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Preston Highlands North Estates

Frisco, TX

ELON GOLDMAN CAI-RS 00358 DESIGNATION RESERVE SPECIALIST

Report #: 54697-0
Beginning: January 1, 2026
Expires: December 31, 2026

RESERVE STUDY

"Full"

May 1, 2025

Welcome to your Reserve Study!

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

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

In this Report, you will find three key results:

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

Questions?

Please contact your Project Manager directly.

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Table of Contents

Reserve Study Executive Summary — Full

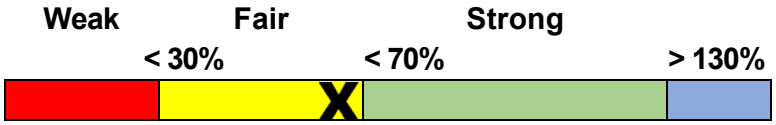
Preston Highlands North Estates -
Frisco, TX
Level of Service: **"Full"**

Report #: **54697-0**
# of Units: 487
January 1, 2026 through **December 31, 2026**

Findings & Recommendations — as of January 1, 2026

Projected Starting Reserve Balance	**$154,000**
Projected Fully Funded (Ideal) Reserve Balance	**$234,402**
Percent Funded	**65.7 %**
Minimum 2026 Funding Required to Maintain Reserves above $0 through Year 30	**$29,600**
(Optional Alternative) Recommended 2026 Funding to Achieve 100% Funded by Year 30	**$35,950**
Prior Year Reserve Transfers	**$20,000**

Reserve Fund Strength: 65.7%



Risk of Special Assessment: High | Medium | Low

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	**2.50 %**
Annual Inflation Rate	**3.00 %**

This is a "Full" Reserve Study (original, created "from scratch), based on our site inspection on 4/7/2025.

This Reserve Study was prepared or verified by a credentialed Reserve Specialist (RS). As of the start of the initial fiscal year shown in this study, your Reserve fund is determined to be 65.7 % Funded. Based on this figure, the Client's risk of special assessment and deferred maintenance is currently Medium.

Component cost estimates, life expectancies, and recommended reserve transfers are subject to change in subsequent years. As such, this Reserve Study analysis expires at the end of the initial fiscal year (December 31, 2025). Please contact our office to discuss options for updating your Reserve Study in future years.

Recommended Funding Plan

Our “recommended” funding plan is an optional, more conservative alternative to the minimum funding plan described above. This recommended amount is intended to help the Association to (gradually, over 30 years) attain and maintain Reserves at or near 100 percent-funded. This goal is more likely to provide an adequate cushion of accumulated funds, which will help reduce the risk of special assessments and/or loans in the event of higher-than-expected component costs, reduced component life expectancies, or other “surprise” circumstances.

Annual Increases to Reserve Funding

We recommend increasing the Reserve funding annually as illustrated in the 30-year Reserve Plan Summary Tables shown later in this document, or in accordance with subsequent Reserve Study updates.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
	SITE AND GROUNDS			
345	Lighting: Poles - Replace	30	20	$6,000
515	Walls: Brick - Repair	5	4	$50,000
1402	Monument Signs - Refurbish	25	20	$25,000
1700	Greenbelt (2026) - Phase 3	10	0	$20,000
1700	Greenbelt (2027) - Phase 4	10	1	$15,000
1700	Landscape - Refurbish	10	11	$12,500
1808	Trees/Shrubs (2026) - Remove	10	0	$5,000
1808	Trees/Shrubs (2027) - Remove	10	1	$5,000
	PARK			
400	Furniture: Park - Replace	15	0	$5,000
405	Play Equipment - Replace	18	10	$78,000
510	Gazebo - Refurbish/Rennovate	25	10	$10,200
	POOL AREA			
206	Concrete: Surfaces - Repair	10	5	$22,200
399	Furniture: Pool - Replace	8	0	$6,000
402	Sun Shade - Replace	10	5	$3,200
503	Fencing: Metal - Replace	30	16	$50,300
900	Kitchen/Storage Room - Remodel	24	23	$8,500
907	Restrooms - Refurbish	24	23	$15,000
1107	Fencing: Metal - Paint/Refurbish	5	1	$8,000
1202	Pools - Resurface/Retile	10	6	$60,000
1219	Pool Equipment – Maintain/Replace	5	3	$9,100
1655	Shed Building – Replace	15	14	$6,000
	BUILDING EXTERIORS			
105	Epoxy Flooring - Resurface	20	18	$4,600
356	Lighting: Exterior - Replace	20	15	$3,400
700	Doors: Utility - Replace	40	25	$7,500
1115	Building Exteriors - Seal/Paint	10	5	$8,600
1128	Siding: Fiber Cement - Replace	50	25	$42,300
1303	Roofing: Asphalt Shingle - Replace	20	15	$14,300
1310	Gutters/Downspouts - Replace	20	15	$1,500
	MECHANICAL, ELECTRICAL, & PLUMBING			
305	Surveillance System - Modernize	5	0	$1,000
711	FOB Entry System - Modernize	10	5	$2,000
803	Water Heater - Replace	15	0	$2,000
1009	Irrigation System – Repair/Replace	10	0	$13,500
32	**Total Funded Components**			

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost

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

Introduction

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

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

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

Methodology

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

Which Physical Assets are Funded by Reserves?

There is a national-standard three-part test to determine which projects should appear in a Reserve Component List. First, it must be a common area maintenance obligation. Second, both the need and schedule of a component's project can be reasonably anticipated. Third, the project's total cost is material to the client, can be reasonably anticipated, and includes all direct and related costs. A project cost is commonly considered *material* if it is more than 0.5% to 1% of the total annual budget. This limits Reserve components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to natural disasters and/or insurable events), and expenses more appropriately handled from the Operational budget.

RESERVE COMPONENT "THREE-PART TEST"

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

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

How do we establish Current Repair/Replacement Cost Estimates?

In this order…

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

How much Reserves are enough?

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

Adequacy is measured in a two-step process:

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

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

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

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

How much should we transfer to Reserves?

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

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

What is our Recommended Funding Goal?

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

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

Site Inspection Notes

During our site visit on 4/7/2025, we started the site inspection beginning with the pool area. We thank them for their assistance and input during this process. During our inspection, we visually inspected and were able to see all common areas. Please refer to the Component Details section at the end of this document for additional photos, observations and other information regarding each component.

Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections. The figure below summarizes the projected future expenses at your association as defined by your Reserve Component List. A summary of these components are shown in the Component List Detail table, while a summary of the expenses themselves are shown in the 30-yr Income/Expense Detail tables.

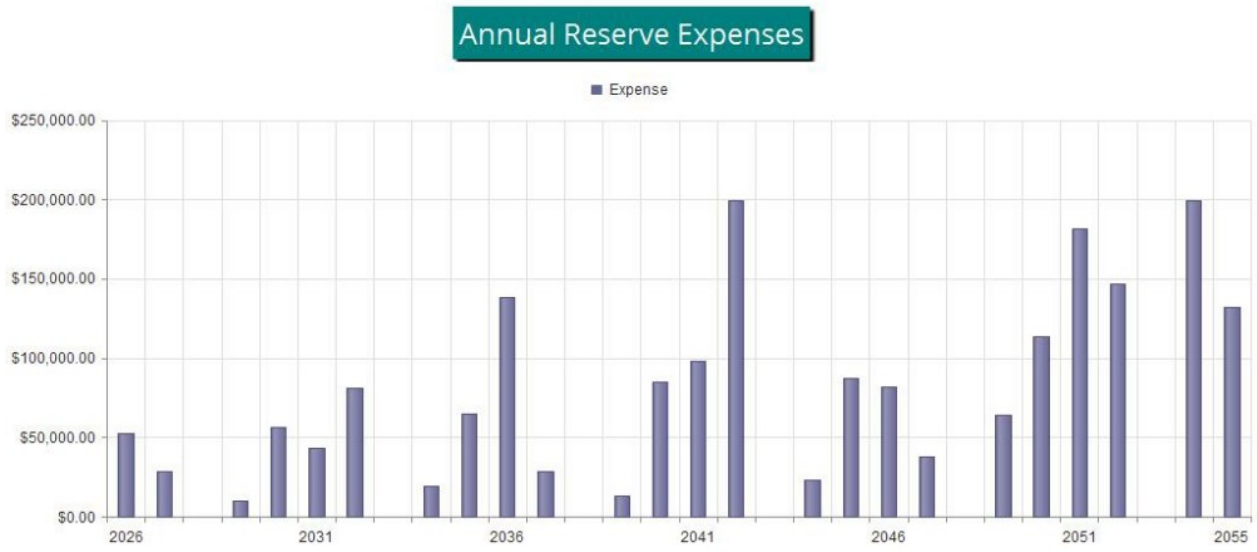


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be $154,000 as-of the start of your Fiscal Year on 1/1/2026. This is based on your actual balance on 1/1/2026 of $154,000 and anticipated Reserve transfers and expenses projected through the end of your Fiscal Year. As of your Fiscal Year Start, your Fully Funded Balance is computed to be $234,402. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 65.7 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted transfers of $35,950 this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

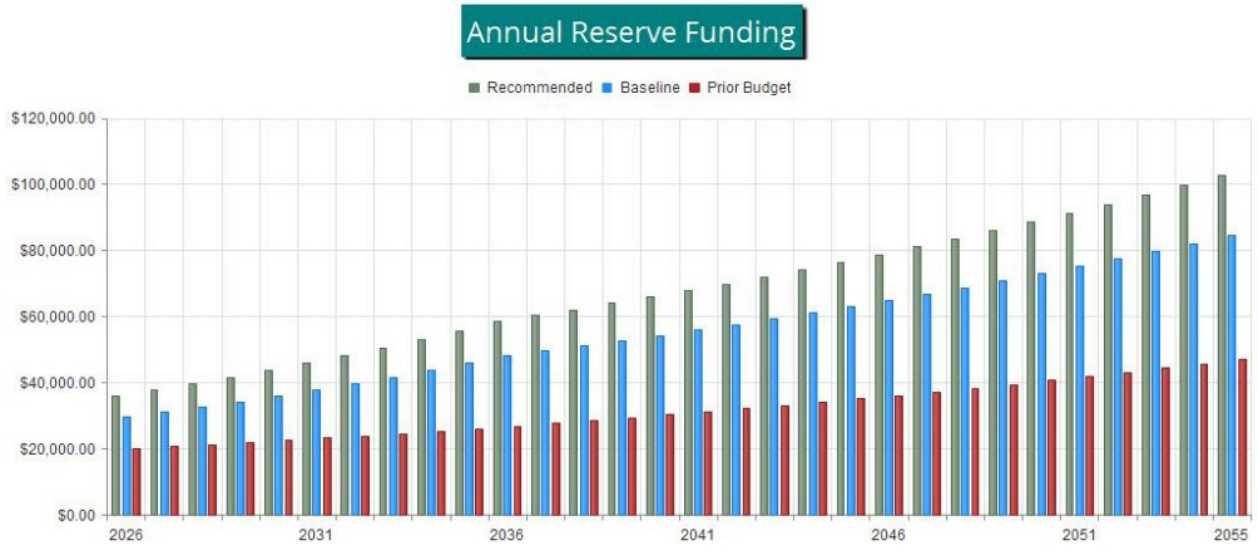


Figure 2

The following chart shows your Reserve balance under our recommended Full Funding Plan and at your current budgeted transfer rate, compared to your always-changing Fully Funded Balance target.

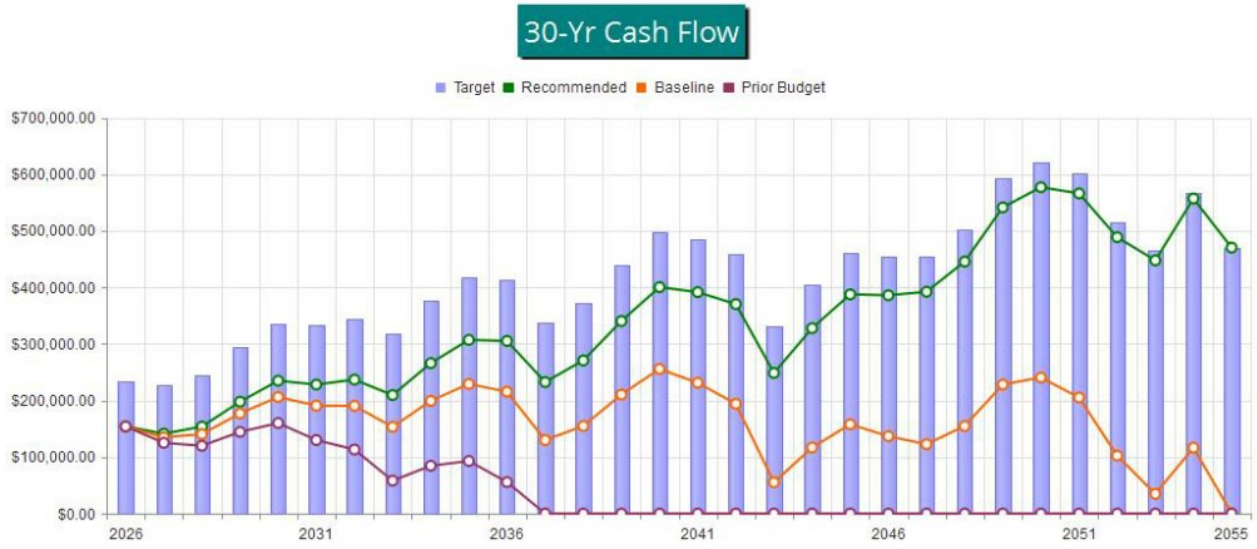


Figure 3

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

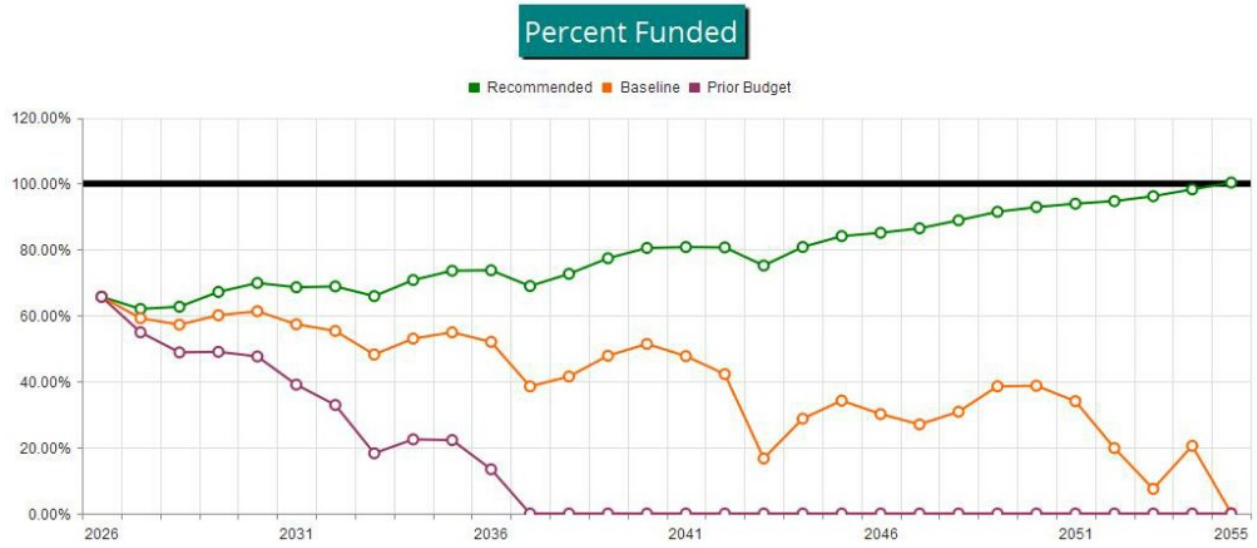


Figure 4

Table Descriptions

Executive Summary is a summary of your Reserve Components

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

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

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

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

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

#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate
	SITE AND GROUNDS				
345	Lighting: Poles - Replace	2 Poles	30	20	$6,000
515	Walls: Brick - Repair	1 10% of 2,870 LF	5	4	$50,000
1402	Monument Signs - Refurbish	5 Signs	25	20	$25,000
1700	Greenbelt (2026) - Phase 3	1 Lump Sum Allowance	10	0	$20,000
1700	Greenbelt (2027) - Phase 4	1 Lump Sum Allowance	10	1	$15,000
1700	Landscape - Refurbish	1 Lump Sum Allowance	10	11	$12,500
1808	Trees/Shrubs (2026) - Remove	1 Lump Sum Allowance	10	0	$5,000
1808	Trees/Shrubs (2027) - Remove	1 Lump Sum Allowance	10	1	$5,000
	PARK				
400	Furniture: Park - Replace	3 Assorted Pieces	15	0	$5,000
405	Play Equipment - Replace	4 Assorted Pieces	18	10	$78,000
510	Gazebo - Refurbish/Rennovate	1 Gazebo; 342 GSF	25	10	$10,200
	POOL AREA				
206	Concrete: Surfaces - Repair	1 5% of 22,200 GSF	10	5	$22,200
399	Furniture: Pool - Replace	55 Assorted Pieces	8	0	$6,000
402	Sun Shade - Replace	1 Shade; 400 GSF	10	5	$3,200
503	Fencing: Metal - Replace	671 LF	30	16	$50,300
900	Kitchen/Storage Room - Remodel	1 Lump Sum Allowance	24	23	$8,500
907	Restrooms - Refurbish	2 Restrooms	24	23	$15,000
1107	Fencing: Metal - Paint/Refurbish	671 LF	5	1	$8,000
1202	Pools - Resurface/Retile	2 Pools; 5000 GSF	10	6	$60,000
1219	Pool Equipment – Maintain/Replace	1 Lump Sum Allowance	5	3	$9,100
1655	Shed Building – Replace	1 Shed; 44 GSF	15	14	$6,000
	BUILDING EXTERIORS				
105	Epoxy Flooring - Resurface	1060 GSF	20	18	$4,600
356	Lighting: Exterior - Replace	23 Assorted Lights	20	15	$3,400
700	Doors: Utility - Replace	5 Doors	40	25	$7,500
1115	Building Exteriors - Seal/Paint	2820 GSF	10	5	$8,600
1128	Siding: Fiber Cement - Replace	2820 GSF	50	25	$42,300
1303	Roofing: Asphalt Shingle - Replace	2810 GSF	20	15	$14,300
1310	Gutters/Downspouts - Replace	252 LF	20	15	$1,500
	MECHANICAL, ELECTRICAL, & PLUMBING				
305	Surveillance System - Modernize	1 Lump Sum Allowance	5	0	$1,000
711	FOB Entry System - Modernize	2 AWID FOB's	10	5	$2,000
803	Water Heater - Replace	1 Water Heater	15	0	$2,000
1009	Irrigation System – Repair/Replace	1 Lump Sum Allowance	10	0	$13,500

32 Total Funded Components

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
	SITE AND GROUNDS							
345	Lighting: Poles - Replace	$6,000	X	10	/	30	=	$2,000
515	Walls: Brick - Repair	$50,000	X	1	/	5	=	$10,000
1402	Monument Signs - Refurbish	$25,000	X	5	/	25	=	$5,000
1700	Greenbelt (2026) - Phase 3	$20,000	X	10	/	10	=	$20,000
1700	Greenbelt (2027) - Phase 4	$15,000	X	9	/	10	=	$13,500
1700	Landscape - Refurbish	$12,500	X	0	/	10	=	$0
1808	Trees/Shrubs (2026) - Remove	$5,000	X	10	/	10	=	$5,000
1808	Trees/Shrubs (2027) - Remove	$5,000	X	9	/	10	=	$4,500
	PARK							
400	Furniture: Park - Replace	$5,000	X	15	/	15	=	$5,000
405	Play Equipment - Replace	$78,000	X	8	/	18	=	$34,667
510	Gazebo - Refurbish/Rennovate	$10,200	X	15	/	25	=	$6,120
	POOL AREA							
206	Concrete: Surfaces - Repair	$22,200	X	5	/	10	=	$11,100
399	Furniture: Pool - Replace	$6,000	X	8	/	8	=	$6,000
402	Sun Shade - Replace	$3,200	X	5	/	10	=	$1,600
503	Fencing: Metal - Replace	$50,300	X	14	/	30	=	$23,473
900	Kitchen/Storage Room - Remodel	$8,500	X	1	/	24	=	$354
907	Restrooms - Refurbish	$15,000	X	1	/	24	=	$625
1107	Fencing: Metal - Paint/Refurbish	$8,000	X	4	/	5	=	$6,400
1202	Pools - Resurface/Retile	$60,000	X	4	/	10	=	$24,000
1219	Pool Equipment – Maintain/Replace	$9,100	X	2	/	5	=	$3,640
1655	Shed Building – Replace	$6,000	X	1	/	15	=	$400
	BUILDING EXTERIORS							
105	Epoxy Flooring - Resurface	$4,600	X	2	/	20	=	$460
356	Lighting: Exterior - Replace	$3,400	X	5	/	20	=	$850
700	Doors: Utility - Replace	$7,500	X	15	/	40	=	$2,813
1115	Building Exteriors - Seal/Paint	$8,600	X	5	/	10	=	$4,300
1128	Siding: Fiber Cement - Replace	$42,300	X	25	/	50	=	$21,150
1303	Roofing: Asphalt Shingle - Replace	$14,300	X	5	/	20	=	$3,575
1310	Gutters/Downspouts - Replace	$1,500	X	5	/	20	=	$375
	MECHANICAL, ELECTRICAL, & PLUMBING							
305	Surveillance System - Modernize	$1,000	X	5	/	5	=	$1,000
711	FOB Entry System - Modernize	$2,000	X	5	/	10	=	$1,000
803	Water Heater - Replace	$2,000	X	15	/	15	=	$2,000
1009	Irrigation System – Repair/Replace	$13,500	X	10	/	10	=	$13,500
								$234,402

#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
	SITE AND GROUNDS				
345	Lighting: Poles - Replace	30	$6,000	$200	0.47 %
515	Walls: Brick - Repair	5	$50,000	$10,000	23.39 %
1402	Monument Signs - Refurbish	25	$25,000	$1,000	2.34 %
1700	Greenbelt (2026) - Phase 3	10	$20,000	$2,000	4.68 %
1700	Greenbelt (2027) - Phase 4	10	$15,000	$1,500	3.51 %
1700	Landscape - Refurbish	10	$12,500	$1,250	2.92 %
1808	Trees/Shrubs (2026) - Remove	10	$5,000	$500	1.17 %
1808	Trees/Shrubs (2027) - Remove	10	$5,000	$500	1.17 %
	PARK				
400	Furniture: Park - Replace	15	$5,000	$333	0.78 %
405	Play Equipment - Replace	18	$78,000	$4,333	10.13 %
510	Gazebo - Refurbish/Rennovate	25	$10,200	$408	0.95 %
	POOL AREA				
206	Concrete: Surfaces - Repair	10	$22,200	$2,220	5.19 %
399	Furniture: Pool - Replace	8	$6,000	$750	1.75 %
402	Sun Shade - Replace	10	$3,200	$320	0.75 %
503	Fencing: Metal - Replace	30	$50,300	$1,677	3.92 %
900	Kitchen/Storage Room - Remodel	24	$8,500	$354	0.83 %
907	Restrooms - Refurbish	24	$15,000	$625	1.46 %
1107	Fencing: Metal - Paint/Refurbish	5	$8,000	$1,600	3.74 %
1202	Pools - Resurface/Retile	10	$60,000	$6,000	14.03 %
1219	Pool Equipment – Maintain/Replace	5	$9,100	$1,820	4.26 %
1655	Shed Building – Replace	15	$6,000	$400	0.94 %
	BUILDING EXTERIORS				
105	Epoxy Flooring - Resurface	20	$4,600	$230	0.54 %
356	Lighting: Exterior - Replace	20	$3,400	$170	0.40 %
700	Doors: Utility - Replace	40	$7,500	$188	0.44 %
1115	Building Exteriors - Seal/Paint	10	$8,600	$860	2.01 %
1128	Siding: Fiber Cement - Replace	50	$42,300	$846	1.98 %
1303	Roofing: Asphalt Shingle - Replace	20	$14,300	$715	1.67 %
1310	Gutters/Downspouts - Replace	20	$1,500	$75	0.18 %
	MECHANICAL, ELECTRICAL, & PLUMBING				
305	Surveillance System - Modernize	5	$1,000	$200	0.47 %
711	FOB Entry System - Modernize	10	$2,000	$200	0.47 %
803	Water Heater - Replace	15	$2,000	$133	0.31 %
1009	Irrigation System – Repair/Replace	10	$13,500	$1,350	3.16 %
32	Total Funded Components			$42,757	100.00 %

30-Year Reserve Plan Summary

Report # 54697-0
Full

Fiscal Year Start: 2026 | Net After Tax Interest: 2.50 % | Avg 30-Yr Inflation: 3.00 %

	Reserve Fund Strength: as-of Fiscal Year Start Date				Projected Reserve Balance Changes					
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded		Special Assmt Risk	% Increase In Annual Reserve Funding	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2026	$154,000	$234,402	65.7 %		Medium	79.75 %	$35,950	$0	$3,685	$52,500
2027	$141,135	$227,536	62.0 %		Medium	5.00 %	$37,748	$0	$3,682	$28,840
2028	$153,724	$245,244	62.7 %		Medium	5.00 %	$39,635	$0	$4,389	$0
2029	$197,748	$294,407	67.2 %		Medium	5.00 %	$41,617	$0	$5,401	$9,944
2030	$234,822	$336,056	69.9 %		Medium	5.00 %	$43,697	$0	$5,779	$56,275
2031	$228,023	$332,524	68.6 %		Medium	5.00 %	$45,882	$0	$5,804	$42,893
2032	$236,816	$344,001	68.8 %		Medium	5.00 %	$48,176	$0	$5,571	$81,196
2033	$209,369	$317,742	65.9 %		Medium	5.00 %	$50,585	$0	$5,934	$0
2034	$265,888	$375,737	70.8 %		Low	5.00 %	$53,115	$0	$7,154	$19,128
2035	$307,028	$417,224	73.6 %		Low	5.00 %	$55,770	$0	$7,645	$65,239
2036	$305,204	$413,960	73.7 %		Low	5.00 %	$58,559	$0	$6,713	$138,020
2037	$232,456	$337,175	68.9 %		Medium	3.00 %	$60,316	$0	$6,282	$28,377
2038	$270,677	$372,608	72.6 %		Low	3.00 %	$62,125	$0	$7,631	$0
2039	$340,433	$439,968	77.4 %		Low	3.00 %	$63,989	$0	$9,249	$13,364
2040	$400,307	$497,270	80.5 %		Low	3.00 %	$65,908	$0	$9,885	$84,705
2041	$391,396	$484,546	80.8 %		Low	3.00 %	$67,886	$0	$9,511	$98,464
2042	$370,329	$459,057	80.7 %		Low	3.00 %	$69,922	$0	$7,727	$199,465
2043	$248,513	$330,613	75.2 %		Low	3.00 %	$72,020	$0	$7,195	$0
2044	$327,728	$405,662	80.8 %		Low	3.00 %	$74,180	$0	$8,931	$23,323
2045	$387,516	$460,893	84.1 %		Low	3.00 %	$76,406	$0	$9,657	$87,675
2046	$385,904	$453,512	85.1 %		Low	3.00 %	$78,698	$0	$9,715	$82,178
2047	$392,139	$453,643	86.4 %		Low	3.00 %	$81,059	$0	$10,459	$38,136
2048	$445,521	$501,278	88.9 %		Low	3.00 %	$83,491	$0	$12,322	$0
2049	$541,334	$591,820	91.5 %		Low	3.00 %	$85,996	$0	$13,963	$64,339
2050	$576,954	$621,075	92.9 %		Low	3.00 %	$88,575	$0	$14,271	$113,836
2051	$565,964	$602,558	93.9 %		Low	3.00 %	$91,233	$0	$13,168	$181,740
2052	$488,625	$515,948	94.7 %		Low	3.00 %	$93,970	$0	$11,690	$146,648
2053	$447,637	$465,359	96.2 %		Low	3.00 %	$96,789	$0	$12,544	$0
2054	$556,969	$566,850	98.3 %		Low	3.00 %	$99,692	$0	$12,826	$199,279
2055	$470,209	$468,755	100.3 %		Low	3.00 %	$102,683	$0	$11,521	$131,968

30-Year Reserve Plan Summary (Alternate Funding Plan)

Report # 54697-0
Full

Fiscal Year Start: 2026	Net After Tax Interest: 2.50 %	Avg 30-Yr Inflation: 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date					Projected Reserve Balance Changes				
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase In Annual Reserve Funding	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2026	$154,000	$234,402	65.7 %	Medium	48.00 %	$29,600	$0	$3,605	$52,500
2027	$134,705	$227,536	59.2 %	Medium	5.00 %	$31,080	$0	$3,435	$28,840
2028	$140,380	$245,244	57.2 %	Medium	5.00 %	$32,634	$0	$3,963	$0
2029	$176,976	$294,407	60.1 %	Medium	5.00 %	$34,266	$0	$4,783	$9,944
2030	$206,081	$336,056	61.3 %	Medium	5.00 %	$35,979	$0	$4,955	$56,275
2031	$190,740	$332,524	57.4 %	Medium	5.00 %	$37,778	$0	$4,759	$42,893
2032	$190,383	$344,001	55.3 %	Medium	5.00 %	$39,667	$0	$4,289	$81,196
2033	$153,144	$317,742	48.2 %	Medium	5.00 %	$41,650	$0	$4,399	$0
2034	$199,193	$375,737	53.0 %	Medium	5.00 %	$43,733	$0	$5,348	$19,128
2035	$229,146	$417,224	54.9 %	Medium	5.00 %	$45,919	$0	$5,550	$65,239
2036	$215,377	$413,960	52.0 %	Medium	5.00 %	$48,215	$0	$4,311	$138,020
2037	$129,884	$337,175	38.5 %	Medium	3.00 %	$49,662	$0	$3,554	$28,377
2038	$154,722	$372,608	41.5 %	Medium	3.00 %	$51,152	$0	$4,559	$0
2039	$210,433	$439,968	47.8 %	Medium	3.00 %	$52,686	$0	$5,819	$13,364
2040	$255,574	$497,270	51.4 %	Medium	3.00 %	$54,267	$0	$6,078	$84,705
2041	$231,214	$484,546	47.7 %	Medium	3.00 %	$55,895	$0	$5,309	$98,464
2042	$193,954	$459,057	42.3 %	Medium	3.00 %	$57,572	$0	$3,111	$199,465
2043	$55,172	$330,613	16.7 %	High	3.00 %	$59,299	$0	$2,145	$0
2044	$116,615	$405,662	28.7 %	High	3.00 %	$61,078	$0	$3,426	$23,323
2045	$157,796	$460,893	34.2 %	Medium	3.00 %	$62,910	$0	$3,677	$87,675
2046	$136,708	$453,512	30.1 %	Medium	3.00 %	$64,797	$0	$3,237	$82,178
2047	$122,565	$453,643	27.0 %	High	3.00 %	$66,741	$0	$3,461	$38,136
2048	$154,631	$501,278	30.8 %	Medium	3.00 %	$68,743	$0	$4,780	$0
2049	$228,154	$591,820	38.6 %	Medium	3.00 %	$70,806	$0	$5,851	$64,339
2050	$240,472	$621,075	38.7 %	Medium	3.00 %	$72,930	$0	$5,564	$113,836
2051	$205,130	$602,558	34.0 %	Medium	3.00 %	$75,118	$0	$3,839	$181,740
2052	$102,347	$515,948	19.8 %	High	3.00 %	$77,371	$0	$1,712	$146,648
2053	$34,782	$465,359	7.5 %	High	3.00 %	$79,693	$0	$1,887	$0
2054	$116,362	$566,850	20.5 %	High	3.00 %	$82,083	$0	$1,461	$199,279
2055	$628	$468,755	0.1 %	High	3.00 %	$84,546	$0	$0	$131,968

	Fiscal Year	2026	2027	2028	2029	2030
	Starting Reserve Balance	$154,000	$141,135	$153,724	$197,748	$234,822
	Annual Reserve Funding	$35,950	$37,748	$39,635	$41,617	$43,697
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$3,685	$3,682	$4,389	$5,401	$5,779
	Total Income	$193,635	$182,564	$197,748	$244,766	$284,299
#	Component					
	SITE AND GROUNDS					
345	Lighting: Poles - Replace	$0	$0	$0	$0	$0
515	Walls: Brick - Repair	$0	$0	$0	$0	$56,275
1402	Monument Signs - Refurbish	$0	$0	$0	$0	$0
1700	Greenbelt (2026) - Phase 3	$20,000	$0	$0	$0	$0
1700	Greenbelt (2027) - Phase 4	$0	$15,450	$0	$0	$0
1700	Landscape - Refurbish	$0	$0	$0	$0	$0
1808	Trees/Shrubs (2026) - Remove	$5,000	$0	$0	$0	$0
1808	Trees/Shrubs (2027) - Remove	$0	$5,150	$0	$0	$0
	PARK					
400	Furniture: Park - Replace	$5,000	$0	$0	$0	$0
405	Play Equipment - Replace	$0	$0	$0	$0	$0
510	Gazebo - Refurbish/Rennovate	$0	$0	$0	$0	$0
	POOL AREA					
206	Concrete: Surfaces - Repair	$0	$0	$0	$0	$0
399	Furniture: Pool - Replace	$6,000	$0	$0	$0	$0
402	Sun Shade - Replace	$0	$0	$0	$0	$0
503	Fencing: Metal - Replace	$0	$0	$0	$0	$0
900	Kitchen/Storage Room - Remodel	$0	$0	$0	$0	$0
907	Restrooms - Refurbish	$0	$0	$0	$0	$0
1107	Fencing: Metal - Paint/Refurbish	$0	$8,240	$0	$0	$0
1202	Pools - Resurface/Retile	$0	$0	$0	$0	$0
1219	Pool Equipment – Maintain/Replace	$0	$0	$0	$9,944	$0
1655	Shed Building – Replace	$0	$0	$0	$0	$0
	BUILDING EXTERIORS					
105	Epoxy Flooring - Resurface	$0	$0	$0	$0	$0
356	Lighting: Exterior - Replace	$0	$0	$0	$0	$0
700	Doors: Utility - Replace	$0	$0	$0	$0	$0
1115	Building Exteriors - Seal/Paint	$0	$0	$0	$0	$0
1128	Siding: Fiber Cement - Replace	$0	$0	$0	$0	$0
1303	Roofing: Asphalt Shingle - Replace	$0	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace	$0	$0	$0	$0	$0
	MECHANICAL, ELECTRICAL, & PLUMBING					
305	Surveillance System - Modernize	$1,000	$0	$0	$0	$0
711	FOB Entry System - Modernize	$0	$0	$0	$0	$0
803	Water Heater - Replace	$2,000	$0	$0	$0	$0
1009	Irrigation System – Repair/Replace	$13,500	$0	$0	$0	$0
	Total Expenses	$52,500	$28,840	$0	$9,944	$56,275
	Ending Reserve Balance	$141,135	$153,724	$197,748	$234,822	$228,023

	Fiscal Year	2031	2032	2033	2034	2035
	Starting Reserve Balance	$228,023	$236,816	$209,369	$265,888	$307,028
	Annual Reserve Funding	$45,882	$48,176	$50,585	$53,115	$55,770
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$5,804	$5,571	$5,934	$7,154	$7,645
	Total Income	$279,710	$290,564	$265,888	$326,156	$370,443
#	Component					
	SITE AND GROUNDS					
345	Lighting: Poles - Replace	$0	$0	$0	$0	$0
515	Walls: Brick - Repair	$0	$0	$0	$0	$65,239
1402	Monument Signs - Refurbish	$0	$0	$0	$0	$0
1700	Greenbelt (2026) - Phase 3	$0	$0	$0	$0	$0
1700	Greenbelt (2027) - Phase 4	$0	$0	$0	$0	$0
1700	Landscape - Refurbish	$0	$0	$0	$0	$0
1808	Trees/Shrubs (2026) - Remove	$0	$0	$0	$0	$0
1808	Trees/Shrubs (2027) - Remove	$0	$0	$0	$0	$0
	PARK					
400	Furniture: Park - Replace	$0	$0	$0	$0	$0
405	Play Equipment - Replace	$0	$0	$0	$0	$0
510	Gazebo - Refurbish/Rennovate	$0	$0	$0	$0	$0
	POOL AREA					
206	Concrete: Surfaces - Repair	$25,736	$0	$0	$0	$0
399	Furniture: Pool - Replace	$0	$0	$0	$7,601	$0
402	Sun Shade - Replace	$3,710	$0	$0	$0	$0
503	Fencing: Metal - Replace	$0	$0	$0	$0	$0
900	Kitchen/Storage Room - Remodel	$0	$0	$0	$0	$0
907	Restrooms - Refurbish	$0	$0	$0	$0	$0
1107	Fencing: Metal - Paint/Refurbish	$0	$9,552	$0	$0	$0
1202	Pools - Resurface/Retile	$0	$71,643	$0	$0	$0
1219	Pool Equipment – Maintain/Replace	$0	$0	$0	$11,528	$0
1655	Shed Building – Replace	$0	$0	$0	$0	$0
	BUILDING EXTERIORS					
105	Epoxy Flooring - Resurface	$0	$0	$0	$0	$0
356	Lighting: Exterior - Replace	$0	$0	$0	$0	$0
700	Doors: Utility - Replace	$0	$0	$0	$0	$0
1115	Building Exteriors - Seal/Paint	$9,970	$0	$0	$0	$0
1128	Siding: Fiber Cement - Replace	$0	$0	$0	$0	$0
1303	Roofing: Asphalt Shingle - Replace	$0	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace	$0	$0	$0	$0	$0
	MECHANICAL, ELECTRICAL, & PLUMBING					
305	Surveillance System - Modernize	$1,159	$0	$0	$0	$0
711	FOB Entry System - Modernize	$2,319	$0	$0	$0	$0
803	Water Heater - Replace	$0	$0	$0	$0	$0
1009	Irrigation System – Repair/Replace	$0	$0	$0	$0	$0
	Total Expenses	$42,893	$81,196	$0	$19,128	$65,239
	Ending Reserve Balance	$236,816	$209,369	$265,888	$307,028	$305,204

	Fiscal Year	2036	2037	2038	2039	2040
	Starting Reserve Balance	$305,204	$232,456	$270,677	$340,433	$400,307
	Annual Reserve Funding	$58,559	$60,316	$62,125	$63,989	$65,908
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$6,713	$6,282	$7,631	$9,249	$9,885
	Total Income	$370,476	$299,054	$340,433	$413,670	$476,101
#	Component					
	SITE AND GROUNDS					
345	Lighting: Poles - Replace	$0	$0	$0	$0	$0
515	Walls: Brick - Repair	$0	$0	$0	$0	$75,629
1402	Monument Signs - Refurbish	$0	$0	$0	$0	$0
1700	Greenbelt (2026) - Phase 3	$0	$0	$0	$0	$0
1700	Greenbelt (2027) - Phase 4	$0	$0	$0	$0	$0
1700	Landscape - Refurbish	$0	$17,303	$0	$0	$0
1808	Trees/Shrubs (2026) - Remove	$0	$0	$0	$0	$0
1808	Trees/Shrubs (2027) - Remove	$0	$0	$0	$0	$0
	PARK					
400	Furniture: Park - Replace	$0	$0	$0	$0	$0
405	Play Equipment - Replace	$104,825	$0	$0	$0	$0
510	Gazebo - Refurbish/Rennovate	$13,708	$0	$0	$0	$0
	POOL AREA					
206	Concrete: Surfaces - Repair	$0	$0	$0	$0	$0
399	Furniture: Pool - Replace	$0	$0	$0	$0	$0
402	Sun Shade - Replace	$0	$0	$0	$0	$0
503	Fencing: Metal - Replace	$0	$0	$0	$0	$0
900	Kitchen/Storage Room - Remodel	$0	$0	$0	$0	$0
907	Restrooms - Refurbish	$0	$0	$0	$0	$0
1107	Fencing: Metal - Paint/Refurbish	$0	$11,074	$0	$0	$0
1202	Pools - Resurface/Retile	$0	$0	$0	$0	$0
1219	Pool Equipment – Maintain/Replace	$0	$0	$0	$13,364	$0
1655	Shed Building – Replace	$0	$0	$0	$0	$9,076
	BUILDING EXTERIORS					
105	Epoxy Flooring - Resurface	$0	$0	$0	$0	$0
356	Lighting: Exterior - Replace	$0	$0	$0	$0	$0
700	Doors: Utility - Replace	$0	$0	$0	$0	$0
1115	Building Exteriors - Seal/Paint	$0	$0	$0	$0	$0
1128	Siding: Fiber Cement - Replace	$0	$0	$0	$0	$0
1303	Roofing: Asphalt Shingle - Replace	$0	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace	$0	$0	$0	$0	$0
	MECHANICAL, ELECTRICAL, & PLUMBING					
305	Surveillance System - Modernize	$1,344	$0	$0	$0	$0
711	FOB Entry System - Modernize	$0	$0	$0	$0	$0
803	Water Heater - Replace	$0	$0	$0	$0	$0
1009	Irrigation System – Repair/Replace	$18,143	$0	$0	$0	$0
	Total Expenses	$138,020	$28,377	$0	$13,364	$84,705
	Ending Reserve Balance	$232,456	$270,677	$340,433	$400,307	$391,396

	Fiscal Year	2041	2042	2043	2044	2045
	Starting Reserve Balance	$391,396	$370,329	$248,513	$327,728	$387,516
	Annual Reserve Funding	$67,886	$69,922	$72,020	$74,180	$76,406
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$9,511	$7,727	$7,195	$8,931	$9,657
	Total Income	$468,792	$447,978	$327,728	$410,840	$473,579
#	Component					
	SITE AND GROUNDS					
345	Lighting: Poles - Replace	$0	$0	$0	$0	$0
515	Walls: Brick - Repair	$0	$0	$0	$0	$87,675
1402	Monument Signs - Refurbish	$0	$0	$0	$0	$0
1700	Greenbelt (2026) - Phase 3	$0	$0	$0	$0	$0
1700	Greenbelt (2027) - Phase 4	$0	$0	$0	$0	$0
1700	Landscape - Refurbish	$0	$0	$0	$0	$0
1808	Trees/Shrubs (2026) - Remove	$0	$0	$0	$0	$0
1808	Trees/Shrubs (2027) - Remove	$0	$0	$0	$0	$0
	PARK					
400	Furniture: Park - Replace	$7,790	$0	$0	$0	$0
405	Play Equipment - Replace	$0	$0	$0	$0	$0
510	Gazebo - Refurbish/Rennovate	$0	$0	$0	$0	$0
	POOL AREA					
206	Concrete: Surfaces - Repair	$34,587	$0	$0	$0	$0
399	Furniture: Pool - Replace	$0	$9,628	$0	$0	$0
402	Sun Shade - Replace	$4,985	$0	$0	$0	$0
503	Fencing: Metal - Replace	$0	$80,717	$0	$0	$0
900	Kitchen/Storage Room - Remodel	$0	$0	$0	$0	$0
907	Restrooms - Refurbish	$0	$0	$0	$0	$0
1107	Fencing: Metal - Paint/Refurbish	$0	$12,838	$0	$0	$0
1202	Pools - Resurface/Retile	$0	$96,282	$0	$0	$0
1219	Pool Equipment – Maintain/Replace	$0	$0	$0	$15,492	$0
1655	Shed Building – Replace	$0	$0	$0	$0	$0
	BUILDING EXTERIORS					
105	Epoxy Flooring - Resurface	$0	$0	$0	$7,831	$0
356	Lighting: Exterior - Replace	$5,297	$0	$0	$0	$0
700	Doors: Utility - Replace	$0	$0	$0	$0	$0
1115	Building Exteriors - Seal/Paint	$13,399	$0	$0	$0	$0
1128	Siding: Fiber Cement - Replace	$0	$0	$0	$0	$0
1303	Roofing: Asphalt Shingle - Replace	$22,279	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace	$2,337	$0	$0	$0	$0
	MECHANICAL, ELECTRICAL, & PLUMBING					
305	Surveillance System - Modernize	$1,558	$0	$0	$0	$0
711	FOB Entry System - Modernize	$3,116	$0	$0	$0	$0
803	Water Heater - Replace	$3,116	$0	$0	$0	$0
1009	Irrigation System – Repair/Replace	$0	$0	$0	$0	$0
	Total Expenses	$98,464	$199,465	$0	$23,323	$87,675
	Ending Reserve Balance	$370,329	$248,513	$327,728	$387,516	$385,904

	Fiscal Year	2046	2047	2048	2049	2050
	Starting Reserve Balance	$385,904	$392,139	$445,521	$541,334	$576,954
	Annual Reserve Funding	$78,698	$81,059	$83,491	$85,996	$88,575
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$9,715	$10,459	$12,322	$13,963	$14,271
	Total Income	$474,317	$483,657	$541,334	$641,293	$679,800
#	Component					
	SITE AND GROUNDS					
345	Lighting: Poles - Replace	$10,837	$0	$0	$0	$0
515	Walls: Brick - Repair	$0	$0	$0	$0	$101,640
1402	Monument Signs - Refurbish	$45,153	$0	$0	$0	$0
1700	Greenbelt (2026) - Phase 3	$0	$0	$0	$0	$0
1700	Greenbelt (2027) - Phase 4	$0	$0	$0	$0	$0
1700	Landscape - Refurbish	$0	$23,254	$0	$0	$0
1808	Trees/Shrubs (2026) - Remove	$0	$0	$0	$0	$0
1808	Trees/Shrubs (2027) - Remove	$0	$0	$0	$0	$0
	PARK					
400	Furniture: Park - Replace	$0	$0	$0	$0	$0
405	Play Equipment - Replace	$0	$0	$0	$0	$0
510	Gazebo - Refurbish/Rennovate	$0	$0	$0	$0	$0
	POOL AREA					
206	Concrete: Surfaces - Repair	$0	$0	$0	$0	$0
399	Furniture: Pool - Replace	$0	$0	$0	$0	$12,197
402	Sun Shade - Replace	$0	$0	$0	$0	$0
503	Fencing: Metal - Replace	$0	$0	$0	$0	$0
900	Kitchen/Storage Room - Remodel	$0	$0	$0	$16,775	$0
907	Restrooms - Refurbish	$0	$0	$0	$29,604	$0
1107	Fencing: Metal - Paint/Refurbish	$0	$14,882	$0	$0	$0
1202	Pools - Resurface/Retile	$0	$0	$0	$0	$0
1219	Pool Equipment – Maintain/Replace	$0	$0	$0	$17,960	$0
1655	Shed Building – Replace	$0	$0	$0	$0	$0
	BUILDING EXTERIORS					
105	Epoxy Flooring - Resurface	$0	$0	$0	$0	$0
356	Lighting: Exterior - Replace	$0	$0	$0	$0	$0
700	Doors: Utility - Replace	$0	$0	$0	$0	$0
1115	Building Exteriors - Seal/Paint	$0	$0	$0	$0	$0
1128	Siding: Fiber Cement - Replace	$0	$0	$0	$0	$0
1303	Roofing: Asphalt Shingle - Replace	$0	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace	$0	$0	$0	$0	$0
	MECHANICAL, ELECTRICAL, & PLUMBING					
305	Surveillance System - Modernize	$1,806	$0	$0	$0	$0
711	FOB Entry System - Modernize	$0	$0	$0	$0	$0
803	Water Heater - Replace	$0	$0	$0	$0	$0
1009	Irrigation System – Repair/Replace	$24,383	$0	$0	$0	$0
	Total Expenses	$82,178	$38,136	$0	$64,339	$113,836
	Ending Reserve Balance	$392,139	$445,521	$541,334	$576,954	$565,964

	Fiscal Year	2051	2052	2053	2054	2055
	Starting Reserve Balance	$565,964	$488,625	$447,637	$556,969	$470,209
	Annual Reserve Funding	$91,233	$93,970	$96,789	$99,692	$102,683
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$13,168	$11,690	$12,544	$12,826	$11,521
	Total Income	$670,365	$594,285	$556,969	$669,487	$584,412
#	Component					
	SITE AND GROUNDS					
345	Lighting: Poles - Replace	$0	$0	$0	$0	$0
515	Walls: Brick - Repair	$0	$0	$0	$0	$117,828
1402	Monument Signs - Refurbish	$0	$0	$0	$0	$0
1700	Greenbelt (2026) - Phase 3	$0	$0	$0	$0	$0
1700	Greenbelt (2027) - Phase 4	$0	$0	$0	$0	$0
1700	Landscape - Refurbish	$0	$0	$0	$0	$0
1808	Trees/Shrubs (2026) - Remove	$0	$0	$0	$0	$0
1808	Trees/Shrubs (2027) - Remove	$0	$0	$0	$0	$0
	PARK					
400	Furniture: Park - Replace	$0	$0	$0	$0	$0
405	Play Equipment - Replace	$0	$0	$0	$178,458	$0
510	Gazebo - Refurbish/Rennovate	$0	$0	$0	$0	$0
	POOL AREA					
206	Concrete: Surfaces - Repair	$46,482	$0	$0	$0	$0
399	Furniture: Pool - Replace	$0	$0	$0	$0	$0
402	Sun Shade - Replace	$6,700	$0	$0	$0	$0
503	Fencing: Metal - Replace	$0	$0	$0	$0	$0
900	Kitchen/Storage Room - Remodel	$0	$0	$0	$0	$0
907	Restrooms - Refurbish	$0	$0	$0	$0	$0
1107	Fencing: Metal - Paint/Refurbish	$0	$17,253	$0	$0	$0
1202	Pools - Resurface/Retile	$0	$129,395	$0	$0	$0
1219	Pool Equipment – Maintain/Replace	$0	$0	$0	$20,820	$0
1655	Shed Building – Replace	$0	$0	$0	$0	$14,139
	BUILDING EXTERIORS					
105	Epoxy Flooring - Resurface	$0	$0	$0	$0	$0
356	Lighting: Exterior - Replace	$0	$0	$0	$0	$0
700	Doors: Utility - Replace	$15,703	$0	$0	$0	$0
1115	Building Exteriors - Seal/Paint	$18,006	$0	$0	$0	$0
1128	Siding: Fiber Cement - Replace	$88,567	$0	$0	$0	$0
1303	Roofing: Asphalt Shingle - Replace	$0	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace	$0	$0	$0	$0	$0
	MECHANICAL, ELECTRICAL, & PLUMBING					
305	Surveillance System - Modernize	$2,094	$0	$0	$0	$0
711	FOB Entry System - Modernize	$4,188	$0	$0	$0	$0
803	Water Heater - Replace	$0	$0	$0	$0	$0
1009	Irrigation System – Repair/Replace	$0	$0	$0	$0	$0
	Total Expenses	$181,740	$146,648	$0	$199,279	$131,968
	Ending Reserve Balance	$488,625	$447,637	$556,969	$470,209	$452,445

Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Robert M. Nordlund, P.E., R.S., company Founder/CEO, is a California licensed Professional Engineer (Mechanical, #22322), and credentialed Reserve Specialist (#5). All work done by Association Reserves is performed under his Responsible Charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation. Per NRSS, information provided by official representative(s) of the client, vendors, and suppliers regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable, and is not intended to be used for the purpose of any type of audit, quality/forensic analysis, or background checks of historical records. As such, information provided to us has not been audited or independently verified. Estimates for interest and inflation have been included, because including such estimates are more accurate than ignoring them completely. When we are hired to prepare Update reports, the client is considered to have deemed those previously developed component quantities as accurate and reliable, whether established by our firm or other individuals/firms (unless specifically mentioned in our Site Inspection Notes). During inspections our company standard is to establish measurements within 5% accuracy, and our scope includes visual inspection of accessible areas and components and does not include any destructive or other testing. Our work is done only for budget purposes. Uses or expectations outside our expertise and scope of work include, but are not limited to, project audit, quality inspection, and the identification of construction defects, hazardous materials, or dangerous conditions. Identifying hidden issues such as but not limited to plumbing or electrical problems are also outside our scope of work. Our estimates assume proper original installation & construction, adherence to recommended preventive maintenance, a stable economic environment, and do not consider frequency or severity of natural disasters. Our opinions of component Useful Life, Remaining Useful Life, and current or future cost estimates are not a warranty or guarantee of actual costs or timing. Because the physical and financial status of the property, legislation, the economy, weather, owner expectations, and usage are all in a continual state of change over which we have no control, we do not expect that the events projected in this document will all occur exactly as planned. This Reserve Study is by nature a "one-year" document in need of being updated annually so that more accurate estimates can be incorporated. It is only because a long-term perspective improves the accuracy of near-term planning that this Report projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of expense projections and the funding necessary to prepare for those estimated expenses. In this engagement our compensation is not contingent upon our conclusions, and our liability in any matter involving this Reserve Study is limited to our fee for services rendered.

Terms and Definitions

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

Component Details

The primary purpose of the Component Details appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The information presented here represents a wide range of components that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding. 1) Common area repair & replacement responsibility 2) The need and schedule for the project can be reasonably anticipated 3) The total cost for the project is material to the association (board's discretion – typically ½ to 1% of Annual operating expenses,) can be reasonably estimated, and includes all direct and related costs. Not all your components may have been found appropriate for reserve funding. In our judgment, the components meeting the above four criteria are shown with the Useful Life (how often the project is expected to occur), Remaining Useful Life (when the next instance of the expense will be) and representative market cost range termed "Best Cost" and "Worst Cost". There are many factors that can result in a wide variety of potential costs, and we have attempted to present the cost range in which your actual expense will occur. Where no Useful Life, Remaining Useful Life, or pricing exists, the component was deemed inappropriate for Reserve Funding.

SITE AND GROUNDS

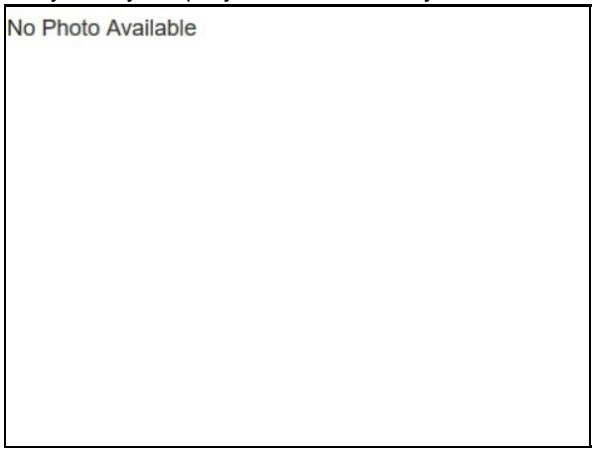
Comp #: 100 Ancillary Evaluations **Approx Quantity: 1**
Location:
Funded?: No.
History:
Comments: A reserve study is a budget model, limited to visual exterior observations and research. As there are some key details and factors of buildings and grounds hidden from view, it is prudent to conduct additional ancillary evaluations from time to time. The purpose of these evaluations is to aid planning and assess for any basis of predictable funding that may be incorporated into the reserve study. We recommend that you periodically engage specialty evaluations in the following areas/fields as applicable to your property:

- Plumbing evaluation/forensic engineering: Inspect pipes, recommend repairs and replacements
- Structural evaluation: Inspect and evaluate foundations, bearing walls, framing, columns/beams, floor systems, roof systems, etc

- Civil Engineering review: Soils & drainage, pavement specifications, below grade waterproofing
- Arborist: Trees & landscape plan of care and life cycle forecast
- Legal Responsibility Matrix: Governing document review for clear expense delineation between the association and unit owners
- Legal Governing Document review periodically to incorporate changes in law over time and best practices
- Investment consultant: Maximize return and cash flow management while protecting principal
- Insurance policy & coverage review: Understand what is and is not covered and by whom (association vs. owner policies)
- Masonry consultant: Assess mortar condition and waterproofing, and provide forecast and recommendations
- Energy Audit: Typically conducted by a utility company to assess efficiency, and cost benefit to retrofit existing equipment

Useful Life:

Remaining Life:



Lower Estimate: $ 0 **Higher Estimate:** $ 0

Cost Source:

Comp #: 345 Lighting: Poles - Replace **Approx Quantity: 2 Poles**
Location: Playground and pool
Funded?: Yes.
History:
Comments: Good condition: Pole lights determined to be in good condition typically exhibit good surface finishes with only minor, normal signs of wear. Fixtures are intact and clear with no unusual signs of age. Style is consistent and appropriate for local aesthetic standards.

Lights were inspected during daylight hours but are assumed to be functional. As routine maintenance, inspect, repair/change bulbs as needed as an operating expense. Replacement should be considered at the approximate interval shown below to ensure good function and maintain good appearance in the common areas. Replacement costs can vary greatly depending on replacement type; estimates shown here are based on replacement with a comparable size and design as are currently in place, unless otherwise noted. We recommend consideration of LED fixtures or other energy-saving options whenever possible.

Useful Life:
30 years

Remaining Life:
20 years

Lower Estimate: $ 5,400 **Higher Estimate:** $ 6,600

Cost Source: AR Cost Database

Comp #: 515 Walls: Brick - Repair **Approx Quantity: 1 10% of 2,870 LF**
Location: Perimeter of the association
Funded?: Yes.
History:
Comments: Funding for the repair of 10% of the total length or ~ 287 LF.

Good Condition: Brick walls determined to be in good condition. No signs of foundation movement/cracking. Mortar between joints is intact and filled. The walls are stable with no areas of deviation.

Brick walls are a long life component that provide protection and separation for associations. Although these walls may never completely deteriorate, it is normal to see poor construction and or erosion of wall bases causing large cracking and ultimate failure. It's best to complete annual "walk-arounds" in order to determine if there are sections that should be repaired. A professional service provider should be contacted if issues are identified so a plan can be created to repair and reinforce problem areas. Funding provided to repair and replace partial lineal footage following the schedule below.

Useful Life:
5 years

Remaining Life:
4 years

Lower Estimate: $ 45,000 **Higher Estimate:** $ 55,000

Cost Source: AR Cost Database

Comp #: 1402 Monument Signs - Refurbish **Approx Quantity: 5 Signs**
Location: Throughout the association
Funded?: Yes.
History:
Comments: Good condition: Monument signage determined to be in good condition typically exhibits good appearance and aesthetics in keeping with local area. Generally uniform and attractive finishes. If present, lettering is clean, complete and legible and any surrounding landscaping, lighting, etc. is attractive and functioning.

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

Useful Life:
25 years

Remaining Life:
20 years

Lower Estimate: $ 22,500 **Higher Estimate:** $ 27,500

Cost Source: AR Cost Database

Comp #: 1700 Greenbelt (2026) - Phase 3

Approx Quantity: 1 Lump Sum Allowance

Location: Green space
Funded?: Yes.
History: Planned in 2026 for $20,000
Comments: This component reflects the greenbelt project planned for 2026. Costs and timeline estimates have been provided by the client.

Useful Life:
10 years

Remaining Life:
0 years

Lower Estimate: $ 18,000

Higher Estimate: $ 22,000

Cost Source: Estimate Provided by the Client

Comp #: 1700 Greenbelt (2027) - Phase 4

Approx Quantity: 1 Lump Sum Allowance

Location: Green space
Funded?: Yes.
History: Planned in 2027 for $15,000
Comments: This component reflects the greenbelt project planned for 2027. Costs and timeline estimates have been provided by the client.

Useful Life:
10 years

Remaining Life:
1 years

Lower Estimate: $ 13,500

Higher Estimate: $ 16,500

Cost Source: AR Cost Database

Comp #: 1700 Landscape - Refurbish **Approx Quantity: 1 Lump Sum Allowance**

Location: Common area landscaping
Funded?: Yes.
History:
Comments: Routine daily/weekly/monthly maintenance is expected to be funded through the Operating budget. However, this component represents a supplemental "allowance" for larger projects which may occur periodically, such as renovation/restoration of landscaped areas, new trees, hedges, flower beds, etc. Timing and costs of such projects are very subjective. Estimates shown here should be re-evaluated by the Association over time and adjusted as needed during future Reserve Study updates.

Useful Life:
10 years

Remaining Life:
11 years

Lower Estimate: $ 11,300 **Higher Estimate:** $ 13,800

Cost Source: AR Cost Database

Comp #: 1808 Trees/Shrubs (2026) - Remove **Approx Quantity: 1 Lump Sum Allowance**

Location: Common area landscaping
Funded?: Yes.
History:
Comments: This component reflects the tree/shrub removal/replacement project planned for 2026. Costs and timeline estimates have been provided by the client.

Useful Life:
10 years

Remaining Life:
0 years

Lower Estimate: $ 4,500 **Higher Estimate:** $ 5,500

Cost Source: Estimate Provided by the Client

Comp #: 1808 Trees/Shrubs (2027) - Remove

Approx Quantity: 1 Lump Sum Allowance

Location: Common area landscaping
Funded?: Yes.
History:
Comments: This component reflects the tree/shrub removal/replacement project planned for 2027. Costs and timeline estimates have been provided by the client.

Useful Life:
10 years

Remaining Life:
1 years

Lower Estimate: $ 4,500

Higher Estimate: $ 5,500

Cost Source: Estimate Provided by the Client

PARK

Comp #: 400 Furniture: Park - Replace **Approx Quantity: 3 Assorted Pieces**
Location: Park
Funded?: Yes.
History: Plan to replaced in 2026 for $5,000
Comments: Includes: (1) metal table, (1) metal bench, and (1) trash can.

Fair condition: Park furniture determined to be in fair condition typically exhibits routine, noticeable signs of wear and age, but appearance is still decent and consistent, acceptable for the standards of the property.

We recommend regular inspections and repair or replacement of any damaged pieces promptly to ensure safety. Best practice is to replace all pieces together in order to maintain consistent style and quality in the pool/recreation area. Individual pieces can be replaced as needed each year as an operating expense. Costs can vary greatly based on quantity and type of pieces selected for replacement. Funding recommendation shown here is based on replacement with comparable number and quality of pieces as existing.

Useful Life:
15 years

Remaining Life:
0 years

Lower Estimate: $ 4,500 **Higher Estimate:** $ 5,500

Cost Source: Estimate Provided by the Client

Comp #: 405 Play Equipment - Replace **Approx Quantity: 4 Assorted Pieces**
Location: Playground
Funded?: Yes.
History: Spent $5,000 on playground maintenance in 2025
Comments: Includes: (2) small play systems, (1) 4-seat swing set, and (1) climbing piece.

Good condition: Playground equipment/features determined to be in good condition typically exhibit few or no significant signs of wear or age. Any moving parts appear to be functional and serviceable. Style/design is appropriate for the standards of the property.

As a routine maintenance expense, inspect for stability, damage and excessive wear and utilize maintenance funds for any repairs needed between replacement cycles. Our inspection is visual in nature only not intended to identify any structural or latent defects, safety hazards, or other liability concerns. Life expectancy can vary depending on the amount of use/abuse. Observations and replacement intervals shown below are strictly for budget purposes. Unless otherwise noted, cost estimates assume replacement would be with comparable size and style of equipment as noted during inspection.

Useful Life:
18 years

Remaining Life:
10 years

Lower Estimate: $ 70,200 **Higher Estimate:** $ 85,800

Cost Source: AR Cost Database

Comp #: 421 Playground Ground Cover - Replenish **Approx Quantity: 4,050 GSF**
Location: Playground
Funded?: No. Too small for reserve designation - handle as an operating expense.
History:
Comments: Cost estimates related to this component are not expected to meet the minimum threshold for reserve funding. As such, costs related to this component are expected to be included in the client's operating budget. Therefore, there is no recommendation for reserve funding at this time. However, any repair and maintenance or other related expenditures should be tracked, and this component should be re-evaluated during future reserve study updates based on the most recent information and data available. If deemed appropriate for reserve funding, components can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Lower Estimate: $ 0 **Higher Estimate:** $ 0

Cost Source:

Comp #: 510 Gazebo - Refurbish/Rennovate **Approx Quantity: 1 Gazebo; 342 GSF**
Location: Adjacent to park
Funded?: Yes.
History:
Comments: Fair condition: Gazebos determined to be in fair condition typically exhibit more wear and tear, possibly including some warped, split and/or deteriorated components. Framework/structure should still be sturdy but may have sections showing minor leaning or damage.

As routine maintenance, inspect regularly and repair individual pieces or sections as needed from general operating funds. Clean and paint/stain along with other larger projects or as general maintenance to preserve the appearance of the structure and extend its useful life. If present, vegetation should be well-maintained and not allowed to become overgrown, which can eventually compromise the structure. Assuming ordinary care and maintenance, plan for major repairs or possibly complete replacement (if warranted) at roughly the interval indicated below.

Useful Life:
25 years

Remaining Life:
10 years

Lower Estimate: $ 9,180 **Higher Estimate:** $ 11,200

Cost Source: AR Cost Database

POOL AREA

Comp #: 206 Concrete: Surfaces - Repair **Approx Quantity: 1 5% of 22,200 GSF**
Location: Pool deck, parking lot and sidewalks
Funded?: Yes.
History:
Comments: Includes: ~ 10,500 GSF of pebbled concrete, ~ 1,660 GSF of parking lot concrete and ~ 10,000 GSF of concrete sidewalks.

Funding for the repair of 5% of the total surface area or ~ 1,110 GSF.

Fair condition: Concrete surfaces determined to be in fair condition typically may exhibit small changes in slope and narrow “hair-line” wide cracks. Overall, no unusual or extreme signs of age noted. Evidence of past grinding/repairs may have also been evident at the time of inspection. Pool deck was in good condition and is included in this component.

Concrete surfaces are reported to be the maintenance, repair, and replacement responsibility of the client. All areas should be inspected periodically to identify potential trip hazards or other safety issues. Concrete maintenance typically consists of pressure washing, crack repairs, and replacement of small sections as-needed. Exposure to sunlight, weather, and frequent vehicle traffic can lead to larger, more frequent repairs, especially for older properties. Although life expectancy for comprehensive replacement has been deemed to be too indeterminate for reserve designation, conditions observed merit inclusion of an allowance for ongoing repairs and partial replacements. Timeline and cost ranges shown here should be re-evaluated during future reserve study updates, and adjustments made based on the most current information available at that time.

Useful Life:
10 years

Remaining Life:
5 years

Lower Estimate: $ 20,000 **Higher Estimate:** $ 24,400

Cost Source: AR Cost Database

Comp #: 399 Furniture: Pool - Replace **Approx Quantity: 55 Assorted Pieces**
Location: Pool area
Funded?: Yes.
History: Spending $2,000/year in 2025, 2026 and 2027
Comments: Includes: (23) plastic lounges, (5) plastic dining tables, and (27) plastic dining chairs.

Fair condition: Pool furniture determined to be in fair condition typically exhibits routine, noticeable signs of wear and age, but appearance is still decent and consistent, acceptable for the standards of the property. Some pieces, especially lounge chairs, tend to show more signs of age at this stage.

We recommend regular inspections and repair or replacement of any damaged pieces promptly to ensure safety. Protected storage of furniture when not in use can help to extend useful life. Best practice is to replace all pieces together in order to maintain consistent style and quality in the pool/recreation area. Individual pieces can be replaced as needed each year as an operating expense. Costs can vary greatly based on quantity and type of pieces selected for replacement. Funding recommendation shown here is based on replacement with comparable number and quality of pieces as existing.

Useful Life:
8 years

Remaining Life:
0 years

Lower Estimate: $ 5,400 **Higher Estimate:** $ 6,600

Cost Source: Estimate Provided by the Client

Comp #: 402 Sun Shade - Replace **Approx Quantity: 1 Shade; 400 GSF**
Location: Over wader pool
Funded?: Yes.
History:
Comments: Fair condition: Sun Shade structure determined to be in fair condition typically exhibit more moderate signs of age, including noticeable color fading, loose/sagging material or other aesthetic problems. Attachments and hardware remain in serviceable condition.

Sun Shade should be inspected, cleaned and repaired as needed on a regular basis to preserve good aesthetic condition. In many cases, framework/structure can be repaired and painted if needed to prolong useful life, sometimes indefinitely. Ensure that anchor points and hardware are in good condition, and take note of any recommendations for removal during high winds or storms.

Useful Life:
10 years

Remaining Life:
5 years

Lower Estimate: $ 2,880 **Higher Estimate:** $ 3,520

Cost Source: AR Cost Database

Comp #: 503 Fencing: Metal - Replace **Approx Quantity: 671 LF**
Location: Pool perimeter and localized perimeter area
Funded?: Yes.
History:
Comments: Fair condition: Metal fencing determined to be in fair condition typically exhibits some minor to moderate amounts of surface wear and other signs of age, which may include corrosion, loose or unstable pieces/sections or hardware, and/or overgrowth by surrounding vegetation. Overall, appears to be in serviceable but declining condition.

In our experience, metal fencing will typically eventually break down due to a combination of sun and weather exposure, which is sometimes exacerbated by other factors such as irrigation overspray, abuse and lack of preventive maintenance. For some types of fencing, complete replacement is advisable over recoating or refinishing due to relatively short lifespan of coatings and consideration of total life-cycle cost.

Useful Life:
30 years

Remaining Life:
16 years

Lower Estimate: $ 45,300 **Higher Estimate:** $ 55,300

Cost Source: AR Cost Database

Comp #: 517 Walls: Retaining - Repair **Approx Quantity: 117 GSF**
Location: Pool perimeter
Funded?: No. Too small for reserve designation - handle as an operating expense.
History:
Comments: Cost estimates related to this component are not expected to meet the minimum threshold for reserve funding. As such, costs related to this component are expected to be included in the client's operating budget. Therefore, there is no recommendation for reserve funding at this time. However, any repair and maintenance or other related expenditures should be tracked, and this component should be re-evaluated during future reserve study updates based on the most recent information and data available. If deemed appropriate for reserve funding, components can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Lower Estimate: $ 0 **Higher Estimate:** $ 0

Cost Source:

Comp #: 900 Kitchen/Storage Room - Remodel **Approx Quantity: 1 Lump Sum Allowance**

Location: Pool building interiors
Funded?: Yes.
History: Remodel in 2024 for $8,500
Comments: Includes: ~ 385 GSF of painted surfaces, ~ 30 GSF of metal counters, (1) sink, and (3) lights.

Good condition: Kitchens determined to be in good condition typically exhibit attractive cabinetry, countertops, flooring, and lighting. Overall, the appearance and design aesthetic is good and appropriate for the standards of the community.

Kitchen materials typically have an extended useful life. However, many clients choose to remodel the kitchen at the interval below to update the aesthetic. This may include replacement (or addition) of cabinets, countertops, lighting, etc. Best practice is to coordinate this project with other amenity areas, such as bathrooms or other amenity rooms. Remaining useful life is based on consideration of materials, evident conditions, and/or remodeling/renovation history provided during the engagement. Costs can significantly vary based on an anticipated scope of work as well as materials chosen for remodeling/renovation. Unless otherwise noted, cost allowances shown below assume remodeling with both similar quantities and qualities as existing materials.

Useful Life:
24 years

Remaining Life:
23 years

Lower Estimate: $ 7,650 **Higher Estimate:** $ 9,350

Cost Source: Client Cost History

Comp #: 907 Restrooms - Refurbish **Approx Quantity: 2 Restrooms**
Location: Pool building interiors
Funded?: Yes.
History: Renovated in 2025 for $15,000
Comments: Restrooms noted to include approximately 196 GSF of painted surfaces, (2) sinks, (3) toilets, (1) urinals, (3) stalls, (12) lights, and (2) changing tables.

Good condition: Restrooms determined to be in good condition typically exhibit clean, attractive countertops (and cabinetry, if present). Fixtures all appear to be functional and in good aesthetic condition. Flooring and wall finishes show only minor, routine signs of wear and age. Overall, the appearance and design aesthetic is good and appropriate for the standards of the community.

As routine maintenance, inspect regularly and perform any needed repairs promptly utilizing general operating funds. Typical remodeling project can include some or all of the following: replacement of plumbing fixtures, partitions, countertops, lighting, flooring, ventilation fans, accessories, décor, etc. Best practice is to coordinate this project with other amenity areas, such as kitchens or other amenity rooms. Remaining useful life is based on consideration of materials, evident conditions, and/or remodeling/renovation history provided during the engagement. Costs can significantly vary based on an anticipated scope of work as well as materials chosen for remodeling/renovation. Unless otherwise noted, estimates shown are based primarily on light to moderate cosmetic remodeling, not complete "gut" remodel projects.

Useful Life:
24 years

Remaining Life:
23 years

Lower Estimate: $ 13,500 **Higher Estimate:** $ 16,500

Cost Source: Estimate Provided by the Client

Comp #: 1107 Fencing: Metal - Paint/Refurbish **Approx Quantity: 671 LF**
Location: Pool perimeter and localized perimeter area
Funded?: Yes.
History: Painted fencing in 2021 for $5,400; Plan to paint/repair fencing in 2025, 2026, 2027 for $4,000/year
Comments: Fair condition: Metal fencing determined to be in fair condition typically exhibits a finish coat or surface which is mostly uniform but exhibits minor to moderate corrosion or rust. Coloring may be faded but is still mostly consistent.

Painting not only protects the metal surface from excessive wear, but promotes a good, attractive appearance in the common areas. Metal fencing should be painted at the interval shown here in order to inhibit (or delay) onset of rust/corrosion, promote a strong aesthetic standard, and prevent/minimize costly repairs. Costs can vary greatly depending on existing conditions of fencing, which will dictate the amount of repair and prep work required. Thus, this component should be re-evaluated during future reserve study updates based on the most current conditions and information available at that time.

Useful Life:
5 years

Remaining Life:
1 years

Lower Estimate: $ 7,200 **Higher Estimate:** $ 8,800

Cost Source: AR Cost Database

Comp #: 1202 Pools - Resurface/Retile **Approx Quantity: 2 Pools; 5000 GSF**
Location: Pools
Funded?: Yes.
History: Pool replastered in 2021 for $44,000
Comments: Pool is approximately 3,640 GSF footprint area with 267 waterline/perimeter length. Depth ranges from 3' 0" to 5' 0".

Wader pool is approximately 226 GSF footprint area with 66 waterline/perimeter length. Depth is 1' 0".

Fair condition: Swimming pools determined to be in fair condition typically exhibit some color fade/discoloration, and roughening of the surface, often more noticeable in the shallow areas and/or at steps. Waterline tiles are in fair condition. Generally believed to be aging normally.

Minor repairs and routine cleaning/maintenance should be considered an Operating expense. Pool resurfacing will restore the aesthetic quality of the pool while protecting the actual concrete shell of the pool from deterioration. This type of project is best suited for slow/offseason to minimize downtime during periods when pool is used heavily. Should be expected at the approximate interval shown below; in some cases, schedule may need to be accelerated due to improper chemical balances or aesthetic preferences of the Client. While drained for resurfacing, any other repairs to lighting, handrails, stairs, ladders, etc. should be conducted as needed.

Useful Life:
10 years

Remaining Life:
6 years

Lower Estimate: $ 54,000 **Higher Estimate:** $ 66,000

Cost Source: AR Cost Database

Comp #: 1219 Pool Equipment – Maintain/Replace **Approx Quantity: 1 Lump Sum Allowance**

Location: Pool equipment building
Funded?: Yes.
History: Replaced (3) pumps in 2024 for $9,360
Comments: Includes: (4) 3 hp Jandy pool pumps, (3) TR-140C sand filter, (1) Jandy sand filter, and (2) chemical feeders.

Minimal or no subjective/aesthetic value for pool and spa equipment. Pool and spa pumps, filters, chemical feeders, and other miscellaneous equipment can be repaired or replaced for relatively low cost in most cases. Due to varying ages and/or information provided during this inspection, comprehensive replacement of all equipment at once is not anticipated. Thus, this component represents a “supplemental” allowance to repair, rebuild, and/or replace equipment as needed. Remaining useful life has been adjusted based on available visual condition, manufacture dates (if available), and/or Client cost history provided. The Client should continually track relevant repair/replacement expenses and report them during future Reserve Study updates. This component should then be re-evaluated based on the most current information available at that time.

Useful Life:
5 years

Remaining Life:
3 years

Lower Estimate: $ 8,190 **Higher Estimate:** $ 10,000

Cost Source: AR Cost Database

Comp #: 1655 Shed Building – Replace **Approx Quantity: 1 Shed; 44 GSF**
Location: Pool deck
Funded?: Yes.
History: Installed in 2025 for $6,000
Comments: Good condition: Shed is brand new and has little to no wear.

Shed structures should be inspected, cleaned, and repaired as needed on a regular basis to prolong useful life. Typically considered temporary structures, replacement will be warranted at longer intervals to restore aesthetic appeal and functionality. Ensure that key structural framework members and hardware are in good condition, and take note of any recommendations for additional anchoring during high winds or storms. Remaining useful life is based on consideration of installation/replacement date, evident visual conditions, and/or repair history provided by the Client. Unless otherwise noted, cost estimates shown below assume replacement with a comparable structure as existing.

Useful Life:
15 years

Remaining Life:
14 years

Lower Estimate: $ 5,400 **Higher Estimate:** $ 6,600

Cost Source: Client Cost History

Comp #: 105 Epoxy Flooring - Resurface **Approx Quantity: 1,060 GSF**
Location: Covered and interior decking
Funded?: Yes.
History: Installed in 2024 for $4,500
Comments: Refer to component #104 for more general information and observations on conditions. This component refers to the eventual need to completely resurface decking systems, typically required after multiple finish coats have been applied, or in cases of advanced deterioration. Timeline for complete resurfacing may sometimes be prolonged, but at longer intervals, most decking systems/membranes should be completely stripped/removed to expose bare substrate, which should then be repaired or re-sloped as needed. Once structure is deemed to be in good condition, waterproofing system should be applied by trained professionals in accordance with manufacturer's specifications. If not resurfaced or replaced with a new system, water penetration can damage the building structure. We generally recommend consulting with a structural engineer or waterproofing specialist to help define a comprehensive scope of work before obtaining bids.

Useful Life:
20 years

Remaining Life:
18 years

Lower Estimate: $ 4,140 **Higher Estimate:** $ 5,060

Cost Source: Client Cost History; Inflation Adjusted

Comp #: 356 Lighting: Exterior - Replace **Approx Quantity: 23 Assorted Lights**
Location: Exterior lighting
Funded?: Yes.
History:
Comments: Includes: (8) flood lights and (15) ceilings lights.

Good condition: Exterior lights determined to be in good condition typically exhibit only minor signs of normal wear and tear and are consistent with local aesthetic standards for the development.

Lights were inspected during daylight hours but are assumed to be functional. As routine maintenance, inspect, repair/change bulbs as needed as an operating expense. If available, an extra supply of replacement fixtures should be kept on-site to allow for prompt individual replacements. Replacement should be considered at the approximate interval shown below to ensure good function and maintain good appearance in the common areas. Replacement costs can vary greatly depending on replacement type; estimates shown here are based on replacement with a comparable size and design as are currently in place, unless otherwise noted. We recommend consideration of LED fixtures or other energy-saving options whenever possible.Lights were inspected during daylight hours but are assumed to be functional. As routine maintenance, inspect, repair/change bulbs as needed as an operating expense. Replacement should be considered at the approximate interval shown below to ensure good function and maintain good appearance in the common areas. Replacement costs can vary greatly depending on replacement type; estimates shown here are based on replacement with a comparable size and design as are currently in place, unless otherwise noted. We recommend consideration of LED fixtures or other energy-saving options whenever possible.

Useful Life:
20 years

Remaining Life:
15 years

Lower Estimate: $ 3,060 **Higher Estimate:** $ 3,740

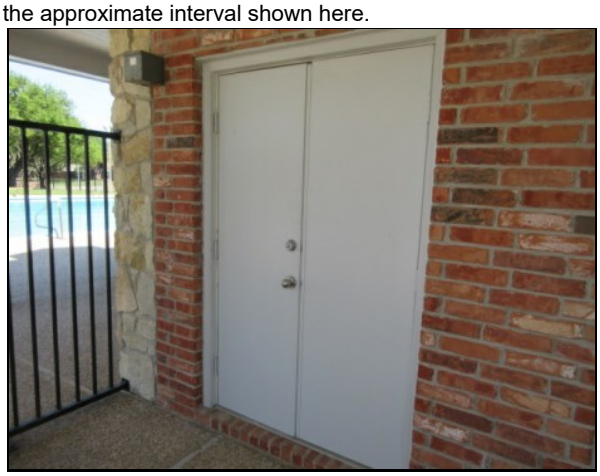
Cost Source: AR Cost Database

Comp #: 700 Doors: Utility - Replace **Approx Quantity: 5 Doors**
Location: Pool building exteriors
Funded?: Yes.
History:
Comments: Fair condition: Utility doors determined to be in fair condition typically exhibit more signs of wear and tear, and noticeable aesthetic decline. Doors are still functional. At this stage, the framework sometimes has issues with rust and expansion, causing doors to stick.

Utility doors should have a very long useful life expectancy in most cases. However, occasional replacements may be required, especially for doors located in more exposed areas. Inspect periodically and repair as needed to maintain appearance, security and operation with maintenance funds. Should be painted along with building exteriors or other painting/waterproofing projects to preserve appearance and prolong useful life. Based on our experience with comparable properties, we recommend planning for ongoing partial replacements at the approximate interval shown here.

Useful Life:
40 years

Remaining Life:
25 years



Lower Estimate: $ 6,750 **Higher Estimate:** $ 8,250

Cost Source: AR Cost Database

Comp #: 1115 Building Exteriors - Seal/Paint **Approx Quantity: 2,820 GSF**
Location: Pool and pump buildings
Funded?: Yes.
History: Cabana exteriors painted and repaired in 2021 for $8,600
Comments: Includes: ~ 960 GSF of siding, ~ 1,580 GSF of soffits and ~ 281 GSF of trim.

Good condition: Painted exterior surfaces determined to be in good condition typically exhibit consistent, attractive color and texture with no unusual or significant signs of wear or deterioration. Appearance is good and upholding the aesthetic standards of the development.

There are two important reasons for painting and waterproofing a building: to protect the structure from damage caused by exposure to the elements, and to restore or maintain good aesthetic standards for curb appeal. As routine maintenance, we recommend that regular inspections, spot repairs and touch-up painting be included in the operating budget. Typical paint cycles can vary greatly depending upon many factors including; type of material painted, surface preparations, quality of material, application methods, weather conditions during application, moisture beneath paint, and exposure to weather conditions. Proper sealant/caulking at window and door perimeters and other "gaps" in the building structure are critical to preventing water intrusion and resulting damage. The general rule of thumb is that sealant/caulking should be in place wherever two dissimilar building surfaces meet, such as window frame to concrete structure junctions. For best results, the client may want to consult with a paint company representative, building envelope specialist and/or structural engineer to specify the types of materials to be used and define complete scope of work before bidding. In our experience, cost estimates for painting and waterproofing can vary widely, even when based on the same prescribed scope of work. Estimates shown here should be updated and revised as needed based on actual bids obtained or project cost history during future reserve study updates.

Useful Life:
10 years

Remaining Life:
5 years

Lower Estimate: $ 7,740 **Higher Estimate:** $ 9,460

Cost Source: AR Cost Database

Comp #: 1126 Siding: Masonry - Repair/Repoint **Approx Quantity: 1,390 GSF**
Location: Pool and pump buildings
Funded?: No. Too indeterminate for reserve designation - handle as an operating expense.
History: Repairs done in 2021 for $3,100
Comments: Brick or other masonry siding is typically a low maintenance surface that requires minimal, infrequent repair. However, in some cases (usually after several decades or more), the original mortar between bricks may require repointing to restore appearance and adequately protect against water intrusion. Repointing involves taking out a portion of the existing mortar and installing new mortar and continuing on until all affected sections have been replaced. In our experience, there is not a well-defined predictable timeline for repointing work, usually making this project inappropriate for reserve funding. If repointing is a concern, we strongly recommend further inspection by a qualified engineer and/or masonry specialist to diagnose existing conditions and recommend a scope of work. If warranted, the reserve study can be adjusted to include funding recommendations going forward.

Useful Life:

Remaining Life:

Lower Estimate: $ 0 **Higher Estimate:** $ 0

Cost Source:

Comp #: 1128 Siding: Fiber Cement - Replace **Approx Quantity: 2,820 GSF**
Location: Pool and pump buildings
Funded?: Yes.
History:
Comments: Includes: ~ 960 GSF of siding, ~ 1,580 GSF of soffits and ~ 281 GSF of trim.

Good condition: Fiber cement siding/trim sections determined to be in good condition typically exhibit vibrant, consistent color and little or no signs of damage, deterioration, etc.

Association Reserves does not specifically endorse any products, manufacturers or vendors, but James Hardie Building Products, Inc. is the leading manufacturer of fiber cement siding, and their website (www.jameshardie.com) is an informative resource for proper care and maintenance of fiber cement siding. Their "Best Practices" guidelines offer specific guidelines for materials to be used; we strongly recommend complying with recommendations specific to your geographical area. We recommend that the association consult with qualified exterior painting/waterproofing consultants and/or contractors to ensure that proper materials are used in painting and sealing the building siding.

Useful Life:
50 years

Remaining Life:
25 years

Lower Estimate: $ 38,100 **Higher Estimate:** $ 46,500

Cost Source: AR Cost Database

Comp #: 1303 Roofing: Asphalt Shingle - Replace **Approx Quantity: 2,810 GSF**
Location: Pool and pump buildings
Funded?: Yes.
History: Replaced in 2022 for $12,640
Comments: Good condition: Asphalt shingle roofs determined to be in good condition typically exhibit few or no signs of curling/cupping of shingles, and granule cover appears to be thick and consistent. Little to no organic growth or staining patterns evident, and no unusual or significant leaks reported. Shingles and flashing appear to provide good coverage to all areas, especially at intersection points and around any penetrations.

As routine maintenance, many manufacturers recommend inspections at least twice annually and after large storm events. Promptly replace any damaged/missing sections or conduct any other repair needed to ensure waterproof integrity of roof. Keep roof surface, gutters and downspouts clear and free of moss or debris. Moss growth can decrease the life of the roofing shingles and should be removed promptly. We recommend having roof inspected in greater detail (including conditions of sub-surface materials) by an independent roofing consultant prior to replacement. There is a wealth of information available through organizations such as the Roof Consultant Institute http://www.rci-online.org/ and the National Roofing Contractors Assn. (NRCA) http://www.nrca.net/. If the roof has a warranty, be sure to review terms and conduct proper inspections/repairs as needed to keep warranty in force. Dimensional shingles typically have longer useful lives and are generally considered to be more valuable from an aesthetic standpoint. We recommend budgeting to replace with dimensional shingles upon failure. Also known as architectural shingles, these types of roofs are typically more durable and wind-resistant than 3-tab shingles. Remaining useful life is based on consideration of installation/replacement date, evident visual conditions, and/or repair history provided by the Client. Unless otherwise noted, costs shown here assume that only a minimal amount of substrate/decking repairs or replacement will be required. For very old roofs or those with significant leak problems, additional repair costs may be incurred.

Useful Life:
20 years

Remaining Life:
15 years

Lower Estimate: $ 12,900 **Higher Estimate:** $ 15,700

Cost Source: Client Cost History; Inflation Adjusted

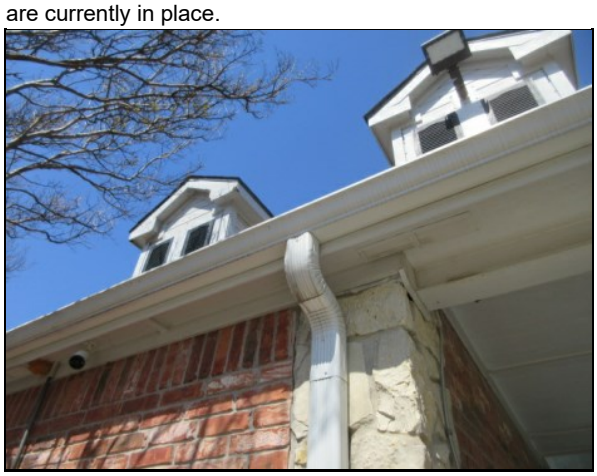
Comp #: 1310 Gutters/Downspouts - Replace **Approx Quantity: 252 LF**
Location: Pool building
Funded?: Yes.
History: Replaced gutter in 2021 for $1,185
Comments: Includes: ~ 202 LF of gutters and ~ 50 LF of downspouts.

Good condition: Gutters and downspouts determined to be in good condition typically exhibit little to no significant surface wear or deterioration of material. No obvious sagging or tilting sections. Attachments to building appear to be strong and stable.

Gutters and downspouts are assumed to be functioning properly unless otherwise noted. As routine maintenance, inspect regularly, keep gutters and downspouts free of debris. If buildings are located near trees, keep trees trimmed back to avoid accumulation of leaves on the roof surface which will accumulate in the gutters and increase maintenance requirements while reducing life expectancy. Repair or replace individual sections as needed as an Operating expense. We generally recommend that the gutters and downspouts be replaced when the roof is being resurfaced/replaced. National Roofing Contractor Association (NRCA) roofing standard includes installing eave flashings at the gutters. We suggest to plan for total replacement of gutter and downspouts at the same intervals as roof replacement for cost efficiency. Unless otherwise noted, costs shown here assume replacement with similar type as are currently in place.

Useful Life:
20 years

Remaining Life:
15 years



Lower Estimate: $ 1,350 **Higher Estimate:** $ 1,650

Cost Source: Client Cost History; Inflation Adjusted

Comp #: 305 Surveillance System - Modernize

Approx Quantity: 1 Lump Sum Allowance

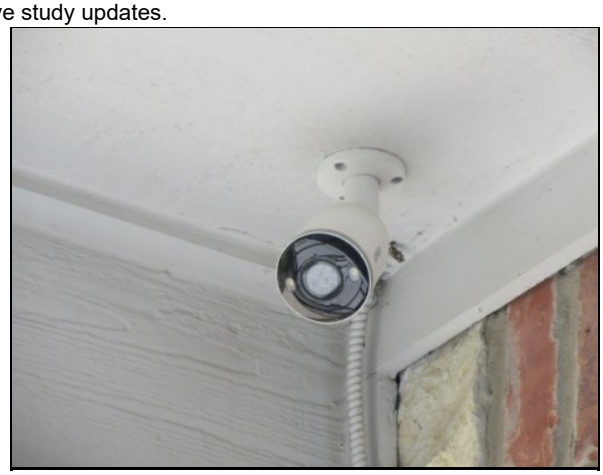
Location: Pool area
Funded?: Yes.
History: Installed in 2021 for $865
Comments: Includes: (6) security cameras.

Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Security/surveillance system(s) should be monitored closely to ensure proper function. Whenever possible, camera locations should be protected and isolated to prevent tampering and/or theft. Typical modernization projects may include addition and/or replacement of cameras, recording equipment, monitors, software, etc. Costs assume that existing wiring can be re-used and only the actual equipment will be replaced. In many cases, replacement or modernization is warranted due to advancement in technology, not necessarily due to functional failure of the existing system. Keep track of any partial replacements and include cost history during future reserve study updates.

Useful Life:
5 years

Remaining Life:
0 years



Lower Estimate: $ 900

Higher Estimate: $ 1,100

Cost Source: Client Cost History; Inflation Adjusted

Comp #: 711 FOB Entry System - Modernize **Approx Quantity: 2 AWID FOB's**
Location: Pool entrances
Funded?: Yes.
History: Card reader replaced in 2021 for $500
Comments: Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Card/fob reader device(s) are assumed to be functional. Due to use, exposure, and advancements in technology, plan to replace devices and control systems at the approximate interval shown here. Individual readers can often be replaced as an operating expense due to damage or localized failures. To ensure a functional, compatible system and obtain better pricing, plan on replacing all devices together as one project.

Useful Life:
10 years

Remaining Life:
5 years

Lower Estimate: $ 1,800 **Higher Estimate:** $ 2,200

Cost Source: AR Cost Database

Comp #: 803 Water Heater - Replace **Approx Quantity: 1 Water Heater**
Location: Equipment closet
Funded?: Yes.
History:
Comments: Manufacturer: Bradford White
Manufacturing Date: 2009
Capacity: 40 gallons
M/N: M240T6DS-1NCWW
S/N: FK12505380

Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

System was not tested during the inspection, but is assumed to be functional. Water heater life expectancies can vary greatly depending on level of use, type of technology, amount of preventive maintenance and other factors. Heater should be inspected and repaired as-needed by a vendor or maintenance staff as an operating expense. Even with ongoing maintenance and repairs considered, we recommend that the client financially prepare to replace at the approximate interval shown below. When evaluating replacements, we recommend choosing high-efficiency or tankless models if possible in order to minimize energy usage.

Useful Life:
15 years

Remaining Life:
0 years

Lower Estimate: $ 1,800 **Higher Estimate:** $ 2,200

Cost Source: AR Cost Database

Comp #: 1009 Irrigation System – Repair/Replace **Approx Quantity: 1 Lump Sum Allowance**

Location: Throughout the association
Funded?: Yes.
History: Plan to spend $15,000 for irrgation enhancements in 2025, 2026, and 2027
Comments: Includes: (9) controllers.

Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance. Replacement may be warranted at longer intervals based on availability of new technology, even if existing safes are still serviceable.

As routine maintenance, inspect regularly, test system and repair as-needed from the operating budget. We recommend consulting with an irrigation vendor (if contracted) to determine what types of repairs and replacements are included in the landscaping contract. If properly installed without defect, most of the elements within this system (distribution piping, valves, sprinkler heads, etc) are generally low-cost and have a failure rate that is difficult to predict, making routine repairs best-suited to be handled through the operating budget. However, based on evident conditions and/or client cost history provided during this engagement, this component represents a “supplemental” allowance for ongoing repairs and replacements that may occur outside of the operating budget. Moving forward, we recommend that the client track and report future expenditures related to the irrigation system. This component can then be re-evaluated during future reserve study updates based on the most current information available at that time.

Useful Life:
10 years

Remaining Life:
0 years

Lower Estimate: $ 12,200 **Higher Estimate:** $ 14,900

Cost Source: AR Cost Database