PM+ Reserves®

Veteran Owned Business

SPECIALIZING IN RESERVE STUDIES SINCE 1990

Coleson Cluster-FY26-Revision 1 Reston, VA

PM+ Level II Updated Reserve Study March 26, 2026

C/o Mr. Carl Friedrich
1688 Wainwright Dr
Reston, VA 20190

Dear Mr. Friedrich:

Enclosed please find the revised Level II Update Reserve Study for Coleson Cluster. This is the Final Report, if there are questions or concerns please let us know. Also, please let us know if the accumulative cash on hand at the start of the fiscal year changes, we will issue a no cost change if it does.

Commonwealth of Virginia requirements for reserve studies are shown on page ii. Executive summary of study findings can be found on page 1.

For boards who need assistance in determining annual owner contribution for years between Level I and II studies, **PM+** is offering lower cost reserve studies (financial reviews). Proposal provided upon request.

We thank the Board of Directors for selecting **PM+** for this study and hope you call upon us for your next study.

Sincerely,

Stacey L. O'Bryan, MBA, PRA
Reserve Analyst

Enclosure: Study - PDF File

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PM+ Level II Updated Reserve Study — March 26, 2026

Prepared for:

Board of Directors

Stacey L. O'Bryan, MBA, PRA, RS

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VIRGINIA REQUIREMENTS FOR RESERVE STUDIES

§ 55.1- 1965 (Condo's) & 55.1-1826 (POA's), Annual budget; reserves for capital components (enacted October 1, 2019)

A. Except to the extent provided in the condominium instruments, the executive board shall, prior to the commencement of the fiscal year, make available to unit owners either (i) the annual budget of the unit owners' association or (ii) a summary of such annual budget.

B. Except to the extent otherwise provided in the condominium instruments, the executive board shall:

1. Conduct a study at least once every five years to determine the necessity and amount of reserves required to repair, replace, and restore the capital components as defined in § 55.1-1900;
2. Review the results of that study at least annually to determine if reserves are sufficient; and
3. Make any adjustments the executive board deems necessary to maintain reserves, as appropriate.

C. To the extent that the reserve study conducted in accordance with this section indicates a need to budget for reserves, the unit owners' association budget shall include:

1. The current estimated replacement cost, estimated remaining life, and estimated useful life of the capital components as defined in § 55.1-1900;
2. As of the beginning of the fiscal year for which the budget is prepared, the current amount of accumulated cash reserves set aside to repair, replace, or restore the capital components and the amount of the expected contribution to the reserve fund for that fiscal year;
3. A statement describing the procedures used for estimation and accumulation of cash reserves pursuant to this section; and
4. A statement of the amount of reserves recommended in the study and the amount of current cash for replacement reserves.

D. The board of directors shall have the discretion to meet repair and replacement requirements through replacement reserves, additional assessments, or borrowed funds.

EXECUTIVE SUMMARY

KEY TO UNDERSTANDING STUDY RESULTS – Purpose of a reserve study is to establish a financial plan for keeping the property's common and limited common elements in good repair. The plan is developed by identifying the component, assessing its condition, and estimating both the time when work will be needed and cost of work. In a **PM+** study these entries can be found beginning on page A1, columns (1), (4) and (5). Those entries combined with reserve savings, current reserve contribution, interest, and inflation rates and how much of a contingency should be preserved to fund unforeseen events are the factors that determine the reserve contribution.

RELEVANT DATA

1st Study Year	FY26	$79,960	AOH Start FY26
FY Begins	1-May-25	30,665	Assoc. Contribution FY25
Inspection Date(s)	28-Apr-25	2.86%	Inflation
# Units	45	2.48%	Interest

Accumulated Cash at Start of FY (COH) and **Current Year Contribution** were provided to **PM+** and were best estimates available when provided, they are not audited amounts.

INFLATION AND INTEREST[1] rates best project future property needs. Inflation is based on the last 10-year Consumer Price Index (CPI) average; interest is from the 10-year average of the Constant Maturity Yield for the 10-Year U.S. Treasury security note. Even at relatively low levels, inflation is a primary driver for the contribution and has a large impact over the period of the study. If inflation increases at a materially higher rate than applied, the study should be updated more frequently to maintain adequate reserves and avoid large future assessment increases. If interest on savings is applied in this study it assumes that interest will be returned to the reserves and not used for operating expenses or other purposes. If not returned, the annual contribution will need to be increased by the interest amount.

STUDY SUMMARY	
Board Approved Reserve Contribution for FY26	$27,900
Reserve Contribution Recommended for FY27	$39,500
Accumualted Cash Start of FY (AOH)	79,980
30-Year Min Balance	23,990
50-Year Min Balance	23,990
Remaining Useful Life Years (All Components) [2]	15.5
Average Useful Life Years (All Components) [2]	7.5
Additional Study Values	
Avg Owner Contribution FY26	620
Avg Owner Contribution/Month	51.67
30-Year Income	1,775,180
Income From Interest	87,730
Income From Assessments	1,687,450
30-Year Max Balance	307,430
50-Year Max Balance	443,320

1. Although factors used may not prove to be precise, they should be reasonable predictors of future costs and return on savings.
2. See columns (3) & (4) starting on Page A1 for average and remaining useful life of each component.
3. Minimum Threshold - 30 and 50 years shown. If 50-year is high at this time, it will adjust with future updates.

OUR ANALYSIS, based on study assumptions, and holding the FY26 contribution to the board approved amount of $27,203 indicates the association:

- Will need to contribute the highlighted amount in FY27 to meet the reserve needs of the property.
- For projections of the **Cash Flow** contributions needed, over life of this study, see 30 & 50-Year Financial Plan tables in appendix A, column (14), and column (15) for year-end year end balances the contributions should provide.
- If the **Component** method is used to fund the reserves see same financial plan tables, columns (17) and (18), for yearly contributions and year end balances.
- Contribution amount assumes interest will be applied to the reserves, not used for operating expenses or other purposes. If interest is not applied, the annual contribution will need to be increased by the interest amount.
- Note – Significant annual contribution increases, when studies are professionally updated, can be avoided if the annual contributions shown in column (14) of the financial plan, are adjusted by the association to the yearly CPI percentages published at the end of each year.

FACTORS CONSIDERED IN DETERMINING THE ANNUAL CONTRIBUTION ARE: 1) funds should always be available to pay for work, 2) a minimum balance must be preserved for contingencies, and 3) when studies are updated there should not be a substantial increase in the contribution. To avoid substantial increases **PM+** studies consider the first thirty-years and an additional twenty-years, making the "look at" period a total of 50-years. This projection assures the recommended contribution is based on a sound long range analysis of the property's reserve needs.

Note - dollars in future studies will vary with accrued savings, useful lives, inflation, interest, and cost for work.

FOR VIRGINIA PROPERTIES – Information the executive board is to make available to unit owners, prior to commencement of the fiscal year, are listed in Study Summary. For statements required PM suggest: “The association expected contribution to the reserves in FY ____ will be $_____. Procedures the association uses for estimation and accumulation of cash reserves is provided by an independent professional specializing in reserve study requirements.”

RECOMMENDATION:

Fund the reserves to the recommended amount using the cash flow method. If the component method is used to fund the reserves see financial plan tables, columns (17) and (18), for yearly contributions and year end balances.

WHERE CONTRIBUTIONS TO THE RESERVES GO OVER 30-YEARS:

STUDY INFORMATION

THIS STUDY was performed with an on-site visit and is the second (Last **PM+** study – FY21) engagement for the property by **PM+**. **PM+** has neither collaborated with nor provided consulting advice to others about property issues. Interested parties should refer to earlier studies for previous assumptions and comments.

STUDY WAS DONE by Stacey L. O'Bryan, MBA, PRA, RS.

RESERVE STUDY criteria are defined by the Community Association Institute (CAI) and the Association of Professional Reserve Analysts (APRA). In complying with the criteria this study compares the "Associations" current funding plan to the two recommended methods for preparing reserve studies, "Cash Flow (AKA Pooling)" and "Component." This is a reserve study only - no other use is intended.

Reserves are akin to a savings account that individuals may have for future purchases. The reserve provides funds to make purchases with cash to avoid credit or loan charges. Although the association may not know precisely when they must make the purchase, the least cost option would be to pay with cash.

COMPILED in accordance with generally accepted standards and represents our professional opinion on the components, timing and costs needed for repair and replacement. Study information was obtained from field measurements, visual observations, and management (information provided by management is reliable). Also, taken into consideration are construction features, current conditions, and component age. Testing was not performed, nor was demolition done or panels removed to determine conditions that are not obvious. Based on our observations and the information gained during the visit this study contains, to the best of our ability, all material issues required to determine the funding needed to meet the property's reserve requirement.

AGE, UNITS, STYLE, AND AMENITIES

Constructed between 1965 and 1968.
45 townhome units.
Amenities – provided by Reston Association.

CASH FLOW AND COMPONENT STUDIES (component studies are only included if requested in the proposal acceptance) – Note**:** Most professional reserve providers, accountants and managers agree cash flow is the preferred method for funding reserves**.**

CASH FLOW METHOD - Develops the funding plan by having the annual contributions offset the variable annual expenses. All expenses are averaged over the life of the study to calculate the annual contribution needed to support the reserve requirement. Yearly contribution increases are mostly attributed to inflation. Cash flow plans are usually good for 3-5 years before needing updates.

COMPONENT METHOD - Develops the funding plan by dividing the remaining useful life into the balance needed to fund the component for only the next work cycle. Yearly contributions can vary significantly from year to year depending on where the components are in their life cycle. Contributions needed to pay expenses equal the cash flow method over the life of the study. If this method is chosen studies should be updated annually.

FUNDING GOAL OF THIS STUDY complies with the "Threshold Funding Plan" established by CAI for reserve studies. Funding objective is to keep the reserve balance, over the life of the study, above or at a certain dollar amount. This study's amount is shown above in Study Summary, Years 1-30 and Years 31-50 Minimum Threshold. Years 31-50 confirm there is no negative balance in that time period - this amount will adjust in future studies.

COMPONENT CLASSIFICATION

PREDICTABLE LIFE CYCLE

Components have a predictable life cycle (average useful life). Total replacement needed at end of life.

ANNUAL ALLOWANCES

Components that are "life of the property" or long-lasting that can be kept in good condition with spot repairs.

FOLLOWING CONSIDERATIONS should be taken into account to properly manage the reserves: 1) properly funded reserves avoids "special assessments", 2) each owner should pay their fair share for the time they use the component, 3) when reserve funds are available the Association is more inclined not to defer work; deferral results in additional deterioration and "catch-up" costs to restore the component to a good condition, 4) government mortgage guarantees agencies, i.e. FHA, require a current reserve study to be available before backing a loan, and 5) some state laws require them. In addition to these considerations, a new factor has recently become apparent. Years ago, owners were poorly informed on the importance of the reserves and paid very little attention to whether a property had an adequate plan for funding the reserves. With the inclusion of reserve tables in resale packages and other publicity, many potential buyers are now verifying the reserve status before they buy.

ALTHOUGH we use generally accepted techniques and best information available it is possible actual costs and useful lives can vary significantly from our estimates. We recognize that and attempt with our methodology to minimize the adverse effects of a special assessment or loan if one is needed.

FOR THE RESERVES to be an effective budget management tool it will need periodic updates. Because reserves on hand, current costs, quality of maintenance, acts of God, vandalism, and useful life can vary from year to year, a periodic review will assure it remains an effective management tool. We recommend studies be updated every 3 years.

UNLESS OTHERWISE NOTED this study does not take into consideration any work the association may need to correct hazardous or defective conditions, such as issues with asbestos, radon, lead, mold, FRT, etc., nor will it fund major projects to repair/replace facades, building tension cables, utilities, and other essential systems. Projects of this nature require the services of engineers or other consultants to determine scope, timing, and projects costs. If requested, once costs and project timing are known, we will provide a revised study at no additional cost.

FOR ANY RESERVE PROJECTS in progress on the date(s) of our visit our observation of the work should not be considered a project audit or quality control inspection. We leave that to others to determine.

IF WE DESCRIBE PREVENTIVE MAINTENANCE recommendations in this study they are intended to be general in nature and the most common tasks needed to extend useful life. They are not all inclusive; we do not imply that is all that is necessary for good maintenance. Manufactures' brochures, service specialty companies, and other qualified sources should be consulted to establish the full array of actions needed for proper preventive maintenance.

FUNDING FROM RESERVE VERSUS OPERATING ACCOUNT - There could be components in this study the association is funding from the operating account. When there are, we recommend they be funded from the reserves. When components are worked on it usually extends their useful life - a proper reserve expense. Reserve funds are intended to keep property components in good repair and to replace those that need replacing; operating funds are intended for maintenance and reoccurring operating expenses.

READING and UNDERSTANDING TABLES/CHARTS

(Some information may not appear in this study).

RELEVANT DATA

Study fiscal year, inspection date(s), units, association's financial data, and interest/inflation rates.

SUMMARY OF THE ASSOCIATION'S RESERVE FINANCIAL PLAN

Financial summary of study results.

TABLE OF REPAIR & REPLACEMENT RESERVES

The Repair and Replacement Table shows the common or limited common element, average and remaining useful life, and estimated cost for work. This information, for the most part, is self-explanatory; however, when we believe more information is needed, we provide comments or use photographs.

Column

(1) The property components the association should include in the reserves. Where a 15%, 30%, etc., is shown it means total replacement of the item is not anticipated. If we have omitted or added components that are not common or limited common area responsibility, please inform us so we can provide a revised table. It also applies if the association accomplishes the work from their annual operating expense and a reserve set-aside is not needed. If components are included that are operating expenses, we leave it to others to determine the correct tax consequence of the component.

(2) Approximate quantity and unit of measure. The following abbreviations are used; however, they may not all appear in this study:

AC – Acres	LF - Linear Feet	SY - Square Yards
AnAvg - Annual Average	LS - Lump Sum	TN - Tons
BLD - Building	HP - Horsepower	UN - Units
EA - Each	RC - Replacement Cost	> - Greater Than
CY - Cubic Yards	SF - Square Feet	< - Less Than

(3) The components' average useful life (Avg). Leading publications on useful life data, our own experiences and historical trends are used to determine average useful life.

(4) Our best estimate of the remaining useful life (RUL). Some components in the table may not fail precisely as shown. We use the remaining useful life in conjunction with the estimated cost to calculate the annual contribution needed to fund the component. Actual remaining useful life can be significantly different.

(5) Estimated costs are in current dollars; actual cost can be significantly different. Estimates are based on similar work in the greater Washington area, association experience, industry publications, such as R.S. Means and HomeTech, contractors and other reliable sources. It assumes the association will competitively seek bids and obtain a fair price in today's market. Some work, such as balconies, roofing, garages, façade, boiler, and chiller replacements, etc. may need the services of an engineer or architect to determine scope and oversee repairs. Those estimates take precedence over those shown in the table. Some costs can be more predictable than others, i.e., when roofs and pavements are replaced, the entire component will most likely be replaced so a total replacement cost can be estimated. Other components, i.e., closed loop piping, plumbing, electrical and fire protection systems may not need total replacement and will continue to perform with sub-system repairs. For these components, we reserve a reasonable amount for this work.

(6) Distribution of the funds the association had (is projected to have) at the start of their fiscal year or the amount we were requested to use. The program distributes a prorated amount to each component.

(7) The amount needed to fund the balance of the requirement.

(8) The contribution needed to fund the 1st year applying the cash flow method. Contributions from year to year are mainly adjustments for inflation.

(9) The contribution needed to fund the 1st year applying the component method. Contributions from year to year can vary significantly.

30 and 50-Year Comparison of Financial Plans

Column

(10) - Fiscal Year.

(11) - Projected annual expenses.

(12) - Cumulative expenses over 30-years.

(13) and (16) - Interest earned per funding plan based on previous year-end balance.

(14) and (17) - Contribution needed per funding plan.

(15) and (18) - Projected year-end balance per funding plan.

GRAPHS

Graphs depict the projected contributions and year end balances for each plan. The contribution objective should be to have a consistent contribution, year after year, which can be maintained with inflation adjustments. Avoid fluctuating contributions as they can impose financial hardships on owners. The plot objective for the reserve balance is to have the year end balances always above the "X" axis. If it falls below, it indicates a special assessment or loan will be needed to support the reserves.

SUMMARY

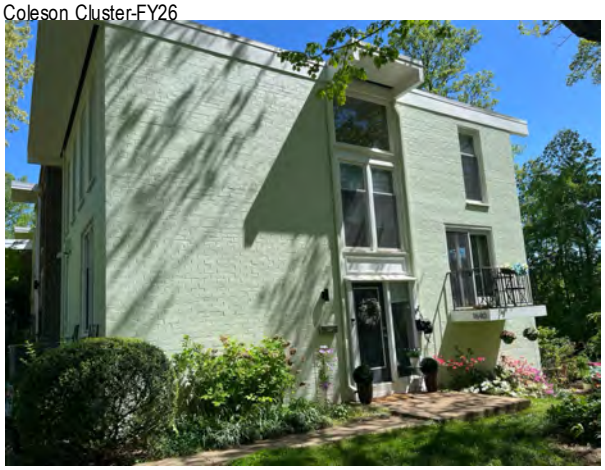
- 30-Year Income - projected from interest and owners.
- 30 & 50-Year minimum thresholds - includes contingency for unforeseen events.

PROPERTY COMPARISON

The "Property Comparison" chart compares the property's current funding to the last 100 properties we have studied. The comparison shows the maximums, minimums, property averages and medians compared to your property. Property features differ from one property to another so consider these as averages only and not a true comparison on your property to another similar property. Three comparisons are made:

- % Funded - Ratio of the current to the ideal Reserve Balance for each component in the Reserve Table. The ratio is a product of the "used-up" life, useful life, and component cost.
- Reserve Depletion Factor - Number of years amount-on-hand will fund (It is the same as the "go broke" date if no more money is added to the reserves).
- Accumulated cash at start of fiscal year – dedicated reserve funds the association had or is estimated to have when their fiscal year begins.
- Average annual contribution per owner – Average contribution per owner needed to meet the reserve requirement. Dollar amounts will vary from property to property based on construction features, common/limited common elements, past contributions to the reserves and other factors that may not result in a true comparison.

PHOTOGRAPHS



Coleson Cluster is a 45 unit townhome community located in Reston, Virginia. Photographs are typical of the housing style. Roofing, gutters, downspouts, façade, windows, doors, fencing and all other exterior components of the home are each owner's responsibility.

The association is responsible for 12 carport structures. Previous study included roof replacement based on varying age of roofs, an allowance for repair and replacement of roof drains and downspouts, and wood siding replacement. Association is planning a repair/restoration project in FY26. See "Comments" section for study assumption for this work.

Example of rotted wood in need of repair and replacement. This work is included in the carport repair and restoration project.

As needed replacement of storage room doors is also included in the reserves.

Asphalt pavement is in good condition; however, open cracks need to be sealed to minimize asphalt and base damage. See our recommendations in comments section to maximize pavement useful life.

Community curbs, gutters and sidewalks are Association responsibility. Reserve provides for these components to be repaired as needed.

Entrance feature/signage and neighborhood markers were replaced since the last study. Reserves provide for future concrete repairs, name/number restoration, cleaning, electric service/lighting, and other work needed to keep entrance features in good condition.

Association owned retaining walls are constructed of wood, brick and stone. Reserves budgets for brick and stone walls (long lasting components) to be repaired as needed. Top members of wood walls typically deteriorate first and they can be replaced to extend useful life; however, total replacement will eventually be needed. When replaced with a modular block system, they last longer and need less maintenance.

PHOTOGRAPHS

Railings need to be painted to protect against corrosion and post mounted in concrete need to be sealed to prevent standing water from corroding posts.

The association is responsible for two trails that lead from the property to the Reston walking trail system. These trails were overlaid when the road work was done. Both are in good condition.

Entry for street lights considers poles, wiring, fixtures and controls will be repaired as needed. No assumption all units will need to be replaced at the same time.

A reasonable amount to replace dead or diseased trees and shrubbery. Does not include normal landscaping upkeep which is funded from the operating account nor large scale improvements.

APPENDIX A

TABLE OF REPAIR/REPLACEMENT RESERVES AND YEARS 1-10 EXPENSES

COMPONENT	APPROX'MT QUANTITY		SEFUL LIFE (YRS)	REM	ESTIMATED COST IN CURRENT $	DISTR'BTN OF AOH AS OF 1-May-25	BALANCE NEEDED TO FUND RESERVE	:ASH FLOW METHODS	FY26 CONTRIBUTION COMPONENT	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)											
CARPORTS																				
ROOFING																				
ROOFING-SINGLE PLY (4 - 2018)	3,200	SF	20	13	64,000	9,640	54,360	1,020	4,180	0	0	0	0	0	0	0	0	0	0
ROOFING-SINGLE PLY (2 - 2009)	2,000	SF	20	4	40,000	6,030	33,970	2,070	8,490	0	0	0	43,530	0	0	0	0	0	0
ROOFING-SINGLE PLY (4 - 1968)	2,400	SF	20	2	48,000	7,230	40,770	4,970	20,390	0	49,370	0	0	0	0	0	0	0	0
ROOFING-SINGLE PLY (2 - 2010)	1,600	SF	20	5	32,000	4,820	27,180	1,330	5,440	0	0	0	0	35,820	0	0	0	0	0
ROOF DRAINS/DOWNSPOUTS	12	EA	40	17	10,820	1,630	9,190	130	540	0	0	0	0	0	0	0	0	0	0
WOOD SIDING REPLACEMENT/REPAIRS/PAINTING		LS	10	1	55,360	8,340	47,020	11,470	47,020	55,360	0	0	0	0	0	0	0	0	0
STORAGE ROOM DOOR-SINGLE	6	EA	25	15	16,200	2,440	13,760	220	920	0	0	0	0	0	0	0	0	0	0
TOTAL CARPORTS					266,380	40,130	226,250	21,210	86,980										
PAVEMENTS/CONCRETE																				
PAVEMENTS																				
PREVENTIVE MAINTENANCE	3,430	SY	4	2	9,600	1,450	8,150	990	4,080	0	9,870	0	0	0	11,050	0	0	0	0
PAVEMENT OVERLAY	3,430	SY	15	9	65,170	9,820	55,350	1,500	6,150	0	0	0	0	0	0	0	0	81,660	0
BASE/SUB-BASE/REPAIRS	172	SY	15	9	7,200	1,090	6,110	170	680	0	0	0	0	0	0	0	0	9,020	0
CONCRETE/PAVERS																				
SIDEWALKS/CURBS/GUTTERS OTHER CONCRETE		LS	4	2	5,630	850	4,780	580	2,390	0	5,790	0	0	0	6,480	0	0	7,050	0
TOTAL PAVEMENTS/CONCRETE					87,600	13,210	74,390	3,240	13,300										
OTHER PROPERTY FEATURES																				
ENTRANCE(S)																				
ENTRANCE FEATURE/SIGNAGE & NEIGHBORHOOD MARKERS		LS	10	6	6,890	1,040	5,850	240	980	0	0	0	0	0	7,930	0	0	0	0
TREES/SHRUBBERY																				
TREES/SHRUBBERY-DISEASED/DEAD REPLACEMENT		LS	3	2	1,850	280	1,570	190	790	0	1,900	0	0	2,070	0	0	2,250	0	0
RETAINING/GARAGE WALLS/RAILINGS																				
WOOD RETAINING WALLS	614	SF	30	10	41,540	6,260	35,280	860	3,530	0	0	0	0	0	0	0	0	0	53,540
BRICK/STONE RETAINING WALLS REPAIRS/REPOINTING		LS	4	2	1,230	190	1,040	130	520	0	1,270	0	0	0	1,420	0	0	0	1,590
HAND RAILING REPAIRS		LS	6	5	1,230	190	1,040	50	210	0	0	0	0	1,380	0	0	0	0	0
WALKING TRAIL																				
OVERLAY TRAIL (BETWEEN UNITS 1682 AND 1670)	117	SY	20	13	5,480	830	4,650	90	360	0	0	0	0	0	0	0	0	0	0
OVERLAY TRAIL (EAST OF UNIT 1660)	103	SY	20	13	4,860	730	4,130	80	320	0	0	0	0	0	0	0	0	0	0
SITE LIGHTING																				
LIGHT POSTS	31	EA	30	20	100,910	15,210	85,700	1,040	4,290	0	0	0	0	0	0	0	0	0	0
BENCHES																				
PARK BENCHES	5	EA	20	10	6,500	980	5,520	130	550	0	0	0	0	0	0	0	0	0	8,380
STORM WATER FACILITIES																				
STORM WATER RUN OFF		LS	3	3	4,670	700	3,970	320	1,320	0	0	4,940	0	0	5,380	0	0	5,850	0
OTHER SITE FEATURES																				
SITE ITEMS		LS	1	1	1,540	230	1,310	320	1,310	1,540	1,580	1,630	1,680	1,720	1,770	1,820	1,880	1,930	1,980
TOTAL OTHER PROPERTY FEATURES					176,700	26,640	150,060	3,450	14,180										
TOTAL RESERVES					$530,680	$79,980	$450,700	$27,900	$114,460	#######	$69,780	$6,570	$45,210	$40,990	$34,030	$1,820	$4,130	$105,510	$65,490

Notes:

All dollars rounded to nearest $10. Totals may not add due to rounding.

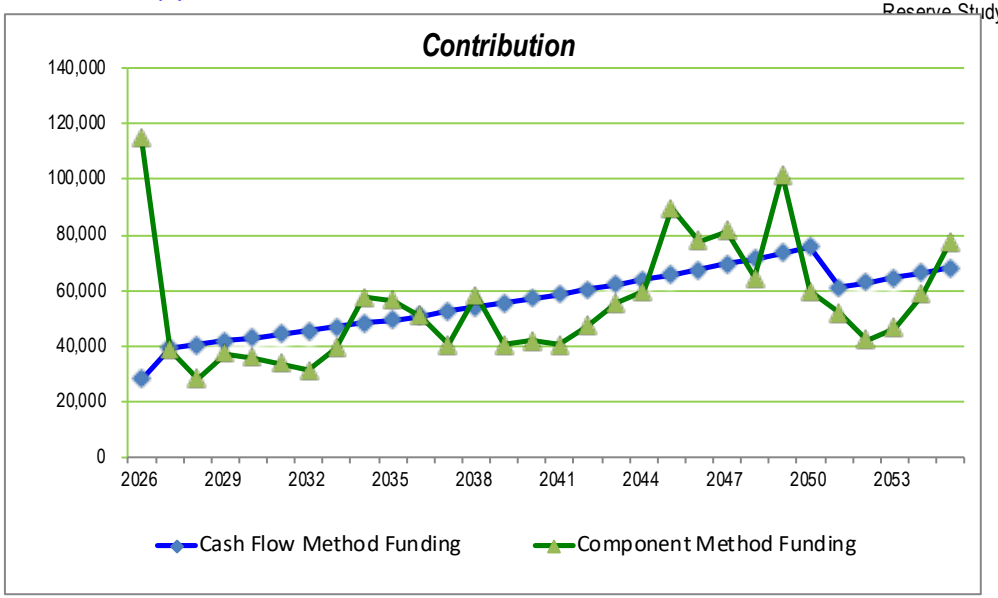
YEARS 11 - 30 EXPENSES

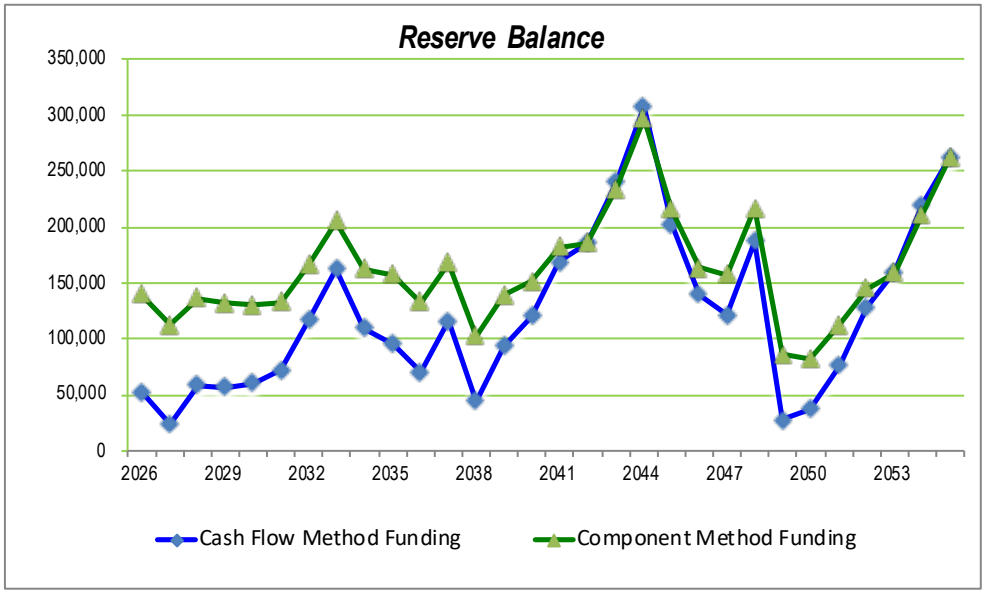
COMPONENT	USEFUL LIFE AVG (YRS)	REM	ESTIMATED COST IN CURRENT $	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
(1)	(3)	(4)	(5)																				
CARPORTS																							
ROOFING																							
ROOFING-SINGLE PLY (4 - 2018)	20	13	64,000	0	0	89,770	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ROOFING-SINGLE PLY (2 - 2009)	20	4	40,000	0	0	0	0	0	0	0	0	0	0	0	0	0	76,510	0	0	0	0	0	0
ROOFING-SINGLE PLY (4 - 1968)	20	2	48,000	0	0	0	0	0	0	0	0	0	0	0	86,780	0	0	0	0	0	0	0	0
ROOFING-SINGLE PLY (2 - 2010)	20	5	32,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	62,960	0	0	0	0	0
ROOF DRAINS/DOWNSPOUTS	40	17	10,820	0	0	0	0	0	0	16,990	0	0	0	0	0	0	0	0	0	0	0	0	0
WOOD SIDING REPLACEMENT/REPAIRS/PAINTING	10	1	55,360	73,390	0	0	0	0	0	0	0	0	0	97,300	0	0	0	0	0	0	0	0	0
STORAGE ROOM DOOR-SINGLE	25	15	16,200	0	0	0	0	24,040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CARPORTS			266,380																				
PAVEMENTS/CONCRETE																							
PAVEMENTS																							
PREVENTIVE MAINTENANCE	4	2	9,600	0	0	13,470	0	0	0	15,070	0	0	0	16,870	0	0	0	0	0	0	20,560	0	0
PAVEMENT OVERLAY	15	9	65,170	0	0	0	0	0	0	0	0	0	0	0	0	0	124,660	0	0	0	0	0	0
BASE/SUB-BASE/REPAIRS	15	9	7,200	0	0	0	0	0	0	0	0	0	0	0	0	0	13,770	0	0	0	0	0	0
CONCRETE/PAVERS																							
SIDEWALKS/CURBS/GUTTERS OTHER CONCRETE	4	2	5,630	0	0	7,900	0	0	0	8,840	0	0	0	9,900	0	0	10,770	0	0	0	12,050	0	0
TOTAL PAVEMENTS/CONCRETE			87,600																				
OTHER PROPERTY FEATURES																							
ENTRANCE(S)																							
ENTRANCE FEATURE/SIGNAGE & NEIGHBORHOOD MARKERS	10	6	6,890	0	0	0	0	0	10,520	0	0	0	0	0	0	0	0	0	13,940	0	0	0	0
TREES/SHRUBBERY																							
TREES/SHRUBBERY-DISEASED/DEAD REPLACEMENT	3	2	1,850	2,450	0	0	2,670	0	0	2,900	0	0	3,160	0	0	3,440	0	0	3,740	0	0	4,070	0
RETAINING/GARAGE WALLS/RAILINGS																							
WOOD RETAINING WALLS	30	10	41,540	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BRICK/STONE RETAINING WALLS REPAIRS/REPOINTING	4	2	1,230	0	0	0	1,770	0	0	0	1,990	0	0	0	2,220	0	0	0	2,490	0	0	0	2,790
HAND RAILING REPAIRS	6	5	1,230	1,630	0	0	0	0	0	1,930	0	0	0	0	0	2,290	0	0	0	0	0	2,710	0
WALKING TRAIL																							
OVERLAY TRAIL (BETWEEN UNITS 1682 AND 1670)	20	13	5,480	0	0	7,690	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OVERLAY TRAIL (EAST OF UNIT 1660)	20	13	4,860	0	0	6,820	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SITE LIGHTING																							
LIGHT POSTS	30	20	100,910	0	0	0	0	0	0	0	0	0	172,430	0	0	0	0	0	0	0	0	0	0
BENCHES																							
PARK BENCHES	20	10	6,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14,730
STORM WATER FACILITIES																							
STORM WATER RUN OFF	3	3	4,670	0	6,370	0	0	6,930	0	0	7,540	0	0	8,210	0	0	8,930	0	0	9,720	0	0	10,580
OTHER SITE FEATURES																							
SITE ITEMS	1	1	1,540	2,040	2,100	2,160	2,220	2,290	2,350	2,420	2,490	2,560	2,630	2,710	2,780	2,860	2,950	3,030	3,120	3,210	3,300	3,390	3,490
TOTAL OTHER PROPERTY FEATURES			176,700																				
TOTAL RESERVES			$530,680	$79,510	$8,470	$127,810	$6,660	$33,260	$12,870	$48,150	$12,020	$2,560	$178,220	$134,990	$91,780	$8,590	$237,590	$65,990	$23,290	$12,930	$35,910	$10,170	$31,590

Notes:

30-YEAR FINANCIAL PLAN(S)

FY	Expenses		Cash Flow Method Funding			Component Method Funding		
	Annual *	Cumulative	Interest	Contr'btn	Balance	Interest	Contr'btn	Balance
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
AOH					**$79,980**			**$79,980**
2026	56,900	56,900	1,980	27,900	52,960	1,980	114,460	139,520
2027	69,780	126,680	1,310	39,500	23,990	3,460	38,850	112,050
2028	6,570	133,250	590	40,630	58,640	2,780	28,180	136,440
2029	45,210	178,460	1,450	41,790	56,670	3,380	37,430	132,040
2030	40,990	219,450	1,410	42,990	60,080	3,270	35,810	130,130
2031	34,030	253,480	1,490	44,220	71,760	3,230	33,580	132,910
2032	1,820	255,300	1,780	45,480	117,200	3,300	31,390	165,780
2033	4,130	259,430	2,910	46,780	162,760	4,110	39,570	205,330
2034	105,510	364,940	4,040	48,120	109,410	5,090	57,580	162,490
2035	65,490	430,430	2,710	49,500	96,130	4,030	56,290	157,320
2036	79,510	509,940	2,380	50,920	69,920	3,900	50,830	132,540
2037	8,470	518,410	1,730	52,380	115,560	3,290	40,550	167,910
2038	127,810	646,220	2,870	53,880	44,500	4,160	58,110	102,370
2039	6,660	652,880	1,100	55,420	94,360	2,540	40,490	138,740
2040	33,260	686,140	2,340	57,010	120,450	3,440	41,890	150,810
2041	12,870	699,010	2,990	58,640	169,210	3,740	40,490	182,170
2042	48,150	747,160	4,200	60,320	185,580	4,520	47,180	185,720
2043	12,020	759,180	4,600	62,050	240,210	4,610	55,460	233,770
2044	2,560	761,740	5,960	63,820	307,430	5,800	59,680	296,690
2045	178,220	939,960	7,620	65,650	202,480	7,360	89,390	215,220
2046	134,990	1,074,950	5,020	67,530	140,040	5,340	77,770	163,340
2047	91,780	1,166,730	3,470	69,460	121,190	4,050	81,360	156,970
2048	8,590	1,175,320	3,010	71,450	187,060	3,890	64,540	216,810
2049	237,590	1,412,910	4,640	73,490	27,600	5,380	101,630	86,230
2050	65,990	1,478,900	680	75,590	37,880	2,140	59,740	82,120
2051	23,290	1,502,190	940	61,000	76,530	2,040	51,820	112,690
2052	12,930	1,515,120	1,900	62,740	128,240	2,790	42,380	144,930
2053	35,910	1,551,030	3,180	64,530	160,040	3,590	46,340	158,950
2054	10,170	1,561,200	3,970	66,380	220,220	3,940	58,620	211,340
2055	31,590	1,592,790	5,460	68,280	262,370	5,240	77,350	262,340
SUMMARY								
30-Year Income =			87,730	1,687,450		116,390	1,658,760	
30-Year Minimum Balance =					23,990			82,120
30-Year Maximum Balance =					307,430			296,690
50-Year Minimum Balance =					23,990			82,120
50 Year Maximum Balance =					443,320			647,710





Notes:

* An annual average cost. Expenditures can change from year-to-year depending on when actual work is done.

Contribution and projections are based on the study fiscal year and will change if estimated cost, useful life, amount-on-hand, contribution and contingency to be preserved change.

Data should be considered a more accurate projection for years 1 - 5 than the out-years.

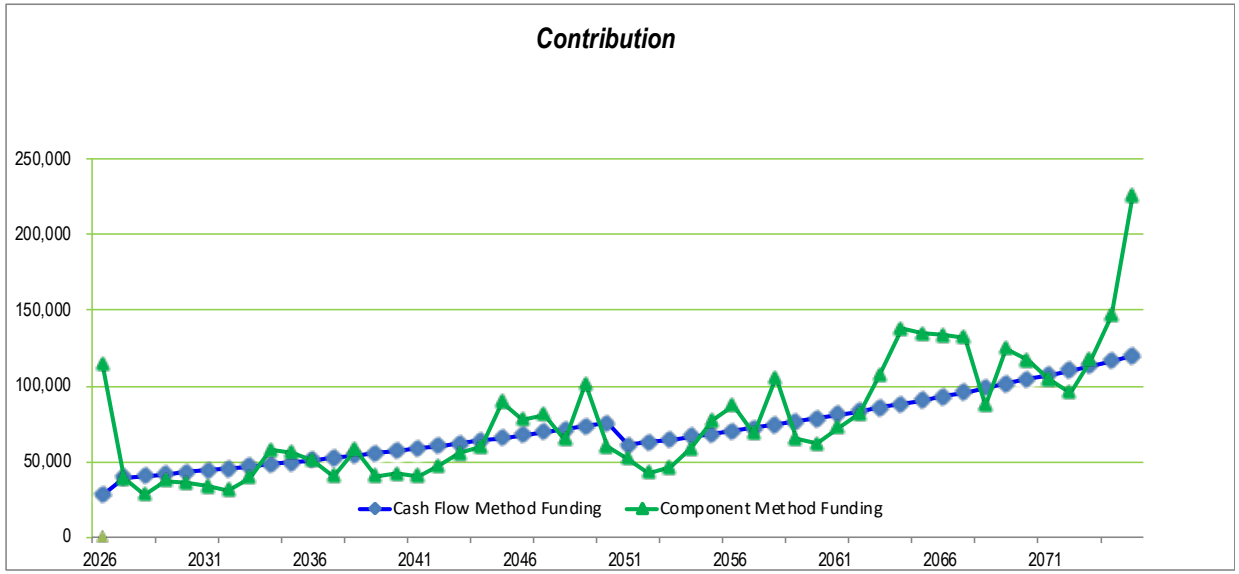
Minimum balance does not include the first year.

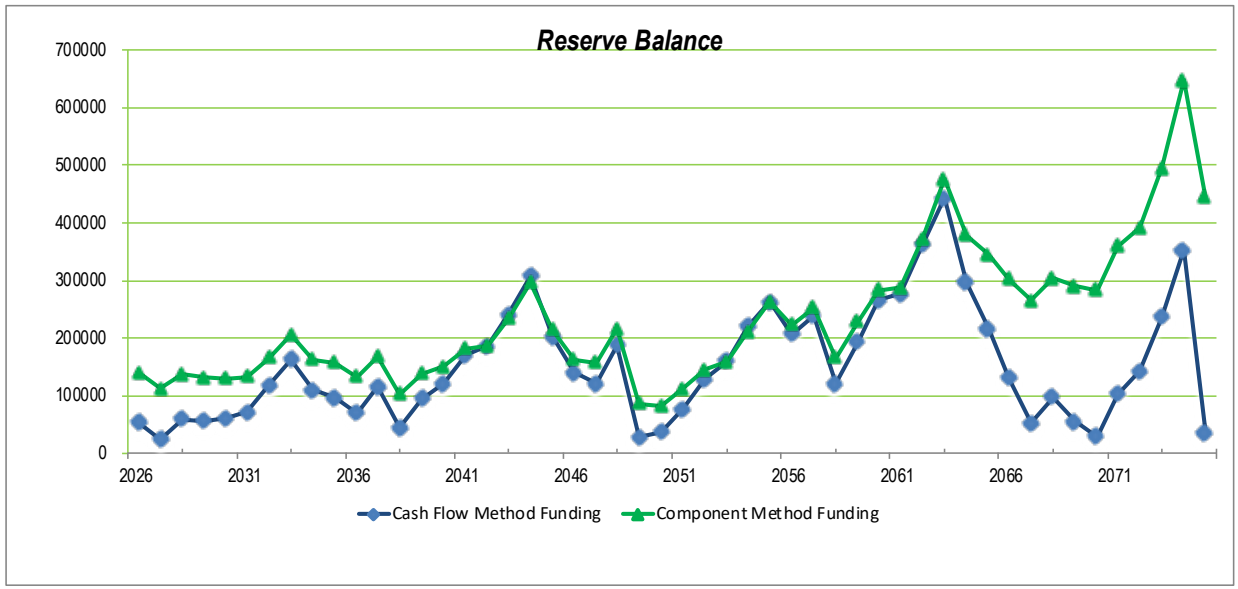
If the above charts includes component method calculations note how contributions in columns 17 can vary significantly from one year to the next.

A highlighted cell in column (14) indicates future contributions from that year on will vary from past contributions, either due to inflation or work accomplished.

50-YEAR FINANCIAL PLANS

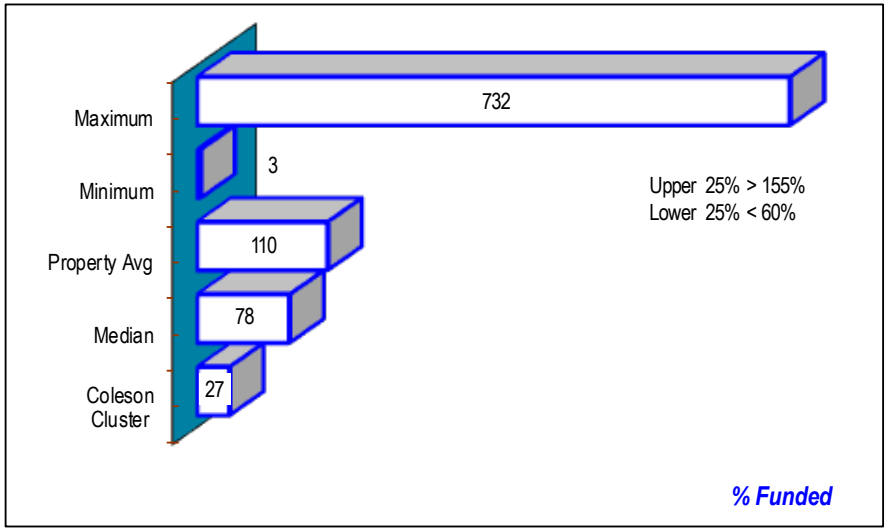
FY	Expenses		Cash Flow Method Funding			Component Method Funding		
	Annual *	Cumulative	Interest	Contr'btn	Balance	Interest	Contr'btn	Balance
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
AOH					**$79,980**			**$79,980**
2026	56,900	56,900	1,980	27,900	52,960	1,980	114,460	139,520
2027	69,780	126,680	1,310	39,500	23,990	3,460	38,850	112,050
2028	6,570	133,250	590	40,630	58,640	2,780	28,180	136,440
2029	45,210	178,460	1,450	41,790	56,670	3,380	37,430	132,040
2030	40,990	219,450	1,410	42,990	60,080	3,270	35,810	130,130
2031	34,030	253,480	1,490	44,220	71,760	3,230	33,580	132,910
2032	1,820	255,300	1,780	45,480	117,200	3,300	31,390	165,780
2033	4,130	259,430	2,910	46,780	162,760	4,110	39,570	205,330
2034	105,510	364,940	4,040	48,120	109,410	5,090	57,580	162,490
2035	65,490	430,430	2,710	49,500	96,130	4,030	56,290	157,320
2036	79,510	509,940	2,380	50,920	69,920	3,900	50,830	132,540
2037	8,470	518,410	1,730	52,380	115,560	3,290	40,550	167,910
2038	127,810	646,220	2,870	53,880	44,500	4,160	58,110	102,370
2039	6,660	652,880	1,100	55,420	94,360	2,540	40,490	138,740
2040	33,260	686,140	2,340	57,010	120,450	3,440	41,890	150,810
2041	12,870	699,010	2,990	58,640	169,210	3,740	40,490	182,170
2042	48,150	747,160	4,200	60,320	185,580	4,520	47,180	185,720
2043	12,020	759,180	4,600	62,050	240,210	4,610	55,460	233,770
2044	2,560	761,740	5,960	63,820	307,430	5,800	59,680	296,690
2045	178,220	939,960	7,620	65,650	202,480	7,360	89,390	215,220
2046	134,990	1,074,950	5,020	67,530	140,040	5,340	77,770	163,340
2047	91,780	1,166,730	3,470	69,460	121,190	4,050	81,360	156,970
2048	8,590	1,175,320	3,010	71,450	187,060	3,890	64,540	216,810
2049	237,590	1,412,910	4,640	73,490	27,600	5,380	101,630	86,230
2050	65,990	1,478,900	680	75,590	37,880	2,140	59,740	82,120
2051	23,290	1,502,190	940	61,000	76,530	2,040	51,820	112,690
2052	12,930	1,515,120	1,900	62,740	128,240	2,790	42,380	144,930
2053	35,910	1,551,030	3,180	64,530	160,040	3,590	46,340	158,950
2054	10,170	1,561,200	3,970	66,380	220,220	3,940	58,620	211,340
2055	31,590	1,592,790	5,460	68,280	262,370	5,240	77,350	262,340
2056	132,590	1,725,380	6,510	70,230	206,520	6,510	87,080	223,340
2057	44,620	1,770,000	5,120	72,240	239,260	5,540	68,840	253,100
2058	198,590	1,968,590	5,930	74,310	120,910	6,280	105,470	166,260
2059	7,030	1,975,620	3,000	76,440	193,320	4,120	64,850	228,200
2060	12,060	1,987,680	4,790	78,630	264,680	5,660	61,630	283,430
2061	76,020	2,063,700	6,560	80,880	276,100	7,030	72,890	287,330
2062	4,250	2,067,950	6,850	83,190	361,890	7,130	81,800	372,010
2063	13,110	2,081,060	8,970	85,570	443,320	9,230	107,440	475,570
2064	245,890	2,326,950	10,990	88,020	296,440	11,790	137,690	379,160
2065	178,050	2,505,000	7,350	90,540	216,280	9,400	134,380	344,890
2066	185,300	2,690,300	5,360	93,130	129,470	8,550	133,460	301,600
2067	176,170	2,866,470	3,210	95,790	52,300	7,480	132,110	265,020
2068	54,810	2,921,280	1,300	98,530	97,320	6,570	87,140	303,920
2069	145,880	3,067,160	2,410	101,350	55,200	7,540	124,940	290,520
2070	132,140	3,199,300	1,370	104,250	28,680	7,200	116,850	282,430
2071	34,370	3,233,670	710	107,230	102,250	7,000	104,260	359,320
2072	72,620	3,306,290	2,540	110,300	142,470	8,910	95,470	391,080
2073	23,380	3,329,670	3,530	113,450	236,070	9,700	117,490	494,890
2074	5,960	3,335,630	5,850	116,690	352,650	12,270	146,510	647,710
2075	446,080	3,781,710	8,750	120,030	35,350	16,060	226,310	444,000
	SUMMARY							
50-Year Minimum Balance =					23,990			82,120
50-Year Maximum Balance =					443,320			647,710

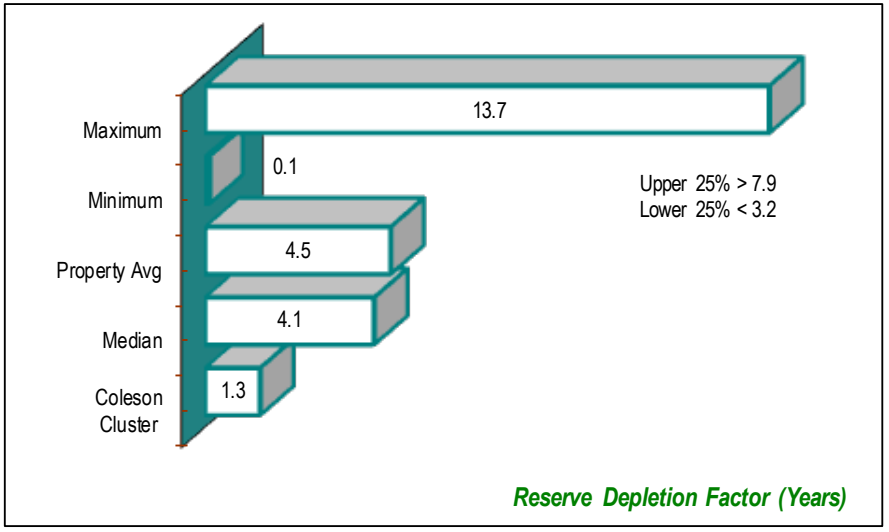


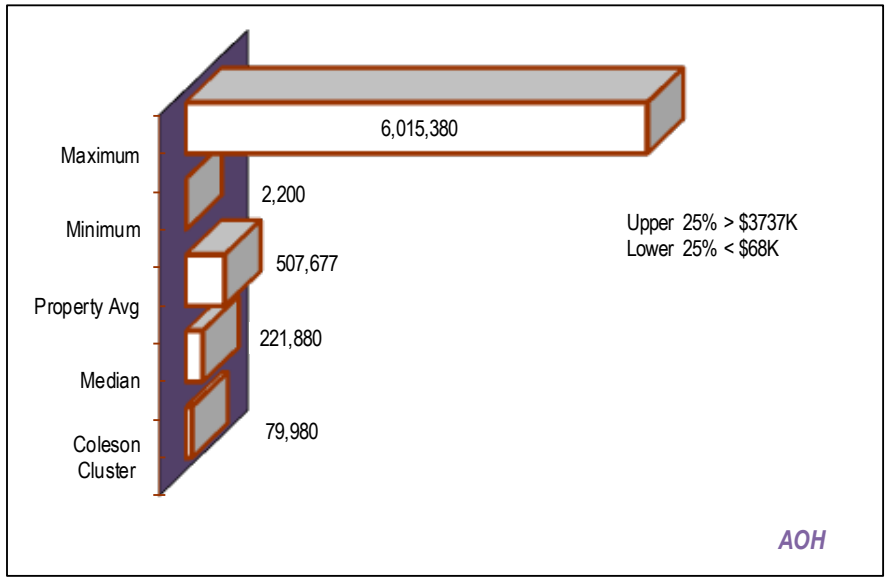


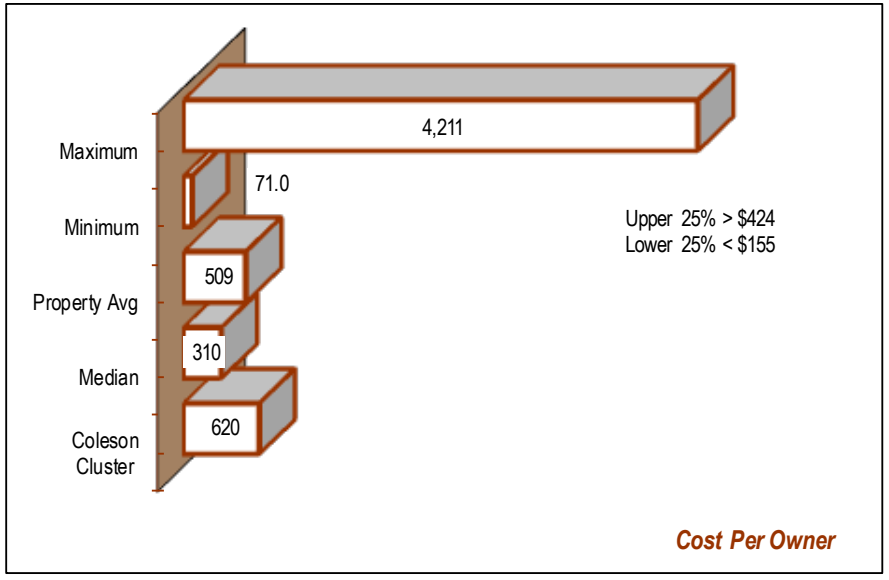
COMPARISON TO OTHER PROPERTIES

Sample Size = 100 HOA's/POA's









Legend:

This comparison only compares the first study year to other properties.

% Funded -- Used-up life divided by Useful Life times Current Cost.

Reserve Depletion Factor -- Number of years the amount-on-hand will fund if no more is contributed to the reserves.

AOH - Reserve funds available at start of fiscal year.

Cost Per Owner - The average cost per owner to meet the reserve requirement compared to other properties.

COMMENTS

Attention is directed to columns (1) COMPONENT, (3) AVG and (4) REM USEFUL LIFE, and (5) ESTIMATED COST IN CURRENT DOLLARS on Page A1. These entries, along with reserve savings at the start of the fiscal year and contingency built into the funding plan, determine the annual contribution needed to support the reserves. The remaining useful life approximates the time period when funding should be available for repair/replacement work. Good maintenance and repair practices prior to replacement can extend component useful life; conversely, poor or no maintenance/repair will shorten life and result in more cost to the association. Following comments are provided for components that may need further explanation.

CARPORTS

ROOFING	Carport roofing is single-ply and of varying ages. Roofs can be spot repaired to extend their useful lives, but total replacement will eventually be needed.
	When roofs are replaced in the future, we recommend replacement with a tapered roof system that allows water to flow to the backside. Tapered roofs will eliminate drainage and standing water issues that currently exist due to roof design.
WOOD SIDING REPLACEMENT/REPAIRS/PAINTING	Cost based on contract provided by association. Reserves assumes future cycles of work at similar scope in the future. Actual timing, scope, and cost may vary depending on conditions when work is done.

PAVEMENTS/CONCRETE

PAVEMENTS	The following recommendations should be implemented to extend pavement useful life: 1) Have a preventive maintenance program - preventive maintenance consist of sealing open cracks (equal to or greater than 1/8"), repair wearing surface/base/sub-base areas that have failed (distinguished by "alligator" or "chicken wire" cracking), apply a seal coat to the entire surface and repaint traffic markings. An additional benefit of sealcoating and traffic markings is the pavement will look uniform and that enhances property appearance. Funding for this work is identified as "Preventive Maintenance" and/or "Immediate Repairs for Life Extension." Although we allow for preventive maintenance to be done every four years, if cracks open or asphalt failures occur sooner they should be repaired as needed. Contingency built into the funding plan should be more than adequate to fund this work, 2) Be prepared to repave all asphalt around the time period shown in the table. Notes: a) Asphalt is an oil based product - price varies with the cost of a barrel of oil, and b) although we allow for 100% of the asphalt to be repaved our experience supports a smaller percentage of the base/sub-base will need repairs prior to overlaying.
CONCRETE/PAVERS	Repairs as needed to keep components in good repair. Work should be done concurrently with pavement work; pricing should be better because contractor is on site. Includes repair, either crack sealing or full section replacements if warranted.

OTHER PROPERTY FEATURES

BENCHES	As needed replacement.
STORM WATER RUN OFF	Repairs to storm water drainage systems and ground areas where standing water or flowing water need to be controlled. Actual cost will depend on scope of work needed for corrective action.
SITE ITEMS	Repairs/replacements to signs, sign posts, low height wood retaining walls, and other miscellaneous items not

EXCLUSIONS

STRUCTURAL INSPECTION FEES AND CORRECTIVE REPAIR COSTS.	**PM+** Reserves did not perform a structural inspection of property components as part of the reserve study. Structural inspection are done by engineering consultants specializing in that kind of work. When the association has an inspection performed, corrective action costs should be included in the reserves.
CARPORT STRUCTURES	Structural components are treated as a life of the property component and we make no allowance for total replacement. Wood and materials used in the carport structure need only to be spot repaired and protectively coated to maintain in good condition.
CATASTROPHES	Are not predictable events - no reserve allowance. If one occurs funding from other sources may be needed if the contingency built into the reserves is insufficient to cover expenses.
METAL RAILING	Other than spot repairs funded from the "Site Items" entry, we make no allowance for total replacement of these items. These items are treated as "Life of the Property" components that can be kept in good repair by doing needed spot repairs and periodically painting the metal.
MAILBOXES	Not association responsibility.