RESERVE STUDY | ANNUAL REPORT

PARADISE SERVICE ASSOCIATES
LEVEL I RESERVE STUDY | FULL STUDY WITH SITE VISIT

Grapeview, WA 98546

Report #503104302

FINANCIAL YEAR 01.2015—12.2015

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REPORT SUMMARY

Guide to the Report

The Board of Directors is responsible for maintaining common areas of the physical property. They also have a duty to exercise careful planning for the funding of future major repairs and replacement of the Association's common elements or components. This report is intended to assist the Board in making necessary decisions regarding the development of their current and future reserve fund and contributions. This report is intended to be used for budgeting and planning purposes, and provides guidelines and estimates for anticipated repair or replacement events.

This reserve study has been completed by a designated Reserve Specialist® and adheres to the Community Association Institute's (CAI) standards regarding service levels and disclosures. The American Institute of Certified Public Accountants (AICPA) guidelines for Common Interest Realty Associations are also considered in the preparation of this report. Recommendations and accompanying assumptions included herein are based on information provided to the Reserve Study Group and assembled for the Association's use.

The report has been designed for ease of use and is divided into the following sections:

Report Summary

Provides an overview of the Association's current physical condition and financial situation, outlining significant findings and conclusions. This section of the report should be used as a quick reference in helping the reader to understand the parameters and results of the study.

Methodology

Details the framework, methods, and materials used in developing the reserve study and the associated funding plan. This section provides a comprehensive understanding of the methodology and the process taken to develop the report.

Financial Analysis

Examines report findings and results with projections for individual reserve component expenses and recommended funding.

Physical Analysis

Individually reviews each of the reserve components, highlighting recommended preventative maintenance requirements and areas of concern. Includes a maintenance plan which provides an organized, systematic and cost-effective approach to maintaining the value and maximizing the service life of the Association's capital assets.

PROJECT OVERVIEW

Association Name
Paradise Service Association

Location
Grapeview, WA 98546

Year Constructed
1960s

Project Description
HOA

Type of Study
Level I—FULL Reserve Study

Funding Strategy Recommended
Full Funding

Number of Units
228

Date Prepared
06.24.15

Next Study
March 2016

Project Summary

Report Period (Fiscal Year)	*2015 (January 1, 2015—December 31, 2015)*
Inflation Rate [1]	*3.00%*
Interest Rate	*0.10%*
Water System Reserve Fund Starting Balance [2]	*$164,386*
General Reserve Fund Starting Balance	*$67,410*
Special Assessment	*$750,000*

[1] Inflation rate is based upon the average annual increase of the Consumer Price Index (CPI) over the last 30-years, as published by the US Bureau of Labor Statistics (www.labor.gov).
[2] Information in relation to the association's finances were supplied by the association's representative and is not audited.

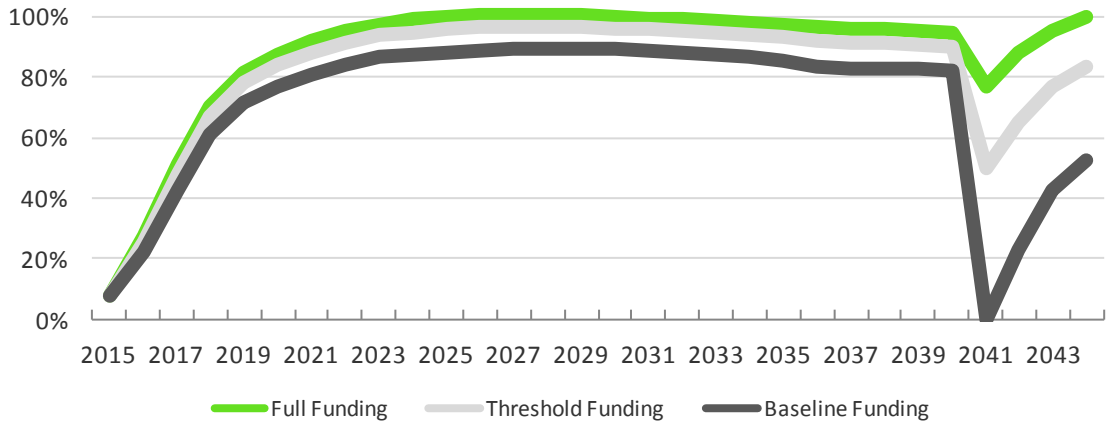
FINANCIAL OVERVIEW [PARK]

Reserve Funding Options

The graph below shows the comparison between the Baseline, Threshold[1] and Full Funding contribution amounts [1].

Percent Funded

The graph below highlights the movement of the association's reserve fund status (measured as Percent Funded) in relation to the reserve contribution rate chosen (Full, Threshold[2] or Baseline).



[1] Special assessment of $750,000 [2015] in addition to the Full, Threshold and Baseline annual contribution and funding calculations highlighted above.

[2] The Threshold funding plan outlined in this report sets a goal of reaching and maintaining a 50% funded level.

FIVE YEAR INVESTMENT SUMMARY [PARK]

Full Funding	2015	2016	2017	2018	2019
Fully Funded Balance	$910,859	$110,934	$138,646	$190,322	$244,974
Percentage Funded (%)	7%	27%	51%	71%	81%
Beginning Balance	$67,410	$30,475	$70,856	$134,248	$199,603
Reserve Contribution	$59,656	$61,446	$63,289	$65,188	$67,143
Special Assessment	$750,000	$0	$0	$0	$0
Interest Earned	$49	$51	$103	$167	$225
Reserve Expenditures	$846,640	$21,115	$0	$0	$15,405
ENDING BALANCE	$30,475	$70,856	$134,248	$199,603	$251,566

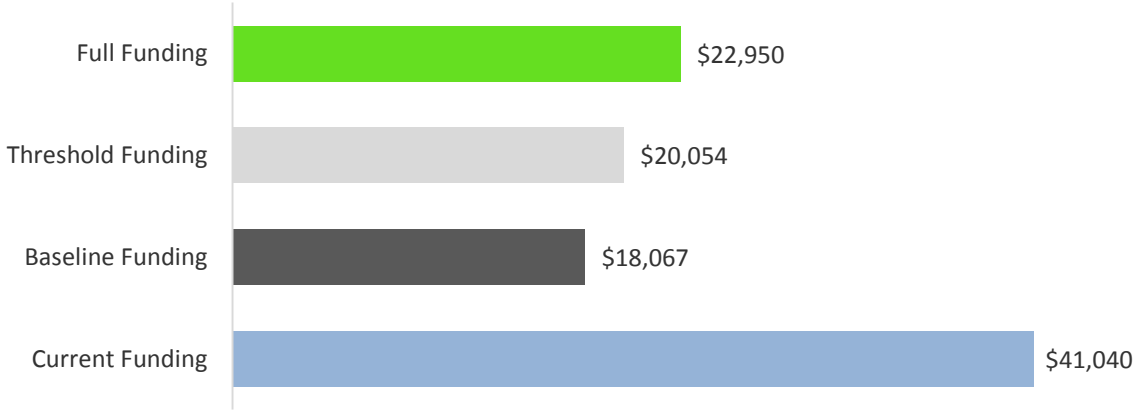
Threshold Funding	2015	2016	2017	2018	2019
Fully Funded Balance	$910,859	$110,934	$138,646	$190,322	$244,974
Percentage Funded (%)	7%	26%	48%	67%	78%
Beginning Balance	$67,410	$28,447	$66,738	$127,974	$191,106
Reserve Contribution	$57,629	$59,358	$61,139	$62,973	$64,862
Special Assessment	$750,000	$0	$0	$0	$0
Interest Earned	$48	$48	$97	$159	$216
Reserve Expenditures	$846,640	$21,115	$0	$0	$15,405
ENDING BALANCE	$28,447	$66,738	$127,974	$191,106	$240,778

Baseline Funding	2015	2016	2017	2018	2019
Fully Funded Balance	$910,859	$110,934	$138,646	$190,322	$244,974
Percentage Funded (%)	7%	22%	43%	61%	72%
Beginning Balance	$67,410	$24,671	$59,068	$116,290	$175,284
Reserve Contribution	$53,855	$55,470	$57,134	$58,848	$60,614
Special Assessment	$750,000	$0	$0	$0	$0
Interest Earned	$46	$42	$88	$146	$198
Reserve Expenditures	$846,640	$21,115	$0	$0	$15,405
ENDING BALANCE	$24,671	$59,068	$116,290	$175,284	$220,690

FINANCIAL OVERVIEW [WATER SYSTEM]

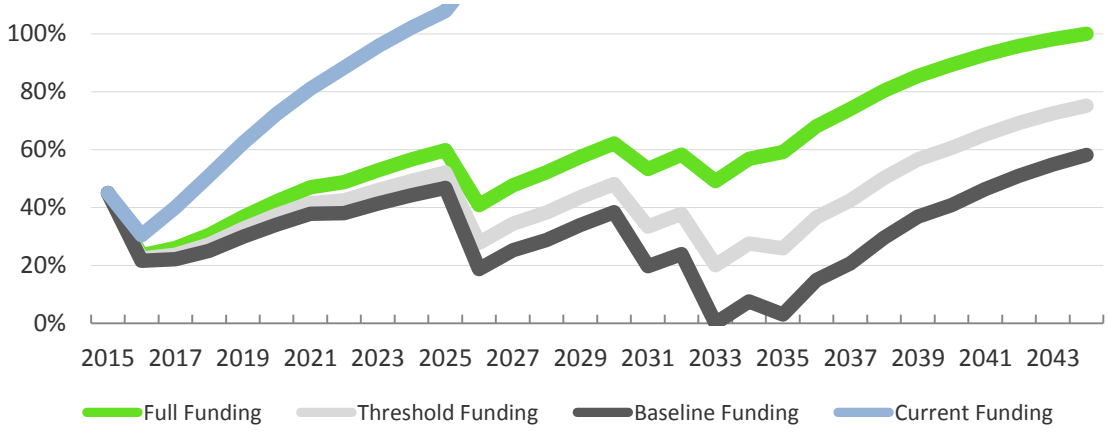
Reserve Funding Options

The graph below shows the comparison between the Baseline, Threshold[1] and Full Funding contribution amounts.



Percent Funded

The graph below highlights the movement of the association's reserve fund status (measured as Percent Funded) in relation to the reserve contribution rate chosen (Full, Threshold[1] or Baseline).



[1] The Threshold funding plan outlined in this report sets a goal of reaching and maintaining a 20% funded level.

FIVE YEAR INVESTMENT SUMMARY [WATER SYSTEM]

Full Funding	2015	2016	2017	2018	2019
Fully Funded Balance	$365,032	$257,887	$262,136	$274,604	$296,734
Percentage Funded (%)	45%	23%	26%	31%	37%
Beginning Balance	$164,386	$60,448	$68,051	$83,849	$109,023
Reserve Contribution	$22,950	$23,638	$24,347	$25,078	$25,830
Special Assessment	$0	$0	$0	$0	$0
Interest Earned	$112	$64	$76	$96	$122
Reserve Expenditures	$127,000	$16,099	$8,625	$0	$0
ENDING BALANCE	$60,448	$68,051	$83,849	$109,023	$134,975

Threshold Funding	2015	2016	2017	2018	2019
Fully Funded Balance	$365,032	$257,887	$262,136	$274,604	$296,734
Percentage Funded (%)	45%	22%	24%	27%	33%
Beginning Balance	$164,386	$57,551	$62,167	$74,886	$96,885
Reserve Contribution	$20,054	$20,656	$21,275	$21,914	$22,571
Special Assessment	$0	$0	$0	$0	$0
Interest Earned	$111	$60	$68	$86	$108
Reserve Expenditures	$127,000	$16,099	$8,625	$0	$0
ENDING BALANCE	$57,551	$62,167	$74,886	$96,885	$119,565

Baseline Funding	2015	2016	2017	2018	2019
Fully Funded Balance	$365,032	$257,887	$262,136	$274,604	$296,734
Percentage Funded (%)	45%	22%	22%	25%	30%
Beginning Balance	$164,386	$55,563	$58,130	$68,736	$88,557
Reserve Contribution	$18,067	$18,609	$19,167	$19,742	$20,335
Special Assessment	$0	$0	$0	$0	$0
Interest Earned	$110	$57	$63	$79	$99
Reserve Expenditures	$127,000	$16,099	$8,625	$0	$0
ENDING BALANCE	$55,563	$58,130	$68,736	$88,557	$108,990

Current Funding	2015	2016	2017	2018	2019
Fully Funded Balance	$365,032	$257,887	$262,136	$274,604	$296,734
Percentage Funded (%)	45%	30%	40%	51%	62%
Beginning Balance	$164,386	$78,547	$104,811	$139,848	$184,856
Reserve Contribution	$41,040	$42,271	$43,539	$44,846	$46,191
Special Assessment	$0	$0	$0	$0	$0
Interest Earned	$121	$92	$122	$162	$208
Reserve Expenditures	$127,000	$16,099	$8,625	$0	$0
ENDING BALANCE	$78,547	$104,811	$139,848	$184,856	$231,254

METHODOLOGY

An important aspect of living in a common area development such as a cooperative, condominium, or homeowner association is the community ' s ownership and commitment to maintain its common areas. Association members have a vested interest in maintaining and preserving their investment. To meet these obligations, the Association should prudently prepare for the future and contribute funds into a reserve account. Periodic contributions, verses ' special assessments ', provide the freedom to gradually accumulate for anticipated expenditures while limiting the need to raise large sums of money through alternative means.

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

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

A reserve study recommends the preferable mode of funding through smaller monthly contributions rather than risking large, unanticipated special assessments. The purpose of a reserve study is to avoid these situations by providing an Association with access to information and materials that will assist them in making informed decisions about their reserve fund and contributions.

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

The financial analysis evaluates the condition of the Association ' s reserve fund in relation to its income and anticipated expenses. It appraises the adequacy of the reserve fund, and associated member contributions, against the current and future expenditures of the Association. To adequately forecast these expenditures over the 30-year projection period, current costs, projected inflation, and interest rates must be established. Recommendations are then provided to establish a reserve fund that addresses anticipated expenses, without having to resort to special assessments.

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

PHYSICAL ANALYSIS

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

Site Inspection

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

Reserve Components

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

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

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

Component Useful Life

The useful life of a reserve component relates to the number of years it is expected to last, given reasonable care and maintenance. The prediction of reserve and building component life can be no more than an informed estimate based upon information made available at the time of the

report ' s development. Consideration is given to vendor recommendations, material warranty information provided at the time of the report ' s development, along with other published sources. The data and service life estimates in this report are based on information gathered from various groups and industry sources as outlined below:

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

Component Remaining Useful Life

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

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

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

FINANCIAL ANALYSIS

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

Recommended Funding Rate

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

Fully Funded Balance

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

Percent Funded

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

Reserve Component Cost

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

Inflation Rate

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

Interest Rate

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

Current Reserve Fund Balance

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

FINANCIAL ANALYSIS [PARK]

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

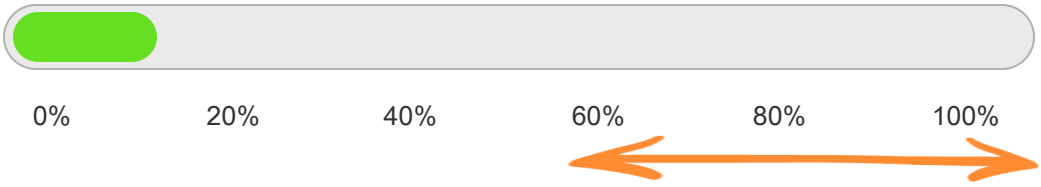
PERCENT FUNDED

The Percent Funded equation is the industry measure of how well prepared an association is to meet its current and future repair and replacement obligations. Percent funded highlights the strength of the association' s reserve account in relation to its anticipated costs of repair and replacement. The higher the funded level, the less exposed an association is to market conditions, unanticipated expenses or events, and fluctuations in the general economy. An Association at or below a funding level of 30% has an increased risk of requiring special assessments to meet their ongoing obligations, as compared to Associations with higher funding levels.

A level of funding at and above 60% is categorized as good or well funded. We recommend that associations look to achieve and maintain funding levels at and above 60%, with a preference to being 100% funded.

CURRENT PERCENT FUNDED STATUS

The Association is currently 7% funded. Highlighted below, the current funding level is shown in relation to the recommended level of 60-100%.



FUNDING GOALS

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

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

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

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

Funding Alternatives	Annual Contribution [1]	Monthly Contribution	Per Unit Per Month
Full Funding	$59,656	$4,971	$21.80
Threshold Funding [2]	$57,629	$4,802	$21.06
Baseline Funding	$53,855	$4,488	$19.68

[1] Special assessment of $750,000 [2015] in addition to the Full, Threshold and Baseline annual contribution and funding calculations highlighted above.

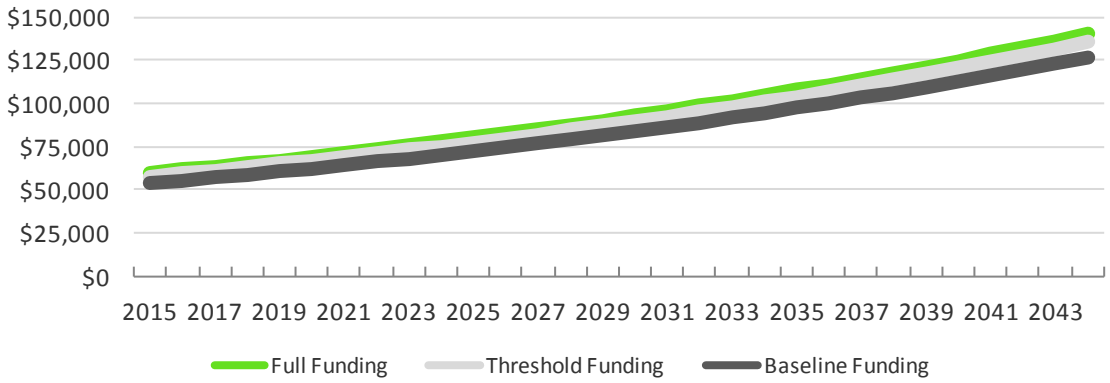
[2] The Threshold funding plan outlined in this report sets a goal of reaching and maintaining a 50% funded level.

FULL FUNDING	Establishes a goal of achieving one hundred percent fully funded reserves by the end of the projection period.
THRESHOLD FUNDING	Sets out to keep the cash reserves above a specified dollar or percent funded amount for the duration of the projection period.
BASELINE FUNDING	Establishes a goal of maintaining a reserve account balance above zero dollars throughout the study period.
STATUTORY FUNDING	Sets aside a minimum amount of reserves as required by local statutes.

RESERVE FUND ACCOUNT [PARK]

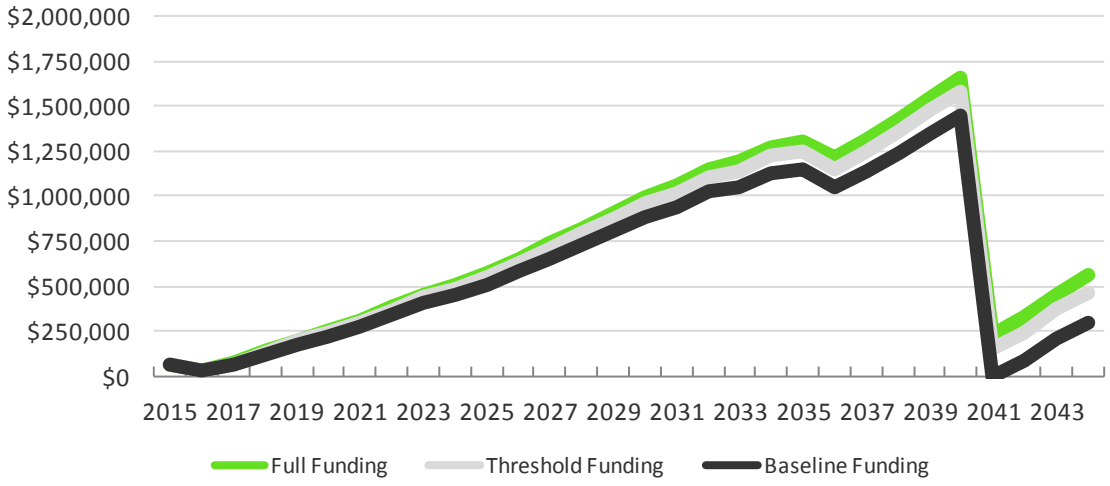
Projected Reserve Contributions

Typically recommended contributions are set at a level where they will likely require minor annual increases in line with inflation.



Projected Reserve Account Balance

The growth of the Association's reserve account is largely dependent upon the level of reserve funds contributed (see figure above) and the funding objective chosen (Full, Threshold and Baseline).



Projected amounts based upon a starting balance of $67,410 and annual contribution increases of 3.00%.

RESERVE COMPONENT LIST [PARK]

Component	Useful Service Life	Remaining Useful Life	Quantity	Unit of Measure	Unit Cost	Current Cost	Current Fully Funded Balance
Marina - Floating Dock & Fingers - Wood/Polystyrene Floats [1]	25	0	1	Lump Sum	$650,000.00	$650,000	$650,000
Marina - Boat Basin, Dredge [2]	20	0	1	Lump Sum	$100,000.00	$100,000	$100,000
Marina - Fixed Dock - Pier/Boardwalk, Wood Decking [3]	25	0	3,650	SF	$20.00	$73,000	$73,000
Marina - Fixed Dock - Pier/Boardwalk, Steel Structure [4]	1	0	1	Lump Sum	$1,500.00	$1,500	$1,500
Marina - Boat Launch, Concrete Ramp [5]	25	1	1	Lump Sum	$15,000.00	$15,000	$14,400
Marina - Electrical, Dock	20	0	1	Allowance	$12,000.00	$12,000	$12,000
Marina - Dock Fire Hose, Extinguisher Cabinet	25	0	1	Each	$1,000.00	$1,000	$1,000
Community Park - Shelter, Clean & Paint	8	8	1	Lump Sum	$1,500.00	$1,500	$0
Community Park - Shelter, Roof	25	0	3	Squares	$380.00	$1,140	$1,140
Community Park - Shelter, Restrooms	25	0	2	Each	$4,000.00	$8,000	$8,000
Community Park - Picnic Shelter, Clean & Paint	25	8	1	Lump Sum	$1,000.00	$1,000	$680
Community Park - Picnic Shelter, Roof [6]	20	1	1	Each	$5,500.00	$5,500	$5,225
Community Park - Picnic Tables	10	5	10	Each	$1,175.00	$11,750	$5,875
Community Park - Maintenance Shed, Pre-Fab	25	15	1	Each	$9,000.00	$9,000	$3,600
Community Park - Caretaker Shed, Pre-Fab	20	10	1	Each	$2,500.00	$2,500	$1,250
Community Park - Caretaker Shed, Washer/Dryer/Counter	10	9	1	Allowance	$3,000.00	$3,000	$300
Community Park - Recreational Playscape	20	19	1	Each	$36,000.00	$36,000	$1,800
Community Park - Concrete Court, B'Ball Equipment	20	8	2	Each	$2,500.00	$5,000	$3,000
General Site - Bike Rack	15	14	1	Each	$600.00	$600	$40
General Site - Trash Receptacles	25	24	4	Each	$450.00	$1,800	$72
General Site - Landscaping, Equipment	10	8	1	Allowance	$10,000.00	$10,000	$2,000
General Site - Rockeries	10	9	1	Allowance	$1,500.00	$1,500	$150
General Site - Gravel	5	4	1	Allowance	$3,000.00	$3,000	$600
General Site - Fence, Chain Link 4'	30	4	750	LF	$14.25	$10,688	$9,263
General Site - Fence, Chain Link 8' [BB Court]	30	17	240	LF	$36.00	$8,640	$3,744
General Site - Fence, Chain Link, 3 tier barbed wire	30	17	1,200	LF	$23.50	$28,200	$12,220
					TOTALS	$1,001,318	$910,859

RESERVE COMPONENT LIST

[1] Finger piers were listing or underwater as they extended onto the water at all locations. Estimates for future replacement, should be adjusted based upon a Master Plan, yet to be developed.

[2] Dredging of the entire inner cove marina to original bottom depths, together with removal and replacement of all floating docks and pilings, new boat launch and equipment, will be required to restore original water recreational activities.

It is unknown if a bathymetric survey has been prepared. It is unknown if any of the lagoon soil is contaminated. Quantities related to dredging, together with removal and disposal of debris , are unknown at this time.

The cost effectiveness of completing this work under one contract is likely the best case scenario. Long range planning, including prioritizing of projects for a new marina and supporting infrastructure is recommended under a new Master Plan. Underwater visual photos are not a part of the reserve study. We did not evaluate the marina or any of its facilities for compliance with fire protection standards nor ADA accessibility standards.

[3] Wood decking of the boardwalk currently includes "spot maintenance" replacement of wood boards as needed. A concrete deck surface in the future may become a viable alternative to the continued maintenance of decking replacement.

[4] The fixed boardwalk is a steel structure with no visible corrosion and appears to be in good condition. We would however, for the record, recommend a visual inspection by a Structural Engineer.

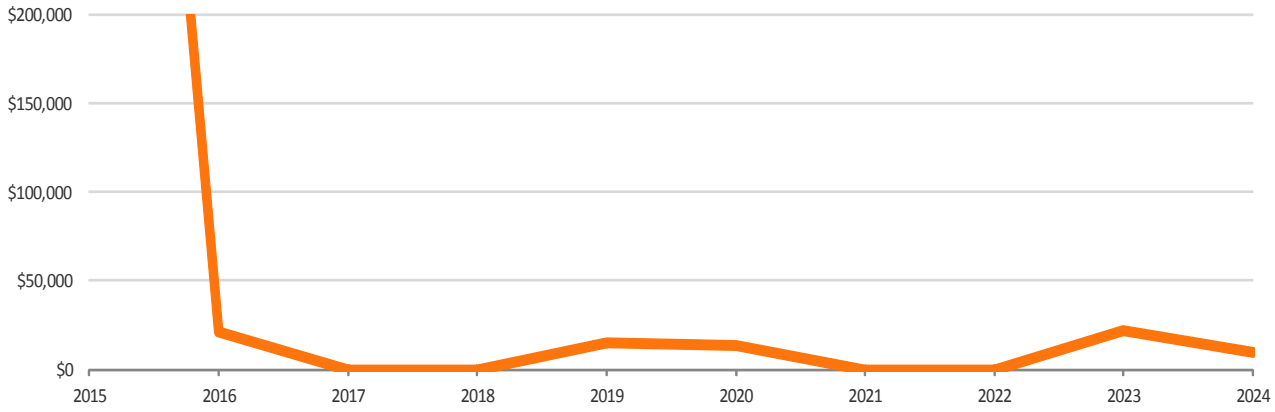
[5] Boat launch into the inner cove marina appears to be undermined where the concrete slab penetrates the water.

[6] Ideally, picnic shelters, storage and restrooms (in very poor condition), should be included with the overall future Master Plan, however we have included some upgrades of restrooms, and replacement of roofs to be scheduled in the near future.

PROJECTED RESERVE EXPENSES [PARK]

Component	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Marina - Floating Dock & Fingers - Wood/Polystyrene Floats	$650,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Boat Basin, Dredge	$100,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Fixed Dock - Pier/Boardwalk, Wood Decking	$73,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Fixed Dock - Pier/Boardwalk, Steel Structure	$1,500	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Boat Launch, Concrete Ramp	$0	$15,450	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Electrical, Dock	$12,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Dock Fire Hose, Extinguisher Cabinet	$1,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Shelter, Clean & Paint	$0	$0	$0	$0	$0	$0	$0	$0	$1,900	$0
Community Park - Shelter, Roof	$1,140	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Shelter, Restrooms	$8,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Picnic Shelter, Clean & Paint	$0	$0	$0	$0	$0	$0	$0	$0	$1,267	$0
Community Park - Picnic Shelter, Roof	$0	$5,665	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Picnic Tables	$0	$0	$0	$0	$0	$13,621	$0	$0	$0	$0
Community Park - Maintenance Shed, Pre-Fab	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Caretaker Shed, Pre-Fab	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Caretaker Shed, Washer/Dryer/Counter	$0	$0	$0	$0	$0	$0	$0	$0	$0	$3,914
Community Park - Recreational Playscape	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Concrete Court, B'Ball Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$6,334	$0
General Site - Bike Rack	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
General Site - Trash Receptacles	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
General Site - Landscaping, Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$12,668	$0
General Site - Rockeries	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,957
General Site - Gravel	$0	$0	$0	$0	$3,377	$0	$0	$0	$0	$3,914
General Site - Fence, Chain Link 4'	$0	$0	$0	$0	$12,029	$0	$0	$0	$0	$0
General Site - Fence, Chain Link 8' [BB Court]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
General Site - Fence, Chain Link, 3 tier barbed wire	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Annual Expenditure	$846,640	$21,115	$0	$0	$15,405	$13,621	$0	$0	$22,168	$9,786

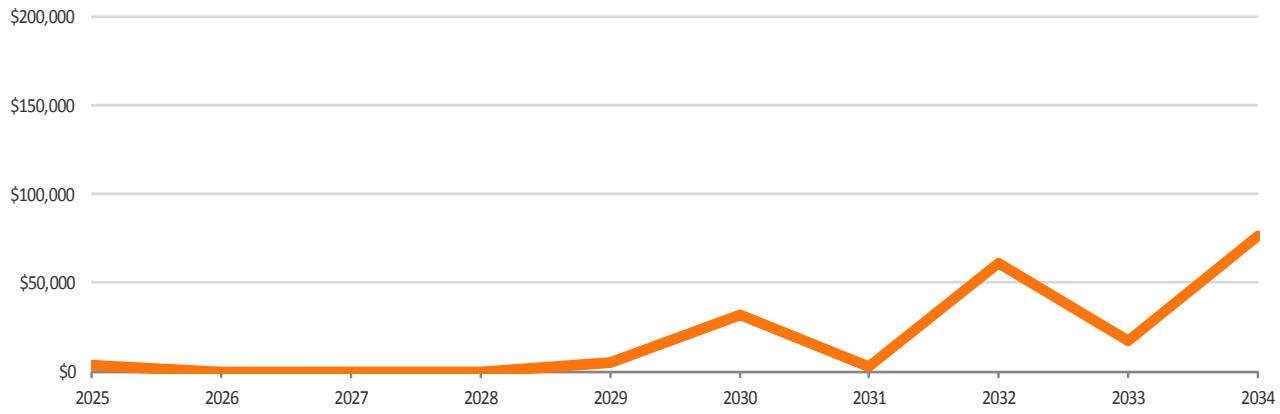
YEARS 1 THROUGH 10



PROJECTED RESERVE EXPENSES [PARK]

Component	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Marina - Floating Dock & Fingers - Wood/Polystyrene Floats	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Boat Basin, Dredge	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Fixed Dock - Pier/Boardwalk, Wood Decking	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Fixed Dock - Pier/Boardwalk, Steel Structure	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Boat Launch, Concrete Ramp	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Electrical, Dock	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Dock Fire Hose, Extinguisher Cabinet	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Shelter, Clean & Paint	$0	$0	$0	$0	$0	$0	$2,407	$0	$0	$0
Community Park - Shelter, Roof	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Shelter, Restrooms	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Picnic Shelter, Clean & Paint	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Picnic Shelter, Roof	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Picnic Tables	$0	$0	$0	$0	$0	$18,306	$0	$0	$0	$0
Community Park - Maintenance Shed, Pre-Fab	$0	$0	$0	$0	$0	$14,022	$0	$0	$0	$0
Community Park - Caretaker Shed, Pre-Fab	$3,360	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Caretaker Shed, Washer/Dryer/Counter	$0	$0	$0	$0	$0	$0	$0	$0	$0	$5,261
Community Park - Recreational Playscape	$0	$0	$0	$0	$0	$0	$0	$0	$0	$63,126
Community Park - Concrete Court, B'Ball Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
General Site - Bike Rack	$0	$0	$0	$0	$908	$0	$0	$0	$0	$0
General Site - Trash Receptacles	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
General Site - Landscaping, Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$17,024	$0
General Site - Rockeries	$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,630
General Site - Gravel	$0	$0	$0	$0	$4,538	$0	$0	$0	$0	$5,261
General Site - Fence, Chain Link 4'	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
General Site - Fence, Chain Link 8' [BB Court]	$0	$0	$0	$0	$0	$0	$0	$14,281	$0	$0
General Site - Fence, Chain Link, 3 tier barbed wire	$0	$0	$0	$0	$0	$0	$0	$46,610	$0	$0
Annual Expenditure	$3,360	$0	$0	$0	$5,445	$32,328	$2,407	$60,891	$17,024	$76,278

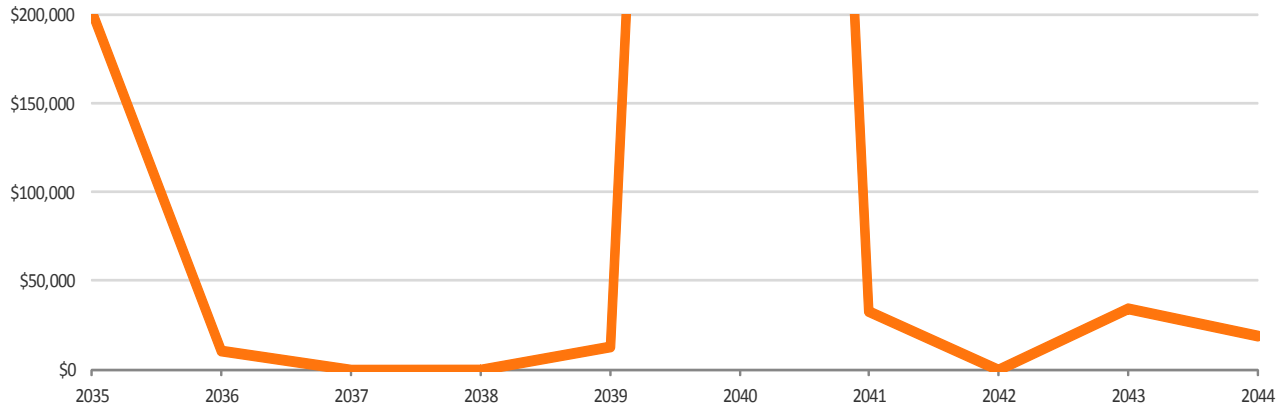
YEARS 11 THROUGH 20



PROJECTED RESERVE EXPENSES [PARK]

Component	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Marina - Floating Dock & Fingers - Wood/Polystyrene Floats	$0	$0	$0	$0	$0	$1,360,956	$0	$0	$0	$0
Marina - Boat Basin, Dredge	$180,611	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Fixed Dock - Pier/Boardwalk, Wood Decking	$0	$0	$0	$0	$0	$152,846	$0	$0	$0	$0
Marina - Fixed Dock - Pier/Boardwalk, Steel Structure	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Boat Launch, Concrete Ramp	$0	$0	$0	$0	$0	$0	$32,349	$0	$0	$0
Marina - Electrical, Dock	$21,673	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marina - Dock Fire Hose, Extinguisher Cabinet	$0	$0	$0	$0	$0	$2,094	$0	$0	$0	$0
Community Park - Shelter, Clean & Paint	$0	$0	$0	$0	$3,049	$0	$0	$0	$0	$0
Community Park - Shelter, Roof	$0	$0	$0	$0	$0	$2,387	$0	$0	$0	$0
Community Park - Shelter, Restrooms	$0	$0	$0	$0	$0	$16,750	$0	$0	$0	$0
Community Park - Picnic Shelter, Clean & Paint	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Picnic Shelter, Roof	$0	$10,232	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Picnic Tables	$0	$0	$0	$0	$0	$24,602	$0	$0	$0	$0
Community Park - Maintenance Shed, Pre-Fab	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Caretaker Shed, Pre-Fab	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Caretaker Shed, Washer/Dryer/Counter	$0	$0	$0	$0	$0	$0	$0	$0	$0	$7,070
Community Park - Recreational Playscape	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Community Park - Concrete Court, B'Ball Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$11,440	$0
General Site - Bike Rack	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,414
General Site - Trash Receptacles	$0	$0	$0	$0	$3,659	$0	$0	$0	$0	$0
General Site - Landscaping, Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$22,879	$0
General Site - Rockeries	$0	$0	$0	$0	$0	$0	$0	$0	$0	$3,535
General Site - Gravel	$0	$0	$0	$0	$6,098	$0	$0	$0	$0	$7,070
General Site - Fence, Chain Link 4'	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
General Site - Fence, Chain Link 8' [BB Court]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
General Site - Fence, Chain Link, 3 tier barbed wire	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Annual Expenditure	$202,284	$10,232	$0	$0	$12,807	$1,559,634	$32,349	$0	$34,319	$19,088

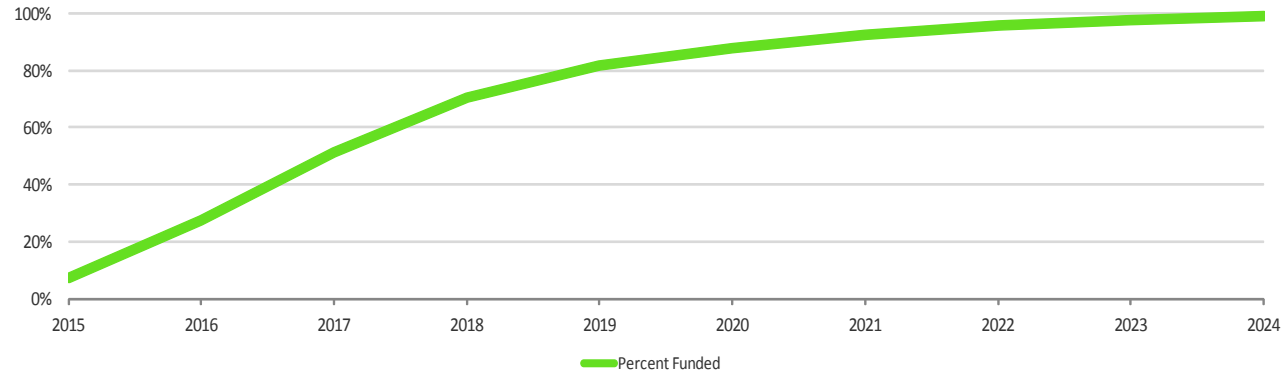
YEARS 21 THROUGH 30

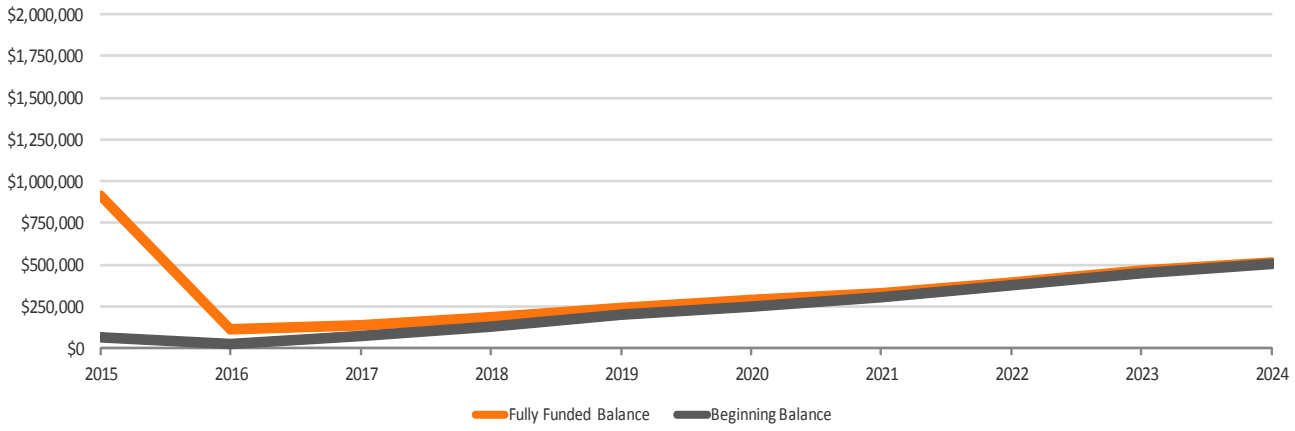


RESERVE FUNDING PLAN [PARK]

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fully Funded Balance	$910,859	$110,934	$138,646	$190,322	$244,974	$286,866	$333,364	$396,845	$463,835	$511,654
Percentage Funded (%)	7%	27%	51%	71%	81%	88%	92%	95%	98%	99%
Beginning Balance	$67,410	$30,475	$70,856	$134,248	$199,603	$251,566	$307,382	$378,958	$452,743	$506,624
Reserve Contribution	$59,656	$61,446	$63,289	$65,188	$67,143	$69,158	$71,233	$73,370	$75,571	$77,838
Avg Unit Contribution (mth)[1]	$21.80	$22.46	$23.13	$23.83	$24.54	$25.28	$26.04	$26.82	$27.62	$28.45
Contribution Increase (%)		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment	$750,000									
Interest Earned	$49	$51	$103	$167	$225	$279	$343	$416	$479	$541
Reserve Expenditures	$846,640	$21,115	$0	$0	$15,405	$13,621	$0	$0	$22,168	$9,786
ENDING BALANCE	$30,475	$70,856	$134,248	$199,603	$251,566	$307,382	$378,958	$452,743	$506,624	$575,217

YEARS 1 THROUGH 10



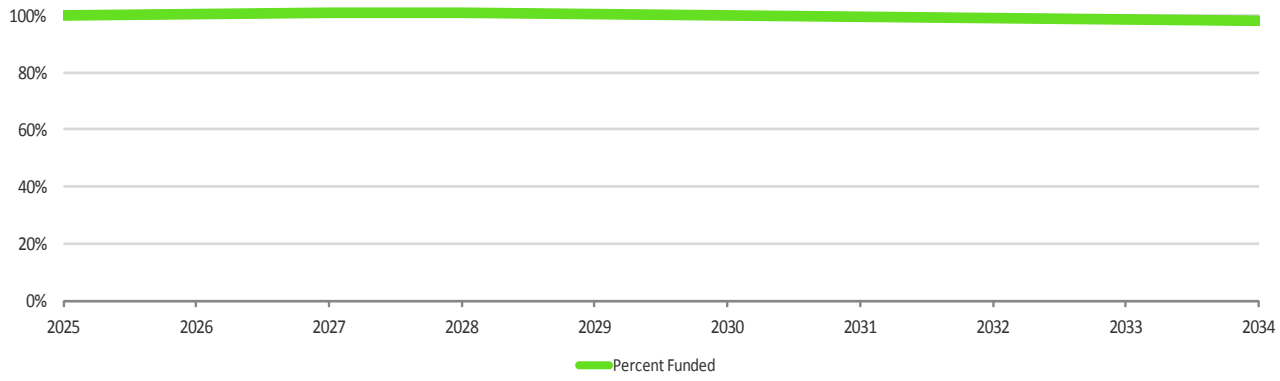


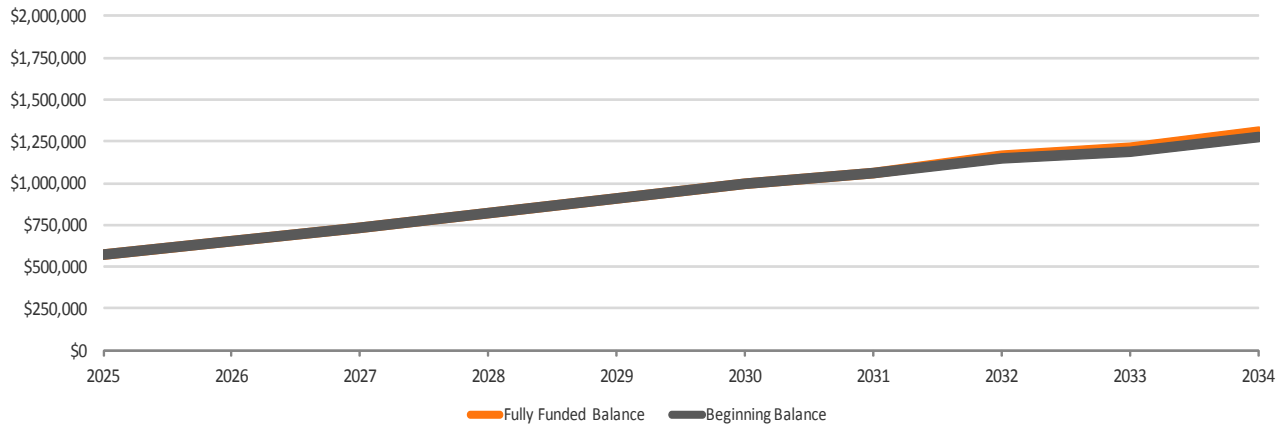
[1] The per unit calculation is an average and does not take into consideration percentage ownership.

RESERVE FUNDING PLAN [PARK]

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Fully Funded Balance	$575,364	$649,356	$730,835	$816,619	$906,891	$996,236	$1,062,605	$1,163,877	$1,210,105	$1,305,123
Percentage Funded (%)	100%	101%	101%	101%	100%	100%	100%	99%	98%	98%
Beginning Balance	$575,217	$652,644	$735,916	$821,749	$910,222	$995,964	$1,057,605	$1,152,033	$1,190,915	$1,276,685
Reserve Contribution	$80,173	$82,578	$85,055	$87,607	$90,235	$92,942	$95,731	$98,602	$101,561	$104,607
Avg Unit Contribution (mth)[1]	$29.30	$30.18	$31.09	$32.02	$32.98	$33.97	$34.99	$36.04	$37.12	$38.23
Contribution Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	$614	$694	$778	$866	$953	$1,026	$1,104	$1,171	$1,233	$1,291
Reserve Expenditures	$3,360	$0	$0	$0	$5,445	$32,328	$2,407	$60,891	$17,024	$76,278
ENDING BALANCE	$652,644	$735,916	$821,749	$910,222	$995,964	$1,057,605	$1,152,033	$1,190,915	$1,276,685	$1,306,306

YEARS 11 THROUGH 20



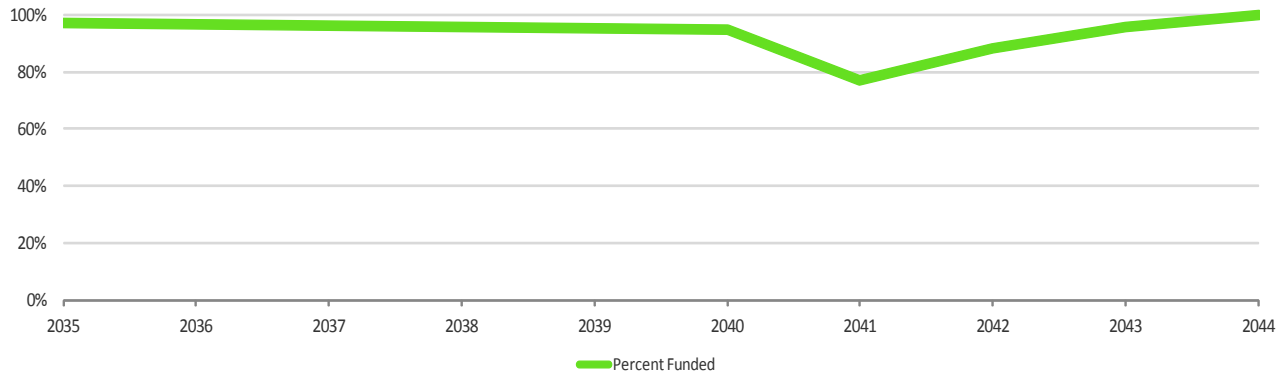


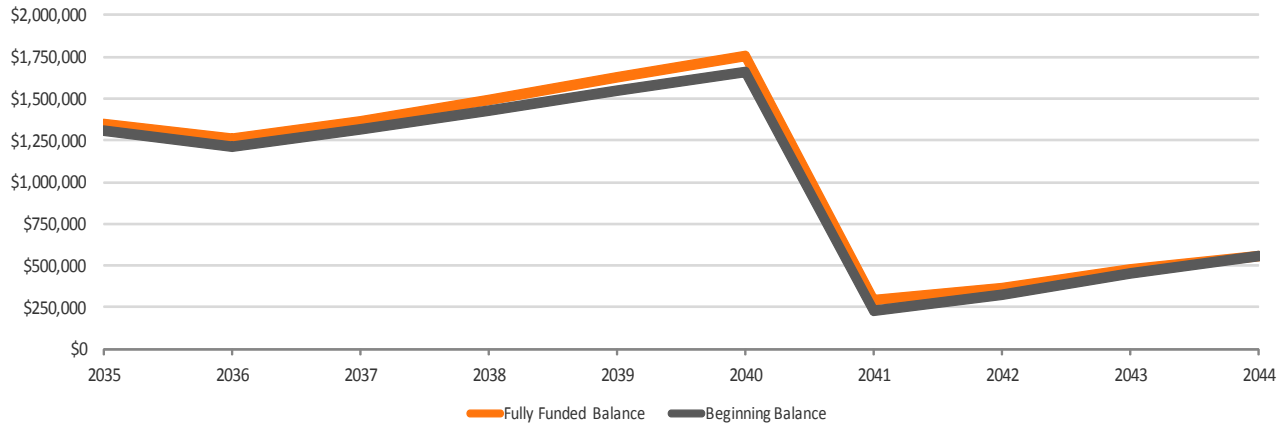
[1] The per unit calculation is an average and does not take into consideration percentage ownership.

RESERVE FUNDING PLAN [PARK]

	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Fully Funded Balance	$1,344,249	$1,257,117	$1,367,612	$1,494,461	$1,627,690	$1,754,376	$294,362	$366,465	$476,948	$558,381
Percentage Funded (%)	97%	96%	96%	96%	95%	95%	77%	88%	96%	100%
Beginning Balance	$1,306,306	$1,213,026	$1,315,035	$1,430,715	$1,549,941	$1,660,007	$226,222	$322,802	$455,704	$558,381
Reserve Contribution	$107,746	$110,978	$114,307	$117,737	$121,269	$124,907	$128,654	$132,513	$136,489	$140,584
Avg Unit Contribution (mth)[1]	$39.38	$40.56	$41.78	$43.03	$44.32	$45.65	$47.02	$48.43	$49.89	$51.38
Contribution Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	$1,259	$1,263	$1,372	$1,490	$1,604	$943	$274	$389	$507	$619
Reserve Expenditures	$202,284	$10,232	$0	$0	$12,807	$1,559,634	$32,349	$0	$34,319	$19,088
ENDING BALANCE	$1,213,026	$1,315,035	$1,430,715	$1,549,941	$1,660,007	$226,222	$322,802	$455,704	$558,381	$680,496

YEARS 21 THROUGH 30





[1] The per unit calculation is an average and does not take into consideration percentage ownership.

THIRTY YEAR RESERVE FUND SUMMARY [PARK]

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2015	$910,859	7%	$67,410	$59,656	$750,000	$49	$846,640	$30,475
2016	$110,934	27%	$30,475	$61,446	$0	$51	$21,115	$70,856
2017	$138,646	51%	$70,856	$63,289	$0	$103	$0	$134,248
2018	$190,322	71%	$134,248	$65,188	$0	$167	$0	$199,603
2019	$244,974	81%	$199,603	$67,143	$0	$225	$15,405	$251,566
2020	$286,866	88%	$251,566	$69,158	$0	$279	$13,621	$307,382
2021	$333,364	92%	$307,382	$71,233	$0	$343	$0	$378,958
2022	$396,845	95%	$378,958	$73,370	$0	$416	$0	$452,743
2023	$463,835	98%	$452,743	$75,571	$0	$479	$22,168	$506,624
2024	$511,654	99%	$506,624	$77,838	$0	$541	$9,786	$575,217
2025	$575,364	100%	$575,217	$80,173	$0	$614	$3,360	$652,644
2026	$649,356	101%	$652,644	$82,578	$0	$694	$0	$735,916
2027	$730,835	101%	$735,916	$85,055	$0	$778	$0	$821,749
2028	$816,619	101%	$821,749	$87,607	$0	$866	$0	$910,222
2029	$906,891	100%	$910,222	$90,235	$0	$953	$5,445	$995,964
2030	$996,236	100%	$995,964	$92,942	$0	$1,026	$32,328	$1,057,605
2031	$1,062,605	100%	$1,057,605	$95,731	$0	$1,104	$2,407	$1,152,033
2032	$1,163,877	99%	$1,152,033	$98,602	$0	$1,171	$60,891	$1,190,915
2033	$1,210,105	98%	$1,190,915	$101,561	$0	$1,233	$17,024	$1,276,685
2034	$1,305,123	98%	$1,276,685	$104,607	$0	$1,291	$76,278	$1,306,306
2035	$1,344,249	97%	$1,306,306	$107,746	$0	$1,259	$202,284	$1,213,026
2036	$1,257,117	96%	$1,213,026	$110,978	$0	$1,263	$10,232	$1,315,035
2037	$1,367,612	96%	$1,315,035	$114,307	$0	$1,372	$0	$1,430,715
2038	$1,494,461	96%	$1,430,715	$117,737	$0	$1,490	$0	$1,549,941
2039	$1,627,690	95%	$1,549,941	$121,269	$0	$1,604	$12,807	$1,660,007
2040	$1,754,376	95%	$1,660,007	$124,907	$0	$943	$1,559,634	$226,222
2041	$294,362	77%	$226,222	$128,654	$0	$274	$32,349	$322,802
2042	$366,465	88%	$322,802	$132,513	$0	$389	$0	$455,704
2043	$476,948	96%	$455,704	$136,489	$0	$507	$34,319	$558,381
2044	$558,381	100%	$558,381	$140,584	$0	$619	$19,088	$680,496

FINANCIAL ANALYSIS [WATER SYSTEM]

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

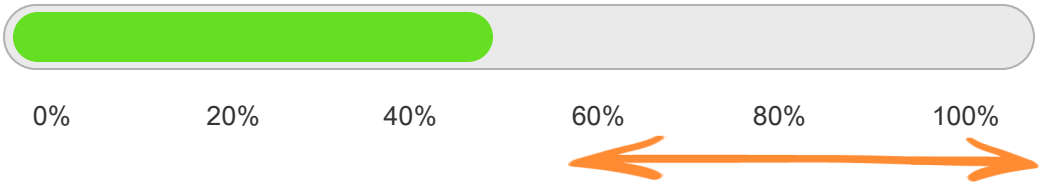
PERCENT FUNDED

The Percent Funded equation is the industry measure of how well prepared an association is to meet its current and future repair and replacement obligations. Percent funded highlights the strength of the association' s reserve account in relation to its anticipated costs of repair and replacement. The higher the funded level, the less exposed an association is to market conditions, unanticipated expenses or events, and fluctuations in the general economy. An Association at or below a funding level of 30% has an increased risk of requiring special assessments to meet their ongoing obligations, as compared to Associations with higher funding levels.

A level of funding at and above 60% is categorized as good or well funded. We recommend that associations look to achieve and maintain funding levels at and above 60%, with a preference to being 100% funded.

CURRENT PERCENT FUNDED STATUS

The Association is currently 45% funded. Highlighted below, the current funding level is shown in relation to the recommended level of 60-100%.



FUNDING GOALS

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

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

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

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

Funding Alternatives	Annual Contribution	Monthly Contribution	Per Unit Per Month
Full Funding	$22,950	$1,912	$8.39
Threshold Funding [1]	$20,054	$1,671	$7.33
Baseline Funding	$18,067	$1,506	$6.60
Current Funding	$41,040	$3,420	$15.00

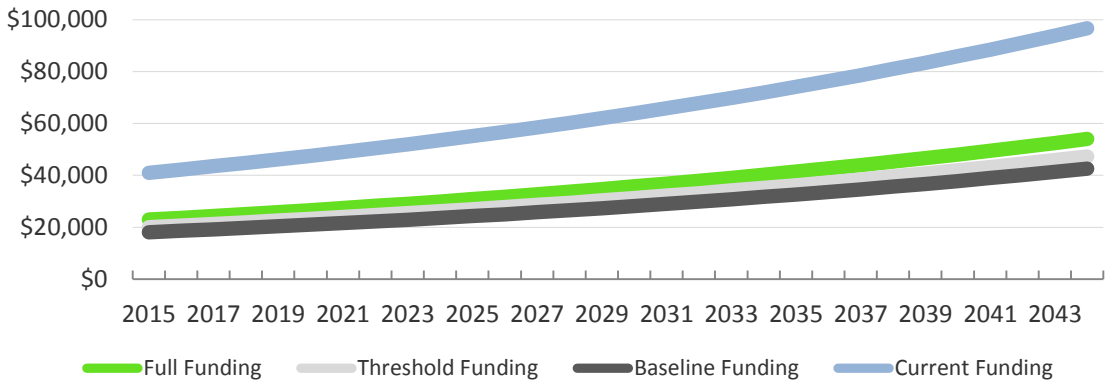
[1] The Threshold funding plan outlined in this report sets a goal of reaching and maintaining a 20% funded level.

FULL FUNDING	Establishes a goal of achieving one hundred percent fully funded reserves by the end of the projection period.
THRESHOLD FUNDING	Sets out to keep the cash reserves above a specified dollar or percent funded amount for the duration of the projection period.
BASELINE FUNDING	Establishes a goal of maintaining a reserve account balance above zero dollars throughout the study period.
STATUTORY FUNDING	Sets aside a minimum amount of reserves as required by local statutes.

RESERVE FUND ACCOUNT [WATER SYSTEM]

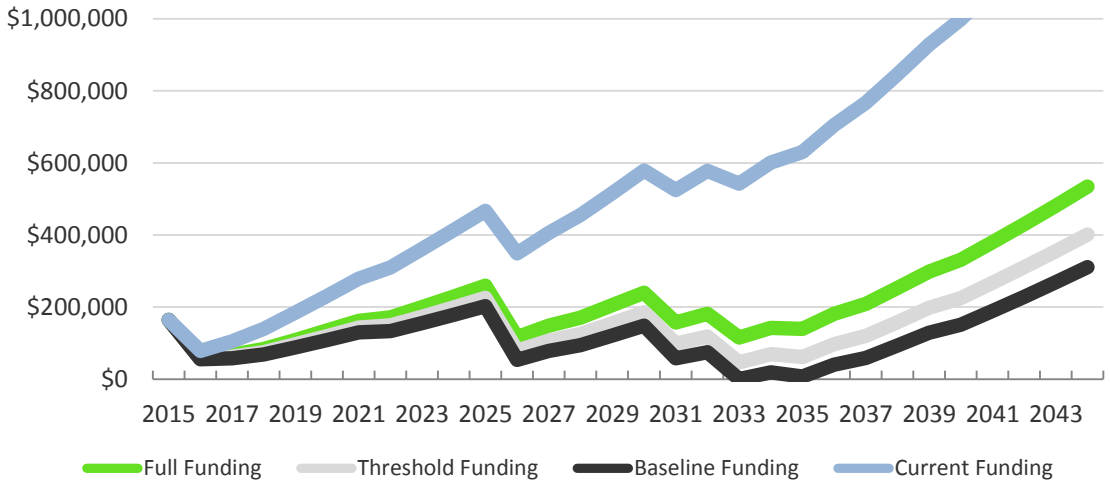
Projected Reserve Contributions

Typically recommended contributions are set at a level where they will likely require minor annual increases in line with inflation.



Projected Reserve Account Balance

The growth of the Association's reserve account is largely dependent upon the level of reserve funds contributed (see figure above) and the funding objective chosen (Full, Threshold and Baseline).



Projected amounts based upon a starting balance of $164,386 and annual contribution increases of 3.00%.

RESERVE COMPONENT LIST [WATER SYSTEM]

Component	Useful Service Life	Remaining Useful Life	Quantity	Unit of Measure	Unit Cost	Current Cost	Current Fully Funded Balance
Water System - Booster Station, Pumphouse [1]	40	1	1	Each	$7,500.00	$7,500	$7,313
Water System - Well 1, Well Pump [7.5 HP]	15	2	1	Each	$8,130.00	$8,130	$7,046
Water System - Well 1, Booster Pump [5 HP]	25	19	1	Each	$5,420.00	$5,420	$1,301
Water System - Well 1 & 2, Pumphouse	40	19	1	Each	$3,000.00	$3,000	$1,575
Water System - Well 2, Well Pump [15 HP]	15	1	1	Each	$8,130.00	$8,130	$7,588
Water System - Well 2, Booster Pump [5 HP]	25	19	1	Each	$5,420.00	$5,420	$1,301
Water System - Well 2, Replace	50	15	1	Each	$75,880.00	$75,880	$53,116
Water System - Well 3, Pumphouse	40	31	1	Each	$3,000.00	$3,000	$675
Water System - Well 3, Well Pump	15	6	1	Each	$8,130.00	$8,130	$4,878
Water System - Well 3, Booster Pump [10 HP]	25	19	1	Each	$10,840.00	$10,840	$2,602
Water System - Controls & Electrical	20	10	1	Allowance	$5,420.00	$5,420	$2,710
Water System - Water Tanks, Cleaning No. 1 & 2 [2]	6	0	1	Lump Sum	$7,000.00	$7,000	$7,000
Water System - Back Up Generator	30	0	1	Lump Sum	$40,000.00	$40,000	$40,000
Water System - Pressure Reducing Station	30	0	1	Lump Sum	$80,000.00	$80,000	$80,000
Water System - Water Tank [35,000 Gal.]	70	17	1	Each	$55,000.00	$55,000	$41,643
Water System - Water Tank [79,000 Gal.]	70	10	1	Each	$124,000.00	$124,000	$106,286
					TOTALS	$446,870	$365,032

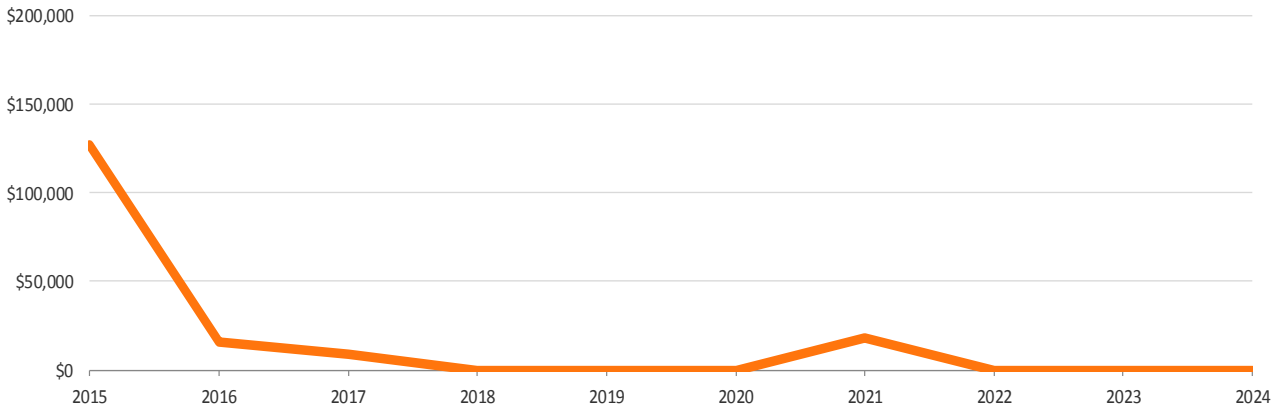
[1] Water system renovated in 2009 (from Board meeting records).

[2] Both water tanks cleaned in 2009 by Liquivision, Oregon. Liquivision recommends cleaning every 2-3 years, however majority of systems are cleaned every 5-10 years (per NWS Northwest Water System).

PROJECTED RESERVE EXPENSES [WATER SYSTEM]

Component	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Water System - Booster Station, Pumphouse	$0	$7,725	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 1, Well Pump [7.5 HP]	$0	$0	$8,625	$0	$0	$0	$0	$0	$0	$0
Water System - Well 1, Booster Pump [5 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 1 & 2, Pumphouse	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 2, Well Pump [15 HP]	$0	$8,374	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 2, Booster Pump [5 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 2, Replace	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 3, Pumphouse	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 3, Well Pump	$0	$0	$0	$0	$0	$0	$9,708	$0	$0	$0
Water System - Well 3, Booster Pump [10 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Controls & Electrical	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Water Tanks, Cleaning No. 1 & 2	$7,000	$0	$0	$0	$0	$0	$8,358	$0	$0	$0
Water System - Back Up Generator	$40,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Pressure Reducing Station	$80,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Water Tank [35,000 Gal.]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Water Tank [79,000 Gal.]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Annual Expenditure	$127,000	$16,099	$8,625	$0	$0	$0	$18,066	$0	$0	$0

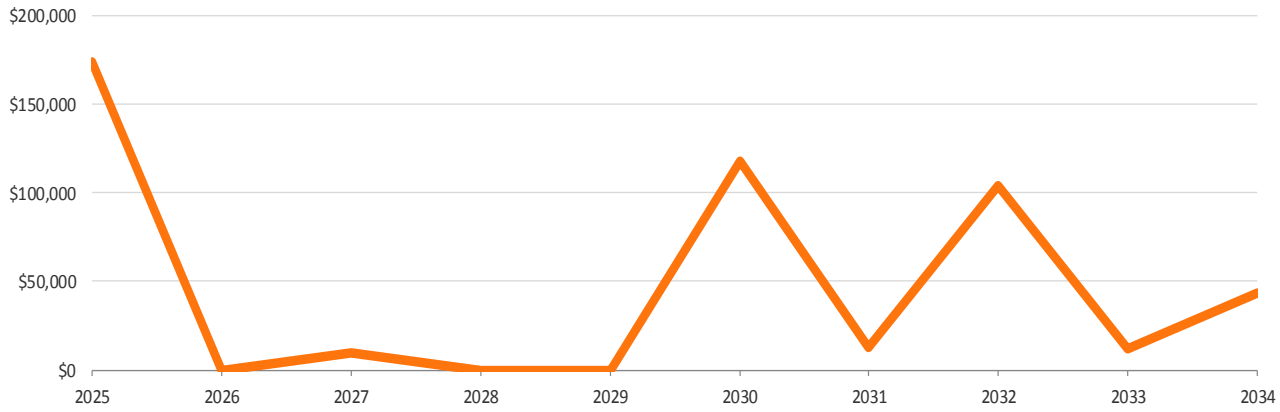
YEARS 1 THROUGH 10



PROJECTED RESERVE EXPENSES [WATER SYSTEM]

Component	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Water System - Booster Station, Pumphouse	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 1, Well Pump [7.5 HP]	$0	$0	$0	$0	$0	$0	$0	$13,438	$0	$0
Water System - Well 1, Booster Pump [5 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$9,504
Water System - Well 1 & 2, Pumphouse	$0	$0	$0	$0	$0	$0	$0	$0	$0	$5,261
Water System - Well 2, Well Pump [15 HP]	$0	$0	$0	$0	$0	$0	$13,046	$0	$0	$0
Water System - Well 2, Booster Pump [5 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$9,504
Water System - Well 2, Replace	$0	$0	$0	$0	$0	$118,219	$0	$0	$0	$0
Water System - Well 3, Pumphouse	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 3, Well Pump	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 3, Booster Pump [10 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$19,008
Water System - Controls & Electrical	$7,284	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Water Tanks, Cleaning No. 1 & 2	$0	$0	$9,980	$0	$0	$0	$0	$0	$11,917	$0
Water System - Back Up Generator	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Pressure Reducing Station	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Water Tank [35,000 Gal.]	$0	$0	$0	$0	$0	$0	$0	$90,907	$0	$0
Water System - Water Tank [79,000 Gal.]	$166,646	$0	$0	$0	$0	$0	$0	$0	$0	$0
Annual Expenditure	$173,930	$0	$9,980	$0	$0	$118,219	$13,046	$104,344	$11,917	$43,277

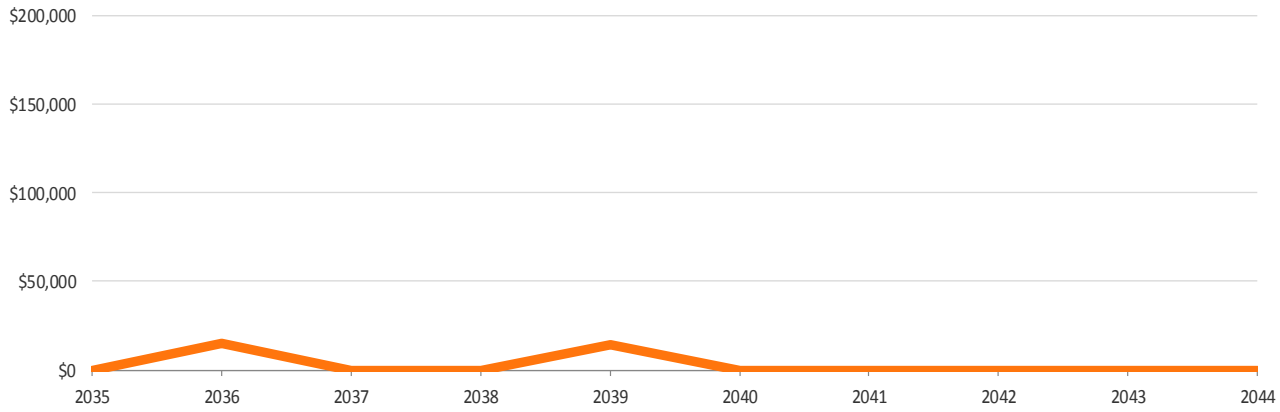
YEARS 11 THROUGH 20



PROJECTED RESERVE EXPENSES [WATER SYSTEM]

Component	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Water System - Booster Station, Pumphouse	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 1, Well Pump [7.5 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 1, Booster Pump [5 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 1 & 2, Pumphouse	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 2, Well Pump [15 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 2, Booster Pump [5 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 2, Replace	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 3, Pumphouse	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 3, Well Pump	$0	$15,124	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Well 3, Booster Pump [10 HP]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Controls & Electrical	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Water Tanks, Cleaning No. 1 & 2	$0	$0	$0	$0	$14,230	$0	$0	$0	$0	$0
Water System - Back Up Generator	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Pressure Reducing Station	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Water Tank [35,000 Gal.]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water System - Water Tank [79,000 Gal.]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Annual Expenditure	$0	$15,124	$0	$0	$14,230	$0	$0	$0	$0	$0

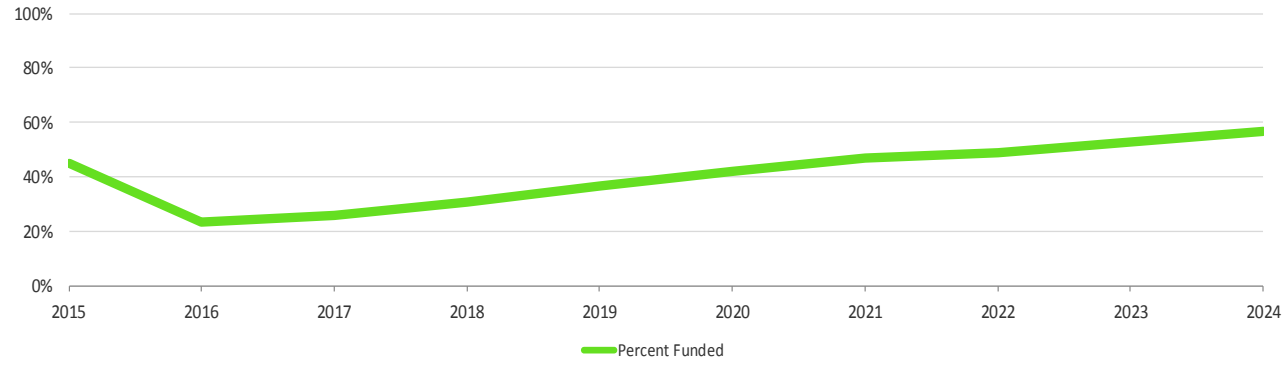
YEARS 21 THROUGH 30

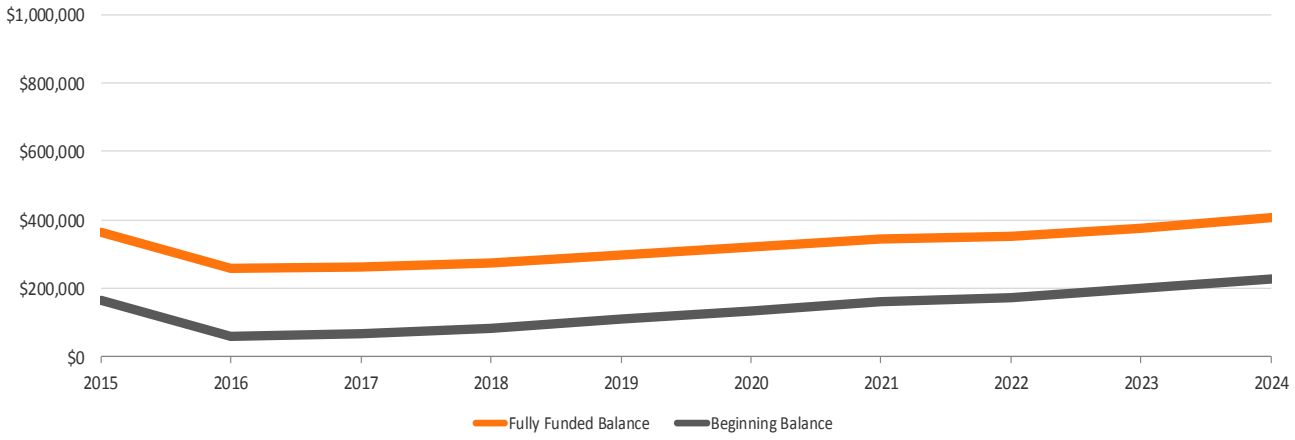


RESERVE FUNDING PLAN [WATER SYSTEM]

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fully Funded Balance	$365,032	$257,887	$262,136	$274,604	$296,734	$319,946	$344,282	$351,183	$377,355	$404,780
Percentage Funded (%)	45%	23%	26%	31%	37%	42%	47%	49%	53%	57%
Beginning Balance	$164,386	$60,448	$68,051	$83,849	$109,023	$134,975	$161,728	$171,231	$199,642	$228,928
Reserve Contribution	$22,950	$23,638	$24,347	$25,078	$25,830	$26,605	$27,403	$28,225	$29,072	$29,944
Avg Unit Contribution (mth)[1]	$8.39	$8.64	$8.90	$9.17	$9.44	$9.72	$10.02	$10.32	$10.63	$10.94
Contribution Increase (%)		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	$112	$64	$76	$96	$122	$148	$166	$185	$214	$244
Reserve Expenditures	$127,000	$16,099	$8,625	$0	$0	$0	$18,066	$0	$0	$0
ENDING BALANCE	$60,448	$68,051	$83,849	$109,023	$134,975	$161,728	$171,231	$199,642	$228,928	$259,116

YEARS 1 THROUGH 10



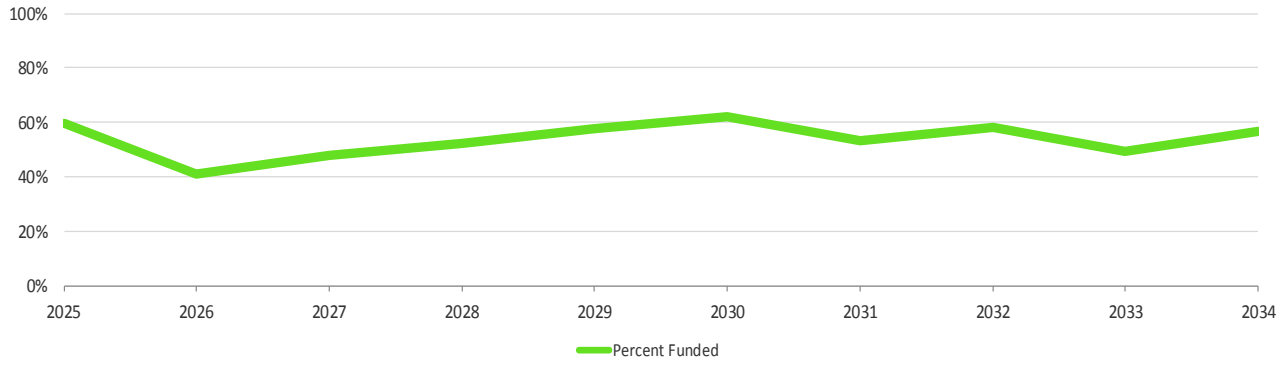


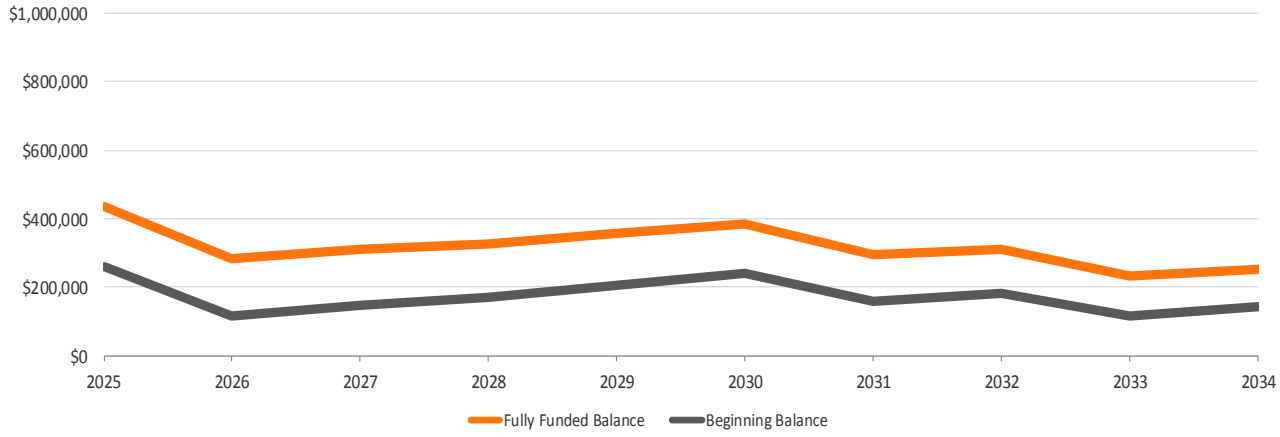
[1] The per unit calculation is an average and does not take into consideration percentage ownership.

RESERVE FUNDING PLAN [WATER SYSTEM]

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Fully Funded Balance	$433,512	$284,455	$310,587	$327,751	$356,254	$386,172	$295,799	$311,636	$234,524	$250,929
Percentage Funded (%)	60%	41%	48%	52%	58%	62%	53%	58%	49%	57%
Beginning Balance	$259,116	$116,216	$148,115	$171,015	$204,905	$239,841	$157,575	$181,526	$115,262	$142,544
Reserve Contribution	$30,842	$31,768	$32,721	$33,702	$34,713	$35,755	$36,827	$37,932	$39,070	$40,242
Avg Unit Contribution (mth)[1]	$11.27	$11.61	$11.96	$12.32	$12.69	$13.07	$13.46	$13.86	$14.28	$14.71
Contribution Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	$188	$132	$159	$188	$222	$199	$169	$148	$129	$141
Reserve Expenditures	$173,930	$0	$9,980	$0	$0	$118,219	$13,046	$104,344	$11,917	$43,277
ENDING BALANCE	$116,216	$148,115	$171,015	$204,905	$239,841	$157,575	$181,526	$115,262	$142,544	$139,650

YEARS 11 THROUGH 20



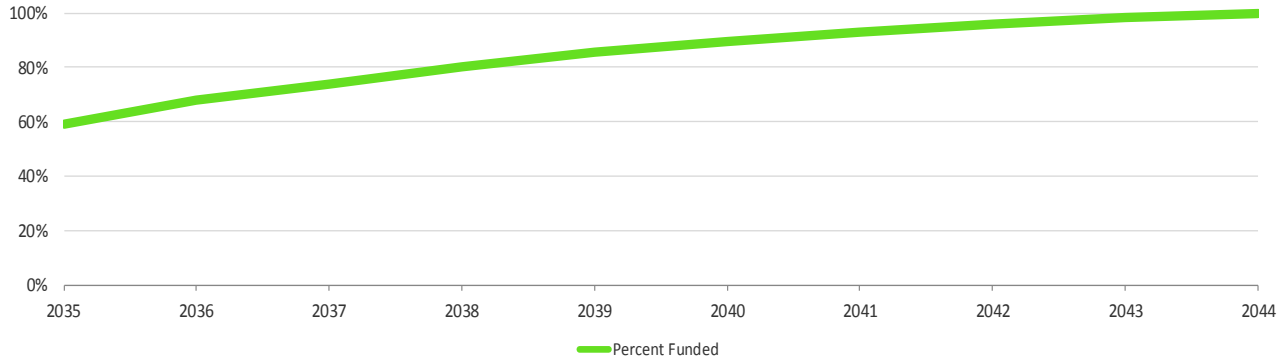


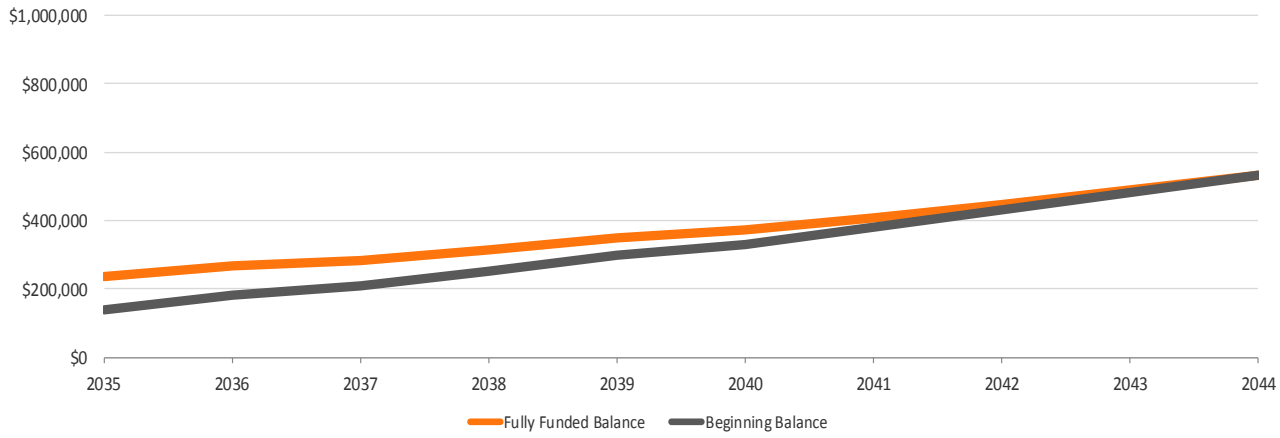
[1] The per unit calculation is an average and does not take into consideration percentage ownership.

RESERVE FUNDING PLAN [WATER SYSTEM]

	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Fully Funded Balance	$236,175	$266,222	$282,282	$315,110	$349,655	$371,332	$409,091	$448,781	$490,484	$534,286
Percentage Funded (%)	59%	68%	74%	80%	85%	89%	93%	96%	98%	100%
Beginning Balance	$139,650	$181,260	$209,024	$253,229	$298,797	$331,534	$379,941	$429,839	$481,272	$534,286
Reserve Contribution	$41,449	$42,693	$43,974	$45,293	$46,652	$48,051	$49,493	$50,978	$52,507	$54,082
Avg Unit Contribution (mth)[1]	$15.15	$15.60	$16.07	$16.55	$17.05	$17.56	$18.09	$18.63	$19.19	$19.77
Contribution Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	$160	$195	$231	$276	$315	$356	$405	$455	$508	$561
Reserve Expenditures	$0	$15,124	$0	$0	$14,230	$0	$0	$0	$0	$0
ENDING BALANCE	$181,260	$209,024	$253,229	$298,797	$331,534	$379,941	$429,839	$481,272	$534,286	$588,929

YEARS 21 THROUGH 30





[1] The per unit calculation is an average and does not take into consideration percentage ownership.

THIRTY YEAR RESERVE FUND SUMMARY [WATER SYSTEM]

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2015	$365,032	45%	$164,386	$22,950	$0	$112	$127,000	$60,448
2016	$257,887	23%	$60,448	$23,638	$0	$64	$16,099	$68,051
2017	$262,136	26%	$68,051	$24,347	$0	$76	$8,625	$83,849
2018	$274,604	31%	$83,849	$25,078	$0	$96	$0	$109,023
2019	$296,734	37%	$109,023	$25,830	$0	$122	$0	$134,975
2020	$319,946	42%	$134,975	$26,605	$0	$148	$0	$161,728
2021	$344,282	47%	$161,728	$27,403	$0	$166	$18,066	$171,231
2022	$351,183	49%	$171,231	$28,225	$0	$185	$0	$199,642
2023	$377,355	53%	$199,642	$29,072	$0	$214	$0	$228,928
2024	$404,780	57%	$228,928	$29,944	$0	$244	$0	$259,116
2025	$433,512	60%	$259,116	$30,842	$0	$188	$173,930	$116,216
2026	$284,455	41%	$116,216	$31,768	$0	$132	$0	$148,115
2027	$310,587	48%	$148,115	$32,721	$0	$159	$9,980	$171,015
2028	$327,751	52%	$171,015	$33,702	$0	$188	$0	$204,905
2029	$356,254	58%	$204,905	$34,713	$0	$222	$0	$239,841
2030	$386,172	62%	$239,841	$35,755	$0	$199	$118,219	$157,575
2031	$295,799	53%	$157,575	$36,827	$0	$169	$13,046	$181,526
2032	$311,636	58%	$181,526	$37,932	$0	$148	$104,344	$115,262
2033	$234,524	49%	$115,262	$39,070	$0	$129	$11,917	$142,544
2034	$250,929	57%	$142,544	$40,242	$0	$141	$43,277	$139,650
2035	$236,175	59%	$139,650	$41,449	$0	$160	$0	$181,260
2036	$266,222	68%	$181,260	$42,693	$0	$195	$15,124	$209,024
2037	$282,282	74%	$209,024	$43,974	$0	$231	$0	$253,229
2038	$315,110	80%	$253,229	$45,293	$0	$276	$0	$298,797
2039	$349,655	85%	$298,797	$46,652	$0	$315	$14,230	$331,534
2040	$371,332	89%	$331,534	$48,051	$0	$356	$0	$379,941
2041	$409,091	93%	$379,941	$49,493	$0	$405	$0	$429,839
2042	$448,781	96%	$429,839	$50,978	$0	$455	$0	$481,272
2043	$490,484	98%	$481,272	$52,507	$0	$508	$0	$534,286
2044	$534,286	100%	$534,286	$54,082	$0	$561	$0	$588,929

PHYSICAL ANALYSIS

This section of the report provides specific information regarding the physical condition of the property. The physical data that follows is a result of the visual (non-intrusive) site review, that includes discussion with on-site managers (or Board members) regarding known conditions of the components. Advance planning results in the mitigation of component deterioration, and provides a direct correlation between components and their remaining useful life.

Site Inspection

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

Maintenance Guide

The maintenance guide creates an organized, systematic and cost-effective approach to maintaining the value and maximizing the service life of the Association's capital assets. Activities including maintenance, inspection and owner review are established to provide a clear understanding of the timing required for recommended preventative care items.

Physical conditions that are observed and deemed to require additional review, repair and/or replacement, will be highlighted to assist the association in determining if additional action is necessary. We may recommend additional further studies such as Building Envelope (Intrusive) Investigations, Roofing consultations by a licensed and bonded contractor, and Civil/Structural/Geotechnical review by Professional Engineers.

The list is not intended to be exhaustive and may not include all areas that require special attention. As stated elsewhere in this report, we recommend regular and ongoing review of the property and its common areas. Due to the general and non-invasive nature of the site inspection, RSG cannot comment on components and conditions not visible to the naked eye.

Component Inventory

The component inventory summarizes associated costs of each reserve component, and additionally highlights preventative maintenance requirements and provides a graphic of the remaining useful life. The inventory provides a visual reference point for understanding the Association's common area responsibilities. Preventative maintenance requirements (highlighted in orange) are coordinated for use in conjunction with items outlined in the preceding Maintenance Plan.

MAINTENANCE GUIDE

The life expectancy estimates of reserve components highlighted in this report can be greatly affected by the quality and level of maintenance received. To achieve the goals set within this report, a preventative maintenance program needs to support the scheduled cycle of repair and replacement.

Maintenance Log Book

We recommend use of a log book to record all maintenance work carried out, including a description of the work, date of completion, estimated and actual cost, contractor and warranty information. By implementing this simple practice, a log book can provide a valuable source for future budgeting.

Inspections

Regular inspections are basic to planned maintenance. There is no general rule on how often maintenance surveys need to be carried out. Frequency is generally influenced by the rates of decay and deterioration of various building elements. However, the main purpose of a maintenance plan is to provide guidance to the Association. We have proposed a conservative approach that results in inspections at shorter intervals. Gradually as more information and background data is collected, we recommend that the Association adjust the interval timing to meet their needs.

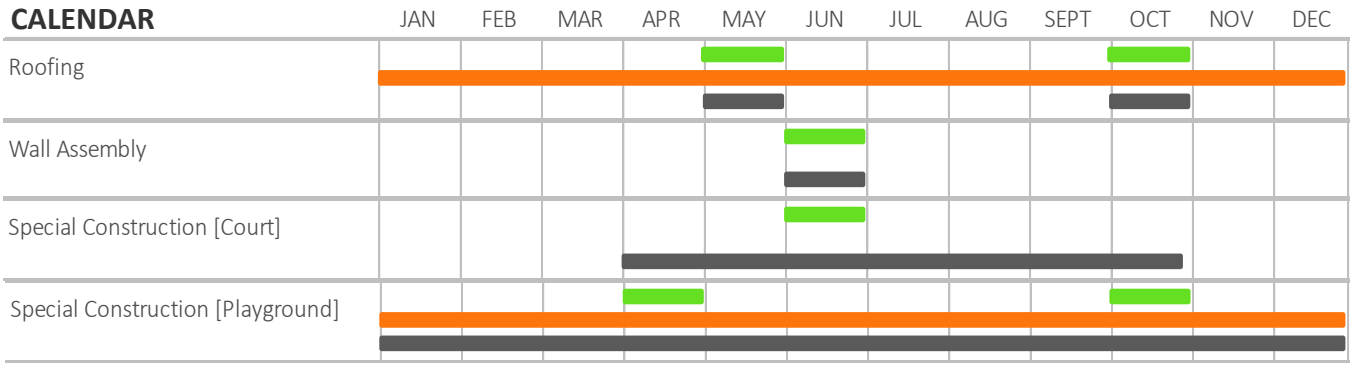
Three categories have been used to highlight the various types of maintenance activities that must be carried out:

- Inspect
- Owner Review
- Maintenance

It should be noted that the maintenance activities outlined in the following pages are general in nature and should be used as a guideline. The activities are not intended to replace any manufacturer, trade association, and/or other professional recommendations made available to the Association. Warranties (manufacturer or service) should also be carefully reviewed prior to engaging maintenance or repair services. Readers should consult with the appropriate professionals before taking any action.

MAINTENANCE GUIDE

CALENDAR



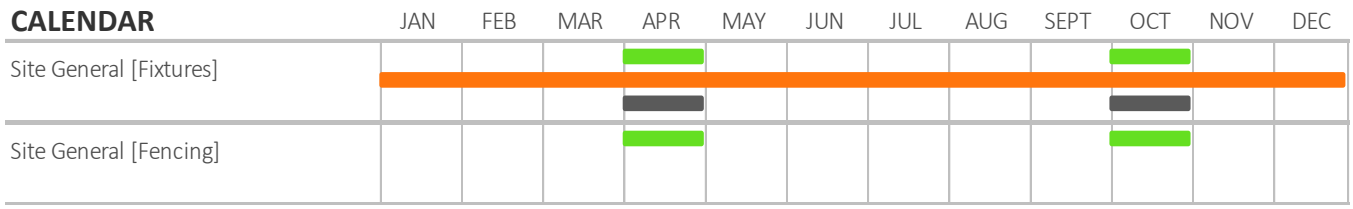
CHECKLIST

Roofing	
Asphalt Shingles	Seal/mastic open seams near roof top vents and replace deteriorated metal flashing.
Asphalt Shingles	Clean roof of debris and organic material [address moss accumulation].
Asphalt Shingles	Replace missing/cracked/curled/split shingles and address exposed nails or staples.
Asphalt Shingles	Inspect roofing general surface, flashings and thru roof pipe penetrations.
Asphalt Shingles	Review interior locations [ceiling/attic] for signs of potential water instrusion.
Wall Assembly	
Painting	Touch up and correct all areas of exposed or deteriorated paint.
Painting	Review all surfaces for splitting, checking, flaking, water blisters or peeling paint.
Sealant	Replace any sealant that has cracked, hardened or lost its seal.
Sealant	Check all penetrations, attachments and termination for adequate sealant joints and flashing.
Envelope Inspection	Review of the overall building structure for deficiencies and concerns.
Special Construction [Court]	
Sports Court	Clean and remove debris from court surface.
Sports Court	Clean and touch up coated posts.
Sports Court	Inspect the court for holes, cracks or depressions.
Sports Court	Review equipment [nets, posts, windscreens, etc] and note repair and replacement needs.
Special Construction [Playground]	
Playground	Remove all irregular or hazardous materials from playground surface.
Playground	Check all fittings and ensure overall stability and rigidity of the equipment.
Playground	Review depth of surfacing material under and around playground equipment.
Playground	Report all issues in relation to damaged, dangerous or worn equipment.

Inspect Owner Review Maintenance

MAINTENANCE GUIDE

CALENDAR



CHECKLIST

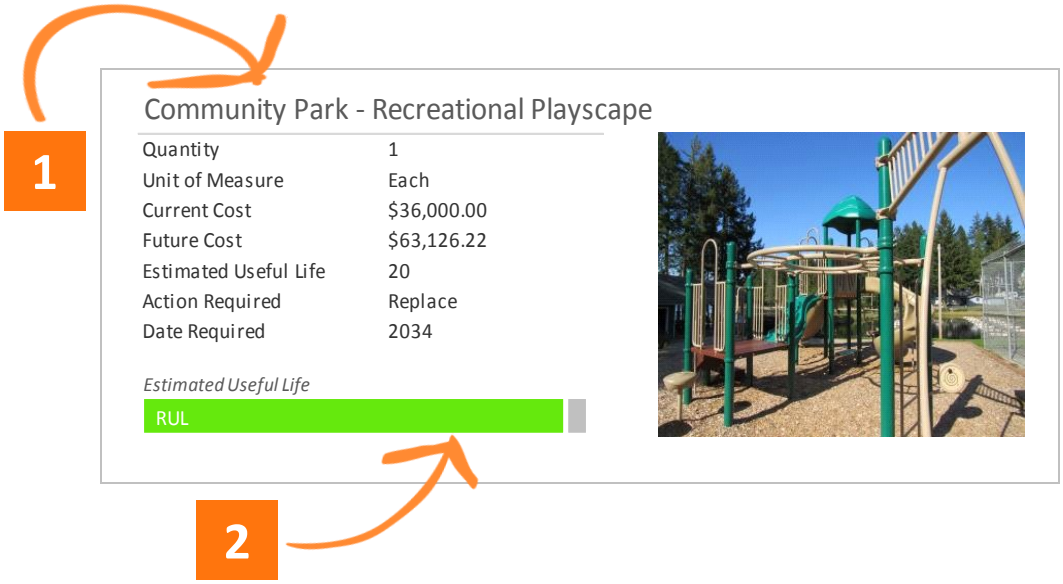
Site General [Fixtures]	
Picnic Tables	Inspect for failing, loose, damaged or missing hardware.
Picnic Tables	Clean and wipe down surfaces.
Picnic Tables	Report misuse of equipment and any visible signs of damage or vandalism.
Site General [Fencing]	
Chainlink Fencing	Review the fence line to ensure that chain link fabric is secured to posts.

Inspect Owner Review Maintenance

COMPONENT INVENTORY

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

Understanding the Component Inventory
In addition to a photo, two key sections of information are provided for each reserve component. The information is intended to visually simplify and summarize the key points of information on a component by component basis.



1 Key Component Information
Key information including the quantity, unit of measure, current cost, future cost, estimated and useful life expectations, action and date required is tabulated for easy reference.

2 Estimated Useful Life
The bar chart graphically represents the remaining useful life (RUL) of the reserve component in green. The RUL visualizes the percentage of time remaining until the next repair or replacement event as measured against the component ' s estimated useful life.

Marina - Floating Dock & Fingers - Wood/Polystyrene Floats

Quantity	1
Unit of Measure	Lump Sum
Current Cost	$650,000.00
Future Cost	$650,000.00
Estimated Useful Life	25
Action Required	Replace
Date Required	2015

Estimated Useful Life

RUL

Marina - Boat Basin, Dredge

Quantity	1
Unit of Measure	Lump Sum
Current Cost	$100,000.00
Future Cost	$100,000.00
Estimated Useful Life	20
Action Required	Repair
Date Required	2015

Estimated Useful Life

RUL

Marina - Fixed Dock - Pier/Boardwalk, Wood Decking

Quantity	3,650
Unit of Measure	SF
Current Cost	$73,000.00
Future Cost	$73,000.00
Estimated Useful Life	25
Action Required	Replace
Date Required	2015

Estimated Useful Life

RUL

Marina - Fixed Dock - Pier/Boardwalk, Steel Structure

Quantity	1
Unit of Measure	Lump Sum
Current Cost	$1,500.00
Future Cost	$1,500.00
Estimated Useful Life	1
Action Required	Inspect
Date Required	2015

Estimated Useful Life

RUL

Marina - Boat Launch, Concrete Ramp

Quantity	1
Unit of Measure	Lump Sum
Current Cost	$15,000.00
Future Cost	$15,450.00
Estimated Useful Life	25
Action Required	Replace
Date Required	2016

Estimated Useful Life

RUL

Marina - Electrical, Dock

Quantity	1
Unit of Measure	Allowance
Current Cost	$12,000.00
Future Cost	$12,000.00
Estimated Useful Life	20
Action Required	Replace
Date Required	2015

Estimated Useful Life

RUL

Photo Unavailable

Marina - Dock Fire Hose, Extinguisher Cabinet

Quantity	1
Unit of Measure	Each
Current Cost	$1,000.00
Future Cost	$1,000.00
Estimated Useful Life	25
Action Required	Replace
Date Required	2015

Estimated Useful Life

RUL

Photo Unavailable

Community Park - Shelter, Clean & Paint

Quantity	1
Unit of Measure	Lump Sum
Current Cost	$1,500.00
Future Cost	$1,900.16
Estimated Useful Life	8
Action Required	Clean & Paint
Date Required	2023

Estimated Useful Life

RUL

Community Park - Shelter, Roof

Quantity	3
Unit of Measure	Squares
Current Cost	$1,140.00
Future Cost	$1,140.00
Estimated Useful Life	25
Action Required	Replace
Date Required	2015

Estimated Useful Life

RUL

Community Park - Shelter, Restrooms

Quantity	2
Unit of Measure	Each
Current Cost	$8,000.00
Future Cost	$8,000.00
Estimated Useful Life	25
Action Required	Replace
Date Required	2015

Estimated Useful Life

RUL

Community Park - Picnic Shelter, Clean & Paint

Quantity	1
Unit of Measure	Lump Sum
Current Cost	$1,000.00
Future Cost	$1,266.77
Estimated Useful Life	25
Action Required	Clean & Paint
Date Required	2023

Estimated Useful Life

RUL

Community Park - Picnic Shelter, Roof

Quantity	1
Unit of Measure	Each
Current Cost	$5,500.00
Future Cost	$5,665.00
Estimated Useful Life	20
Action Required	Replace
Date Required	2016

Estimated Useful Life

RUL

Community Park - Picnic Tables

Quantity	10
Unit of Measure	Each
Current Cost	$11,750.00
Future Cost	$13,621.47
Estimated Useful Life	10
Action Required	Replace
Date Required	2020

Estimated Useful Life

RUL

Community Park - Maintenance Shed, Pre-Fab

Quantity	1
Unit of Measure	Each
Current Cost	$9,000.00
Future Cost	$14,021.71
Estimated Useful Life	25
Action Required	Replace
Date Required	2030

Estimated Useful Life

RUL

Community Park - Caretaker Shed, Pre-Fab

Quantity	1
Unit of Measure	Each
Current Cost	$2,500.00
Future Cost	$3,359.79
Estimated Useful Life	20
Action Required	Replace
Date Required	2025

Estimated Useful Life

RUL

Community Park - Caretaker Shed, Washer/Dryer/Counter

Quantity	1
Unit of Measure	Allowance
Current Cost	$3,000.00
Future Cost	$3,914.32
Estimated Useful Life	10
Action Required	Replace
Date Required	2024

Estimated Useful Life

RUL

Community Park - Recreational Playscape

Quantity	1
Unit of Measure	Each
Current Cost	$36,000.00
Future Cost	$63,126.22
Estimated Useful Life	20
Action Required	Replace
Date Required	2034

Estimated Useful Life

RUL

Community Park - Concrete Court, B'Ball Equipment

Quantity	2
Unit of Measure	Each
Current Cost	$5,000.00
Future Cost	$6,333.85
Estimated Useful Life	20
Action Required	Replace
Date Required	2023

Estimated Useful Life

RUL

General Site - Bike Rack

Quantity	1
Unit of Measure	Each
Current Cost	$600.00
Future Cost	$907.55
Estimated Useful Life	15
Action Required	Replace
Date Required	2029

Estimated Useful Life

RUL

General Site - Trash Receptacles

Quantity	4
Unit of Measure	Each
Current Cost	$1,800.00
Future Cost	$3,659.03
Estimated Useful Life	25
Action Required	Replace
Date Required	2039

Estimated Useful Life

RUL

General Site - Landscaping, Equipment

Quantity	1
Unit of Measure	Allowance
Current Cost	$10,000.00
Future Cost	$12,667.70
Estimated Useful Life	10
Action Required	Replace
Date Required	2023

Estimated Useful Life

RUL

General Site - Rockeries

Quantity	1
Unit of Measure	Allowance
Current Cost	$1,500.00
Future Cost	$1,957.16
Estimated Useful Life	10
Action Required	Inspect
Date Required	2024

Estimated Useful Life

RUL

General Site - Gravel

Quantity	1
Unit of Measure	Allowance
Current Cost	$3,000.00
Future Cost	$3,376.53
Estimated Useful Life	5
Action Required	Replace
Date Required	2019

Estimated Useful Life

RUL

General Site - Fence, Chain Link 4'

Quantity	750
Unit of Measure	LF
Current Cost	$10,687.50
Future Cost	$12,028.88
Estimated Useful Life	30
Action Required	Replace
Date Required	2019

Estimated Useful Life

RUL

General Site - Fence, Chain Link 8' [BB Court]

Quantity	240
Unit of Measure	LF
Current Cost	$8,640.00
Future Cost	$14,280.60
Estimated Useful Life	30
Action Required	Replace
Date Required	2032

Estimated Useful Life

RUL

General Site - Fence, Chain Link, 3 tier barbed wire

Quantity	1,200
Unit of Measure	LF
Current Cost	$28,200.00
Future Cost	$46,610.30
Estimated Useful Life	30
Action Required	Replace
Date Required	2032

Estimated Useful Life

RUL

Water System - Booster Station, Pumphouse

Quantity	1
Unit of Measure	Each
Current Cost	$7,500.00
Future Cost	$7,725.00
Estimated Useful Life	40
Action Required	Replace
Date Required	2016

Estimated Useful Life

RUL

Water System - Well 1, Well Pump [7.5 HP]

Quantity	1
Unit of Measure	Each
Current Cost	$8,130.00
Future Cost	$8,625.12
Estimated Useful Life	15
Action Required	Replace
Date Required	2017

Estimated Useful Life

RUL

Water System - Well 1, Booster Pump [5 HP]

Quantity	1
Unit of Measure	Each
Current Cost	$5,420.00
Future Cost	$9,504.00
Estimated Useful Life	25
Action Required	Replace
Date Required	2034

Estimated Useful Life

RUL

Water System - Well 1 & 2, Pumphouse

Quantity	1
Unit of Measure	Each
Current Cost	$3,000.00
Future Cost	$5,260.52
Estimated Useful Life	40
Action Required	Replace
Date Required	2034

Estimated Useful Life

RUL

Water System - Well 2, Well Pump [15 HP]

Quantity	1
Unit of Measure	Each
Current Cost	$8,130.00
Future Cost	$8,373.90
Estimated Useful Life	15
Action Required	Replace
Date Required	2016

Estimated Useful Life

RUL

Water System - Well 2, Booster Pump [5 HP]

Quantity	1
Unit of Measure	Each
Current Cost	$5,420.00
Future Cost	$9,504.00
Estimated Useful Life	25
Action Required	Replace
Date Required	2034

Estimated Useful Life

RUL

Water System - Well 2, Replace

Quantity	1
Unit of Measure	Each
Current Cost	$75,880.00
Future Cost	$118,218.57
Estimated Useful Life	50
Action Required	Replace
Date Required	2030

Estimated Useful Life

RUL

Water System - Well 3, Pumphouse

Quantity	1
Unit of Measure	Each
Current Cost	$3,000.00
Future Cost	$7,500.24
Estimated Useful Life	40
Action Required	Replace
Date Required	2046

Estimated Useful Life

RUL

Water System - Well 3, Well Pump

Quantity	1
Unit of Measure	Each
Current Cost	$8,130.00
Future Cost	$9,707.65
Estimated Useful Life	15
Action Required	Replace
Date Required	2021

Estimated Useful Life

RUL

Water System - Well 3, Booster Pump [10 HP]

Quantity	1
Unit of Measure	Each
Current Cost	$10,840.00
Future Cost	$19,008.01
Estimated Useful Life	25
Action Required	Replace
Date Required	2034

Estimated Useful Life

RUL

Water System - Controls & Electrical

Quantity	1
Unit of Measure	Allowance
Current Cost	$5,420.00
Future Cost	$7,284.03
Estimated Useful Life	20
Action Required	Replace
Date Required	2025

Estimated Useful Life

RUL

Water System - Water Tanks, Cleaning No. 1 & 2

Quantity	1
Unit of Measure	Lump Sum
Current Cost	$7,000.00
Future Cost	$7,000.00
Estimated Useful Life	6
Action Required	Clean
Date Required	2015

Estimated Useful Life

RUL

Water System - Back Up Generator

Quantity	1
Unit of Measure	Lump Sum
Current Cost	$40,000.00
Future Cost	$40,000.00
Estimated Useful Life	30
Action Required	Replace
Date Required	2015

Estimated Useful Life

RUL

Photo Unavailable

Water System - Pressure Reducing Station

Quantity	1
Unit of Measure	Lump Sum
Current Cost	$80,000.00
Future Cost	$80,000.00
Estimated Useful Life	30
Action Required	Replace
Date Required	2015

Estimated Useful Life

RUL

Photo Unavailable

Water System - Water Tank [35,000 Gal.]

Quantity	1
Unit of Measure	Each
Current Cost	$55,000.00
Future Cost	$90,906.62
Estimated Useful Life	70
Action Required	Replace
Date Required	2032

Estimated Useful Life

RUL

Photo Unavailable

Water System - Water Tank [79,000 Gal.]

Quantity	1
Unit of Measure	Each
Current Cost	$124,000.00
Future Cost	$166,645.63
Estimated Useful Life	70
Action Required	Replace
Date Required	2025

Estimated Useful Life

RUL

Photo Unavailable

DISCLOSURES

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

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

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

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

RSG nor any of its representatives, agents or employees maintain management roles or vested interest in, or have other business relationships with the Association. There is no perceived or actual conflicts of interest between RSG and the Association.

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

GLOSSARY OF TERMS

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

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

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

Fully Funded Balance（FFB）
The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost. This number is calculated for each component, then summed together for an Association total.

FFB = Current Cost x Effective Age / Useful Life

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

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

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

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

SF = Square Foot	SY = Square Yard
LF = Linear Foot	SQUARE = 100 Square Feet（Roofing）

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