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Hawaiian Paradise Park OA *Keaau, HI*



Report #: 33286-0
Beginning: July 1, 2025
Expires: June 30, 2026

RESERVE STUDY

"Full"

November 4, 2025

Welcome to your Reserve Study!

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

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

In this Report, you will find three key results:

- **Component List**

Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.

- **Reserve Fund Strength**

A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.

- **Reserve Funding Plan**

A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

Questions?

Please contact your Project Manager directly.



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Hawaiian Paradise Park OA
Keaau, HI
Level of Service: "Full"

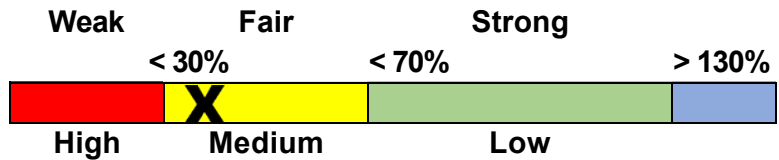
Report #: 33286-0
of Units: 8,800
July 1, 2025 through June 30, 2026

Findings & Recommendations

as of July 1, 2025

Projected Starting Reserve Balance	\$150,000
Currently Fully Funding Reserve Balance	\$402,220
Average Reserve Deficit (Surplus) Per Unit	\$29
Percent Funded	37.3 %
Recommended 2025 Monthly Reserve Contributions	\$8,000
Recommended 2025 Special Assessments for Reserves	\$0
Budgeted Monthly Reserve Contribution	\$0

Reserve Fund Strength: 37.3%



Risk of Special Assessment:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	2.00 %
Annual Inflation Rate	3.00 %

This is a Full Reserve Study (original, created "from scratch"), based on our site inspection on 6/13/2025. This report does not include the paved roadways, which are accounted for in a separate, dedicated report.

This Reserve Study was prepared under the supervision of a credentialed Reserve Specialist (RS).

Your Reserve Fund is currently at 37.3 % Funded. Being between 30-70% Funded, this represents a fair Reserve position. Associations in this range have a Medium risk of Reserve cash-flow problems (such as special assessments and/or deferred maintenance) in the near future.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to implement regular Reserve contributions of **\$8,000 per month (avg)**.

Your multi-year Funding Plan is designed to provide for timely execution of Reserve projects and gradually bring your association closer to the "Fully Funded" (100%) level.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Mail Parks			
201 Asphalt (Mail Parks) - Resurface	40	38	\$148,776
202 Asphalt (Mail Parks) - Seal/Repair	8	6	\$19,217
320 Pole Lights - Replace	20	16	\$124,000
403 Mailboxes - Replace	35	34	\$1,330,000
Activity Center			
103 Concrete Deck/Walk - Partial Repair	10	9	\$2,704
201 Asphalt (Activity Center) - Resurface	25	9	\$92,678
202 Asphalt (Activity Center) - Seal/Repair	7	0	\$11,971
303 HVAC System - Replace	15	3	\$1,200
314 Dry Well - Reconstruct	15	0	\$15,900
405 Jungle Gym - Replace	15	8	\$22,000
405 Swing Set - Replace	15	2	\$22,000
502 Chain Link Fence - Replace	30	0	\$5,562
503 Chain Link Overhead Gates - Replace	20	6	\$24,000
503 Metal Gates - Replace	25	12	\$7,200
503 Roll Gates - Replace	20	6	\$27,000
509 Stage - Reconstruct	25	5	\$29,000
702 Utility Doors - Replace	15	3	\$6,400
803 Water Catchment Tanks - Replace	15	7	\$16,000
909 Bathrooms - Refurbish	12	3	\$60,000
1116 Wood Surfaces - Repaint	8	3	\$3,010
1308 Corrugated Metal Roof - Replace	30	11	\$75,724
1602 Basketball Hoops - Replace	12	0	\$2,400
1810 Septic Tank - Replace	25	12	\$4,800
2550 PA System - Replace	10	5	\$7,000
2601 Kitchen - Partial Refurbish	15	7	\$17,500
2601 Library - Refurbish	15	5	\$22,500
26 Total Funded Components			

Introduction



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

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



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

Methodology

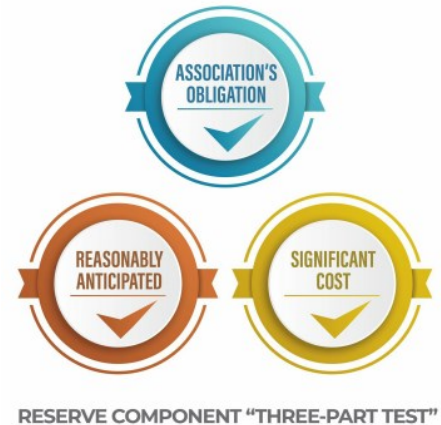


For this [Full Reserve Study](#), we started with a review of your Governing Documents, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents. We

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

Which Physical Assets are Funded by Reserves?

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



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

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

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

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

How much Reserves are enough?

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

Adequacy is measured in a two-step process:

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



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

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

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

How much should we transfer to Reserves?



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

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

What is our Recommended Funding Goal?

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



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

Site Inspection Notes

During our site visit on 6/13/2025, we started with a meeting with Christopher, and then started the site inspection beginning with the maintenance yard before moving on to the admin office, activity center, and mail parks.

Please refer to the Photographic Inventory Appendix for additional information on each of your Reserve components.



Projected Expenses

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

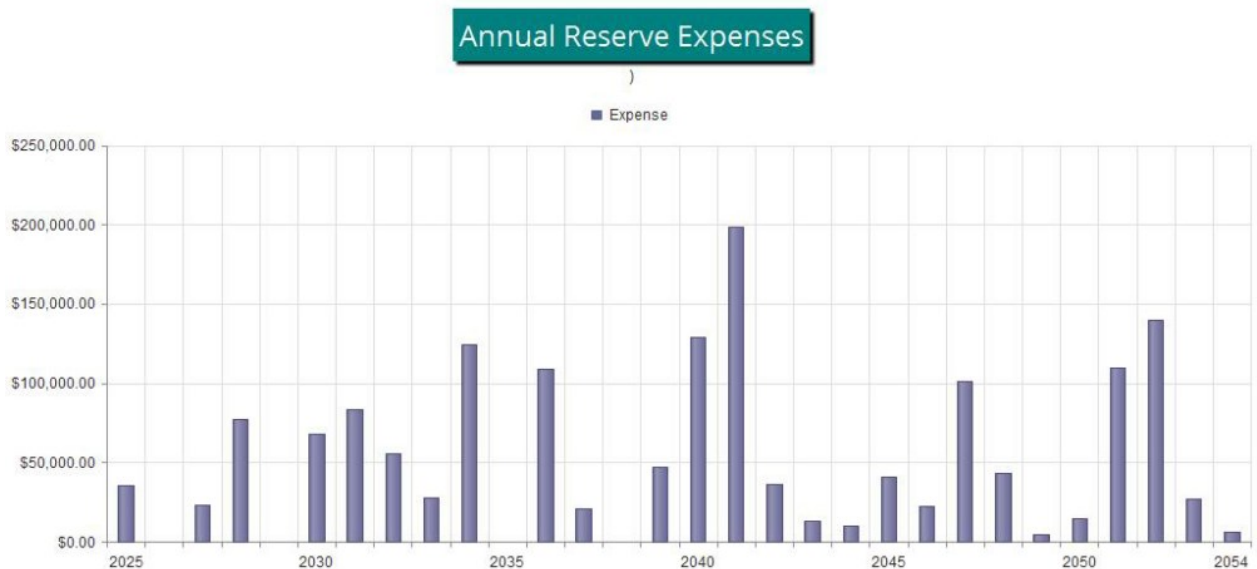


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$150,000 as-of the start of your Fiscal Year on 7/1/2025. As of your Fiscal Year Start, your Fully Funded Balance is computed to be \$402,220. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 37.3 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted transfers of **\$8,000** per month this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

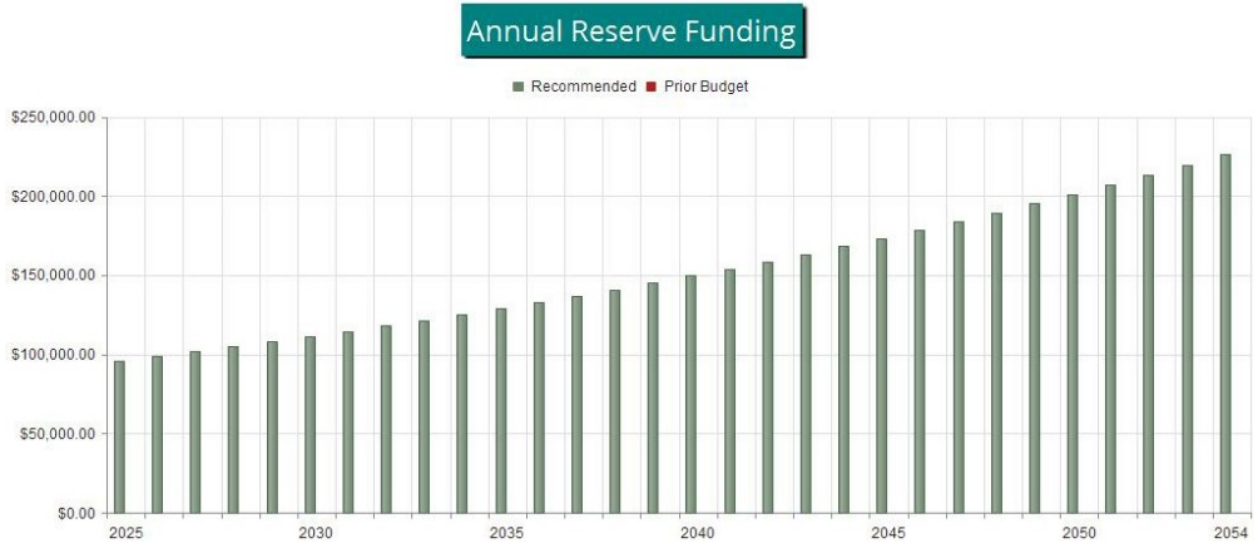


Figure 2

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

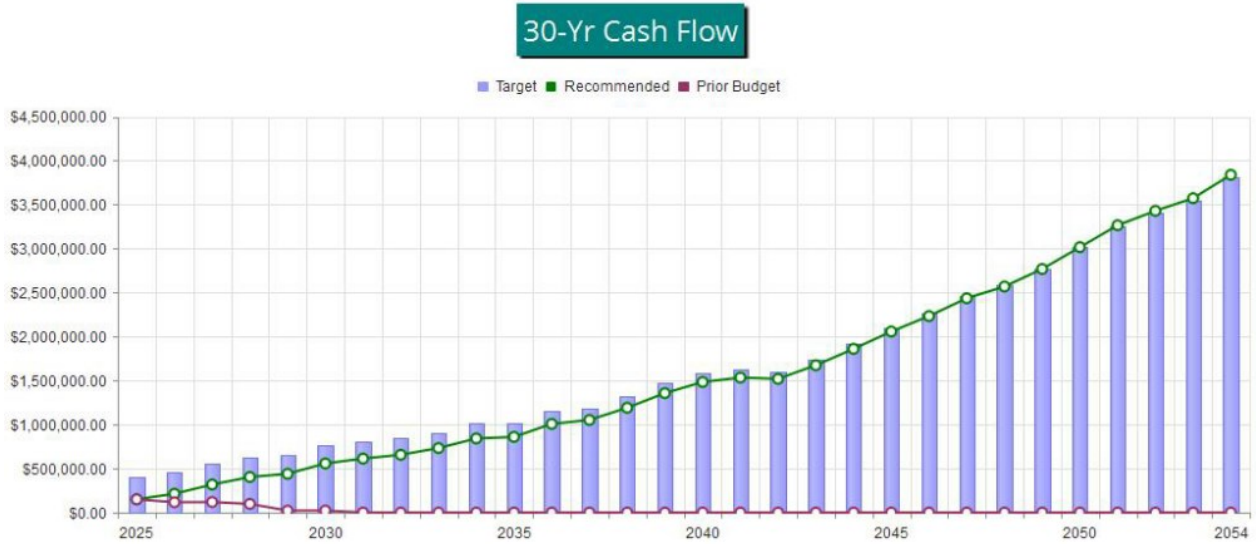


Figure 3

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

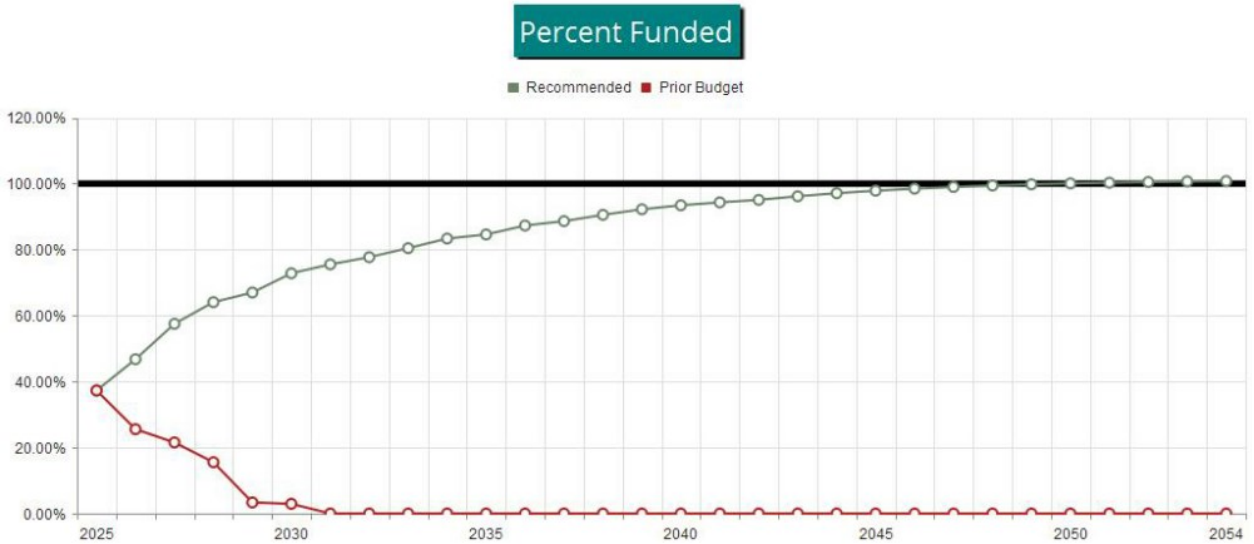


Figure 4



Executive Summary is a summary of your Reserve Components

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

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

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

Accounting & Tax Summary provides information on each Component's proportion of key totals. If shown, the Current Fund Balance is a re-distribution of the current Reserve total to near-term (low RUL) projects first. Any Reserve transfer shown is a portion of the total current transfer rate, assigned proportionally on the basis of that component's deterioration cost/yr. As this is a Cash Flow analysis in which no funds are assigned or restricted to particular components, all values shown are only representative and have no merit outside of tax preparation purposes. They are not useful for Reserve funding calculations.

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

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

#	Component	Approx	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate
Mail Parks						
201	Asphalt (Mail Parks) - Resurface	30,995	GSF	40	38	\$148,776
202	Asphalt (Mail Parks) - Seal/Repair	30,995	GSF	8	6	\$19,217
320	Pole Lights - Replace	20	Lights	20	16	\$124,000
403	Mailboxes - Replace	950	Kiosks	35	34	\$1,330,000
Activity Center						
103	Concrete Deck/Walk - Partial Repair	2,704	GSF	10	9	\$2,704
201	Asphalt (Activity Center) - Resurface	19,308	GSF	25	9	\$92,678
202	Asphalt (Activity Center) - Seal/Repair	19,308	GSF	7	0	\$11,971
303	HVAC System - Replace	1	Unit	15	3	\$1,200
314	Dry Well - Reconstruct	1	Well	15	0	\$15,900
405	Jungle Gym - Replace	1	Allowance	15	8	\$22,000
405	Swing Set - Replace	1	Allowance	15	2	\$22,000
502	Chain Link Fence - Replace	206	LF	30	0	\$5,562
503	Chain Link Overhead Gates - Replace	3	Gates	20	6	\$24,000
503	Metal Gates - Replace	2	Gates	25	12	\$7,200
503	Roll Gates - Replace	3	Gates	20	6	\$27,000
509	Stage - Reconstruct	1	Stage	25	5	\$29,000
702	Utility Doors - Replace	8	Doors	15	3	\$6,400
803	Water Catchment Tanks - Replace	2	Tanks	15	7	\$16,000
909	Bathrooms - Refurbish	2	Bathrooms	12	3	\$60,000
1116	Wood Surfaces - Repaint	1,368	GSF	8	3	\$3,010
1308	Corrugated Metal Roof - Replace	6,884	GSF	30	11	\$75,724
1602	Basketball Hoops - Replace	2	Hoops	12	0	\$2,400
1810	Septic Tank - Replace	1	Tank	25	12	\$4,800
2550	PA System - Replace	1	System	10	5	\$7,000
2601	Kitchen - Partial Refurbish	1	Room	15	7	\$17,500
2601	Library - Refurbish	1	Lump Sum	15	5	\$22,500
26	Total Funded Components					

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Mail Parks								
201	Asphalt (Mail Parks) - Resurface	\$148,776	X	2	/	40	=	\$7,439
202	Asphalt (Mail Parks) - Seal/Repair	\$19,217	X	2	/	8	=	\$4,804
320	Pole Lights - Replace	\$124,000	X	4	/	20	=	\$24,800
403	Mailboxes - Replace	\$1,330,000	X	1	/	35	=	\$38,000
Activity Center								
103	Concrete Deck/Walk - Partial Repair	\$2,704	X	1	/	10	=	\$270
201	Asphalt (Activity Center) - Resurface	\$92,678	X	16	/	25	=	\$59,314
202	Asphalt (Activity Center) - Seal/Repair	\$11,971	X	7	/	7	=	\$11,971
303	HVAC System - Replace	\$1,200	X	12	/	15	=	\$960
314	Dry Well - Reconstruct	\$15,900	X	15	/	15	=	\$15,900
405	Jungle Gym - Replace	\$22,000	X	7	/	15	=	\$10,267
405	Swing Set - Replace	\$22,000	X	13	/	15	=	\$19,067
502	Chain Link Fence - Replace	\$5,562	X	30	/	30	=	\$5,562
503	Chain Link Overhead Gates - Replace	\$24,000	X	14	/	20	=	\$16,800
503	Metal Gates - Replace	\$7,200	X	13	/	25	=	\$3,744
503	Roll Gates - Replace	\$27,000	X	14	/	20	=	\$18,900
509	Stage - Reconstruct	\$29,000	X	20	/	25	=	\$23,200
702	Utility Doors - Replace	\$6,400	X	12	/	15	=	\$5,120
803	Water Catchment Tanks - Replace	\$16,000	X	8	/	15	=	\$8,533
909	Bathrooms - Refurbish	\$60,000	X	9	/	12	=	\$45,000
1116	Wood Surfaces - Repaint	\$3,010	X	5	/	8	=	\$1,881
1308	Corrugated Metal Roof - Replace	\$75,724	X	19	/	30	=	\$47,959
1602	Basketball Hoops - Replace	\$2,400	X	12	/	12	=	\$2,400
1810	Septic Tank - Replace	\$4,800	X	13	/	25	=	\$2,496
2550	PA System - Replace	\$7,000	X	5	/	10	=	\$3,500
2601	Kitchen - Partial Refurbish	\$17,500	X	8	/	15	=	\$9,333
2601	Library - Refurbish	\$22,500	X	10	/	15	=	\$15,000
								\$402,220

# Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
Mail Parks				
201 Asphalt (Mail Parks) - Resurface	40	\$148,776	\$3,719	4.80 %
202 Asphalt (Mail Parks) - Seal/Repair	8	\$19,217	\$2,402	3.10 %
320 Pole Lights - Replace	20	\$124,000	\$6,200	8.01 %
403 Mailboxes - Replace	35	\$1,330,000	\$38,000	49.08 %
Activity Center				
103 Concrete Deck/Walk - Partial Repair	10	\$2,704	\$270	0.35 %
201 Asphalt (Activity Center) - Resurface	25	\$92,678	\$3,707	4.79 %
202 Asphalt (Activity Center) - Seal/Repair	7	\$11,971	\$1,710	2.21 %
303 HVAC System - Replace	15	\$1,200	\$80	0.10 %
314 Dry Well - Reconstruct	15	\$15,900	\$1,060	1.37 %
405 Jungle Gym - Replace	15	\$22,000	\$1,467	1.89 %
405 Swing Set - Replace	15	\$22,000	\$1,467	1.89 %
502 Chain Link Fence - Replace	30	\$5,562	\$185	0.24 %
503 Chain Link Overhead Gates - Replace	20	\$24,000	\$1,200	1.55 %
503 Metal Gates - Replace	25	\$7,200	\$288	0.37 %
503 Roll Gates - Replace	20	\$27,000	\$1,350	1.74 %
509 Stage - Reconstruct	25	\$29,000	\$1,160	1.50 %
702 Utility Doors - Replace	15	\$6,400	\$427	0.55 %
803 Water Catchment Tanks - Replace	15	\$16,000	\$1,067	1.38 %
909 Bathrooms - Refurbish	12	\$60,000	\$5,000	6.46 %
1116 Wood Surfaces - Repaint	8	\$3,010	\$376	0.49 %
1308 Corrugated Metal Roof - Replace	30	\$75,724	\$2,524	3.26 %
1602 Basketball Hoops - Replace	12	\$2,400	\$200	0.26 %
1810 Septic Tank - Replace	25	\$4,800	\$192	0.25 %
2550 PA System - Replace	10	\$7,000	\$700	0.90 %
2601 Kitchen - Partial Refurbish	15	\$17,500	\$1,167	1.51 %
2601 Library - Refurbish	15	\$22,500	\$1,500	1.94 %
26 Total Funded Components			\$77,418	100.00 %

#	Component	UL	RUL	Current Cost Estimate	Fully Funded Balance	Projected Reserve Balance	Proportional Reserve Funding
Mail Parks							
201	Asphalt (Mail Parks) - Resurface	40	38	\$148,776	\$7,439	\$0	\$384.34
202	Asphalt (Mail Parks) - Seal/Repair	8	6	\$19,217	\$4,804	\$439	\$248.22
320	Pole Lights - Replace	20	16	\$124,000	\$24,800	\$0	\$640.68
403	Mailboxes - Replace	35	34	\$1,330,000	\$38,000	\$0	\$3,926.72
Activity Center							
103	Concrete Deck/Walk - Partial Repair	10	9	\$2,704	\$270	\$0	\$27.94
201	Asphalt (Activity Center) - Resurface	25	9	\$92,678	\$59,314	\$0	\$383.07
202	Asphalt (Activity Center) - Seal/Repair	7	0	\$11,971	\$11,971	\$11,971	\$176.72
303	HVAC System - Replace	15	3	\$1,200	\$960	\$960	\$8.27
314	Dry Well - Reconstruct	15	0	\$15,900	\$15,900	\$15,900	\$109.53
405	Jungle Gym - Replace	15	8	\$22,000	\$10,267	\$0	\$151.56
405	Swing Set - Replace	15	2	\$22,000	\$19,067	\$19,067	\$151.56
502	Chain Link Fence - Replace	30	0	\$5,562	\$5,562	\$5,562	\$19.16
503	Chain Link Overhead Gates - Replace	20	6	\$24,000	\$16,800	\$0	\$124.00
503	Metal Gates - Replace	25	12	\$7,200	\$3,744	\$0	\$29.76
503	Roll Gates - Replace	20	6	\$27,000	\$18,900	\$0	\$139.50
509	Stage - Reconstruct	25	5	\$29,000	\$23,200	\$23,200	\$119.87
702	Utility Doors - Replace	15	3	\$6,400	\$5,120	\$5,120	\$44.09
803	Water Catchment Tanks - Replace	15	7	\$16,000	\$8,533	\$0	\$110.22
909	Bathrooms - Refurbish	12	3	\$60,000	\$45,000	\$45,000	\$516.67
1116	Wood Surfaces - Repaint	8	3	\$3,010	\$1,881	\$1,881	\$38.88
1308	Corrugated Metal Roof - Replace	30	11	\$75,724	\$47,959	\$0	\$260.83
1602	Basketball Hoops - Replace	12	0	\$2,400	\$2,400	\$2,400	\$20.67
1810	Septic Tank - Replace	25	12	\$4,800	\$2,496	\$0	\$19.84
2550	PA System - Replace	10	5	\$7,000	\$3,500	\$3,500	\$72.33
2601	Kitchen - Partial Refurbish	15	7	\$17,500	\$9,333	\$0	\$120.56
2601	Library - Refurbish	15	5	\$22,500	\$15,000	\$15,000	\$155.00
26 Total Funded Components					\$402,220	\$150,000	\$8,000

Fiscal Year Start: 2025

Net After Tax Interest:

2.00 %

Avg 30-Yr Inflation: 3.00 %

Reserve Fund Strength (as-of Fiscal Year Start)	Projected Reserve Balance Changes
-------------------------------------------------	-----------------------------------

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase In Annual Reserve Funding	Reserve Funding	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2025	\$150,000	\$402,220	37.3 %	Medium	0.00 %	\$96,000	\$0	\$3,635	\$35,833	
2026	\$213,802	\$457,120	46.8 %	Medium	3.00 %	\$98,880	\$0	\$5,313	\$0	
2027	\$317,995	\$552,966	57.5 %	Medium	3.00 %	\$101,846	\$0	\$7,211	\$23,340	
2028	\$403,713	\$630,112	64.1 %	Medium	3.00 %	\$104,902	\$0	\$8,429	\$77,157	
2029	\$439,886	\$656,679	67.0 %	Medium	3.00 %	\$108,049	\$0	\$9,969	\$0	
2030	\$557,904	\$766,128	72.8 %	Low	3.00 %	\$111,290	\$0	\$11,700	\$67,818	
2031	\$613,076	\$811,701	75.5 %	Low	3.00 %	\$114,629	\$0	\$12,685	\$83,843	
2032	\$656,548	\$844,909	77.7 %	Low	3.00 %	\$118,068	\$0	\$13,879	\$55,924	
2033	\$732,571	\$910,726	80.4 %	Low	3.00 %	\$121,610	\$0	\$15,733	\$27,869	
2034	\$842,045	\$1,010,356	83.3 %	Low	3.00 %	\$125,258	\$0	\$17,004	\$124,452	
2035	\$859,855	\$1,016,525	84.6 %	Low	3.00 %	\$129,016	\$0	\$18,658	\$0	
2036	\$1,007,529	\$1,154,186	87.3 %	Low	3.00 %	\$132,886	\$0	\$20,578	\$108,986	
2037	\$1,052,007	\$1,186,936	88.6 %	Low	3.00 %	\$136,873	\$0	\$22,408	\$20,531	
2038	\$1,190,757	\$1,315,088	90.5 %	Low	3.00 %	\$140,979	\$0	\$25,457	\$0	
2039	\$1,357,194	\$1,471,643	92.2 %	Low	3.00 %	\$145,209	\$0	\$28,383	\$47,175	
2040	\$1,483,611	\$1,587,818	93.4 %	Low	3.00 %	\$149,565	\$0	\$30,152	\$129,155	
2041	\$1,534,172	\$1,626,656	94.3 %	Low	3.00 %	\$154,052	\$0	\$30,513	\$198,984	
2042	\$1,519,753	\$1,598,463	95.1 %	Low	3.00 %	\$158,673	\$0	\$31,910	\$36,363	
2043	\$1,673,974	\$1,740,763	96.2 %	Low	3.00 %	\$163,434	\$0	\$35,307	\$12,938	
2044	\$1,859,776	\$1,915,412	97.1 %	Low	3.00 %	\$168,337	\$0	\$39,136	\$10,020	
2045	\$2,057,229	\$2,102,381	97.9 %	Low	3.00 %	\$173,387	\$0	\$42,864	\$40,638	
2046	\$2,232,841	\$2,267,616	98.5 %	Low	3.00 %	\$178,588	\$0	\$46,646	\$22,270	
2047	\$2,435,806	\$2,461,049	99.0 %	Low	3.00 %	\$183,946	\$0	\$50,002	\$101,011	
2048	\$2,568,743	\$2,583,630	99.4 %	Low	3.00 %	\$189,464	\$0	\$53,322	\$43,419	
2049	\$2,768,111	\$2,773,793	99.8 %	Low	3.00 %	\$195,148	\$0	\$57,793	\$4,879	
2050	\$3,016,173	\$3,014,079	100.1 %	Low	3.00 %	\$201,003	\$0	\$62,760	\$14,656	
2051	\$3,265,280	\$3,256,365	100.3 %	Low	3.00 %	\$207,033	\$0	\$66,887	\$109,986	
2052	\$3,429,213	\$3,412,738	100.5 %	Low	3.00 %	\$213,244	\$0	\$69,956	\$139,963	
2053	\$3,572,449	\$3,548,085	100.7 %	Low	3.00 %	\$219,641	\$0	\$74,048	\$27,389	
2054	\$3,838,750	\$3,808,759	100.8 %	Low	3.00 %	\$226,230	\$0	\$79,702	\$6,372	

Fiscal Year	2025	2026	2027	2028	2029
Starting Reserve Balance	\$150,000	\$213,802	\$317,995	\$403,713	\$439,886
Annual Reserve Funding	\$96,000	\$98,880	\$101,846	\$104,902	\$108,049
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,635	\$5,313	\$7,211	\$8,429	\$9,969
Total Income	\$249,635	\$317,995	\$427,052	\$517,043	\$557,904
# Component					
Mail Parks					
201 Asphalt (Mail Parks) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Mail Parks) - Seal/Repair	\$0	\$0	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
Activity Center					
103 Concrete Deck/Walk - Partial Repair	\$0	\$0	\$0	\$0	\$0
201 Asphalt (Activity Center) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Activity Center) - Seal/Repair	\$11,971	\$0	\$0	\$0	\$0
303 HVAC System - Replace	\$0	\$0	\$0	\$1,311	\$0
314 Dry Well - Reconstruct	\$15,900	\$0	\$0	\$0	\$0
405 Jungle Gym - Replace	\$0	\$0	\$0	\$0	\$0
405 Swing Set - Replace	\$0	\$0	\$23,340	\$0	\$0
502 Chain Link Fence - Replace	\$5,562	\$0	\$0	\$0	\$0
503 Chain Link Overhead Gates - Replace	\$0	\$0	\$0	\$0	\$0
503 Metal Gates - Replace	\$0	\$0	\$0	\$0	\$0
503 Roll Gates - Replace	\$0	\$0	\$0	\$0	\$0
509 Stage - Reconstruct	\$0	\$0	\$0	\$0	\$0
702 Utility Doors - Replace	\$0	\$0	\$0	\$6,993	\$0
803 Water Catchment Tanks - Replace	\$0	\$0	\$0	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$0	\$0	\$65,564	\$0
1116 Wood Surfaces - Repaint	\$0	\$0	\$0	\$3,289	\$0
1308 Corrugated Metal Roof - Replace	\$0	\$0	\$0	\$0	\$0
1602 Basketball Hoops - Replace	\$2,400	\$0	\$0	\$0	\$0
1810 Septic Tank - Replace	\$0	\$0	\$0	\$0	\$0
2550 PA System - Replace	\$0	\$0	\$0	\$0	\$0
2601 Kitchen - Partial Refurbish	\$0	\$0	\$0	\$0	\$0
2601 Library - Refurbish	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$35,833	\$0	\$23,340	\$77,157	\$0
Ending Reserve Balance	\$213,802	\$317,995	\$403,713	\$439,886	\$557,904

Fiscal Year	2030	2031	2032	2033	2034
Starting Reserve Balance	\$557,904	\$613,076	\$656,548	\$732,571	\$842,045
Annual Reserve Funding	\$111,290	\$114,629	\$118,068	\$121,610	\$125,258
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$11,700	\$12,685	\$13,879	\$15,733	\$17,004
Total Income	\$680,894	\$740,391	\$788,495	\$869,914	\$984,307
# Component					
Mail Parks					
201 Asphalt (Mail Parks) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Mail Parks) - Seal/Repair	\$0	\$22,946	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
Activity Center					
103 Concrete Deck/Walk - Partial Repair	\$0	\$0	\$0	\$0	\$3,528
201 Asphalt (Activity Center) - Resurface	\$0	\$0	\$0	\$0	\$120,924
202 Asphalt (Activity Center) - Seal/Repair	\$0	\$0	\$14,723	\$0	\$0
303 HVAC System - Replace	\$0	\$0	\$0	\$0	\$0
314 Dry Well - Reconstruct	\$0	\$0	\$0	\$0	\$0
405 Jungle Gym - Replace	\$0	\$0	\$0	\$27,869	\$0
405 Swing Set - Replace	\$0	\$0	\$0	\$0	\$0
502 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
503 Chain Link Overhead Gates - Replace	\$0	\$28,657	\$0	\$0	\$0
503 Metal Gates - Replace	\$0	\$0	\$0	\$0	\$0
503 Roll Gates - Replace	\$0	\$32,239	\$0	\$0	\$0
509 Stage - Reconstruct	\$33,619	\$0	\$0	\$0	\$0
702 Utility Doors - Replace	\$0	\$0	\$0	\$0	\$0
803 Water Catchment Tanks - Replace	\$0	\$0	\$19,678	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$0	\$0	\$0	\$0
1116 Wood Surfaces - Repaint	\$0	\$0	\$0	\$0	\$0
1308 Corrugated Metal Roof - Replace	\$0	\$0	\$0	\$0	\$0
1602 Basketball Hoops - Replace	\$0	\$0	\$0	\$0	\$0
1810 Septic Tank - Replace	\$0	\$0	\$0	\$0	\$0
2550 PA System - Replace	\$8,115	\$0	\$0	\$0	\$0
2601 Kitchen - Partial Refurbish	\$0	\$0	\$21,523	\$0	\$0
2601 Library - Refurbish	\$26,084	\$0	\$0	\$0	\$0
Total Expenses	\$67,818	\$83,843	\$55,924	\$27,869	\$124,452
Ending Reserve Balance	\$613,076	\$656,548	\$732,571	\$842,045	\$859,855

Fiscal Year	2035	2036	2037	2038	2039
Starting Reserve Balance	\$859,855	\$1,007,529	\$1,052,007	\$1,190,757	\$1,357,194
Annual Reserve Funding	\$129,016	\$132,886	\$136,873	\$140,979	\$145,209
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$18,658	\$20,578	\$22,408	\$25,457	\$28,383
Total Income	\$1,007,529	\$1,160,993	\$1,211,288	\$1,357,194	\$1,530,786
# Component					
Mail Parks					
201 Asphalt (Mail Parks) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Mail Parks) - Seal/Repair	\$0	\$0	\$0	\$0	\$29,067
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
Activity Center					
103 Concrete Deck/Walk - Partial Repair	\$0	\$0	\$0	\$0	\$0
201 Asphalt (Activity Center) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Activity Center) - Seal/Repair	\$0	\$0	\$0	\$0	\$18,107
303 HVAC System - Replace	\$0	\$0	\$0	\$0	\$0
314 Dry Well - Reconstruct	\$0	\$0	\$0	\$0	\$0
405 Jungle Gym - Replace	\$0	\$0	\$0	\$0	\$0
405 Swing Set - Replace	\$0	\$0	\$0	\$0	\$0
502 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
503 Chain Link Overhead Gates - Replace	\$0	\$0	\$0	\$0	\$0
503 Metal Gates - Replace	\$0	\$0	\$10,265	\$0	\$0
503 Roll Gates - Replace	\$0	\$0	\$0	\$0	\$0
509 Stage - Reconstruct	\$0	\$0	\$0	\$0	\$0
702 Utility Doors - Replace	\$0	\$0	\$0	\$0	\$0
803 Water Catchment Tanks - Replace	\$0	\$0	\$0	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$0	\$0	\$0	\$0
1116 Wood Surfaces - Repaint	\$0	\$4,167	\$0	\$0	\$0
1308 Corrugated Metal Roof - Replace	\$0	\$104,820	\$0	\$0	\$0
1602 Basketball Hoops - Replace	\$0	\$0	\$3,422	\$0	\$0
1810 Septic Tank - Replace	\$0	\$0	\$6,844	\$0	\$0
2550 PA System - Replace	\$0	\$0	\$0	\$0	\$0
2601 Kitchen - Partial Refurbish	\$0	\$0	\$0	\$0	\$0
2601 Library - Refurbish	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$108,986	\$20,531	\$0	\$47,175
Ending Reserve Balance	\$1,007,529	\$1,052,007	\$1,190,757	\$1,357,194	\$1,483,611

Fiscal Year	2040	2041	2042	2043	2044
Starting Reserve Balance	\$1,483,611	\$1,534,172	\$1,519,753	\$1,673,974	\$1,859,776
Annual Reserve Funding	\$149,565	\$154,052	\$158,673	\$163,434	\$168,337
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$30,152	\$30,513	\$31,910	\$35,307	\$39,136
Total Income	\$1,663,328	\$1,718,737	\$1,710,336	\$1,872,714	\$2,067,248
# Component					
Mail Parks					
201 Asphalt (Mail Parks) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Mail Parks) - Seal/Repair	\$0	\$0	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$198,984	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
Activity Center					
103 Concrete Deck/Walk - Partial Repair	\$0	\$0	\$0	\$0	\$4,741
201 Asphalt (Activity Center) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Activity Center) - Seal/Repair	\$0	\$0	\$0	\$0	\$0
303 HVAC System - Replace	\$0	\$0	\$0	\$2,043	\$0
314 Dry Well - Reconstruct	\$24,772	\$0	\$0	\$0	\$0
405 Jungle Gym - Replace	\$0	\$0	\$0	\$0	\$0
405 Swing Set - Replace	\$0	\$0	\$36,363	\$0	\$0
502 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
503 Chain Link Overhead Gates - Replace	\$0	\$0	\$0	\$0	\$0
503 Metal Gates - Replace	\$0	\$0	\$0	\$0	\$0
503 Roll Gates - Replace	\$0	\$0	\$0	\$0	\$0
509 Stage - Reconstruct	\$0	\$0	\$0	\$0	\$0
702 Utility Doors - Replace	\$0	\$0	\$0	\$10,896	\$0
803 Water Catchment Tanks - Replace	\$0	\$0	\$0	\$0	\$0
909 Bathrooms - Refurbish	\$93,478	\$0	\$0	\$0	\$0
1116 Wood Surfaces - Repaint	\$0	\$0	\$0	\$0	\$5,278
1308 Corrugated Metal Roof - Replace	\$0	\$0	\$0	\$0	\$0
1602 Basketball Hoops - Replace	\$0	\$0	\$0	\$0	\$0
1810 Septic Tank - Replace	\$0	\$0	\$0	\$0	\$0
2550 PA System - Replace	\$10,906	\$0	\$0	\$0	\$0
2601 Kitchen - Partial Refurbish	\$0	\$0	\$0	\$0	\$0
2601 Library - Refurbish	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$129,155	\$198,984	\$36,363	\$12,938	\$10,020
Ending Reserve Balance	\$1,534,172	\$1,519,753	\$1,673,974	\$1,859,776	\$2,057,229

Fiscal Year	2045	2046	2047	2048	2049
Starting Reserve Balance	\$2,057,229	\$2,232,841	\$2,435,806	\$2,568,743	\$2,768,111
Annual Reserve Funding	\$173,387	\$178,588	\$183,946	\$189,464	\$195,148
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$42,864	\$46,646	\$50,002	\$53,322	\$57,793
Total Income	\$2,273,479	\$2,458,076	\$2,669,754	\$2,811,530	\$3,021,052
# Component					
Mail Parks					
201 Asphalt (Mail Parks) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Mail Parks) - Seal/Repair	\$0	\$0	\$36,822	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
Activity Center					
103 Concrete Deck/Walk - Partial Repair	\$0	\$0	\$0	\$0	\$0
201 Asphalt (Activity Center) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Activity Center) - Seal/Repair	\$0	\$22,270	\$0	\$0	\$0
303 HVAC System - Replace	\$0	\$0	\$0	\$0	\$0
314 Dry Well - Reconstruct	\$0	\$0	\$0	\$0	\$0
405 Jungle Gym - Replace	\$0	\$0	\$0	\$43,419	\$0
405 Swing Set - Replace	\$0	\$0	\$0	\$0	\$0
502 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
503 Chain Link Overhead Gates - Replace	\$0	\$0	\$0	\$0	\$0
503 Metal Gates - Replace	\$0	\$0	\$0	\$0	\$0
503 Roll Gates - Replace	\$0	\$0	\$0	\$0	\$0
509 Stage - Reconstruct	\$0	\$0	\$0	\$0	\$0
702 Utility Doors - Replace	\$0	\$0	\$0	\$0	\$0
803 Water Catchment Tanks - Replace	\$0	\$0	\$30,658	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$0	\$0	\$0	\$0
1116 Wood Surfaces - Repaint	\$0	\$0	\$0	\$0	\$0
1308 Corrugated Metal Roof - Replace	\$0	\$0	\$0	\$0	\$0
1602 Basketball Hoops - Replace	\$0	\$0	\$0	\$0	\$4,879
1810 Septic Tank - Replace	\$0	\$0	\$0	\$0	\$0
2550 PA System - Replace	\$0	\$0	\$0	\$0	\$0
2601 Kitchen - Partial Refurbish	\$0	\$0	\$33,532	\$0	\$0
2601 Library - Refurbish	\$40,638	\$0	\$0	\$0	\$0
Total Expenses	\$40,638	\$22,270	\$101,011	\$43,419	\$4,879
Ending Reserve Balance	\$2,232,841	\$2,435,806	\$2,568,743	\$2,768,111	\$3,016,173

Fiscal Year	2050	2051	2052	2053	2054
Starting Reserve Balance	\$3,016,173	\$3,265,280	\$3,429,213	\$3,572,449	\$3,838,750
Annual Reserve Funding	\$201,003	\$207,033	\$213,244	\$219,641	\$226,230
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$62,760	\$66,887	\$69,956	\$74,048	\$79,702
Total Income	\$3,279,936	\$3,539,199	\$3,712,413	\$3,866,138	\$4,144,681
# Component					
Mail Parks					
201 Asphalt (Mail Parks) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Mail Parks) - Seal/Repair	\$0	\$0	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
Activity Center					
103 Concrete Deck/Walk - Partial Repair	\$0	\$0	\$0	\$0	\$6,372
201 Asphalt (Activity Center) - Resurface	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Activity Center) - Seal/Repair	\$0	\$0	\$0	\$27,389	\$0
303 HVAC System - Replace	\$0	\$0	\$0	\$0	\$0
314 Dry Well - Reconstruct	\$0	\$0	\$0	\$0	\$0
405 Jungle Gym - Replace	\$0	\$0	\$0	\$0	\$0
405 Swing Set - Replace	\$0	\$0	\$0	\$0	\$0
502 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
503 Chain Link Overhead Gates - Replace	\$0	\$51,758	\$0	\$0	\$0
503 Metal Gates - Replace	\$0	\$0	\$0	\$0	\$0
503 Roll Gates - Replace	\$0	\$58,228	\$0	\$0	\$0
509 Stage - Reconstruct	\$0	\$0	\$0	\$0	\$0
702 Utility Doors - Replace	\$0	\$0	\$0	\$0	\$0
803 Water Catchment Tanks - Replace	\$0	\$0	\$0	\$0	\$0
909 Bathrooms - Refurbish	\$0	\$0	\$133,277	\$0	\$0
1116 Wood Surfaces - Repaint	\$0	\$0	\$6,686	\$0	\$0
1308 Corrugated Metal Roof - Replace	\$0	\$0	\$0	\$0	\$0
1602 Basketball Hoops - Replace	\$0	\$0	\$0	\$0	\$0
1810 Septic Tank - Replace	\$0	\$0	\$0	\$0	\$0
2550 PA System - Replace	\$14,656	\$0	\$0	\$0	\$0
2601 Kitchen - Partial Refurbish	\$0	\$0	\$0	\$0	\$0
2601 Library - Refurbish	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$14,656	\$109,986	\$139,963	\$27,389	\$6,372
Ending Reserve Balance	\$3,265,280	\$3,429,213	\$3,572,449	\$3,838,750	\$4,138,309



Accuracy, Limitations, and Disclosures

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



Terms and Definitions

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



Component Details

The primary purpose of the Component Details appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The information presented here represents a wide range of components that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding. 1) Common area repair & replacement responsibility 2) Component must have a limited useful life 3) Life limit must be predictable 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of Annual operating expenses). Not all your components may have been found appropriate for reserve funding. In our judgment, the components meeting the above four criteria are shown with the Useful Life (how often the project is expected to occur), Remaining Useful Life (when the next instance of the expense will be) and representative market cost range termed “Best Cost” and “Worst Cost”. There are many factors that can result in a wide variety of potential costs, and we have attempted to present the cost range in which your actual expense will occur. Where no Useful Life, Remaining Useful Life, or pricing exists, the component was deemed inappropriate for Reserve Funding.

Mail Parks

Comp #: 201 Asphalt (Mail Parks) - Resurface

Approx Quantity: 30,995 GSF

Location: Mail parks

Funded?: Yes.

History: 2024

Comments: The mail parks were very recently paved and sealed. Asphalt surfaces require periodic reconstruction to restore the integrity of the base to accommodate the asphalt surfaces properly. A longer useful life is given as this section of asphalt will not receive traffic from vehicles. The useful life shown is based on the assumption that the association will conduct regularly scheduled repairs and resealing (refer to #202). It is possible to extend the useful life of the asphalt by conducting an overlay project, but this option should be carefully vetted by the Board to ensure that the overlay project will be successful under the current asphalt conditions.

Useful Life:
40 years

Remaining Life:
38 years



Lower Estimate:	\$ 134,000	Higher Estimate:	\$ 164,000
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Cost Source: ARI Cost Database

Comp #: 202 Asphalt (Mail Parks) - Seal/Repair

Approx Quantity: 30,995 GSF

Location: Mail parks

Funded?: Yes.

History:

Comments: The asphalt should be resealed or slurry coated every 5-7 years to maintain the asphalt's appearance, integrity, and life expectancy. Failure to execute these projects could result in much shorter useful life, and additional base & subgrade repair costs (refer to #201). Additional repairs are included with this project, including the restriping of the parking spaces and repainting of the curbs.

Useful Life:
8 years

Remaining Life:
6 years



Lower Estimate:	\$ 17,300	Higher Estimate:	\$ 21,100
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Cost Source: ARI Cost Database

Comp #: 205 Concrete Footing - Repair

Approx Quantity: 30,995 GSF

Location: Beneath asphalt surfaces

Funded?: No.

History:

Comments: Each mail park has concrete footing with the asphalt paved over it. With regular resurfacing and re-sealing of the asphalt, major repairs are not likely to be required. Monitor the mail park grounds for evidence of earth movement, which may affect the concrete footing if present.

Useful Life:

Remaining Life:



Lower Estimate:

Higher Estimate:

Cost Source:

Comp #: 320 Pole Lights - Replace

Approx Quantity: 20 Lights

Location: Mail parks, (4) per park

Funded?: Yes.

History:

Comments: No issues reported at this time. These are recent installations. Clean and stable conditions observed. Inspected during daylight hours, but assumed to be functional. Fixtures should be cleaned on a regular basis to allow full illumination. Funding for eventual complete replacement to maintain a uniform appearance.

Useful Life:

20 years

Remaining Life:

16 years



Lower Estimate:

\$ 112,000

Higher Estimate:

\$ 136,000

Cost Source: ARI Cost Database

Comp #: 403 Mailboxes - Replace

Approx Quantity: 950 Kiosks

Location: Mail parks

Funded?: Yes.

History: 2025

Comments: The mailboxes were recently upgraded by the community. These are long-lasting, durable mailboxes comprised of Kynar aluminum with a long-lasting protective coat factory-applied. No signs of advanced deterioration or abuse. Funding for periodic replacements to maintain security and reliability.

Useful Life:

35 years

Remaining Life:

34 years



Lower Estimate:

\$ 1,200,000

Higher Estimate:

\$ 1,460,000

Cost Source: Reserve Allowance

Activity Center

Comp #: 103 Concrete Deck/Walk - Partial Repair

Approx Quantity: 2,704 GSF

Location: Activity center

Funded?: Yes.

History:

Comments: Fair conditions observed. Smooth surfaces noted with minimal cracks or damages. Under normal circumstances these surfaces should reach a very long useful life with no expectation for complete replacement. These surfaces should be inspected on a regular basis for trip-hazards. Funding for ongoing partial repairs and replacements to maintain overall surface integrity and appearance. It is recommended that Reserve funding be implemented for concrete repairs for communities with large quantities of concrete surfaces since it is highly likely that repair expenses will exceed the 1% of Annual Budget threshold needed to designate a reoccurring project as a Reserve expense.

Useful Life:

10 years

Remaining Life:

9 years



Lower Estimate:

\$ 2,430

Higher Estimate:

\$ 2,970

Cost Source: ARI Cost Database; 5% of Total LF

Comp #: 201 Asphalt (Activity Center) - Resurface

Approx Quantity: 19,308 GSF

Location: Activity center parking light and approaching drive

Funded?: Yes.

History:

Comments: Fair but declining conditions observed. Some transverse cracking noted, as well as foliage growing through said cracks which indicate re-sealing has not occurred in some time. Asphalt surfaces require periodic reconstruction to restore the integrity of the base to accommodate the asphalt surfaces properly. The useful life shown is based on the assumption that the association will conduct regularly scheduled repairs and resealing (refer to #202). It is possible to extend the useful life of the asphalt by conducting an overlay project, but this option should be carefully vetted by the Board to ensure that the overlay project will be successful under the current asphalt conditions.

Useful Life:
25 years

Remaining Life:
9 years



Lower Estimate:

\$ 83,400

Higher Estimate:

\$ 102,000

Cost Source: ARI Cost Database

Comp #: 202 Asphalt (Activity Center) - Seal/Repair

Approx Quantity: 19,308 GSF

Location: Activity center parking light and approaching drive

Funded?: Yes.

History:

Comments: Cracks and fissures observed to be allowing grass/weeds to grow through the parking surface. The asphalt should be resealed or slurry coated every 5-7 years to maintain the asphalt's appearance, integrity, and life expectancy. Failure to execute these projects could result in much shorter useful life, and additional base & subgrade repair costs (refer to #201). Additional repairs are included with this project, including the restriping of the parking spaces and repainting of the curbs.

Useful Life:
7 years

Remaining Life:
0 years



Lower Estimate:

\$ 10,800

Higher Estimate:

\$ 13,200

Cost Source: ARI Cost Database

Comp #: 303 HVAC System - Replace

Approx Quantity: 1 Unit

Location: Activity center library

Funded?: Yes.

History:

Comments: No issues reported at this time. The system was functional at time of our site inspection. Regular maintenance should be handled by a licensed AC service company as an Operating expense.

Useful Life:
15 years

Remaining Life:
3 years



Lower Estimate: \$ 1,080 **Higher Estimate:** \$ 1,320

Cost Source: ARI Cost Database

Comp #: 314 Dry Well - Reconstruct

Approx Quantity: 1 Well

Location: Activity center, underground

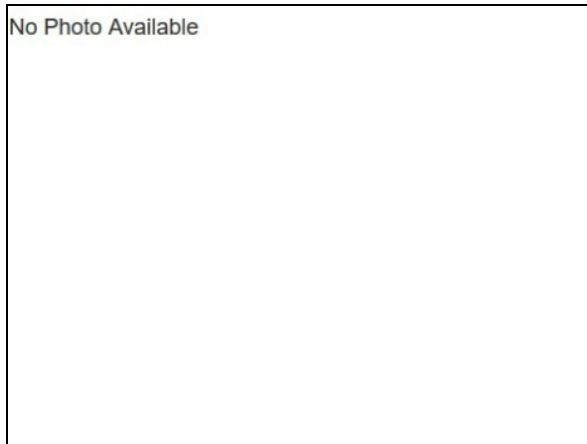
Funded?: Yes.

History: 2005/2006

Comments: The dry well was constructed in 2005/2006. Funding provided for periodic reconstruction/refurbishment to maintain functionality.

Useful Life:
15 years

Remaining Life:
0 years



Lower Estimate: \$ 14,300 **Higher Estimate:** \$ 17,500

Cost Source: Reserve Allowance

Comp #: 405 Jungle Gym - Replace

Approx Quantity: 1 Allowance

Location: Activity center outdoor play area

Funded?: Yes.

History: 2015

Comments: The jungle gym appears intact and sturdy with only moderate discoloration. Overall fair condition. The play equipment should be inspected on a regular basis for defects and hazards. Loose or corroded connection screws/bolts should be replaced as needed as an Operating expense.

Useful Life:

15 years

Remaining Life:

8 years



Lower Estimate:

\$ 19,800

Higher Estimate:

\$ 24,200

Cost Source: Reserve Allowance

Comp #: 405 Swing Set - Replace

Approx Quantity: 1 Allowance

Location: Activity center outdoor play area

Funded?: Yes.

History:

Comments: Includes (4) swings. (1) swing was missing/not attached during inspection. Corrosion and wear noted. Due to age and condition, anticipate replacement in the near future. Loose or corroded connection screws/bolts should be replaced as needed as an Operating expense.

Useful Life:

15 years

Remaining Life:

2 years



Lower Estimate:

\$ 19,800

Higher Estimate:

\$ 24,200

Cost Source: Reserve Allowance

Comp #: 502 Chain Link Fence - Replace

Approx Quantity: 206 LF

Location: Activity center playground area

Funded?: Yes.

History:

Comments: The chain link fence surrounding the activity center's playground area was in poor condition, with heavy corrosion and damaged sections of fencing observed. Funding provided for complete replacement.

Useful Life:
30 years

Remaining Life:
0 years



Lower Estimate: \$ 5,010

Higher Estimate: \$ 6,120

Cost Source: ARI Cost Database

Comp #: 503 Chain Link Overhead Gates - Replace

Approx Quantity: 3 Gates

Location: Activity center exterior

Funded?: Yes.

History:

Comments: Weathering and wear observed but no significant corrosion nor damages detected. These gates service the int/ext gathering area at the activity center and are closed/opened occasionally to control access. Funding provided for periodic replacements.

Useful Life:
20 years

Remaining Life:
6 years



Lower Estimate: \$ 21,600

Higher Estimate: \$ 26,400

Cost Source: Reserve Allowance

Comp #: 503 Metal Gates - Replace
Location: Activity center bathroom entries
Funded?: Yes.
History:

Approx Quantity: 2 Gates

Comments: The gates themselves were in sturdy condition, providing an extra layer of security for the activity center bathrooms. Paint coverage is declining, however, with signs of corrosion and staining present. Recommend repainting these gates regularly to combat elemental damage and maintain aesthetics.

Useful Life:
25 years

Remaining Life:
12 years



Lower Estimate: \$ 6,480 **Higher Estimate:** \$ 7,920

Cost Source: ARI Cost Database

Comp #: 503 Roll Gates - Replace
Location: Activity center
Funded?: Yes.
History: 2011

Approx Quantity: 3 Gates

Comments: These gates are designed to roll up easily and provide security/elemental protection to the activity center's assembly/stage area. No issues reported at this time. Funding provided for eventual replacement.

Useful Life:
20 years

Remaining Life:
6 years



Lower Estimate: \$ 24,300 **Higher Estimate:** \$ 29,700

Cost Source: Reserve Allowance

Comp #: 509 Stage - Reconstruct

Approx Quantity: 1 Stage

Location:

Funded?: Yes.

History:

Comments: Approx (275) GSF. This stage is a wooden construction used for events and announcements. Fair but aged conditions observed. Inspect regularly to assess health of the structure and to identify/mitigate any pest issues or elemental damages.

Useful Life:

25 years

Remaining Life:

5 years



Lower Estimate:

\$ 26,100

Higher Estimate:

\$ 31,900

Cost Source: Reserve Allowance

Comp #: 702 Utility Doors - Replace

Approx Quantity: 8 Doors

Location: Activity center - bathrooms, kitchen, library, storage

Funded?: Yes.

History:

Comments: The doors vary in style and age. Funding provided for periodic replacement of the doors to ensure secure function of the activity center spaces.

Useful Life:

15 years

Remaining Life:

3 years



Lower Estimate:

\$ 5,760

Higher Estimate:

\$ 7,040

Cost Source: ARI Cost Database

Comp #: 803 Water Catchment Tanks - Replace

Approx Quantity: 2 Tanks

Location: Activity center exterior yard

Funded?: Yes.

History:

Comments: These tanks serve as non-pressurized water storage for site use. Some surface weathering observed, but no significant cracks or leaks noted. Funding provided for periodic replacement.

Useful Life:
15 years

Remaining Life:
7 years



Lower Estimate:

\$ 14,400

Higher Estimate:

\$ 17,600

Cost Source: Reserve Allowance

Comp #: 909 Bathrooms - Refurbish

Approx Quantity: 2 Bathrooms

Location: Activity center

Funded?: Yes.

History:

Comments: The restroom interiors consists of (6) toilets, (3) urinals, (6) sinks, (3) mirrors, (400) GSF of flooring, (1,360) GSF of painted surfaces, and (4) light fixtures. Some elements of the restroom interiors are visibly aged and declining further, such as some of the toilet fixtures and partitions. Sinks, mirrors, and lighting appear to be in generally fair condition. Funding for periodic remodeling projects to maintain an attractive appearance and reliable plumbing fixtures.

Useful Life:
12 years

Remaining Life:
3 years



Lower Estimate:

\$ 54,000

Higher Estimate:

\$ 66,000

Cost Source: Reserve Allowance

Comp #: 1116 Wood Surfaces - Repaint

Approx Quantity: 1,368 GSF

Location: Activity center exteriors

Funded?: Yes.

History:

Comments: No project history reported at this time, but conditions were overall fair at the time of inspection. Exterior wood surfaces should be repainted on a regular basis in order to protect the surfaces from damaging weather elements and termite infestation. Repainting on schedule will decrease ongoing wood repair costs dramatically, while maintaining attractive exterior appearances. The repainting of the wood surfaces should be coordinated with other surfaces, such as stucco and metal, whenever possible to lower the overall cost of repainting and to utilize the same scaffolding at certain projects.

Useful Life:
8 years

Remaining Life:
3 years



Lower Estimate:

\$ 2,710

Higher Estimate:

\$ 3,310

Cost Source: Reserve Allowance

Comp #: 1308 Corrugated Metal Roof - Replace

Approx Quantity: 6,884 GSF

Location: Activity center

Funded?: Yes.

History: 2005/2006

Comments: The corrugated metal roof was visibly aged but there were no reports of instabilities or leaks at this time. Funding provided for periodic replacement to protect the activity center interiors from the elements.

Useful Life:
30 years

Remaining Life:
11 years



Lower Estimate:

\$ 68,200

Higher Estimate:

\$ 83,300

Cost Source: ARI Cost Database

Comp #: 1602 Basketball Hoops - Replace

Approx Quantity: 2 Hoops

Location: Activity center parking lot

Funded?: Yes.

History:

Comments: Poor conditions observed. One frame was missing its hoop altogether. Funding provided for eventual replacement of the hoops and supporting metal frame.

Useful Life:
12 years

Remaining Life:
0 years



Lower Estimate:

\$ 2,160

Higher Estimate:

\$ 2,640

Cost Source: Reserve Allowance

Comp #: 1810 Septic Tank - Replace

Approx Quantity: 1 Tank

Location: Activity center

Funded?: Yes.

History:

Comments: Fair conditions observed. No issues reported at this time. Funding provided for periodic replacement of the tank to ensure functionality. Inspect regulators/valves regularly to monitor for replacement needs.

Useful Life:
25 years

Remaining Life:
12 years



Lower Estimate:

\$ 4,320

Higher Estimate:

\$ 5,280

Cost Source: Reserve Allowance

Comp #: 2550 PA System - Replace

Approx Quantity: 1 System

Location: Activity center, speakers outside and equipment in library

Funded?: Yes.

History:

Comments: The PA system is used at the activity center during events and for other announcements. It includes (3) speakers, a microphone, soundboard, amp, cabling, and other equipment. No issues reported with the system at this time. Funding provided for periodic upgrades.

Useful Life:

10 years

Remaining Life:

5 years



Lower Estimate:

\$ 6,300

Higher Estimate:

\$ 7,700

Cost Source: Reserve Allowance

Comp #: 2601 Kitchen - Partial Refurbish

Approx Quantity: 1 Room

Location: Activity center

Funded?: Yes.

History:

Comments: The kitchen consists of (1) range, (2) refrigerators, (4) lights, (2) large sinks, (1) small sink, (1) microwave, (3) metal counters, (4) wood counters, (26) LF of built-in cabinetry, (540) GSF of flooring, and (1,292) GSF of painted surfaces. The age and condition of individual pieces varies throughout the space. A funding allowance has been provided for periodic partial refurbishment efforts to maintain full kitchen functionality.

Useful Life:

15 years

Remaining Life:

7 years



Lower Estimate:

\$ 15,800

Higher Estimate:

\$ 19,300

Cost Source: Reserve Allowance

Comp #: 2601 Library - Refurbish

Approx Quantity: 1 Lump Sum

Location: Activity center

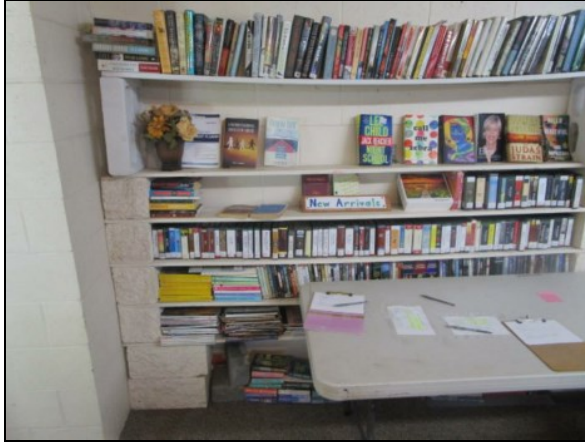
Funded?: Yes.

History:

Comments: The library is also used for community meetings and other official activities. It contains (66) GSY carpet, (1,240) GSF painted surfaces, (2) fans, and is serviced by (1) HVAC unit. Funding provided for periodic refurbishment.

Useful Life:
15 years

Remaining Life:
5 years



Lower Estimate:

\$ 20,300

Higher Estimate:

\$ 24,800

Cost Source: Reserve Allowance
