



This chart breaks down the total annual depreciation for each category

Roofing	Annual Depreciation	\$	22,365	=	32%
Total	Annual Depreciation	\$	69,139		

This chart may differ from the chart above because it does not account for remaining life



Theoretical 30 Year Funding Plans

Carriage Park HOA

Above 70% = Well Funded (Low Risk of Special Assessment)
 Between 30% and 70% = Fairly Funded
 Below 30% = Poorly Funded (Higher Risk of Special Assessment)

Before Tax Interest Rate	1.5%
Annual Inflation Rate	3.0%
Annual Funding Increase	3.0%

Year End	Annual Expenses	Fully Funded Balance	Current Funding Plan			Recommended Funding Plan			5% Threshold Funding Plan		
			Contribution	Balance	% Funded	Contribution	Balance	% Funded	Contribution	Balance	% Funded
2020	\$ -	\$ 550,911	\$ 90,204	\$ 258,328	47%	\$ -	\$ 258,328	47%	\$ -	\$ 258,328	47%
2021	\$ 182,996	\$ 440,742	\$ 92,910	\$ 172,117	39%	\$ 90,204	\$ 169,411	38%	\$ 69,600	\$ 148,807	34%
2022	\$ 22,547	\$ 502,929	\$ 95,697	\$ 247,850	49%	\$ 92,910	\$ 242,316	48%	\$ 71,688	\$ 200,180	40%
2023	\$ -	\$ 593,567	\$ 98,568	\$ 350,136	59%	\$ 95,697	\$ 341,648	58%	\$ 73,839	\$ 277,022	47%
2024	\$ 20,885	\$ 666,604	\$ 101,525	\$ 436,028	65%	\$ 98,568	\$ 424,456	64%	\$ 76,054	\$ 336,346	50%
2025	\$ 37,674	\$ 726,009	\$ 104,571	\$ 509,466	70%	\$ 101,525	\$ 494,674	68%	\$ 78,335	\$ 382,052	53%
2026	\$ 75,046	\$ 749,183	\$ 107,708	\$ 549,770	73%	\$ 104,571	\$ 531,620	71%	\$ 80,685	\$ 393,423	53%
2027	\$ 36,120	\$ 817,627	\$ 110,940	\$ 632,836	77%	\$ 107,708	\$ 611,182	75%	\$ 83,106	\$ 446,310	55%
2028	\$ -	\$ 929,739	\$ 114,268	\$ 756,597	81%	\$ 110,940	\$ 731,290	79%	\$ 85,599	\$ 538,604	58%
2029	\$ 224,764	\$ 804,759	\$ 117,696	\$ 660,877	82%	\$ 114,268	\$ 631,762	79%	\$ 88,167	\$ 410,086	51%
2030	\$ 16,864	\$ 903,580	\$ 121,227	\$ 775,153	86%	\$ 117,696	\$ 742,070	82%	\$ 90,812	\$ 490,186	54%
2031	\$ 209,994	\$ 799,284	\$ 124,863	\$ 701,650	88%	\$ 121,227	\$ 664,434	83%	\$ 93,537	\$ 381,081	48%
2032	\$ 124,969	\$ 786,685	\$ 128,609	\$ 715,815	91%	\$ 124,863	\$ 674,296	86%	\$ 96,343	\$ 358,172	46%
2033	\$ 38,126	\$ 870,585	\$ 132,468	\$ 820,894	94%	\$ 128,609	\$ 774,893	89%	\$ 99,233	\$ 424,651	49%
2034	\$ 11,308	\$ 989,052	\$ 136,442	\$ 958,341	97%	\$ 132,468	\$ 907,676	92%	\$ 102,210	\$ 521,923	53%
2035	\$ -	\$ 1,126,440	\$ 140,535	\$ 1,113,251	99%	\$ 136,442	\$ 1,057,733	94%	\$ 105,276	\$ 635,028	56%
2036	\$ 100,855	\$ 1,162,106	\$ 144,751	\$ 1,173,846	101%	\$ 140,535	\$ 1,113,279	96%	\$ 108,435	\$ 652,133	56%
2037	\$ 53,326	\$ 1,253,574	\$ 149,093	\$ 1,287,221	103%	\$ 144,751	\$ 1,221,403	97%	\$ 111,688	\$ 720,276	57%
2038	\$ 14,545	\$ 1,393,155	\$ 153,566	\$ 1,445,551	104%	\$ 149,093	\$ 1,374,273	99%	\$ 115,038	\$ 831,574	60%
2039	\$ 14,981	\$ 1,539,983	\$ 158,173	\$ 1,610,426	105%	\$ 153,566	\$ 1,533,472	100%	\$ 118,489	\$ 947,555	62%
2040	\$ 38,796	\$ 1,669,097	\$ 162,918	\$ 1,758,704	105%	\$ 158,173	\$ 1,675,851	100%	\$ 122,044	\$ 1,045,016	63%
2041	\$ 1,167,129	\$ 585,539	\$ 167,806	\$ 785,762	134%	\$ 128,619	\$ 662,478	113%	\$ 125,705	\$ 19,268	3%
2042	\$ 121,756	\$ 603,903	\$ 172,840	\$ 848,632	141%	\$ 132,478	\$ 683,137	113%	\$ 129,477	\$ 27,277	5%
2043	\$ -	\$ 758,472	\$ 178,025	\$ 1,039,387	137%	\$ 136,452	\$ 829,836	109%	\$ 133,361	\$ 161,047	21%
2044	\$ 34,622	\$ 884,329	\$ 183,366	\$ 1,203,722	136%	\$ 140,545	\$ 948,207	107%	\$ 137,362	\$ 266,203	30%
2045	\$ 98,454	\$ 949,142	\$ 188,867	\$ 1,312,191	138%	\$ 144,762	\$ 1,008,738	106%	\$ 141,482	\$ 313,224	33%
2046	\$ 170,088	\$ 942,771	\$ 194,533	\$ 1,356,319	144%	\$ 149,105	\$ 1,002,885	106%	\$ 145,727	\$ 293,561	31%
2047	\$ 46,259	\$ 1,074,603	\$ 200,369	\$ 1,530,774	142%	\$ 153,578	\$ 1,125,248	105%	\$ 150,099	\$ 401,805	37%
2048	\$ -	\$ 1,265,026	\$ 206,380	\$ 1,760,116	139%	\$ 158,185	\$ 1,300,311	103%	\$ 154,602	\$ 562,433	44%
2049	\$ 45,829	\$ 1,416,343	\$ 212,572	\$ 1,953,260	138%	\$ 162,931	\$ 1,436,917	101%	\$ 159,240	\$ 684,280	48%
2050	\$ 9,721	\$ 1,616,138	\$ 218,949	\$ 2,191,787	136%	\$ 167,819	\$ 1,616,569	100%	\$ 164,017	\$ 848,840	53%

Note: All future projections are theoretical. The estimated lives and costs of components will likely change over time depending on factors such as inflation rates and levels of maintenance. Reserve analysis should be performed annually to account for these factors.

Future Percent Funded

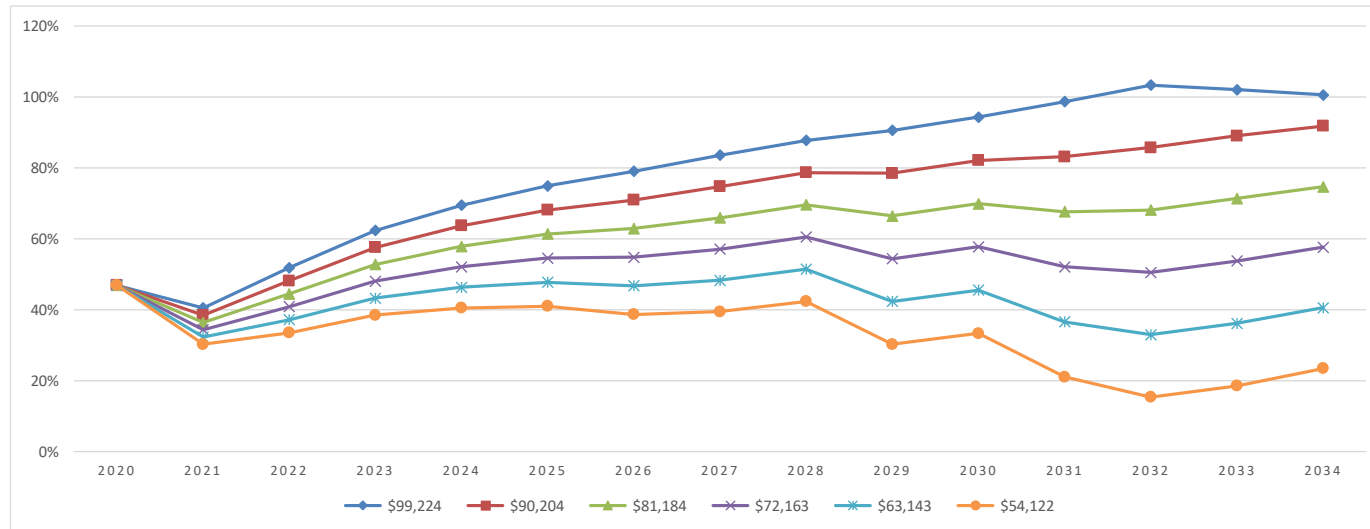
This table and chart shows where your percent funded will be over the next 15 years starting with different levels of funding. Keep in mind all figures assume a 3% annual increase in funding to keep up with inflation.

Above 70% = Well Funded
(Low Risk of Special Assessment)

Between 30% and 70% = Fairly Funded

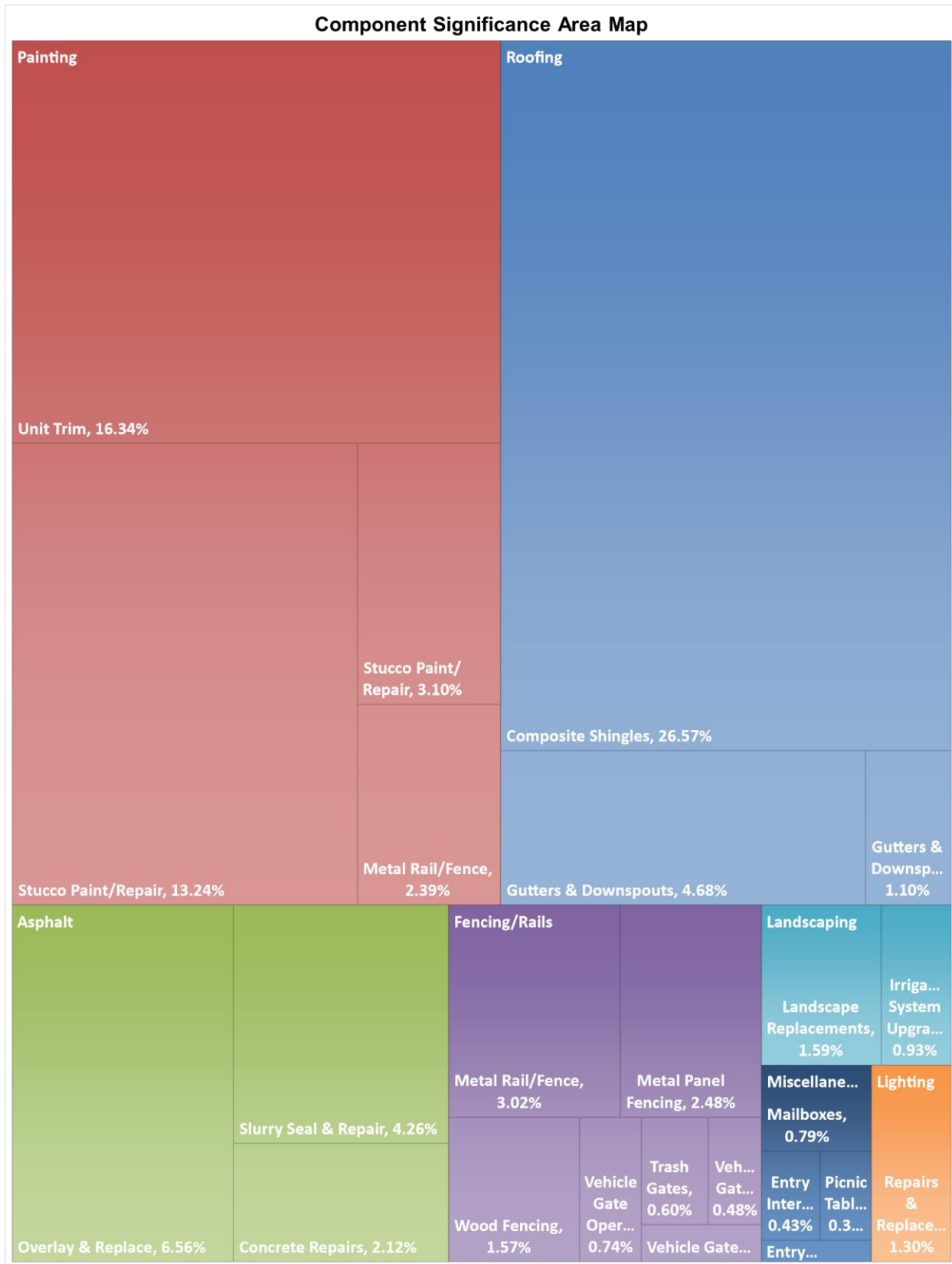
Below 30% = Poorly Funded
(Higher Risk of Special Assessment)

Funding Plan	Reserve Contribution	Percent Funded														
	2021	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
110% Recommended	\$ 99,224	47%	40%	52%	62%	69%	75%	79%	84%	88%	91%	94%	99%	103%	102%	101%
Recommended	\$ 90,204	47%	38%	48%	58%	64%	68%	71%	75%	79%	79%	82%	83%	86%	89%	92%
90% Recommended	\$ 81,184	47%	36%	45%	53%	58%	61%	63%	66%	70%	66%	70%	68%	68%	71%	75%
80% Recommended	\$ 72,163	47%	34%	41%	48%	52%	55%	55%	57%	61%	54%	58%	52%	51%	54%	58%
70% Recommended	\$ 63,143	47%	32%	37%	43%	46%	48%	47%	48%	51%	42%	46%	37%	33%	36%	41%
60% Recommended	\$ 54,122	47%	30%	34%	38%	41%	41%	39%	39%	42%	30%	33%	21%	15%	19%	23%



Note: All future projections are theoretical. The estimated lives and costs of components will likely change over time depending on factors such as inflation rates and levels of maintenance. Reserve analysis should be performed annually to account for these factors.

Components are mapped below according to their percent of the total annual depreciation and are color coated by category



Component Summary
Carriage Park HOA

Category Component	Approx. Quantity	Unit of Measure	Useful Life	Remaining Life	Unit Cost	Total Cost	Cost Source
Roofing							
Composite Shingles	112000	SF	25	20	\$ 4.10	\$ 459,200	1
Gutters & Downspouts	64	Units	25	11	\$ 1,265	\$ 80,960	1
Gutters & Downspouts	15	Units	25	20	\$ 1,265	\$ 18,975	1
						\$ 559,135	
Painting							
Stucco Paint/Repair	64	Units	10	0	\$ 1,430	\$ 91,520	1
Stucco Paint/Repair	15	Units	10	6	\$ 1,430	\$ 21,450	1
Unit Trim	79	Each	5	0	\$ 715	\$ 56,485	1
Metal Rail/Fence	1	Allowance	5	0	\$ 8,250	\$ 8,250	1
						\$ 177,705	
Asphalt							
Slurry Seal & Repair	63000	SF	4	0	\$ 0.19	\$ 11,781	1
Overlay & Replace	63000	SF	25	8	\$ 1.80	\$ 113,400	1
Concrete Repairs	1	Allowance	6	0	\$ 8,800	\$ 8,800	1
						\$ 133,981	
Fencing/Rails							
Wood Fencing	580	LF	20	4	\$ 37.40	\$ 21,692	1
Metal Rail/Fence	1250	LF	25	8	\$ 41.80	\$ 52,250	1
Metal Panel Fencing	1300	LF	35	21	\$ 46.20	\$ 60,060	1
Vehicle Gates	3	Each	25	3	\$ 2,750	\$ 8,250	1
Vehicle Gate Operators	1	Each	12	11	\$ 3,080	\$ 3,080	1
Vehicle Gate Operators	2	Each	12	0	\$ 3,080	\$ 6,160	1
Trash Gates	5	Each	10	9	\$ 825	\$ 4,125	1
						\$ 155,617	
Landscaping							
Irrigation System Upgrade	1	Allowance	12	1	\$ 7,700	\$ 7,700	1
Landscape Replacements	1	Allowance	8	1	\$ 8,800	\$ 8,800	1
Tree Trimming							3
						\$ 16,500	
Lighting							
Repairs & Replacements	1	Allowance	20	19	\$ 18,000	\$ 18,000	1
						\$ 18,000	
Miscellaneous							
Mailboxes	79	Each	20	3	\$ 138	\$ 10,863	1
Picnic Tables	4	Each	10	1	\$ 660	\$ 2,640	1
Entry Intercom	1	Each	12	11	\$ 3,600	\$ 3,600	1
Entry Monument	1	Allowance	20	1	\$ 2,750	\$ 2,750	1
						\$ 19,853	
Contingency							
5%							1

TOTALS \$ 1,080,791

Notes: Any other items not listed are included in operating budget.

Component Significance

This table makes it easy to see what components are the most significant

Category Component	Fully Funded Balance			Depreciation This Year			Monthly Contribution
	\$ Amount	%	Quick Glance Graph	\$ Amount	%	Quick Glance Graph	
Roofing							
Composite Shingles	\$ 91,840	16.67%		\$ 18,368	26.57%		\$1,997.02
Gutters & Downspouts	\$ 45,338	8.23%		\$ 3,238	4.68%		\$ 352.09
Gutters & Downspouts	\$ 3,795	0.69%		\$ 759	1.10%		\$ 82.52
	\$ 140,973	25.59%		\$ 22,365	32.35%		\$2,431.63
Painting							
Stucco Paint/Repair	\$ 91,520	16.61%		\$ 9,152	13.24%		\$ 995.03
Stucco Paint/Repair	\$ 8,580	1.56%		\$ 2,145	3.10%		\$ 233.21
Unit Trim	\$ 56,485	10.25%		\$ 11,297	16.34%		\$1,228.24
Metal Rail/Fence	\$ 8,250	1.50%		\$ 1,650	2.39%		\$ 179.39
	\$ 164,835	29.92%		\$ 24,244	35.07%		\$2,635.88
Asphalt							
Slurry Seal & Repair	\$ 11,781	2.14%		\$ 2,945	4.26%		\$ 320.22
Overlay & Replace	\$ 77,112	14.00%		\$ 4,536	6.56%		\$ 493.17
Concrete Repairs	\$ 8,800	1.60%		\$ 1,467	2.12%		\$ 159.46
	\$ 97,693	17.73%		\$ 8,948	12.94%		\$ 972.84
Fencing/Rails							
Wood Fencing	\$ 17,354	3.15%		\$ 1,085	1.57%		\$ 117.92
Metal Rail/Fence	\$ 35,530	6.45%		\$ 2,090	3.02%		\$ 227.23
Metal Panel Fencing	\$ 24,024	4.36%		\$ 1,716	2.48%		\$ 186.57
Vehicle Gates	\$ 7,260	1.32%		\$ 330	0.48%		\$ 35.88
Vehicle Gate Operators	\$ 257	0.05%		\$ 257	0.37%		\$ 27.91
Vehicle Gate Operators	\$ 6,160	1.12%		\$ 513	0.74%		\$ 55.81
Trash Gates	\$ 413	0.07%		\$ 413	0.60%		\$ 44.85
	\$ 90,997	16.52%		\$ 6,403	9.26%		\$ 696.16
Landscaping							
Irrigation System Upgrade	\$ 7,058	1.28%		\$ 642	0.93%		\$ 69.76
Landscape Replacements	\$ 7,700	1.40%		\$ 1,100	1.59%		\$ 119.60
Tree Trimming	\$	0.00%		\$			\$
	\$ 14,758	2.68%		\$ 1,742	2.52%		\$ 189.36
Lighting							
Repairs & Replacements	\$ 900	0.16%		\$ 900	1.30%		\$ 97.85
	\$ 900	0.16%		\$ 900	1.30%		\$ 97.85
Miscellaneous							
Mailboxes	\$ 9,233	1.68%		\$ 543	0.79%		\$ 59.05
Picnic Tables	\$ 2,376	0.43%		\$ 264	0.38%		\$ 28.70
Entry Intercom	\$ 300	0.05%		\$ 300	0.43%		\$ 32.62
Entry Monument	\$ 2,613	0.47%		\$ 138	0.20%		\$ 14.95
	\$ 14,522	2.64%		\$ 1,245	1.80%		\$ 135.32
Contingency							
5%	\$ 26,234	4.76%		\$ 3,292	4.76%		\$ 357.95
	\$ 550,911	100.00%	100%	\$ 69,139	100%	100%	\$ 7,517

Annual Expenses by Component

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Roofing										
Composite Shingles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gutters & Downspouts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gutters & Downspouts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Painting										
Stucco Paint/Repair	\$ 91,520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Stucco Paint/Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,612	\$ -	\$ -	\$ -
Unit Trim	\$ 56,485	\$ -	\$ -	\$ -	\$ -	\$ 65,482	\$ -	\$ -	\$ -	\$ -
Metal Rail/Fence	\$ 8,250	\$ -	\$ -	\$ -	\$ -	\$ 9,564	\$ -	\$ -	\$ -	\$ -
Asphalt										
Slurry Seal & Repair	\$ 11,781	\$ -	\$ -	\$ -	\$ 13,260	\$ -	\$ -	\$ -	\$ 14,924	\$ -
Overlay & Replace	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143,652	\$ -
Concrete Repairs	\$ 8,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,508	\$ -	\$ -	\$ -
Fencing/Rails										
Wood Fencing	\$ -	\$ -	\$ -	\$ -	\$ 24,415	\$ -	\$ -	\$ -	\$ -	\$ -
Metal Rail/Fence	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,189	\$ -
Metal Panel Fencing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Gates	\$ -	\$ -	\$ -	\$ 9,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Gate Operators	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Gate Operators	\$ 6,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trash Gates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,382
Landscaping										
Irrigation System Upgrade	\$ -	\$ 7,931	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landscape Replacements	\$ -	\$ 9,064	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,482
Tree Trimming	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lighting										
Repairs & Replacements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Annual Expenses by Component

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Miscellaneous										
Mailboxes	\$ -	\$ -	\$ -	\$ 11,870	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Picnic Tables	\$ -	\$ 2,719	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Entry Intercom	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Entry Monument	\$ -	\$ 2,833	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals	\$ -	\$ 182,996	\$ 22,547	\$ -	\$ 20,885	\$ 37,674	\$ 75,046	\$ 36,120	\$ -	\$ 224,764
										\$ 16,864

Annual Expenses by Component

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Roofing											
Composite Shingles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 829,366
Gutters & Downspouts	\$ -	\$ 112,068	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gutters & Downspouts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,271
Painting											
Stucco Paint/Repair	\$ 122,995	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,295
Stucco Paint/Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,421	\$ -	\$ -	\$ -	\$ -
Unit Trim	\$ 75,911	\$ -	\$ -	\$ -	\$ -	\$ 88,002	\$ -	\$ -	\$ -	\$ -	\$ 102,018
Metal Rail/Fence	\$ 11,087	\$ -	\$ -	\$ -	\$ -	\$ 12,853	\$ -	\$ -	\$ -	\$ -	\$ 14,900
Asphalt											
Slurry Seal & Repair	\$ -	\$ -	\$ 16,797	\$ -	\$ -	\$ -	\$ 18,905	\$ -	\$ -	\$ -	\$ 21,278
Overlay & Replace	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Concrete Repairs	\$ -	\$ -	\$ 12,547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,981	\$ -	\$ -
Fencing/Rails											
Wood Fencing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Metal Rail/Fence	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Metal Panel Fencing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Gates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Gate Operators	\$ -	\$ 4,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Gate Operators	\$ -	\$ -	\$ 8,783	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trash Gates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,233	\$ -
Landscaping											
Irrigation System Upgrade	\$ -	\$ -	\$ -	\$ 11,308	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landscape Replacements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,545	\$ -	\$ -	\$ -
Tree Trimming	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lighting											
Repairs & Replacements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,563	\$ -

Annual Expenses by Component

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Miscellaneous											
Mailboxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Picnic Tables	\$ -	\$ 3,654	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Entry Intercom	\$ -	\$ 4,983	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Entry Monument	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals	\$ 209,994	\$ 124,969	\$ 38,126	\$ 11,308	\$ -	\$ 100,855	\$ 53,326	\$ 14,545	\$ 14,981	\$ 38,796	\$ 1,167,129

Annual Expenses by Component

	2042	2043	2044	2045	2046	2047	2048	2049	2050
Roofing									
Composite Shingles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gutters & Downspouts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gutters & Downspouts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Painting									
Stucco Paint/Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Stucco Paint/Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,259	\$ -	\$ -	\$ -
Unit Trim	\$ -	\$ -	\$ -	\$ -	\$ 118,267	\$ -	\$ -	\$ -	\$ -
Metal Rail/Fence	\$ -	\$ -	\$ -	\$ -	\$ 17,274	\$ -	\$ -	\$ -	\$ -
Asphalt									
Slurry Seal & Repair	\$ -	\$ -	\$ -	\$ 23,948	\$ -	\$ -	\$ -	\$ 26,954	\$ -
Overlay & Replace	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Concrete Repairs	\$ -	\$ -	\$ -	\$ 17,889	\$ -	\$ -	\$ -	\$ -	\$ -
Fencing/Rails									
Wood Fencing	\$ -	\$ -	\$ -	\$ 44,095	\$ -	\$ -	\$ -	\$ -	\$ -
Metal Rail/Fence	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Metal Panel Fencing	\$ 111,729	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Gates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,875	\$ -
Vehicle Gate Operators	\$ -	\$ -	\$ 6,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Gate Operators	\$ -	\$ -	\$ -	\$ 12,522	\$ -	\$ -	\$ -	\$ -	\$ -
Trash Gates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,721
Landscaping									
Irrigation System Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 16,122	\$ -	\$ -	\$ -	\$ -
Landscape Replacements	\$ -	\$ -	\$ -	\$ -	\$ 18,425	\$ -	\$ -	\$ -	\$ -
Tree Trimming	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lighting									
Repairs & Replacements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Annual Expenses by Component

	2042	2043	2044	2045	2046	2047	2048	2049	2050
Miscellaneous									
Mailboxes	\$ -	\$ -	\$ 21,438	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Picnic Tables	\$ 4,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Entry Intercom	\$ -	\$ -	\$ 7,105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Entry Monument	\$ 5,116	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals	\$ 121,756	\$ -	\$ 34,622	\$ 98,454	\$ 170,088	\$ 46,259	\$ -	\$ 45,829	\$ 9,721

Component Details

Roofing

Composite Shingles

Approximate Component Quantity	-	112000	Estimated Current Unit Cost	\$	4.10
Unit of Measure	-	SF	Estimated Total Current Cost	\$	459,200
Normal Useful Life (Years)	-	25	Estimated Total Future Cost	\$	829,366
Estimated Remaining Useful Life (Years)	-	20	Fully Funded Balance	\$	91,840
Estimated Replacement Year	-	2041	Depreciation This Year	\$	18,368
Cost Source	-	1	Monthly Contribution	\$	1,997.02
Depreciation Percent	-	26.57%	Fully Funded Balance Percent		16.67%
Life Remaining Percent	-	80%			

Roofing

Gutters & Downspouts

Approximate Component Quantity	-	64	Estimated Current Unit Cost	\$	1,265.00
Unit of Measure	-	Units	Estimated Total Current Cost	\$	80,960
Normal Useful Life (Years)	-	25	Estimated Total Future Cost	\$	112,068
Estimated Remaining Useful Life (Years)	-	11	Fully Funded Balance	\$	45,338
Estimated Replacement Year	-	2032	Depreciation This Year	\$	3,238
Cost Source	-	1	Monthly Contribution	\$	352.09
Depreciation Percent	-	4.68%	Fully Funded Balance Percent		8.23%
Life Remaining Percent	-	44%			

Roofing

Gutters & Downspouts

Approximate Component Quantity	-	15	Estimated Current Unit Cost	\$	1,265.00
Unit of Measure	-	Units	Estimated Total Current Cost	\$	18,975
Normal Useful Life (Years)	-	25	Estimated Total Future Cost	\$	34,271
Estimated Remaining Useful Life (Years)	-	20	Fully Funded Balance	\$	3,795
Estimated Replacement Year	-	2041	Depreciation This Year	\$	759
Cost Source	-	1	Monthly Contribution	\$	82.52
Depreciation Percent	-	1.10%	Fully Funded Balance Percent		0.69%
Life Remaining Percent	-	80%			

Painting**Stucco Paint/Repair**

Approximate Component Quantity	-	64	Estimated Current Unit Cost	\$	1,430.00
Unit of Measure	-	Units	Estimated Total Current Cost	\$	91,520
Normal Useful Life (Years)	-	10	Estimated Total Future Cost	\$	91,520
Estimated Remaining Useful Life (Years)	-	0	Fully Funded Balance	\$	91,520
Estimated Replacement Year	-	2021	Depreciation This Year	\$	9,152
Cost Source	-	1	Monthly Contribution	\$	995.03
Depreciation Percent	-	13.24%	Fully Funded Balance Percent		16.61%
Life Remaining Percent	-	0%			

**Painting****Stucco Paint/Repair**

Approximate Component Quantity	-	15	Estimated Current Unit Cost	\$	1,430.00
Unit of Measure	-	Units	Estimated Total Current Cost	\$	21,450
Normal Useful Life (Years)	-	10	Estimated Total Future Cost	\$	25,612
Estimated Remaining Useful Life (Years)	-	6	Fully Funded Balance	\$	8,580
Estimated Replacement Year	-	2027	Depreciation This Year	\$	2,145
Cost Source	-	1	Monthly Contribution	\$	233.21
Depreciation Percent	-	3.10%	Fully Funded Balance Percent		1.56%
Life Remaining Percent	-	60%			

Painting**Unit Trim**

Approximate Component Quantity	-	79	Estimated Current Unit Cost	\$	715.00
Unit of Measure	-	Each	Estimated Total Current Cost	\$	56,485
Normal Useful Life (Years)	-	5	Estimated Total Future Cost	\$	56,485
Estimated Remaining Useful Life (Years)	-	0	Fully Funded Balance	\$	56,485
Estimated Replacement Year	-	2021	Depreciation This Year	\$	11,297
Cost Source	-	1	Monthly Contribution	\$	1,228.24
Depreciation Percent	-	16.34%	Fully Funded Balance Percent		10.25%
Life Remaining Percent	-	0%			

Painting

Approximate Component Quantity	-	1
Unit of Measure	-	Allowance
Normal Useful Life (Years)	-	5
Estimated Remaining Useful Life (Years)	-	0
Estimated Replacement Year	-	2021
Cost Source	-	1
Depreciation Percent	-	2.39%
Life Remaining Percent	-	0%

Metal Rail/Fence

Estimated Current Unit Cost	\$	8,250.00
Estimated Total Current Cost	\$	8,250
Estimated Total Future Cost	\$	8,250
Fully Funded Balance	\$	8,250
Depreciation This Year	\$	1,650
Monthly Contribution	\$	179.39
Fully Funded Balance Percent		1.50%



Asphalt

Approximate Component Quantity	-	63000
Unit of Measure	-	SF
Normal Useful Life (Years)	-	4
Estimated Remaining Useful Life (Years)	-	0
Estimated Replacement Year	-	2021
Cost Source	-	1
Depreciation Percent	-	4.26%
Life Remaining Percent	-	0%


Slurry Seal & Repair

Estimated Current Unit Cost	\$	0.19
Estimated Total Current Cost	\$	11,781
Estimated Total Future Cost	\$	11,781
Fully Funded Balance	\$	11,781
Depreciation This Year	\$	2,945
Monthly Contribution	\$	320.22
Fully Funded Balance Percent		2.14%



Asphalt

Overlay & Replace

Approximate Component Quantity	-	63000	Estimated Current Unit Cost	\$	1.80
Unit of Measure	-	SF	Estimated Total Current Cost	\$	113,400
Normal Useful Life (Years)	-	25	Estimated Total Future Cost	\$	143,652
Estimated Remaining Useful Life (Years)	-	8	Fully Funded Balance	\$	77,112
Estimated Replacement Year	-	2029	Depreciation This Year	\$	4,536
Cost Source	-	1	Monthly Contribution	\$	493.17
Depreciation Percent	-	6.56%	Fully Funded Balance Percent		14.00%
Life Remaining Percent	-	 32%			


Asphalt

Concrete Repairs

Approximate Component Quantity	-	1	Estimated Current Unit Cost	\$	8,800.00
Unit of Measure	-	Allowance	Estimated Total Current Cost	\$	8,800
Normal Useful Life (Years)	-	6	Estimated Total Future Cost	\$	8,800
Estimated Remaining Useful Life (Years)	-	0	Fully Funded Balance	\$	8,800
Estimated Replacement Year	-	2021	Depreciation This Year	\$	1,467
Cost Source	-	1	Monthly Contribution	\$	159.46
Depreciation Percent	-	2.12%	Fully Funded Balance Percent		1.60%
Life Remaining Percent	-	0%			


Fencing/Rails

Wood Fencing


Approximate Component Quantity	-	580	Estimated Current Unit Cost	\$	37.40
Unit of Measure	-	LF	Estimated Total Current Cost	\$	21,692
Normal Useful Life (Years)	-	20	Estimated Total Future Cost	\$	24,415
Estimated Remaining Useful Life (Years)	-	4	Fully Funded Balance	\$	17,354
Estimated Replacement Year	-	2025	Depreciation This Year	\$	1,085
Cost Source	-	1	Monthly Contribution	\$	117.92
Depreciation Percent	-	1.57%	Fully Funded Balance Percent		3.15%
Life Remaining Percent	-	 20%			




Fencing/Rails**Metal Rail/Fence**

Approximate Component Quantity	-	1250	Estimated Current Unit Cost	\$	41.80
Unit of Measure	-	LF	Estimated Total Current Cost	\$	52,250
Normal Useful Life (Years)	-	25	Estimated Total Future Cost	\$	66,189
Estimated Remaining Useful Life (Years)	-	8	Fully Funded Balance	\$	35,530
Estimated Replacement Year	-	2029	Depreciation This Year	\$	2,090
Cost Source	-	1	Monthly Contribution	\$	227.23
Depreciation Percent	-	3.02%	Fully Funded Balance Percent		6.45%
Life Remaining Percent	-	 32%			

Fencing/Rails**Metal Panel Fencing**

Approximate Component Quantity	-	1300	Estimated Current Unit Cost	\$	46.20
Unit of Measure	-	LF	Estimated Total Current Cost	\$	60,060
Normal Useful Life (Years)	-	35	Estimated Total Future Cost	\$	111,729
Estimated Remaining Useful Life (Years)	-	21	Fully Funded Balance	\$	24,024
Estimated Replacement Year	-	2042	Depreciation This Year	\$	1,716
Cost Source	-	1	Monthly Contribution	\$	186.57
Depreciation Percent	-	2.48%	Fully Funded Balance Percent		4.36%
Life Remaining Percent	-	 60%			

Fencing/Rails**Vehicle Gates**

Approximate Component Quantity	-	3	Estimated Current Unit Cost	\$	2,750.00
Unit of Measure	-	Each	Estimated Total Current Cost	\$	8,250
Normal Useful Life (Years)	-	25	Estimated Total Future Cost	\$	9,015
Estimated Remaining Useful Life (Years)	-	3	Fully Funded Balance	\$	7,260
Estimated Replacement Year	-	2024	Depreciation This Year	\$	330
Cost Source	-	1	Monthly Contribution	\$	35.88
Depreciation Percent	-	0.48%	Fully Funded Balance Percent		1.32%
Life Remaining Percent	-	 12%			

Fencing/Rails

Vehicle Gate Operators

Approximate Component Quantity	- 1	Estimated Current Unit Cost	\$ 3,080.00
Unit of Measure	- Each	Estimated Total Current Cost	\$ 3,080
Normal Useful Life (Years)	- 12	Estimated Total Future Cost	\$ 4,263
Estimated Remaining Useful Life (Years)	- 11	Fully Funded Balance	\$ 257
Estimated Replacement Year	- 2032	Depreciation This Year	\$ 257
Cost Source	- 1	Monthly Contribution	\$ 27.91
Depreciation Percent	- 0.37%	Fully Funded Balance Percent	0.05%
Life Remaining Percent	- 92%		



Fencing/Rails

Vehicle Gate Operators

Approximate Component Quantity	- 2	Estimated Current Unit Cost	\$ 3,080.00
Unit of Measure	- Each	Estimated Total Current Cost	\$ 6,160
Normal Useful Life (Years)	- 12	Estimated Total Future Cost	\$ 6,160
Estimated Remaining Useful Life (Years)	- 0	Fully Funded Balance	\$ 6,160
Estimated Replacement Year	- 2021	Depreciation This Year	\$ 513
Cost Source	- 1	Monthly Contribution	\$ 55.81
Depreciation Percent	- 0.74%	Fully Funded Balance Percent	1.12%
Life Remaining Percent	- 0%		

Fencing/Rails

Approximate Component Quantity	-	5
Unit of Measure	-	Each
Normal Useful Life (Years)	-	10
Estimated Remaining Useful Life (Years)	-	9
Estimated Replacement Year	-	2030
Cost Source	-	1
Depreciation Percent	-	0.60%
Life Remaining Percent	-	90%

Trash Gates

Estimated Current Unit Cost	\$	825.00
Estimated Total Current Cost	\$	4,125
Estimated Total Future Cost	\$	5,382
Fully Funded Balance	\$	413
Depreciation This Year	\$	413
Monthly Contribution	\$	44.85
Fully Funded Balance Percent		0.07%



Landscaping

Approximate Component Quantity	-	1
Unit of Measure	-	Allowance
Normal Useful Life (Years)	-	12
Estimated Remaining Useful Life (Years)	-	1
Estimated Replacement Year	-	2022
Cost Source	-	1
Depreciation Percent	-	0.93%
Life Remaining Percent	-	8%

Irrigation System Upgrade

Estimated Current Unit Cost	\$	7,700.00
Estimated Total Current Cost	\$	7,700
Estimated Total Future Cost	\$	7,931
Fully Funded Balance	\$	7,058
Depreciation This Year	\$	642
Monthly Contribution	\$	69.76
Fully Funded Balance Percent		1.28%

Landscaping

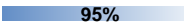
Approximate Component Quantity	-	1
Unit of Measure	-	Allowance
Normal Useful Life (Years)	-	8
Estimated Remaining Useful Life (Years)	-	1
Estimated Replacement Year	-	2022
Cost Source	-	1
Depreciation Percent	-	1.59%
Life Remaining Percent	-	13%

Landscape Replacements

Estimated Current Unit Cost	\$	8,800.00
Estimated Total Current Cost	\$	8,800
Estimated Total Future Cost	\$	9,064
Fully Funded Balance	\$	7,700
Depreciation This Year	\$	1,100
Monthly Contribution	\$	119.60
Fully Funded Balance Percent		1.40%


Lighting

Repairs & Replacements

Approximate Component Quantity	- 1	Estimated Current Unit Cost	\$ 18,000.00
Unit of Measure	- Allowance	Estimated Total Current Cost	\$ 18,000
Normal Useful Life (Years)	- 20	Estimated Total Future Cost	\$ 31,563
Estimated Remaining Useful Life (Years)	- 19	Fully Funded Balance	\$ 900
Estimated Replacement Year	- 2040	Depreciation This Year	\$ 900
Cost Source	- 1	Monthly Contribution	\$ 97.85
Depreciation Percent	- 1.30%	Fully Funded Balance Percent	0.16%
Life Remaining Percent	-  95%		

Miscellaneous


Mailboxes

Approximate Component Quantity	- 79	Estimated Current Unit Cost	\$ 137.50
Unit of Measure	- Each	Estimated Total Current Cost	\$ 10,863
Normal Useful Life (Years)	- 20	Estimated Total Future Cost	\$ 11,870
Estimated Remaining Useful Life (Years)	- 3	Fully Funded Balance	\$ 9,233
Estimated Replacement Year	- 2024	Depreciation This Year	\$ 543
Cost Source	- 1	Monthly Contribution	\$ 59.05
Depreciation Percent	- 0.79%	Fully Funded Balance Percent	1.68%
Life Remaining Percent	-  15%		



Miscellaneous

Picnic Tables

Approximate Component Quantity	- 4	Estimated Current Unit Cost	\$ 660.00
Unit of Measure	- Each	Estimated Total Current Cost	\$ 2,640
Normal Useful Life (Years)	- 10	Estimated Total Future Cost	\$ 2,719
Estimated Remaining Useful Life (Years)	- 1	Fully Funded Balance	\$ 2,376
Estimated Replacement Year	- 2022	Depreciation This Year	\$ 264
Cost Source	- 1	Monthly Contribution	\$ 28.70
Depreciation Percent	- 0.38%	Fully Funded Balance Percent	0.43%
Life Remaining Percent	-  10%		

Miscellaneous

Entry Intercom

Approximate Component Quantity	- 1	Estimated Current Unit Cost	\$ 3,600.00
Unit of Measure	- Each	Estimated Total Current Cost	\$ 3,600
Normal Useful Life (Years)	- 12	Estimated Total Future Cost	\$ 4,983
Estimated Remaining Useful Life (Years)	- 11	Fully Funded Balance	\$ 300
Estimated Replacement Year	- 2032	Depreciation This Year	\$ 300
Cost Source	- 1	Monthly Contribution	\$ 32.62
Depreciation Percent	- 0.43%	Fully Funded Balance Percent	0.05%
Life Remaining Percent	- 92%		



Miscellaneous

Entry Monument

Approximate Component Quantity	- 1	Estimated Current Unit Cost	\$ 2,750.00
Unit of Measure	- Allowance	Estimated Total Current Cost	\$ 2,750
Normal Useful Life (Years)	- 20	Estimated Total Future Cost	\$ 2,833
Estimated Remaining Useful Life (Years)	- 1	Fully Funded Balance	\$ 2,613
Estimated Replacement Year	- 2022	Depreciation This Year	\$ 138
Cost Source	- 1	Monthly Contribution	\$ 14.95
Depreciation Percent	- 0.20%	Fully Funded Balance Percent	0.47%
Life Remaining Percent	- 5%		

Disclaimer

This report attempts to determine the estimated remaining useful life of the components that can be visually observed. This report is expressly for the use of the client and only for the purpose of establishing reserve funding requirements. The study is not a guarantee or warranty, or a recommendation to purchase. Estimated remaining useful lives are calculated with reasonable consideration for weather conditions. Natural disasters, including seismic activity will not be addressed in this report. Reserve Funding for earthquake damages and other disasters exceeds the scope of the study. We recommend the development consider additional insurance to cover unforeseen disasters. We assume the components of the association will receive proper maintenance. The report is expressly for the use of the client and only for the purpose of establishing reserve funding requirements.

In providing the opinions of probable construction costs, the client understands that McCaffery Reserve Consulting (MRC) has no control over costs or the price of labor, equipment or materials, or over the contractor's method of pricing, and that the opinions of probable construction costs provided herein are to be made on the basis of MRC's qualifications and experience. MRC makes no warranty, expressed or implied, as to the accuracy of such opinions as compared to bid or actual costs.

Because the reserve study is a projection, the estimated lives and costs of components will likely change over time depending on a variety of factors such as future inflation rates and levels of maintenance applied by future boards, unknown defects in materials that may lead to premature failures, etc. As a result, some components may experience longer lives while others will experience premature failures. Some components may cost less at the time of replacement due to changes in manufacturing methods while others may cost more due to material shortages or high demand. All future projections are therefore theoretical and reserve studies should be updated annually.

MRC has made a reasonable effort to ensure that the report is accurate. This study does not preclude errors resulting from unforeseen conditions or circumstances. The scope of this report is expressly limited to the components described herein. MRC has obtained certain information, documentation and materials from the association agent and the reserve study is based upon the accuracy of such information. Material inaccuracies could adversely effect the reserve study. MRC is not responsible for such inaccuracies. This study is limited to a visual observation. There has been neither destructive testing nor inspection of the interior of private units; floors, wall or ceiling cavities, or structural elements. It is assumed that the components have been constructed per original construction documents and comply with applicable codes. This study is not designed to uncover latent or patent defects. Estimates represent replacement of a component with similar materials unless otherwise noted. Local building codes have not been researched to determine whether or not current ordinances will permit the replacement of any component with components of like material. The estimates do not take into account the abbreviated useful life of a component as a result of its original construction, installation, or design. MRC is not responsible for any claims, demands, or damages arising out of the discovery of asbestos, radon or any environmental claims, demands or damages. We do not assume any liability for damages which may result from this study. We are not responsible for conditions this report fails to disclose. The information contained in this study is deemed reliable as of the date of this study, but is not guaranteed.

The Association, by accepting this study, agrees to release MRC from any claims, demands or damages. The Association, in consideration of MRC performing the reserve study, hereby agrees to indemnify, defend and hold harmless MRC from and against any and all liability, damages, losses, claims, demands, or lawsuits arising out of or relating to this reserve study.

The information contained within the report is assembled in conjunction with the client and is intended to assist the client with its reserve planning. MRC does not guarantee, either explicitly or implied, that all repair and replacement items have been identified, the accuracy of the probable costs or the product lives associated with these items.