

Tuesday, June 13, 2023

Level 3 Reserve Analysis

Reserve Study without property observation

SunPointe at Lakewood Estates II CA, Inc.  
5885 W. Asbury Pl.  
Lakewood, CO. 80227



FINAL VERSION

Report Period – 01/01/23 – 12/31/23

Client Reference Number – 09616

Property Type – Condominiums

Fiscal Year End – December 31st

Number of Units – 162

Project Manager – Mike Kelsen, RS, PRA

Main Contact Person – Brian Gadbery, Community Manager



# Table of Contents

## SECTION 1:

Introduction to Reserve Analysis.....	page 1
General Information and Answers to FAQ's.....	page 2-3
Summary of Reserve Analysis .....	page 4

## SECTION 2:

### Financial Analysis

a) Funding Summary .....	page 1
b) Percent Funded – Graph .....	page 2
c) Component Inventory List.....	page 3-4
d) Significant Components Table.....	page 5-6
e) Significant Components – Graph .....	page 7
f) Yearly Summary Table .....	page 8
g) Yearly Contributions – Graph .....	page 9
h) Component Funding Information.....	page 10-11
i) Yearly Cash Flow Table .....	page 12
j) Projected Expenditures Year by Year – Graph .....	page 13
k) Projected Expenditures Year by Year .....	page 14-17

## SECTION 3:

Glossary of Terms and Definitions .....	page 1-2
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## Introduction to the Reserve Analysis –

The elected officials of this association made a wise decision to invest in a Reserve Analysis to get a better understanding of the status of the Reserve funds. This Analysis will be a valuable tool to assist the Board of Directors in making the decision to which the dues are derived. Typically, the Reserve contribution makes up 15% - 40% of the association's total budget. Therefore, Reserves is considered to be a significant part of the overall monthly association payment.

Every association conducts its business within a budget. There are typically two main parts to this budget, Operating and Reserves. The Operating budget includes all expenses that are fixed on an annual basis. These would include management fees, maintenance fees, utilities, etc. The Reserves is primarily made up of Capital Replacement items such as asphalt, roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis.

The Reserve Analysis is also broken down into two different parts, the Physical Analysis and the Financial Analysis. The Physical Analysis is information regarding the physical status and replacement cost of major common area components that the association is responsible to maintain. It is important to understand that while the Component Inventory will remain relatively "stable" from year to year, the Condition Assessment and Life/Valuation Estimates will most likely vary from year to year. You can find this information typically in the **Asset Inventory Section** of the original Reserve Analysis. It should be noted there is not an **Asset Inventory Section** in this report due to the Level of Service requested by the client. The **Financial Analysis Section** is the evaluation of the association's Reserve balance, income, and expenses. This is made up of a finding of the clients current Reserve Fund Status (measured as Percent Funded) and a recommendation for an appropriate Reserve Allocation rate (also known as the Funding Plan). You can find this information in Section 2 of this Reserve Analysis.

The purpose of this Reserve Analysis is to provide an educated estimate as to what the Reserve Allocation needs to be. The detailed schedules will serve as an advanced warning that major projects will need to be addressed in the future. This will allow the Board of Directors to have ample timing to obtain competitive estimates and bids that will result in cost savings to the individual homeowners. This will also ensure the physical well being of the property and ultimately enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to Special Assessments.

It is important for the client, homeowners, and potential future homeowners to understand that the information contained in this analysis is based on estimates and assumptions gathered from various sources. Estimated life expectancies and cycles are based upon conditions that were readily visible and accessible at time of the observation. No destructive or intrusive methods (such as entering the walls to inspect the condition of electrical wiring, plumbing lines, and telephone wires) were performed. In addition, environmental hazards (such as lead paint, asbestos, radon, etc.), construction defects, and acts of nature have not been investigated in the preparation of this report. If problem areas were revealed, a reasonable effort has been made to include these items within the report. While every effort has been made to ensure accurate results, this report reflects the judgment of Aspen Reserve Specialties and should not be construed as a guarantee or assurance of predicting future events.

## **General Information and Answers to Frequently Asked Questions –**

### **Why is it important to perform a Reserve Study?**

As previously mentioned, the Reserve allocation makes up a significant portion of the total monthly dues. This report provides the essential information that is needed to guide the Board of Directors in establishing the budget in order to run the daily operations of your association. It is suggested that a third party professionally prepare a Reserve Study since there is no vested interest in the property. Also, a professional knows what to look for and how to properly develop an accurate and reliable component list.

### **Now that we have “it”, what do we do with “it”?**

Hopefully, you will not look at this report and think it is too cumbersome to understand. Our intention is to make this Reserve Analysis very easy to read and understand. Please take the time to review it carefully and make sure the “main ingredients” (asset information) are complete and accurate. If there are any inaccuracies, please inform us immediately so we may revise the report.

Once you feel the report is an accurate tool to work from, use it to help establish your budget for the upcoming fiscal year. The Reserve allocation makes up a significant portion of the total monthly dues and this report should help you determine the correct amount of money to go into the Reserve fund. Additionally, the Reserve Study should act as a guide to obtain proposals in advance of pending normal maintenance and replacement projects. This will give you an opportunity to shop around for the best price available.

The Reserve Study should be readily available for Real Estate agents, brokerage firms, and lending institutions for potential future homeowners. As the importance of Reserves becomes more of a household term, people are requesting homeowners associations to reveal the strength of the Reserve fund prior to purchasing a condominium or townhome.

### **How often do we update or review “it”?**

Unfortunately, there is a misconception that these reports are good for an extended period of time since the report has projections for the next 30 years. Just like any major line item in the budget, the Reserve Analysis should be reviewed *each year* before the budget is established. Invariably, some assumptions have to be made during the compilation of this analysis. Anticipated events may not materialize and unpredictable circumstances could occur. Aging rates and repair/replacement costs will vary from causes that are unforeseen. Earned interest rates may vary from year to year. These variations could alter the content of the Reserve Analysis. Therefore, this analysis should be reviewed annually, and a property observation should be conducted at least once every three years.

### **Is it the law to have a Reserve Study conducted?**

The Government requires reserve analyses in approximately 20 states. The State of Colorado currently requires all associations to adopt a Reserve policy, but does not currently enforce a Reserve Study be completed. Despite enacting this current law, the chances are also very good the documents of the association require the association to have a Reserve fund established. This may not mean a Reserve Analysis is required, but how are you going to know there are enough funds in the account if you don't have the proper information? Hypothetically, some associations look at the Reserve fund and think \$200,000 is a lot of money and they are in good shape. What they don't know is a major project will need to be replaced within 5 years, and the cost of the project is going to exceed \$250,000. So while \$200,000 sounds like a lot of money, in reality it won't even cover the cost of the project, let alone all the other amenities the association is responsible to maintain.



## What makes an asset a “Reserve” item versus an “Operating” item?

A “Reserve” asset is an item that is the responsibility of the association to maintain, has a limited Useful Life, predictable Remaining Useful Life expectancies, typically occurs on a cyclical basis that exceeds 1 year, and costs above a minimum threshold cost. An “operating” expense is typically a fixed expense that occurs on an annual basis. For instance, minor repairs to a roof for damage caused by high winds or other weather elements would be considered an “operating” expense. However, if the entire roof needs to be replaced because it has reached the end of its life expectancy, then the replacement would be considered a Reserve expense.

## The GREY area of “maintenance” items that are often seen in a Reserve Study –

One of the most popular questions revolves around major “maintenance” items, such as painting the buildings or seal coating the asphalt. You may hear from your accountant that since painting or seal coating is not replacing a “capital” item, then it cannot be considered a Reserve issue. However, it is the opinion of several major Reserve Study providers that these items are considered to be major expenses that occur on a cyclical basis. Therefore, it makes it very difficult to ignore a major expense that meets the criteria to be considered a Reserve component. Once explained in this context, many accountants tend to agree and will include any expenses, such as these examples, as a Reserve component.

## The Property Observation –

A Property Observation was not conducted for this report per the contract agreement.

## The Reserve Fund Analysis –

We projected the starting balance from taking the most recent balance statement, adding expected Reserve contributions for the rest of the year, and subtracting any pending projects for the rest of the year. We compared this number to the ideal Reserve Balance and arrived at the Percent funded level. Measures of strength are as follows:

**0% - 30% Funded** – Is considered to be a “weak” financial position. Associations that fall into this category are subject to Special Assessments and deferred maintenance, which could lead to lower property values. If the association is in this position, actions should be taken to improve the financial strength of the Reserve Fund.

**31% - 69% Funded** – The majority of associations are considered to be in this “fair” financial position. While this doesn’t represent financial strength and stability, the likelihood of Special Assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial position of the Reserve fund.

**70% - 99% Funded** – This indicates financial strength of a Reserve fund and every attempt to maintain this level should be a goal of the association.

**100% Funded** – This is the ideal amount of Reserve funding. This means that the association has the exact amount of funds in the Reserve account that should be at any given time.

## Summary of SunPointe at Lakewood Estates II CA, Inc - Assoc. # - 09616

Projected Starting Balance as of January 1, 2023 -	<b>\$140,000</b>
Ideal Reserve Balance as of January 1, 2023 -	<b>\$2,542,526</b>
Percent Funded as of January 1, 2023 -	<b>6%</b>
Recommended Reserve Allocation (per month) -	<b>\$17,500 (rest of 2023)</b>
Recommended Reserve Allocation (per month) -	<b>\$38,550 (starting 2024)</b>
Minimum Reserve Allocation (per month) -	<b>\$37,175 (starting 2024)</b>
Recommended Special Assessment (2023 – 2028) -	<b>\$162,000 (\$1,000 per unit per year)</b>

This report is an update to an existing Reserve Study Report that was prepared five years ago for the 2018 fiscal period. A property site observation was not conducted per the request of the association. While we commend the Board of Directors in making a decision to update the previous Reserve Study, we recommend having a trained professional evaluate the property at least every 2 – 4 years to verify conditions, useful life, and remaining life of components. Therefore, we recommend an updated Reserve Study with site observation as soon as possible. There is a chance that some philosophical changes have occurred since the last Reserve Study and some components could be adjusted in future Reserve Study updates. To update the figures in the report, we obtained information by contacting the property representative (Community Manager). To the best of our knowledge, the conclusions and suggestions of this report are considered reliable and accurate insofar as the information obtained from these sources.

This community contains 162 condominium units within 31 similar style buildings that range in size of 4 to 7 units each and a pool building. Part of the property was constructed from 1984 to 1989 and another phase was completed between 1993 and 1996. The maintenance responsibilities of the association include building exterior surfaces, roofs and gutters, a cabana, a pool and spa area, private driveways and parking areas, landscaping, and irrigation. Please refer to the *Projected Reserve Expenditures* table at the end of the Financial Section for a detailed listing of when Reserve projects are scheduled to occur.

In comparing the projected balance of \$140,000 versus the ideal Reserve Balance of \$2,542,526, we find the association Reserve fund to be in a poor financial position at this point in time (approximately 6% funded of ideal). The association has already established a budget for 2023, and since it is too difficult to increase dues once the budget has been proposed, we suggest keeping the Reserve contribution at least the budgeted amount of \$17,500 for the rest of the 2023 period. However, in order to be able to address the projects scheduled this year, the Board understands Special Assessments of \$700,000 - \$950,000 may be required to keep up with maintenance over the next 6 years. In addition, in order to strengthen the Reserve account and have enough funds for future Reserve project considerations, a substantial increase will be necessary starting in 2024. If you refer to page 1 of the Financial Analysis section, you will see we are recommending an increase of the Reserve contribution to \$38,550 (representing a Reserve contribution increase of approximately \$130.00 per unit) per month starting January 2024. This should be followed by nominal annual increases of 4.15% thereafter to help offset the effects of inflation. By following the recommendation, the plan will increase the Reserve account to a fully funded position within the thirty-year period.

In the percent Funded graph, you will see that we have also suggested a minimum Reserve contribution of \$37,175 per month, starting in 2024. If the Reserve contribution falls below this rate, then the Reserve fund will fall into a situation where Special Assessments, deferred maintenance, and lower property values are likely at some point in the future. The minimum Reserve allocation follows the “threshold” theory of Reserve funding where the “percent funded” status is not allowed to dip below 30% funded at any point during the thirty-year period. This was provided for one purpose only, to show the association how small the difference is between the two scenarios and how it would not make financial sense to contribute less money (approximately 3.5% in this case) to the Reserve fund to only stay above a certain threshold.

## Funding Summary For SunPointe at Lakewood Estates II C.A. Inc

NOTE: The results of this report are based on replacement costs we know as of the date of this report. We are not responsible for higher than normal price increases after the date of this report.

### Beginning Assumptions

Financial Information Source	Research With Client
# of units	162
Fiscal Year End	December 31, 2023
Monthly Dues from 2023 budget	\$57,676.00
Monthly Reserve Allocation from 2023 Budget	\$17,500.00
Projected Starting Reserve Balance (as of 1/1/2023)	\$140,000
Reserve Balance: Average Per Unit	\$864
Ideal Starting Reserve Balance (as of 1/1/2023)	\$2,542,526
Ideal Reserve Balance: Average Per Unit	\$15,695

### Economic Factors

Past 20 year Average Inflation Rate (Based on CCI)	4.75%
Current Average Interest Rate	1.00%

### Current Reserve Status

Current Balance as a % of Ideal Balance	6%
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### Recommendations for 2022 Fiscal Year

Monthly Reserve Allocation (rest of 2023)	\$17,500
Per Unit	\$108.02
Monthly Reserve Allocation (starting 2024)	\$38,550
Per Unit	\$237.96
Minimum Monthly Reserve Allocation (starting 2024)	\$37,175
Per Unit	\$229.48
Primary Annual Increases	4.15%
# of Years	30
Special Assessment (2023 through 2028)	\$162,000
Per Unit Per Year	\$1,000

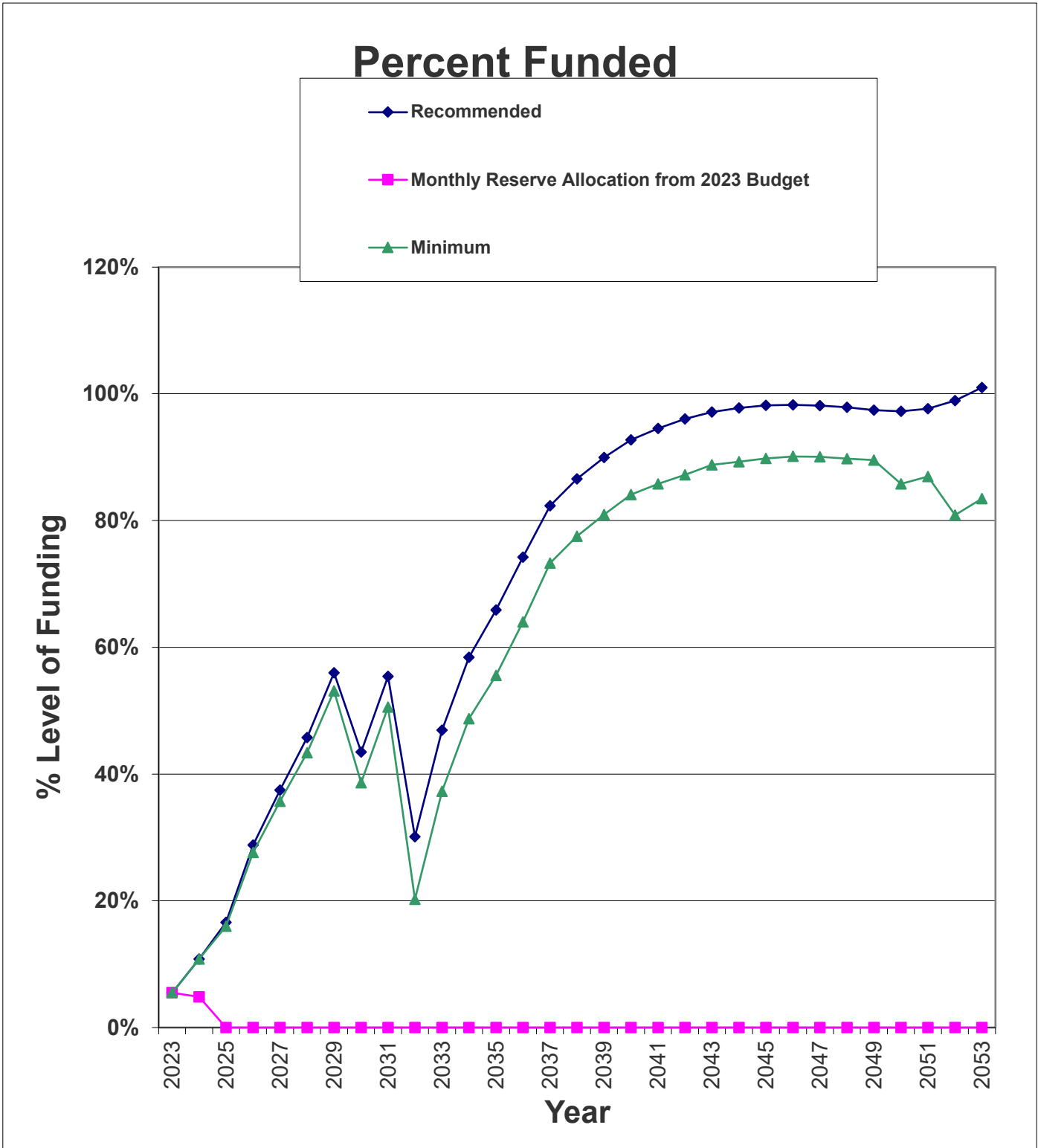
### Changes To Current 2023 Reserve Contribution

Increase/Decrease to Reserve Allocation	\$0
as Percentage	0%
Average Per Unit	\$0.00

### Changes from 2023 to 2024 Reserve Contribution

Increase/Decrease to Reserve Allocation	\$21,050
as Percentage	120%
Average Per Unit	\$129.94

Percent Funded Graph For SunPointe at Lakewood Estates II C.A. Inc





Component Inventory for SunPointe at Lakewood Estates II CA., Inc.

Category	Asset #	Asset Name	UL	RUL	Best Cost	Worst Cost
Roofing	105	Comp Shingle Roof - Replace (1)	20	6	\$772,275	\$845,825
	106	Comp Shingle Roof - Replace (2)	20	8	\$772,275	\$845,825
	107	Comp Shingle Roof - Replace (Bldg 18)	20	15	\$44,625	\$48,875
	116	Skylights - Replace (1)	20	6	\$41,600	\$48,000
	117	Skylights - Replace (2)	20	8	\$41,600	\$48,000
	119	Skylights - Replace (3)	20	13	\$7,800	\$9,000
	120	Gutters/Downspouts - Replace (1)	20	6	\$68,025	\$74,825
	121	Gutters/Downspouts - Replace (2)	20	8	\$68,025	\$74,825
	122	Gutters/Downspouts - Replace (3)	20	0	\$6,500	\$7,140
	Painted Surfaces	204	Building Ext Surfaces - Repaint (2024)	7	1	\$73,500
205		Building Ext Surfaces - Repaint (2025)	7	2	\$52,500	\$61,250
206		Building Ext Surfaces - Repaint (2026)	7	3	\$77,700	\$90,650
207		Building Ext Surfaces - Repaint (2027)	7	4	\$84,000	\$98,000
208		Building Ext Surfaces - Repaint (2028)	7	5	\$54,600	\$63,700
209		Wood Fencing - Restain	4	1	\$4,500	\$5,125
210		Iron Fencing - Repaint	N/A		\$0	\$0
Siding Materials	301	Siding - Major Repairs (2024)	7	1	\$15,300	\$17,850
	301	Siding - Replace (5, 6, 15)	35	1	\$313,835	\$347,950
	302	Siding - Major Repairs (2025)	7	2	\$22,500	\$26,250
	303	Siding - Major Repairs (2026)	7	3	\$33,300	\$38,850
	304	Siding - Major Repairs (2027)	7	4	\$36,000	\$42,000
	305	Siding - Major Repairs (2028)	7	5	\$23,400	\$22,100
	306	Brick - Replace	N/A		\$0	\$0
Drive Materials	401	Asphalt - Major Overlay	28	3	\$155,885	\$167,020
	401	Asphalt - Major Overlay (2022)	28	27	\$37,100	\$39,725
	402	Asphalt - Surface Application	4	0	\$21,000	\$23,500
	406	Drain Pans/Curb/Gutters - Partial Replace	4	2	\$19,500	\$21,450
Property Access	502	Garage Doors - Replace	N/A		\$0	\$0
	503	Cabana Doors - Replace	20	5	\$5,075	\$5,600
	509	Window Wells - Replace	N/A		\$0	\$0
Walking Surfaces	601	Concrete Flatwork - Partial Replace	4	2	\$31,050	\$34,500
	601	Unit Patios - Partial Replace	3	2	\$104,000	\$116,000
	603	Flagstone Pathways - Major Repairs	N/A		\$0	\$0
Prop. Identification	801	Monument - Replace	15	5	\$6,800	\$7,500
	803	Mailboxes - Replace (Bldg 19)	24	0	\$15,500	\$17,500
	804	Mailboxes - Replace (Bldg 28)	24	9	\$18,600	\$21,000
	809	Address Signs - Replace	20	7	\$11,250	\$13,500
	810	Flagpole - Replace	N/A		\$0	\$0
Security	908	Electronic Door Locks - Replace	N/A		\$0	\$0
Fencing/Walls	1001	Wood Fencing - Replace	24	5	\$17,220	\$18,450
	1002	Iron Fencing - Replace	26	11	\$9,250	\$10,175
	1005	Block Wall - Replace	N/A		\$0	\$0
	1011	Timber Wall - Partial Replacement	7	0	\$27,000	\$30,000
	1101	Fiberglass Pool - Refurbish	10	1	\$14,440	\$15,600
	1101	Fiberglass Pool - Replace	30	21	\$67,500	\$72,500
	1102	Spa - Replace	30	10	\$7,500	\$9,375

Pool/Spa	1105	Pool Heater - Replace	15	5	\$4,900	\$5,500
	1106	Spa Heater - Replace	15	9	\$4,000	\$4,650
	1108	Pool Filter - Replace	18	3	\$1,750	\$2,000
	1109	Spa Filter - Replace	18	6	\$1,750	\$2,000
	1111	Pool/Spa Pumps - Replace	7	0	\$2,700	\$3,200
	1113	Pool Cover - Replace	15	2	\$3,250	\$3,900
	1114	Spa Cover - Replace	N/A		\$0	\$0
	1117	Pool - Miscellaneous	N/A		\$0	\$0
	1121	Pool Furniture - Replace	10	1	\$10,350	\$11,500
Courts	1201	Tennis Court - Replace	24	4	\$170,000	\$200,000
	1202	Tennis Court - Recoat/Paint	8	12	\$16,000	\$18,000
	1210	Pergola - Replace	15	10	\$13,000	\$14,750
Recreation Equip.	1304	Drinking Fountain - Replace	15	5	\$1,600	\$1,850
Interiors	1413	Restroom - Remodel	20	3	\$15,000	\$17,500
Light Fixtures	1602	Exterior Wall Mount - Replace	20	0	\$38,025	\$44,785
	1604	Pole Lights - Replace	4	0	\$16,000	\$19,200
Irrig. System	1701	Irrigation System - Major Repairs	3	0	\$28,000	\$32,000
	1703	Irrigation Controllers - Replace	4	3	\$2,100	\$2,550
	1706	Backflow Devices - Replace	N/A		\$0	\$0
Landscaping	1801	Groundcover - Replenish	3	0	\$16,000	\$19,000
	1804	Tree - Replacement/Major Maintenance	N/A		\$0	\$0
	1807	Waterscape - Refurbish	20	0	\$32,500	\$37,500
	1808	Waterscape Equipment - Replace	N/A		\$0	\$0
Miscellaneous	2001	Sewer System	N/A		\$0	\$0

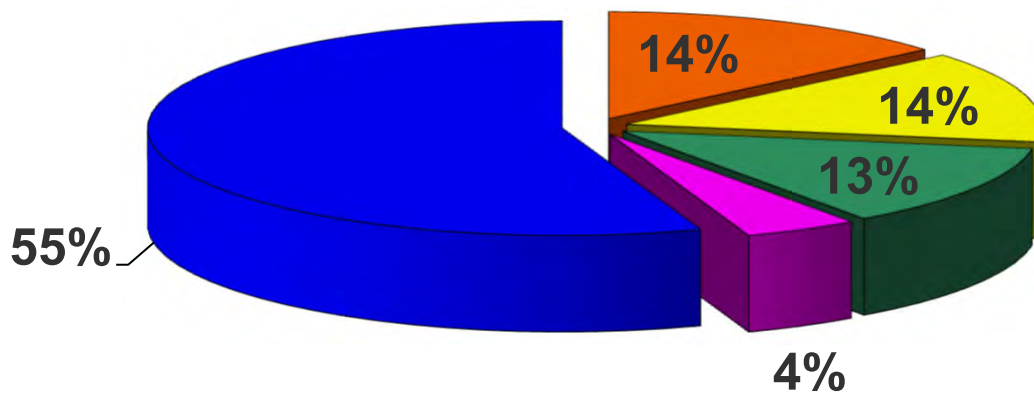
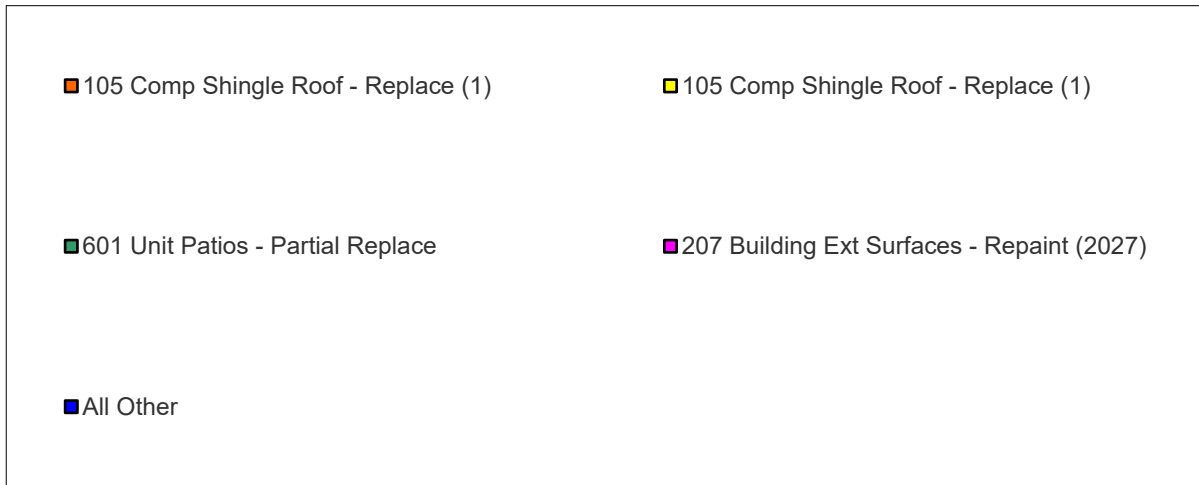
## Significant Components For SunPointe at Lakewood Estates II C.A. Inc

ID	Asset Name	UL	RUL	Significance:		
				Ave Curr Cost	(Curr Cost/UL) As \$	As %
105	Comp Shingle Roof - Replace (1)	20	6	\$809,050	\$40,453	13.8130%
106	Comp Shingle Roof - Replace (2)	20	8	\$809,050	\$40,453	13.8130%
107	Comp Shingle Roof - Replace (Bldg 18)	20	15	\$46,750	\$2,338	0.7982%
116	Skylights - Replace (1)	20	6	\$44,800	\$2,240	0.7649%
117	Skylights - Replace (2)	20	8	\$44,800	\$2,240	0.7649%
119	Skylights - Replace (3)	20	13	\$8,400	\$420	0.1434%
120	Gutters/Downspouts - Replace (1)	20	6	\$71,425	\$3,571	1.2194%
121	Gutters/Downspouts - Replace (2)	20	8	\$71,425	\$3,571	1.2194%
122	Gutters/Downspouts - Replace (3)	20	0	\$6,820	\$341	0.1164%
204	Building Ext Surfaces - Repaint (2024)	7	1	\$79,625	\$11,375	3.8841%
205	Building Ext Surfaces - Repaint (2025)	7	2	\$56,875	\$8,125	2.7744%
206	Building Ext Surfaces - Repaint (2026)	7	3	\$84,175	\$12,025	4.1061%
207	Building Ext Surfaces - Repaint (2027)	7	4	\$91,000	\$13,000	4.4390%
208	Building Ext Surfaces - Repaint (2028)	7	5	\$59,150	\$8,450	2.8854%
209	Wood Fencing - Restain	4	1	\$4,813	\$1,203	0.4108%
301	Siding - Major Repairs (2024)	7	1	\$16,575	\$2,368	0.8085%
301	Siding - Replace (5, 6, 15)	35	1	\$330,893	\$9,454	3.2282%
302	Siding - Major Repairs (2025)	7	2	\$24,375	\$3,482	1.1890%
303	Siding - Major Repairs (2026)	7	3	\$36,075	\$5,154	1.7597%
304	Siding - Major Repairs (2027)	7	4	\$39,000	\$5,571	1.9024%
305	Siding - Major Repairs (2028)	7	5	\$22,750	\$3,250	1.1098%
401	Asphalt - Major Overlay	28	3	\$161,453	\$5,766	1.9689%
401	Asphalt - Major Overlay (2022)	28	27	\$38,413	\$1,372	0.4684%
402	Asphalt - Surface Application	4	0	\$22,250	\$5,563	1.8994%
406	Drain Pans/Curb/Gutters - Partial Replace	4	2	\$20,475	\$5,119	1.7479%
503	Cabana Doors - Replace	20	5	\$5,338	\$267	0.0911%
601	Concrete Flatwork - Partial Replace	4	2	\$32,775	\$8,194	2.7979%
601	Unit Patios - Partial Replace	3	2	\$110,000	\$36,667	12.5203%
801	Monument - Replace	15	5	\$7,150	\$477	0.1628%
803	Mailboxes - Replace (Bldg 19)	24	0	\$16,500	\$688	0.2348%
804	Mailboxes - Replace (Bldg 28)	24	9	\$19,800	\$825	0.2817%
809	Address Signs - Replace	20	7	\$12,375	\$619	0.2113%
1001	Wood Fencing - Replace	24	5	\$17,835	\$743	0.2537%
1002	Iron Fencing - Replace	26	11	\$9,713	\$374	0.1276%
1011	Timber Wall - Partial Replacement	7	0	\$28,500	\$4,071	1.3902%
1101	Fiberglass Pool - Refurbish	10	1	\$15,020	\$1,502	0.5129%
1101	Fiberglass Pool - Replace	30	21	\$70,000	\$2,333	0.7967%
1102	Spa - Replace	30	10	\$8,438	\$281	0.0960%
1105	Pool Heater - Replace	15	5	\$5,200	\$347	0.1184%
1106	Spa Heater - Replace	15	9	\$4,325	\$288	0.0985%
1108	Pool Filter - Replace	18	3	\$1,875	\$104	0.0356%
1109	Spa Filter - Replace	18	6	\$1,875	\$104	0.0356%
1111	Pool/Spa Pumps - Replace	7	0	\$2,950	\$421	0.1439%
1113	Pool Cover - Replace	15	2	\$3,575	\$238	0.0814%
1121	Pool Furniture - Replace	10	1	\$10,925	\$1,093	0.3730%
1201	Tennis Court - Replace	24	4	\$185,000	\$7,708	2.6321%
1202	Tennis Court - Recoat/Paint	8	12	\$17,000	\$2,125	0.7256%
1210	Pergola - Replace	15	10	\$13,875	\$925	0.3159%
1304	Drinking Fountain - Replace	15	5	\$1,725	\$115	0.0393%
1413	Restroom - Remodel	20	3	\$16,250	\$813	0.2774%
1602	Exterior Wall Mount - Replace	20	0	\$41,405	\$2,070	0.7069%
1604	Pole Lights - Replace	4	0	\$17,600	\$4,400	1.5024%
1701	Irrigation System - Major Repairs	3	0	\$30,000	\$10,000	3.4146%

*Significant Components For SunPointe at Lakewood Estates II C.A. Inc*

ID	Asset Name	UL	RUL	Ave Curr Cost	Significance: (Curr Cost/UL)	
					As \$	As %
1703	Irrigation Controllers - Replace	4	3	\$2,325	\$581	0.1985%
1801	Groundcover - Replenish	3	0	\$17,500	\$5,833	1.9919%
1807	Waterscape - Refurbish	20	0	\$35,000	\$1,750	0.5976%

Significant Components Graph For SunPointe at Lakewood Estates II C.A. Inc



Asset ID	Asset Name	UL	RUL	Average Curr. Cost	Significance: (Curr Cost/UL)	
					As \$	As %
105	Comp Shingle Roof - Replace (1)	20	6	\$809,050	\$40,453	14%
105	Comp Shingle Roof - Replace (1)	20	6	\$809,050	\$40,453	14%
601	Unit Patios - Partial Replace	3	2	\$110,000	\$36,667	13%
207	Building Ext Surfaces - Repaint (2027)	7	4	\$91,000	\$13,000	4%
All Other	See Expanded Table on Page 4 For Additional Breakdown				\$162,287	55%

*Yearly Summary For SunPointe at Lakewood Estates II C.A. Inc*

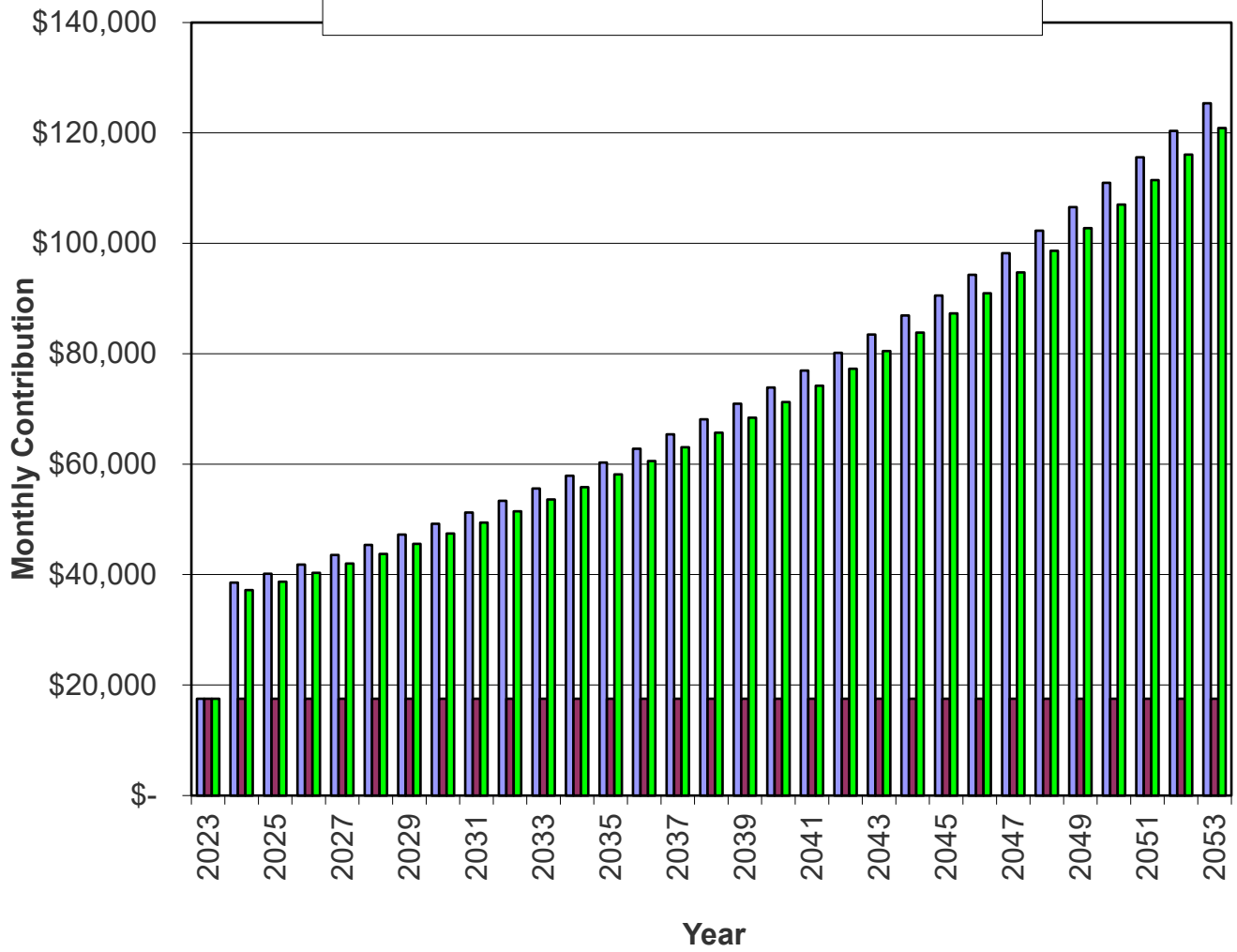
<b>Fiscal Year Start</b>	<b>Fully Funded Balance</b>	<b>Starting Reserve Balance</b>	<b>Percent Funded</b>	<b>Annual Reserve Contribs</b>	<b>Alternative Funding</b>	<b>Interest Income</b>	<b>Reserve Expenses</b>
2023	\$2,542,526	\$140,000	6%	\$210,000	\$162,000	\$2,991	\$218,525
2024	\$2,738,935	\$296,466	11%	\$462,600	\$162,000	\$4,520	\$479,598
2025	\$2,685,665	\$445,989	17%	\$481,798	\$162,000	\$7,161	\$272,202
2026	\$2,862,265	\$824,745	29%	\$501,793	\$162,000	\$10,415	\$401,882
2027	\$2,927,286	\$1,097,070	37%	\$522,617	\$162,000	\$13,128	\$427,229
2028	\$2,988,151	\$1,367,586	46%	\$544,306	\$162,000	\$16,618	\$295,061
2029	\$3,207,897	\$1,795,448	56%	\$566,894	\$0	\$14,064	\$1,357,923
2030	\$2,343,111	\$1,018,483	43%	\$590,420	\$0	\$12,877	\$63,863
2031	\$2,812,024	\$1,557,917	55%	\$614,923	\$0	\$10,211	\$1,697,890
2032	\$1,611,732	\$485,160	30%	\$640,442	\$0	\$6,888	\$239,433
2033	\$1,903,282	\$893,058	47%	\$667,020	\$0	\$10,758	\$311,445
2034	\$2,155,374	\$1,259,391	58%	\$694,702	\$0	\$13,815	\$463,139
2035	\$2,283,716	\$1,504,769	66%	\$723,532	\$0	\$17,118	\$325,046
2036	\$2,587,085	\$1,920,373	74%	\$753,558	\$0	\$22,956	\$24,154
2037	\$3,245,479	\$2,672,733	82%	\$784,831	\$0	\$28,920	\$372,840
2038	\$3,596,536	\$3,113,644	87%	\$817,402	\$0	\$33,443	\$386,688
2039	\$3,977,666	\$3,577,800	90%	\$851,324	\$0	\$38,941	\$254,454
2040	\$4,544,644	\$4,213,611	93%	\$886,654	\$0	\$44,145	\$525,239
2041	\$4,885,524	\$4,619,170	95%	\$923,450	\$0	\$48,370	\$532,003
2042	\$5,267,582	\$5,058,987	96%	\$961,773	\$0	\$54,632	\$203,408
2043	\$6,045,587	\$5,871,984	97%	\$1,001,687	\$0	\$60,665	\$668,238
2044	\$6,408,828	\$6,266,097	98%	\$1,043,257	\$0	\$65,772	\$481,181
2045	\$7,022,128	\$6,893,944	98%	\$1,086,552	\$0	\$72,630	\$414,844
2046	\$7,772,662	\$7,638,283	98%	\$1,131,644	\$0	\$79,354	\$610,099
2047	\$8,394,764	\$8,239,181	98%	\$1,178,607	\$0	\$85,167	\$701,440
2048	\$8,993,105	\$8,801,515	98%	\$1,227,519	\$0	\$92,117	\$491,408
2049	\$9,884,258	\$9,629,743	97%	\$1,278,461	\$0	\$83,514	\$3,911,546
2050	\$7,281,636	\$7,080,173	97%	\$1,331,517	\$0	\$76,046	\$352,217
2051	\$8,332,484	\$8,135,519	98%	\$1,386,775	\$0	\$66,618	\$4,395,195
2052	\$5,249,239	\$5,193,717	99%	\$1,444,326	\$0	\$55,015	\$879,049



Reserve Contributions For SunPointe at Lakewood Estates II C.A. Inc

# Reserve Contributions

■ Recommended    
 ■ Current    
 ■ Minimum



**Component Funding Information For SunPointe at Lakewood Estates II C.A.**

ID	Component Name	Ave		Current	Monthly
		Current Cost	Ideal Balance	Fund Balance	
105	Comp Shingle Roof - Replace (1)	\$809,050	\$566,335	\$0	\$2,417.27
106	Comp Shingle Roof - Replace (2)	\$809,050	\$485,430	\$0	\$2,417.27
107	Comp Shingle Roof - Replace (Bldg 18)	\$46,750	\$11,688	\$0	\$139.68
116	Skylights - Replace (1)	\$44,800	\$31,360	\$0	\$133.85
117	Skylights - Replace (2)	\$44,800	\$26,880	\$0	\$133.85
119	Skylights - Replace (3)	\$8,400	\$2,940	\$0	\$25.10
120	Gutters/Downspouts - Replace (1)	\$71,425	\$49,998	\$0	\$213.40
121	Gutters/Downspouts - Replace (2)	\$71,425	\$42,855	\$0	\$213.40
122	Gutters/Downspouts - Replace (3)	\$6,820	\$6,820	\$6,820	\$20.38
204	Building Ext Surfaces - Repaint (2024)	\$79,625	\$68,250	\$0	\$679.72
205	Building Ext Surfaces - Repaint (2025)	\$56,875	\$40,625	\$0	\$485.52
206	Building Ext Surfaces - Repaint (2026)	\$84,175	\$48,100	\$0	\$718.56
207	Building Ext Surfaces - Repaint (2027)	\$91,000	\$39,000	\$0	\$776.83
208	Building Ext Surfaces - Repaint (2028)	\$59,150	\$16,900	\$0	\$504.94
209	Wood Fencing - Restain	\$4,813	\$3,609	\$0	\$71.89
301	Siding - Major Repairs (2024)	\$16,575	\$14,207	\$0	\$141.49
301	Siding - Replace (5, 6, 15)	\$330,893	\$321,438	\$0	\$564.94
302	Siding - Major Repairs (2025)	\$24,375	\$17,411	\$0	\$208.08
303	Siding - Major Repairs (2026)	\$36,075	\$20,614	\$0	\$307.96
304	Siding - Major Repairs (2027)	\$39,000	\$16,714	\$0	\$332.93
305	Siding - Major Repairs (2028)	\$22,750	\$6,500	\$0	\$194.21
401	Asphalt - Major Overlay	\$161,453	\$144,154	\$0	\$344.56
401	Asphalt - Major Overlay (2022)	\$38,413	\$1,372	\$0	\$81.98
402	Asphalt - Surface Application	\$22,250	\$22,250	\$22,250	\$332.39
406	Drain Pans/Curb/Gutters - Partial Replace	\$20,475	\$10,238	\$0	\$305.87
503	Cabana Doors - Replace	\$5,338	\$4,003	\$0	\$15.95
601	Concrete Flatwork - Partial Replace	\$32,775	\$16,388	\$0	\$489.62
601	Unit Patios - Partial Replace	\$110,000	\$36,667	\$0	\$2,191.05
801	Monument - Replace	\$7,150	\$4,767	\$0	\$28.48
803	Mailboxes - Replace (Bldg 19)	\$16,500	\$16,500	\$16,500	\$41.08
804	Mailboxes - Replace (Bldg 28)	\$19,800	\$12,375	\$0	\$49.30
809	Address Signs - Replace	\$12,375	\$8,044	\$0	\$36.97
1001	Wood Fencing - Replace	\$17,835	\$14,119	\$0	\$44.41
1002	Iron Fencing - Replace	\$9,713	\$5,603	\$0	\$22.32
1011	Timber Wall - Partial Replacement	\$28,500	\$28,500	\$28,500	\$243.29
1101	Fiberglass Pool - Refurbish	\$15,020	\$13,518	\$0	\$89.75
1101	Fiberglass Pool - Replace	\$70,000	\$21,000	\$0	\$139.43
1102	Spa - Replace	\$8,438	\$5,625	\$0	\$16.81
1105	Pool Heater - Replace	\$5,200	\$3,467	\$0	\$20.72
1106	Spa Heater - Replace	\$4,325	\$1,730	\$0	\$17.23
1108	Pool Filter - Replace	\$1,875	\$1,563	\$0	\$6.22
1109	Spa Filter - Replace	\$1,875	\$1,250	\$0	\$6.22
1111	Pool/Spa Pumps - Replace	\$2,950	\$2,950	\$2,950	\$25.18
1113	Pool Cover - Replace	\$3,575	\$3,098	\$0	\$14.24
1121	Pool Furniture - Replace	\$10,925	\$9,833	\$0	\$65.28
1201	Tennis Court - Replace	\$185,000	\$154,167	\$0	\$460.62
1202	Tennis Court - Recoat/Paint	\$17,000	\$0	\$0	\$0.00
1210	Pergola - Replace	\$13,875	\$4,625	\$0	\$55.27
1304	Drinking Fountain - Replace	\$1,725	\$1,150	\$0	\$6.87
1413	Restroom - Remodel	\$16,250	\$13,813	\$0	\$48.55
1602	Exterior Wall Mount - Replace	\$41,405	\$41,405	\$41,405	\$123.71

<b>ID</b>	<b>Component Name</b>	<b>Ave Current Cost</b>	<b>Ideal Balance</b>	<b>Current Fund Balance</b>	<b>Monthly</b>
1604	Pole Lights - Replace	17600	\$17,600	\$17,600	\$262.93
1701	Irrigation System - Major Repairs	30000	\$30,000	\$3,975	\$597.56
1703	Irrigation Controllers - Replace	2325	\$581	\$0	\$34.73
1801	Groundcover - Replenish	17500	\$17,500	\$0	\$348.58
1807	Waterscape - Refurbish	35000	\$35,000	\$0	\$104.57

## Yearly Cash Flow For SunPointe at Lakewood Estates II C.A. Inc

Year	2023	2024	2025	2026	2027
<b>Starting Balance</b>	\$140,000	\$296,466	\$445,989	\$824,745	\$1,097,070
<i>Reserve Income</i>	\$210,000	\$462,600	\$481,798	\$501,793	\$522,617
<i>Interest Earnings</i>	\$2,991	\$4,520	\$7,161	\$10,415	\$13,128
<i>Alternative Funding</i>	\$162,000	\$162,000	\$162,000	\$162,000	\$162,000
<b>Funds Available</b>	\$514,991	\$925,586	\$1,096,947	\$1,498,952	\$1,794,815
<b>Reserve Expenditures</b>	\$218,525	\$479,598	\$272,202	\$401,882	\$427,229
<b>Ending Balance</b>	\$296,466	\$445,989	\$824,745	\$1,097,070	\$1,367,586

Year	2028	2029	2030	2031	2032
<b>Starting Balance</b>	\$1,367,586	\$1,795,448	\$1,018,483	\$1,557,917	\$485,160
<i>Reserve Income</i>	\$544,306	\$566,894	\$590,420	\$614,923	\$640,442
<i>Interest Earnings</i>	\$16,618	\$14,064	\$12,877	\$10,211	\$6,888
<i>Alternative Funding</i>	\$162,000	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$2,090,509	\$2,376,406	\$1,621,780	\$2,183,051	\$1,132,491
<b>Reserve Expenditures</b>	\$295,061	\$1,357,923	\$63,863	\$1,697,890	\$239,433
<b>Ending Balance</b>	\$1,795,448	\$1,018,483	\$1,557,917	\$485,160	\$893,058

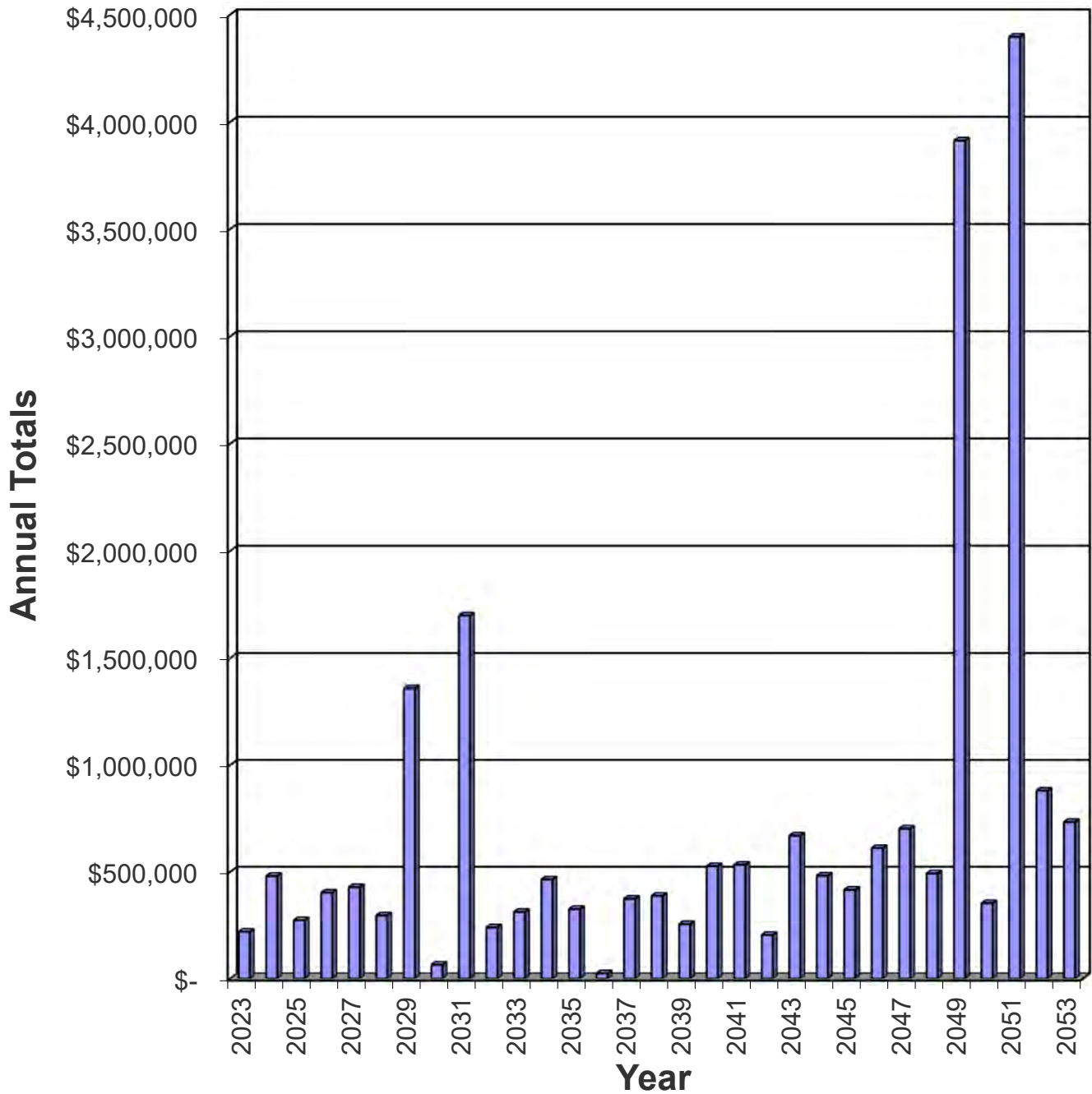
Year	2033	2034	2035	2036	2037
<b>Starting Balance</b>	\$893,058	\$1,259,391	\$1,504,769	\$1,920,373	\$2,672,733
<i>Reserve Income</i>	\$667,020	\$694,702	\$723,532	\$753,558	\$784,831
<i>Interest Earnings</i>	\$10,758	\$13,815	\$17,118	\$22,956	\$28,920
<i>Alternative Funding</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,570,836	\$1,967,908	\$2,245,419	\$2,696,887	\$3,486,484
<b>Reserve Expenditures</b>	\$311,445	\$463,139	\$325,046	\$24,154	\$372,840
<b>Ending Balance</b>	\$1,259,391	\$1,504,769	\$1,920,373	\$2,672,733	\$3,113,644

Year	2038	2039	2040	2041	2042
<b>Starting Balance</b>	\$3,113,644	\$3,577,800	\$4,213,611	\$4,619,170	\$5,058,987
<i>Reserve Income</i>	\$817,402	\$851,324	\$886,654	\$923,450	\$961,773
<i>Interest Earnings</i>	\$33,443	\$38,941	\$44,145	\$48,370	\$54,632
<i>Alternative Funding</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$3,964,489	\$4,468,064	\$5,144,410	\$5,590,990	\$6,075,392
<b>Reserve Expenditures</b>	\$386,688	\$254,454	\$525,239	\$532,003	\$203,408
<b>Ending Balance</b>	\$3,577,800	\$4,213,611	\$4,619,170	\$5,058,987	\$5,871,984

Year	2043	2044	2045	2046	2047
<b>Starting Balance</b>	\$5,871,984	\$6,266,097	\$6,893,944	\$7,638,283	\$8,239,181
<i>Reserve Income</i>	\$1,001,687	\$1,043,257	\$1,086,552	\$1,131,644	\$1,178,607
<i>Interest Earnings</i>	\$60,665	\$65,772	\$72,630	\$79,354	\$85,167
<i>Alternative Funding</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$6,934,335	\$7,375,126	\$8,053,126	\$8,849,280	\$9,502,955
<b>Reserve Expenditures</b>	\$668,238	\$481,181	\$414,844	\$610,099	\$701,440
<b>Ending Balance</b>	\$6,266,097	\$6,893,944	\$7,638,283	\$8,239,181	\$8,801,515

Year	2048	2049	2050	2051	2052
<b>Starting Balance</b>	\$8,801,515	\$9,629,743	\$7,080,173	\$8,135,519	\$5,193,717
<i>Reserve Income</i>	\$1,227,519	\$1,278,461	\$1,331,517	\$1,386,775	\$1,444,326
<i>Interest Earnings</i>	\$92,117	\$83,514	\$76,046	\$66,618	\$55,015
<i>Alternative Funding</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$10,121,151	\$10,991,719	\$8,487,736	\$9,588,912	\$6,693,059
<b>Reserve Expenditures</b>	\$491,408	\$3,911,546	\$352,217	\$4,395,195	\$879,049
<b>Ending Balance</b>	\$9,629,743	\$7,080,173	\$8,135,519	\$5,193,717	\$5,814,010

## Reserve Expenditures



*Projected Reserve Expenditures For SunPointe at Lakewood Estates II C.A. Inc*

<b>Year</b>	<b>Asset ID</b>	<b>Asset Name</b>	<b>Projected Cost</b>	<b>Total Per Annum</b>
2023	122	Gutters/Downspouts - Replace (3)	\$6,820	
	402	Asphalt - Surface Application	\$22,250	
	803	Mailboxes - Replace (Bldg 19)	\$16,500	
	1011	Timber Wall - Partial Replacement	\$28,500	
	1111	Pool/Spa Pumps - Replace	\$2,950	
	1602	Exterior Wall Mount - Replace	\$41,405	
	1604	Pole Lights - Replace	\$17,600	
	1701	Irrigation System - Major Repairs	\$30,000	
	1801	Groundcover - Replenish	\$17,500	
	1807	Waterscape - Refurbish	\$35,000	\$218,525
2024	204	Building Ext Surfaces - Repaint (2024)	\$83,407	
	209	Wood Fencing - Restain	\$5,041	
	301	Siding - Major Repairs (2024)	\$17,362	
	301	Siding - Replace (5, 6, 15)	\$346,610	
	1101	Fiberglass Pool - Refurbish	\$15,733	
	1121	Pool Furniture - Replace	\$11,444	\$479,598
2025	205	Building Ext Surfaces - Repaint (2025)	\$62,406	
	302	Siding - Major Repairs (2025)	\$26,746	
	406	Drain Pans/Curb/Gutters - Partial Replace	\$22,466	
	601	Concrete Flatwork - Partial Replace	\$35,963	
	601	Unit Patios - Partial Replace	\$120,698	
	1113	Pool Cover - Replace	\$3,923	\$272,202
2026	206	Building Ext Surfaces - Repaint (2026)	\$96,749	
	303	Siding - Major Repairs (2026)	\$41,464	
	401	Asphalt - Major Overlay	\$185,570	
	1108	Pool Filter - Replace	\$2,155	
	1413	Restroom - Remodel	\$18,677	
	1701	Irrigation System - Major Repairs	\$34,481	
	1703	Irrigation Controllers - Replace	\$2,672	
	1801	Groundcover - Replenish	\$20,114	\$401,882
2027	207	Building Ext Surfaces - Repaint (2027)	\$109,561	
	304	Siding - Major Repairs (2027)	\$46,955	
	402	Asphalt - Surface Application	\$26,788	
	1201	Tennis Court - Replace	\$222,735	
	1604	Pole Lights - Replace	\$21,190	\$427,229
2028	208	Building Ext Surfaces - Repaint (2028)	\$74,598	
	209	Wood Fencing - Restain	\$6,069	
	305	Siding - Major Repairs (2028)	\$28,691	
	503	Cabana Doors - Replace	\$6,731	
	601	Unit Patios - Partial Replace	\$138,728	
	801	Monument - Replace	\$9,017	
	1001	Wood Fencing - Replace	\$22,493	
	1105	Pool Heater - Replace	\$6,558	
	1304	Drinking Fountain - Replace	\$2,176	\$295,061
	2029	105	Comp Shingle Roof - Replace (1)	\$1,068,808
116		Skylights - Replace (1)	\$59,184	
120		Gutters/Downspouts - Replace (1)	\$94,357	
406		Drain Pans/Curb/Gutters - Partial Replace	\$27,049	
601		Concrete Flatwork - Partial Replace	\$43,298	
1109		Spa Filter - Replace	\$2,477	
1701		Irrigation System - Major Repairs	\$39,632	
1801		Groundcover - Replenish	\$23,119	\$1,357,923
2030	809	Address Signs - Replace	\$17,125	



Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
	1011	Timber Wall - Partial Replacement	\$39,439	
	1111	Pool/Spa Pumps - Replace	\$4,082	
	1703	Irrigation Controllers - Replace	\$3,217	\$63,863
2031	106	Comp Shingle Roof - Replace (2)	\$1,172,756	
	117	Skylights - Replace (2)	\$64,940	
	121	Gutters/Downspouts - Replace (2)	\$103,534	
	204	Building Ext Surfaces - Repaint (2024)	\$115,420	
	301	Siding - Major Repairs (2024)	\$24,026	
	402	Asphalt - Surface Application	\$32,252	
	601	Unit Patios - Partial Replace	\$159,450	
	1604	Pole Lights - Replace	\$25,512	\$1,697,890
2032	205	Building Ext Surfaces - Repaint (2025)	\$86,359	
	209	Wood Fencing - Restain	\$7,307	
	302	Siding - Major Repairs (2025)	\$37,011	
	804	Mailboxes - Replace (Bldg 28)	\$30,064	
	1106	Spa Heater - Replace	\$6,567	
	1701	Irrigation System - Major Repairs	\$45,552	
	1801	Groundcover - Replenish	\$26,572	\$239,433
2033	206	Building Ext Surfaces - Repaint (2026)	\$133,882	
	303	Siding - Major Repairs (2026)	\$57,378	
	406	Drain Pans/Curb/Gutters - Partial Replace	\$32,566	
	601	Concrete Flatwork - Partial Replace	\$52,129	
	1102	Spa - Replace	\$13,420	
	1210	Pergola - Replace	\$22,069	\$311,445
2034	207	Building Ext Surfaces - Repaint (2027)	\$151,613	
	304	Siding - Major Repairs (2027)	\$64,977	
	601	Unit Patios - Partial Replace	\$183,268	
	1002	Iron Fencing - Replace	\$16,182	
	1101	Fiberglass Pool - Refurbish	\$25,024	
	1121	Pool Furniture - Replace	\$18,202	
	1703	Irrigation Controllers - Replace	\$3,874	\$463,139
2035	208	Building Ext Surfaces - Repaint (2028)	\$103,229	
	305	Siding - Major Repairs (2028)	\$39,704	
	402	Asphalt - Surface Application	\$38,831	
	1202	Tennis Court - Recoat/Paint	\$29,669	
	1604	Pole Lights - Replace	\$30,716	
	1701	Irrigation System - Major Repairs	\$52,356	
	1801	Groundcover - Replenish	\$30,541	\$325,046
2036	119	Skylights - Replace (3)	\$15,356	
	209	Wood Fencing - Restain	\$8,798	\$24,154
2037	406	Drain Pans/Curb/Gutters - Partial Replace	\$39,209	
	601	Concrete Flatwork - Partial Replace	\$62,762	
	601	Unit Patios - Partial Replace	\$210,644	
	1011	Timber Wall - Partial Replacement	\$54,576	
	1111	Pool/Spa Pumps - Replace	\$5,649	\$372,840
2038	107	Comp Shingle Roof - Replace (Bldg 18)	\$93,776	
	204	Building Ext Surfaces - Repaint (2024)	\$159,720	
	301	Siding - Major Repairs (2024)	\$33,248	
	1701	Irrigation System - Major Repairs	\$60,177	
	1703	Irrigation Controllers - Replace	\$4,664	
	1801	Groundcover - Replenish	\$35,103	\$386,688
2039	205	Building Ext Surfaces - Repaint (2025)	\$119,505	
	302	Siding - Major Repairs (2025)	\$51,216	
	402	Asphalt - Surface Application	\$46,751	
	1604	Pole Lights - Replace	\$36,981	\$254,454

<b>Year</b>	<b>Asset ID</b>	<b>Asset Name</b>	<b>Projected Cost</b>	<b>Total Per Annum</b>
2040	206	Building Ext Surfaces - Repaint (2026)	\$185,269	
	209	Wood Fencing - Restain	\$10,592	
	303	Siding - Major Repairs (2026)	\$79,401	
	601	Unit Patios - Partial Replace	\$242,109	
	1113	Pool Cover - Replace	\$7,869	\$525,239
2041	207	Building Ext Surfaces - Repaint (2027)	\$209,804	
	304	Siding - Major Repairs (2027)	\$89,916	
	406	Drain Pans/Curb/Gutters - Partial Replace	\$47,206	
	601	Concrete Flatwork - Partial Replace	\$75,564	
	1701	Irrigation System - Major Repairs	\$69,166	
	1801	Groundcover - Replenish	\$40,347	\$532,003
2042	208	Building Ext Surfaces - Repaint (2028)	\$142,850	
	305	Siding - Major Repairs (2028)	\$54,942	
	1703	Irrigation Controllers - Replace	\$5,615	\$203,408
2043	122	Gutters/Downspouts - Replace (3)	\$17,253	
	402	Asphalt - Surface Application	\$56,287	
	601	Unit Patios - Partial Replace	\$278,274	
	801	Monument - Replace	\$18,088	
	1105	Pool Heater - Replace	\$13,155	
	1202	Tennis Court - Recoat/Paint	\$43,006	
	1304	Drinking Fountain - Replace	\$4,364	
	1602	Exterior Wall Mount - Replace	\$104,745	
	1604	Pole Lights - Replace	\$44,524	
	1807	Waterscape - Refurbish	\$88,542	\$668,238
2044	209	Wood Fencing - Restain	\$12,753	
	1011	Timber Wall - Partial Replacement	\$75,523	
	1101	Fiberglass Pool - Refurbish	\$39,802	
	1101	Fiberglass Pool - Replace	\$185,495	
	1108	Pool Filter - Replace	\$4,969	
	1111	Pool/Spa Pumps - Replace	\$7,817	
	1121	Pool Furniture - Replace	\$28,951	
	1701	Irrigation System - Major Repairs	\$79,498	
	1801	Groundcover - Replenish	\$46,374	\$481,181
2045	204	Building Ext Surfaces - Repaint (2024)	\$221,023	
	301	Siding - Major Repairs (2024)	\$46,009	
	406	Drain Pans/Curb/Gutters - Partial Replace	\$56,835	
	601	Concrete Flatwork - Partial Replace	\$90,977	\$414,844
2046	205	Building Ext Surfaces - Repaint (2025)	\$165,373	
	302	Siding - Major Repairs (2025)	\$70,874	
	601	Unit Patios - Partial Replace	\$319,842	
	1413	Restroom - Remodel	\$47,249	
	1703	Irrigation Controllers - Replace	\$6,760	\$610,099
2047	206	Building Ext Surfaces - Repaint (2026)	\$256,377	
	303	Siding - Major Repairs (2026)	\$109,876	
	402	Asphalt - Surface Application	\$67,768	
	803	Mailboxes - Replace (Bldg 19)	\$50,255	
	1106	Spa Heater - Replace	\$13,173	
	1109	Spa Filter - Replace	\$5,711	
	1604	Pole Lights - Replace	\$53,606	
	1701	Irrigation System - Major Repairs	\$91,373	
	1801	Groundcover - Replenish	\$53,301	\$701,440
2048	207	Building Ext Surfaces - Repaint (2027)	\$290,330	
	209	Wood Fencing - Restain	\$15,354	
	304	Siding - Major Repairs (2027)	\$124,427	
	503	Cabana Doors - Replace	\$17,029	

<b>Year</b>	<b>Asset ID</b>	<b>Asset Name</b>	<b>Projected Cost</b>	<b>Total Per Annum</b>
	1210	Pergola - Replace	\$44,267	\$491,408
2049	105	Comp Shingle Roof - Replace (1)	\$2,703,835	
	116	Skylights - Replace (1)	\$149,721	
	120	Gutters/Downspouts - Replace (1)	\$238,701	
	208	Building Ext Surfaces - Repaint (2028)	\$197,679	
	305	Siding - Major Repairs (2028)	\$76,030	
	406	Drain Pans/Curb/Gutters - Partial Replace	\$68,427	
	601	Concrete Flatwork - Partial Replace	\$109,534	
	601	Unit Patios - Partial Replace	\$367,619	\$3,911,546
2050	401	Asphalt - Major Overlay (2022)	\$134,472	
	809	Address Signs - Replace	\$43,322	
	1701	Irrigation System - Major Repairs	\$105,022	
	1703	Irrigation Controllers - Replace	\$8,139	
	1801	Groundcover - Replenish	\$61,263	\$352,217
2051	106	Comp Shingle Roof - Replace (2)	\$2,966,800	
	117	Skylights - Replace (2)	\$164,282	
	121	Gutters/Downspouts - Replace (2)	\$261,917	
	402	Asphalt - Surface Application	\$81,591	
	1011	Timber Wall - Partial Replacement	\$104,510	
	1111	Pool/Spa Pumps - Replace	\$10,818	
	1201	Tennis Court - Replace	\$678,398	
	1202	Tennis Court - Recoat/Paint	\$62,339	
	1604	Pole Lights - Replace	\$64,539	\$4,395,195
2052	204	Building Ext Surfaces - Repaint (2024)	\$305,856	
	209	Wood Fencing - Restain	\$18,486	
	301	Siding - Major Repairs (2024)	\$63,668	
	601	Unit Patios - Partial Replace	\$422,532	
	1001	Wood Fencing - Replace	\$68,508	\$879,049
2053	205	Building Ext Surfaces - Repaint (2025)	\$228,845	
	302	Siding - Major Repairs (2025)	\$98,077	
	406	Drain Pans/Curb/Gutters - Partial Replace	\$82,384	
	601	Concrete Flatwork - Partial Replace	\$131,875	
	1701	Irrigation System - Major Repairs	\$120,710	
	1801	Groundcover - Replenish	\$70,414	\$732,306

## **Glossary of Commonly used Words and Phrases** (provided by the National Reserve Study Standards of the Community Associations Institute)

**Asset or Component** – Individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association Responsibility, 2) with limited Useful Life expectancies, 3) have predictable Remaining Life expectancies, 4) above a minimum threshold cost, and 5) required by local codes.

**Cash Flow Method** – A method of developing a Reserve Funding Plan where contributions to the Reserve fund are designed to offset the variable annual expenditures from the Reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

**Component Inventory** – The task of selecting and quantifying Reserve Components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representatives.

**Deficit** – An actual (or projected) Reserve Balance, which is less than the Fully Funded Balance.

**Effective Age** – The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

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

**Component Full Funding** – When the actual (or projected) cumulative Reserve balance for all components is equal to the Fully Funded Balance.

**Fully Fund Balance (aka – Ideal Balance)** – An indicator against which Actual (or projected) Reserve Balance can be compared. The Reserve balance that is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This number is calculated for each component, and then summed together for an association total.

$$\text{FFB} = \text{Replacement Cost} \times \text{Effective Age} / \text{Useful Life}$$

**Fund Status** – The status of the Reserve Fund as compared to an established benchmark, such as percent funding.

**Funding Goals** – Independent of methodology utilized, the following represent the basic categories of Funding Plan Goals.

- **Baseline Funding:** Establishing a Reserve funding goal of keeping the Reserve Balance above zero.
- **Component Full Funding:** Setting a Reserve funding goal of attaining and maintaining cumulative Reserves at or near 100% funded.
- **Threshold Funding:** Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than the “Component Fully Funding” method.

**Funding Plan** – An association's plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

**Funding Principles** –

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

**Life and Valuation Estimates** – The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components.

**Percent Funded** – The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the *actual* (or *projected*) Reserve Balance to the accrued *Fund Balance*, expressed as a percentage.

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

**Remaining Useful Life (RUL)** – Also referred to as “Remaining Life” (RL). The estimated time, in years, that a reserve component can be expected to *continue* to serve its intended function. Projects anticipated to occur in the initial year have “0” Remaining Useful Life.

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

**Reserve Balance** – Actual or projected funds as of a particular point in time (typically the beginning of the fiscal year) that the association has identified for use to defray the future repair or replacement of those major components in which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves. This is based upon information provided and is not audited.

**Reserve Provider** – An individual that prepares Reserve Studies. Also known as **Aspen Reserve Specialties**.

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

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

**Surplus** – An actual (or projected) Reserve Balance that is greater than the Fully Funded Balance.

**Useful Life (UL)** – Also known as “Life Expectancy”, or “Depreciable Life”. The estimated time, in years, that a Reserve component can be expected to serve its intended function if properly constructed and maintained in its present application or installation.

