

**Willow Creek III HOA  
8091 E. Phillips Cir.  
Centennial, CO. 80112**



**Level 2, Platinum Reserve Analysis  
Report Period – 01/01/19 – 12/31/19**



**Client Reference Number - 6023  
Property Type – Detached Homes & Townhomes**

**FINAL  
Version**

**Fiscal Year End – December 31  
Number of units- 515  
Date of Property Observation - April 17, 2018**

**Project Manager - Justin Huggins  
Main Contact Person - Greg Coleman, Property Manager**

**Report was prepared on - Wednesday, August 29, 2018**

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## Introduction to the Reserve Analysis –

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

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

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

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

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

## **General Information and Answers to Frequently Asked Questions –**

### **Why is it important to perform a Reserve Study?**

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

### **Now that we have “it”, what do we do with “it”?**

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

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

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

### **How often do we update or review “it”?**

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

### **Is it the law to have a Reserve Study conducted?**

The Government requires reserve analyses in approximately 20 states. The State of Colorado currently requires all associations to adopt a Reserve policy, but does not currently enforce a Reserve Study be completed. Despite enacting this current law, the chances are also very good the documents of the association require the association to have a Reserve fund established. This may not mean a Reserve Analysis is required, but how are you going to know there are enough funds in the account if you don't have the proper information? Hypothetically, some associations look at the Reserve fund and think \$50,000 is a lot of money and they are in good shape. What they don't know is the roof will need to be replaced within 5 years, and the cost of the roof is going to exceed \$75,000. So while \$50,000 sounds like a lot of money, in reality it won't even cover the cost of a roof, let alone all the other amenities the association is responsible to maintain.

## **What makes an asset a “Reserve” item versus an “Operating” item?**

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

## **The GREY area of “maintenance” items that are often seen in a Reserve Study –**

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

## **The Property Observation –**

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

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

## **The Reserve Fund Analysis –**

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

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

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

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

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



## Summary of Willow Creek III HOA

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Assoc# - 6023

Projected Starting Balance as of January 1, 2019 -	<b>\$485,886</b>
Ideal Reserve Balance as of January 1, 2019 -	<b>\$836,338</b>
Percent Funded as of January 1, 2019 -	<b>58%</b>
Recommended Reserve Allocation (per month) -	<b>\$12,225</b>
Minimum Reserve Allocation (per month) -	<b>\$10,375</b>
Recommended Special Assessment -	<b>\$0</b>

This report is an update to an existing Reserve Study that was prepared by another provider for the association approximately 5 years ago for the 2014 fiscal period. An observation of the property's common area elements took place on April 17<sup>th</sup>, 2018 to verify the information from this previous report. Some measurements were taken to verify and update the quantities of the components. In addition, we obtained information by contacting local vendors and contractors, as well as communicating with the property representative. To the best of our knowledge, the conclusions and suggestions of this report are considered reliable and accurate insofar as the information obtained from these sources.

This property contains 515 detached homes and townhomes within a community that was constructed in the late 1970s. Common area asset responsibilities of the association include, but are not limited to a clubhouse, tennis courts, perimeter fencing, entry monuments, mailboxes, common area landscaping, and an irrigation system. Please refer to the *Projected Reserve Expenditures* table of the Financial Analysis for a detailed listing of when projects are programmed to be addressed.

In comparing the projected balance of \$485,886 versus the ideal Reserve Balance of \$836,338, we find the association Reserve fund to be in a fair financial position (approximately 58% funded of ideal) at this time. However, based on the information contained within this report, we find the current budgeted Reserve allocation to be less than adequate in maintaining the strength of the Reserve fund for future Reserve project consideration. Therefore, we recommend increasing the Reserve contribution to \$12,225 per month starting in 2019, with nominal annual increases of 2.75% for 18 years, followed by secondary annual increases of 3.75% thereafter to help offset the effects of inflation. By following the recommendation, the plan will maintain the Reserve account in a positive manner, while gradually increasing to a fully funded position within the thirty-year period.

In the percent Funded graph, you will see that we have also suggested a minimum Reserve contribution of \$10,375 per month. If the Reserve contribution falls below this rate, then the Reserve fund will fall into a situation where Special Assessments, deferred maintenance, and lower property values are possible at some point in the future.

The minimum Reserve allocation follows the "threshold" theory of Reserve funding where the "percent funded" status is not allowed to dip below 30% funded at any point during the thirty-year period. This was provided for one purpose only, to show the association how small the difference is between the two scenarios and how it would not make financial sense to contribute less money (approximately \$3.59 per unit per month in this case) to the Reserve fund to only stay above a certain threshold. As you can see, the difference between the two scenarios is considered to be extremely minimal, and based on the risk, we strongly suggest the recommended Reserve Allocation is followed.

Comp #: 105 Comp Shingle Roof - Replace



*Observations:*

- It was reported that the roof was installed in 2015.
- It appears this roof material is rated as a 30 - 40 year product. Despite this rating, a life expectancy of 18 - 20 years is expected in this environment.
- Due to the potentially harsh winters, extensive freeze/thaw cycle, and likelihood of hail events over the useful life of the roof, we typically see associations replacing roofs sooner than the manufacturer's suggested useful life.
- Remaining life is based on age of roof and observed conditions.

*Location:* **Clubhouse, Lifeguard Shack**

*Quantity:* **Approx. 22 squares**

*Life Expectancy:* **22** *Remaining Life:* **18**

*Best Cost:* **\$10,450**

\$475/square; Estimate to remove and replace

*Worst Cost:* **\$12,100**

\$550/square; Higher estimate for more labor costs

*Source of Information:* Cost Database

*General Notes:*

**Project History:**

**- 2015: Installed composite shingle roofs - no cost provided**

Comp #: 120 Gutters/Downspouts - Replace



*Observations:*

- Due to the small quantity of rain gutters and downspouts, we recommend replacing as needed with operating funds.

*Location:* **Clubhouse**

*Quantity:* **Approx. 125 LF**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*General Notes:*



Comp #: 204 Building Ext Surfaces - Repaint



**Observations:**

- It was reported that the clubhouse was painted in 2015.
- In this climate, it is recommended that exterior surfaces are painted every 5 - 7 years.
- The exact timeframe depends on the color chosen and the level of exposure to elements, as well as the quality of past paint jobs.
- The remaining life is based on the observed conditions.

**Location:** Clubhouse

**Quantity:** Moderate GSF

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

**Best Cost:** \$5,000

Estimate to repaint wood surfaces

**Worst Cost:** \$7,000

Higher estimate for more prep work

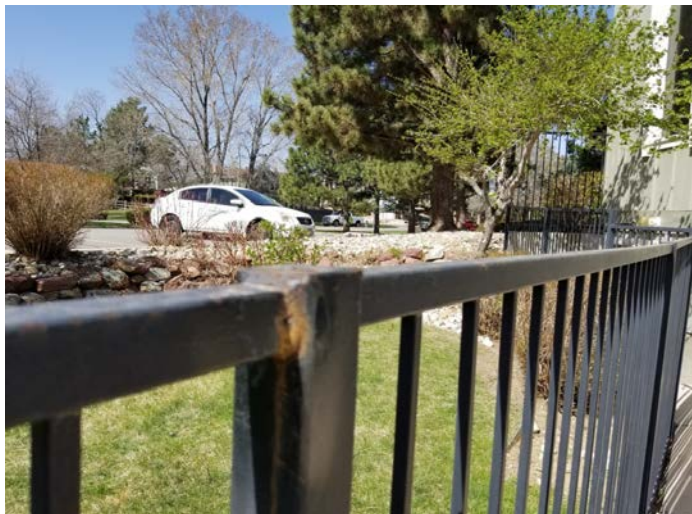
**Source of Information:** Cost database

**General Notes:**

**Project History:**

- 2009: \$2335 (Gardner Painting)
- 2011: \$2330
- 2015: No cost provided

Comp #: 207 Iron Fencing - Repaint



*Observations:*

- The paint on the metal surfaces around the pool and clubhouse was in poor condition at the time of the site observation, with several areas of rust and corrosion noted.
- In this climate, we recommend repainting this component every 3 - 4 years to maintain appearance and protect metal surfaces.
- Remaining life based on current condition.

*Location:* **Clubhouse, Pool Area**

*Quantity:* **Approx. 555 LF**

*Life Expectancy:* **3** Remaining Life: **1**

*Best Cost:* **\$3,900**

\$7.00/LF; Estimate to repaint fence

*Worst Cost:* **\$4,300**

\$7.75/LF; Higher estimate for additional prep costs

*Source of Information:* Cost Database

*General Notes:*

**Wader Area:**

- 3' High = 65 LF
- 5' High = 105 LF

**Pool Area:**

- 5' High = 340 LF

**Clubhouse :**

- 4' High = 45 LF

Comp #: 209 Wood Fencing - Restain



**Observations:**

- As long as the fence remains unprotected (not sealed), Reserve funding is not required for this component.
- By staining the fence, the replacement cycle may be extended by 5 - 10 years.
- Some associations have the opinion it is not worth the expense to extend the life by only 5 - 10 years.
- Additional benefits to staining include maintaining a proper appearance for the community (no water staining, warped and split boards, etc.).

**Location:** **Community Perimeter**

**Quantity:** **Approx. 3,340 LF**

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

**Best Cost:** **\$0**

**Worst Cost:** **\$0**

**Source of Information:**

**General Notes:**

**6' Tall Privacy Fence**  
**NW Property Line to S. Quince/Mineral - 1,920 LF**  
**SE Property Line along Path (new) - 100 LF**

**10' Tall Privacy Fence**  
**8145 Syracuse to County Line - 1015 LF**

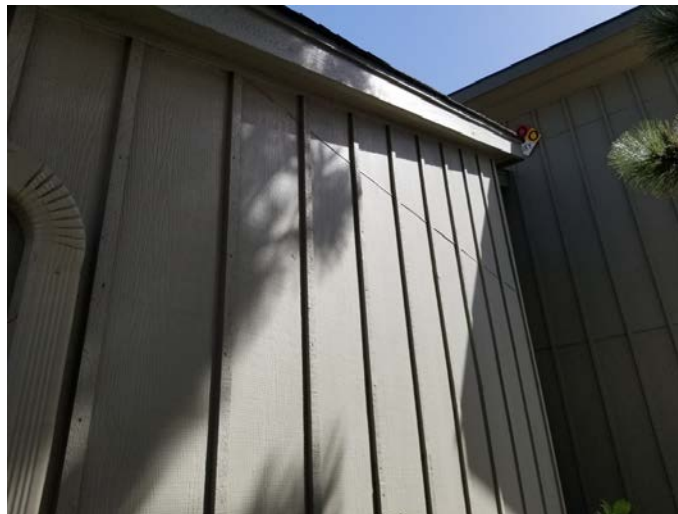
**4' Tall Split Rail Fence**  
**E. Phillips Cr. Walkway, by drainage channel - 135 LF**

**E. Mineral Dr./E. Phillips Cr. - 170 LF**

**Project History:**  
**- 2012: \$2845 (stained entry fence)**



Comp #: 301 Clubhouse Siding - Replace



*Observations:*

- The siding materials were in fair condition at the time of the site observation with minimal signs of advanced deterioration noted.
- Typically, this material has a life expectancy of 25 - 30 years. However, due to following proper paint cycles, we have extended the life by a couple years.
- When replacement is required, some associations are deciding to upgrade to a material (fiber cement) that has a longer life expectancy.

*Location:* **Clubhouse siding materials**

*Quantity:* **Approx. 3,420 GSF**

*Life Expectancy:* **32** *Remaining Life:* **8**

*Best Cost:* **\$30,800**

\$9.00/GSF; Estimate to replace

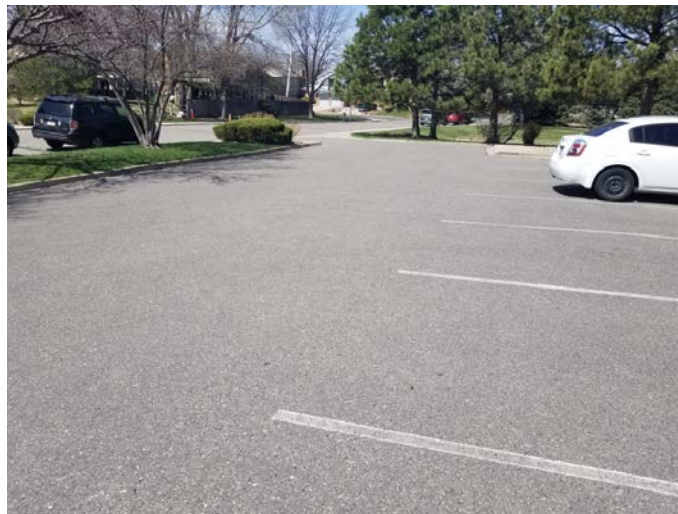
*Worst Cost:* **\$35,925**

\$10.50/GSF; Higher estimate

*Source of Information:* Cost Database

*General Notes:*

Comp #: 401 Asphalt - Overlay



**Observations:**

- The asphalt overlay on the parking lot was in good to fair condition at the time of the site observation.
- The average life expectancy for asphalt surfaces ranges between 20 - 27 years for surfaces that are maintained on a regular schedule.
- Maintenance includes crack fill and repairing small potholes annually as an operating expense.
- In addition, asphalt should be seal coated every 3 - 4 years, depending on the level of traffic and snow removing techniques.

**Location:** Clubhouse Parking Lot

**Quantity:** Approx. 9,565 GSF

**Life Expectancy:** 24 **Remaining Life:** 17

**Best Cost:** \$21,525

\$2.25/GSF; Estimate for 2" overlay

**Worst Cost:** \$28,700

\$3.00/GSF; Higher estimate for local repairs

**Source of Information:** Cost Database

**General Notes:**

**Project History:**  
 - 2010: \$6,507.93  
 - 2012: \$16,550



Comp #: 402 Asphalt - Seal Coat/crack fill



*Observations:*

- In this environment, expect to seal asphalt every 2 - 3 years, depending on traffic levels and effects from weather.
- Sealcoating is applied to protect the asphalt from ultra-violet rays and water.
- This helps in slowing the process of oxidation and raveling.
- While acting as a protective barrier, it also maintains the appearance of the community to maintain or improve property values.

*Location:* **Parking lot, common pathways**

*Quantity:* **Approx. 25,125 GSF**

*Life Expectancy:* **3** Remaining Life: **1**

*Best Cost:* **\$6,300**

Estimate for seal coat only

*Worst Cost:* **\$7,550**

Higher estimate for some repairs

*Source of Information:* Cost Database

*General Notes:*

**Clubhouse Parking: Approx. 9,565 GSF**  
**Common Paths:**  
**Nichols-Rosalyn, S Quince Way: Approx. 4,760 GSF**  
**E. Phillips Cr: Approx. 7,800 GSF**  
**Behind Townhomes: Approx. 3,000 GSF**

Comp #: 406 Curb and Gutters - Repair



**Observations:**

- Curbs and gutters are subject to more advanced deterioration due to trucks and plows hitting them during the year.
- It is unlikely that all concrete surfaces will need to be replaced at the same time.
- Therefore, we suggest establishing a Reserve fund for periodic repairs and replacement of 10% (approx. 140 GSF) every 3 years.
- Coordinate with other concrete surfaces for best cost estimate.

**Location:** Clubhouse Parking Lot

**Quantity:** Approx. 1,360 GSF

**Life Expectancy:** 3 **Remaining Life:** 1

**Best Cost:** \$1,700

Estimate to repair 10% of area every 3 years

**Worst Cost:** \$1,975

Higher estimate for more repairs

**Source of Information:** Cost database

**General Notes:**

**Clubhouse Parking:**  
- Approx. 680 LF x 2 = Approx. 1,360 GSF

Comp #: 506 Doors/Windows - Partial Replacement



**Observations:**

- Based on the expense history, it does not appear that all windows and doors were replaced.
- Therefore, due to varying ages, we have revised the philosophy to include an allowance for partial replacement of windows and doors every 10 years.

**Location:** Clubhouse Building

**Quantity:** Approx (30) openings

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

**Best Cost:** \$6,000

Allowance for partial replacement

**Worst Cost:** \$7,500

Higher estimate for better quality

**Source of Information:** Cost Database

**General Notes:**

**Windows:**

- (10) Openings

**Doors: Upstairs**

- Interior: (6)
- Exterior: (2)

**Doors: Downstairs**

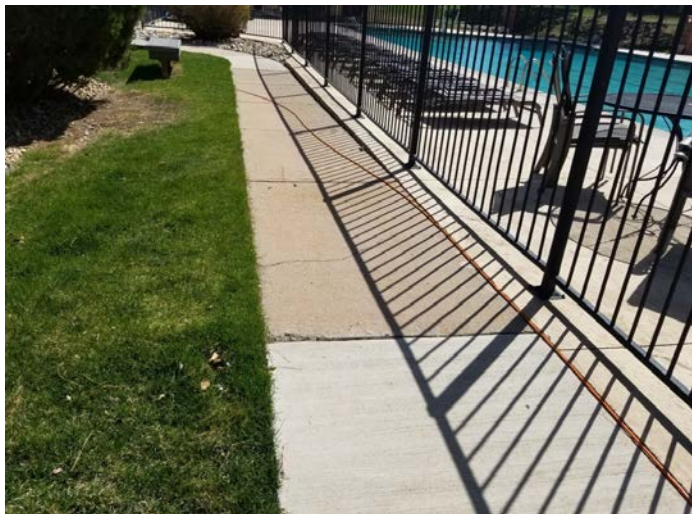
- Interior: (9)
- Exterior: (3)

**Project History:**

- 2009: Replaced some doors - \$1,660
- 2011: Replaced some windows - \$2,500



Comp #: 601 Concrete Sidewalks/Decks - Repair



**Observations:**

- Similar to other concrete surfaces, it is unlikely that all concrete surfaces will fail and need to be replaced at the same time.
- Therefore, we suggest establishing a Reserve fund for frequent repairs and replacement to a percentage of the area (5% or 3,600 GSF) every 3 years.
- Coordinate repairs with other concrete surfaces for best cost estimate.

**Location:** Common paths, clubhouse

**Quantity:** Approx. 72,080 GSF

**Life Expectancy:** 3 Remaining Life: 1

**Best Cost:** \$39,600

Allowance to repair 5% of area every 3 years

**Worst Cost:** \$46,800

Higher estimate for more repairs

**Source of Information:** Cost Database

**General Notes:**

**Clubhouse/Tennis court Sidewalks: Approx. 785 GSF**  
**Common Paths: Approx. 1,725 GSF**  
**Mailbox Kiosks: Approx. 200 GSF**  
**Townhome Sidewalks: Approx. 69,370 GSF**

**Project History:**

- 2005: \$5,265 on mudjacking
- 2007: \$4,697.20
- 2008: \$3,748
- 2011: \$16,574

Comp #: 603 Asphalt Paths - Resurface



**Observations:**

- The asphalt paths throughout the community appeared to be in fair to poor condition. There were several areas where the asphalt was cracking and deteriorating.
- Remaining life is based on the observed condition and age of the paths.

**Location:** Common pathways throughout community

**Quantity:** Approx. 15,560 GSF

**Life Expectancy:** 18 Remaining Life: 4

**Best Cost:** \$50,575

\$3.25/GSF; Estimate to resurface

**Worst Cost:** \$54,475

\$3.50/GSF; Higher estimate for more labor

**Source of Information:** Cost database

**General Notes:**

**Nichols to Rosalyn, S Quince Way:**  
 - Approx. 4,760 GSF  
**E. Phillips Cr: Approx. 7,800 GSF**  
**Behind Townhomes: Approx. 3,000 GSF**

**Project History:**  
 - 2012: Bike Path Improvement - \$1,610



Comp #: 608 Pool Deck - Replace



*Observations:*

- The pool deck was in good condition with no significant signs of advanced deterioration noted during the site observation.
- Expect a useful life of 30 - 35 years from this pool deck.
- Remaining life is based on the age of the concrete and observed conditions.

*Location:* **Pool Area**

*Quantity:* **Approx. 5,475 GSF**

*Life Expectancy:* **32** *Remaining Life:* **26**

*Best Cost:* **\$82,125**

\$15/GSF; Estimate to replace

*Worst Cost:* **\$98,550**

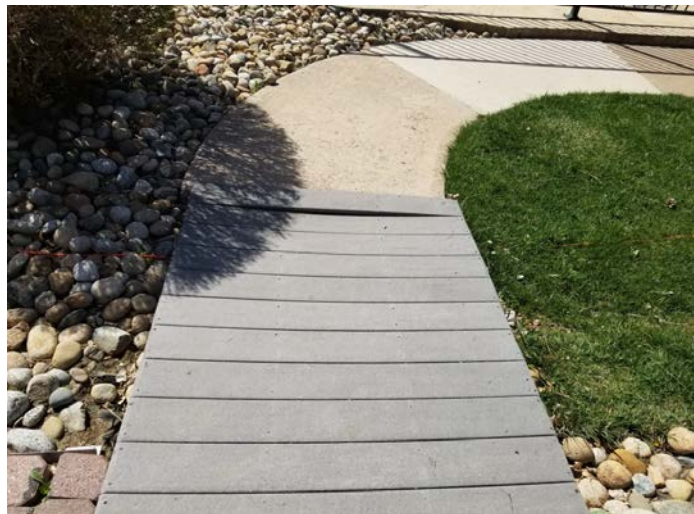
\$18/GSF; Higher estimate

*Source of Information:* Cost Database

*General Notes:*

**Wader Area Deck: Approx. 615 GSF**  
**Pool Area Deck: Approx. 4,860 GSF**

Comp #: 609 Composite Bridges - Replace



**Observations:**

- Most composite material manufacturers offer a 25 year limited warranty from against defects.
- However, over a period of time, the material begins to fade and scratch and eventually will become aesthetically unpleasing.
- Therefore, due to the level of use and exposure to the elements, we recommend establishing a replacement cycle of 18 - 22 years.
- We recommend replacing the rail and material at the same time.

**Location:** **Tennis Court Area, Common Paths, etc.**

**General Notes:**

**Quantity:** **Approx. 830 GSF**

**Tennis Court Bridges: Approx. 45 GSF**  
**E. Phillips Cr. Walkway: Approx. 310 GSF**  
**Townhome Walkway: Approx. 155 GSF**

**Life Expectancy:** **22** Remaining Life: **8**

**Best Cost:** **\$29,050**

\$35/GSF; Estimate to replace with similar

**Townhome Units:**  
**8031 - 8108 = Approx. 40 GSF**  
**8140 = Approx. 40 GSF**  
**8150 - 8160 = Approx. 40 GSF**  
**8152 - 8162 = Approx. 40 GSF**  
**8191 - 8197 = Approx. 60 GSF**  
**8007- 8027 = Approx. 100 GSF**

**Worst Cost:** **\$33,200**

\$40/GSF; Higher estimate

**Source of Information:** Cost database

Comp #: 703 Hot Water Heater Tank - Replace



*Observations:*

- Joints and connections were in good shape and free from significant rusting and corrosion.
- Depending on the level of use and the quality of the water running through the system, expect a useful life of 12 - 15 years from water heaters with proper maintenance and care.

*Location:* **Clubhouse**

*Quantity:* **(1) Rheem Heater**

*Life Expectancy:* **14** *Remaining Life:* **11**

*Best Cost:* **\$2,000**

\$2000/heater; Estimate to replace

*Worst Cost:* **\$3,000**

\$3000/heater; Higher estimate for more labor

*Source of Information:* Cost database

*General Notes:*

**M/N: XG50T09HE40U0**  
**S/N: RHLNQ351432443**  
**DATE: 28AUG2014**  
**50 GALLONS**

Comp #: 705 HVAC System - Replace



**Observations:**

- It was reported that the air conditioning in the clubhouse is not very effective and the units do not operate well.
- In our experience, we have seen the need to replace these units every 18 - 25 years, depending on the level of use and maintenance.
- Remaining life is based on age of the units.

**Location:** Clubhouse

**Quantity:** (1) Amana, 4 ton system

**Life Expectancy:** 25 **Remaining Life:** 5

**Best Cost:** \$6,250

Estimate to replace with same system

**Worst Cost:** \$7,500

Higher estimate

**Source of Information:** Cost Database

**General Notes:**

**Condenser: Amana**

- M/N: RCB48B2A
- S/N: 9907213922
- P/N: PIZZ3306C

**Furnace: Amana 80 SS E**

- M/NL: GUIC115CA50
- S/N: 9908156877
- 115,000 Input BTU



Comp #: 801 Monument - Rebuild



*Observations:*

- The monument structure appeared in good condition at time of observation with no noticeable damage to the materials.
- The letters should be replaced on an as needed basis with general operating funds.
- It is unlikely that the monument will require replacement or rebuilding due to the materials failing.

*Location:* **Quebec/Mineral**

*Quantity:* **(1) Monument**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*General Notes:*

**Monument consists of (2) Brick End Columns and (1) Brick Wall. There is (1) sign inset into the Brick Wall. No Uplights.**

**Project History:**

**- 2012: Resurface entry monument - \$1,725**



Comp #: 804 Awnings - Replace



*Observations:*

- This awning was rolled up during the site observation, so we were unable to look at the fabric to see conditions.
- There were no reports of the awning being replaced.
- Remaining life is based on age of the awning.

*Location:* **Pool Area**

*Quantity:* **(1) 20x12 Roll Out Awning**

*Life Expectancy:* **8** *Remaining Life:* **1**

*Best Cost:* **\$3,100**

Estimate to replace with similar awning

*Worst Cost:* **\$3,750**

Higher estimate for better quality

*Source of Information:* Cost database

*General Notes:*

Comp #: 908 Access System - Replace



**Observations:**

- While the system will continue to serve the security measures for the building, upgrades to systems will be required every 5 - 6 years due to advancement in technology.
- The remaining life is based on the fact that there are no current problems with the system and there are no plans for immediate replacement.

**Location:** **Entrance to pool area**

**Quantity:** **(2) Schlage Door Pads**

**Life Expectancy:** **12** **Remaining Life:** **8**

**Best Cost:** **\$6,500**

Estimate to replace

**Worst Cost:** **\$8,000**

Higher estimate

**Source of Information:** Past client cost

**General Notes:**

**Project History:**  
**- 2016: Replaced - \$7,195.56**

Comp #: 1001 Wood Fencing - Replace



*Observations:*

- The replacement cycle is based on the observed quality of fence installed and the current condition.
- In our experience, fences that are stained on a periodic basis (every 3 - 4 years), have a replacement cycle of 20 - 25 years.
- This fencing is not stained and is in fair to poor condition throughout property.
- The remaining life is based on age of fence and observed conditions.

*Location:* **Perimeter of Community**

*Quantity:* **Approx. 3,035 LF**

*Life Expectancy:* **18** Remaining Life: **5**

*Best Cost:* **\$88,025**

\$29/LF; Estimate to replace

*Worst Cost:* **\$97,125**

\$32/LF; Higher estimate for better quality

*Source of Information:* Cost database

*General Notes:*

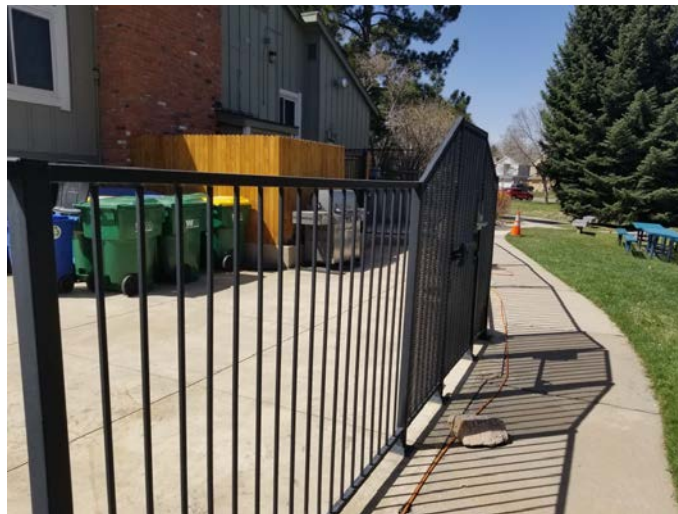
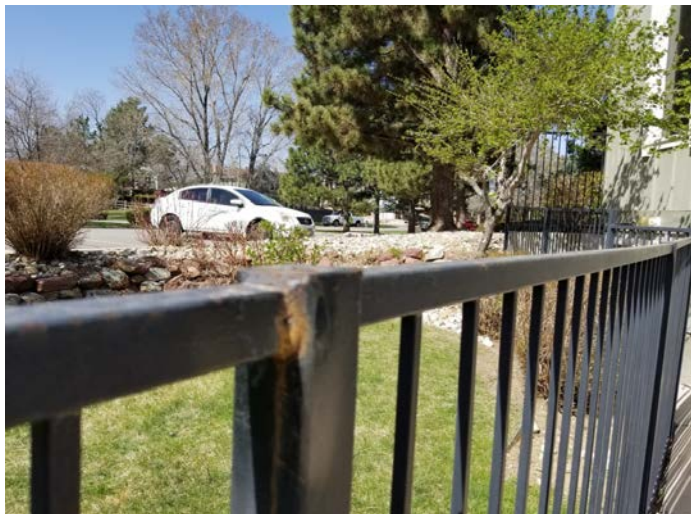
**6' Tall Privacy Fence**  
**NW Property Line (Quebec) to S. Quince/Mineral - 1,920 LF**  
**SE Property Line along Path (new) - 100 LF**

**West perimeter -**  
**10' Tall Privacy Fence (by strip center)**  
**8145 Syracuse to County Line - 1015 LF**

**Project History:**  
**- 2012: Replace cap on Mineral entry fence \$1,850**



Comp #: 1002 Ironwork Fencing - Replace



**Observations:**

- The average life expectancy for metal fences ranges between 25 - 30 years, depending on maintenance schedules and exposure to elements.
- The remaining life is based on age of fence and observed conditions.

**Location:** **Pool Area, Clubhouse**

**Quantity:** **Approx. 555 LF**

**Life Expectancy:** **25** Remaining Life: **1**

**Best Cost:** **\$24,975**

\$45/LF; Estimate to replace

**Worst Cost:** **\$27,750**

\$50/LF: Higher estimate

**Source of Information:** Cost Database

**General Notes:**

**Wader Area:**

- 3' High = 65 LF
- 5' High = 105 LF

**Pool Area:**

- 5' High = 340 LF

**Clubhouse :**

- 4' High = 45 LF

**Project History:**

- 2010: \$2,350 (description not provided)

Comp #: 1003 Chain Link Fencing - Replace



*Observations:*

- No warped or broken areas noted.
- Replacement for this fencing is included with tennis court replacement.
- Make local repairs as necessary as an operating issue.

*Location:* **Tennis Courts**

*Quantity:* **Approx. 1000 LF**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*General Notes:*



Comp #: 1007 Timber Walls - Major Repairs



**Observations:**

- The top timber tends to become the first piece to deteriorate and need to be replaced.
- This type of wall also tends to be susceptible to movement and leaning.
- When replacement is necessary, most associations are converting to block wall for longer life expectancy and less maintenance.

**Location:** **Common Areas Throughout Community**

**Quantity:** **Approx. 10,400 GSF**

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

**Best Cost:** **\$35,000**

Allowance for major repairs

**Worst Cost:** **\$40,000**

Higher allowance for more repairs

**Source of Information:** Cost Database

**General Notes:**

**E. Phillips Cr. Walkway: Approx. 2,350 GSF**  
**Behind Townhomes: Approx. 720 GSF**

**Townhomes:**

**8132 - 8142 = Approx. 345 GSF**

**8151 - 8157 = Approx. 40 GSF**

**8007 - 8027 = Approx. 210 GSF**

**8108 - 8140 = Approx. 91 GSF**

**Along County Line Perimeter:**

**7742 - 8028 E. Phillips: Approx. 2,650 GSF**

**8068 E. Phillips to SE Property Line: Approx. 4,000 GSF**

Comp #: 1009 Split Rail Fencing - Replace



*Observations:*

- The split rail fencing was in fair condition at the time of the site observation, however, the wood is becoming very dry and starting to crack.
- These fences typically have a life expectancy of 15 - 20 years if properly maintained.
- Remaining life is based on the observed conditions.

*Location:* **E. Phillips Cr., E. Mineral Dr**

*Quantity:* **Approx. 380 LF**

*Life Expectancy:* **15** Remaining Life: **3**

*Best Cost:* **\$7,600**

\$20/LF; Estimate to replace with similar

*Worst Cost:* **\$9,500**

\$25/LF; Higher estimate for more labor

*Source of Information:* Cost Database

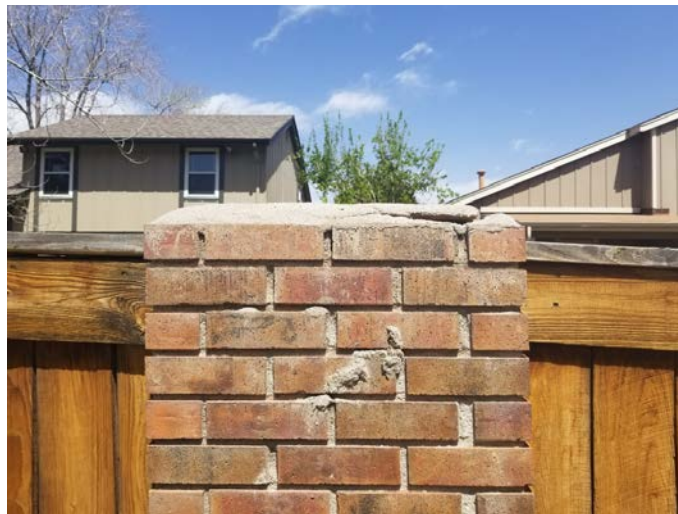
*General Notes:*

**E. Phillips Cr. Walkway: Approx. 135 LF**

**E. Mineral Dr./E. Phillips Cir: Approx. 170 LF**

**7669 E. Phillips Cr: Approx. 75 LF**

Comp #: 1014 Brick - Major Repairs



**Observations:**

- The grout on many columns was beginning to deteriorate and there were significant signs of deterioration noted throughout the property.
- While it is unlikely that the entire wall and columns will need to be replaced at the same time, it is likely that major repairs will be necessary to replace loose or missing stones.
- Depending on the effects from elements, we suggest establishing a Reserve fund for periodic repairs to the wall every 5 years.

**Location:** **Pool and community perimeter**

**Quantity:** **Approx. 4,790 GSF**

**Life Expectancy:** **5** **Remaining Life:** **0**

**Best Cost:** **\$5,325**

Allowance for minor repairs to brick columns

**Worst Cost:** **\$6,250**

Higher allowance for more repairs

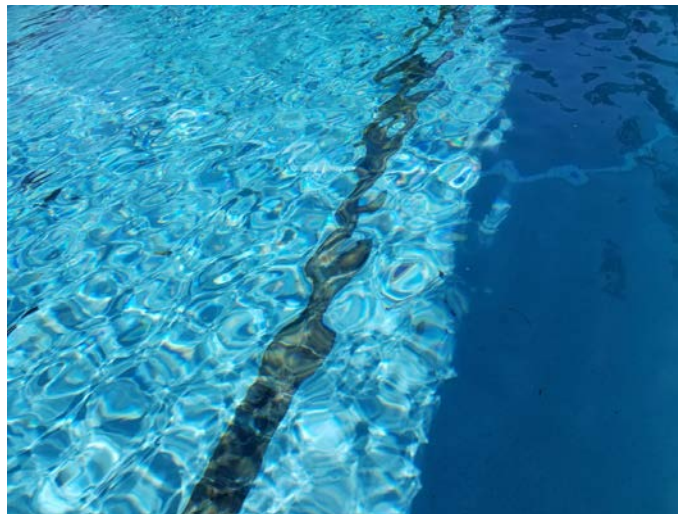
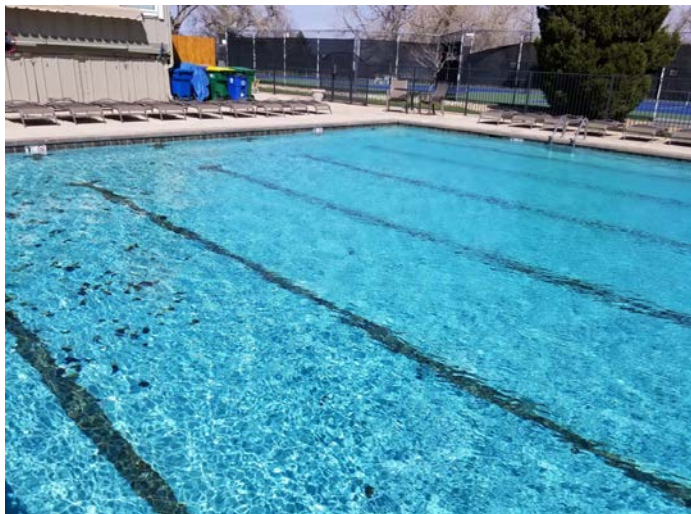
**Source of Information:** Cost Database

**General Notes:**

**Wader Pool Brick Columns:**  
 - 60 GSF/ea x 8 = Approx. 480 GSF  
**Main Pool Brick Columns:**  
 - 60 GSF/ea x 10 = Approx. 600 GSF  
**Perimeter Fencing Columns: 6' Tall**  
 - 48 GSF/ea x 25 = Approx. 1,200 GSF  
**Perimeter Fencing Columns: 10' Tall**  
 - 80 GSF/ea x 12 = Approx. 960 GSF  
**Timber Wall Columns: 6' Tall**  
 - 48 GSF/ea x 27 = Approx. 1,300 GSF  
**Monument at Quebec/Mineral:**  
 - Approx. 250 GSF



Comp #: 1101 Pool - Resurface



*Observations:*

- Expect to resurface pool every 15 - 16 years depending on levels of maintenance and care.
- Due to a significant labor cost savings, we recommend reserving to replace perimeter tile and coping at the same time as resurfacing the plaster.

*Location:* **Pool Area**

*Quantity:* **Approx. 6,250 GSF**

*Life Expectancy:* **16** Remaining Life: **10**

*Best Cost:* **\$56,250**

\$9.00/GSF; Estimate to resurface with plaster

*Worst Cost:* **\$65,625**

\$10.50/GSF; Higher estimate for more labor

*Source of Information:* Cost Database

*General Notes:*

**Project History:**

**- 2013: \$200,000 on pool/wader deck, resurface pool and wader, coping perimeter, shade canopy system**



Comp #: 1103 Wader - Resurface



**Observations:**

- This type of shallow wading pool typically requires resurfacing more frequently than a full sized pool because a higher concentration of chemicals and higher exposure to UV rays.
- In this capacity, we recommend resurfacing wading pools twice every pool resurface cycle.
- Remaining life is based on the pool resurfacing and observed conditions.

**Location:** **Wader Area**

**Quantity:** **(1) 15x22 Wader Pool**

**Life Expectancy:** **8** **Remaining Life:** **2**

**Best Cost:** **\$5,300**

Estimate to replaster surface

**Worst Cost:** **\$6,250**

Higher estimate for more labor

**Source of Information:** Cost Database

**General Notes:**

**Project History:**

**- 2011: Restoration of wader - \$9,485**

Comp #: 1104 Coping Stone / Tile - Replace



**Observations:**

- It is typical to replace these materials every pool resurface cycle to receive the best costs possible.
- Remaining life is based on the age of the new pool area.

**Location:** **Main and wader pool**

**Quantity:** **Approx. 1,275 LF**

**Life Expectancy:** **16** Remaining Life: **10**

**Best Cost:** **\$82,875**

\$65/LF; Estimate to replace tile and coping stones

**Worst Cost:** **\$95,625**

\$75/LF; Estimate for upgraded materials

**Source of Information:** Cost Database

**General Notes:**

**Wader Pool**

**Tile:** Approx. 75 LF - \$30 - \$35/LF

**Coping Stones:** Approx. 75 LF - \$35 - \$40/LF

**Main Pool:**

- **Tile:** Approx. 290 LF - \$30 - \$35/LF

- **Swim Lane Tile:** Approx. 540 LF - \$30 - \$35/LF

- **Coping Stones:** Approx. 290 LF - \$35 - \$40/LF

**Project History:**

- 2011 - \$2,205

- 2013: \$200,000 on pool/wader deck, resurface pool and wader, coping perimeter, shade canopy system

Comp #: 1105 Pool Heater - Replace



*Observations:*

- The overall life expectancy depends on the level of maintenance and the quality of the water running through the system.
- For this type of heater, the average replacement cycle will range between 12 - 18 years with proper maintenance and under normal conditions.

*Location:* **Pool Area**

*Quantity:* **(2) Lochinvar Heaters**

*Life Expectancy:* **18** Remaining Life: **14**

*Best Cost:* **\$10,000**

\$5000/heater; Estimate to replace

*Worst Cost:* **\$13,000**

\$6,500/boiler; Higher estimate for more labor

*Source of Information:* Cost Database

*General Notes:*

**Heater #1: Lochinvar Energy Rite: 399,999 BTU**

**- M/N: ERN402**

**- S/N: C15H00079109**

**Heater #1: Lochinvar Energy Rite: 399,999 BTU**

**- M/N: ERN402**

**- S/N: G14H00071103**

**Project History:**

**- 2012: pool heat exchanger/ignition control - \$715**

**- 2012: Install heater pump at pool \$620**

**- 2015: Installed new heaters - No costs provided**



Comp #: 1107 Wader Heater - Replace



**Observations:**

- The overall life expectancy depends on the level of maintenance and the quality of the water running through the system.
- For this type of heater, the average replacement cycle will range between 12 - 18 years with proper maintenance and under normal conditions.
- These pools typically have more chemicals that have a harsher impact on the equipment, therefore, the useful life is shorter than a pool heater.

**Location:** **Pool equipment room**

**Quantity:** **(1) Lochinvar heater**

**Life Expectancy:** **15** **Remaining Life:** **2**

**Best Cost:** **\$3,950**

Estimate to replace with similar size and type

**Worst Cost:** **\$5,000**

Higher estimate for better quality

**Source of Information:** Cost Database

**General Notes:**

**M/N: ERN151**  
**S/N: D06H00185942**  
**Date: 2006**



Comp #: 1108 Pool Filter - Replace



*Observations:*

- The shell will have an extended useful life of 18 - 20 years and most leaks can be attributed to gaskets and seals that can be replaced on an as needed basis.
- Remove and replace filter sand on an as needed basis using operating funds.

Location: **Equipment Room**

Quantity: **(4) Triton II Filters**

Life Expectancy: **20** Remaining Life: **6**

Best Cost: **\$4,800**

\$1200/filter; Estimate to replace

Worst Cost: **\$8,000**

\$2000/filter; Higher estimate for more labor

Source of Information: Cost Database

*General Notes:*

**Triton II Commercial:**

- **Model TR140C**
- **S/N: 04D**

**Project History:**

- **2011: \$2,000 (Polaris pool vac)**

Comp #: 1109 Wader Filter - Replace



*Observations:*

- The shell will have an extended useful life of 18 - 20 years and most leaks can be attributed to gaskets and seals that can be replaced on an as needed basis.
- Remove and replace filter sand on an as needed basis using operating funds.

*Location:* **Equipment Room**

*Quantity:* **(1) Pentair Filter**

*Life Expectancy:* **20** *Remaining Life:* **6**

*Best Cost:* **\$1,200**

Estimate to replace with similar

*Worst Cost:* **\$2,000**

Higher estimate for better quality

*Source of Information:* Cost Database

*General Notes:*

**Tagelus Pentair:**

- S/N: 0105126060087L

**Project History:**

- 2009: \$1,391 (new auto shut off per law)

Comp #: 1111 Pool/Wader Pumps - Replace



*Observations:*

- The life expectancy for this equipment can differ depending on the level of use and maintenance, as well as the quality of the equipment.
- Therefore, we suggest establishing an allowance for periodic replacement of the equipment.
- Meaning, this is just an allowance to provide the association some funds to replace equipment when required and should not be interpreted as complete replacement of all pumps every 5 years

*Location:* **Equipment Room**

*Quantity:* **(3) Pumps**

*Life Expectancy:* **5** *Remaining Life:* **2**

*Best Cost:* **\$2,000**

Allowance for partial replacement every 5 years

*Worst Cost:* **\$2,500**

Higher estimate for more pumps

*Source of Information:* Cost database

*General Notes:*

**(2) Pentair:**  
**- 5 HP**  
**- M/N: XFE - 20 / 022011**  
**(1) Pentair:**  
**- 3 HP**

**Project History:**  
**- 2007: \$1,980**  
**- 2010: \$1,525**

Comp #: 1113 Pool Cover - Replace



*Observations:*

- Most pool covers come with a 10 year manufacturers warranty as long as the cover is being stored according to their specific guidelines; check with your pool manufacturer to ensure you are properly storing your pool cover.
- If properly stored and properly maintained, we recommend reserving to replace the pool cover every 10 - 12 years.

Location: **Pool Area**

Quantity: **Approx. 5400 GSF**

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

Best Cost: **\$13,500**

\$2.50/GSF; Estimate to replace (>2000 GSF)

Worst Cost: **\$16,200**

\$3.00/GSF; Higher estimate for better quality

Source of Information: Cost Database

*General Notes:*

**Wader Cover 17x24 = 408 gsf**  
**Pool Cover 50x100 = 5000 gsf**

**Project History:**

**- 2012: \$4,160 ("2 space age pool covers" - assume this was for repairs, as the covers have not been replaced)**



Comp #: 1118 Lifeguard Stand - Replace



*Observations:*

- The lifeguard stand was in good to fair condition at the time of the site observation.
- Expect a useful life of 8 - 10 years from this stand.
- Remaining life is based on the observed conditions and age of the stand.

*Location:* **Pool Area**

*Quantity:* **(1) Lifeguard Stand**

*Life Expectancy:* **10** *Remaining Life:* **4**

*Best Cost:* **\$3,000**

Estimate to replace with similar

*Worst Cost:* **\$3,750**

Higher estimate for better quality

*Source of Information:* Research on website

*General Notes:*

Comp #: 1119 Diving/Starter Boards - Replace



*Observations:*

- Diving board appeared to be in good condition at the time of the site observation.
- The estimated cost includes replacement of the hand bars and platform.

*Location:* **Pool Area**

*Quantity:* **(1) 12' Diving Board**

*Life Expectancy:* **18** *Remaining Life:* **12**

*Best Cost:* **\$2,000**

Estimate to replace

*Worst Cost:* **\$2,400**

Higher estimate for better quality

*Source of Information:* Website research

*General Notes:*

Comp #: 1121 Pool Furniture - Replace (1)



*Observations:*

- The average replacement cycle for furniture ranges between 5 - 8 years, depending on the quality of the furniture and the level of use/abuse.
- We suggest storing the furniture inside during non-use seasons for best results and to achieve full life expectancy.

*Location:* **Pool Area**

*Quantity:* **(28) Pieces**

*Life Expectancy:* **8** *Remaining Life:* **0**

*Best Cost:* **\$4,900**

\$175/Piece; Estimate to replace pool furniture

*Worst Cost:* **\$6,300**

\$225/Piece; Higher estimate for better quality

*Source of Information:* Cost Database

*General Notes:*

**Strap Chairs: (14)**  
**Strap Lounge: (13)**  
**Metal Tables: (1)**



Comp #: 1122 Pool Furniture - Replace (2)



**Observations:**

- The average replacement cycle for furniture ranges between 5 - 8 years, depending on the quality of the furniture and the level of use/abuse.
- We suggest storing the furniture inside during non-use seasons for best results and to achieve full life expectancy.

**Location:** **Pool Area**

**Quantity:** **(52) Pieces**

**Life Expectancy:** **8** **Remaining Life:** **6**

**Best Cost:** **\$9,100**

\$175/Piece; Estimate to replace pool furniture

**Worst Cost:** **\$11,700**

\$225/Piece; Higher estimate for better quality

**Source of Information:** Cost Database

**General Notes:**

**Sling Chairs: (24)**  
**Sling Lounge: (28)**



Comp #: 1201 Tennis Court - Replace



*Observations:*

- Asphalt tennis courts do not hold up to weather elements in this climate, and asphalt tends to crack very frequently and is a constant maintenance issue.
- It is recommended that the courts be replaced with post tension concrete, and we recommend this happen as soon as possible.
- The association has decided to wait to replace the courts until 2022. We have adjusted the remaining life of the tennis courts to 3 years per their request.

*Location:* **Tennis Courts next to pool area**

*Quantity:* **(5) 120x60**

*Life Expectancy:* **40** *Remaining Life:* **3**

*Best Cost:* **\$300,000**

\$60,000/court; Est. to replace with post tension

*Worst Cost:* **\$325,000**

\$65,000/court; Higher estimate for more labor

*Source of Information:* Research with contractor

*General Notes:*

**Project History:**

- 2007: \$42,750 - no description given
- 2012: \$50,200 - crack seal and resurface 5 tennis courts
- 2017: \$68,000 - resurface courts

Comp #: 1202 Tennis Court - Recoat/Paint



*Observations:*

- The association is planning on replacing these courts with post-tension concrete in 2022.
- Post-tention concrete will also need to be repainted every 5 - 7 years. Some repairs may be necessary as well at this time.
- Remaining life is based on the timing of the court installation.

*Location:* **Tennis Courts**

*Quantity:* **(5) 120x60 Courts**

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

*Best Cost:* **\$42,500**

\$8500/court; Est. to crack fill, repaint/coat

*Worst Cost:* **\$50,000**

\$10,000/court; Higher estimate for some repairs

*Source of Information:* Research with contractor

*General Notes:*

Comp #: 1203 Tennis Court Windscreen - Replace



*Observations:*

- Expect a useful life of approximately 4 to 8 years from this component.

*Location:* **Tennis Courts**

*Quantity:* **Approx. 8,200 GSF**

*Life Expectancy:* **8** *Remaining Life:* **0**

*Best Cost:* **\$9,450**

\$1.15/GSF; Estimate to replace with average quality

*Worst Cost:* **\$12,300**

\$1.50/GSF; Higher estimate for better quality

*Source of Information:* Research with contractor

*General Notes:*



Comp #: 1304 Drinking Fountain - Replace



*Observations:*

- Most communities are replacing these units with a bottle filling station, in addition to the standard drinking fountain to the side.
- These units usually last 10 - 15 years depending on level of use and exposure to elements.

*Location:* **Clubhouse**

*Quantity:* **(1) Fountain**

*Life Expectancy:* **15** Remaining Life: **5**

*Best Cost:* **\$1,250**

Estimate to replace

*Worst Cost:* **\$2,000**

Higher estimate

*Source of Information:* Cost database

*General Notes:*

**Elkay:**  
**- M/N: FD700\_3\_IJ**  
**- S/N: 140524497**

Comp #: 1306 Park Furnishings - Replace



*Observations:*

- Expect to replace park equipment approximately every 16 years to maintain appearance.
- Remaining life based on assumed age and observed conditions.

*Location:* **Clubhouse & Tennis Court Common Area**

*Quantity:* **(11) Items**

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

*Best Cost:* **\$6,150**

Allowance for partial replacement

*Worst Cost:* **\$7,200**

Higher estimate for upgraded materials

*Source of Information:* Cost Database

*General Notes:*

**Pool area:**  
**(2) New 6' picnic tables**  
**(2) Old 4' square tables (weathered)**  
**(1) old 3' square table (low to ground)**

**Clubhouse Common Area**  
**(1) Bicycle Rack**

**Tennis Court Common Area**  
**(4) composite material benches**  
**(1) Picnic Table**

**Project History -**  
**2009 - \$1176**

Comp #: 1413 Clubhouse - Remodel (Upper Level)



**Observations:**

- Most associations perform a general remodel of the clubhouse interiors every 15 - 20 years to maintain appearance and keep up with current decorative trends.
- The final decision is up to the community members in deciding when to spend the money to perform this project since it is considered cosmetic.

**Location:** Clubhouse

**Quantity:** (1) Clubhouse Bldg.

**Life Expectancy:** 20 Remaining Life: 18

**Best Cost:** \$60,000

Allowance for remodel

**Worst Cost:** \$65,000

Higher estimate

**Source of Information:** Past client cost

**General Notes:**

**Main Room:**

- Carpet: Approx. 63 GSY
- Tile: Approx. 135 GSF
- Fireplace Tile: Approx. 100 GSF
- Paint: Approx. 1,800 GSF
- Furnishing: (2) Cloth Chairs, (8) Leather Chairs, (2) Leather Ottomans, (2) Lamps, (4) Tables, (1) TV, (5) Art

**Entry/Kitchen:**

- Tile: Approx. 150 GSF
- Cabinets: (7)
- Counters: Approx. 30 GSF
- Wall Tile: Approx. 45 GSF
- (1) Sink, (1) Stove, (2) Ovens, (1) Refrigerator, (1) Microwave, (4) Art

**Bathroom/Janitor:**

- Tile: Approx. 90 GSF
- Wall Tile: Approx. 115 GSF
- (1) Toilet, (1) Sink, (1) Mirror

**Project History:**

- 2017: \$68,000 - Remodel



Comp #: 1414 Clubhouse - Remodel (Lower Level)



*Observations:*

- Most associations perform a general remodel of the clubhouse interiors every 15 - 20 years to maintain appearance and keep up with current decorative trends.
- Based on the age of the community, we suggest planning a remodel of the interiors within the next couple years.
- The final decision is up to the community members in deciding when to spend the money to perform this project since it is considered cosmetic.

Location: **Clubhouse**

Quantity: **(1) Clubhouse Bldg.**

Life Expectancy: **20** Remaining Life: **1**

Best Cost: **\$30,000**

Allowance for remodel

Worst Cost: **\$35,000**

Higher estimate

Source of Information: Cost Database

*General Notes:*

**Lower Floor:**

**Women's**

- Flooring - 140 GSF
- Tile Wall - 480 GSF
- Paint - 140 GSF
- (2) Toilets, (1) Sink, Shower and Hand Dryer
- (2) Soft Chairs

**Men's:**

- Flooring - 92 GSF
- Tile Wall - 360 GSF
- Paint - 92 GSF
- (1) Toilet, Urinal, Sink and Shower

**Open Area:**

- Flooring - 246 GSF
- Paint - 876 GSF
- (2) 3X7 Doors
- (2) Soft Chairs
- (3) Florescent Lights

**Employee Office:**

- Flooring - 81 GSF
- (2) Soft Chairs
- (1) Microwave (old)
- (1) Refrigerator (old, whirlpool)

Comp #: 1506 Lower Level Flooring - Recoat



*Observations:*

- There were some cracks noted in the floor of the lower level at the clubhouse.
- We recommend recoating this type of flooring every 10 years.
- Remaining life is based on the observed conditions and age.

*Location:* **Lower level of clubhouse**

*Quantity:* **Approx. 325 GSF**

*Life Expectancy:* **10** *Remaining Life:* **0**

*Best Cost:* **\$2,450**

\$7.50/GSF; Estimate to recoat flooring

*Worst Cost:* **\$2,850**

\$8.75/GSF; Higher estimate for more prep work

*Source of Information:* Cost database

*General Notes:*

Comp #: 1601 Interior Hallway - Replace



*Observations:*

- Inspect these fixtures frequently to ensure proper function.
- Due to the low individual replacement cost and the ability to match existing with new, we do not recommend reserving to replace at this time.
- Replace on an as needed basis using operating funds.

*Location:* **Clubhouse**

*Quantity:* **(30) Assorted lights**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*General Notes:*

**Clubhouse:**  
**- Exterior: (12) Assorted Lights**  
**- Interior: (16) Assorted Lights**  
**Pool Area: (2)**



Comp #: 1604 Pole Lights - Replace



*Observations:*

- It was reported by the association in the last Reserve Study that these lights will be replaced on an as needed basis with general operating funds.
- Therefore, Reserve funding is not required for this component.

*Location:* **Townhome sidewalks**

*Quantity:* **(89) Lights**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*General Notes:*

Comp #: 1605 Bollard Lights - Replace



*Observations:*

- It was reported by the association in the last Reserve Study that these lights will be replaced on an as needed basis with general operating funds.
- Therefore, Reserve funding is not required for this component.

*Location:* **Community Paths**

*Quantity:* **(29) Lights**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*General Notes:*

**average replacement cost is about \$1,200/ea**

Comp #: 1701 Irrigation System - Rebuild



**Observations:**

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

**Location:** **Landscaped areas**

**Quantity:** **Extensive**

**Life Expectancy:** **5** **Remaining Life:** **0**

**Best Cost:** **\$12,000**

Estimate for major repairs and renovating system

**Worst Cost:** **\$15,000**

Higher estimate for more labor

**Source of Information:** Research with contractor

**General Notes:**

**Project History:**  
**- 2013: \$5400**



Comp #: 1703 Irrigation Timeclocks - Replace



**Observations:**

- The overall life expectancy of irrigation controllers typically ranges between 10 - 12 years if properly maintained and under normal conditions.
- Due to the varying types and ages of controllers, we have established a Reserve allowance for partial replacement of controllers every 2 years.
- This line item should not be intended to be interpreted as complete replacement.

**Location:** *Throughout Community*

**Quantity:** *Approx. (23) Clocks*

**Life Expectancy:** *2 Remaining Life: 0*

**Best Cost:** *\$4,800*

Estimate to partially replace every other year

**Worst Cost:** *\$5,600*

Higher estimate

**Source of Information:** Research with contractor

**General Notes:**

**Townhome Units:**  
 8120 - 8128, 8152 - 8162, 8131 - 8137, 8251 - 8271, 8200 - 8220, 8052 - 8068, 7980 - 7996, 7930 - 7946, 7702 - 7702, 8161, 8111, 8027, 8108, 8348, 7844  
 7996 (new, due to lightning)  
 E. Mineral Dr/S Quince (1) Rainmaster,  
 S. Quince Walkway - (2) Rainmaster Clocks  
 E. Phillips Cr. Walkway - (1) Rainmaster (new) Model RME18EG-ST, Ser #EG9506137  
 (1) Rainmaster (old, on rail fence)  
 E. Mineral Dr/E. Phillips Cr. (1) Rainmaster (different, on unit fence)  
 Clubhouse N. Wall (1) Rainmaster

**Project History:**  
 - 2007: \$4,357.47  
 - 2009: \$20,584  
 - 2011: \$6,950

Comp #: 1706 Backflow Devices - Replace



**Observations:**

- Devices can be rebuilt and repaired when needed as a maintenance issue.
- It is very seldom that a complete system would need to be replaced due to normal wear and tear.
- Replacement would be as a result of freezing conditions if system is not winterized properly or in a timely manner.
- No Reserve funding is required due to difficulty of predicting a life expectancy and the fact that systems can be rebuilt at a minimal cost, as opposed to being replaced.

**Location:** **Landscaped areas**

**Quantity:** **(10) Febco, 825Y units**

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

**Best Cost:** **\$0**

**Worst Cost:** **\$0**

**Source of Information:**

**General Notes:**

**Clubhouse common area**  
**(1) Backflow Device**  
**S Quince Common Path**  
**(1) Backflow Device**  
**E. Phillips Cr. Common Path**  
**(2) Backflow Devices**  
**Along Walkway behind Townhomes**  
**(1) Backflow Device**  
**(5) Backflow Devices throughout community**

Comp #: 1801 Groundcover - Replenish



**Observations:**

- This line item, similar to irrigation repairs, is for projects that lie outside the scope of routine maintenance.
- In order to preserve an attractive curb appeal and to maintain the health of the plants and shrubs, we recommend reserving for refurbishment projects every 2 - 3 years.
- This line item is for cyclical refurbishment and should not be considered as complete landscaping replacement.

**Location:** Common areas

**Quantity:** Extensive area

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

**Best Cost:** \$25,000

Allowance for major refurbishment

**Worst Cost:** \$30,000

Higher allowance for more replacement

**Source of Information:** Cost database

**General Notes:**

**Project History:**  
 - 2009: \$36,700  
 - 2012: \$51,100



Comp #: 1804 Tree - Replacement/Major Maintenance



*Observations:*

- It is very difficult to predict a replacement cycle for trees as there are several factors such as disease, infestation of insects, heavy snow storms, etc. can all attribute to eventual tree replacement.
- Since it is difficult to predict when the replacement will be necessary, Reserve funding is typically not a factor.
- Therefore, unless requested by the association, Reserve funding will not be included as part of the study for this component.

*Location:* **Common areas**

*Quantity:* **Numerous types and sizes**

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

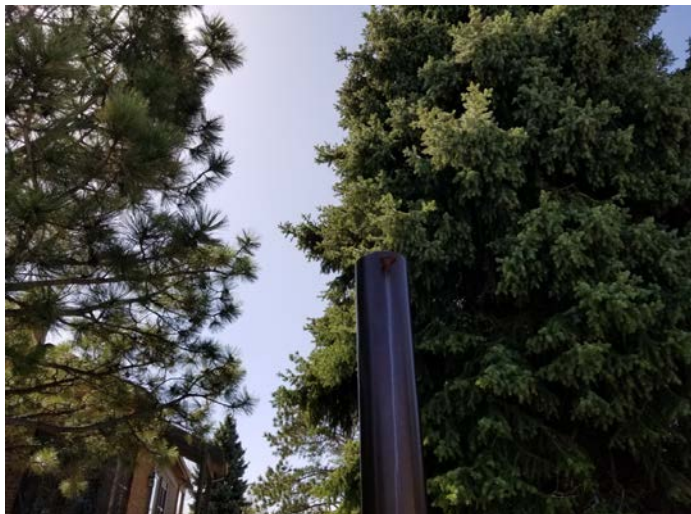
*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*General Notes:*

Comp #: 2001 Shade Structure - Replace



*Observations:*

- We could not locate the fabric of the shade structure at the time of the site observation.
- There were no reported issues with the structures.
- Remaining life is based on the age of the structures.

*Location:* **Wader pool area**

*Quantity:* **Approx. 300 GSF**

*Life Expectancy:* **16** *Remaining Life:* **10**

*Best Cost:* **\$9,200**

Estimate to replace with same material

*Worst Cost:* **\$11,250**

Higher estimate for upgraded material

*Source of Information:* Cost Database

*General Notes:*

Comp #: 2025 Catastrophic Event



*Observations:*

This item has been included in this report per the request of the association and its board of directors. Major events that cannot be predicted should not be included in Reserve Studies due to the unpredictable nature of when a catastrophic event will happen and to what extent (the cost involved) the event will cause. All the information in this line item has been provided by the association and no figures were suggested by Aspen Reserve Specialties. Our only suggestion was for this to not be included in a Reserve Study and be treated as a separate issue from Reserves.

*Location:* **Not applicable**

*Quantity:* **Not applicable**

*Life Expectancy:* **8** *Remaining Life:* **4**

*Best Cost:* **\$17,500**

Allowance for major event

*Worst Cost:* **\$22,500**

Higher allowance for larger event

*Source of Information:* Client provided cost and cycle

*General Notes:*



## Funding Summary For Willow Creek III HOA

### Beginning Assumptions

Financial Information Source	Research With Client
# of units	515
Fiscal Year End	December 31, 2019
Monthly Dues from 2018 budget	\$60,016.00
Monthly Reserve Allocation from 2018 Budget	\$7,210.00
Projected Starting Reserve Balance (as of 1/1/2019)	\$485,886
Reserve Balance: Average Per Unit	\$943
Ideal Starting Reserve Balance (as of 1/1/2019)	\$836,338
Ideal Reserve Balance: Average Per Unit	\$1,624

### Economic Factors

Past 20 year Average Inflation Rate (Based on CCI)	3.75%
Current Average Interest Rate	1.00%

### Current Reserve Status

Current Balance as a % of Ideal Balance	58%
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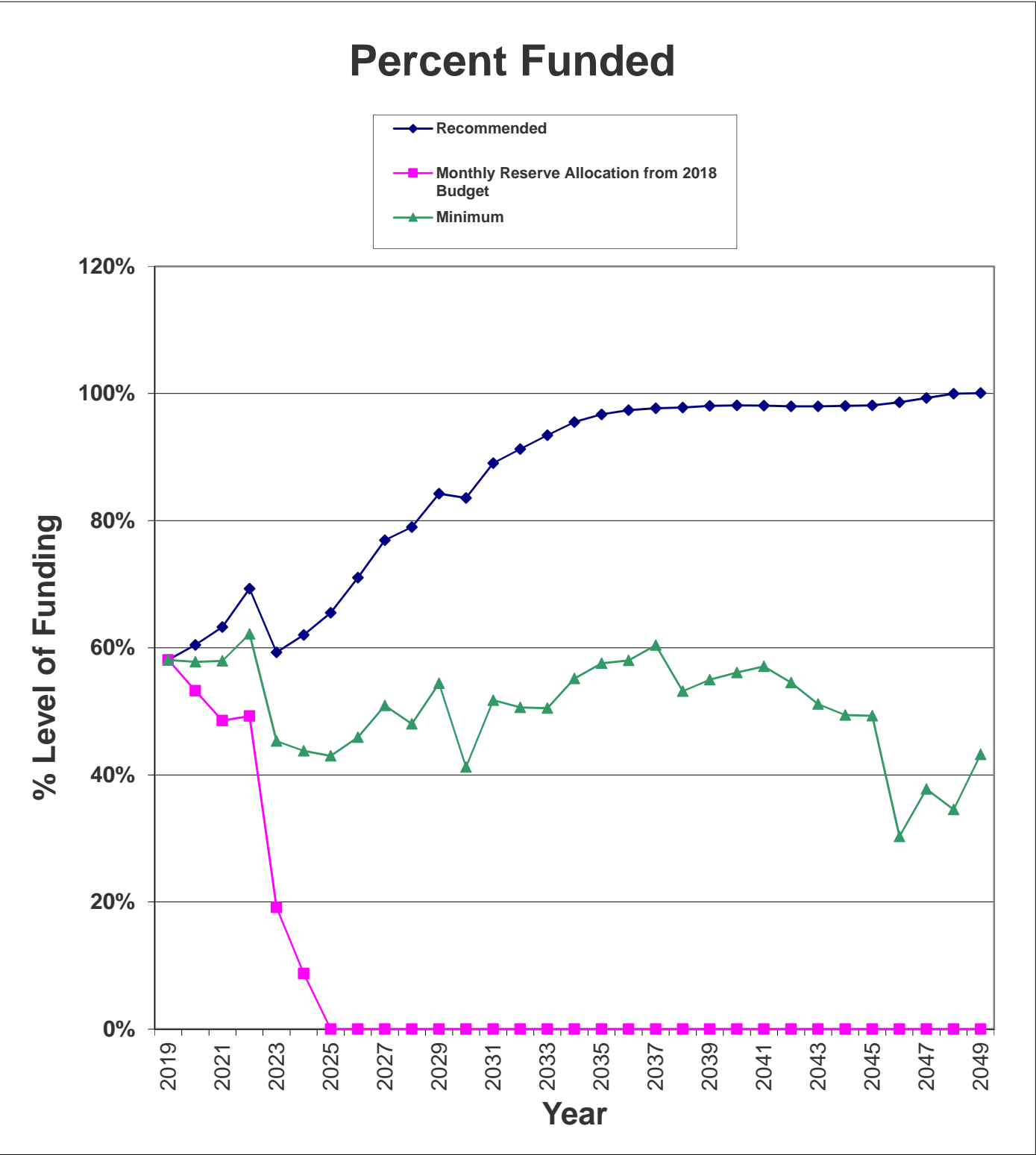
### Recommendations for 2019 Fiscal Year

Monthly Reserve Allocation	\$12,225
Per Unit	\$23.74
Minimum Monthly Reserve Allocation	\$10,375
Per Unit	\$20.15
Primary Annual Increases	2.75%
# of Years	18
Secondary Annual Increases	3.75%
# of Years	12
Special Assessment	\$0
Per Unit	\$0

### Changes From Prior Year (2018 to 2019)

Increase/Decrease to Reserve Allocation	\$5,015
as Percentage	70%
Average Per Unit	\$9.74

Percent Funded Graph For Willow Creek III HOA



## Component Inventory for Willow Creek III HOA

Category	Asset #	Asset Name	UL	RUL	Best Cost	Worst Cost
Roofing	105	Comp Shingle Roof - Replace	22	18	\$10,450	\$12,100
	120	Gutters/Downspouts - Replace	N/A		\$0	\$0
Painted Surfaces	204	Building Ext Surfaces - Repaint	6	2	\$5,000	\$7,000
	207	Iron Fencing - Repaint	3	1	\$3,900	\$4,300
	209	Wood Fencing - Restain	N/A		\$0	\$0
Siding Materials	301	Clubhouse Siding - Replace	32	8	\$30,800	\$35,925
Drive Materials	401	Asphalt - Overlay	24	17	\$21,525	\$28,700
	402	Asphalt - Seal Coat/crack fill	3	1	\$6,300	\$7,550
	406	Curb and Gutters - Repair	3	1	\$1,700	\$1,975
Property Access	506	Doors/Windows - Partial Replacement	10	5	\$6,000	\$7,500
Walking Surfaces	601	Concrete Sidewalks/Decks - Repair	3	1	\$39,600	\$46,800
	603	Asphalt Paths - Resurface	18	4	\$50,575	\$54,475
	608	Pool Deck - Replace	32	26	\$82,125	\$98,550
	609	Composite Bridges - Replace	22	8	\$29,050	\$33,200
Mechanical Equip.	703	Hot Water Heater Tank - Replace	14	11	\$2,000	\$3,000
	705	HVAC System - Replace	25	5	\$6,250	\$7,500
Prop. Identification	801	Monument - Rebuild	N/A		\$0	\$0
	804	Awnings - Replace	8	1	\$3,100	\$3,750
Security	908	Access System - Replace	12	8	\$6,500	\$8,000
Fencing/Walls	1001	Wood Fencing - Replace	18	5	\$88,025	\$97,125
	1002	Ironwork Fencing - Replace	25	1	\$24,975	\$27,750
	1003	Chain Link Fencing - Replace	N/A		\$0	\$0
	1007	Timber Walls - Major Repairs	6	0	\$35,000	\$40,000
	1009	Split Rail Fencing - Replace	15	3	\$7,600	\$9,500
	1014	Brick - Major Repairs	5	0	\$5,325	\$6,250
Pool/Spa	1101	Pool - Resurface	16	10	\$56,250	\$65,625
	1103	Wader - Resurface	8	2	\$5,300	\$6,250
	1104	Coping Stone / Tile - Replace	16	10	\$82,875	\$95,625
	1105	Pool Heater - Replace	18	14	\$10,000	\$13,000
	1107	Wader Heater - Replace	15	2	\$3,950	\$5,000
	1108	Pool Filter - Replace	20	6	\$4,800	\$8,000
	1109	Wader Filter - Replace	20	6	\$1,200	\$2,000
	1111	Pool/Wader Pumps - Replace	5	2	\$2,000	\$2,500
	1113	Pool Cover - Replace	12	0	\$13,500	\$16,200
	1118	Lifeguard Stand - Replace	10	4	\$3,000	\$3,750
	1119	Diving/Starter Boards - Replace	18	12	\$2,000	\$2,400
	1121	Pool Furniture - Replace (1)	8	0	\$4,900	\$6,300
	1122	Pool Furniture - Replace (2)	8	6	\$9,100	\$11,700
Courts	1201	Tennis Court - Replace	40	3	\$300,000	\$325,000
	1202	Tennis Court - Recoat/Paint	5	3	\$42,500	\$50,000
	1203	Tennis Court Windscreen - Replace	8	0	\$9,450	\$12,300
Recreation Equip.	1304	Drinking Fountain - Replace	15	5	\$1,250	\$2,000
	1306	Park Furnishings - Replace	12	0	\$6,150	\$7,200
Interiors	1413	Clubhouse - Remodel (Upper Level)	20	18	\$60,000	\$65,000
	1414	Clubhouse - Remodel (Lower Level)	20	1	\$30,000	\$35,000
Flooring	1506	Lower Level Flooring - Recoat	10	0	\$2,450	\$2,850
Light Fixtures	1601	Interior Hallway - Replace	N/A		\$0	\$0
	1604	Pole Lights - Replace	N/A		\$0	\$0
	1605	Bollard Lights - Replace	N/A		\$0	\$0

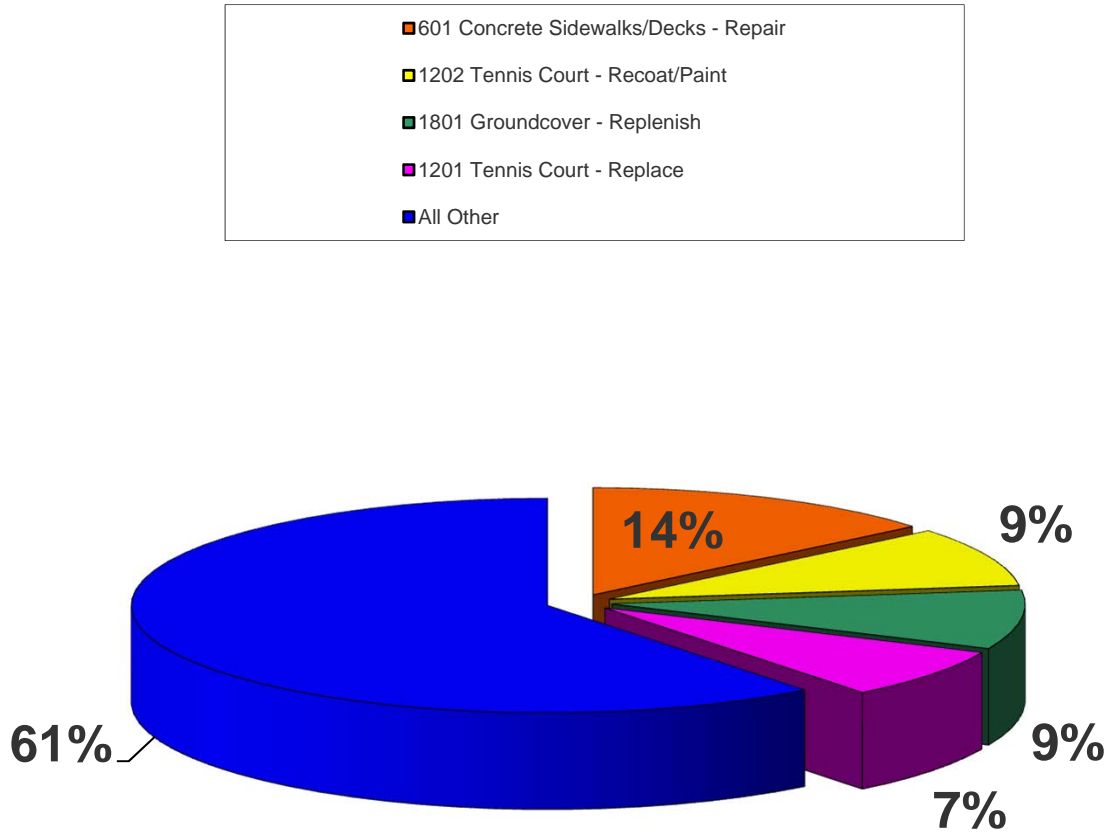


Category	Asset #	Asset Name	UL	RUL	Best Cost	Worst Cost
Irrig. System	1701	Irrigation System - Rebuild	5	0	\$12,000	\$15,000
	1703	Irrigation Timeclocks - Replace	2	0	\$4,800	\$5,600
	1706	Backflow Devices - Replace	N/A		\$0	\$0
Landscaping	1801	Groundcover - Replenish	3	0	\$25,000	\$30,000
	1804	Tree - Replacement/Major Maintenance	N/A		\$0	\$0
Miscellaneous	2001	Shade Structure - Replace	16	10	\$9,200	\$11,250
	2025	Catastrophic Event	8	4	\$17,500	\$22,500

## Significant Components For Willow Creek III HOA

ID	Asset Name	UL	RUL	Ave Curr Cost	Significance: (Curr Cost/UL)	
					As \$	As %
105	Comp Shingle Roof - Replace	22	18	\$11,275	\$513	0.4972%
204	Building Ext Surfaces - Repaint	6	2	\$6,000	\$1,000	0.9701%
207	Iron Fencing - Repaint	3	1	\$4,100	\$1,367	1.3258%
301	Clubhouse Siding - Replace	32	8	\$33,363	\$1,043	1.0114%
401	Asphalt - Overlay	24	17	\$25,113	\$1,046	1.0151%
402	Asphalt - Seal Coat/crack fill	3	1	\$6,925	\$2,308	2.2393%
406	Curb and Gutters - Repair	3	1	\$1,838	\$613	0.5942%
506	Doors/Windows - Partial Replacement	10	5	\$6,750	\$675	0.6548%
601	Concrete Sidewalks/Decks - Repair	3	1	\$43,200	\$14,400	13.9696%
603	Asphalt Paths - Resurface	18	4	\$52,525	\$2,918	2.8308%
608	Pool Deck - Replace	32	26	\$90,338	\$2,823	2.7387%
609	Composite Bridges - Replace	22	8	\$31,125	\$1,415	1.3725%
703	Hot Water Heater Tank - Replace	14	11	\$2,500	\$179	0.1732%
705	HVAC System - Replace	25	5	\$6,875	\$275	0.2668%
804	Awnings - Replace	8	1	\$3,425	\$428	0.4153%
908	Access System - Replace	12	8	\$7,250	\$604	0.5861%
1001	Wood Fencing - Replace	18	5	\$92,575	\$5,143	4.9893%
1002	Ironwork Fencing - Replace	25	1	\$26,363	\$1,055	1.0230%
1007	Timber Walls - Major Repairs	6	0	\$37,500	\$6,250	6.0632%
1009	Split Rail Fencing - Replace	15	3	\$8,550	\$570	0.5530%
1014	Brick - Major Repairs	5	0	\$5,788	\$1,158	1.1229%
1101	Pool - Resurface	16	10	\$60,938	\$3,809	3.6948%
1103	Wader - Resurface	8	2	\$5,775	\$722	0.7003%
1104	Coping Stone / Tile - Replace	16	10	\$89,250	\$5,578	5.4114%
1105	Pool Heater - Replace	18	14	\$11,500	\$639	0.6198%
1107	Wader Heater - Replace	15	2	\$4,475	\$298	0.2894%
1108	Pool Filter - Replace	20	6	\$6,400	\$320	0.3104%
1109	Wader Filter - Replace	20	6	\$1,600	\$80	0.0776%
1111	Pool/Wader Pumps - Replace	5	2	\$2,250	\$450	0.4366%
1113	Pool Cover - Replace	12	0	\$14,850	\$1,238	1.2005%
1118	Lifeguard Stand - Replace	10	4	\$3,375	\$338	0.3274%
1119	Diving/Starter Boards - Replace	18	12	\$2,200	\$122	0.1186%
1121	Pool Furniture - Replace (1)	8	0	\$5,600	\$700	0.6791%
1122	Pool Furniture - Replace (2)	8	6	\$10,400	\$1,300	1.2611%
1201	Tennis Court - Replace	40	3	\$312,500	\$7,813	7.5790%
1202	Tennis Court - Recoat/Paint	5	3	\$46,250	\$9,250	8.9735%
1203	Tennis Court Windscreen - Replace	8	0	\$10,875	\$1,359	1.3187%
1304	Drinking Fountain - Replace	15	5	\$1,625	\$108	0.1051%
1306	Park Furnishings - Replace	12	0	\$6,675	\$556	0.5396%
1413	Clubhouse - Remodel (Upper Level)	20	18	\$62,500	\$3,125	3.0316%
1414	Clubhouse - Remodel (Lower Level)	20	1	\$32,500	\$1,625	1.5764%
1506	Lower Level Flooring - Recoat	10	0	\$2,650	\$265	0.2571%
1701	Irrigation System - Rebuild	5	0	\$13,500	\$2,700	2.6193%
1703	Irrigation Timeclocks - Replace	2	0	\$5,200	\$2,600	2.5223%
1801	Groundcover - Replenish	3	0	\$27,500	\$9,167	8.8927%
2001	Shade Structure - Replace	16	10	\$10,225	\$639	0.6200%
2025	Catastrophic Event	8	4	\$20,000	\$2,500	2.4253%

## Significant Components Graph For Willow Creek III HOA

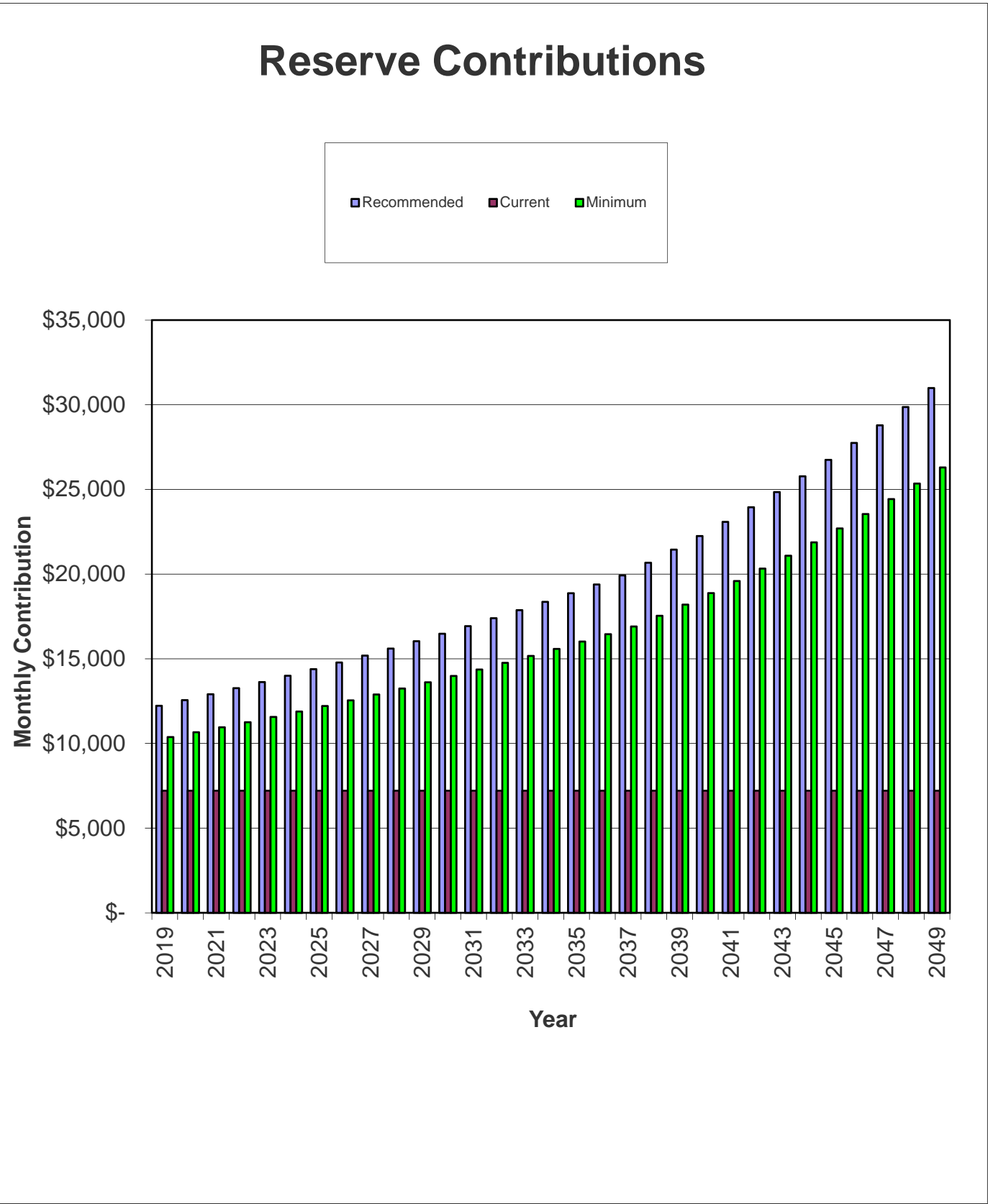


Asset ID	Asset Name	UL	RUL	Average Curr. Cost	Significance: (Curr Cost/UL)	
					As \$	As %
601	Concrete Sidewalks/Decks - Repair	3	1	\$43,200	\$14,400	14%
1202	Tennis Court - Recoat/Paint	5	3	\$46,250	\$9,250	9%
1801	Groundcover - Replenish	3	0	\$27,500	\$9,167	9%
1201	Tennis Court - Replace	40	3	\$312,500	\$7,813	8%
All Other	See Expanded Table on Page 4 For Additional Breakdown				\$62,452	61%



## Yearly Summary For Willow Creek III HOA

<b>Fiscal Year Start</b>	<b>Fully Funded Balance</b>	<b>Starting Reserve Balance</b>	<b>Percent Funded</b>	<b>Annual Reserve Contribs</b>	<b>Rec. Special Ass'mnt</b>	<b>Interest Income</b>	<b>Reserve Expenses</b>
2019	\$836,338	\$485,886	58%	\$146,700	\$0	\$4,964	\$130,138
2020	\$839,629	\$507,413	60%	\$150,734	\$0	\$5,238	\$122,788
2021	\$854,680	\$540,597	63%	\$154,879	\$0	\$6,081	\$25,511
2022	\$975,380	\$676,046	69%	\$159,139	\$0	\$5,376	\$440,901
2023	\$673,957	\$399,659	59%	\$163,515	\$0	\$4,038	\$158,923
2024	\$658,261	\$408,289	62%	\$168,012	\$0	\$4,178	\$152,802
2025	\$652,974	\$427,677	65%	\$172,632	\$0	\$4,609	\$110,500
2026	\$696,198	\$494,417	71%	\$177,379	\$0	\$5,479	\$75,453
2027	\$782,406	\$601,822	77%	\$182,257	\$0	\$5,979	\$195,548
2028	\$752,438	\$594,511	79%	\$187,269	\$0	\$6,697	\$43,073
2029	\$884,923	\$745,404	84%	\$192,419	\$0	\$6,645	\$360,376
2030	\$698,760	\$584,092	84%	\$197,711	\$0	\$6,842	\$3,748
2031	\$881,412	\$784,896	89%	\$203,148	\$0	\$7,998	\$180,705
2032	\$893,334	\$815,337	91%	\$208,734	\$0	\$8,410	\$165,110
2033	\$928,121	\$867,371	93%	\$214,475	\$0	\$9,484	\$61,070
2034	\$1,078,626	\$1,030,260	96%	\$220,373	\$0	\$10,990	\$92,999
2035	\$1,208,363	\$1,168,623	97%	\$226,433	\$0	\$12,174	\$140,101
2036	\$1,301,064	\$1,267,128	97%	\$232,660	\$0	\$13,567	\$65,934
2037	\$1,481,417	\$1,447,421	98%	\$239,058	\$0	\$13,748	\$396,813
2038	\$1,332,746	\$1,303,415	98%	\$248,023	\$0	\$13,773	\$112,836
2039	\$1,480,905	\$1,452,375	98%	\$257,323	\$0	\$15,233	\$129,492
2040	\$1,625,412	\$1,595,439	98%	\$266,973	\$0	\$16,716	\$129,987
2041	\$1,783,198	\$1,749,140	98%	\$276,985	\$0	\$17,536	\$284,194
2042	\$1,795,601	\$1,759,467	98%	\$287,371	\$0	\$17,493	\$323,738
2043	\$1,776,456	\$1,740,593	98%	\$298,148	\$0	\$17,628	\$269,949
2044	\$1,821,751	\$1,786,420	98%	\$309,328	\$0	\$18,390	\$220,957
2045	\$1,929,277	\$1,893,181	98%	\$320,928	\$0	\$16,679	\$786,726
2046	\$1,463,917	\$1,444,062	99%	\$332,963	\$0	\$15,776	\$80,383
2047	\$1,724,382	\$1,712,417	99%	\$345,449	\$0	\$17,143	\$357,454
2048	\$1,717,989	\$1,717,556	100%	\$358,403	\$0	\$19,055	\$0



## Component Funding Information For Willow Creek III HOA

ID	Component Name	Ave Current Cost	Ideal Balance	Current Fund Balance	Monthly
105	Comp Shingle Roof - Replace	\$11,275	\$2,050	\$0	\$60.78
204	Building Ext Surfaces - Repaint	\$6,000	\$4,000	\$4,000	\$118.60
207	Iron Fencing - Repaint	\$4,100	\$2,733	\$2,733	\$162.08
301	Clubhouse Siding - Replace	\$33,363	\$25,022	\$0	\$123.65
401	Asphalt - Overlay	\$25,113	\$7,324	\$0	\$124.09
402	Asphalt - Seal Coat/crack fill	\$6,925	\$4,617	\$4,617	\$273.76
406	Curb and Gutters - Repair	\$1,838	\$1,225	\$1,225	\$72.64
506	Doors/Windows - Partial Replacement	\$6,750	\$3,375	\$0	\$80.05
601	Concrete Sidewalks/Decks - Repair	\$43,200	\$28,800	\$28,800	\$1,707.78
603	Asphalt Paths - Resurface	\$52,525	\$40,853	\$0	\$346.07
608	Pool Deck - Replace	\$90,338	\$16,938	\$0	\$334.80
609	Composite Bridges - Replace	\$31,125	\$19,807	\$0	\$167.79
703	Hot Water Heater Tank - Replace	\$2,500	\$536	\$0	\$21.18
705	HVAC System - Replace	\$6,875	\$5,500	\$0	\$32.61
804	Awnings - Replace	\$3,425	\$2,997	\$2,997	\$50.77
908	Access System - Replace	\$7,250	\$2,417	\$0	\$71.65
1001	Wood Fencing - Replace	\$92,575	\$66,860	\$0	\$609.95
1002	Ironwork Fencing - Replace	\$26,363	\$25,308	\$25,308	\$125.06
1007	Timber Walls - Major Repairs	\$37,500	\$37,500	\$37,500	\$741.23
1009	Split Rail Fencing - Replace	\$8,550	\$6,840	\$6,840	\$67.60
1014	Brick - Major Repairs	\$5,788	\$5,788	\$5,788	\$137.27
1101	Pool - Resurface	\$60,938	\$22,852	\$0	\$451.68
1103	Wader - Resurface	\$5,775	\$4,331	\$4,331	\$85.61
1104	Coping Stone / Tile - Replace	\$89,250	\$33,469	\$0	\$661.54
1105	Pool Heater - Replace	\$11,500	\$2,556	\$0	\$75.77
1107	Wader Heater - Replace	\$4,475	\$3,878	\$3,878	\$35.38
1108	Pool Filter - Replace	\$6,400	\$4,480	\$0	\$37.95
1109	Wader Filter - Replace	\$1,600	\$1,120	\$0	\$9.49
1111	Pool/Wader Pumps - Replace	\$2,250	\$1,350	\$1,350	\$53.37
1113	Pool Cover - Replace	\$14,850	\$14,850	\$14,850	\$146.76
1118	Lifeguard Stand - Replace	\$3,375	\$2,025	\$0	\$40.03
1119	Diving/Starter Boards - Replace	\$2,200	\$733	\$0	\$14.50
1121	Pool Furniture - Replace (1)	\$5,600	\$5,600	\$5,600	\$83.02
1122	Pool Furniture - Replace (2)	\$10,400	\$2,600	\$0	\$154.17
1201	Tennis Court - Replace	\$312,500	\$289,063	\$238,794	\$926.53
1202	Tennis Court - Recoat/Paint	\$46,250	\$18,500	\$0	\$1,097.01
1203	Tennis Court Windscreen - Replace	\$10,875	\$10,875	\$10,875	\$161.22
1304	Drinking Fountain - Replace	\$1,625	\$1,083	\$0	\$12.85
1306	Park Furnishings - Replace	\$6,675	\$6,675	\$6,675	\$65.97
1413	Clubhouse - Remodel (Upper Level)	\$62,500	\$6,250	\$0	\$370.61
1414	Clubhouse - Remodel (Lower Level)	\$32,500	\$30,875	\$30,875	\$192.72
1506	Lower Level Flooring - Recoat	\$2,650	\$2,650	\$2,650	\$31.43
1701	Irrigation System - Rebuild	\$13,500	\$13,500	\$13,500	\$320.21
1703	Irrigation Timers/clocks - Replace	\$5,200	\$5,200	\$5,200	\$308.35
1801	Groundcover - Replenish	\$27,500	\$27,500	\$27,500	\$1,087.13
2001	Shade Structure - Replace	\$10,225	\$3,834	\$0	\$75.79
2025	Catastrophic Event	\$20,000	\$10,000	\$0	\$296.49

## Yearly Cash Flow For Willow Creek III HOA

Year	2019	2020	2021	2022	2023
<b>Starting Balance</b>	\$485,886	\$507,413	\$540,597	\$676,046	\$399,659
<i>Reserve Income</i>	\$146,700	\$150,734	\$154,879	\$159,139	\$163,515
<i>Interest Earnings</i>	\$4,964	\$5,238	\$6,081	\$5,376	\$4,038
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$637,550	\$663,385	\$701,557	\$840,561	\$567,212
<b>Reserve Expenditures</b>	\$130,138	\$122,788	\$25,511	\$440,901	\$158,923
<b>Ending Balance</b>	\$507,413	\$540,597	\$676,046	\$399,659	\$408,289

Year	2024	2025	2026	2027	2028
<b>Starting Balance</b>	\$408,289	\$427,677	\$494,417	\$601,822	\$594,511
<i>Reserve Income</i>	\$168,012	\$172,632	\$177,379	\$182,257	\$187,269
<i>Interest Earnings</i>	\$4,178	\$4,609	\$5,479	\$5,979	\$6,697
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$580,478	\$604,917	\$677,275	\$790,058	\$788,477
<b>Reserve Expenditures</b>	\$152,802	\$110,500	\$75,453	\$195,548	\$43,073
<b>Ending Balance</b>	\$427,677	\$494,417	\$601,822	\$594,511	\$745,404

Year	2029	2030	2031	2032	2033
<b>Starting Balance</b>	\$745,404	\$584,092	\$784,896	\$815,337	\$867,371
<i>Reserve Income</i>	\$192,419	\$197,711	\$203,148	\$208,734	\$214,475
<i>Interest Earnings</i>	\$6,645	\$6,842	\$7,998	\$8,410	\$9,484
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$944,468	\$788,645	\$996,042	\$1,032,481	\$1,091,330
<b>Reserve Expenditures</b>	\$360,376	\$3,748	\$180,705	\$165,110	\$61,070
<b>Ending Balance</b>	\$584,092	\$784,896	\$815,337	\$867,371	\$1,030,260

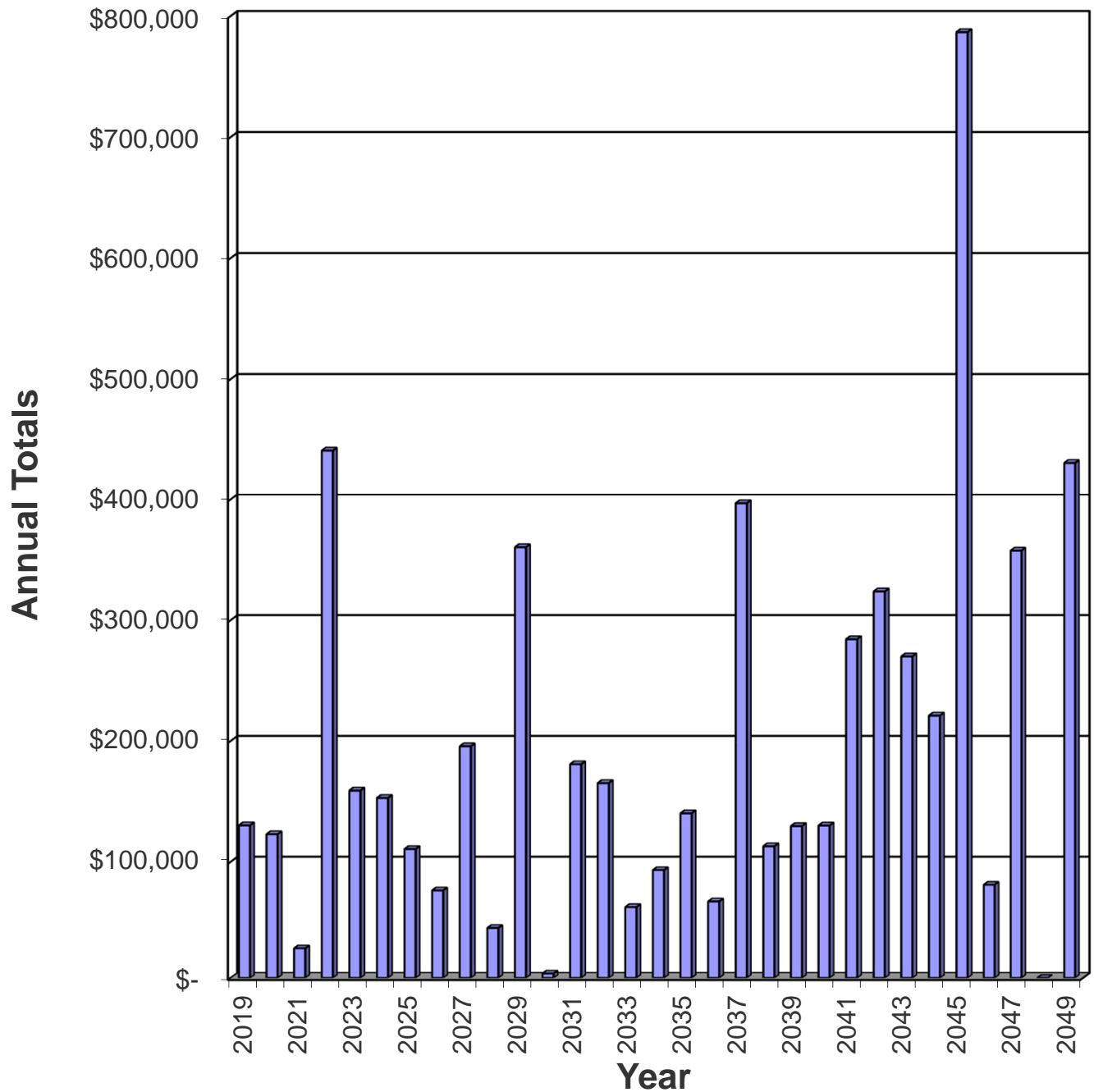
Year	2034	2035	2036	2037	2038
<b>Starting Balance</b>	\$1,030,260	\$1,168,623	\$1,267,128	\$1,447,421	\$1,303,415
<i>Reserve Income</i>	\$220,373	\$226,433	\$232,660	\$239,058	\$248,023
<i>Interest Earnings</i>	\$10,990	\$12,174	\$13,567	\$13,748	\$13,773
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,261,622	\$1,407,229	\$1,513,355	\$1,700,227	\$1,565,210
<b>Reserve Expenditures</b>	\$92,999	\$140,101	\$65,934	\$396,813	\$112,836
<b>Ending Balance</b>	\$1,168,623	\$1,267,128	\$1,447,421	\$1,303,415	\$1,452,375

Year	2039	2040	2041	2042	2043
<b>Starting Balance</b>	\$1,452,375	\$1,595,439	\$1,749,140	\$1,759,467	\$1,740,593
<i>Reserve Income</i>	\$257,323	\$266,973	\$276,985	\$287,371	\$298,148
<i>Interest Earnings</i>	\$15,233	\$16,716	\$17,536	\$17,493	\$17,628
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,724,931	\$1,879,128	\$2,043,660	\$2,064,331	\$2,056,368
<b>Reserve Expenditures</b>	\$129,492	\$129,987	\$284,194	\$323,738	\$269,949
<b>Ending Balance</b>	\$1,595,439	\$1,749,140	\$1,759,467	\$1,740,593	\$1,786,420

Year	2044	2045	2046	2047	2048
<b>Starting Balance</b>	\$1,786,420	\$1,893,181	\$1,444,062	\$1,712,417	\$1,717,556
<i>Reserve Income</i>	\$309,328	\$320,928	\$332,963	\$345,449	\$358,403
<i>Interest Earnings</i>	\$18,390	\$16,679	\$15,776	\$17,143	\$19,055
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$2,114,138	\$2,230,788	\$1,792,801	\$2,075,009	\$2,095,014
<b>Reserve Expenditures</b>	\$220,957	\$786,726	\$80,383	\$357,454	\$0
<b>Ending Balance</b>	\$1,893,181	\$1,444,062	\$1,712,417	\$1,717,556	\$2,095,014



## Reserve Expenditures



## Projected Reserve Expenditures For Willow Creek III HOA

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
2019	1007	Timber Walls - Major Repairs	\$37,500	
	1014	Brick - Major Repairs	\$5,788	
	1113	Pool Cover - Replace	\$14,850	
	1121	Pool Furniture - Replace (1)	\$5,600	
	1203	Tennis Court Windscreen - Replace	\$10,875	
	1306	Park Furnishings - Replace	\$6,675	
	1506	Lower Level Flooring - Recoat	\$2,650	
	1701	Irrigation System - Rebuild	\$13,500	
	1703	Irrigation Timeclocks - Replace	\$5,200	
	1801	Groundcover - Replenish	\$27,500	\$130,138
2020	207	Iron Fencing - Repaint	\$4,254	
	402	Asphalt - Seal Coat/crack fill	\$7,185	
	406	Curb and Gutters - Repair	\$1,906	
	601	Concrete Sidewalks/Decks - Repair	\$44,820	
	804	Awnings - Replace	\$3,553	
	1002	Ironwork Fencing - Replace	\$27,351	
	1414	Clubhouse - Remodel (Lower Level)	\$33,719	\$122,788
2021	204	Building Ext Surfaces - Repaint	\$6,458	
	1103	Wader - Resurface	\$6,216	
	1107	Wader Heater - Replace	\$4,817	
	1111	Pool/Wader Pumps - Replace	\$2,422	
	1703	Irrigation Timeclocks - Replace	\$5,597	\$25,511
2022	1009	Split Rail Fencing - Replace	\$9,548	
	1201	Tennis Court - Replace	\$348,991	
	1202	Tennis Court - Recoat/Paint	\$51,651	
	1801	Groundcover - Replenish	\$30,711	\$440,901
2023	207	Iron Fencing - Repaint	\$4,750	
	402	Asphalt - Seal Coat/crack fill	\$8,024	
	406	Curb and Gutters - Repair	\$2,129	
	601	Concrete Sidewalks/Decks - Repair	\$50,054	
	603	Asphalt Paths - Resurface	\$60,858	
	1118	Lifeguard Stand - Replace	\$3,910	
	1703	Irrigation Timeclocks - Replace	\$6,025	
	2025	Catastrophic Event	\$23,173	\$158,923
2024	506	Doors/Windows - Partial Replacement	\$8,114	
	705	HVAC System - Replace	\$8,264	
	1001	Wood Fencing - Replace	\$111,284	
	1014	Brick - Major Repairs	\$6,957	
	1304	Drinking Fountain - Replace	\$1,953	
	1701	Irrigation System - Rebuild	\$16,228	\$152,802
2025	1007	Timber Walls - Major Repairs	\$46,769	
	1108	Pool Filter - Replace	\$7,982	
	1109	Wader Filter - Replace	\$1,995	
	1122	Pool Furniture - Replace (2)	\$12,971	
	1703	Irrigation Timeclocks - Replace	\$6,485	
	1801	Groundcover - Replenish	\$34,297	\$110,500
2026	207	Iron Fencing - Repaint	\$5,305	
	402	Asphalt - Seal Coat/crack fill	\$8,961	
	406	Curb and Gutters - Repair	\$2,378	
	601	Concrete Sidewalks/Decks - Repair	\$55,899	
	1111	Pool/Wader Pumps - Replace	\$2,911	\$75,453
2027	204	Building Ext Surfaces - Repaint	\$8,055	
	301	Clubhouse Siding - Replace	\$44,788	

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
	609	Composite Bridges - Replace	\$41,784	
	908	Access System - Replace	\$9,733	
	1121	Pool Furniture - Replace (1)	\$7,518	
	1202	Tennis Court - Recoat/Paint	\$62,089	
	1203	Tennis Court Windscreen - Replace	\$14,599	
	1703	Irrigation Timeclocks - Replace	\$6,981	\$195,548
2028	804	Awnings - Replace	\$4,770	
	1801	Groundcover - Replenish	\$38,302	\$43,073
2029	207	Iron Fencing - Repaint	\$5,925	
	402	Asphalt - Seal Coat/crack fill	\$10,007	
	406	Curb and Gutters - Repair	\$2,655	
	601	Concrete Sidewalks/Decks - Repair	\$62,426	
	1014	Brick - Major Repairs	\$8,363	
	1101	Pool - Resurface	\$88,057	
	1103	Wader - Resurface	\$8,345	
	1104	Coping Stone / Tile - Replace	\$128,970	
	1506	Lower Level Flooring - Recoat	\$3,829	
	1701	Irrigation System - Rebuild	\$19,508	
	1703	Irrigation Timeclocks - Replace	\$7,514	
	2001	Shade Structure - Replace	\$14,776	\$360,376
2030	703	Hot Water Heater Tank - Replace	\$3,748	\$3,748
2031	1007	Timber Walls - Major Repairs	\$58,330	
	1111	Pool/Wader Pumps - Replace	\$3,500	
	1113	Pool Cover - Replace	\$23,098	
	1119	Diving/Starter Boards - Replace	\$3,422	
	1306	Park Furnishings - Replace	\$10,383	
	1703	Irrigation Timeclocks - Replace	\$8,088	
	1801	Groundcover - Replenish	\$42,775	
	2025	Catastrophic Event	\$31,109	\$180,705
2032	207	Iron Fencing - Repaint	\$6,617	
	402	Asphalt - Seal Coat/crack fill	\$11,175	
	406	Curb and Gutters - Repair	\$2,965	
	601	Concrete Sidewalks/Decks - Repair	\$69,715	
	1202	Tennis Court - Recoat/Paint	\$74,638	\$165,110
2033	204	Building Ext Surfaces - Repaint	\$10,046	
	1105	Pool Heater - Replace	\$19,254	
	1118	Lifeguard Stand - Replace	\$5,651	
	1122	Pool Furniture - Replace (2)	\$17,413	
	1703	Irrigation Timeclocks - Replace	\$8,706	\$61,070
2034	506	Doors/Windows - Partial Replacement	\$11,725	
	1014	Brick - Major Repairs	\$10,053	
	1701	Irrigation System - Rebuild	\$23,451	
	1801	Groundcover - Replenish	\$47,770	\$92,999
2035	207	Iron Fencing - Repaint	\$7,389	
	402	Asphalt - Seal Coat/crack fill	\$12,480	
	406	Curb and Gutters - Repair	\$3,312	
	601	Concrete Sidewalks/Decks - Repair	\$77,856	
	1121	Pool Furniture - Replace (1)	\$10,092	
	1203	Tennis Court Windscreen - Replace	\$19,599	
	1703	Irrigation Timeclocks - Replace	\$9,372	\$140,101
2036	401	Asphalt - Overlay	\$46,956	
	804	Awnings - Replace	\$6,404	
	1107	Wader Heater - Replace	\$8,367	
	1111	Pool/Wader Pumps - Replace	\$4,207	\$65,934
2037	105	Comp Shingle Roof - Replace	\$21,873	

<b>Year</b>	<b>Asset ID</b>	<b>Asset Name</b>	<b>Projected Cost</b>	<b>Total Per Annum</b>
	1007	Timber Walls - Major Repairs	\$72,747	
	1009	Split Rail Fencing - Replace	\$16,586	
	1103	Wader - Resurface	\$11,203	
	1202	Tennis Court - Recoat/Paint	\$89,722	
	1413	Clubhouse - Remodel (Upper Level)	\$121,246	
	1703	Irrigation Timeclocks - Replace	\$10,088	
	1801	Groundcover - Replenish	\$53,348	\$396,813
2038	207	Iron Fencing - Repaint	\$8,252	
	402	Asphalt - Seal Coat/crack fill	\$13,938	
	406	Curb and Gutters - Repair	\$3,698	
	601	Concrete Sidewalks/Decks - Repair	\$86,948	\$112,836
2039	204	Building Ext Surfaces - Repaint	\$12,529	
	908	Access System - Replace	\$15,139	
	1014	Brick - Major Repairs	\$12,085	
	1304	Drinking Fountain - Replace	\$3,393	
	1506	Lower Level Flooring - Recoat	\$5,534	
	1701	Irrigation System - Rebuild	\$28,190	
	1703	Irrigation Timeclocks - Replace	\$10,858	
	2025	Catastrophic Event	\$41,763	\$129,492
2040	1414	Clubhouse - Remodel (Lower Level)	\$70,410	
	1801	Groundcover - Replenish	\$59,578	\$129,987
2041	207	Iron Fencing - Repaint	\$9,216	
	402	Asphalt - Seal Coat/crack fill	\$15,565	
	406	Curb and Gutters - Repair	\$4,130	
	601	Concrete Sidewalks/Decks - Repair	\$97,101	
	603	Asphalt Paths - Resurface	\$118,060	
	1111	Pool/Wader Pumps - Replace	\$5,057	
	1122	Pool Furniture - Replace (2)	\$23,376	
	1703	Irrigation Timeclocks - Replace	\$11,688	\$284,194
2042	1001	Wood Fencing - Replace	\$215,884	
	1202	Tennis Court - Recoat/Paint	\$107,854	\$323,738
2043	1007	Timber Walls - Major Repairs	\$90,729	
	1113	Pool Cover - Replace	\$35,929	
	1118	Lifeguard Stand - Replace	\$8,166	
	1121	Pool Furniture - Replace (1)	\$13,549	
	1203	Tennis Court Windscreen - Replace	\$26,311	
	1306	Park Furnishings - Replace	\$16,150	
	1703	Irrigation Timeclocks - Replace	\$12,581	
	1801	Groundcover - Replenish	\$66,535	\$269,949
2044	207	Iron Fencing - Repaint	\$10,292	
	402	Asphalt - Seal Coat/crack fill	\$17,383	
	406	Curb and Gutters - Repair	\$4,612	
	506	Doors/Windows - Partial Replacement	\$16,944	
	601	Concrete Sidewalks/Decks - Repair	\$108,439	
	703	Hot Water Heater Tank - Replace	\$6,275	
	804	Awnings - Replace	\$8,597	
	1014	Brick - Major Repairs	\$14,528	
	1701	Irrigation System - Rebuild	\$33,887	\$220,957
2045	204	Building Ext Surfaces - Repaint	\$15,626	
	608	Pool Deck - Replace	\$235,266	
	1002	Ironwork Fencing - Replace	\$68,656	
	1101	Pool - Resurface	\$158,699	
	1103	Wader - Resurface	\$15,040	
	1104	Coping Stone / Tile - Replace	\$232,434	
	1108	Pool Filter - Replace	\$16,668	



<b>Year</b>	<b>Asset ID</b>	<b>Asset Name</b>	<b>Projected Cost</b>	<b>Total Per Annum</b>
	1109	Wader Filter - Replace	\$4,167	
	1703	Irrigation Timeclocks - Replace	\$13,542	
	2001	Shade Structure - Replace	\$26,629	\$786,726
2046	1111	Pool/Wader Pumps - Replace	\$6,079	
	1801	Groundcover - Replenish	\$74,304	\$80,383
2047	207	Iron Fencing - Repaint	\$11,493	
	402	Asphalt - Seal Coat/crack fill	\$19,413	
	406	Curb and Gutters - Repair	\$5,151	
	601	Concrete Sidewalks/Decks - Repair	\$121,102	
	1202	Tennis Court - Recoat/Paint	\$129,652	
	1703	Irrigation Timeclocks - Replace	\$14,577	
	2025	Catastrophic Event	\$56,066	\$357,454
2048		No Expenditures Projected		\$0
2049	609	Composite Bridges - Replace	\$93,919	
	705	HVAC System - Replace	\$20,745	
	1007	Timber Walls - Major Repairs	\$113,155	
	1014	Brick - Major Repairs	\$17,464	
	1119	Diving/Starter Boards - Replace	\$6,638	
	1122	Pool Furniture - Replace (2)	\$31,382	
	1506	Lower Level Flooring - Recoat	\$7,996	
	1701	Irrigation System - Rebuild	\$40,736	
	1703	Irrigation Timeclocks - Replace	\$15,691	
	1801	Groundcover - Replenish	\$82,980	\$430,706

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

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

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

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

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

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

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

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

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

$$\text{FFB} = \text{Replacement Cost} \times \text{Effective Age} / \text{Useful Life}$$

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

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

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

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

**Funding Principles –**

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

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

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

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

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

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

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

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

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

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

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

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