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## **“Full” Reserve Study**



## **Sunland Division 17 Owners Association Sequim, WA**

**Report #: 19544-3**  
**For Period Beginning: January 1, 2015**  
**Expires: December 31, 2015**

**Date Prepared: June 19, 2014**

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**Hello, and welcome to your Reserve Study!**

**W**e don't want you to be surprised. This Report is designed to help you anticipate, and prepare for, the major common area expenses your association will face. Inside you will find:

- 1) **The Reserve Component List** (the “Scope and Schedule” of your Reserve projects) – telling you what your association is Reserving for, what condition they are in now, and what they'll cost to replace.
- 2) **An Evaluation of your current Reserve Fund Size and Strength** (Percent Funded). This tells you your financial starting point, revealing your risk of deferred maintenance and special assessments.
- 3) **A Recommended Multi-Year Reserve Funding Plan**, answering the question... “What do we do now?”

**More Questions?**

Visit our website at [www.ReserveStudy.com](http://www.ReserveStudy.com) or call us at:

253/661-5437

Relax, it's from



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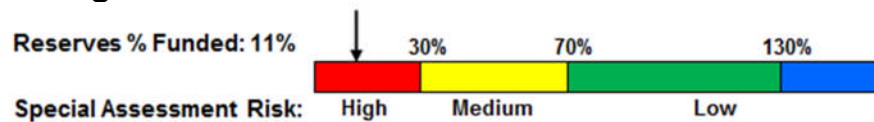
# 3- Minute Executive Summary

**Association:** Sunland Division 17 Owners #: 19544-3  
 Association  
**Location:** Sequim, WA # of Units: 107  
**Report Period:** January 1, 2015 through December 31, 2015

***Findings/Recommendations as-of 1/1/2015:***

Projected Starting Reserve Balance: .....	\$167,944
Current Fully Funded Reserve Balance: .....	\$1,463,571
Average Reserve Deficit (Surplus) Per Unit:.....	\$12,109
100% 2015 Quarterly “Full Funding” Contributions: .....	\$28,248*
70% 2015 Quarterly “Threshold Funding” Contributions: .....	\$22,000*
Baseline contributions (min to keep Reserves above \$0):.....	\$7,500
Recommended 2015 Special Assessment for Reserves:.....	\$0

**Most Recent Budgeted Reserve Contribution Rate:..... \$7,062**



***Economic Assumptions:***

Net Annual “After Tax” Interest Earnings Accruing to Reserves..... 1.00%  
 Annual Inflation Rate ..... 3.00%

- This is a “Full” Reserve Study, based on our site inspection on June 5, 2014 and meets or exceeds all requirements of the RCW. This study was prepared by, or under the supervision of a credentialed Reserve Specialist (RS™).
- Your Reserve Fund is currently 11% Funded. This means the association’s special assessment & deferred maintenance risk is currently high. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of such Reserve cash flow problems.
- Based on this starting point and your anticipated future expenses, our recommendation is to increase your Reserve contributions to within the 70% to 100% level as noted above. Full 100% and Threshold 70% contribution rates are designed to achieve these funding objectives *by the end of* our 30-year report scope. No assets appropriate for Reserve designation were excluded. See photo appendix for component details; the basis of our assumptions.
- \*The funding plan is based on a 7% annual increase over 30 years.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
<b>Site</b>				
140	Split Rail Fence - Replace	25	8	\$39,950
142	Fence/rail/screens - Replace Ph1	28	13	\$18,000
142	Fence/rail/screens - Replace Ph2	28	14	\$18,000
142	Fence/rail/screens - Replace Ph3	28	15	\$18,000
142	Fence/rail/screens - Replace Ph4	28	17	\$18,000
142	Fence/rail/screens - Replace Ph5	28	18	\$18,000
142	Fence/rail/screens - Replace Ph6	28	20	\$18,000
142	Fence/rail/screens - Replace Ph7	28	22	\$18,000
145	Wood Fence top/caps - Paint Ph1	14	6	\$3,000
145	Wood Fence top/caps - Paint Ph2	14	7	\$3,000
145	Wood Fence top/caps - Paint Ph3	14	8	\$3,000
145	Wood Fence top/caps - Paint Ph4	14	10	\$3,000
145	Wood Fence top/caps - Paint Ph5	14	11	\$3,000
145	Wood Fence top/caps - Paint Ph6	14	13	\$3,000
145	Wood Fence top/caps - Paint Ph7	14	15	\$3,000
160	Pole Lights - Replace Ph1	25	8	\$85,500
160	Pole Lights - Replace Ph2	25	18	\$12,600
200	Entry Sign - Replace	25	16	\$2,000
206	Mailbox Shelter - repair/replace	20	13	\$4,000
208	Mailbox - Replace	20	3	\$7,800
<b>Building Exterior</b>				
500	Comp. Shngle Roof, skylite- Replace	25	18	\$168,000
502	Tile Roofs, Skylights - Replace Ph1	50	33	\$504,000
502	Tile Roofs, Skylights - Replace Ph2	50	35	\$504,000
502	Tile Roofs, Skylights - Replace Ph3	50	37	\$504,000
502	Tile Roofs, Skylights - Replace Ph4	50	39	\$504,000
502	Tile Roofs, Skylights - Replace Ph5	50	41	\$504,000
522	Siding:Fiber Cement -Repair/Replace	50	38	\$1,742,000
533	Exterior Surfaces - Paint/Caulk Ph1	14	13	\$43,000
533	Exterior Surfaces - Paint/Caulk Ph2	14	0	\$43,000
533	Exterior Surfaces - Paint/Caulk Ph3	14	1	\$43,000
533	Exterior Surfaces - Paint/Caulk Ph4	14	3	\$38,000
533	Exterior Surfaces - Paint/Caulk Ph5	14	4	\$38,000
533	Exterior Surfaces - Paint/Caulk Ph6	14	6	\$38,000
533	Exterior Surfaces - Paint/Caulk Ph7	14	8	\$34,000
<b>Systems</b>				
930	Water Meter Setters - Install	N/A	2	\$32,000
35	Total Funded Components			

Note 1: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: Yellow highlighted line items are expected to require attention in the initial year, green highlighted items are expected to occur within the first five years.

Cross reference component numbers with photographic inventory appendix. A reserve-funding threshold of 1% of the total annual operating expenses is typical; expenses below this level best factored within the operating budget.

### Introduction



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

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



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

### Methodology

LEVELS OF SERVICE



For this [Full Reserve Study](#), we started with a review of your Governing Documents, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents.

We performed an on-site inspection to quantify and evaluate your common areas, creating your Reserve Component List *from scratch*.

### *Which Physical Assets are Funded by Reserves?*

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.



RESERVE COMPONENT "FOUR-PART TEST"

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

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

### *How do we establish Current Repair/Replacement Cost Estimates?*

In this order...

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

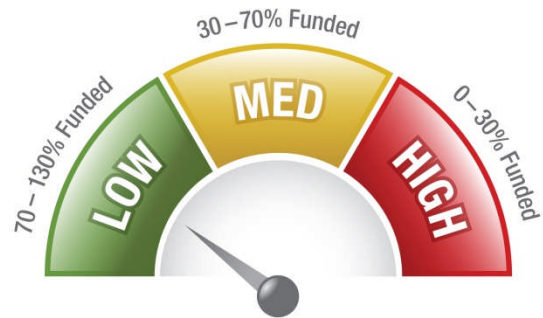


### *How much Reserves are enough?*

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

Adequacy is measured in a two-step process:

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



**SPECIAL ASSESSMENT RISK**

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

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

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

*How much should we contribute?*



**RESERVE FUNDING PRINCIPLES**

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

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

*What is our Recommended Funding Goal?*

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



**FUNDING OBJECTIVES**

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

## **Site Inspection Notes**

During our site visit on June 5, 2014, we meet with Susan Hamman and Cindy Rhodes, and conducted the site inspection. We visually inspected all visible common area while compiling a photographic inventory, noting: current condition, apparent levels of care and maintenance, exposure to weather elements and other factors that may affect the components useful life.

During our site inspection we learned that the WA Department of Health is requiring installation of water meters throughout the Sunland Water District (SWD) jurisdiction. . Plans currently identify Division 17 to be the last segment of SWD to have these items installed. Under the current timeline, the final phase of installation will be 2017 unless an extension is granted by the State. It was reported to us that the technical specifications have not been completed; therefore the exact cost is unknown. However, the Sunland Division 17 liaison with SWD has indicated that the anticipated cost of water meters/setter is \$600-\$800 per set. The actual number of irrigation meters/setters that will be required is currently unknown, but it has been projected to be between 40-50 sets.

### Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Your *first five years* of projected Reserve expenses total \$214,055. Adding the next five years, your *first ten years* of projected Reserve expenses are \$472,488. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses at your association as defined by your Reserve Component List. A summary of these expenses are shown in Table 5, while details of the projects that make up these expenses are shown in Table 6.

### Annual Reserve Expenses

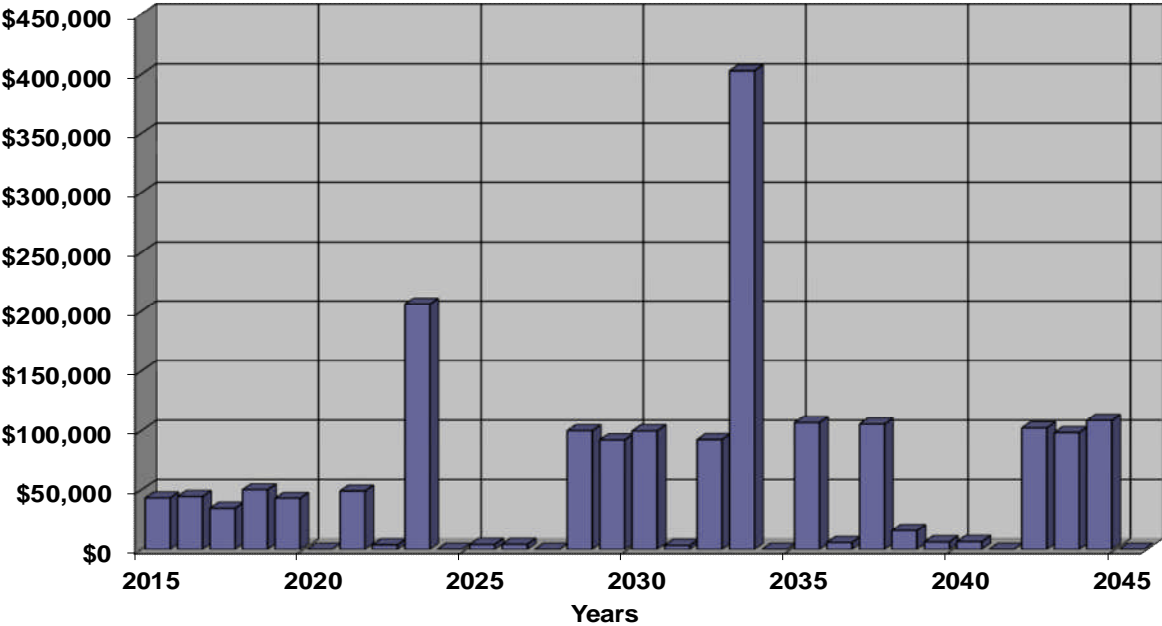


Figure 1

### Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$167,944 as-of the start of your Fiscal Year on January 1, 2015. As of January 1, 2015, your Fully Funded Balance is computed to be \$1,463,571 (see Table 3). This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 11% Funded. Across the country, approximately 48% of associations in this range experience special assessments or deferred maintenance.

### Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$28,248/quarter for the 2015 Fiscal Year with 7% annual increases thereafter. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both Table 5 and Table 6.

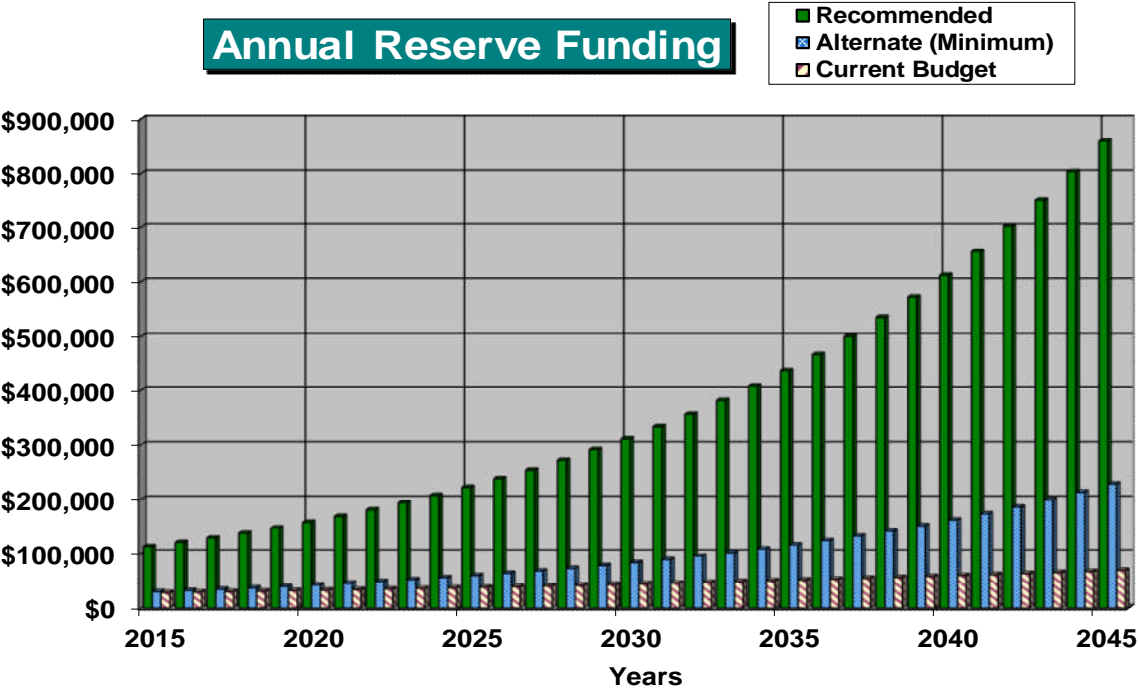


Figure 2

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

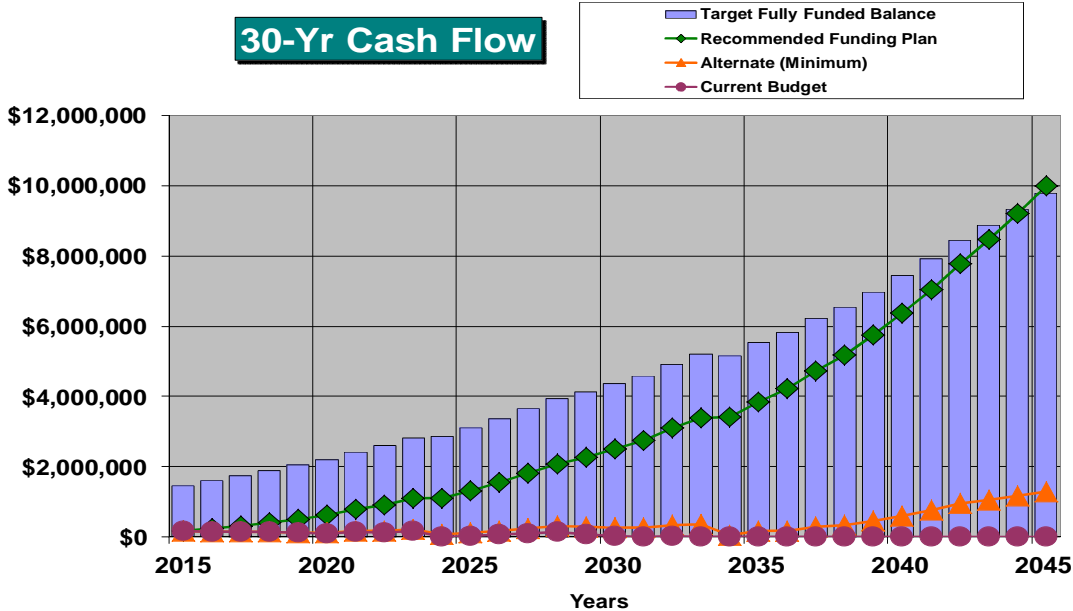


Figure 3

This figure shows this same information, plotted on a [Percent Funded](#) scale.

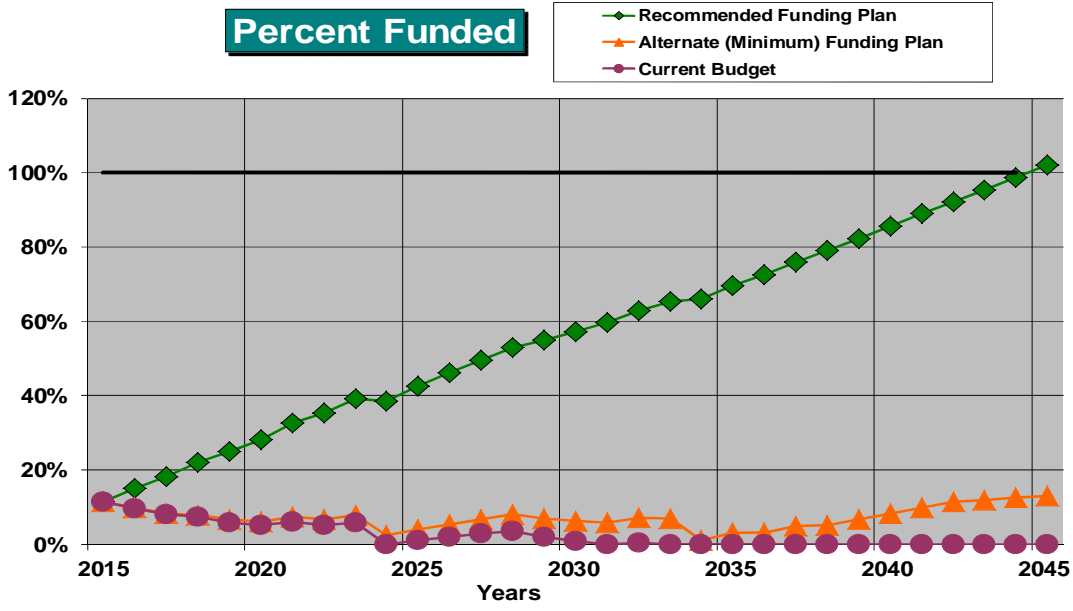


Figure 4

## **Table Descriptions**

The tabular information in this Report is broken down into six tables.

Table 1 is a summary of your Reserve Components (your Reserve Component List), the information found in Table 2.

Table 2 is your Reserve Component List, which forms the foundation of this Reserve Study. This table represents the information from which all other tables are derived.

Table 3 shows the calculation of your Fully Funded Balance, the measure of your current Reserve component deterioration. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Table 4 shows the significance of each component to Reserve needs of the association, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing Current Replacement Cost by Useful Life, then that component's percentage of the total is displayed.

Table 5: This table provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk for each year.

Table 6: This table shows the cash flow detail for the next 30 years. This table makes it possible to see which components are projected to require repair or replacement each year, and the size of those individual expenses.

**Table 2: Reserve Component List Detail**

**19544-3**

#	Component	Quantity	Useful Life	Rem. Useful Life	[ --- Current Cost Estimate --- ]	
					Best Case	Worst Case
<b>Site</b>						
140	Split Rail Fence - Replace	~ 4,700 LF	25	8	\$32,900	\$47,000
142	Fence/rail/screens - Replace Ph1	1/7 of ~2,100 LF	28	13	\$16,500	\$19,500
142	Fence/rail/screens - Replace Ph2	1/7 of ~2,100 LF	28	14	\$16,500	\$19,500
142	Fence/rail/screens - Replace Ph3	1/7 of ~2,100 LF	28	15	\$16,500	\$19,500
142	Fence/rail/screens - Replace Ph4	1/7 of ~2,100 LF	28	17	\$16,500	\$19,500
142	Fence/rail/screens - Replace Ph5	1/7 of ~2,100 LF	28	18	\$16,500	\$19,500
142	Fence/rail/screens - Replace Ph6	1/7 of ~2,100 LF	28	20	\$16,500	\$19,500
142	Fence/rail/screens - Replace Ph7	1/7 of ~2,100 LF	28	22	\$16,500	\$19,500
145	Wood Fence top/caps - Paint Ph1	1/7 of ~2,100 LF	14	6	\$2,700	\$3,300
145	Wood Fence top/caps - Paint Ph2	1/7 of ~2,100 LF	14	7	\$2,700	\$3,300
145	Wood Fence top/caps - Paint Ph3	1/7 of ~2,100 LF	14	8	\$2,700	\$3,300
145	Wood Fence top/caps - Paint Ph4	1/7 of ~2,100 LF	14	10	\$2,700	\$3,300
145	Wood Fence top/caps - Paint Ph5	1/7 of ~2,100 LF	14	11	\$2,700	\$3,300
145	Wood Fence top/caps - Paint Ph6	1/7 of ~2,100 LF	14	13	\$2,700	\$3,300
145	Wood Fence top/caps - Paint Ph7	1/7 of ~2,100 LF	14	15	\$2,700	\$3,300
160	Pole Lights - Replace Ph1	(95) pole lights	25	8	\$76,000	\$95,000
160	Pole Lights - Replace Ph2	(14) pole lights	25	18	\$11,200	\$14,000
200	Entry Sign - Replace	1 unit	25	16	\$1,000	\$3,000
206	Mailbox Shelter - repair/replace	(1) structure	20	13	\$3,000	\$5,000
208	Mailbox - Replace	(6) cluster stands	20	3	\$7,200	\$8,400
<b>Building Exterior</b>						
500	Comp. Shngle Roof, skylite- Replace	(7) buildings	25	18	\$146,000	\$190,000
502	Tile Roofs, Skylights - Replace Ph1	(9) buildings	50	33	\$446,400	\$561,600
502	Tile Roofs, Skylights - Replace Ph2	(9) buildings	50	35	\$446,400	\$561,600
502	Tile Roofs, Skylights - Replace Ph3	(9) buildings	50	37	\$446,400	\$561,600
502	Tile Roofs, Skylights - Replace Ph4	(9) buildings	50	39	\$446,400	\$561,600
502	Tile Roofs, Skylights - Replace Ph5	(9) buildings	50	41	\$446,400	\$561,600
522	Siding:Fiber Cement -Repair/Replace	(52) buildings	50	38	\$1,560,000	\$1,924,000
533	Exterior Surfaces - Paint/Caulk Ph1	(8) buildings & fence	14	13	\$41,500	\$44,500
533	Exterior Surfaces - Paint/Caulk Ph2	(8) buildings & fence	14	0	\$41,500	\$44,500
533	Exterior Surfaces - Paint/Caulk Ph3	(8) buildings & fence	14	1	\$41,500	\$44,500
533	Exterior Surfaces - Paint/Caulk Ph4	(7) buildings & fence	14	3	\$37,000	\$39,000
533	Exterior Surfaces - Paint/Caulk Ph5	(7) buildings & fence	14	4	\$37,000	\$39,000
533	Exterior Surfaces - Paint/Caulk Ph6	(7) buildings & fence	14	6	\$37,000	\$39,000
533	Exterior Surfaces - Paint/Caulk Ph7	(7) buildings & fence	14	8	\$33,000	\$35,000
<b>Systems</b>						
930	Water Meter Setters - Install	(tbd) water meter setters	N/A	2	\$24,000	\$40,000
35	Total Funded Components					



**Table 3: Fully Funded Balance**

**19544-3**

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
<b>Site</b>								
140	Split Rail Fence - Replace	\$39,950	X	17	/	25	=	\$27,166
142	Fence/rail/screens - Replace Ph1	\$18,000	X	15	/	28	=	\$9,643
142	Fence/rail/screens - Replace Ph2	\$18,000	X	14	/	28	=	\$9,000
142	Fence/rail/screens - Replace Ph3	\$18,000	X	13	/	28	=	\$8,357
142	Fence/rail/screens - Replace Ph4	\$18,000	X	11	/	28	=	\$7,071
142	Fence/rail/screens - Replace Ph5	\$18,000	X	10	/	28	=	\$6,429
142	Fence/rail/screens - Replace Ph6	\$18,000	X	8	/	28	=	\$5,143
142	Fence/rail/screens - Replace Ph7	\$18,000	X	6	/	28	=	\$3,857
145	Wood Fence top/caps - Paint Ph1	\$3,000	X	8	/	14	=	\$1,714
145	Wood Fence top/caps - Paint Ph2	\$3,000	X	7	/	14	=	\$1,500
145	Wood Fence top/caps - Paint Ph3	\$3,000	X	6	/	14	=	\$1,286
145	Wood Fence top/caps - Paint Ph4	\$3,000	X	4	/	14	=	\$857
145	Wood Fence top/caps - Paint Ph5	\$3,000	X	3	/	14	=	\$643
145	Wood Fence top/caps - Paint Ph6	\$3,000	X	1	/	14	=	\$214
145	Wood Fence top/caps - Paint Ph7	\$3,000	X	0	/	14	=	\$0
160	Pole Lights - Replace Ph1	\$85,500	X	17	/	25	=	\$58,140
160	Pole Lights - Replace Ph2	\$12,600	X	7	/	25	=	\$3,528
200	Entry Sign - Replace	\$2,000	X	9	/	25	=	\$720
206	Mailbox Shelter - repair/replace	\$4,000	X	7	/	20	=	\$1,400
208	Mailbox - Replace	\$7,800	X	17	/	20	=	\$6,630
<b>Building Exterior</b>								
500	Comp. Shngle Roof, skylite- Replace	\$168,000	X	7	/	25	=	\$47,040
502	Tile Roofs, Skylights - Replace Ph1	\$504,000	X	17	/	50	=	\$171,360
502	Tile Roofs, Skylights - Replace Ph2	\$504,000	X	15	/	50	=	\$151,200
502	Tile Roofs, Skylights - Replace Ph3	\$504,000	X	13	/	50	=	\$131,040
502	Tile Roofs, Skylights - Replace Ph4	\$504,000	X	11	/	50	=	\$110,880
502	Tile Roofs, Skylights - Replace Ph5	\$504,000	X	9	/	50	=	\$90,720
522	Siding:Fiber Cement -Repair/Replace	\$1,742,000	X	12	/	50	=	\$418,080
533	Exterior Surfaces - Paint/Caulk Ph1	\$43,000	X	1	/	14	=	\$3,071
533	Exterior Surfaces - Paint/Caulk Ph2	\$43,000	X	14	/	14	=	\$43,000
533	Exterior Surfaces - Paint/Caulk Ph3	\$43,000	X	13	/	14	=	\$39,929
533	Exterior Surfaces - Paint/Caulk Ph4	\$38,000	X	11	/	14	=	\$29,857
533	Exterior Surfaces - Paint/Caulk Ph5	\$38,000	X	10	/	14	=	\$27,143
533	Exterior Surfaces - Paint/Caulk Ph6	\$38,000	X	8	/	14	=	\$21,714
533	Exterior Surfaces - Paint/Caulk Ph7	\$34,000	X	6	/	14	=	\$14,571
<b>Systems</b>								
930	Water Meter Setters - Install	\$32,000	X	0	/	0	=	\$10,667
								\$1,463,571

**Table 4: Component Significance**

**19544-3**

#	Component	Useful Life	Current Cost Estimate	Deterioration Cost/yr	Deterioration Significance
<b>Site</b>					
140	Split Rail Fence - Replace	25	\$39,950	\$1,598	1.3%
142	Fence/rail/screens - Replace Ph1	28	\$18,000	\$643	0.5%
142	Fence/rail/screens - Replace Ph2	28	\$18,000	\$643	0.5%
142	Fence/rail/screens - Replace Ph3	28	\$18,000	\$643	0.5%
142	Fence/rail/screens - Replace Ph4	28	\$18,000	\$643	0.5%
142	Fence/rail/screens - Replace Ph5	28	\$18,000	\$643	0.5%
142	Fence/rail/screens - Replace Ph6	28	\$18,000	\$643	0.5%
142	Fence/rail/screens - Replace Ph7	28	\$18,000	\$643	0.5%
145	Wood Fence top/caps - Paint Ph1	14	\$3,000	\$214	0.2%
145	Wood Fence top/caps - Paint Ph2	14	\$3,000	\$214	0.2%
145	Wood Fence top/caps - Paint Ph3	14	\$3,000	\$214	0.2%
145	Wood Fence top/caps - Paint Ph4	14	\$3,000	\$214	0.2%
145	Wood Fence top/caps - Paint Ph5	14	\$3,000	\$214	0.2%
145	Wood Fence top/caps - Paint Ph6	14	\$3,000	\$214	0.2%
145	Wood Fence top/caps - Paint Ph7	14	\$3,000	\$214	0.2%
160	Pole Lights - Replace Ph1	25	\$85,500	\$3,420	2.8%
160	Pole Lights - Replace Ph2	25	\$12,600	\$504	0.4%
200	Entry Sign - Replace	25	\$2,000	\$80	0.1%
206	Mailbox Shelter - repair/replace	20	\$4,000	\$200	0.2%
208	Mailbox - Replace	20	\$7,800	\$390	0.3%
<b>Building Exterior</b>					
500	Comp. Shngle Roof, skylite- Replace	25	\$168,000	\$6,720	5.4%
502	Tile Roofs, Skylights - Replace Ph1	50	\$504,000	\$10,080	8.1%
502	Tile Roofs, Skylights - Replace Ph2	50	\$504,000	\$10,080	8.1%
502	Tile Roofs, Skylights - Replace Ph3	50	\$504,000	\$10,080	8.1%
502	Tile Roofs, Skylights - Replace Ph4	50	\$504,000	\$10,080	8.1%
502	Tile Roofs, Skylights - Replace Ph5	50	\$504,000	\$10,080	8.1%
522	Siding:Fiber Cement -Repair/Replace	50	\$1,742,000	\$34,840	28.1%
533	Exterior Surfaces - Paint/Caulk Ph1	14	\$43,000	\$3,071	2.5%
533	Exterior Surfaces - Paint/Caulk Ph2	14	\$43,000	\$3,071	2.5%
533	Exterior Surfaces - Paint/Caulk Ph3	14	\$43,000	\$3,071	2.5%
533	Exterior Surfaces - Paint/Caulk Ph4	14	\$38,000	\$2,714	2.2%
533	Exterior Surfaces - Paint/Caulk Ph5	14	\$38,000	\$2,714	2.2%
533	Exterior Surfaces - Paint/Caulk Ph6	14	\$38,000	\$2,714	2.2%
533	Exterior Surfaces - Paint/Caulk Ph7	14	\$34,000	\$2,429	2.0%
<b>Systems</b>					
930	Water Meter Setters - Install	N/A	\$32,000	\$0	0.0%
35	Total Funded Components			\$123,938	100.0%

**Table 5: 30-Year Reserve Plan Summary**

**19544-3**

**Fiscal Year Start: 01/01/15**

**Interest: 1.0% Inflation: 3.0%**

**Reserve Fund Strength Calculations  
(All values as of Fiscal Year Start Date)**

**Projected Reserve Balance  
Changes**

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loans or Special Assmts	Interest Income	Reserve Expenses
2015	\$167,944	\$1,463,571	11.5%	High	\$112,992	\$0	\$2,039	\$43,000
2016	\$239,975	\$1,596,116	15.0%	High	\$120,901	\$0	\$2,796	\$44,290
2017	\$319,382	\$1,746,841	18.3%	High	\$129,365	\$0	\$3,688	\$33,949
2018	\$418,485	\$1,899,709	22.0%	High	\$138,420	\$0	\$4,648	\$50,047
2019	\$511,506	\$2,044,645	25.0%	High	\$148,109	\$0	\$5,668	\$42,769
2020	\$622,514	\$2,205,610	28.2%	High	\$158,477	\$0	\$7,050	\$0
2021	\$788,041	\$2,419,766	32.6%	Med	\$169,571	\$0	\$8,522	\$48,956
2022	\$917,178	\$2,594,362	35.4%	Med	\$181,440	\$0	\$10,107	\$3,690
2023	\$1,105,036	\$2,825,393	39.1%	Med	\$194,141	\$0	\$11,043	\$205,787
2024	\$1,104,433	\$2,859,905	38.6%	Med	\$207,731	\$0	\$12,139	\$0
2025	\$1,324,302	\$3,112,264	42.6%	Med	\$222,272	\$0	\$14,400	\$4,032
2026	\$1,556,943	\$3,373,038	46.2%	Med	\$237,831	\$0	\$16,815	\$4,153
2027	\$1,807,437	\$3,646,658	49.6%	Med	\$254,480	\$0	\$19,436	\$0
2028	\$2,081,352	\$3,938,064	52.9%	Med	\$272,293	\$0	\$21,775	\$99,860
2029	\$2,275,560	\$4,140,817	55.0%	Med	\$291,354	\$0	\$23,860	\$92,268
2030	\$2,498,506	\$4,363,096	57.3%	Med	\$311,748	\$0	\$26,165	\$99,710
2031	\$2,736,710	\$4,590,172	59.6%	Med	\$333,571	\$0	\$29,152	\$3,209
2032	\$3,096,223	\$4,929,421	62.8%	Med	\$356,921	\$0	\$32,432	\$92,559
2033	\$3,393,017	\$5,192,963	65.3%	Med	\$381,905	\$0	\$33,981	\$402,796
2034	\$3,406,108	\$5,151,198	66.1%	Med	\$408,639	\$0	\$36,270	\$0
2035	\$3,851,017	\$5,529,579	69.6%	Med	\$437,243	\$0	\$40,348	\$106,561
2036	\$4,222,048	\$5,816,270	72.6%	Low	\$467,850	\$0	\$44,736	\$5,581
2037	\$4,729,054	\$6,222,487	76.0%	Low	\$500,600	\$0	\$49,493	\$105,386
2038	\$5,173,761	\$6,545,216	79.0%	Low	\$535,642	\$0	\$54,589	\$15,394
2039	\$5,748,598	\$6,977,657	82.4%	Low	\$573,137	\$0	\$60,598	\$6,098
2040	\$6,376,235	\$7,440,203	85.7%	Low	\$613,256	\$0	\$67,104	\$6,281
2041	\$7,050,314	\$7,924,223	89.0%	Low	\$656,184	\$0	\$74,123	\$0
2042	\$7,780,622	\$8,437,251	92.2%	Low	\$702,117	\$0	\$81,177	\$102,179
2043	\$8,461,737	\$8,868,684	95.4%	Low	\$751,266	\$0	\$88,286	\$98,381
2044	\$9,202,907	\$9,325,480	98.7%	Low	\$803,854	\$0	\$95,945	\$108,402

**Table 6: 30-Year Income/Expense Detail (yrs 0 through 4)**

**19544-3**

Fiscal Year	2015	2016	2017	2018	2019
Starting Reserve Balance	\$167,944	\$239,975	\$319,382	\$418,485	\$511,506
Annual Reserve Contribution	\$112,992	\$120,901	\$129,365	\$138,420	\$148,109
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$2,039	\$2,796	\$3,688	\$4,648	\$5,668
<b>Total Income</b>	<b>\$282,975</b>	<b>\$363,672</b>	<b>\$452,434</b>	<b>\$561,553</b>	<b>\$665,284</b>
# Component					

**Site**

140	Split Rail Fence - Replace	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph1	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph2	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph3	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph4	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph5	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph6	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph7	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph1	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph2	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph3	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph4	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph5	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph6	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph7	\$0	\$0	\$0	\$0	\$0
160	Pole Lights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
160	Pole Lights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
200	Entry Sign - Replace	\$0	\$0	\$0	\$0	\$0
206	Mailbox Shelter - repair/replace	\$0	\$0	\$0	\$0	\$0
208	Mailbox - Replace	\$0	\$0	\$0	\$8,523	\$0

**Building Exterior**

500	Comp. Shngle Roof, skylite- Replace	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph3	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph4	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph5	\$0	\$0	\$0	\$0	\$0
522	Siding:Fiber Cement -Repair/Replace	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph1	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph2	\$43,000	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph3	\$0	\$44,290	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph4	\$0	\$0	\$0	\$41,524	\$0
533	Exterior Surfaces - Paint/Caulk Ph5	\$0	\$0	\$0	\$0	\$42,769
533	Exterior Surfaces - Paint/Caulk Ph6	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph7	\$0	\$0	\$0	\$0	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 0 through 4)****19544-3**

Fiscal Year	2015	2016	2017	2018	2019
<b>Systems</b>					
930 Water Meter Setters - Install	\$0	\$0	\$33,949	\$0	\$0
Total Expenses	\$43,000	\$44,290	\$33,949	\$50,047	\$42,769
Ending Reserve Balance:	\$239,975	\$319,382	\$418,485	\$511,506	\$622,514

**Table 6: 30-Year Income/Expense Detail (yrs 5 through 9)**

**19544-3**

Fiscal Year	2020	2021	2022	2023	2024
Starting Reserve Balance	\$622,514	\$788,041	\$917,178	\$1,105,036	\$1,104,433
Annual Reserve Contribution	\$158,477	\$169,571	\$181,440	\$194,141	\$207,731
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$7,050	\$8,522	\$10,107	\$11,043	\$12,139
<b>Total Income</b>	<b>\$788,041</b>	<b>\$966,134</b>	<b>\$1,108,725</b>	<b>\$1,310,220</b>	<b>\$1,324,302</b>

# Component

**Site**

140	Split Rail Fence - Replace	\$0	\$0	\$0	\$50,607	\$0
142	Fence/rail/screens - Replace Ph1	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph2	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph3	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph4	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph5	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph6	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph7	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph1	\$0	\$3,582	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph2	\$0	\$0	\$3,690	\$0	\$0
145	Wood Fence top/caps - Paint Ph3	\$0	\$0	\$0	\$3,800	\$0
145	Wood Fence top/caps - Paint Ph4	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph5	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph6	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph7	\$0	\$0	\$0	\$0	\$0
160	Pole Lights - Replace Ph1	\$0	\$0	\$0	\$108,309	\$0
160	Pole Lights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
200	Entry Sign - Replace	\$0	\$0	\$0	\$0	\$0
206	Mailbox Shelter - repair/replace	\$0	\$0	\$0	\$0	\$0
208	Mailbox - Replace	\$0	\$0	\$0	\$0	\$0

**Building Exterior**

500	Comp. Shngle Roof, skylite- Replace	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph3	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph4	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph5	\$0	\$0	\$0	\$0	\$0
522	Siding:Fiber Cement -Repair/Replace	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph1	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph2	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph3	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph4	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph5	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph6	\$0	\$45,374	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph7	\$0	\$0	\$0	\$43,070	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 5 through 9)**

**19544-3**

Fiscal Year	2020	2021	2022	2023	2024
<b>Systems</b>					
930 Water Meter Setters - Install	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$48,956	\$3,690	\$205,787	\$0
Ending Reserve Balance:	\$788,041	\$917,178	\$1,105,036	\$1,104,433	\$1,324,302

**Table 6: 30-Year Income/Expense Detail (yrs 10 through 14)**

**19544-3**

Fiscal Year	2025	2026	2027	2028	2029
Starting Reserve Balance	\$1,324,302	\$1,556,943	\$1,807,437	\$2,081,352	\$2,275,560
Annual Reserve Contribution	\$222,272	\$237,831	\$254,480	\$272,293	\$291,354
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$14,400	\$16,815	\$19,436	\$21,775	\$23,860
<b>Total Income</b>	<b>\$1,560,975</b>	<b>\$1,811,589</b>	<b>\$2,081,352</b>	<b>\$2,375,420</b>	<b>\$2,590,774</b>
# Component					

**Site**

140	Split Rail Fence - Replace	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph1	\$0	\$0	\$0	\$26,434	\$0
142	Fence/rail/screens - Replace Ph2	\$0	\$0	\$0	\$0	\$27,227
142	Fence/rail/screens - Replace Ph3	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph4	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph5	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph6	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph7	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph1	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph2	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph3	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph4	\$4,032	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph5	\$0	\$4,153	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph6	\$0	\$0	\$0	\$4,406	\$0
145	Wood Fence top/caps - Paint Ph7	\$0	\$0	\$0	\$0	\$0
160	Pole Lights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
160	Pole Lights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
200	Entry Sign - Replace	\$0	\$0	\$0	\$0	\$0
206	Mailbox Shelter - repair/replace	\$0	\$0	\$0	\$5,874	\$0
208	Mailbox - Replace	\$0	\$0	\$0	\$0	\$0

**Building Exterior**

500	Comp. Shngle Roof, skylite- Replace	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph3	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph4	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph5	\$0	\$0	\$0	\$0	\$0
522	Siding:Fiber Cement -Repair/Replace	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph1	\$0	\$0	\$0	\$63,147	\$0
533	Exterior Surfaces - Paint/Caulk Ph2	\$0	\$0	\$0	\$0	\$65,041
533	Exterior Surfaces - Paint/Caulk Ph3	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph4	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph5	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph6	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph7	\$0	\$0	\$0	\$0	\$0



**Table 6: 30-Year Income/Expense Detail (yrs 10 through 14)****19544-3**

Fiscal Year	2025	2026	2027	2028	2029
<b>Systems</b>					
930 Water Meter Setters - Install	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$4,032	\$4,153	\$0	\$99,860	\$92,268
Ending Reserve Balance:	\$1,556,943	\$1,807,437	\$2,081,352	\$2,275,560	\$2,498,506

**Table 6: 30-Year Income/Expense Detail (yrs 15 through 19)**

**19544-3**

Fiscal Year	2030	2031	2032	2033	2034
Starting Reserve Balance	\$2,498,506	\$2,736,710	\$3,096,223	\$3,393,017	\$3,406,108
Annual Reserve Contribution	\$311,748	\$333,571	\$356,921	\$381,905	\$408,639
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$26,165	\$29,152	\$32,432	\$33,981	\$36,270
<b>Total Income</b>	<b>\$2,836,420</b>	<b>\$3,099,433</b>	<b>\$3,485,577</b>	<b>\$3,808,904</b>	<b>\$3,851,017</b>

# Component

**Site**

140	Split Rail Fence - Replace	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph1	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph2	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph3	\$28,043	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph4	\$0	\$0	\$29,751	\$0	\$0
142	Fence/rail/screens - Replace Ph5	\$0	\$0	\$0	\$30,644	\$0
142	Fence/rail/screens - Replace Ph6	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph7	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph1	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph2	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph3	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph4	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph5	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph6	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph7	\$4,674	\$0	\$0	\$0	\$0
160	Pole Lights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
160	Pole Lights - Replace Ph2	\$0	\$0	\$0	\$21,451	\$0
200	Entry Sign - Replace	\$0	\$3,209	\$0	\$0	\$0
206	Mailbox Shelter - repair/replace	\$0	\$0	\$0	\$0	\$0
208	Mailbox - Replace	\$0	\$0	\$0	\$0	\$0

**Building Exterior**

500	Comp. Shngle Roof, skylite- Replace	\$0	\$0	\$0	\$286,009	\$0
502	Tile Roofs, Skylights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph3	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph4	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph5	\$0	\$0	\$0	\$0	\$0
522	Siding:Fiber Cement -Repair/Replace	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph1	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph2	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph3	\$66,993	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph4	\$0	\$0	\$62,808	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph5	\$0	\$0	\$0	\$64,692	\$0
533	Exterior Surfaces - Paint/Caulk Ph6	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph7	\$0	\$0	\$0	\$0	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 15 through 19)**

**19544-3**

Fiscal Year	2030	2031	2032	2033	2034
<b>Systems</b>					
930 Water Meter Setters - Install	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$99,710	\$3,209	\$92,559	\$402,796	\$0
Ending Reserve Balance:	\$2,736,710	\$3,096,223	\$3,393,017	\$3,406,108	\$3,851,017

**Table 6: 30-Year Income/Expense Detail (yrs 20 through 24)**

**19544-3**

Fiscal Year	2035	2036	2037	2038	2039
Starting Reserve Balance	\$3,851,017	\$4,222,048	\$4,729,054	\$5,173,761	\$5,748,598
Annual Reserve Contribution	\$437,243	\$467,850	\$500,600	\$535,642	\$573,137
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$40,348	\$44,736	\$49,493	\$54,589	\$60,598
<b>Total Income</b>	<b>\$4,328,609</b>	<b>\$4,734,635</b>	<b>\$5,279,147</b>	<b>\$5,763,992</b>	<b>\$6,382,333</b>
# Component					

**Site**

140 Split Rail Fence - Replace	\$0	\$0	\$0	\$0	\$0
142 Fence/rail/screens - Replace Ph1	\$0	\$0	\$0	\$0	\$0
142 Fence/rail/screens - Replace Ph2	\$0	\$0	\$0	\$0	\$0
142 Fence/rail/screens - Replace Ph3	\$0	\$0	\$0	\$0	\$0
142 Fence/rail/screens - Replace Ph4	\$0	\$0	\$0	\$0	\$0
142 Fence/rail/screens - Replace Ph5	\$0	\$0	\$0	\$0	\$0
142 Fence/rail/screens - Replace Ph6	\$32,510	\$0	\$0	\$0	\$0
142 Fence/rail/screens - Replace Ph7	\$0	\$0	\$34,490	\$0	\$0
145 Wood Fence top/caps - Paint Ph1	\$5,418	\$0	\$0	\$0	\$0
145 Wood Fence top/caps - Paint Ph2	\$0	\$5,581	\$0	\$0	\$0
145 Wood Fence top/caps - Paint Ph3	\$0	\$0	\$5,748	\$0	\$0
145 Wood Fence top/caps - Paint Ph4	\$0	\$0	\$0	\$0	\$6,098
145 Wood Fence top/caps - Paint Ph5	\$0	\$0	\$0	\$0	\$0
145 Wood Fence top/caps - Paint Ph6	\$0	\$0	\$0	\$0	\$0
145 Wood Fence top/caps - Paint Ph7	\$0	\$0	\$0	\$0	\$0
160 Pole Lights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
160 Pole Lights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
200 Entry Sign - Replace	\$0	\$0	\$0	\$0	\$0
206 Mailbox Shelter - repair/replace	\$0	\$0	\$0	\$0	\$0
208 Mailbox - Replace	\$0	\$0	\$0	\$15,394	\$0

**Building Exterior**

500 Comp. Shngle Roof, skylite- Replace	\$0	\$0	\$0	\$0	\$0
502 Tile Roofs, Skylights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
502 Tile Roofs, Skylights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
502 Tile Roofs, Skylights - Replace Ph3	\$0	\$0	\$0	\$0	\$0
502 Tile Roofs, Skylights - Replace Ph4	\$0	\$0	\$0	\$0	\$0
502 Tile Roofs, Skylights - Replace Ph5	\$0	\$0	\$0	\$0	\$0
522 Siding:Fiber Cement -Repair/Replace	\$0	\$0	\$0	\$0	\$0
533 Exterior Surfaces - Paint/Caulk Ph1	\$0	\$0	\$0	\$0	\$0
533 Exterior Surfaces - Paint/Caulk Ph2	\$0	\$0	\$0	\$0	\$0
533 Exterior Surfaces - Paint/Caulk Ph3	\$0	\$0	\$0	\$0	\$0
533 Exterior Surfaces - Paint/Caulk Ph4	\$0	\$0	\$0	\$0	\$0
533 Exterior Surfaces - Paint/Caulk Ph5	\$0	\$0	\$0	\$0	\$0
533 Exterior Surfaces - Paint/Caulk Ph6	\$68,632	\$0	\$0	\$0	\$0
533 Exterior Surfaces - Paint/Caulk Ph7	\$0	\$0	\$65,148	\$0	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 20 through 24)**

**19544-3**

Fiscal Year	2035	2036	2037	2038	2039
<b>Systems</b>					
930 Water Meter Setters - Install	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$106,561	\$5,581	\$105,386	\$15,394	\$6,098
Ending Reserve Balance:	\$4,222,048	\$4,729,054	\$5,173,761	\$5,748,598	\$6,376,235

**Table 6: 30-Year Income/Expense Detail (yrs 25 through 29)**

**19544-3**

Fiscal Year	2040	2041	2042	2043	2044
Starting Reserve Balance	\$6,376,235	\$7,050,314	\$7,780,622	\$8,461,737	\$9,202,907
Annual Reserve Contribution	\$613,256	\$656,184	\$702,117	\$751,266	\$803,854
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$67,104	\$74,123	\$81,177	\$88,286	\$95,945
<b>Total Income</b>	<b>\$7,056,596</b>	<b>\$7,780,622</b>	<b>\$8,563,916</b>	<b>\$9,301,288</b>	<b>\$10,102,707</b>

# Component

**Site**

140	Split Rail Fence - Replace	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph1	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph2	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph3	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph4	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph5	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph6	\$0	\$0	\$0	\$0	\$0
142	Fence/rail/screens - Replace Ph7	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph1	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph2	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph3	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph4	\$0	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph5	\$6,281	\$0	\$0	\$0	\$0
145	Wood Fence top/caps - Paint Ph6	\$0	\$0	\$6,664	\$0	\$0
145	Wood Fence top/caps - Paint Ph7	\$0	\$0	\$0	\$0	\$7,070
160	Pole Lights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
160	Pole Lights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
200	Entry Sign - Replace	\$0	\$0	\$0	\$0	\$0
206	Mailbox Shelter - repair/replace	\$0	\$0	\$0	\$0	\$0
208	Mailbox - Replace	\$0	\$0	\$0	\$0	\$0

**Building Exterior**

500	Comp. Shngle Roof, skylite- Replace	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph1	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph2	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph3	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph4	\$0	\$0	\$0	\$0	\$0
502	Tile Roofs, Skylights - Replace Ph5	\$0	\$0	\$0	\$0	\$0
522	Siding:Fiber Cement -Repair/Replace	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph1	\$0	\$0	\$95,515	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph2	\$0	\$0	\$0	\$98,381	\$0
533	Exterior Surfaces - Paint/Caulk Ph3	\$0	\$0	\$0	\$0	\$101,332
533	Exterior Surfaces - Paint/Caulk Ph4	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph5	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph6	\$0	\$0	\$0	\$0	\$0
533	Exterior Surfaces - Paint/Caulk Ph7	\$0	\$0	\$0	\$0	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 25 through 29)****19544-3**

Fiscal Year	2040	2041	2042	2043	2044
<b>Systems</b>					
930 Water Meter Setters - Install	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$6,281	\$0	\$102,179	\$98,381	\$108,402
Ending Reserve Balance:	\$7,050,314	\$7,780,622	\$8,461,737	\$9,202,907	\$9,994,305

## Accuracy, Limitations, and Disclosures

### Washington disclosure, per RCW:

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

Because we have no control over future events, we do not expect that all the events we anticipate will occur as planned. We expect that inflationary trends will continue, and we expect Reserve funds to continue to earn interest, so we believe that reasonable estimates for these figures are much more accurate than ignoring these economic realities. We can control measurements, which we attempt to establish within 5% accuracy through a combination of on-site measurements, drawings, and satellite imagery. The starting Reserve Balance and interest rate earned on deposited Reserve funds that you provided to us were considered reliable and were not confirmed independently. We have considered the association's representation of current and historical Reserve projects reliable, and we have considered the representations made by its vendors and suppliers to also be accurate and reliable. Component Useful Life, Remaining Useful Life, and Current Cost estimates assume a stable economic environment and lack of natural disasters.

Because the physical condition of your components, the association's Reserve balance, the economic environment, and legislative environment change each year, this Reserve Study is by nature a "one-year" document. Because a long-term perspective improves the accuracy of near-term planning, this Report projects expenses for the next 30 years. It is our recommendation and that of the Financial Accounting Standards Board (FASB) that your Reserve Study be updated each year as part of the annual budget process.

Association Reserves WA, LLC and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. James D. Talaga R.S., company president, is a credentialed Reserve Specialist (#66). All work done by Association Reserves WA, LLC is performed under his Responsible Charge. There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the association's situation.



Component quantities indicated in this Report were developed by Association Reserves unless otherwise noted in our “Site Inspection Notes” comments. No destructive or intrusive testing was performed. This Report and this site inspection were accomplished only for Reserve budget purposes (to help identify and address the normal deterioration of properly built and installed components with predictable life expectancies). The Funding Plan in this Report was developed using the cash-flow methodology to achieve the specified Funding Objective.

Association Reserves’ liability in any matter involving this Reserve Study is limited to our Fee for services rendered.

## Terms and Definitions

<b>BTU</b>	British Thermal Unit (a standard unit of energy)
<b>DIA</b>	Diameter
<b>GSF</b>	Gross Square Feet (area). Equivalent to Square Feet
<b>GSY</b>	Gross Square Yards (area). Equivalent to Square Yards
<b>HP</b>	Horsepower
<b>LF</b>	Linear Feet (length)

**Effective Age:** The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.

**Fully Funded Balance (FFB):** The value of the deterioration of the Reserve Components. This is the fraction of life “used up” of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.

$$\text{FFB} = (\text{Current Cost} \times \text{Effective Age}) / \text{Useful Life}$$

**Inflation:** Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on Table 6.

**Interest:** Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.

**Percent Funded:** The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.

**Remaining Useful Life (RUL):** The estimated time, in years, that a common area component can be expected to continue to serve its intended function.

**Useful Life (UL):** The estimated time, in years, that a common area component can be expected to serve its intended function.

## Component Details

The primary purpose of the photographic appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The photographs herein represent a wide range of elements that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding.

- 1) Common area maintenance repair & replacement responsibility
- 2) Components must have a limited life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically 1/2 to 1% of annual operating expenses).

Some components are recommended for reserve funding, while others are not. The components that meet these criteria in our judgment are shown with corresponding maintenance, repair or replacement cycles to the left of the photo (UL = Useful Life or how often the project is expected to occur, RUL = Remaining Useful Life or how many years from our reporting period) and a representative market cost range termed “Best Cost” and “Worst Cost” below the photo. There are many factors that can result in a wide variety of potential costs, we are attempting to represent a market average for budget purposes. Where there is no UL, the component is expected to be a one-time expense. Where no pricing, the component deemed inappropriate for Reserve Funding.

Client: 19544A Sunland Division 17 OA

**Comp # : 100 Concrete - Repair/Replace** Quantity: Moderate SF

Location : Driveways, walkways, pathways, patios

Funded? : No Useful life not predictable

History : No history of major repairs

Evaluation : We noted generally good condition and no noticeable damage/deterioration was observed.

In our experience, larger repair/replacement expenses can emerge as the community ages. However, it is difficult to predict timing, scope of repairs and therefore costs. At this time there is no predictable timing or scope of large, cyclical repairs suitable for reserve funding designation. Monitor concrete annually, and if condition deteriorates, funding can be added to a future reserve study. No reserve funding suggested at this time. Continue to repair through maintenance budget as needed. Repair any trip and fall hazards (1/2" or larger displacement) immediately to ensure safety; use maintenance funds if available.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp # : 106 Gravel Areas - Refurbish** Quantity: Moderate Area

Location : Phase 6

Funded? : No Owned/Maintained by Clallam County

History : Developer repaired roads and roadside swales prior to turning over to County in November 2013.

Evaluation : Owned/Maintained by Clallam County. Per plat maps right of way is 60ft.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Client: 19544A Sunland Division 17 OA

Comp # : 120 Asphalt - Resurface Quantity: ~4,900 LF

Location : Roads throughout community

Funded? : No Owned/Maintained by Clallam County

History : Developer repaired roads and roadside swales prior to turning over to County in November 2013.

Evaluation : Owned/Maintained by Clallam County. Per plat maps right of way is 60ft.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp # : 140 Split Rail Fence - Replace Quantity: ~ 4,700 LF

Location : Rear property line of developed perimeter lots

Funded? : Yes

History :

Evaluation : Generally stable condition noted with no noticeably significant or widespread damage/deterioration observed during inspection of limited portions. Showing signs of weathering with no apparent wood treatments. OA is reporting damage to posts from landscape maintenance operations (weedwacker). Plan to replace at roughly the time frame below with funding included here for similar style fence. As routine maintenance, inspect regularly for any damage, repair as needed and avoid contact with ground and surrounding vegetation.

Useful Life:  
25 years

Remaining Life:  
8 years



Best Case: \$32,900

Worst Case: \$47,000

Lower allowance ~\$7.00/LF

Higher allowance ~\$10.00/LF

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 19544A Sunland Division 17 OA

**Comp # : 142 Fence/rail/screens - Replace Ph1**

Quantity: 1/7 of ~2,100 LF

Location : Privacy and screen fences and rails at steps

Funded? : Yes

History : No history of replacement

Evaluation : This component covers the replacement of privacy fences, screen fences, entrance fences and railings. The majority is wood, however there were some metal rails and metal entrance fences at the front courtyards. Generally, the fences and railing inspected were in stable condition. It was reported that the OA conducts semi-annual inspections of all exterior elements, and repairs as needed. This component provides for replacement at 28 year intervals timed with component #144 or #533 (painting).

Useful Life:  
28 years

Remaining Life:  
13 years



Best Case: \$16,500

Worst Case: \$19,500

Lower allowance for ~300LF @ ~\$55/LF

Higher allowance ~300LF @ ~\$65/LF

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp # : 142 Fence/rail/screens - Replace Ph2**

Quantity: 1/7 of ~2,100 LF

Location : Privacy and screen fences and rails at steps

Funded? : Yes

History : No history of replacement

Evaluation : See comments for Ph 1.

Useful Life:  
28 years

Remaining Life:  
14 years



Best Case: \$16,500

Worst Case: \$19,500

Lower allowance for ~300LF @ ~\$55/LF

Higher allowance ~300LF @ ~\$65/LF

Cost Source: ARI Cost Database: Similar Project Cost History

# Association Reserves Washington, LLC

# Component Details

Client: 19544A Sunland Division 17 OA

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**Comp # : 142**      **Fence/rail/screens - Replace Ph3**      Quantity: 1/7 of ~2,100 LF

Location :

Funded? : Yes

History : No history of replacement

Evaluation : See comments for Ph 1.

Useful Life:  
28 years

Remaining Life:  
15 years



Best Case: \$16,500

Worst Case: \$19,500

Lower allowance for ~300LF @ ~\$55/LF

Higher allowance ~300LF @ ~\$65/LF

Cost Source: ARI Cost Database: Similar Project Cost History

---

**Comp # : 142**      **Fence/rail/screens - Replace Ph4**      Quantity: 1/7 of ~2,100 LF

Location :

Funded? : Yes

History : No history of replacement

Evaluation : See comments for Ph 1.

Useful Life:  
28 years

Remaining Life:  
17 years



Best Case: \$16,500

Worst Case: \$19,500

Lower allowance for ~300LF @ ~\$55/LF

Higher allowance ~300LF @ ~\$65/LF

Cost Source: ARI Cost Database: Similar Project Cost History

---

Client: 19544A Sunland Division 17 OA

**Comp # : 142 Fence/rail/screens - Replace Ph5** Quantity: 1/7 of ~2,100 LF

Location :

Funded? : Yes

History : No history of replacement

Evaluation : See comments for Ph 1.

Useful Life:  
28 years

Remaining Life:  
18 years



Best Case: \$16,500

Worst Case: \$19,500

Lower allowance for ~300LF @ ~\$55/LF

Higher allowance ~300LF @ ~\$65/LF

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp # : 142 Fence/rail/screens - Replace Ph6** Quantity: 1/7 of ~2,100 LF

Location :

Funded? : Yes

History : No history of replacement

Evaluation : See comments for Ph 1.

Useful Life:  
28 years

Remaining Life:  
20 years



Best Case: \$16,500

Worst Case: \$19,500

Lower allowance for ~300LF @ ~\$55/LF

Higher allowance ~300LF @ ~\$65/LF

Cost Source: ARI Cost Database: Similar Project Cost History



Client: 19544A Sunland Division 17 OA

**Comp # : 142 Fence/rail/screens - Replace Ph7** Quantity: 1/7 of ~2,100 LF

Location :

Funded? : Yes

History : No history of replacement

Evaluation : See comments for Ph 1.

Useful Life:  
28 years

Remaining Life:  
22 years



Best Case: \$16,500

Worst Case: \$19,500

Lower allowance for ~300LF @ ~\$55/LF

Higher allowance ~300LF @ ~\$65/LF

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp # : 145 Wood Fence top/caps - Paint Ph1** Quantity: 1/7 of ~2,100 LF

Location : Privacy and screen fences

Funded? : Yes

History :

Evaluation : These are ~5ft tall solid wood fences of various styles and quantities used between units for privacy and screening of utilities. Generally good surface coverage observed with insignificant fading/deterioration noted. Regular uniform, professional paint applications are recommended for appearance, protection of wood and maximum design life. Remove any contact with ground and surrounding landscape; repair as needed and clean prior to sealer application. Pay particular attention to end grains of fence to help prevent water from wicking into wood; solid, full bodied product provides best protection. Plan for regular paint applications as shown below.

These tops and cap pieces are painted with exterior surfaces - paint/caulk, component #533 as well, so that they are painted every 7 years. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
6 years



Best Case: \$2,700

Worst Case: \$3,300

Lower allowance for ~300LF @ ~\$9/LF

Higher allowance ~300LF @ ~\$11/LF

Cost Source: Estimate Provided by Client

Client: 19544A Sunland Division 17 OA

---

**Comp # : 145 Wood Fence top/caps - Paint Ph2**

Quantity: 1/7 of ~2,100 LF

Location : Privacy and screen fences

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
7 years



Best Case: \$2,700

Worst Case: \$3,300

Lower allowance for ~300LF @ ~\$9/LF

Higher allowance ~300LF @ ~\$11/LF

Cost Source: Estimate Provided by Client

---

**Comp # : 145 Wood Fence top/caps - Paint Ph3**

Quantity: 1/7 of ~2,100 LF

Location : Privacy and screen fences

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
8 years



Best Case: \$2,700

Worst Case: \$3,300

Lower allowance for ~300LF @ ~\$9/LF

Higher allowance ~300LF @ ~\$11/LF

Cost Source: Estimate Provided by Client

---

Client: 19544A Sunland Division 17 OA

---

**Comp # : 145 Wood Fence top/caps - Paint Ph4**

Quantity: 1/7 of ~2,100 LF

Location : Privacy and screen fences

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
10 years



Best Case: \$2,700

Worst Case: \$3,300

Lower allowance for ~300LF @ ~\$9/LF

Higher allowance ~300LF @ ~\$11/LF

Cost Source: Estimate Provided by Client

---

**Comp # : 145 Wood Fence top/caps - Paint Ph5**

Quantity: 1/7 of ~2,100 LF

Location : Privacy and screen fences

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
11 years



Best Case: \$2,700

Worst Case: \$3,300

Lower allowance for ~300LF @ ~\$9/LF

Higher allowance ~300LF @ ~\$11/LF

Cost Source: Estimate Provided by Client

---

# Association Reserves Washington, LLC

# Component Details

Client: 19544A Sunland Division 17 OA

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**Comp # : 145**      **Wood Fence top/caps - Paint Ph6**      Quantity: 1/7 of ~2,100 LF

Location : Privacy and screen fences

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:

14 years

Remaining Life:

13 years



Best Case: \$2,700

Worst Case: \$3,300

Lower allowance for ~300LF @ ~\$9/LF

Higher allowance ~300LF @ ~\$11/LF

Cost Source: Estimate Provided by Client

---

**Comp # : 145**      **Wood Fence top/caps - Paint Ph7**      Quantity: 1/7 of ~2,100 LF

Location : Privacy and screen fences

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:

14 years

Remaining Life:

15 years



Best Case: \$2,700

Worst Case: \$3,300

Lower allowance for ~300LF @ ~\$9/LF

Higher allowance ~300LF @ ~\$11/LF

Cost Source: Estimate Provided by Client

---

# Association Reserves Washington, LLC

# Component Details

Client: 19544A Sunland Division 17 OA

---

**Comp # : 160 Pole Lights - Replace Ph1**

Quantity: (95) pole lights

Location : Front yards (1) per unit

Funded? : Yes

History : Original to construction

Evaluation : Fair condition noted with no significant damage/deterioration observed or reported to us. Observed during daylight hours; assumed to be in functional operating condition. Steel post with glass globe light. Best to plan for large scale replacement at roughly the time frame below for cost efficiency and consistent quality/appearance throughout association. As routine maintenance, inspect, repair/change bulbs as needed.

Useful Life:  
25 years

Remaining Life:  
8 years



Best Case: \$76,000

Worst Case: \$95,000

Lower allowance ~\$800/ea

Higher allowance ~\$1,000/ea

Cost Source: ARI Cost Database: Similar Project Cost History

---

**Comp # : 160 Pole Lights - Replace Ph2**

Quantity: (14) pole lights

Location : Front yards Mt Baker Blvd

Funded? : Yes

History : Original to construction

Evaluation : Excellent condition noted with no significant damage/deterioration observed or reported to us. Observed during daylight hours; assumed to be in functional operating condition. Steel post with glass globe light. Best to plan for large scale replacement at roughly the time frame below for cost efficiency and consistent quality/appearance throughout association. As routine maintenance, inspect, repair/change bulbs as needed.

Useful Life:  
25 years

Remaining Life:  
18 years



Best Case: \$11,200

Worst Case: \$14,000

Lower allowance ~\$800/ea

Higher allowance ~\$1,000/ea

Cost Source: ARI Cost Database: Similar Project Cost History

---

Client: 19544A Sunland Division 17 OA

**Comp # : 170 Landscape - Refurbish** Quantity: Extensive landscaping

Location : Common area open space tracts throughout community

Funded? : No Annual costs, best handled in operational budget

History :

Evaluation : Overall good condition of common area landscaping with no specific problems observed or identified by association contact. Although typically funded as ongoing maintenance item, this component may be utilized for setting aside funds for larger expenses that do not occur on an annual basis, such as large scale plantings, resodding lawn areas, bark/mulch replenishment, etc. Often times these types of projects can be handled within the annual operating budget as a separate line item from the landscape maintenance contract. At this time no specific projects anticipated and no desire by community for refurbishing. Monitor and include funding in reserve study updates if needed.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp # : 175 Irrigation System - Repair/Replace** Quantity: Extensive system

Location : Throughout common area landscaping

Funded? : No Annual costs, best handled in operational budget

History :

Evaluation : No problems observed or reported during our inspection. If properly installed and bedded without defect, the lines themselves are expected to be long-lived with no predictable expectation for replacement. In our experience however, as the community ages, large system renovations, repairs, zone reconfiguration, etc... become necessary. Therefore, we suggest a funding allowance within reserves to supplement the operating and maintenance budget. Ongoing items like head replacement, local valves, etc... should be handled as maintenance expense. As routine maintenance, inspect regularly, test system and repair as needed. Follow proper winterization and spring start up procedures.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Client: 19544A Sunland Division 17 OA**

**Comp # : 182      Drainage/Stormwater Sys - Maintain      Quantity: Extensive system**

Location : Adjacent to and within community roads

Funded? : No Annual costs, best handled in operational budget

History : Developer repaired roads and roadside swales prior to turning over to County in November 2013.

Evaluation : Various drainage improvements at this site include catch basins and roadside swales presumably connecting to municipal storm drainage. Road downspouts are directly piped to underground system. No current problems observed or reported. Drainage facilities are typically inspected periodically by governing authority; typically storm system maintenance guidelines can be found on their website. Annual work should be performed as part of general maintenance. No predictable large scale expenses suitable for reserve funding at this time.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp # : 200      Entry Sign - Replace      Quantity: 1 unit**

Location : Entrance at Blakely Blvd

Funded? : Yes

History : Installed ~2008 by Developer

Evaluation : Good condition with no significant damage/deterioration noted. Plan to replace at the interval below based on typical deterioration caused by constant exposure. Funding allowance here can vary significantly depending on style/type desired. As routine maintenance, inspect regularly, clean/touch up for appearance and repair from operating budget. Cost per client, includes removal and disposal of damaged portions of concrete base, decorative wood shingles, lettering, reinforcement, repair/replacement of arbor portion.

Useful Life:  
25 years

Remaining Life:  
16 years



Best Case: \$1,000

Worst Case: \$3,000

Lower allowance

Higher allowance

Cost Source: Client Cost History

Client: 19544A Sunland Division 17 OA

**Comp # : 205 Mailbox Cluster - Replace** Quantity: (3) clusters

Location : Cluster in Phase 6

Funded? : No Annual costs, best handled in operational budget

History : Original to construction ~2008

Evaluation : Excellent condition with no significant damage or instability at this time. Inspect regularly and change lock cylinders, lubricate hinges and repair as needed. Periodically clean by wiping down with an appropriate cleaner. Protected from elements and no way to access for replacement.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp # : 206 Mailbox Shelter - repair/replace** Quantity: (1) structure

Location : Cluster in Phase 6

Funded? : Yes Meets National Standards for reserve funding - see page 2 of report for criteria

History : Original to construction ~2008

Evaluation : Fair and stable condition with no significant deterioration observed at this time. Inspect regularly, repair promptly as needed from operating budget. Clean, paint and roof along same cycles as other building structures. No expectation of separate large scale expenses impacting reserves at this time, however funding allowance for repairs is included below.

Useful Life:

20 years

Remaining Life:

13 years



Best Case: \$3,000

Worst Case: \$5,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History



# Association Reserves Washington, LLC

# Component Details

Client: 19544A Sunland Division 17 OA

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**Comp # : 208 Mailbox - Replace**

Quantity: (6) cluster stands

Location : Cuurently at ends of driveways

Funded? : Yes

History :

Evaluation : Some minor deterioration noticeable due to age. Inspect regularly, repair promptly as needed from operating budget. Plan for complete replacement with Standard Cluster Box Units. Replacement shown here is for 16 'A' sized door/cluster spaced throughout neighborhood in (6) locations.

Useful Life:

20 years

Remaining Life:

3 years



Best Case: \$7,200

Worst Case: \$8,400

Lower allowance ~\$1,200/unit

Higher allowance ~\$1,600/unit

Cost Source: ARI Cost Database: Similar Project Cost History

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Client: 19544A Sunland Division 17 OA

Comp # : 500      Comp. Shngle Roof, skylite- Replace      Quantity: (7) buildings  
Location : Roof exteriors - Mr Baker Blvd - Inc Skylights  
Funded? : Yes

History : No major repairs reported

Evaluation : Roofing was laminated shingles, with open valleys. Ventilation (the lack of which can greatly reduce useful life) was observed at eave and ridge. Eave venting consisted of circular holes in blocking between rafters. Ridge venting appeared to be provided by gable end louvers and roof jacks. Visible portions of roof flashing were observed at the headwall, and sidewall conditions. Gutters blocked the view of eaves, so eave flashing was not confirmed. Plan for replacement at roughly the time frame indicated below. Costs below include replacing with a similar shingle to what is currently in place. We suggest that the best value (life cycle cost) might be to spend about \$2/Sq. foot more and install a 40 to 50-year shingle. As routine maintenance, many manufacturers recommend inspections at least twice annually (once in the fall, before the rainy season, and again in the spring) and after large storm events. Promptly replace any damaged/missing sections or any other repair needed to ensure waterproof integrity of roof. Keep roof surface, gutters and downspouts clear and free of moss or debris. Moss growth can decrease the life of the roofing shingles and should be removed sooner than later. Liquid applied fungicide (moss killer) is recommended instead of power washing the living moss off the shingles. Moss roots grow into the shingles. Killing the moss in-place, with a fungicide, allows the roots to gradually release from the shingles where they can be swept away. Do not use high pressure wash. There is a wealth of information available through Roofing Organizations such as the Western States Roofing Contractors Association (WSRCA) <http://www.wsrca.com/>, Roof Consultant Institute <http://www.rci-online.org/> and the National Roofing Contractors Association (NRCA) <http://www.nrca.net/>, NCRA has some very good information for homeowners. They have an entire section dedicated to "consumer" with valuable information including this page for getting your monies worth out of your new roof. <http://www.nrca.net/consumer/fyi.aspx?homeowners>, their page on maintenance is here: <http://www.nrca.net/consumer/maintenance.aspx> At time of re-roof we recommend that you hire a professional roof consultant such as Architect, Engineer, or building envelope consultant; to evaluate, design, specify, help bid the project, select best bidder, and observe construction to ensure proper installation. We recommend all Associations seek advice from a qualified consultant whenever they are considering having work performed on any building envelope components (roof, walls, windows, decks, exterior painting and caulking/sealant).

Useful Life:  
25 years

Remaining Life:  
18 years



Best Case: \$146,000

Lower allowance, including skylight and solar tube replacement

Worst Case: \$190,000

Higher allowance, including skylight and solar tube replacement

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 19544A Sunland Division 17 OA

Comp # : 502      Tile Roofs, Skylights - Replace Ph1      Quantity: (9) buildings

Location : Roof exteriors - Inc Skylights

Funded? : Yes

History : No major repairs reported

Evaluation : Roofing is most likely concrete tile. Ventilation (the lack of which can greatly reduce useful life) was not confirmed. Debris and moss was observed on some of the roof surfaces. Observation of the underlying components of the roofs (battens, underlayment, flashing etc.) was not part of our limited visual review.

The useful life used below is suggested for general financial planning purposes. Underlying conditions may affect the remaining useful life. We recommend that the roofs be inspected and evaluated, including a visual review of the underlying elements to better determine its useful life.

Concrete roofing tile is typically a long-lived component if it was properly installed and is properly maintained. The concrete/clay tile could last 50 years or more, but the underlayment and the wood battens, beneath the roofing, and flashings may need to be replaced sooner.

As routine maintenance, many manufacturers recommend inspections at least twice annually (once in the fall, before the rainy season, and again in the spring) and after large storm events. Promptly replace any damaged/missing sections or any other repair needed to ensure waterproof integrity of roof. Keep roof surface, gutters and downspouts clear and free of moss or debris.

Moss growth can decrease the life of the roofing shingles and should be removed sooner than later. Power washing the roof with high pressure water should never be done, because it can damage the roof and greatly reduce the remaining useful life. Cleaning moss off the roof is best accomplished by air cleaning. Liquid applied fungicide (moss killer) is also an option. Moss roots grow into the shingles. Killing the moss in-place, with a fungicide, allows the roots to gradually release from the roofing. After roots have died and released, then the moss can be removed (with broom or low pressure water) taking care to not damage the shingles. Do not use high-pressure water to remove moss as the high-pressure can push water beneath the concrete tiles.

There is a wealth of information available through Roofing Organizations such as:

National Roofing Contractors Association (NRCA) <http://www.nrca.net>.

Roof Consultant Institute (RCI) <http://www.rci-online.org/> and

Western States Roofing Contractors Association (WSRCA) <http://www.wsrca.com/>

The National Roofing Contractors Association (NRCA) has some very good information on their web site, particularly the page for consumers. <http://www.nrca.net/consumer/>

One very important point that they address is roof warranties, which they discuss in the maintenance section and here: <http://www.nrca.net/consumer/warranties.aspx>

Their maintenance section is here: <http://www.nrca.net/consumer/maintenance.aspx>

NRCA discusses selecting a contractor here: <http://www.nrca.net/consumer/steep.aspx>

At time of re-roof we recommend that you hire a professional consultant (Architect, Engineer, roof or building envelope consultant) to evaluate the existing roof, design, specify the new roof, help bid the project, help select the best bidder, and observe construction to increase likelihood of proper installation. We recommend all Associations hire qualified consultants whenever they are considering having work performed on any building envelope (waterproof) components including roof, walls, windows, decks, exterior painting and caulking/sealant. Photo might not be indicative of actual phasing of project.

Useful Life:

50 years

Remaining Life:

33 years



Best Case: \$446,400

Worst Case: \$561,600

# Association Reserves Washington, LLC

# Component Details

Client: 19544A Sunland Division 17 OA

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Lower allowance, including skylight and solar tube replacement

Higher allowance, including skylight and solar tube replacement

Cost Source: ARI Cost Database: Similar Project Cost History

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**Comp # : 502**      **Tile Roofs, Skylights - Replace Ph2**      Quantity: (9) buildings

Location : Roof exteriors - Inc Skylights

Funded? : Yes

History : No major repairs reported

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:

50 years

Remaining Life:

35 years



Best Case: \$446,400

Worst Case: \$561,600

Lower allowance, including skylight and solar tube replacement

Higher allowance, including skylight and solar tube replacement

Cost Source: ARI Cost Database: Similar Project Cost History

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**Comp # : 502**      **Tile Roofs, Skylights - Replace Ph3**      Quantity: (9) buildings

Location : Roof exteriors - Inc Skylights

Funded? : Yes

History : No major repairs reported

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:

50 years

Remaining Life:

37 years



Best Case: \$446,400

Worst Case: \$561,600

Lower allowance, including skylight and solar tube replacement

Higher allowance, including skylight and solar tube replacement

Cost Source: ARI Cost Database: Similar Project Cost History

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Client: 19544A Sunland Division 17 OA

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**Comp # : 502 Tile Roofs, Skylights - Replace Ph4** Quantity: (9) buildings  
Location : Roof exteriors - Inc Skylights  
Funded? : Yes

History : No major repairs reported

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
50 years

Remaining Life:  
39 years



Best Case: \$446,400

Lower allowance, including skylight and solar tube replacement

Worst Case: \$561,600

Higher allowance, including skylight and solar tube replacement

Cost Source: Client Cost History

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**Comp # : 502 Tile Roofs, Skylights - Replace Ph5** Quantity: (9) buildings  
Location : Roof exteriors - Inc Skylights  
Funded? : Yes

History : No major repairs reported

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
50 years

Remaining Life:  
41 years



Best Case: \$446,400

Lower allowance, including skylight and solar tube replacement

Worst Case: \$561,600

Higher allowance, including skylight and solar tube replacement

Cost Source: Client Cost History

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Client: 19544A Sunland Division 17 OA

**Comp # : 508 Skylights - Repair/Replace**

Quantity: (52) buildings

Location : Exterior of roofs - Inc Skylights

Funded? : No See roof replacement component.

History : No reported history of repairs

Evaluation : Close observation of skylights was limited to viewing from ground. Typical skylight warranty for the glass seal is 20 years. Skylight replacement is included in the roof component #502. Review skylight condition with consultant while evaluating the roofing project. Inspect surrounding area routinely for signs of any surrounding leakage. Inspect skylights more closely during roof inspection and repair as needed to maintain waterproof integrity. It was reported to us that skylight replacement is part of common area expenses.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp # : 510 Gutters/Downspouts - Repair/Replace**

Quantity: (52) buildings

Location : Perimeter of building

Funded? : No Annual costs, best handled in operational budget

History : No reported history of repair

Evaluation : Generally the metal gutters and downspouts appeared in good condition. We suggest planning for total replacement of gutter and downspouts at the same intervals as roof replacement for cost efficiency. National Roofing Contractor Association (NRCA) roofing standard includes installing eave flashings at the gutters. As routine maintenance, inspect regularly, keep gutters and downspouts free of debris.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Client: 19544A Sunland Division 17 OA

**Comp # : 515 Chimney Covers and Flues - Replace** Quantity: (52) buildings

Location : Top of chimney chases

Funded? : No Annual costs, best handled in operational budget

History :

Evaluation : Observation of top of chimney was limited to viewing ground. Metal chimney covers appeared in fair condition. We typically include replacement cycle timed to coincide with re-roofing. Review condition of chimney caps and flue caps with consultant while evaluating the roofing project. As routine maintenance, inspect and clean during roof maintenance. Repair locally as needed. Assuming proactive maintenance, plan for total replacement at roughly the time frame indicated below.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp # : 522 Siding:Fiber Cement -Repair/Replace** Quantity: (52) buildings

Location : Exterior walls

Funded? : Yes Meets National Standards for reserve funding - see page 2 of report for criteria

History : No reported history of major repairs

Evaluation : Siding was horizontal clapboard. Surface was painted. See component #525 for exterior painting. Siding is believed to be fiber-cement. Actual manufacturer of siding was not confirmed since we conducted only a limited visual review. The largest manufacturer of fiber-cement siding is James Hardie Company (Hardie Siding). Currently Hardie offers the choice of a 30-year non-prorated or 50-year pro-rated warranty. Local Hardie representative suggests planning for 50 year total service life. The underlying waterproofing will degrade over time and may require replacement. No view of underlying waterproofing was part of our limited visual review. Inspect and repair as needed using operation and maintenance funds.

Useful Life:

50 years

Remaining Life:

38 years



Best Case: \$1,560,000

Worst Case: \$1,924,000

Lower allowance ~\$30,000/Building

Higher allowance ~\$37,000/Building

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 19544A Sunland Division 17 OA

Comp # : 525      Siding: Stone Veneer - Repair      Quantity: ~(26) buildings

Location : Exterior surfaces at street elevation

Funded? : No Annual costs, best handled in operational budget

History :

Evaluation : Some stone veneer was used for cladding on small portions of the garages. No cracked grout or broken stone were observed during our limited visual review. Stone veneer is a relatively low maintenance item. Inspect periodically and repair as needed using operation and maintenance funds. No reserve funding suggested.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp # : 530      Siding: Brick Work - Tuck Point      Quantity: ~(26) buildings

Location : Exterior surfaces at street elevation

Funded? : No Annual costs, best handled in operational budget

History :

Evaluation : Minimal spalling of brick or cracking of mortar was noted during our limited visual review. Condominium reported. No basis for reserve funding at this time. Brick is typically a low maintenance material that usually requires little maintenance work. After 50-years or so, mortar between brick can require repointing. Repointing involves grinding out small sections of existing mortar and installing new mortar and continuing on until all the mortar has been replaced. As the brick and mortar ages cracking may appear, indicating need for repointing. Currently there is no predictable scope or timing for repointing work. Reserve study review is for financial planning purposes only, and if a thorough investigation of brick and mortar is desired, we recommend having a masonry specialist inspect the brick and mortar. Funding can be added to future updates to the reserve study if scope and timing become known.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:



Client: 19544A Sunland Division 17 OA

Comp # : 533 Exterior Surfaces - Paint/Caulk Ph1 Quantity: (8) buildings & fence

Location : Exterior building surface

Funded? : Yes

History : Scheduled for 2014

Evaluation : The painted surface of the wood trim and the siding appeared in fair good condition with no noticeable peeling or blistering of the painted observed. Siding types included horizontal siding. Siding material appears to be fiber cement. Useful life below is based on the associations history. Evaluate and adjust remaining useful life as it approaches zero years. As routine maintenance, inspect regularly (including sealants) repair locally and touch-up paint as needed. Typical Northwest paint cycles vary greatly depending upon many factors including; type of material painted, surface preparations, quality of primer/paint/stain, application methods, weather conditions during application, moisture beneath paint, and exposure to weather conditions. Proper sealant/caulking is critical to keeping water out of the walls, and preventing water damage. Two common types of sealants/caulking are urethane and silicone. If properly installed, urethane has a life of approximately 6-9 years and silicone's life can be 16-20 years. Incorrect installations of sealant are common, and can greatly decrease its useful life. Inspect sealant, more frequently as it ages, to determine if it is failing. Typical sealant problems include failure of sealant to adhere to adjacent materials and tearing/splitting of the sealant itself. As sealants age and are exposure to ultra-violet sunlight, they will dry out, harden, and lose their elastic ability. Remove and replace sealant as signs of failure begin to appear. Proper cleaning, prep work, and proper installation are critical for a long lasting sealant/caulking. Do not install sealant in locations that would block water drainage from behind the siding. Repair areas as needed prior to painting/caulking. Additional information on painting is available through American Coatings Association at <http://www.paint.org/>  
 Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
13 years



Best Case: \$41,500  
Lower allowance

Worst Case: \$44,500  
Higher allowance

Cost Source: Client Cost History

Client: 19544A Sunland Division 17 OA

**Comp # : 533 Exterior Surfaces - Paint/Caulk Ph2** Quantity: (8) buildings & fence

Location : Exterior building surface

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
0 years



Best Case: \$41,500  
Lower allowance

Worst Case: \$44,500  
Higher allowance

Cost Source: Client Cost History

**Comp # : 533 Exterior Surfaces - Paint/Caulk Ph3** Quantity: (8) buildings & fence

Location : Exterior building surface

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
1 years



Best Case: \$41,500  
Lower allowance

Worst Case: \$44,500  
Higher allowance

Cost Source: Client Cost History

Client: 19544A Sunland Division 17 OA

**Comp # : 533 Exterior Surfaces - Paint/Caulk Ph4** Quantity: (7) buildings & fence

Location : Exterior building surface

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
3 years



Best Case: \$37,000  
Lower allowance

Worst Case: \$39,000  
Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp # : 533 Exterior Surfaces - Paint/Caulk Ph5** Quantity: (7) buildings & fence

Location : Exterior building surface

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
4 years



Best Case: \$37,000  
Lower allowance

Worst Case: \$39,000  
Higher allowance

Cost Source: Client Cost History

Client: 19544A Sunland Division 17 OA

**Comp # : 533 Exterior Surfaces - Paint/Caulk Ph6** Quantity: (7) buildings & fence

Location : Exterior building surface

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
6 years



Best Case: \$37,000  
Lower allowance

Worst Case: \$39,000  
Higher allowance

Cost Source: Client Cost History

**Comp # : 533 Exterior Surfaces - Paint/Caulk Ph7** Quantity: (7) buildings & fence

Location : Exterior building surface - Mt Baker Dr.

Funded? : Yes

History :

Evaluation : See phase 1 comment. Photo might not be indicative of actual phasing of project.

Useful Life:  
14 years

Remaining Life:  
8 years



Best Case: \$33,000  
Lower allowance

Worst Case: \$35,000  
Higher allowance

Cost Source: Client Cost History

Client: 19544A Sunland Division 17 OA

Comp # : 535      **Windows, Sliders - Repair/Replace**      Quantity: (52) buildings

Location : Building exterior walls

Funded? : No Board suggests owner's responsibility, not Association

History : No reported history of repair/replacement

Evaluation : Windows appear to be vinyl frames. Weep holes, at exterior lower corners, were observed to be clear, in the few windows sampled for our report. No condensation was observed between window panes, which is typically indicative of failed glazing seals. Factors effecting useful life include: quality of windows and installation, waterproofing flashing details, exposure to wind driven rain, building movement over time, structural details, etc... We recommend financially planning for a 30-year useful life range timed with other large scale building exterior projects for efficiency and proper integration into waterproofing systems. Note: there are many types of glazing and windows types, material and quality, available in today's market; and costs can vary greatly. Inspect regularly, including sealant, and repair as needed. Keep weep holes free and clear to allow proper drainage of water that gets into window frame. Do not block (caulk or seal) gap at top of head flashing, as this allows water that gets behind the siding to drain out. Proper sealant/caulking is critical to keeping water out of the walls, and preventing water damage. Two common types of sealants/caulking are urethane and silicone. If properly installed, urethane has a life of approximately 6-8 years and silicone's life can be 16-20 years. Incorrect installation of sealant is common, and can greatly decrease its useful life. Inspect sealant, more frequently as it ages, to determine if it is failing. Typical sealant failures include; lack of adherence to adjacent materials, tearing/splitting of the sealant itself, and lose of elastic ability. Lose of elastic ability can be caused by exposure to ultra-violet light and general aging. Remove and replace all sealants as signs of failure begin to appear. Proper cleaning, prep work, and proper installation are critical for a long lasting sealant/caulking. It has been reported to us that window replacements are the individual unit owners responsibility.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Client: 19544A Sunland Division 17 OA

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**Comp # : 538      Doors: Exterior - Repair/Replace      Quantity: (52) buildings**

Location : Exterior walls

Funded? : No Annual costs, best handled in operational budget

History :

Evaluation : Exterior doors appeared in good condition. No wide spread problems were observed. No predictable large scale repair or replacement of doors. Therefore, no basis for reserve funding at this time. Touch up paint as needed between painting cycles. Large scale door painting is included as part of component #525. Inspect periodically and repair as needed to maintain appearance, security and operation with maintenance funds.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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**Comp # : 560      Exterior Lights - Replace      Quantity: (52) buildings**

Location : Exterior building surfaces

Funded? : No Annual costs, best handled in operational budget

History :

Evaluation : Fair condition of lights. Observed during daylight hours and assumed to be in functional operating condition. Consider planning for large scale replacement, timed to coincide with exterior paint cycles, for cost efficiency and consistent quality/appearance throughout association. As routine maintenance, inspect, repair/change bulbs as needed.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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Client: 19544A Sunland Division 17 OA

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Comp # : 605      Garage Doors - Replace      Quantity: (52) buildings

Location :

Funded? : No Annual costs, best handled in operational budget

History :

Evaluation : Door appeared in fair condition with no damage or significant repair history reported. These doors can last for many years if properly serviced and not damaged or abused. No predictable large scale repair or replacement of doors. Therefore, no basis for reserve funding at this time. Touch up paint as needed between painting cycles. Large scale door painting is included as part of component #525. Inspect periodically and repair as needed to maintain appearance, security and operation with maintenance funds.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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Client: 19544A Sunland Division 17 OA

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Comp # : 900      Plumbing - Repair/Replace      Quantity: Supply, drain systems

Location :

Funded? : No Useful life not predictable

History : Throughout common areas of association

Evaluation : Analysis of plumbing system(s) beyond visual inspection is not within the scope of a reserve study as majority of systems are hidden. No reported problems at this time. Treat minor local repairs as ongoing maintenance expense. If patterns of significant repair costs emerge, funding may be incorporated into reserve study updates to supplement the operating budget. No predictable basis for reserve funding at this time. Some types of piping used historically are known to be life limited. Manufacturing defects also become apparent from time to time and certain site conditions can contribute to premature deterioration of system components. Regular professional inspections should be conducted. Typically, if installed per architectural specifications and local building codes, there is no predictable time frame for large scale repair/replacement expenses within the scope of our report. If leaks, poor flow, sediments, defective material and/or installation become evident, have qualified plumber and / or engineer inspect closely and develop scope of any repair/replacement needed; funding for even one time projects can be incorporated within reserve study updates if basis exists.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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Client: 19544A Sunland Division 17 OA

Comp # : 905      Electrical System - Maintain/Repair      Quantity: Main, branch systems

Location : Throughout common areas of association

Funded? : No Useful life not predictable

History :

Evaluation : Analysis of electrical system(s) beyond visual inspection is not within the scope of a reserve study. No reported problems at this time. Typically, if installed per architectural specifications and local building codes, there is no predictable time frame for large scale repair/replacement expenses within the scope of our report. Service life typically lasts well beyond rated life of components. Treat minor repairs as ongoing maintenance expense. Periodic inspections of distribution system by qualified electrician are wise to clean and tighten, exercise breakers, etc... Some associations employ infrared or other testing methodologies to ward off trouble spots and potential hazards. A good resource book available for purchase is NFPA 70B Recommended Practices for Electrical Equipment Maintenance. Funding may be incorporated into future reserve study updates if conditions dictate. No basis for reserve funding at this time. Some electrical system components used historically are known to be life limited. Manufacturing defects become apparent from time to time and certain site conditions can contribute to premature deterioration of system components.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Client: 19544A Sunland Division 17 OA

**Comp # : 930 Water Meter/Setter - Install**

Quantity: (40-50) meter/setter

Location : Common areas for irrigation

Funded? : Yes

History : As required by WADOE and installed by Sunland Water District

Evaluation : By the start of 2017, Sunland Water District is required by Washington law to have meters installed on all water connections. This component is for common area irrigation meters only. This is projected to be a one time expense.

Useful Life:

Remaining Life:  
2 years



Best Case: \$24,000

Worst Case: \$40,000

Lower allowance: 40sets x \$600/set

Higher allowance: 50sets x \$800/set

Cost Source: Estimate Provided by Client

**Comp # : 998 Association Annual Inspection**

Quantity: Annual inspection

Location : Specific elements of association

Funded? : No Annual costs, best handled in operational budget

History :

Evaluation : Many Associations are required to have annual inspections by a qualified engineer or architect to assess the physical condition of the improvements. The inspection typically covers, at a minimum, the building envelope, including: roofs, exterior, decks, waterproofing / sealants, flashings, glazing systems and doors. Forensic evaluation, building drops, etc...are beyond the scope of a typical reserve study. Although your Associations governing documents do not appear to have such a requirement, we recommend the Board provide for periodic building envelope inspections, funded from the operating budget, to help ensure critical areas are functioning properly.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Client: 19544A Sunland Division 17 OA

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**Comp # : 999 Reserve Study - Update**

Quantity: Annual update

Location : Common areas of association

Funded? : No Annual costs, best handled in operational budget

History :

Evaluation : Per Washington law (RCW), reserve studies are to be updated annually, with site inspections by an independent reserve study professional to occur no less than every three years to assess changes in condition (i.e., physical, economic, governmental, etc...) and the resulting effect on the community's long-term reserve plan. Most appropriately factored within operating budget, not as reserve component.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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