

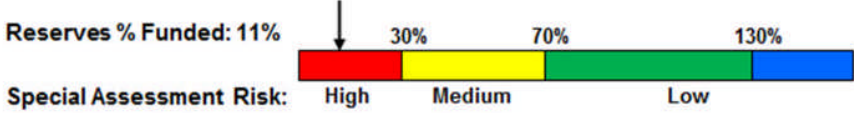
3- Minute Executive Summary

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.

Table 1: Executive Summary

19544-3

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
Site				
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
Building Exterior				
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
Systems				
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.

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.