GARDEN HOMES AT CHARBONNEAU GREEN

TOWNHOME ASSOCIATION

MAINTENANCE PLAN

LEVEL I: FULL RESERVE STUDY FUNDING ANALYSIS

2012

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Schwindt & Co.
Certified Public Accountants • Consultants

A Professional Corporation
Members American Institute of Certified Public Accountants / Oregon Society of Certified Public Accountants

GARDEN HOMES AT CHARBONNEAU GREEN TOWNHOME ASSOCIATION

Executive Summary

Year of Report:

January 1, 2012 to December 31, 2012

Number of Units:

48 Units

Parameters:

Beginning Balance: $104,000

Year 2012 Suggested Contribution: $28,000

Inflation: 2.5%

Annual Increase to Suggested Contribution: 5%

Lowest Cash Balance Over 30 Years (Threshold): $23,676

Average Reserve Assessment per Unit: $48.61

Page References:

Prior Year's Actual Contribution: $21,138

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Charbonneau Green Townhome Association

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Garden Homes at Charbonneau Green Townhome Association
Maintenance Plan
Reserve Study – Onsite
Disclosure Information
2012

We have conducted an onsite reserve study and maintenance plan for the Garden Homes at Charbonneau Green Townhome Association for the year beginning January 1, 2012 in accordance with guidelines established by Community Associations Institute and the American Institute of Certified Public Accountants.

This reserve study and maintenance plan are in compliance with the legislative changes made in 2007 to ORS Chapters 94 and 100.

We have no other involvement with the Association other than providing the reserve study and maintenance plan.

Assumptions used for inflation, interest, and other factors are detailed on page 1-2. This reserve study incorporates a provision for income taxes by reducing the net amount of interest earned.

David T. Schwindt, the representative in charge of this report, is a designated Reserve Study Specialist, Professional Reserve Analyst, and Certified Public Accountant licensed in the states of Oregon, Washington, California, and Arizona.

The terms *RS Means*, *National Construction Estimator*, and *Fannie Mae Expected Useful Life Tables and Forms* refer to construction industry estimating databases that are used throughout the industry to establish cost estimates and useful life estimates for common building components and products. We suggest that the Association obtain firm bids for these services.

According to Section 6 of the Declaration, the Commonly Maintained Property shall mean all Common Areas of the Townhome Association as depicted on the plat. The Association shall also be responsible for the exterior painting of the residential unit buildings, painting of fences, and planting, watering, and maintenance of plants and landscaping, excluding landscaping within a Residential Unit's patio or courtyard area or within a Residential Unit's fence area. The Residential Unit Owner will also be responsible for the maintenance and replacement of the driveways, roofs, gutters and downspouts, fences (other than painting), exterior lights, window, window frames, and glass surfaces. The Association is responsible for the maintenance of nine access drives identified as common area on the plat.

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We are not aware of any material issues which, if not disclosed, would cause a material distortion of this report.

Certain information, such as the beginning balance of reserve funds and other information as detailed on the component detail reports, was provided by Association representatives and is deemed to be reliable by us. This reserve study is a reflection of the information provided to us and cannot be used for the purpose of performing an audit, a quality/forensic analysis, or background checks of historical records.

Site visits should not be considered a project audit or quality inspection of the Association's property. This site visit does not evaluate the condition of the property to determine the useful life or needed repairs.

Certain costs outlined in the reserve study are subjective and, as a result, are for planning purposes only. The Association should obtain firm bids at the time of work. Actual costs will depend upon the scope of work as defined at the time the repair, replacement, or restoration is performed. All estimates relating to future work are good faith estimates and projections are based on the estimated inflation rate, which may or may not prove accurate. All future costs and life expectancies should be reviewed and adjusted annually.

This reserve study, unless specifically stated in the report, assumes no fungi, mold, asbestos, lead paint, urea-formaldehyde foam insulation, termite control substances, other chemicals, toxic wastes, radon gas, electro-magnetic radiation or other potentially hazardous materials (on the surface or sub-surface), or termites on the property. The existence of any of these substances may adversely affect the accuracy of this reserve study. Schwindt & Company assumes no responsibility regarding such conditions, as we are not qualified to detect substances, determine the impact, or develop remediation plans/costs.

Since destructive testing was not performed, this reserve study does not attempt to address latent and/or patent defects. Neither does it address useful life expectancies that are abnormally short due either to improper design, installation, nor to subsequent improper maintenance. This reserve study assumes all components will be reasonably maintained for the remainder of their life expectancy.

Physical Analysis:

New projects generally include information provided by developers and/or refer to drawings.

Full onsite reserve studies generally include field measurements and do not include destructive testing. Drawings are usually not available for existing projects.

Onsite updates generally include observations of physical characteristics, but do not include field measurements.

This 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 homeowners to pay on demand (as a special assessment) their share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.

GARDEN HOMES AT CHARBONNEAU GREEN

TOWNHOME ASSOCIATION

MAINTENANCE PLAN

2012

Garden Homes at Charbonneau Green Townhome Association

Executive Summary of Maintenance Plan

Regular maintenance of common elements is necessary to insure the maximum useful life and optimum performance of components. Of particular concern are items that may present a safety hazard to residents or guests if they are not maintained in a timely manner and components that perform a water-proofing function.

This maintenance plan is a cyclical plan that calls for maintenance at regular intervals. The frequency of the maintenance activity and the cost of the activity at the first instance follow a short descriptive narrative. This maintenance plan should be reviewed on an annual basis when preparing the annual operating budget for the Association.

Checklists, developed by Reed Construction Data, Inc., can be photocopied or accessed from the RS Means website:

http://www.rsmeans.com/supplement/67346.asp

They can be used to assess and document the existing condition of an Association's common elements and to track the carrying out of planned maintenance activities.

Garden Homes at Charbonneau Green Townhome Association
Maintenance Plan
2012

Pursuant to Oregon State Statutes Chapters 94 and 100, which require a maintenance plan as an integral part of the reserve study, the maintenance procedures are as follows:

The Board of Directors should refer to this maintenance plan each year when preparing the annual operating budget for the Association to ensure that annual maintenance costs are included in the budget for the years that they are scheduled.

Property Inspection

Schwindt & Company recommends that a provision for the annual inspection of common area components be included in the maintenance plan for all Associations. This valuable management tool will help to ensure that all components achieve a maximum useful life expectancy and that they are functioning as intended throughout their lifespan.

The inspection should be performed by a qualified professional and should include a written summary of conclusions with specific recommendations for any needed repairs or maintenance.

We suggest that the Association obtain firm bids for this service.

This expense should be included in the annual operating budget for the Association.

Cost: TBD Frequency: Annually

Lighting: Exterior & Common Area Interior – Inspection/Maintenance

Note: Replacement of flickering or burned-out bulbs or lamps should be immediate.

Lighting is a crucial element in the provision of safety and security. All lighting systems should be inspected frequently and care must be taken to identify and correct deficiencies.

Various fixture and lamp types may be used according to area needs. Lighting systems should be designed to provide maximum, appropriate illumination at minimal energy expenditures. Lighting maintenance processes should include a general awareness of factors that cause malfunctions in lighting systems, such as dirt accumulation and lumen depreciation. It is important to fully wash, rather than dry-wipe, exterior surfaces to reclaim light and prevent further deterioration.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Repairs and inspections should be completed by a qualified professional.

This expense should be included in the annual operating budget for the Association as general property maintenance expense.

Cost: TBD Frequency: Bi-Weekly

Hot Water Heater –Common Area Only – Inspection/Maintenance

Maintenance of the hot water heater includes regularly scheduled inspections and maintenance.

The water heater and related components should be checked for water leaks and fuel supply leaks. The water heater and related components should also be checked for proper operation and settings. Filters should be changed and all components serviced as required. The surrounding area should be cleaned at the time of servicing.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Inspections and maintenance should be performed by a qualified, licensed service provider.

We understand that this expense should be included in the annual operating budget for the Association.

Cost: TBD Frequency: Monthly to Annually

Swimming Pool

Swimming pool maintenance should be performed in conjunction with a service contractor. Preventive maintenance in this area consists of validating all equipment is present and functional on a monthly basis. Only certified professionals should complete repairs or maintenance procedures more advanced than manufacturer's prescribed chemical treatments and cleaning. Maintenance staff should accompany the certified professional during statutory inspections and maintenance to ensure that the physical work complies with contract and manufacturer's specifications.

Preventive maintenance includes, but is not limited to, the review of the following: automatic fill device function; electrical component condition; pump/filter/chlorination function; thermostat; and heater function.

Deck surface condition should be reviewed for deficiencies such as rough areas and tripping and slippage hazards. Fence and gates should be reviewed for the function of the anchors, latches and the overall condition. Handrails and ladders should be reviewed for stability, hardware and overall condition. Steps and treads should be reviewed for security and tread condition.

Safety equipment should be reviewed for its condition and function including, but not limited to, the following: the location and condition of the life ring; emergency telephone equipment; compliance of signage with codes and standards; visibility and overall condition of the signage; and fire extinguishers tag currency, placement, housing, hose, and overall condition.

Note: Any and all electrical outlets near water should be serviced by a ground-fault circuit-interrupter (GFI) to protect users from electrical shock.

Water condition and cleanliness should be reviewed and must comply with local health standards. The County Health Department or local water management authority determines health standards in most communities. Standards must be posted within the pool area.

Pool tile/plaster should be reviewed for its overall condition.

During the off-season when the pool is covered, check the security of the fastening system monthly to make sure it hasn't been tampered with.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

This expense should be included in the annual operating budget for the Association.

Cost: TBD Frequency: Monthly

Gutter & Downspout

Schwindt & Company recommends that all gutters and downspouts be cleaned, visually inspected, and repaired as required every six months in the spring and fall.

This important maintenance procedure will help to ensure that the gutters and downspouts are free-flowing at all times, thus preventing the backup of water within the drainage system. Such backup can lead to water ingress issues along the roof edges, around scuppers or other roof penetrations, and at sheet metal flashing or transition points that rely on quick and continuous discharge of water from surrounding roof surfaces to maintain a watertight building exterior.

This expense should be included in the annual operating budget for the Association.

Cost: TBD Frequency: Semi-Annually, more often if necessary

Exterior Walls

The siding, trim, and other wood building components should be inspected for loose, missing, cracked or otherwise damaged components. Sealant joints should be checked for missing or cracked sealant.

Painted surfaces should be checked for paint deterioration, bubbling, or other signs of deterioration.

Dryer vents should be checked **twice a year** and cleared of lint. Also check operation of exhaust baffles to make sure they are present and that they move freely. Exhaust ducts should be cleared of debris **every 3 years**.

The payment for maintenance and the performance of maintenance repair of dryer vents, exhaust baffles, and exhaust ducts is solely the responsibility of the owners.

Any penetrations of the building envelope such as utility lines and light fixtures should be checked annually for signs of water intrusion. Hose bibs should be checked for leaks and other failures. Each hose bib should be shut off and drained during the winter to prevent damage from freezing.

The payment for and performance of maintenance and repair of all outlets of utility service lines, including water, sewerage, gas or electricity is solely the responsibility of the Owners.

Annual inspections to check for signs of water intrusion should be made of the building envelope interfaces such as where the windows intersect with the walls and where the walls intersect with the roof.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Inspections should be made by a qualified professional.

This expense should be included in the annual operating budget for the Association.

Cost: TBD Frequency: Annually

Fence – Swimming Pool - Inspection

Metal fences require regular inspection of paint condition, rust and other corrosion, and vegetation and trash buildup. The overall condition of the fence should be reviewed for deficiencies such as vegetation

encroachment, debris buildup, holes, sagging areas, missing segments, rust and/or vandalism.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

This expense should be included in the Association's operating budget and may be considered part of the annual property inspection.

Cost: TBD Frequency: Annually

Lawn Irrigation System

Periodic maintenance to the lawn irrigation system should be anticipated with this type of component. These maintenance procedures will include replacement of the control mechanism, replacement of damaged piping, upgrading of sprinkler heads and valve components, and any other work that is advised by repair professionals.

In recent years, improvements have been made to this type of system which has increased the efficiency of the water distribution process. Such improvements can be expected to continue to be made and the owners of such systems are well advised to plan on periodic upgrades to maintain the efficiency of their systems.

Lawn irrigation systems also require periodic testing to ensure proper operation. Sometimes this testing is mandated by ordinance or building codes. All work on lawn irrigation systems must be performed by licensed contractors who specialize in this type of work.

This expense should be included in the annual operating budget for the Association.

Cost: TBD Frequency: Annually

Exterior Siding Maintenance – Painting

Maintenance of the exterior siding includes regularly scheduled cleaning and inspection of the surface areas for cracks, peeling paint or other sealants, deterioration of the base material and failure of caulking or other sealant materials that serve a waterproofing function.

This maintenance provision is for the periodic painting of the exterior siding. The siding should be cleaned, repaired as required, primed and painted with premium quality exterior house paint in accordance with the siding manufacturer's specifications. The work should be performed by a qualified, licensed painting contractor.

This expense is included in the reserve study for the Association.

Cost: $95,038 Frequency: Every 7 years, beginning in 2017

Fence – Swimming Pool - Maintenance

There is a steel fence located around the perimeter of the swimming pool area on the property that should undergo periodic maintenance in order to achieve a maximum useful life. Maintenance includes cleaning, locally repairing, prepping, sealing and painting of the steel fence.

This expense is included in the reserve study for the Association in the exterior siding painting component.

Frequency: Every 7 years, beginning in 2017

Brick Maintenance & Repair

Maintenance will include cleaning and repairing any damaged surface areas, repair of the mortar joints, as required and the application of a suitable masonry sealer.

It is recommended that the same type of sealer be used on subsequent renewals as this will minimize the chance that incompatible materials will be used.

This expense is included in the reserve study for the Association.

Cost: $3,500 Frequency: Every 25 years, beginning in 2012

Backflow Device Maintenance

Maintenance of the backflow device and components related to the water system includes, but is not limited to, inspecting for leaks under pressure and checking for damage or deterioration.

Annual maintenance on the backflow device includes the testing and calibrating of valve operation. Air should be bled from the backflow preventer and area should be cleaned.

Inspections and maintenance should be performed by a qualified, licensed service provider.

This maintenance item should be included in the Association's annual operating budget.

Frequency: Annually

Concrete Pavement

Maintenance of the concrete pavement should include cleaning the surface areas with pressure washing equipment. The pavement should also be visually reviewed for signs of undue stress and cracking. Noticeable cracks should be filled with a suitable concrete crack filler to prevent penetration of moisture below the concrete surface which will undermine the integrity of the base material over time.

This maintenance item should be included in the Association's annual operating budget.

Frequency: Annually

This maintenance plan is designed to preserve and extend the useful life of assets and is dependent upon proper inspection and follow up procedures.

GARDEN HOMES AT CHARBONNEAU GREEN

TOWNHOME ASSOCIATION

LEVEL I: FULL RESERVE STUDY FUNDING ANALYSIS

2012

Charbonneau Green Townhome Association
Category Detail Index

Total Funded Assets	27
Total Unfunded Assets	0
Total Assets	27

Garden Homes at Charbonneau Green Townhome Association

Property Description

Garden Homes at Charbonneau Green Townhome Association consists of 48 townhome units located in Wilsonville, Oregon. The Association was created in 1978. The Association shall be responsible for the maintenance, repair and replacement of the common element items and provide paint upon each unit. The individual homeowners are responsible for all maintenance and repairs of their home, including siding (excluding painting), roofing, gutters and downspouts, doors, door frames, windows, and window frames, driveways and the private property adjacent to the homes. The Association is responsible for the maintenance of nine access drives identified as common area on the plat.

A site visit was performed by Schwindt and Company in 2011. Schwindt and Company did not investigate components as to condition and estimated useful life.

Funds are being accumulated in the replacement fund based on estimates of future need for repairs and replacement of common property components. Actual expenditures, investment income, and provisions for income taxes however, may vary from estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future funding needs.

If additional funds are needed, the Association has the right, subject to approval, to increase regular assessments, levy special assessments, or it may delay repairs or replacements until funds are available.

Charbonneau Green Townhome Association
Wilsonville, Oregon
Cash Flow Method - Threshold Funding Model Summary

Report Date	August 25, 2011
Account Number	2ghcgt
Budget Year Beginning	January 01, 2012
Budget Year Ending	December 31, 2012
Total Units	48

Report Parameters

Inflation	2.50%
Interest Rate on Reserve Deposit	0.10%
Tax Rate on Interest	0.00%
Contingency	0.00%
2012 Beginning Balance	$104,000.00

Threshold Funding
Fully Reserved Model Summary

- This study utilizes the cash flow method and the threshold funding model, which establishes a reserve funding goal that keeps the reserve balance above a specified dollar or percent funded amount. It is assumed that the threshold method is funded with a positive threshold balance, therefore, "fully reserved".
- The following items were not included in the analysis because they have useful lives greater than 30 years: grading/drainage; foundation/footings; sanitary sewage and storm drains; telephone, cable, and internet lines.
- This funding scenario begins with an initial contribution of **$28,000** in **2012** and increases **5%** each year until 2025. In 2025 the contribution is $52,798 and remains constant for the remaining years of the study. A minimum balance of **$23,676** is maintained.
- The purpose of this study is to insure that adequate replacement funds are available when components reach the end of their useful life. Components will be replaced as required, not necessarily in their expected replacement year. This analysis should be updated annually.

Cash Flow Method - Threshold Funding Model Summary of Calculations

Required Monthly Contribution	$2,333.33
$48.61 per unit monthly	
Average Net Monthly Interest Earned	$6.29
Total Monthly Allocation to Reserves	$2,339.62
$48.74 per unit monthly	

Charbonneau Green Townhome Association
Cash Flow Method - Threshold Funding Model Projection

Beginning Balance: $104,000

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves
2012	28,000	75	43,775	88,300
2013	29,400	82	22,550	95,232
2014	30,870	83	29,024	97,162
2015	32,413	98	17,230	112,442
2016	34,034	102	29,389	117,189
2017	35,736	30	106,352	46,603
2018	37,523	25	42,062	42,088
2019	39,399	53	10,698	70,842
2020	41,369	61	32,440	79,831
2021	43,437	91	12,489	110,871
2022	45,609	97	38,691	117,886
2023	47,890	94	49,859	116,010
2024	50,284	1	142,619	23,676
2025	52,798	48	4,136	72,387
2026	52,798	72	29,143	96,114
2027	52,798	116	8,328	140,701
2028	52,798	109	60,085	133,523
2029	52,798	158	4,565	181,914
2030	52,798	176	34,383	200,506
2031	52,798	90	139,083	114,312
2032	52,798	103	39,695	127,518
2033	52,798	123	33,592	146,847
2034	52,798	140	35,507	164,278
2035	52,798	188	5,294	211,970
2036	52,798	201	39,873	225,095
2037	52,798	214	39,860	238,248
2038	52,798	5	261,955	29,095
2039	52,798	50	7,791	74,152
2040	52,798	62	41,178	85,834
2041	52,798	108	6,139	132,602

Charbonneau Green Townhome Association
Component Summary By Category

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Painting								
Exterior Siding - Painting	2010	2017	7	0	5	1 Total	84,000.00	84,000
Painting - Total								$84,000
Fencing/Security								
Brick Posts - Repair	1978	2012	25	9	0	14 Each	250.00	3,500
Metal Fence - Replacement	1978	2028	50	0	16	225 LF	26.00	5,850
Fencing/Security - Total								$9,350
Lighting								
Pool House: Light Fixtures - Replacement	1978	2018	20	20	6	3 Each	75.00	225
Lighting - Total								$225
Recreation/Pool								
Pool Filter - Replacement	1978	2012	3	0	0	1 Total	1,000.00	1,000
Pool Heater - Replacement	1978	2012	10	0	0	1 Total	3,600.00	3,600
Pool House: Hot Water Heater - Replacem..	1978	2012	15	19	0	1 Total	750.00	750
Pool Pump - Replacement	2010	2012	15	-13	0	1 Total	2,300.00	2,300
Pool - Repairs	2013	2013	1	0	1	1 Total	1,000.00	1,000
Pool Cover - Replacement	2013	2013	10	0	1	1 Total	2,000.00	2,000
Pool Furniture/Equipment - Replacement	1978	2013	15	20	1	1 Total	2,000.00	2,000
Pool House: Restroom - Renewal	1978	2013	20	15	1	1 Total	2,000.00	2,000
Pool House: Shower Repair	1978	2013	30	5	1	1 Total	1,000.00	1,000
Pool House: Siding/Roof/Gutter Repairs	1978	2017	10	29	5	1 Total	1,000.00	1,000
Pool Deck - Resurface	1978	2018	30	10	6	300 SF	10.00	3,000
Pool Pump - Rebuild	2012	2018	6	6	6	1 Total	420.00	420
Pool - Resurface	2008	2023	15	0	11	1 Total	21,000.00	21,000
Recreation/Pool - Total								$41,070
Grounds Components								
Barkdusting - Renewal	2009	2012	2	1	0	1 Total	11,000.00	11,000
Concrete Paving - Partial Replacement	2010	2012	2	0	0	662 SF	10.00	6,625
Parking Area - Repair	1978	2012	25	9	0	7,000 SF	2.00	14,000
Irrigation System - Renovation	2013	2013	1	0	1	1 Total	6,000.00	6,000
Landscaping - Upgrade	2010	2013	5	-2	1	1 Total	5,000.00	5,000
Trees - Maintenance	2011	2013	1	1	1	1 Total	3,000.00	3,000
Brick Roundabout - Curbing Project	1978	2015	1	36	3	1 Total	5,000.00	5,000
Irrigation System - Upgrade	2023	2023	5	0	11	1 Total	5,000.00	5,000
Irrigation System: Clock/Timers - Replace..	2023	2023	5	0	11	4 Each	500.00	2,000
Grounds Components - Total								$57,625

Charbonneau Green Townhome Association
Component Summary By Category

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Contingency								
Insurance Deductible	2011	2012	1	0	0	1 Total	1,000.00	1,000
Contingency - Total								$1,000
Total Asset Summary								$193,270

Charbonneau Green Townhome Association
Component Summary By Group

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Capital								
Brick Roundabout - Curbing Project	1978	2015	1	36	3	1 Total	5,000.00	5,000
Irrigation System - Renovation	2013	2013	1	0	1	1 Total	6,000.00	6,000
Irrigation System - Upgrade	2023	2023	5	0	11	1 Total	5,000.00	5,000
Irrigation System: Clock/Timers - Replace..	2023	2023	5	0	11	4 Each	500.00	2,000
Metal Fence - Replacement	1978	2028	50	0	16	225 LF	26.00	5,850
Pool - Repairs	2013	2013	1	0	1	1 Total	1,000.00	1,000
Pool - Resurface	2008	2023	15	0	11	1 Total	21,000.00	21,000
Pool Cover - Replacement	2013	2013	10	0	1	1 Total	2,000.00	2,000
Pool Deck - Resurface	1978	2018	30	10	6	300 SF	10.00	3,000
Pool Filter - Replacement	1978	2012	3	0	0	1 Total	1,000.00	1,000
Pool Furniture/Equipment - Replacement	1978	2013	15	20	1	1 Total	2,000.00	2,000
Pool Heater - Replacement	1978	2012	10	0	0	1 Total	3,600.00	3,600
Pool House: Hot Water Heater - Replacem..	1978	2012	15	19	0	1 Total	750.00	750
Pool House: Light Fixtures - Replacement	1978	2018	20	20	6	3 Each	75.00	225
Pool Pump - Replacement	2010	2012	15	-13	0	1 Total	2,300.00	2,300
Capital - Total								$60,725
Non-Capital								
Barkdusting - Renewal	2009	2012	2	1	0	1 Total	11,000.00	11,000
Brick Posts - Repair	1978	2012	25	9	0	14 Each	250.00	3,500
Concrete Paving - Partial Replacement	2010	2012	2	0	0	662 SF	10.00	6,625
Exterior Siding - Painting	2010	2017	7	0	5	1 Total	84,000.00	84,000
Insurance Deductible	2011	2012	1	0	0	1 Total	1,000.00	1,000
Landscaping - Upgrade	2010	2013	5	-2	1	1 Total	5,000.00	5,000
Parking Area - Repair	1978	2012	25	9	0	7,000 SF	2.00	14,000
Pool House: Restroom - Renewal	1978	2013	20	15	1	1 Total	2,000.00	2,000
Pool House: Shower Repair	1978	2013	30	5	1	1 Total	1,000.00	1,000
Pool House: Siding/Roof/Gutter Repairs	1978	2017	10	29	5	1 Total	1,000.00	1,000
Pool Pump - Rebuild	2012	2018	6	6	6	1 Total	420.00	420
Trees - Maintenance	2011	2013	1	1	1	1 Total	3,000.00	3,000
Non-Capital - Total								$132,545
Total Asset Summary								$193,270

Charbonneau Green Townhome Association
Distribution by Percentage of Ideally Funded

Description	Remaining Life	Beginning Balance	Assessment Distributed	Interest Distributed	Expenditures	Ending Balance
Painting						
Exterior Siding - Painting	5	28,574	6,445	17		35,036
Painting - Total		$28,574	$6,445	$17		$35,036
Fencing/Security						
Brick Posts - Repair	0	2,558	940	3	3,500	0
Metal Fence - Replacement	16	4,736	1,068	3		5,807
Fencing/Security - Total		$7,294	$2,008	$5	$3,500	$5,807
Lighting						
Pool House: Light Fixtures - Replacement	6	228	51			279
Lighting - Total		$228	$51			$279
Recreation/Pool						
Pool - Repairs	1	1,191	269	1		1,460
Pool - Resurface	11	6,667	1,504	4		8,175
Pool Cover - Replacement	1	2,143	483	1		2,628
Pool Deck - Resurface	6	3,036	685	2		3,723
Pool Filter - Replacement	0	731	269	1	1,000	0
Pool Furniture/Equipment - Replacement	1	2,313	522	1		2,836
Pool Heater - Replacement	0	2,631	967	3	3,600	0
Pool House: Hot Water Heater - Replacem..	0	548	201	1	750	0
Pool House: Restroom - Renewal	1	2,313	522	1		2,836
Pool House: Shower Repair	1	1,157	261	1		1,418
Pool House: Siding/Roof/Gutter Repairs	5	1,038	234	1		1,273
Pool Pump - Rebuild	6	250	56			307
Pool Pump - Replacement	0	1,681	618	2	2,300	0
Recreation/Pool - Total		$25,697	$6,590	$18	$7,650	$24,655
Grounds Components						
Barkdusting - Renewal	0	8,038	2,954	8	11,000	0
Brick Roundabout - Curbing Project	3	5,470	1,234	3		6,707
Concrete Paving - Partial Replacement	0	4,841	1,779	5	6,625	0
Irrigation System - Renovation	1	7,143	1,611	4		8,759
Irrigation System - Upgrade	11					0
Irrigation System: Clock/Timers - Replace..	11					0
Landscaping - Upgrade	1	3,969	895	2		4,866
Parking Area - Repair	0	10,230	3,760	10	14,000	0
Trees - Maintenance	1	1,786	403	1		2,190
Grounds Components - Total		$41,477	$12,636	$34	$31,625	$22,522
Contingency						
Insurance Deductible	0	731	269	1	1,000	0

Charbonneau Green Townhome Association
Distribution by Percentage of Ideally Funded

Description	Remaining Life	Beginning Balance	Assessment Distributed	Interest Distributed	Expenditures	Ending Balance
Grand - Total		$104,000	$28,000	$75	$43,775	$88,300

Charbonneau Green Townhome Association
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2012	
Barkdusting - Renewal	11,000
Brick Posts - Repair	3,500
Concrete Paving - Partial Replacement	6,625
Insurance Deductible	1,000
Parking Area - Repair	14,000
Pool Filter - Replacement	1,000
Pool Heater - Replacement	3,600
Pool House: Hot Water Heater - Replacement	750
Pool Pump - Replacement	2,300
Total for 2012	**$43,775**
Replacement Year 2013	
Irrigation System - Renovation	6,150
Landscaping - Upgrade	5,125
Pool - Repairs	1,025
Pool Cover - Replacement	2,050
Pool Furniture/Equipment - Replacement	2,050
Pool House: Restroom - Renewal	2,050
Pool House: Shower Repair	1,025
Trees - Maintenance	3,075
Total for 2013	**$22,550**
Replacement Year 2014	
Barkdusting - Renewal	11,557
Concrete Paving - Partial Replacement	6,960
Irrigation System - Renovation	6,304
Pool - Repairs	1,051
Trees - Maintenance	3,152
Total for 2014	**$29,024**
Replacement Year 2015	
Brick Roundabout - Curbing Project	5,384
Irrigation System - Renovation	6,461
Pool - Repairs	1,077
Pool Filter - Replacement	1,077
Trees - Maintenance	3,231
Total for 2015	**$17,230**

Charbonneau Green Townhome Association
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2016	
Barkdusting - Renewal	12,142
Concrete Paving - Partial Replacement	7,313
Irrigation System - Renovation	6,623
Trees - Maintenance	3,311
Total for 2016	**$29,389**
Replacement Year 2017	
Exterior Siding - Painting	95,038
Irrigation System - Renovation	6,788
Pool House: Siding/Roof/Gutter Repairs	1,131
Trees - Maintenance	3,394
Total for 2017	**$106,352**
Replacement Year 2018	
Barkdusting - Renewal	12,757
Concrete Paving - Partial Replacement	7,683
Irrigation System - Renovation	6,958
Landscaping - Upgrade	5,798
Pool Deck - Resurface	3,479
Pool Filter - Replacement	1,160
Pool House: Light Fixtures - Replacement	261
Pool Pump - Rebuild	487
Trees - Maintenance	3,479
Total for 2018	**$42,062**
Replacement Year 2019	
Irrigation System - Renovation	7,132
Trees - Maintenance	3,566
Total for 2019	**$10,698**
Replacement Year 2020	
Barkdusting - Renewal	13,402
Concrete Paving - Partial Replacement	8,072
Irrigation System - Renovation	7,310
Trees - Maintenance	3,655
Total for 2020	**$32,440**

Charbonneau Green Townhome Association
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2021	
Irrigation System - Renovation	7,493
Pool Filter - Replacement	1,249
Trees - Maintenance	3,747
Total for 2021	**$12,489**
Replacement Year 2022	
Barkdusting - Renewal	14,081
Concrete Paving - Partial Replacement	8,481
Irrigation System - Renovation	7,681
Pool Heater - Replacement	4,608
Trees - Maintenance	3,840
Total for 2022	**$38,691**
Replacement Year 2023	
Irrigation System - Upgrade	6,560
Irrigation System: Clock/Timers - Replacement	2,624
Landscaping - Upgrade	6,560
Pool - Resurface	27,554
Pool Cover - Replacement	2,624
Trees - Maintenance	3,936
Total for 2023	**$49,859**
Replacement Year 2024	
Barkdusting - Renewal	14,794
Concrete Paving - Partial Replacement	8,910
Exterior Siding - Painting	112,971
Pool Filter - Replacement	1,345
Pool Pump - Rebuild	565
Trees - Maintenance	4,035
Total for 2024	**$142,619**
Replacement Year 2025	
Trees - Maintenance	4,136
Total for 2025	**$4,136**

Charbonneau Green Townhome Association
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2026	
Barkdusting - Renewal	15,543
Concrete Paving - Partial Replacement	9,361
Trees - Maintenance	4,239
Total for 2026	**$29,143**
Replacement Year 2027	
Pool Filter - Replacement	1,448
Pool House: Hot Water Heater - Replacement	1,086
Pool House: Siding/Roof/Gutter Repairs	1,448
Trees - Maintenance	4,345
Total for 2027	**$8,328**
Replacement Year 2028	
Barkdusting - Renewal	16,330
Concrete Paving - Partial Replacement	9,835
Irrigation System - Upgrade	7,423
Irrigation System: Clock/Timers - Replacement	2,969
Landscaping - Upgrade	7,423
Metal Fence - Replacement	8,684
Pool Furniture/Equipment - Replacement	2,969
Trees - Maintenance	4,454
Total for 2028	**$60,085**
Replacement Year 2029	
Trees - Maintenance	4,565
Total for 2029	**$4,565**
Replacement Year 2030	
Barkdusting - Renewal	17,156
Concrete Paving - Partial Replacement	10,333
Pool Filter - Replacement	1,560
Pool Pump - Rebuild	655
Trees - Maintenance	4,679
Total for 2030	**$34,383**

Charbonneau Green Townhome Association
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2031	
Exterior Siding - Painting	134,287
Trees - Maintenance	4,796
Total for 2031	**$139,083**
Replacement Year 2032	
Barkdusting - Renewal	18,025
Concrete Paving - Partial Replacement	10,856
Pool Heater - Replacement	5,899
Trees - Maintenance	4,916
Total for 2032	**$39,695**
Replacement Year 2033	
Irrigation System - Upgrade	8,398
Irrigation System: Clock/Timers - Replacement	3,359
Landscaping - Upgrade	8,398
Pool Cover - Replacement	3,359
Pool Filter - Replacement	1,680
Pool House: Restroom - Renewal	3,359
Trees - Maintenance	5,039
Total for 2033	**$33,592**
Replacement Year 2034	
Barkdusting - Renewal	18,937
Concrete Paving - Partial Replacement	11,405
Trees - Maintenance	5,165
Total for 2034	**$35,507**
Replacement Year 2035	
Trees - Maintenance	5,294
Total for 2035	**$5,294**
Replacement Year 2036	
Barkdusting - Renewal	19,896
Concrete Paving - Partial Replacement	11,983
Pool Filter - Replacement	1,809

Charbonneau Green Townhome Association
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2036 continued...	
Pool Pump - Rebuild	760
Trees - Maintenance	5,426
Total for 2036	**$39,873**
Replacement Year 2037	
Brick Posts - Repair	6,489
Parking Area - Repair	25,955
Pool House: Siding/Roof/Gutter Repairs	1,854
Trees - Maintenance	5,562
Total for 2037	**$39,860**
Replacement Year 2038	
Barkdusting - Renewal	20,903
Concrete Paving - Partial Replacement	12,589
Exterior Siding - Painting	159,625
Irrigation System - Upgrade	9,501
Irrigation System: Clock/Timers - Replacement	3,801
Landscaping - Upgrade	9,501
Pool - Resurface	39,906
Pool House: Light Fixtures - Replacement	428
Trees - Maintenance	5,701
Total for 2038	**$261,955**
Replacement Year 2039	
Pool Filter - Replacement	1,948
Trees - Maintenance	5,843
Total for 2039	**$7,791**
Replacement Year 2040	
Barkdusting - Renewal	21,961
Concrete Paving - Partial Replacement	13,227
Trees - Maintenance	5,989
Total for 2040	**$41,178**
Replacement Year 2041	
Trees - Maintenance	6,139
Total for 2041	**$6,139**

Exterior Siding - Painting

		1 Total	@ $84,000.00
Asset ID	1019	Asset Cost	$84,000.00
	Non-Capital	Percent Replacement	100%
	Painting	Future Cost	$95,038.29
Placed in Service	January 2010		
Useful Life	7		
Replacement Year	2017		
Remaining Life	5		

This component provides funding for the painting of the exterior siding. This includes the 48 homes, pool house and fence.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The Association was painted in 2010 at a cost of $57,800 by Sherwood Painting.

Painting - Total Current Cost **$84,000**

Brick Posts - Repair

		14 Each	@ $250.00
Asset ID	1014	Asset Cost	$3,500.00
	Non-Capital	Percent Replacement	100%
	Fencing/Security	Future Cost	$3,500.00
Placed in Service	January 1978		
Useful Life	25		
Adjustment	9		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the repair of the brick sections of the fence at the pool

At the time of the site visit, there were 14 posts in various stages of disrepair. Many of the top bricks were losing mortar between them. The posts should be repointed, cleaned, and sealed to prevent future water intrusion. Each posts has about 30 square feet of brick surface.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The Association should obtain a bid to confirm this cost estimate.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Metal Fence - Replacement

		225 LF	@ $26.00
Asset ID	1013	Asset Cost	$5,850.00
	Capital	Percent Replacement	100%
	Fencing/Security	Future Cost	$8,684.36
Placed in Service	January 1978		
Useful Life	50		
Replacement Year	2028		
Remaining Life	16		

This component provides funding for the replacement of the metal fence surrounding the pool.

Schwindt and Company estimated 225 lineal feet of metal fencing.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The Association should obtain a bid to confirm this cost estimate.

Fencing/Security - Total Current Cost **$9,350**

Pool House: Light Fixtures - Replacement

		3 Each	@ $75.00
Asset ID	1008	Asset Cost	$225.00
	Capital	Percent Replacement	100%
	Lighting	Future Cost	$260.93
Placed in Service	January 1978		
Useful Life	20		
Adjustment	20		
Replacement Year	2018		
Remaining Life	6		

This component provides funding for the replacement of the 3 light fixtures on the pool house.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The Association should obtain a bid to confirm this cost estimate.

Lighting - Total Current Cost **$225**

Pool - Repairs

		1 Total	@ $1,000.00
Asset ID	1029	Asset Cost	$1,000.00
	Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$1,025.00
Placed in Service	January 2013		
Useful Life	1		
Replacement Year	2013		
Remaining Life	1		

This provision is for any needed repairs to the pool. According to the pool vendor, there is a small pool leak, however the Association believes that the pool might be losing loosing water to evaporation. The Association should monitor this situation.

The cost and useful life assumptions are based on information from the Association.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Pool - Resurface

		1 Total	@ $21,000.00
Asset ID	1022	Asset Cost	$21,000.00
	Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$27,553.82
Placed in Service	January 2008		
Useful Life	15		
Replacement Year	2023		
Remaining Life	11		

This component provides funding for the resurfacing of the pool. The pool was resurfaced in 2008 at a cost of $13,699. Retiling and caulking brought the cost up to $21,000.

The cost and useful life of this component is based on information provided by Anderson Poolworks.

Pool Cover - Replacement

		1 Total	@ $2,000.00
Asset ID	1028	Asset Cost	$2,000.00
	Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$2,050.00
Placed in Service	January 2013		
Useful Life	10		
Replacement Year	2013		
Remaining Life	1		

This component provides funding for the pool cover.

According to the Association they are considering purchasing a pool cover in 2013 at a cost of $2,000. The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Pool Deck - Resurface

		3,000 SF	@ $10.00
Asset ID	1005	Asset Cost	$3,000.00
	Capital	Percent Replacement	10%
	Recreation/Pool	Future Cost	$3,479.08
Placed in Service	January 1978		
Useful Life	30		
Adjustment	10		
Replacement Year	2018		
Remaining Life	6		

This component provides funding for the resurfacing of the pool deck.

Schwindt and Company estimated 3,000 square feet of concrete surface.

The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The cost is based on a per square foot estimate from Coast Pavement. The Association should obtain a bid to confirm this cost estimate.

Pool Filter - Replacement

		1 Total	@ $1,000.00
Asset ID	1004	Asset Cost	$1,000.00
	Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$1,000.00
Placed in Service	January 1978		
Useful Life	3		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the replacement of the pool filter sand.

The cost and useful life of this component is based on information provided by Anderson Poolworks.

Pool Furniture/Equipment - Replacement

		1 Total	@ $2,000.00
Asset ID	1011	Asset Cost	$2,000.00
	Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$2,050.00
Placed in Service	January 1978		
Useful Life	15		
Adjustment	20		
Replacement Year	2013		
Remaining Life	1		

This component provides funding for the replacement of the pool furniture and miscellaneous equipment.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The Association should obtain a bid to confirm this cost estimate.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Pool Heater - Replacement

		1 Total	@ $3,600.00
Asset ID	1003	Asset Cost	$3,600.00
	Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$3,600.00
Placed in Service	January 1978		
Useful Life	10		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the replacement of the pool heater. According to Anderson Pool, the heater is on it's last leg and would cost approximately $3,600 to install.

The cost and useful life of this component is based on information provided by Anderson Poolworks.

Pool House: Hot Water Heater - Replacement

		1 Total	@ $750.00
Asset ID	1007	Asset Cost	$750.00
	Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$750.00
Placed in Service	January 1978		
Useful Life	15		
Adjustment	19		
Replacement Year	2012		
Remaining Life	0		

This comment provides funding for the replacement of the pool house hot water heater.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The Association should obtain a bid to confirm this cost estimate.

Pool House: Restroom - Renewal

		1 Total	@ $2,000.00
Asset ID	1009	Asset Cost	$2,000.00
	Non-Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$2,050.00
Placed in Service	January 1978		
Useful Life	20		
Adjustment	15		
Replacement Year	2013		
Remaining Life	1		

This component provides funding for the renewal of the restroom at the pool house.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The Association should obtain a bid to confirm this cost estimate.

Pool House: Shower Repair

		1 Total	@ $1,000.00
Asset ID	1006	Asset Cost	$1,000.00
	Non-Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$1,025.00
Placed in Service	January 1978		
Useful Life	30		
Adjustment	5		
Replacement Year	2013		
Remaining Life	1		

This component provides funding for the repair of the exterior shower on the pool house.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Pool House: Siding/Roof/Gutter Repairs

		1 Total	@ $1,000.00
Asset ID	1002	Asset Cost	$1,000.00
	Non-Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$1,131.41
Placed in Service	January 1978		
Useful Life	10		
Adjustment	29		
Replacement Year	2017		
Remaining Life	5		

This component provides funding for the repair of the wood siding, concrete tile roof, and gutters on the pool house. The building measures 20 feet by 20 feet.

In 2007, the Association had $684 of work done on the gutters.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Pool Pump - Rebuild

		1 Total	@ $420.00
Asset ID	1024	Asset Cost	$420.00
	Non-Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$487.07
Placed in Service	January 2012		
Useful Life	6		
Adjustment	6		
Replacement Year	2018		
Remaining Life	6		

This component provides funding for the rebuilding of the pool pump motor. The pool pump motor was replaced in 2010 for $419.

The cost and useful life of this component is based on information provided by Pacific Pool and Spa.

Pool Pump - Replacement

		1 Total	@ $2,300.00
Asset ID	1010	Asset Cost	$2,300.00
	Capital	Percent Replacement	100%
	Recreation/Pool	Future Cost	$2,300.00
Placed in Service	January 2010		
Useful Life	15		
Adjustment	-13		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the replacement of the pool pump. The pool pump motor was replaced in 2010 for $419. According to Anderson Pool, the State of Oregon is considering making a variable speed pump mandatory. This component assumes the statute is passed requiring installation of a variable speed pump.

The cost and useful life of this component is based on information provided by Anderson Pool.

Recreation/Pool - Total Current Cost **$41,070**

Barkdusting - Renewal

		1 Total	@ $11,000.00
Asset ID	1023	Asset Cost	$11,000.00
	Non-Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$11,000.00
Placed in Service	January 2009		
Useful Life	2		
Adjustment	1		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the barkdusting of the property. In 2009 1/3rd of the property was barkdusted for $3,486.

The cost is based on information provided by Barkdusters Inc. The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Brick Roundabout - Curbing Project

		1 Total	@ $5,000.00
Asset ID	1021	Asset Cost	$5,000.00
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$5,384.45
Placed in Service	January 1978		
Useful Life	1		
Adjustment	36		
Replacement Year	2015		
Remaining Life	3		

This component provides funding for a curbing project for the roundabout on Cypress Point. Currently there is a landscaped circle surrounded by brick pavers. The Association is considering removing some pavers and installing a raised curb to protect the landscaping.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The Association should obtain a bid to confirm this cost estimate.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Concrete Paving - Partial Replacement

		26,500 SF	@ $10.00
Asset ID	1015	Asset Cost	$6,625.00
	Non-Capital	Percent Replacement	2.5%
	Grounds Components	Future Cost	$6,625.00
Placed in Service	January 2010		
Useful Life	2		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the partial replacement of all the concrete paving and sidewalks on the property. There are 9 limited common area driveways and a sidewalk that allows access to the pool. Generally concrete installation has a useful life greater than 30 years, therefore this component funds for replacement of damaged portions which is estimated to be 2.5% of the total area every 2 years.

Schwindt and Company estimated 26,500 square feet of concrete paving.

The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The cost is based on a per square foot estimate from Coast Pavement. The Association should obtain a bid to confirm this cost estimate.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Irrigation System - Renovation

		1 Total	@ $6,000.00
Asset ID	1030	Asset Cost	$6,000.00
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$6,150.00
Placed in Service	January 2013		
Useful Life	1		
Replacement Year	2013		
Remaining Life	1		

This component provides funding for the renovation and upgrade of the irrigation system.

The cost and useful life assumptions are based on information provided by Showplace Landscape.

Irrigation System - Upgrade

		1 Total	@ $5,000.00
Asset ID	1026	Asset Cost	$5,000.00
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$6,560.43
Placed in Service	January 2023		
Useful Life	5		
Replacement Year	2023		
Remaining Life	11		

This component provides funding for the renovation and upgrade of the irrigation system.

The cost and useful life assumptions are based on information provided by Showplace Landscape.

Irrigation System: Clock/Timers - Replacement

		4 Each	@ $500.00
Asset ID	1025	Asset Cost	$2,000.00
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$2,624.17
Placed in Service	January 2023		
Useful Life	5		
Replacement Year	2023		
Remaining Life	11		

This component provides funding for the replacement of damaged clocks and timers. According to Showplace, there are 4 timers.

The cost and useful life assumptions are based on information provided by Showplace Landscape.

Landscaping - Upgrade

		1 Total	@ $5,000.00
Asset ID	1016	Asset Cost	$5,000.00
	Non-Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$5,125.00
Placed in Service	January 2010		
Useful Life	5		
Adjustment	-2		
Replacement Year	2013		
Remaining Life	1		

This component provides funding for the upgrade of the landscaping.

The cost and useful life assumptions are based on information provided by Showplace Landscape.

Parking Area - Repair

		7,000 SF	@ $2.00
Asset ID	1020	Asset Cost	$14,000.00
	Non-Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$14,000.00
Placed in Service	January 1978		
Useful Life	25		
Adjustment	9		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the repair of the street side parking areas.

Schwindt and Company estimated 7,000 square feet of asphalt parking areas.

The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The cost is based on a per square foot estimate from Coast Pavement. The Association should obtain a bid to confirm this cost estimate.

Trees - Maintenance

		1 Total	@ $3,000.00
Asset ID	1018	Asset Cost	$3,000.00
	Non-Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$3,075.00
Placed in Service	January 2011		
Useful Life	1		
Adjustment	1		
Replacement Year	2013		
Remaining Life	1		

This component provides funding for the maintenance of the trees on the property.

The cost and useful life is based on information from Good News Tree Service.

Good News Tree Service provides annual inspections to help identify and plan tree work for the year. It is recommended that the Association have Good News Tree Service perform an inspection to determine needed tree maintenance each year.

Grounds Components - Total Current Cost **$57,625**

Insurance Deductible

		1 Total	@ $1,000.00
Asset ID	1027	Asset Cost	$1,000.00
	Non-Capital	Percent Replacement	100%
	Contingency	Future Cost	$1,000.00
Placed in Service	January 2011		
Useful Life	1		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the insurance deductible if a claim is made.

Contingency - Total Current Cost **$1,000**

Additional Disclosures

Levels of Service

The following three categories describe the various types of Reserve Studies from exhaustive to minimal.

I. Full: A Reserve Study in which the following five Reserve Study tasks are performed:
- Component Inventory
- Condition Assessment (based upon on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

II. Update, With Site Visit/On-Site Review: A Reserve Study update in which the following five Reserve Study tasks are performed:
- Component Inventory (verification only, not quantification)
- Condition Assessment (based on on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

III. Update, No Site Visit/Off Site Review: A Reserve Study update with no on-site visual observations in which the following three Reserve Study tasks are performed:
- Life and Valuation Estimates
- Fund Status
- Funding Plan

Terms and Definitions

CASH FLOW METHOD: A method of developing a reserve *Funding Plan* where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve *Funding Plans* are tested against the anticipated schedule of reserve expenses until the desired *Funding Goal* is achieved.

COMPONENT: The individual line items in the *Reserve Study* developed or updated in the *Physical Analysis*. These elements form the building blocks for the *Reserve Study*. *Components* typically are: 1) association responsibility; 2) with limited *Useful Life* expectancies; 3) predictable *Remaining Useful Life* expectancies; 4) above a minimum threshold cost; and 5) as required by local codes.

COMPONENT INVENTORY: The task of selecting and quantifying reserve *Components*. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s) of the Association or cooperative.

COMPONENT METHOD: A method of developing a reserve *Funding Plan* where the total contribution is based on the sum of contributions for individual *Components*. See *Cash Flow Method*.

CONDITION ASSESSMENT: The task of evaluating the current condition of the *Component* based on observed or reported characteristics.

CURRENT REPLACEMENT COST: See *Replacement Cost*.

DEFICIT: An actual or projected *Reserve Balance* that is less than the *Fully Funded Balance*. The opposite would be a *Surplus*.

EFFECTIVE AGE: The difference between *Useful Life* and *Remaining Useful Life*. Not always equivalent to chronological age since some *Components* age irregularly. Used primarily in computations.

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

FULLY FUNDED: 100% Funded. When the actual or projected *Reserve Balance* is equal to the *Fully Funded Balance*.

FULLY FUNDED BALANCE (FFB): Total accrued depreciation, an indicator against which actual or projected *Reserve Balance* can be compared. The *Reserve Balance* that is in direct proportion to the fraction of life "used up" of the current repair or *Replacement Cost*. This number is calculated for each *Component*, then added together for an association total. Two formulas can be utilized, depending on the provider's sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent.

FFB = Current Cost X *Effective Age* / *Useful Life*

or

FFB = (Current Cost X *Effective Age* / *Useful Life*) + [(Current Cost X *Effective Age* / *Useful Life*) / (1 + Interest Rate) ^ Remaining Life] - [(Current Cost X *Effective Age* / *Useful Life*) / (1 + Inflation Rate) ^ Remaining Life]

FUND STATUS: The status of the reserve fund as compared to an established benchmark such as percent funding. The Association appears to be adequately funded as the threshold method.

FUNDING GOALS: Independent of methodology utilized, the following represent the basic categories of *Funding Plan* goals:

- Baseline Funding: Establishing a reserve funding goal of keeping the reserve cash balance above zero.

- Full Funding: Setting a reserve funding goal of attaining and maintaining reserves at or near 100% funded.

- Statutory Funding: Establishing a reserve funding goal of setting aside the specific minimum amount of reserves required by local statues.

- Threshold Funding: Establishing a reserve funding goal of keeping the *Reserve Balance* above a specified dollar or *Percent Funded* amount. Depending on the threshold, this may be more or less conservative than fully funding.

FUNDING PLAN: An association's plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

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

LIFE AND VALUATION ESTIMATES: The task of estimating *Useful Life*, *Remaining Useful Life*, and repair or *Replacement Costs* for the reserve *Components*.

PERCENT FUNDED: The ratio at a particular point of time (typically the beginning of the Fiscal Year) of the actual or projected *Reserve Balance* to the *Fully Funded Balance*, expressed as a percentage.

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

REMAINING USEFUL LIFE (RUL): Also referred to as "Remaining Life" (RL). The estimated time, in years, that a reserve *Component* can be expected to continue to serve its intended function. Projects anticipated to occur in the initial year have "zero" *Remaining Useful Life*.

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

RESERVE BALANCE: Actual or projected funds as of a particular point in time that the Association has identified for use to defray the future repair or replacement of those major *Components* which the Association is obligated to maintain. Also known as reserves, reserve accounts, or cash reserves. Based upon information provided and not audited.

RESERVE PROVIDER: An individual that prepares *Reserve Studies*.

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

RESPONSIBLE CHARGE: A reserve specialist in *Responsible Charge* of a *Reserve Study* shall render regular and effective supervision to those individuals performing services which directly and materially affect the quality and competence rendered by the reserve specialist. A reserve specialist shall maintain such records as are

reasonably necessary to establish that the reserve specialist exercised regular and effective supervision of a *Reserve Study* of which he was in *Responsible Charge*. A reserve specialist engaged in any of the following acts or practices shall be deemed not to have rendered the regular and effective supervision required herein:

- The regular and continuous absence from principal office premises from which professional services are rendered, except for performance of field work or presence in a field office maintained exclusively for a specific project;

- The failure to personally inspect or review the work of subordinates where necessary and appropriate;

- The rendering of a limited, cursory, or perfunctory review of plans or projects in lieu of an appropriate detailed review;

- The failure to personally be available on a reasonable basis or with adequate advance notice for consultation and inspection where circumstances require personal availability.

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

SURPLUS: An actual or projected *Reserve Balance* greater than the *Fully Funded Balance*.
The opposite would be a *Deficit*.

USEFUL LIFE (UL): Total *Useful Life* or depreciable life. The estimated time, in years, that a R*eserve Component* can be expected to serve its intended function if properly constructed in its present application or installation.