



T R O W E R

RESERVE STUDY BY TROWER

Sample Homeowners Association

Report Completed: March 19, 2022

**Executive Summary
Property Description
Financial Analysis
Reserve Summary
Evaluation of Components
General Information and Limitations
Definitions**

Phone: 858-638-9227

Fax: 858-638-9226

e-mail: ptrower@reservestudies.com

www.reservestudies.com

RESERVE STUDY BY TROWER EXECUTIVE SUMMARY

Sample Homeowners Association Los Angeles, CA

318 Units

Site Inspection: February 15, 2022

Accounting Dates

Fiscal Year End:	December 31, 2014	
Budget Year Start:	January 1, 2015	
Budget Year End:	December 31, 2015	
Current Annual Allocation	\$151,200	per unit per month:\$39.62

Projections for Fiscal Year Ending December 31, 2014

Reserve Fund Balance	\$1,164,000	
Fully-Funded Balance	\$2,175,048	
Percentage Funded	54%	
Surplus (deficit)	(\$1,011,048)	per unit: (\$3,179)
Replacement Cost	\$4,348,506	

Recommended Funding

	Annual Allocation	Per Unit per Month	Annual Disbursements	Year-End Reserve Bal.	Fully-Funded Reserve Bal.	Percent Funded
Year 1	\$303,338	\$79.49	\$388,955	\$1,089,595	\$0	#DIV/0!
Year 2	\$320,022	\$83.86	\$365,574	\$1,054,712	\$0	#DIV/0!
Year 3	\$337,623	\$88.48	\$45,422	\$1,358,921	\$0	#DIV/0!
Year 4	\$356,192	\$93.34	\$26,078	\$1,704,275	\$0	#DIV/0!
Year 5	\$375,783	\$98.48	\$1,036,156	\$1,057,643	\$0	#DIV/0!

Interest rate used in projections: 1.00%

Inflation rate used in projections: 5.50%

Date Printed:

3/19/2022

PROPERTY DESCRIPTION

This study generates reserve funding recommendations to the Board of Directors based on the actual balance, projected expenditures and income.

Data gathered through conversations with , vendors and a site inspection on February 15, 2022.

The Sample Homeowners Association, located in Los Angeles, CA, has 318 units and was completed in 2016. This development is 6 years old. The association is responsible for sustaining all common areas as described within.

FINANCIAL ANALYSIS:

(Recommended Allocation in Dashed Box)	<u>Per Year</u>	<u>Per Month</u>	<u>Per Unit Per Month</u>
ALLOCATION BUDGETED IN 2014	151,200	12,600.00	39.62
RECOMMENDED ALLOCATION IN 2015 (WITHOUT DEFICIT REDUCTION)	220,911	18,409.25	57.89
RECOMMENDED ALLOCATION IN 2015 (WITH DEFICIT REDUCTION)	303,338	25,278.17	79.49
Recommended Annual Allocation plus any underfunded balance divided by the years remaining until replacement of each component.			
MINIMUM CASH BALANCE IN 2015 (WITH DEFICIT REDUCTION)	217,425	18,118.75	56.98
PERCENTAGE OF ACTUAL CASH AT FISCAL YEAR END VERSUS RECOMMENDED CASH AT FISCAL YEAR END IS: 54%			

CA Civil Code 5570 Assessment and Reserve Funding Disclosure Summary

California Civil Code section 5300 requires that this Assessment and Reserve Funding Disclosure Summary be distributed to all owners not less than thirty (30) days nor more than ninety (90) days prior to the beginning of the Association's fiscal year, along with the Association's pro forma Operating Budget or Summary. The required disclosures shall be summarized in the following format pursuant to California Civil Code 5570.

(1) The current regular assessment per ownership interest is \$39.62 per unit, per month, into reserves in fiscal year ending 12/31/14

Note: Fractional responsibility is not calculated in this study. If assessments vary by the size or type of ownership interest, the assessment applicable to each ownership interest will need to be determined.

(2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the Board and/or members: N/A

Sample Homeowners Association

(3) Based upon the most recent reserve study and other information available to the Board of Directors, will currently projected reserve allocations and account balances be sufficient at the end of each year to meet the Association's obligation for repair and/or replacement of major components during the next 30 years:

Yes No X

This question cannot at this time be answered as a definitive "yes" or "no". Reserve Studies prepared by TROWER utilize estimates of replacement value and life expectancy of the components which the Association is obligated to maintain. However, some items may last a longer or shorter time than estimated, or unanticipated events or disasters may occur which affect the reserve funds. Thus, the replacement costs and life expectancy will vary from the reserve study being performed, by inflation, weather, earthquakes, building code changes and other factors beyond the control of the Association or TROWER projected over the thirty (30) year time period referred to above. Currently, please note that California law currently does not require reserve funds to be funded 100% to cover a period of thirty (30) years and studies must be reviewed and updated annually.

(4) If the answer to (3) is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the Board or the members.

Increase the per unit monthly reserve contribution to \$79.49 in fiscal year ending 12/31/2015

This question cannot at this time be answered with a definitive contribution for the next 30 years. Reserve Studies prepared by TROWER utilize estimates of replacement value and life expectancy of the components which the Association is obligated to maintain. However, some items may last a longer or shorter time than estimated, or unanticipated events or disasters may occur which affect the reserve funds. Thus, the replacement costs and life expectancy will vary from the reserve study being performed, by inflation, weather, earthquakes, building code changes and other factors beyond the control of the Association or TROWER projected over the thirty (30) year time period referred to above.

(5) All major components are included in the reserve study and are included in its calculations except those components that the board has determined will not be replaced or repaired.

(6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$2,175,047.86, based in whole or in part on the last reserve study or update prepared by TROWER as of 12/31/14. The projected reserve fund cash balance at the end of the current fiscal year is \$1,164,000.00, resulting in reserves being 53.5 percent funded at this date, with a reserve deficit of \$3,179.40 per unit.

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the California Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is:

2015: 2,119,334

2016: 2,097,925

2017: 2,425,022

2018: 2,804,686

2019: 2,159,702

Sample Homeowners Association

The projected reserve fund cash balance and percent funding in each of those years, taking into account only assessments already approved and other known revenues, is:

2015: 936,696 (44.2% funded)
2016: 738,975 (35.2% funded)
2017: 869,847 (35.9% funded)
2018: 1,030,769 (36.8% funded)
2019: 187,987 (8.7% funded)

If the reserve funding plan recommended by TROWER is approved by the association and implemented, the projected reserve fund cash balance and percent funding in each of those years is:

2015: 1,089,595 (51.4% funded)
2016: 1,054,712 (50.3% funded)
2017: 1,358,922 (56.0% funded)
2018: 1,704,275 (60.8% funded)
2019: 1,057,643 (49.0% funded)

NOTE: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 1.00 percent per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 5.50 percent per year.

For the purposes of preparing a summary pursuant to this section:

- (1) "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement.
- (2) "Major component" has the meaning used in Section 5550. Components with an estimated remaining useful life of more than 30 years may be included in a study as a capital asset or disregarded from the reserve calculation, as long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary.
- (3) The form set out in subdivision (a) shall accompany each annual budget or summary thereof that is delivered pursuant to Section 5300. The form may be supplemented or modified to clarify the information delivered, so long as the minimum information set out in subdivision (a) is provided.
- (4) For the purpose of the report and summary, the amount of reserves needed to be accumulated for a component at a given time shall be computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component. This shall not be construed to require the Board to fund reserves in accordance with this calculation.

TROWER has made a reasonable effort to ensure this disclosure summary is accurate. The information is deemed reliable as of the date of this disclosure summary, but is not guaranteed. TROWER has obtained certain information, documentation and materials from the Association agent and this disclosure summary is based upon the accuracy of such information. Material inaccuracies could adversely affect this disclosure summary and TROWER is not responsible for such inaccuracies. The Association, by accepting this disclosure summary, agrees to release TROWER from any claims, demands or damages and further agrees to indemnify, defend and hold harmless TROWER from and against any and all liability, damages, losses, claims, demands, or lawsuits arising out of or relating to this disclosure summary.

March 19, 2022

Reserve Summary By TROWER

Fiscal Year End: December 31, 2022
Site Inspection On: February 15, 2022
Number of Units: 318

Sample Homeowners Association

Completion Date of Report: March 19, 2022

CATEGORY Component	Est.	Est.	Unit Type	Estimated	Life		Source &	Recommended		Projected	Allocation	
	Comp.	Unit		Cost to	Expectancy		Condition	Allocation	Balance	Balance	Under	w\Deficit
	Qty	Cost		Replace	Normal	Rmng	See Legend					
ROOFING												
Mineral Cap Sheet	23,276	7.19	SqFt	167,354	18	5	3,5 F	9,297	120,867	108,354	(12,513)	11,800
Waterproof Balconies	35,107	8.62	LnFt	302,622	18	5	3,5 F	16,812	218,561	195,933	(22,628)	21,338
Stucco Parapet	5,643	2.89	SqFt	16,308	18	5	3,5 F	906	11,778	10,559	(1,219)	1,150
Windsoc Replacement	1	6,217	Estimate	6,217	15	10	3,5 G	414	2,072	0	(2,072)	622
Subtotal				492,502				27,430	353,278	314,846	(38,433)	34,910
RECOMMEND ANNUAL ROOF INSPECTION, CLEANING & REPAIRS (1)												
WINDOW WALL SYSTEM												
Perimeter Sealants	50	21,418	Annual	1,070,900	50	48	3,5 G	21,418	42,836	0	(42,836)	22,310
Subtotal				1,070,900				21,418	42,836	0	(42,836)	22,310
ABOVE VALUES FOR MAINTENANCE OF COMPONENTS OVER A 40 YEAR PERIOD (1)												
GUARDRAIL SYSTEM												
Gaskets 10%	2,500	7.38	LnFt	18,450	20	7	3,5 F	923	11,993	0	(11,993)	2,636
Subtotal				18,450				923	11,993	0	(11,993)	2,636
MISC. EXTERIOR												
Paint Conc. Surfaces	8,576	13.76	SqFt	118,006	35	23	3,5 G	3,372	40,459	0	(40,459)	5,131
Paint Parking Structure	46,000	2.86	SqFt	131,560	35	23	3,5 G	3,759	45,106	0	(45,106)	5,720
Miscellaneous Painting	1	1,575	Annual	1,575	1	1	3,5 G-P	1,575	0	0	0	1,575
Subtotal				251,141				8,705	85,565	0	(85,565)	12,426
CONCRETE												
Repair/Replace 15%	18,302	18.05	SqFt	49,553	25	12	3,5 G-F	1,982	25,767	0	(25,767)	4,129
Staining Ground Floor	1	9067	Estimate	1,360	10	5	3,5 G-F	136	680	610	(70)	150
Subtotal				1,360				136	680	610	(70)	150
PARKING AREA CONCRETE (252,925 SqFt) Maintenance Expense (5)												
PRIVACY												
Entry Intercoms	2	5,769	Estimate	11,538	20	7	3,5 F	577	7,500	0	(7,500)	1,648
Key Fob System	1	21,634	Estimate	21,634	18	5	3,5 F	1,202	15,625	14,007	(1,618)	1,525
Liftmaster Operators	4	4,937	Unit	19,748	12	5	3,5 F	1,646	11,520	10,327	(1,193)	1,884
Roll Up Gates	4	8,228	Unit	32,912	30	23	3,5 G	1,097	7,679	0	(7,679)	1,431

March 19, 2022

Reserve Summary By TROWER

Fiscal Year End: December 31, 2022
Site Inspection On: February 15, 2022
Number of Units: 318

Sample Homeowners Association

Completion Date of Report: March 19, 2022

CATEGORY Component	Est.	Est.	Unit Type	Estimated	Life		Source &	Recommended		Projected	Allocation	
	Comp.	Unit		Cost to	Expectancy		Condition	Allocation	Balance	Balance	Under	w\Deficit
	Qty	Cost		Replace	Normal	Rmng	See Legend	in 2023	@FYE 2022	@ FYE	Funded	Reduction
All-O-Matic Operators	2	4,937	Unit	9,874	15	2	3,5 F	658	8,557	8,557	0	658
Swing Up Gates	2	8,228	Unit	16,456	25	12	3,5 G-F	658	8,557	0	(8,557)	1,371
Masonry Wall Repair	1	21,634	Estimate	21,634	25	12	3,5 G-P	865	11,250	0	(11,250)	1,803
Entry Drive Gate Arm	1	4,100	Estimate	4,100	18	5	3,5 F	228	2,961	2,655	(307)	289
Video System Upgrade	1	16,405	Estimate	16,405	13	1	3,5 F-P	1,262	15,143	15,143	0	1,262
Subtotal				154,301				8,193	88,792	50,689	(38,103)	11,872
POOL AREA												
Pool Heater	1	6056	Unit	6,056	14	1	3,5 F-P	433	5,623	5,623	0	433
Pool Filter	1	3748	Unit	3,748	20	7	3,5 F	187	2,436	0	(2,436)	535
Pool Pumps & Misc.	1	3748	Estimate	3,748	12	5	3,5 F	312	2,186	1,960	(226)	358
Spa Heater	1	4039	Unit	4,039	14	1	3,5 F-P	289	3,751	3,751	0	289
Spa Filter	1	4616	Unit	4,616	20	7	3,5 F	231	3,000	0	(3,000)	659
Spa Pumps & Misc.	1	4616	Estimate	4,616	12	5	3,5 F	385	2,693	2,414	(279)	440
Pool Replaster	1,694	13.69	SqFt	23,191	16	3	3,5 F	1,449	18,843	18,843	0	1,449
Spa Replaster 10x10	1	8190	Estimate	8,190	14	1	3,5 F-P	585	7,605	7,605	0	585
Tile & Coping Repair	216	49	LnFt	10,595	31	20	3,5 G	342	3,759	0	(3,759)	530
Deck Caulking	216	7.93	LnFt	1,713	5	1	3,5 F-P	343	1,370	1,370	0	343
Aluminum Furniture	41	719	Unit	29,479	14	1	3,5 F-P	2,106	27,373	27,373	0	2,106
Misc. Furnishings	1	20034	Estimate	20,034	18	5	3,5 F	1,113	14,469	12,971	(1,498)	1,413
BBQ Grills	2	4725	Unit	9,450	12	11	3,5 G	788	788	0	(788)	859
Subtotal				129,475				8,561	93,897	81,910	(11,987)	9,998
INTERIOR AREAS												
Lobby Furniture	1	86536	Estimate	86,536	15	2	3,5 F	5,769	74,998	74,998	0	5,769
Misc. Furnishings	15	3365	Annual	50,475	15	2	3,5 F	3,365	43,745	43,745	0	3,365
New Mailing System	1	24501	Estimate	24,501	30	25	3,5 G	817	4,084	0	(4,084)	980
Elevator Lobby Carpet	3	885	Unit	2,655	8	1	3,5 G-P	332	2,323	2,323	0	332
Masonry Sealing	31,218	0.80	SqFt	24,974	18	5	3,5 F	1,387	18,037	16,170	(1,867)	1,761
Hall Carpet 9,12,15	3	12972	Floor	38,916	12	10	3,5 G	3,243	6,486	0	(6,486)	3,892
Hall Carpet	11	12972	Floor	142,692	14	1	3,5 F-P	10,192	132,500	132,500	0	10,192

March 19, 2022

Reserve Summary By TROWER

Fiscal Year End: December 31, 2022
Site Inspection On: February 15, 2022
Number of Units: 318

Sample Homeowners Association**Completion Date of Report: March 19, 2022**

CATEGORY Component	Est. Comp.	Est. Unit	Unit Type	Estimated Cost to Replace	Life Expectancy		Source & Condition See Legend	Recommended		Projected Balance	Allocation	
	Qty	Cost			Normal	Rmng		Allocation in 2023	Balance @FYE 2022	@ FYE	Under Funded	w/Deficit Reduction
Ground Floor Carpet	425	63.49	SqYd	26,983	10	5	3,5 F	2,698	13,492	12,095	(1,397)	2,978
Hallway Lights	934	160	Unit	149,440	30	17	3,5 G	4,981	64,757	0	(64,757)	8,791
Misc. Fixtures	1,366	252	Unit	344,232	30	17	3,5 G	11,474	149,167	0	(149,167)	20,249
Lobby Floors 10%	6,915	40	SqFt	27,930	30	17	3,5 G	931	12,103	0	(12,103)	1,643
Conference Cubicals	4	2897	Unit	11,588	20	18	3,5 G	579	1,159	0	(1,159)	644
Comm. Rm. Furnishings	1	18316	Estimate	18,316	15	2	3,5 F	1,221	15,874	15,874	0	1,221
Panasonic TV 58"	1	2460	Unit	2,460	15	2	3,5 F	164	2,132	2,132	0	164
Conference TV 50"	1	1231	Unit	1,231	15	2	3,5 F	82	1,067	1,067	0	82
Yoga Vinyl Floor	99	32.44	SqYd	3,212	15	2	3,5 F	214	2,783	2,783	0	214
Fitness Room TV 46"	1	1026	Unit	1,026	15	2	3,5 F	68	889	889	0	68
Gym Flooring	1	14515	Estimate	14,515	15	9	3,5 G	968	5,806	0	(5,806)	1,613
Elevator Laminate	1	7895	Estimate	7,895	15	2	3,5 F	526	6,842	6,842	0	526
Epoxy Flooring	1	7649	Estimate	7,649	10	5	3,5 G-F	765	3,825	3,429	(396)	844
Subtotal				987,226				49,778	562,068	314,846	(247,222)	65,328

GROUND FLOOR, CONFERENCE ROOM, & CLUB ROOM CARPET REPLACED IN 2016 (5)**1ST THRU 4TH & 10TH FLOOR HALL CARPET REPLACED IN 2016 (5)****5TH THRU 9TH, 11TH, 12TH 14TH & 16 CARPET ORIGINAL (5)****INTERIOR PAINTING, ARTWORK, STAIRWAY STEPS & LANDINGS Maintenance Expense (5)****FITNESS EQUIPMENT**

Star Trac Stepper	1	4,616	Unit	4,616	15	2	3,5 F	308	4,001	4,001	0	308
Star Trac Bikes	3	3244	Unit	9,732	15	2	3,5 F	649	8,434	8,434	0	649
Star Trac Ellipticals	2	4182	Unit	8,364	15	2	3,5 F	558	7,249	7,249	0	558
Star Trac Treadmills	3	6056	Unit	18,168	15	2	3,5 F	1,211	15,746	15,746	0	1,211
Subtotal				40,880				2,725	35,429	35,429	0	2,725

FITNESS STATIONS Maintenance Expense (5)**ROOF TOP LOUNGE**

Furniture	1	11,684	Contract	11,684	8	6	3,5 G	1,461	2,921	0	(2,921)	1,947
Granite Countertop	25	181	LnFt	4,525	25	12	3,5 G	181	2,353	0	(2,353)	377
Conc. Deck Pavers	2,016	14.01	SqFt	28,244	25	12	3,5 G	1,130	14,687	0	(14,687)	2,354
Television	1	13916	Contract	13,916	5	3	3,5 G	2,783	5,566	5,566	0	2,783

Reserve Summary By TROWER

Sample Homeowners Association

Completion Date of Report:

March 19, 2022

March 19, 2022
Fiscal Year End: December 31, 2022
Site Inspection On: February 15, 2022
Number of Units: 318

CATEGORY Component	Est. Comp. Qty	Est. Unit Cost	Unit Type	Estimated Cost to Replace	Life Expectancy		Source & Condition See Legend	Recommended		Projected Balance @ FYE	Under Funded	Allocation w/Deficit Reduction
					Normal	Rmng		Allocation in 2023	Balance @FYE 2022			
BBQ Grills	2	6470	Unit	12,940	10	8	3,5 G	1,294	2,588	0	(2,588)	1,618
BBQ Island	1	7322	Estimate	7,322	15	10	3,5 G	488	2,441	0	(2,441)	732
Subtotal				78,631				7,337	30,556	5,566	(24,990)	9,811
LIGHTING												
Common Blk. Poles	19	2311	Unit	43,909	18	5	3,5 F	2,439	31,712	28,429	(3,283)	3,096
Misc.Exterior Fixtures	25	1729	Annual	43,225	18	5	3,5 F	2,401	31,218	27,986	(3,232)	3,048
Garage Fluorescents	228	181	Unit	41,268	25	12	3,5 G	1,651	21,459	0	(21,459)	3,439
Subtotal				128,402				6,491	84,389	56,415	(27,974)	9,583
MISCELLANEOUS												
Fountain Equipment	1	3663	Estimate	3,663	13	1	3,5 P	282	3,381	3,381	0	282
Signage	1	14423	Estimate	14,423	20	7	3,5 G-F	721	9,375	0	(9,375)	2,060
Subtotal				18,086				1,003	12,756	3,381	(9,375)	2,342
LANDSCAPING												
Synthetic Grass	1	20362	Estimate	20,362	15	2	3,5 F	1,357	17,647	17,647	0	1,357
Renovation	19,604	4.32	SqFt	84,689	20	7	3,5 G	4,234	55,048	0	(55,048)	12,098
Irrigation Upgrades	20	632	Estimate	12,640	20	7	3,5 G	632	8,216	0	(8,216)	1,806
Subtotal				117,691				6,224	80,911	17,647	(63,264)	15,262
TREE TRIMMING Maintenance Expense (5)												
MECHANICAL												
Domestic Boilers	2	42000	Unit	84,000	20	19	3,5 G	4,200	4,200	0	(4,200)	4,421
Dom. Storage Tank	1	21000	Unit	21,000	15	14	3,5 G	1,400	1,400	0	(1,400)	1,500
Dom. Pressure Tanks	1	4100	Unit	4,100	12	11	3,5 G	342	342	0	(342)	373
Domestic Lift Pumps	3	7140	Unit	21,420	8	7	3,5 G	2,678	2,678	0	(2,678)	3,060
Dom. Circ. Pumps	2	3990	Unit	7,980	8	7	3,5 G	998	998	0	(998)	1,140
Domestic Backflow	1	8653	Unit	8,653	25	14	3,5 G	346	3,807	0	(3,807)	618
Ajax Heating Boilers	2	28026	Unit	56,052	15	2	3,5 F	3,737	48,578	48,578	0	3,737
Heat Circulation Pumps	2	10762	Unit	21,524	18	5	3,5 F	1,196	15,545	13,936	(1,609)	1,518
Heat Pressure Tank	1	4100	Unit	4,100	10	9	3,5 G	410	410	0	(410)	456

March 19, 2022

Reserve Summary By TROWER

Fiscal Year End: December 31, 2022
Site Inspection On: February 15, 2022
Number of Units: 318

Sample Homeowners Association

Completion Date of Report: March 19, 2022

CATEGORY Component	Est. Comp.	Est. Unit	Unit	Estimated Cost to	Life Expectancy	Source & Condition	Recommended		Projected	Allocation	
	Qty	Cost	Type	Replace	Normal Rmng	See Legend	Allocation in 2023	Balance @FYE 2022	Balance @ FYE	Under Funded	w/Deficit Reduction
Mixing Valve	1	3173	Unit	3,173	15	2	3,5 F	212	2,750	2,750	0 212
Cooling Towers	4	39508	Unit	158,032	20	7	3,5 G-F	7,902	102,721	0	(102,721) 22,576
Fan Motor Replace	1	10482	Estimate	10,482	15	10	3,5 G	699	3,494	0	(3,494) 1,048
Spray Pump Motors	4	3292	Unit	13,168	14	1	3,5 P	941	12,227	12,227	0 941
Compressor Replace	1	8855	Estimate	8,855	15	10	3,5 G	590	2,952	0	(2,952) 886
Condenser Pumps	2	12980	Unit	25,960	14	1	3,5 G-F	1,854	24,106	24,106	0 1,854
VDF Monitoring Sys.	2	3827	Estimate	7,654	14	1	3,5 P	547	7,107	7,107	0 547
Climatec Lobby	1	17088	Estimate	17,088	18	5	3,5 F	949	12,341	11,064	(1,278) 1,205
ClimateMaster Halls	1	32809	Estimate	32,809	18	5	3,5 F	1,823	23,695	21,242	(2,453) 2,313
Heat Pumps	10	6492	Estimate	64,920	14	1	3,5 F-P	4,637	60,283	60,283	0 4,637
Pressurization Fans	3	6492	Estimate	19,476	15	4	3,5 F	1,298	14,282	14,282	0 1,298
Generator 150kw	1	81126	Estimate	81,126	25	12	3,5 G	3,245	42,186	0	(42,186) 6,761
Generator Filter	1	42415	Estimate	42,415	10	8	3,5 G	4,242	8,483	0	(8,483) 5,302
Emer. Transfer Switch	1	5194	Estimate	5,194	15	2	3,5 F	346	4,501	4,501	0 346
Bldg. Transfer Switch	1	11537	Estimate	11,537	15	2	3,5 F	769	9,999	9,999	0 769
Garage Backup Lights	1	6834	Estimate	6,834	14	1	3,5 P	488	6,346	6,346	0 488
Subtotal				737,552				45,847	415,431	236,422	(179,009) 68,004

ONE DOMESTIC STORAGE TANK NOT IN USE (5)

FIRE SPRINKLERS

Backflow Valve	1	8653	Estimate	8,653	15	2	3,5 F	577	7,499	7,499	0 577
Lift Pump 150 hp/Misc.	1	43268	Estimate	43,268	30	17	3,5 G	1,442	18,749	0	(18,749) 2,545
Jockey Pump	1	3388	Estimate	3,388	14	1	3,5 F-P	242	3,146	3,146	0 242
Control Panel	1	8653	Estimate	8,653	14	1	3,5 F-P	618	8,035	8,035	0 618
System Upgrades	1	21634	Estimate	21,634	14	1	3,5 F-P	1,545	20,089	20,089	0 1,545
Fire Sprinkler Backflow	1	11537	Estimate	11,537	18	5	3,5 F	641	8,332	7,470	(863) 813
Subtotal				97,133				5,065	65,851	46,239	(19,612) 6,341

SPRINKLER HEADS AND 44,000 GALLON STORAGE TANK Maintenance or Future Capital Improvement (1,5)

BOLLARD LIGHTING AT ENTRY DRIVE, KEYPAD AT MAILBOXES, GEN 2 BELT DRIVE ELEVATORS, TERMITE

TREATMENT, ELECTRICAL AND ANY COMPONENTS NOT LISTED ABOVE Maintenance or Homeowner Expense (5)

Reserve Summary By TROWER

Sample Homeowners Association

Completion Date of Report: March 19, 2022

March 19, 2022
 Fiscal Year End: December 31, 2022
 Site Inspection On: February 15, 2022
 Number of Units: 318

CATEGORY Component	Est. Comp.	Est. Unit	Unit	Estimated Cost to Replace	Life Expectancy	Source & Condition	Recommended		Projected	Allocation	
	Qty	Cost	Type		Normal Rmng	See Legend	Allocation in 2023	Balance @FYE 2022	Balance @ FYE	Under Funded	wDeficit Reduction
CONTINGENCY 10%							20,083	197,732	0	(197,732)	27,576
REPLACEMENT COST				4,348,506			220,911	2,175,048	1,164,000	(1,011,048)	303,338

1) Trower Estimate 2) Estimation Manual 3) Local Historical Cost 4) Bid on File with HOA
 5) Manager and Board Direction 6) Previous Study Info Condition: G-good, F-fair, P-poor
 Report Based on Inflation Rate of: 5.5% Report Based on Interest Rate on Reserve Savings of: 1.0%

Sample Homeowners Association

March 19, 2022

THIRTY YEAR PROJECTED RESERVE EXPENSES STRAIGHT LINE METHOD *

CATEGORY	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Component	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15	Yr 16
ROOFING																	
Mineral Cap Sheet	0	0	0	0	0	218,726	0	0	0	0	0	0	0	0	0	0	0
Waterproof Balconies	0	0	0	0	0	395,515	0	0	0	0	0	0	0	0	0	0	0
Stucco Parapet	0	0	0	0	0	21,314	0	0	0	0	0	0	0	0	0	0	0
Windsoc Replacement	0	0	0	0	0	0	0	0	0	0	10,620	0	0	0	0	0	0
Subtotal																	
WINDOW WALL SYSTEM																	
Perimeter Sealants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal																	
GUARDRAIL SYSTEM																	
Gaskets 10%	0	0	0	0	0	0	0	26,839	0	0	0	0	0	0	0	0	0
Subtotal																	
MISC. EXTERIOR																	
Paint Conc. Surfaces	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paint Parking Structure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Painting	0	1,662	1,753	1,849	1,951	2,058	2,172	2,291	2,417	2,550	2,690	2,838	2,994	3,159	3,333	3,516	3,710
Subtotal																	
CONCRETE																	
Repair/Replace 15%	0	0	0	0	0	0	0	0	0	0	0	0	94,210	0	0	0	0
Staining Ground Floor	0	0	0	0	0	1,778	0	0	0	0	0	0	0	0	0	3,036	0
Subtotal																	
PRIVACY																	
Entry Intercoms	0	0	0	0	0	0	0	16,784	0	0	0	0	0	0	0	0	0
Key Fob System	0	0	0	0	0	28,275	0	0	0	0	0	0	0	0	0	0	0
Liftmaster Operators	0	0	0	0	0	25,810	0	0	0	0	0	0	0	0	0	0	0
Roll Up Gates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
All-O-Matic Operators	0	0	10,990	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Swing Up Gates	0	0	0	0	0	0	0	0	0	0	0	0	31,286	0	0	0	0
Masonry Wall Repair	0	0	0	0	0	0	0	0	0	0	0	0	41,131	0	0	0	0
Entry Drive Gate Arm	0	0	0	0	0	5,359	0	0	0	0	0	0	0	0	0	0	0
Video System Upgrade	0	17,307	0	0	0	0	0	0	0	0	0	0	0	0	34,714	0	0
Subtotal																	
POOL AREA																	
Pool Heater	0	6,389	0	0	0	0	0	0	0	0	0	0	0	0	0	13,520	0
Pool Filter	0	0	0	0	0	0	0	5,452	0	0	0	0	0	0	0	0	0
Pool Pumps & Misc.	0	0	0	0	0	4,898	0	0	0	0	0	0	0	0	0	0	0
Spa Heater	0	4,261	0	0	0	0	0	0	0	0	0	0	0	0	0	9,017	0
Spa Filter	0	0	0	0	0	0	0	6,715	0	0	0	0	0	0	0	0	0
Spa Pumps & Misc.	0	0	0	0	0	6,033	0	0	0	0	0	0	0	0	0	0	0
Pool Replaster	0	0	0	27,232	0	0	0	0	0	0	0	0	0	0	0	0	0
Spa Replaster 10x10	0	8,640	0	0	0	0	0	0	0	0	0	0	0	0	0	18,284	0
Tile & Coping Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deck Caulking	0	1,807	0	0	0	0	2,362	0	0	0	0	3,087	0	0	0	0	4,034
Aluminum Furniture	0	31,100	0	0	0	0	0	0	0	0	0	0	0	0	0	65,811	0
Misc. Furnishings	0	0	0	0	0	26,184	0	0	0	0	0	0	0	0	0	0	0

Sample Homeowners Association

March 19, 2022

THIRTY YEAR PROJECTED RESERVE EXPENSES STRAIGHT LINE METHOD *

CATEGORY	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Component	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15	Yr 16
BBQ Grills	0	0	0	0	0	0	0	0	0	0	0	17,030	0	0	0	0	0
Subtotal																	
INTERIOR AREAS																	
Lobby Furniture	0	0	96,317	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Furnishings	0	0	56,180	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Mailing System	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Elevator Lobby Carpet	0	2,801	0	0	0	0	0	0	0	4,299	0	0	0	0	0	0	0
Masonry Sealing	0	0	0	0	0	32,641	0	0	0	0	0	0	0	0	0	0	0
Hall Carpet 9,12,15	0	0	0	0	0	0	0	0	0	0	66,474	0	0	0	0	0	0
Hall Carpet	0	150,540	0	0	0	0	0	0	0	0	0	0	0	0	0	318,557	0
Ground Floor Carpet	0	0	0	0	0	35,266	0	0	0	0	0	0	0	0	0	60,239	0
Hallway Lights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Fixtures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lobby Floors 10%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Conference Cubicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Comm. Rm. Furnishings	0	0	20,386	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Panasonic TV 58"	0	0	2,738	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Conference TV 50"	0	0	1,370	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Yoga Vinyl Floor	0	0	3,575	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fitness Room TV 46"	0	0	1,142	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gym Flooring	0	0	0	0	0	0	0	0	0	23,501	0	0	0	0	0	0	0
Elevator Laminate	0	0	8,787	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Epoxy Flooring	0	0	0	0	0	9,997	0	0	0	0	0	0	0	0	0	17,076	0
Subtotal																	
FITNESS EQUIPMENT																	
Star Trac Stepper	0	0	5,138	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Star Trac Bikes	0	0	10,832	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Star Trac Ellipticals	0	0	9,309	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Star Trac Treadmills	0	0	20,221	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal																	
ROOF TOP LOUNGE																	
Furniture	0	0	0	0	0	0	16,110	0	0	0	0	0	0	0	24,724	0	0
Granite Countertop	0	0	0	0	0	0	0	0	0	0	0	0	8,603	0	0	0	0
Conc. Deck Pavers	0	0	0	0	0	0	0	0	0	0	0	0	53,698	0	0	0	0
Television	0	0	0	16,341	0	0	0	0	21,357	0	0	0	0	27,912	0	0	0
BBQ Grills	0	0	0	0	0	0	0	0	19,859	0	0	0	0	0	0	0	0
BBQ Island	0	0	0	0	0	0	0	0	0	0	12,507	0	0	0	0	0	0
Subtotal																	
LIGHTING																	
Common Blk. Poles	0	0	0	0	0	57,387	0	0	0	0	0	0	0	0	0	0	0
Misc.Exterior Fixtures	0	0	0	0	0	56,493	0	0	0	0	0	0	0	0	0	0	0
Garage Fluorescents	0	0	0	0	0	0	0	0	0	0	0	0	78,459	0	0	0	0
Subtotal																	

Sample Homeowners Association

March 19, 2022

THIRTY YEAR PROJECTED RESERVE EXPENSES STRAIGHT LINE METHOD *

CATEGORY	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Component	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15	Yr 16
MISCELLANEOUS																	
Fountain Equipment	0	3,864	0	0	0	0	0	0	0	0	0	0	0	0	7,751	0	0
Signage	0	0	0	0	0	0	0	20,981	0	0	0	0	0	0	0	0	0
Subtotal																	
LANDSCAPING																	
Synthetic Grass	0	0	22,663	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renovation	0	0	0	0	0	0	0	123,196	0	0	0	0	0	0	0	0	0
Irrigation Upgrades	0	0	0	0	0	0	0	18,387	0	0	0	0	0	0	0	0	0
Subtotal																	
MECHANICAL																	
Domestic Boilers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dom. Storage Tank	0	0	0	0	0	0	0	0	0	0	0	0	0	0	44,438	0	0
Dom. Pressure Tanks	0	0	0	0	0	0	0	0	0	0	0	7,389	0	0	0	0	0
Domestic Lift Pumps	0	0	0	0	0	0	0	31,159	0	0	0	0	0	0	0	47,820	0
Dom. Circ. Pumps	0	0	0	0	0	0	0	11,608	0	0	0	0	0	0	0	17,815	0
Domestic Backflow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18,311	0	0
Ajax Heating Boilers	0	0	62,387	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Heat Circulation Pumps	0	0	0	0	0	28,131	0	0	0	0	0	0	0	0	0	0	0
Heat Pressure Tank	0	0	0	0	0	0	0	0	0	6,638	0	0	0	0	0	0	0
Mixing Valve	0	0	3,532	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cooling Towers	0	0	0	0	0	0	0	229,886	0	0	0	0	0	0	0	0	0
Fan Motor Replace	0	0	0	0	0	0	0	0	0	0	17,905	0	0	0	0	0	0
Spray Pump Motors	0	13,892	0	0	0	0	0	0	0	0	0	0	0	0	0	29,397	0
Compressor Replace	0	0	0	0	0	0	0	0	0	0	15,126	0	0	0	0	0	0
Condenser Pumps	0	27,388	0	0	0	0	0	0	0	0	0	0	0	0	0	57,955	0
VDF Monitoring Sys.	0	8,075	0	0	0	0	0	0	0	0	0	0	0	0	0	17,087	0
Climatec Lobby	0	0	0	0	0	22,333	0	0	0	0	0	0	0	0	0	0	0
ClimateMaster Halls	0	0	0	0	0	42,880	0	0	0	0	0	0	0	0	0	0	0
Heat Pumps	0	68,491	0	0	0	0	0	0	0	0	0	0	0	0	0	144,932	0
Pressurization Fans	0	0	0	0	24,127	0	0	0	0	0	0	0	0	0	0	0	0
Generator 150kw	0	0	0	0	0	0	0	0	0	0	0	0	154,237	0	0	0	0
Generator Filter	0	0	0	0	0	0	0	0	65,094	0	0	0	0	0	0	0	0
Emer. Transfer Switch	0	0	5,781	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bldg. Transfer Switch	0	0	12,841	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Garage Backup Lights	0	7,210	0	0	0	0	0	0	0	0	0	0	0	0	0	15,257	0
Subtotal																	
FIRE SPRINKLERS																	
Backflow Valve	0	0	9,631	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lift Pump 150 hp/Misc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jockey Pump	0	3,574	0	0	0	0	0	0	0	0	0	0	0	0	0	7,564	0
Control Panel	0	9,129	0	0	0	0	0	0	0	0	0	0	0	0	0	19,318	0
System Upgrades	0	22,824	0	0	0	0	0	0	0	0	0	0	0	0	0	48,297	0
Fire Sprinkler Backflow	0	0	0	0	0	15,078	0	0	0	0	0	0	0	0	0	0	0
Subtotal																	

Sample Homeowners Association

March 19, 2022

THIRTY YEAR PROJECTED RESERVE EXPENSES STRAIGHT LINE METHOD *

CATEGORY	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Component	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15	Yr 16
CONTINGENCY 10%																	
REPLACEMENT COST	0	388955	365574	45422	26078	1036156	20644	493298	108726	36988	125321	30343	464619	31071	133271	914499	7744
RECOMMENDED BALANCE	1164000	1089595	1054712	1358921	1704275	1057643	1445906	1384948	1732994	2181008	2570459	3086405	3199705	3780068	4295402	4064386	4777829
Report Based on Inflation Rate of 5.5% and Interest Rate on Reserve Savings of 1.0%																	
																	Report Ba

Sample Homeowners Association

March 19, 2022

THIRTY YEAR PROJECTED RESERVE EXPENSES STRAIGHT LINE METHOD *														
CATEGORY	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Component	Yr 17	Yr 18	Yr 19	Yr 20	Yr 21	Yr 22	Yr 23	Yr 24	Yr 25	Yr 26	Yr 27	Yr 28	Yr 29	Yr 30
ROOFING														
Mineral Cap Sheet	0	0	0	0	0	0	573,382	0	0	0	0	0	0	0
Waterproof Balconies	0	0	0	0	0	0	1,036,830	0	0	0	0	0	0	0
Stucco Parapet	0	0	0	0	0	0	55,875	0	0	0	0	0	0	0
Windsoc Replacement	0	0	0	0	0	0	0	0	23,708	0	0	0	0	0
Subtotal														
WINDOW WALL SYSTEM														
Perimeter Sealants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal														
GUARDRAIL SYSTEM														
Gaskets 10%	0	0	0	0	0	0	0	0	0	0	78,309	0	0	0
Subtotal														
MISC. EXTERIOR														
Paint Conc. Surfaces	0	0	0	0	0	0	404,306	0	0	0	0	0	0	0
Paint Parking Structure	0	0	0	0	0	0	450,745	0	0	0	0	0	0	0
Miscellaneous Painting	3,914	4,129	4,356	4,595	4,848	5,115	5,396	5,693	6,006	6,336	6,685	7,053	7,440	7,850
Subtotal														
CONCRETE														
Repair/Replace 15%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Staining Ground Floor	0	0	0	0	0	0	0	0	5,186	0	0	0	0	0
Subtotal														
PRIVACY														
Entry Intercoms	0	0	0	0	0	0	0	0	0	0	48,972	0	0	0
Key Fob System	0	0	0	0	0	0	74,121	0	0	0	0	0	0	0
Liftmaster Operators	49,070	0	0	0	0	0	0	0	0	0	0	0	93,292	0
Roll Up Gates	0	0	0	0	0	0	112,762	0	0	0	0	0	0	0
All-O-Matic Operators	24,535	0	0	0	0	0	0	0	0	0	0	0	0	0
Swing Up Gates	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Masonry Wall Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entry Drive Gate Arm	0	0	0	0	0	0	14,047	0	0	0	0	0	0	0
Video System Upgrade	0	0	0	0	0	0	0	0	0	0	69,629	0	0	0
Subtotal														
POOL AREA														
Pool Heater	0	0	0	0	0	0	0	0	0	0	0	0	28,609	0
Pool Filter	0	0	0	0	0	0	0	0	0	0	15,908	0	0	0
Pool Pumps & Misc.	9,313	0	0	0	0	0	0	0	0	0	0	0	17,706	0
Spa Heater	0	0	0	0	0	0	0	0	0	0	0	0	19,081	0
Spa Filter	0	0	0	0	0	0	0	0	0	0	19,592	0	0	0
Spa Pumps & Misc.	11,470	0	0	0	0	0	0	0	0	0	0	0	21,807	0
Pool Replaster	0	0	64,138	0	0	0	0	0	0	0	0	0	0	0
Spa Replaster 10x10	0	0	0	0	0	0	0	0	0	0	0	0	38,691	0
Tile & Coping Repair	0	0	0	30,913	0	0	0	0	0	0	0	0	0	0
Deck Caulking	0	0	0	0	5,273	0	0	0	0	6,891	0	0	0	0
Aluminum Furniture	0	0	0	0	0	0	0	0	0	0	0	0	139,262	0
Misc. Furnishings	0	0	0	0	0	0	68,640	0	0	0	0	0	0	0

Sample Homeowners Association

March 19, 2022

THIRTY YEAR PROJECTED RESERVE EXPENSES STRAIGHT LINE METHOD *

CATEGORY	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Component	Yr 17	Yr 18	Yr 19	Yr 20	Yr 21	Yr 22	Yr 23	Yr 24	Yr 25	Yr 26	Yr 27	Yr 28	Yr 29	Yr 30
BBQ Grills	0	0	0	0	0	0	32,377	0	0	0	0	0	0	0
Subtotal														
INTERIOR AREAS														
Lobby Furniture	215,025	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Furnishings	125,420	0	0	0	0	0	0	0	0	0	0	0	0	0
New Mailing System	0	0	0	0	0	0	0	0	93,432	0	0	0	0	0
Elevator Lobby Carpet	6,597	0	0	0	0	0	0	0	10,125	0	0	0	0	0
Masonry Sealing	0	0	0	0	0	0	85,566	0	0	0	0	0	0	0
Hall Carpet 9,12,15	0	0	0	0	0	126,381	0	0	0	0	0	0	0	0
Hall Carpet	0	0	0	0	0	0	0	0	0	0	0	674,095	0	0
Ground Floor Carpet	0	0	0	0	0	0	0	0	102,898	0	0	0	0	0
Hallway Lights	371,329	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Fixtures	855,348	0	0	0	0	0	0	0	0	0	0	0	0	0
Lobby Floors 10%	69,400	0	0	0	0	0	0	0	0	0	0	0	0	0
Conference Cubicals	0	30,378	0	0	0	0	0	0	0	0	0	0	0	0
Comm. Rm. Furnishings	45,512	0	0	0	0	0	0	0	0	0	0	0	0	0
Panasonic TV 58"	6,113	0	0	0	0	0	0	0	0	0	0	0	0	0
Conference TV 50"	3,059	0	0	0	0	0	0	0	0	0	0	0	0	0
Yoga Vinyl Floor	7,980	0	0	0	0	0	0	0	0	0	0	0	0	0
Fitness Room TV 46"	2,549	0	0	0	0	0	0	0	0	0	0	0	0	0
Gym Flooring	0	0	0	0	0	0	0	52,466	0	0	0	0	0	0
Elevator Laminate	19,618	0	0	0	0	0	0	0	0	0	0	0	0	0
Epoxy Flooring	0	0	0	0	0	0	0	0	29,169	0	0	0	0	0
Subtotal														
FITNESS EQUIPMENT														
Star Trac Stepper	11,470	0	0	0	0	0	0	0	0	0	0	0	0	0
Star Trac Bikes	24,182	0	0	0	0	0	0	0	0	0	0	0	0	0
Star Trac Ellipticals	20,783	0	0	0	0	0	0	0	0	0	0	0	0	0
Star Trac Treadmills	45,144	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal														
ROOF TOP LOUNGE														
Furniture	0	0	0	0	0	37,944	0	0	0	0	0	0	0	58,232
Granite Countertop	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Conc. Deck Pavers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Television	0	36,480	0	0	0	0	47,678	0	0	0	0	62,314	0	0
BBQ Grills	0	33,922	0	0	0	0	0	0	0	0	0	57,943	0	0
BBQ Island	0	0	0	0	0	0	0	0	27,922	0	0	0	0	0
Subtotal														
LIGHTING														
Common Blk. Poles	0	0	0	0	0	0	150,439	0	0	0	0	0	0	0
Misc.Exterior Fixtures	0	0	0	0	0	0	148,095	0	0	0	0	0	0	0
Garage Fluorescents	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal														

Sample Homeowners Association

March 19, 2022

THIRTY YEAR PROJECTED RESERVE EXPENSES STRAIGHT LINE METHOD *

CATEGORY	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Component	Yr 17	Yr 18	Yr 19	Yr 20	Yr 21	Yr 22	Yr 23	Yr 24	Yr 25	Yr 26	Yr 27	Yr 28	Yr 29	Yr 30
MISCELLANEOUS														
Fountain Equipment	0	0	0	0	0	0	0	0	0	0	15,547	0	0	0
Signage	0	0	0	0	0	0	0	0	0	0	61,217	0	0	0
Subtotal														
LANDSCAPING														
Synthetic Grass	50,596	0	0	0	0	0	0	0	0	0	0	0	0	0
Renovation	0	0	0	0	0	0	0	0	0	0	359,455	0	0	0
Irrigation Upgrades	0	0	0	0	0	0	0	0	0	0	53,649	0	0	0
Subtotal														
MECHANICAL														
Domestic Boilers	0	0	232,314	0	0	0	0	0	0	0	0	0	0	0
Dom. Storage Tank	0	0	0	0	0	0	0	0	0	0	0	0	99,207	0
Dom. Pressure Tanks	0	0	0	0	0	0	14,047	0	0	0	0	0	0	0
Domestic Lift Pumps	0	0	0	0	0	0	73,388	0	0	0	0	0	0	0
Dom. Circ. Pumps	0	0	0	0	0	0	27,341	0	0	0	0	0	0	0
Domestic Backflow	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ajax Heating Boilers	139,278	0	0	0	0	0	0	0	0	0	0	0	0	0
Heat Circulation Pumps	0	0	0	0	0	0	73,744	0	0	0	0	0	0	0
Heat Pressure Tank	0	0	11,339	0	0	0	0	0	0	0	0	0	19,369	0
Mixing Valve	7,884	0	0	0	0	0	0	0	0	0	0	0	0	0
Cooling Towers	0	0	0	0	0	0	0	0	0	0	670,751	0	0	0
Fan Motor Replace	0	0	0	0	0	0	0	0	39,972	0	0	0	0	0
Spray Pump Motors	0	0	0	0	0	0	0	0	0	0	0	0	62,207	0
Compressor Replace	0	0	0	0	0	0	0	0	33,768	0	0	0	0	0
Condenser Pumps	0	0	0	0	0	0	0	0	0	0	0	0	122,638	0
VDF Monitoring Sys.	0	0	0	0	0	0	0	0	0	0	0	0	36,158	0
Climatec Lobby	0	0	0	0	0	0	58,546	0	0	0	0	0	0	0
ClimateMaster Halls	0	0	0	0	0	0	112,409	0	0	0	0	0	0	0
Heat Pumps	0	0	0	0	0	0	0	0	0	0	0	0	306,690	0
Pressurization Fans	0	0	53,864	0	0	0	0	0	0	0	0	0	0	0
Generator 150kw	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Generator Filter	0	111,189	0	0	0	0	0	0	0	0	0	189,928	0	0
Emer. Transfer Switch	12,906	0	0	0	0	0	0	0	0	0	0	0	0	0
Bldg. Transfer Switch	28,667	0	0	0	0	0	0	0	0	0	0	0	0	0
Garage Backup Lights	0	0	0	0	0	0	0	0	0	0	0	0	32,285	0
Subtotal														
FIRE SPRINKLERS														
Backflow Valve	21,501	0	0	0	0	0	0	0	0	0	0	0	0	0
Lift Pump 150 hp/Misc.	107,512	0	0	0	0	0	0	0	0	0	0	0	0	0
Jockey Pump	0	0	0	0	0	0	0	0	0	0	0	0	16,005	0
Control Panel	0	0	0	0	0	0	0	0	0	0	0	0	40,878	0
System Upgrades	0	0	0	0	0	0	0	0	0	0	0	0	102,202	0
Fire Sprinkler Backflow	0	0	0	0	0	0	39,528	0	0	0	0	0	0	0
Subtotal														

Sample Homeowners Association

March 19, 2022

THIRTY YEAR PROJECTED RESERVE EXPENSES STRAIGHT LINE METHOD *

CATEGORY	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Component	Yr 17	Yr 18	Yr 19	Yr 20	Yr 21	Yr 22	Yr 23	Yr 24	Yr 25	Yr 26	Yr 27	Yr 28	Yr 29	Yr 30

CONTINGENCY 10%

REPLACEMENT COST	2296174	216098	366011	35509	10121	169440	3659261	58159	372184	13228	1399716	317237	1877622	66082
------------------	---------	--------	--------	-------	-------	--------	---------	-------	--------	-------	---------	--------	---------	-------

RECOMMENDED BALANCE

3235966	3808653	4278066	5128282	6058887	6887604	4268952	5297672	6078530	7288554	7181197	8228113	7788478	9240124
---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------

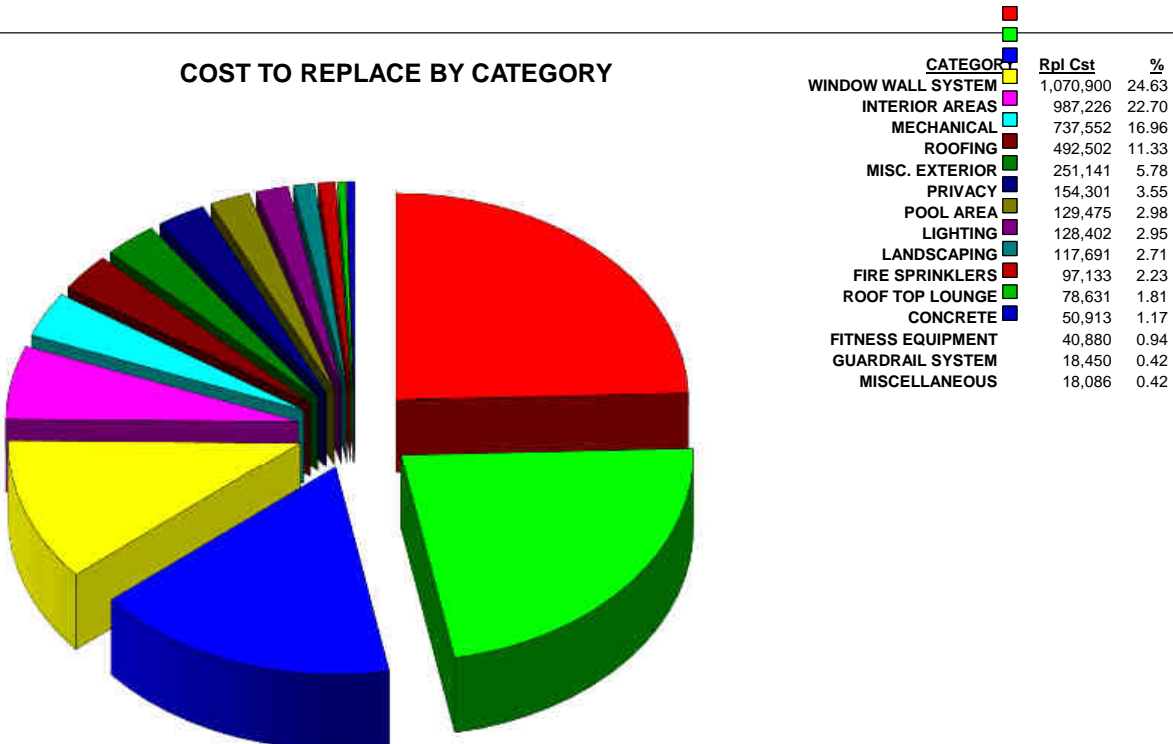
sed on Inflation Rate of 5.5% and Interest Rate on Reserve Savings of 1.0%

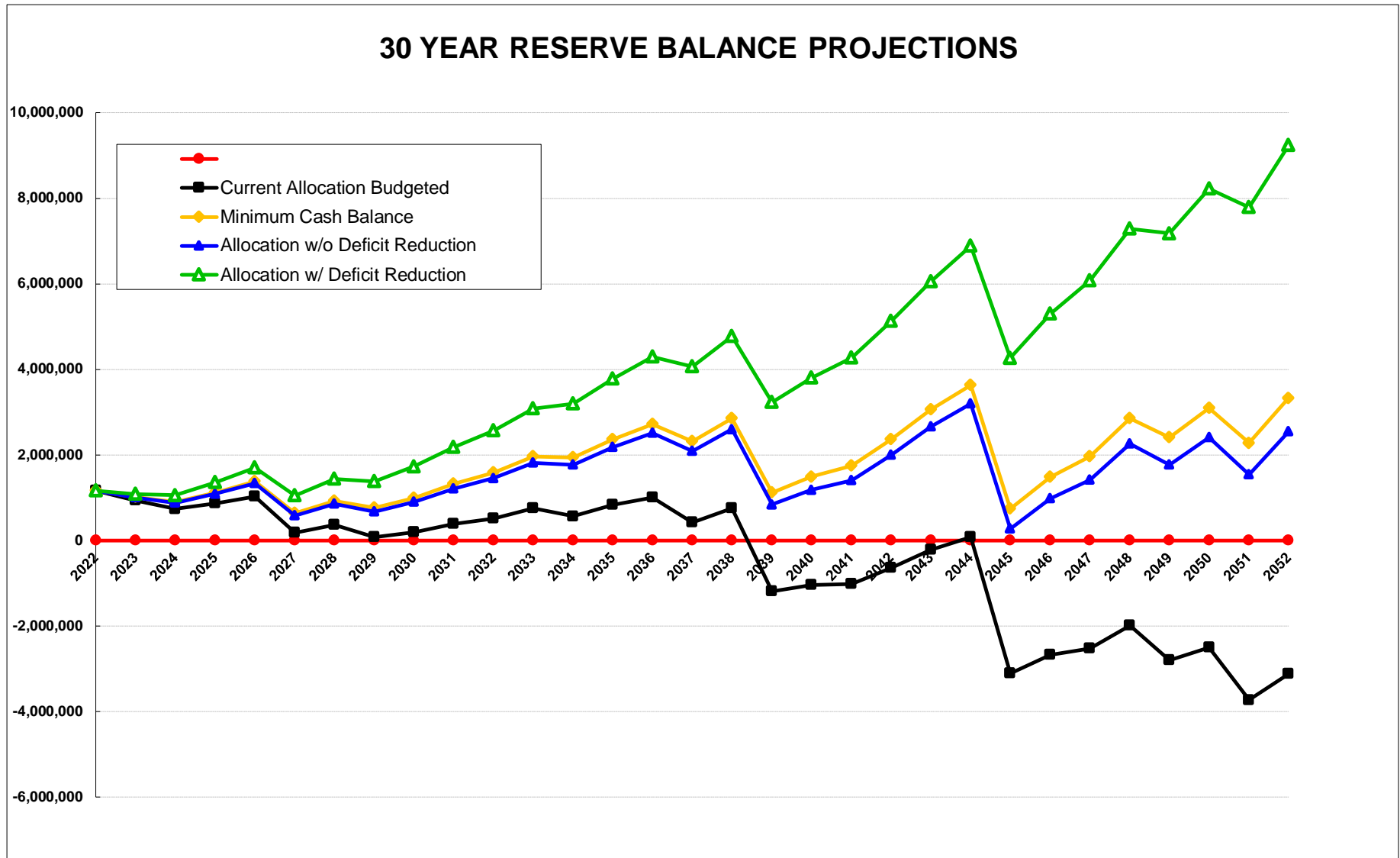
RESERVE FUNDING SUMMARY

(Recommend Allocation Model in Dashed Box)

	<u>Per Year</u>	<u>Per Month</u>	<u>Per Unit Per Month</u>
ALLOCATION BUDGETED IN 2014	151,200	12,600.00	39.62
2014			
RECOMMENDED ALLOCATION IN 2015 (WITHOUT DEFICIT REDUCTION)	220,911	18,409.25	57.89
RECOMMENDED ALLOCATION IN 2015 (WITH DEFICIT REDUCTION)	303,338	25,278.17	79.49
Recommended Annual Allocation plus any underfunded balance divided by the years remaining until replacement of each component (also shown on graph)			
MINIMUM CASH BALANCE IN 2015 (WITH DEFICIT REDUCTION)	217,425	18,118.75	56.98

**PERCENTAGE OF ACTUAL CASH AT FISCAL YEAR END VERSUS
RECOMMENDED CASH AT FISCAL YEAR END IS:**

54%**COST TO REPLACE BY CATEGORY**



ROOFING: Mineral Cap Sheet

- 23,276 SqFt with a replacement cost of \$7.19 per SqFt.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$167,354.
- **Estimated cost to replace at FYE 2019 is \$218,725.**
- Recommended annual allocation in 2015 is \$9,297.
- **Recommended annual allocation with deficit reduction in 2015 is \$11,800.**
- Recommended balance at fiscal year end is \$120,867.
- We allocated \$108,354, leaving this component underfunded by \$12,513.

ROOFING: Waterproof Balconies

- 35,107 LnFt with a replacement cost of \$8.62 per LnFt.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$302,622.
- **Estimated cost to replace at FYE 2019 is \$395,515.**
- Recommended annual allocation in 2015 is \$16,812.
- **Recommended annual allocation with deficit reduction in 2015 is \$21,338.**
- Recommended balance at fiscal year end is \$218,561.
- We allocated \$195,933, leaving this component underfunded by \$22,628.

ROOFING: Stucco Parapet

- 5,643 SqFt with a replacement cost of \$2.89 per SqFt.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$16,308.
- **Estimated cost to replace at FYE 2019 is \$21,314.**
- Recommended annual allocation in 2015 is \$906.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,150.**
- Recommended balance at fiscal year end is \$11,778.
- We allocated \$10,559, leaving this component underfunded by \$1,219.

ROOFING: Windsoc Replacement

- 1 Estimate with a replacement cost of \$6,217 per Estimate.
- Normal life of 15 years with 10 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$6,217.
- **Estimated cost to replace at FYE 2024 is \$10,620.**
- Recommended annual allocation in 2015 is \$414.
- **Recommended annual allocation with deficit reduction in 2015 is \$622.**
- Recommended balance at fiscal year end is \$2,072.
- We allocated \$0, leaving this component underfunded by \$2,072.

WINDOW WALL SYSTEM: Perimeter Sealants

- 50 annual allocations with a replacement cost of \$21,418 per year.

Sample Homeowners Association

- Normal life of 50 years with 48 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$1,070,900.
- **Estimated cost to replace at FYE 2062 is \$13,991,587.**
- Recommended annual allocation in 2015 is \$21,418.
- **Recommended annual allocation with deficit reduction in 2015 is \$22,310.**
- Recommended balance at fiscal year end is \$42,836.
- We allocated \$0, leaving this component underfunded by \$42,836.

GUARDRAIL SYSTEM: Gaskets 10%

- 2,500 LnFt with a replacement cost of \$7.38 per LnFt.
- Normal life of 20 years with 7 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$18,450.
- **Estimated cost to replace at FYE 2021 is \$26,839.**
- Recommended annual allocation in 2015 is \$923.
- **Recommended annual allocation with deficit reduction in 2015 is \$2,636.**
- Recommended balance at fiscal year end is \$11,993.
- We allocated \$0, leaving this component underfunded by \$11,993.

MISC. EXTERIOR: Paint Conc. Surfaces

- 8,576 SqFt with a replacement cost of \$13.76 per SqFt.
- Normal life of 35 years with 23 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$118,006.
- **Estimated cost to replace at FYE 2037 is \$404,306.**
- Recommended annual allocation in 2015 is \$3,372.
- **Recommended annual allocation with deficit reduction in 2015 is \$5,131.**
- Recommended balance at fiscal year end is \$40,459.
- We allocated \$0, leaving this component underfunded by \$40,459.

MISC. EXTERIOR: Paint Parking Structure

- 46,000 SqFt with a replacement cost of \$2.86 per SqFt.
- Normal life of 35 years with 23 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$131,560.
- **Estimated cost to replace at FYE 2037 is \$450,745.**
- Recommended annual allocation in 2015 is \$3,759.
- **Recommended annual allocation with deficit reduction in 2015 is \$5,720.**
- Recommended balance at fiscal year end is \$45,106.
- We allocated \$0, leaving this component underfunded by \$45,106.

MISC. EXTERIOR: Miscellaneous Painting

- 1 annual allocations with a replacement cost of \$1,575 per year.
- Normal life of 1 year with 1 year remaining until replacement.

Sample Homeowners Association

- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$1,575.
- **Estimated cost to replace at FYE 2015 is \$1,662.**
- Recommended annual allocation in 2015 is \$1,575.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,575.**
- Recommended balance at fiscal year end is \$0.
- We allocated \$0, leaving this component underfunded by \$0.

CONCRETE: Repair/Replace 15%

- 18,302 SqFt with a replacement cost of \$18.05 per SqFt.
- Normal life of 25 years with 12 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$49,553.
- **Estimated cost to replace at FYE 2026 is \$94,211.**
- Recommended annual allocation in 2015 is \$1,982.
- **Recommended annual allocation with deficit reduction in 2015 is \$4,129.**
- Recommended balance at fiscal year end is \$25,767.
- We allocated \$0, leaving this component underfunded by \$25,767.

CONCRETE: Staining Ground Floor

- 1 Estimate with a replacement cost of \$9,067 per Estimate.
- Normal life of 10 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$1,360.
- **Estimated cost to replace at FYE 2019 is \$1,777.**
- Recommended annual allocation in 2015 is \$136.
- **Recommended annual allocation with deficit reduction in 2015 is \$150.**
- Recommended balance at fiscal year end is \$680.
- We allocated \$610, leaving this component underfunded by \$70.

PRIVACY: Entry Intercoms

- 2 Estimate with a replacement cost of \$5,769 per Estimate.
- Normal life of 20 years with 7 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$11,538.
- **Estimated cost to replace at FYE 2021 is \$16,784.**
- Recommended annual allocation in 2015 is \$577.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,648.**
- Recommended balance at fiscal year end is \$7,500.
- We allocated \$0, leaving this component underfunded by \$7,500.

PRIVACY: Key Fob System

- 1 Estimate with a replacement cost of \$21,634 per Estimate.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$21,634.

Sample Homeowners Association

- **Estimated cost to replace at FYE 2019 is \$28,275.**
- Recommended annual allocation in 2015 is \$1,202.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,525.**
- Recommended balance at fiscal year end is \$15,625.
- We allocated \$14,007, leaving this component underfunded by \$1,618.

PRIVACY: Liftmaster Operators

- 4 Units with a replacement cost of \$4,937 per Unit.
- Normal life of 12 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$19,748.
- **Estimated cost to replace at FYE 2019 is \$25,810.**
- Recommended annual allocation in 2015 is \$1,646.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,884.**
- Recommended balance at fiscal year end is \$11,520.
- We allocated \$10,327, leaving this component underfunded by \$1,193.

PRIVACY: Roll Up Gates

- 4 Units with a replacement cost of \$8,228 per Unit.
- Normal life of 30 years with 23 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$32,912.
- **Estimated cost to replace at FYE 2037 is \$112,762.**
- Recommended annual allocation in 2015 is \$1,097.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,431.**
- Recommended balance at fiscal year end is \$7,679.
- We allocated \$0, leaving this component underfunded by \$7,679.

PRIVACY: All-O-Matic Operators

- 2 Units with a replacement cost of \$4,937 per Unit.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$9,874.
- **Estimated cost to replace at FYE 2016 is \$10,990.**
- Recommended annual allocation in 2015 is \$658.
- **Recommended annual allocation with deficit reduction in 2015 is \$658.**
- Recommended balance at fiscal year end is \$8,557.
- We allocated \$8,557, leaving this component underfunded by \$0.

PRIVACY: Swing Up Gates

- 2 Units with a replacement cost of \$8,228 per Unit.
- Normal life of 25 years with 12 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$16,456.
- **Estimated cost to replace at FYE 2026 is \$31,286.**
- Recommended annual allocation in 2015 is \$658.

- **Recommended annual allocation with deficit reduction in 2015 is \$1,371.**
- Recommended balance at fiscal year end is \$8,557.
- We allocated \$0, leaving this component underfunded by \$8,557.

PRIVACY: Masonry Wall Repair

- 1 Estimate with a replacement cost of \$21,634 per Estimate.
- Normal life of 25 years with 12 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$21,634.
- **Estimated cost to replace at FYE 2026 is \$41,131.**
- Recommended annual allocation in 2015 is \$865.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,803.**
- Recommended balance at fiscal year end is \$11,250.
- We allocated \$0, leaving this component underfunded by \$11,250.

PRIVACY: Entry Drive Gate Arm

- 1 Estimate with a replacement cost of \$4,100 per Estimate.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$4,100.
- **Estimated cost to replace at FYE 2019 is \$5,359.**
- Recommended annual allocation in 2015 is \$228.
- **Recommended annual allocation with deficit reduction in 2015 is \$289.**
- Recommended balance at fiscal year end is \$2,961.
- We allocated \$2,655, leaving this component underfunded by \$307.

PRIVACY: Video System Upgrade

- 1 Estimate with a replacement cost of \$16,405 per Estimate.
- Normal life of 13 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$16,405.
- **Estimated cost to replace at FYE 2015 is \$17,307.**
- Recommended annual allocation in 2015 is \$1,262.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,262.**
- Recommended balance at fiscal year end is \$15,143.
- We allocated \$15,143, leaving this component underfunded by \$0.

POOL AREA: Pool Heater

- 1 Units with a replacement cost of \$6,056 per Unit.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$6,056.
- **Estimated cost to replace at FYE 2015 is \$6,389.**
- Recommended annual allocation in 2015 is \$433.
- **Recommended annual allocation with deficit reduction in 2015 is \$433.**

Sample Homeowners Association

- Recommended balance at fiscal year end is \$5,623.
- We allocated \$5,623, leaving this component underfunded by \$0.

POOL AREA: Pool Filter

- 1 Units with a replacement cost of \$3,748 per Unit.
- Normal life of 20 years with 7 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$3,748.
- **Estimated cost to replace at FYE 2021 is \$5,452.**
- Recommended annual allocation in 2015 is \$187.
- **Recommended annual allocation with deficit reduction in 2015 is \$535.**
- Recommended balance at fiscal year end is \$2,436.
- We allocated \$0, leaving this component underfunded by \$2,436.

POOL AREA: Pool Pumps & Misc.

- 1 Estimate with a replacement cost of \$3,748 per Estimate.
- Normal life of 12 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$3,748.
- **Estimated cost to replace at FYE 2019 is \$4,898.**
- Recommended annual allocation in 2015 is \$312.
- **Recommended annual allocation with deficit reduction in 2015 is \$358.**
- Recommended balance at fiscal year end is \$2,186.
- We allocated \$1,960, leaving this component underfunded by \$226.

POOL AREA: Spa Heater

- 1 Units with a replacement cost of \$4,039 per Unit.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$4,039.
- **Estimated cost to replace at FYE 2015 is \$4,261.**
- Recommended annual allocation in 2015 is \$289.
- **Recommended annual allocation with deficit reduction in 2015 is \$289.**
- Recommended balance at fiscal year end is \$3,751.
- We allocated \$3,751, leaving this component underfunded by \$0.

POOL AREA: Spa Filter

- 1 Units with a replacement cost of \$4,616 per Unit.
- Normal life of 20 years with 7 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$4,616.
- **Estimated cost to replace at FYE 2021 is \$6,715.**
- Recommended annual allocation in 2015 is \$231.
- **Recommended annual allocation with deficit reduction in 2015 is \$659.**
- Recommended balance at fiscal year end is \$3,000.
- We allocated \$0, leaving this component underfunded by \$3,000.

POOL AREA: Spa Pumps & Misc.

- 1 Estimate with a replacement cost of \$4,616 per Estimate.
- Normal life of 12 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$4,616.
- **Estimated cost to replace at FYE 2019 is \$6,033.**
- Recommended annual allocation in 2015 is \$385.
- **Recommended annual allocation with deficit reduction in 2015 is \$440.**
- Recommended balance at fiscal year end is \$2,693.
- We allocated \$2,414, leaving this component underfunded by \$279.

POOL AREA: Pool Replaster

- 1,694 SqFt with a replacement cost of \$13.69 per SqFt.
- Normal life of 16 years with 3 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$23,191.
- **Estimated cost to replace at FYE 2017 is \$27,232.**
- Recommended annual allocation in 2015 is \$1,449.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,449.**
- Recommended balance at fiscal year end is \$18,843.
- We allocated \$18,843, leaving this component underfunded by \$0.

POOL AREA: Spa Replaster 10x10

- 1 Estimate with a replacement cost of \$8,190 per Estimate.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$8,190.
- **Estimated cost to replace at FYE 2015 is \$8,640.**
- Recommended annual allocation in 2015 is \$585.
- **Recommended annual allocation with deficit reduction in 2015 is \$585.**
- Recommended balance at fiscal year end is \$7,605.
- We allocated \$7,605, leaving this component underfunded by \$0.

POOL AREA: Tile & Coping Repair

- 216 LnFt with a replacement cost of \$49.05 per LnFt.
- Normal life of 31 years with 20 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$10,595.
- **Estimated cost to replace at FYE 2034 is \$30,914.**
- Recommended annual allocation in 2015 is \$342.
- **Recommended annual allocation with deficit reduction in 2015 is \$530.**
- Recommended balance at fiscal year end is \$3,759.
- We allocated \$0, leaving this component underfunded by \$3,759.

POOL AREA: Deck Caulking

Sample Homeowners Association

- 216 LnFt with a replacement cost of \$7.93 per LnFt.
- Normal life of 5 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$1,713.
- **Estimated cost to replace at FYE 2015 is \$1,807.**
- Recommended annual allocation in 2015 is \$343.
- **Recommended annual allocation with deficit reduction in 2015 is \$343.**
- Recommended balance at fiscal year end is \$1,370.
- We allocated \$1,370, leaving this component underfunded by \$0.

POOL AREA: Aluminum Furniture

- 41 Units with a replacement cost of \$719 per Unit.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$29,479.
- **Estimated cost to replace at FYE 2015 is \$31,100.**
- Recommended annual allocation in 2015 is \$2,106.
- **Recommended annual allocation with deficit reduction in 2015 is \$2,106.**
- Recommended balance at fiscal year end is \$27,373.
- We allocated \$27,373, leaving this component underfunded by \$0.

POOL AREA: Misc. Furnishings

- 1 Estimate with a replacement cost of \$20,034 per Estimate.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$20,034.
- **Estimated cost to replace at FYE 2019 is \$26,184.**
- Recommended annual allocation in 2015 is \$1,113.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,413.**
- Recommended balance at fiscal year end is \$14,469.
- We allocated \$12,971, leaving this component underfunded by \$1,498.

POOL AREA: BBQ Grills

- 2 Units with a replacement cost of \$4,725 per Unit.
- Normal life of 12 years with 11 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$9,450.
- **Estimated cost to replace at FYE 2025 is \$17,030.**
- Recommended annual allocation in 2015 is \$788.
- **Recommended annual allocation with deficit reduction in 2015 is \$859.**
- Recommended balance at fiscal year end is \$788.
- We allocated \$0, leaving this component underfunded by \$788.

INTERIOR AREAS: Lobby Furniture

- 1 Estimate with a replacement cost of \$86,536 per Estimate.
- Normal life of 15 years with 2 years remaining until replacement.

Sample Homeowners Association

- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$86,536.
- **Estimated cost to replace at FYE 2016 is \$96,317.**
- Recommended annual allocation in 2015 is \$5,769.
- **Recommended annual allocation with deficit reduction in 2015 is \$5,769.**
- Recommended balance at fiscal year end is \$74,998.
- We allocated \$74,998, leaving this component underfunded by \$0.

INTERIOR AREAS: Misc. Furnishings

- 15 annual allocations with a replacement cost of \$3,365 per year.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$50,475.
- **Estimated cost to replace at FYE 2016 is \$56,180.**
- Recommended annual allocation in 2015 is \$3,365.
- **Recommended annual allocation with deficit reduction in 2015 is \$3,365.**
- Recommended balance at fiscal year end is \$43,745.
- We allocated \$43,745, leaving this component underfunded by \$0.

INTERIOR AREAS: New Mailing System

- 1 Estimate with a replacement cost of \$24,501 per Estimate.
- Normal life of 30 years with 25 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$24,501.
- **Estimated cost to replace at FYE 2039 is \$93,432.**
- Recommended annual allocation in 2015 is \$817.
- **Recommended annual allocation with deficit reduction in 2015 is \$980.**
- Recommended balance at fiscal year end is \$4,084.
- We allocated \$0, leaving this component underfunded by \$4,084.

INTERIOR AREAS: Elevator Lobby Carpet

- 3 Units with a replacement cost of \$885 per Unit.
- Normal life of 8 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$2,655.
- **Estimated cost to replace at FYE 2015 is \$2,801.**
- Recommended annual allocation in 2015 is \$332.
- **Recommended annual allocation with deficit reduction in 2015 is \$332.**
- Recommended balance at fiscal year end is \$2,323.
- We allocated \$2,323, leaving this component underfunded by \$0.

INTERIOR AREAS: Masonry Sealing

- 31,218 SqFt with a replacement cost of \$0.80 per SqFt.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$24,974.

Sample Homeowners Association

- **Estimated cost to replace at FYE 2019 is \$32,640.**
- Recommended annual allocation in 2015 is \$1,387.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,761.**
- Recommended balance at fiscal year end is \$18,037.
- We allocated \$16,170, leaving this component underfunded by \$1,867.

INTERIOR AREAS: Hall Carpet 9,12,15

- 3 Floor with a replacement cost of \$12,972 per Floor.
- Normal life of 12 years with 10 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$38,916.
- **Estimated cost to replace at FYE 2024 is \$66,474.**
- Recommended annual allocation in 2015 is \$3,243.
- **Recommended annual allocation with deficit reduction in 2015 is \$3,892.**
- Recommended balance at fiscal year end is \$6,486.
- We allocated \$0, leaving this component underfunded by \$6,486.

INTERIOR AREAS: Hall Carpet

- 11 Floor with a replacement cost of \$12,972 per Floor.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$142,692.
- **Estimated cost to replace at FYE 2015 is \$150,540.**
- Recommended annual allocation in 2015 is \$10,192.
- **Recommended annual allocation with deficit reduction in 2015 is \$10,192.**
- Recommended balance at fiscal year end is \$132,500.
- We allocated \$132,500, leaving this component underfunded by \$0.

INTERIOR AREAS: Ground Floor Carpet

- 425 SqYds with a replacement cost of \$63.49 per SqYd.
- Normal life of 10 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$26,983.
- **Estimated cost to replace at FYE 2019 is \$35,266.**
- Recommended annual allocation in 2015 is \$2,698.
- **Recommended annual allocation with deficit reduction in 2015 is \$2,978.**
- Recommended balance at fiscal year end is \$13,492.
- We allocated \$12,095, leaving this component underfunded by \$1,397.

INTERIOR AREAS: Hallway Lights

- 934 Units with a replacement cost of \$160 per Unit.
- Normal life of 30 years with 17 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$149,440.
- **Estimated cost to replace at FYE 2031 is \$371,329.**
- Recommended annual allocation in 2015 is \$4,981.

- **Recommended annual allocation with deficit reduction in 2015 is \$8,791.**
- Recommended balance at fiscal year end is \$64,757.
- We allocated \$0, leaving this component underfunded by \$64,757.

INTERIOR AREAS: Misc. Fixtures

- 1,366 Units with a replacement cost of \$252 per Unit.
- Normal life of 30 years with 17 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$344,232.
- **Estimated cost to replace at FYE 2031 is \$855,348.**
- Recommended annual allocation in 2015 is \$11,474.
- **Recommended annual allocation with deficit reduction in 2015 is \$20,249.**
- Recommended balance at fiscal year end is \$149,167.
- We allocated \$0, leaving this component underfunded by \$149,167.

INTERIOR AREAS: Lobby Floors 10%

- 6,915 SqFt with a replacement cost of \$40.39 per SqFt.
- Normal life of 30 years with 17 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$27,930.
- **Estimated cost to replace at FYE 2031 is \$69,401.**
- Recommended annual allocation in 2015 is \$931.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,643.**
- Recommended balance at fiscal year end is \$12,103.
- We allocated \$0, leaving this component underfunded by \$12,103.

INTERIOR AREAS: Conference Cubicals

- 4 Units with a replacement cost of \$2,897 per Unit.
- Normal life of 20 years with 18 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$11,588.
- **Estimated cost to replace at FYE 2032 is \$30,378.**
- Recommended annual allocation in 2015 is \$579.
- **Recommended annual allocation with deficit reduction in 2015 is \$644.**
- Recommended balance at fiscal year end is \$1,159.
- We allocated \$0, leaving this component underfunded by \$1,159.

INTERIOR AREAS: Comm. Rm. Furnishings

- 1 Estimate with a replacement cost of \$18,316 per Estimate.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$18,316.
- **Estimated cost to replace at FYE 2016 is \$20,386.**
- Recommended annual allocation in 2015 is \$1,221.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,221.**

Sample Homeowners Association

- Recommended balance at fiscal year end is \$15,874.
- We allocated \$15,874, leaving this component underfunded by \$0.

INTERIOR AREAS: Panasonic TV 58"

- 1 Units with a replacement cost of \$2,460 per Unit.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$2,460.
- **Estimated cost to replace at FYE 2016 is \$2,738.**
- Recommended annual allocation in 2015 is \$164.
- **Recommended annual allocation with deficit reduction in 2015 is \$164.**
- Recommended balance at fiscal year end is \$2,132.
- We allocated \$2,132, leaving this component underfunded by \$0.

INTERIOR AREAS: Conference TV 50"

- 1 Units with a replacement cost of \$1,231 per Unit.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$1,231.
- **Estimated cost to replace at FYE 2016 is \$1,370.**
- Recommended annual allocation in 2015 is \$82.
- **Recommended annual allocation with deficit reduction in 2015 is \$82.**
- Recommended balance at fiscal year end is \$1,067.
- We allocated \$1,067, leaving this component underfunded by \$0.

INTERIOR AREAS: Yoga Vinyl Floor

- 99 SqYds with a replacement cost of \$32.44 per SqYd.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$3,212.
- **Estimated cost to replace at FYE 2016 is \$3,575.**
- Recommended annual allocation in 2015 is \$214.
- **Recommended annual allocation with deficit reduction in 2015 is \$214.**
- Recommended balance at fiscal year end is \$2,783.
- We allocated \$2,783, leaving this component underfunded by \$0.

INTERIOR AREAS: Fitness Room TV 46"

- 1 Units with a replacement cost of \$1,026 per Unit.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$1,026.
- **Estimated cost to replace at FYE 2016 is \$1,142.**
- Recommended annual allocation in 2015 is \$68.
- **Recommended annual allocation with deficit reduction in 2015 is \$68.**
- Recommended balance at fiscal year end is \$889.
- We allocated \$889, leaving this component underfunded by \$0.

INTERIOR AREAS: Gym Flooring

- 1 Estimate with a replacement cost of \$14,515 per Estimate.
- Normal life of 15 years with 9 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$14,515.
- **Estimated cost to replace at FYE 2023 is \$23,501.**
- Recommended annual allocation in 2015 is \$968.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,613.**
- Recommended balance at fiscal year end is \$5,806.
- We allocated \$0, leaving this component underfunded by \$5,806.

INTERIOR AREAS: Elevator Laminate

- 1 Estimate with a replacement cost of \$7,895 per Estimate.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$7,895.
- **Estimated cost to replace at FYE 2016 is \$8,787.**
- Recommended annual allocation in 2015 is \$526.
- **Recommended annual allocation with deficit reduction in 2015 is \$526.**
- Recommended balance at fiscal year end is \$6,842.
- We allocated \$6,842, leaving this component underfunded by \$0.

INTERIOR AREAS: Epoxy Flooring

- 1 Estimate with a replacement cost of \$7,649 per Estimate.
- Normal life of 10 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$7,649.
- **Estimated cost to replace at FYE 2019 is \$9,997.**
- Recommended annual allocation in 2015 is \$765.
- **Recommended annual allocation with deficit reduction in 2015 is \$844.**
- Recommended balance at fiscal year end is \$3,825.
- We allocated \$3,429, leaving this component underfunded by \$396.

FITNESS EQUIPMENT: Star Trac Stepper

- 1 Units with a replacement cost of \$4,616 per Unit.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$4,616.
- **Estimated cost to replace at FYE 2016 is \$5,138.**
- Recommended annual allocation in 2015 is \$308.
- **Recommended annual allocation with deficit reduction in 2015 is \$308.**
- Recommended balance at fiscal year end is \$4,001.
- We allocated \$4,001, leaving this component underfunded by \$0.

FITNESS EQUIPMENT: Star Trac Bikes

Sample Homeowners Association

- 3 Units with a replacement cost of \$3,244 per Unit.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$9,732.
- **Estimated cost to replace at FYE 2016 is \$10,832.**
- Recommended annual allocation in 2015 is \$649.
- **Recommended annual allocation with deficit reduction in 2015 is \$649.**
- Recommended balance at fiscal year end is \$8,434.
- We allocated \$8,434, leaving this component underfunded by \$0.

FITNESS EQUIPMENT: Star Trac Ellipticals

- 2 Units with a replacement cost of \$4,182 per Unit.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$8,364.
- **Estimated cost to replace at FYE 2016 is \$9,309.**
- Recommended annual allocation in 2015 is \$558.
- **Recommended annual allocation with deficit reduction in 2015 is \$558.**
- Recommended balance at fiscal year end is \$7,249.
- We allocated \$7,249, leaving this component underfunded by \$0.

FITNESS EQUIPMENT: Star Trac Treadmills

- 3 Units with a replacement cost of \$6,056 per Unit.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$18,168.
- **Estimated cost to replace at FYE 2016 is \$20,221.**
- Recommended annual allocation in 2015 is \$1,211.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,211.**
- Recommended balance at fiscal year end is \$15,746.
- We allocated \$15,746, leaving this component underfunded by \$0.

ROOF TOP LOUNGE: Furniture

- 1 Contract with a replacement cost of \$11,684 per Contract.
- Normal life of 8 years with 6 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$11,684.
- **Estimated cost to replace at FYE 2020 is \$16,110.**
- Recommended annual allocation in 2015 is \$1,461.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,947.**
- Recommended balance at fiscal year end is \$2,921.
- We allocated \$0, leaving this component underfunded by \$2,921.

ROOF TOP LOUNGE: Granite Countertop

- 25 LnFt with a replacement cost of \$181 per LnFt.
- Normal life of 25 years with 12 years remaining until replacement.

Sample Homeowners Association

- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$4,525.
- **Estimated cost to replace at FYE 2026 is \$8,603.**
- Recommended annual allocation in 2015 is \$181.
- **Recommended annual allocation with deficit reduction in 2015 is \$377.**
- Recommended balance at fiscal year end is \$2,353.
- We allocated \$0, leaving this component underfunded by \$2,353.

ROOF TOP LOUNGE: Conc. Deck Pavers

- 2,016 SqFt with a replacement cost of \$14.01 per SqFt.
- Normal life of 25 years with 12 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$28,244.
- **Estimated cost to replace at FYE 2026 is \$53,698.**
- Recommended annual allocation in 2015 is \$1,130.
- **Recommended annual allocation with deficit reduction in 2015 is \$2,354.**
- Recommended balance at fiscal year end is \$14,687.
- We allocated \$0, leaving this component underfunded by \$14,687.

ROOF TOP LOUNGE: Television

- 1 Contract with a replacement cost of \$13,916 per Contract.
- Normal life of 5 years with 3 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$13,916.
- **Estimated cost to replace at FYE 2017 is \$16,341.**
- Recommended annual allocation in 2015 is \$2,783.
- **Recommended annual allocation with deficit reduction in 2015 is \$2,783.**
- Recommended balance at fiscal year end is \$5,566.
- We allocated \$5,566, leaving this component underfunded by \$0.

ROOF TOP LOUNGE: BBQ Grills

- 2 Units with a replacement cost of \$6,470 per Unit.
- Normal life of 10 years with 8 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$12,940.
- **Estimated cost to replace at FYE 2022 is \$19,859.**
- Recommended annual allocation in 2015 is \$1,294.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,618.**
- Recommended balance at fiscal year end is \$2,588.
- We allocated \$0, leaving this component underfunded by \$2,588.

ROOF TOP LOUNGE: BBQ Island

- 1 Estimate with a replacement cost of \$7,322 per Estimate.
- Normal life of 15 years with 10 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$7,322.

- **Estimated cost to replace at FYE 2024 is \$12,507.**
- Recommended annual allocation in 2015 is \$488.
- **Recommended annual allocation with deficit reduction in 2015 is \$732.**
- Recommended balance at fiscal year end is \$2,441.
- We allocated \$0, leaving this component underfunded by \$2,441.

LIGHTING: Common Blk. Poles

- 19 Units with a replacement cost of \$2,311 per Unit.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$43,909.
- **Estimated cost to replace at FYE 2019 is \$57,387.**
- Recommended annual allocation in 2015 is \$2,439.
- **Recommended annual allocation with deficit reduction in 2015 is \$3,096.**
- Recommended balance at fiscal year end is \$31,712.
- We allocated \$28,429, leaving this component underfunded by \$3,283.

LIGHTING: Misc.Exterior Fixtures

- 25 annual allocations with a replacement cost of \$1,729 per year.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$43,225.
- **Estimated cost to replace at FYE 2019 is \$56,493.**
- Recommended annual allocation in 2015 is \$2,401.
- **Recommended annual allocation with deficit reduction in 2015 is \$3,048.**
- Recommended balance at fiscal year end is \$31,218.
- We allocated \$27,986, leaving this component underfunded by \$3,232.

LIGHTING: Garage Fluorescents

- 228 Units with a replacement cost of \$181 per Unit.
- Normal life of 25 years with 12 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$41,268.
- **Estimated cost to replace at FYE 2026 is \$78,459.**
- Recommended annual allocation in 2015 is \$1,651.
- **Recommended annual allocation with deficit reduction in 2015 is \$3,439.**
- Recommended balance at fiscal year end is \$21,459.
- We allocated \$0, leaving this component underfunded by \$21,459.

MISCELLANEOUS: Fountain Equipment

- 1 Estimate with a replacement cost of \$3,663 per Estimate.
- Normal life of 13 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$3,663.
- **Estimated cost to replace at FYE 2015 is \$3,864.**
- Recommended annual allocation in 2015 is \$282.

- **Recommended annual allocation with deficit reduction in 2015 is \$282.**
- Recommended balance at fiscal year end is \$3,381.
- We allocated \$3,381, leaving this component underfunded by \$0.

MISCELLANEOUS: Signage

- 1 Estimate with a replacement cost of \$14,423 per Estimate.
- Normal life of 20 years with 7 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$14,423.
- **Estimated cost to replace at FYE 2021 is \$20,981.**
- Recommended annual allocation in 2015 is \$721.
- **Recommended annual allocation with deficit reduction in 2015 is \$2,060.**
- Recommended balance at fiscal year end is \$9,375.
- We allocated \$0, leaving this component underfunded by \$9,375.

LANDSCAPING: Synthetic Grass

- 1 Estimate with a replacement cost of \$20,362 per Estimate.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$20,362.
- **Estimated cost to replace at FYE 2016 is \$22,663.**
- Recommended annual allocation in 2015 is \$1,357.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,357.**
- Recommended balance at fiscal year end is \$17,647.
- We allocated \$17,647, leaving this component underfunded by \$0.

LANDSCAPING: Renovation

- 19,604 SqFt with a replacement cost of \$4.32 per SqFt.
- Normal life of 20 years with 7 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$84,689.
- **Estimated cost to replace at FYE 2021 is \$123,195.**
- Recommended annual allocation in 2015 is \$4,234.
- **Recommended annual allocation with deficit reduction in 2015 is \$12,098.**
- Recommended balance at fiscal year end is \$55,048.
- We allocated \$0, leaving this component underfunded by \$55,048.

LANDSCAPING: Irrigation Upgrades

- 20 Estimate with a replacement cost of \$632 per Estimate.
- Normal life of 20 years with 7 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$12,640.
- **Estimated cost to replace at FYE 2021 is \$18,387.**
- Recommended annual allocation in 2015 is \$632.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,806.**

Sample Homeowners Association

- Recommended balance at fiscal year end is \$8,216.
- We allocated \$0, leaving this component underfunded by \$8,216.

MECHANICAL: Domestic Boilers

- 2 Units with a replacement cost of \$42,000 per Unit.
- Normal life of 20 years with 19 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$84,000.
- **Estimated cost to replace at FYE 2033 is \$232,314.**
- Recommended annual allocation in 2015 is \$4,200.
- **Recommended annual allocation with deficit reduction in 2015 is \$4,421.**
- Recommended balance at fiscal year end is \$4,200.
- We allocated \$0, leaving this component underfunded by \$4,200.

MECHANICAL: Dom. Storage Tank

- 1 Units with a replacement cost of \$21,000 per Unit.
- Normal life of 15 years with 14 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$21,000.
- **Estimated cost to replace at FYE 2028 is \$44,438.**
- Recommended annual allocation in 2015 is \$1,400.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,500.**
- Recommended balance at fiscal year end is \$1,400.
- We allocated \$0, leaving this component underfunded by \$1,400.

MECHANICAL: Dom. Pressure Tanks

- 1 Units with a replacement cost of \$4,100 per Unit.
- Normal life of 12 years with 11 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$4,100.
- **Estimated cost to replace at FYE 2025 is \$7,389.**
- Recommended annual allocation in 2015 is \$342.
- **Recommended annual allocation with deficit reduction in 2015 is \$373.**
- Recommended balance at fiscal year end is \$342.
- We allocated \$0, leaving this component underfunded by \$342.

MECHANICAL: Domestic Lift Pumps

- 3 Units with a replacement cost of \$7,140 per Unit.
- Normal life of 8 years with 7 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$21,420.
- **Estimated cost to replace at FYE 2021 is \$31,159.**
- Recommended annual allocation in 2015 is \$2,678.
- **Recommended annual allocation with deficit reduction in 2015 is \$3,060.**
- Recommended balance at fiscal year end is \$2,678.
- We allocated \$0, leaving this component underfunded by \$2,678.

MECHANICAL: Dom. Circ. Pumps

- 2 Units with a replacement cost of \$3,990 per Unit.
- Normal life of 8 years with 7 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$7,980.
- **Estimated cost to replace at FYE 2021 is \$11,608.**
- Recommended annual allocation in 2015 is \$998.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,140.**
- Recommended balance at fiscal year end is \$998.
- We allocated \$0, leaving this component underfunded by \$998.

MECHANICAL: Domestic Backflow

- 1 Units with a replacement cost of \$8,653 per Unit.
- Normal life of 25 years with 14 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$8,653.
- **Estimated cost to replace at FYE 2028 is \$18,311.**
- Recommended annual allocation in 2015 is \$346.
- **Recommended annual allocation with deficit reduction in 2015 is \$618.**
- Recommended balance at fiscal year end is \$3,807.
- We allocated \$0, leaving this component underfunded by \$3,807.

MECHANICAL: Ajax Heating Boilers

- 2 Units with a replacement cost of \$28,026 per Unit.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$56,052.
- **Estimated cost to replace at FYE 2016 is \$62,387.**
- Recommended annual allocation in 2015 is \$3,737.
- **Recommended annual allocation with deficit reduction in 2015 is \$3,737.**
- Recommended balance at fiscal year end is \$48,578.
- We allocated \$48,578, leaving this component underfunded by \$0.

MECHANICAL: Heat Circulation Pumps

- 2 Units with a replacement cost of \$10,762 per Unit.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$21,524.
- **Estimated cost to replace at FYE 2019 is \$28,131.**
- Recommended annual allocation in 2015 is \$1,196.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,518.**
- Recommended balance at fiscal year end is \$15,545.
- We allocated \$13,936, leaving this component underfunded by \$1,609.

MECHANICAL: Heat Pressure Tank

Sample Homeowners Association

- 1 Units with a replacement cost of \$4,100 per Unit.
- Normal life of 10 years with 9 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$4,100.
- **Estimated cost to replace at FYE 2023 is \$6,638.**
- Recommended annual allocation in 2015 is \$410.
- **Recommended annual allocation with deficit reduction in 2015 is \$456.**
- Recommended balance at fiscal year end is \$410.
- We allocated \$0, leaving this component underfunded by \$410.

MECHANICAL: Mixing Valve

- 1 Units with a replacement cost of \$3,173 per Unit.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$3,173.
- **Estimated cost to replace at FYE 2016 is \$3,532.**
- Recommended annual allocation in 2015 is \$212.
- **Recommended annual allocation with deficit reduction in 2015 is \$212.**
- Recommended balance at fiscal year end is \$2,750.
- We allocated \$2,750, leaving this component underfunded by \$0.

MECHANICAL: Cooling Towers

- 4 Units with a replacement cost of \$39,508 per Unit.
- Normal life of 20 years with 7 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$158,032.
- **Estimated cost to replace at FYE 2021 is \$229,886.**
- Recommended annual allocation in 2015 is \$7,902.
- **Recommended annual allocation with deficit reduction in 2015 is \$22,576.**
- Recommended balance at fiscal year end is \$102,721.
- We allocated \$0, leaving this component underfunded by \$102,721.

MECHANICAL: Fan Motor Replace

- 1 Estimate with a replacement cost of \$10,482 per Estimate.
- Normal life of 15 years with 10 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$10,482.
- **Estimated cost to replace at FYE 2024 is \$17,905.**
- Recommended annual allocation in 2015 is \$699.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,048.**
- Recommended balance at fiscal year end is \$3,494.
- We allocated \$0, leaving this component underfunded by \$3,494.

MECHANICAL: Spray Pump Motors

- 4 Units with a replacement cost of \$3,292 per Unit.
- Normal life of 14 years with 1 year remaining until replacement.

- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$13,168.
- **Estimated cost to replace at FYE 2015 is \$13,892.**
- Recommended annual allocation in 2015 is \$941.
- **Recommended annual allocation with deficit reduction in 2015 is \$941.**
- Recommended balance at fiscal year end is \$12,227.
- We allocated \$12,227, leaving this component underfunded by \$0.

MECHANICAL: Compressor Replace

- 1 Estimate with a replacement cost of \$8,855 per Estimate.
- Normal life of 15 years with 10 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$8,855.
- **Estimated cost to replace at FYE 2024 is \$15,126.**
- Recommended annual allocation in 2015 is \$590.
- **Recommended annual allocation with deficit reduction in 2015 is \$886.**
- Recommended balance at fiscal year end is \$2,952.
- We allocated \$0, leaving this component underfunded by \$2,952.

MECHANICAL: Condenser Pumps

- 2 Units with a replacement cost of \$12,980 per Unit.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$25,960.
- **Estimated cost to replace at FYE 2015 is \$27,388.**
- Recommended annual allocation in 2015 is \$1,854.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,854.**
- Recommended balance at fiscal year end is \$24,106.
- We allocated \$24,106, leaving this component underfunded by \$0.

MECHANICAL: VDF Monitoring Sys.

- 2 Estimate with a replacement cost of \$3,827 per Estimate.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$7,654.
- **Estimated cost to replace at FYE 2015 is \$8,075.**
- Recommended annual allocation in 2015 is \$547.
- **Recommended annual allocation with deficit reduction in 2015 is \$547.**
- Recommended balance at fiscal year end is \$7,107.
- We allocated \$7,107, leaving this component underfunded by \$0.

MECHANICAL: Climatec Lobby

- 1 Estimate with a replacement cost of \$17,088 per Estimate.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$17,088.

- **Estimated cost to replace at FYE 2019 is \$22,333.**
- Recommended annual allocation in 2015 is \$949.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,205.**
- Recommended balance at fiscal year end is \$12,341.
- We allocated \$11,064, leaving this component underfunded by \$1,278.

MECHANICAL: ClimateMaster Halls

- 1 Estimate with a replacement cost of \$32,809 per Estimate.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$32,809.
- **Estimated cost to replace at FYE 2019 is \$42,880.**
- Recommended annual allocation in 2015 is \$1,823.
- **Recommended annual allocation with deficit reduction in 2015 is \$2,313.**
- Recommended balance at fiscal year end is \$23,695.
- We allocated \$21,242, leaving this component underfunded by \$2,453.

MECHANICAL: Heat Pumps

- 10 Estimate with a replacement cost of \$6,492 per Estimate.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$64,920.
- **Estimated cost to replace at FYE 2015 is \$68,491.**
- Recommended annual allocation in 2015 is \$4,637.
- **Recommended annual allocation with deficit reduction in 2015 is \$4,637.**
- Recommended balance at fiscal year end is \$60,283.
- We allocated \$60,283, leaving this component underfunded by \$0.

MECHANICAL: Pressurization Fans

- 3 Estimate with a replacement cost of \$6,492 per Estimate.
- Normal life of 15 years with 4 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$19,476.
- **Estimated cost to replace at FYE 2018 is \$24,127.**
- Recommended annual allocation in 2015 is \$1,298.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,298.**
- Recommended balance at fiscal year end is \$14,282.
- We allocated \$14,282, leaving this component underfunded by \$0.

MECHANICAL: Generator 150kw

- 1 Estimate with a replacement cost of \$81,126 per Estimate.
- Normal life of 25 years with 12 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$81,126.
- **Estimated cost to replace at FYE 2026 is \$154,237.**
- Recommended annual allocation in 2015 is \$3,245.

- **Recommended annual allocation with deficit reduction in 2015 is \$6,761.**
- Recommended balance at fiscal year end is \$42,186.
- We allocated \$0, leaving this component underfunded by \$42,186.

MECHANICAL: Generator Filter

- 1 Estimate with a replacement cost of \$42,415 per Estimate.
- Normal life of 10 years with 8 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$42,415.
- **Estimated cost to replace at FYE 2022 is \$65,094.**
- Recommended annual allocation in 2015 is \$4,242.
- **Recommended annual allocation with deficit reduction in 2015 is \$5,302.**
- Recommended balance at fiscal year end is \$8,483.
- We allocated \$0, leaving this component underfunded by \$8,483.

MECHANICAL: Emer. Transfer Switch

- 1 Estimate with a replacement cost of \$5,194 per Estimate.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$5,194.
- **Estimated cost to replace at FYE 2016 is \$5,781.**
- Recommended annual allocation in 2015 is \$346.
- **Recommended annual allocation with deficit reduction in 2015 is \$346.**
- Recommended balance at fiscal year end is \$4,501.
- We allocated \$4,501, leaving this component underfunded by \$0.

MECHANICAL: Bldg. Transfer Switch

- 1 Estimate with a replacement cost of \$11,537 per Estimate.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$11,537.
- **Estimated cost to replace at FYE 2016 is \$12,841.**
- Recommended annual allocation in 2015 is \$769.
- **Recommended annual allocation with deficit reduction in 2015 is \$769.**
- Recommended balance at fiscal year end is \$9,999.
- We allocated \$9,999, leaving this component underfunded by \$0.

MECHANICAL: Garage Backup Lights

- 1 Estimate with a replacement cost of \$6,834 per Estimate.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$6,834.
- **Estimated cost to replace at FYE 2015 is \$7,210.**
- Recommended annual allocation in 2015 is \$488.
- **Recommended annual allocation with deficit reduction in 2015 is \$488.**

Sample Homeowners Association

- Recommended balance at fiscal year end is \$6,346.
- We allocated \$6,346, leaving this component underfunded by \$0.

FIRE SPRINKLERS: Backflow Valve

- 1 Estimate with a replacement cost of \$8,653 per Estimate.
- Normal life of 15 years with 2 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$8,653.
- **Estimated cost to replace at FYE 2016 is \$9,631.**
- Recommended annual allocation in 2015 is \$577.
- **Recommended annual allocation with deficit reduction in 2015 is \$577.**
- Recommended balance at fiscal year end is \$7,499.
- We allocated \$7,499, leaving this component underfunded by \$0.

FIRE SPRINKLERS: Lift Pump 150 hp/Misc.

- 1 Estimate with a replacement cost of \$43,268 per Estimate.
- Normal life of 30 years with 17 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$43,268.
- **Estimated cost to replace at FYE 2031 is \$107,512.**
- Recommended annual allocation in 2015 is \$1,442.
- **Recommended annual allocation with deficit reduction in 2015 is \$2,545.**
- Recommended balance at fiscal year end is \$18,749.
- We allocated \$0, leaving this component underfunded by \$18,749.

FIRE SPRINKLERS: Jockey Pump

- 1 Estimate with a replacement cost of \$3,388 per Estimate.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$3,388.
- **Estimated cost to replace at FYE 2015 is \$3,574.**
- Recommended annual allocation in 2015 is \$242.
- **Recommended annual allocation with deficit reduction in 2015 is \$242.**
- Recommended balance at fiscal year end is \$3,146.
- We allocated \$3,146, leaving this component underfunded by \$0.

FIRE SPRINKLERS: Control Panel

- 1 Estimate with a replacement cost of \$8,653 per Estimate.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$8,653.
- **Estimated cost to replace at FYE 2015 is \$9,129.**
- Recommended annual allocation in 2015 is \$618.
- **Recommended annual allocation with deficit reduction in 2015 is \$618.**
- Recommended balance at fiscal year end is \$8,035.
- We allocated \$8,035, leaving this component underfunded by \$0.

FIRE SPRINKLERS: System Upgrades

- 1 Estimate with a replacement cost of \$21,634 per Estimate.
- Normal life of 14 years with 1 year remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$21,634.
- **Estimated cost to replace at FYE 2015 is \$22,824.**
- Recommended annual allocation in 2015 is \$1,545.
- **Recommended annual allocation with deficit reduction in 2015 is \$1,545.**
- Recommended balance at fiscal year end is \$20,089.
- We allocated \$20,089, leaving this component underfunded by \$0.

FIRE SPRINKLERS: Fire Sprinkler Backflow

- 1 Estimate with a replacement cost of \$11,537 per Estimate.
- Normal life of 18 years with 5 years remaining until replacement.
- Estimated cost to replace at Fiscal Year End (FYE) 2014 is \$11,537.
- **Estimated cost to replace at FYE 2019 is \$15,078.**
- Recommended annual allocation in 2015 is \$641.
- **Recommended annual allocation with deficit reduction in 2015 is \$813.**
- Recommended balance at fiscal year end is \$8,332.
- We allocated \$7,470, leaving this component underfunded by \$863.

GENERAL INFORMATION

In the production of a reserve study we utilize information from a variety of sources. The most accurate of these sources are the completed contracts or pending contracts that the Association has solicited. The second source of information we utilize is the actual costs for similar work performed for other associations in the same area. When actual or estimated costs are not available or total replacement is not applicable, we develop an allowance for component replacement. These costs are often listed as an annual allowance to be used to repair or replace the items.

Since 1986, **TROWER** has been actively engaged in architecture, general contracting, cost estimating and consulting throughout America. **Our primary objective is to provide management and associations with current and accurate construction cost data for future repair and replacement of the major common area components the association must maintain.**

Paul Trower has a professional degree in Architecture and 35 years of construction experience and is a licensed general contractor. We have completed over 10,200 studies as of April 2013. We produce a study that contains estimated quantities, estimated replacement costs, projected life expectancies and budget recommendations to assist the associations.

The construction industry and available materials are ever evolving. We make every effort to correctly represent these changes.

FACTORS AFFECTING UNIT COSTS

Project type and size will have an impact on cost. Economies of scale may reduce costs. Material and labor costs are calculated per standard construction practice based on US Government specifications. If overtime or holiday pay is anticipated costs should be adjusted. Output or productivity calculations are based upon working an eight-hour day in daylight.

Additional factors affecting costs are time of year, management fees, weather, labor and union restrictions, permits, building code requirements, utility access, skilled labor and building materials availability.

LIMITATIONS OF THE STUDY

This study attempts to determine the estimated quantity and remaining useful life of the components which are visually inspected and included in this study. This study is not a guarantee, warranty, or a recommendation to purchase.

Estimated remaining useful life is calculated with reasonable consideration for weather conditions. Natural disasters, including seismic activity have not been

addressed in this study. Reserve Funding for earthquake damage and other disasters exceeds the scope of this study. We recommend the Association consider additional insurance to cover unforeseen disasters. We assume the components of the association will receive proper maintenance.

This report is expressly for the use of the client and only for the purpose of establishing reserve funding requirements.

TROWER has made a reasonable effort to ensure that quantities in this report are accurate. We do not assume any liability for damages which may result from this study. We are not responsible for conditions this report fails to disclose. The information contained in this study is deemed reliable as of the date of this study, but is not guaranteed. This study does not preclude errors resulting from unforeseen conditions or circumstances, unreliable information or unpredictable cost conditions. **The scope of this report is expressly limited to the components described herein.**

This study is limited to a visual inspection and there has been no destructive testing or inspection of the interior of private units; floors, wall or ceiling cavities; or structural elements requiring testing. It is assumed that the components have been constructed per original construction documents and comply with applicable codes.

This study is not designed to uncover latent or patent defects. Estimates represent replacement of a component with similar materials only.

Local building codes have not been researched to determine whether or not current ordinances will permit the replacement of any component with like material. The estimates do not take into account the abbreviated useful life of a component as a result of defect in its original construction, installation, or design.

TROWER is not responsible for any claims, demands, or damages arising out of the discovery of asbestos or other hazardous materials.

The Association, by accepting this study, agrees to release **TROWER** from any claims, demands or damages. The Association, in consideration of **TROWER** performing the reserve study, hereby agrees to indemnify, defend and hold harmless **TROWER** from and against any and all liability, damages, losses, claims, demands, or lawsuits arising out of or relating to this reserve study.

DEFINITIONS

COMPONENT: Major repair or replacement item

ESTIMATED COMPONENT QUANTITY: (Est. Comp. Qty.) Quantity or volume

ESTIMATED UNIT COST: Quantitative unit cost per unit of measure

ESTIMATED COST TO REPLACE: Current replacement cost of component

LIFE EXPECTANCY NORMAL: Expected Life of component

LIFE EXPECTANCY REMAINING: Normal life minus years in service

SOURCE & CONDITION: Information acquired from:

1. **TROWER** estimate or allowance for total or partial replacement or repair
 2. Information from a previous reserve study
 3. Contractor bid for similar work in the same cost area
 4. Bid supplied by Board of Directors or Property Manager for completed or pending work
 5. Information or direction per the Board of Directors or Property Manager
- Condition graded from good to poor (G, G-F, F, F-P and P)

RECOMMENDED ALLOCATION FOR CURRENT FISCAL YEAR: Cost to Replace divided by Normal Life

RECOMMENDED BALANCE @ FYE: (Fiscal Year End): Annual Allocation multiplied by age of component

PROJECTED BALANCE @ FYE: The reserve account balance at FYE calculated from most recent financials (distributed by priority of need)

UNDER FUNDED \ OVER FUNDED: Recommended Balance @ FYE minus Expected Balance @ FYE

CONTINGENCY: An allowance for miscellaneous components (**TROWER** uses five percent unless directed otherwise by Board of Directors or Property Manager)

ANNUAL ALLOCATION w/ DEFICIT REDUCTION: Recommended Annual Allocation plus any under funded balance divided by the years remaining until replacement of each component (also shown on graph)

THIRTY YEAR PROJECTED RESERVE EXPENSES: Replacement cost and year in future dollars (adjusted for annual inflation)