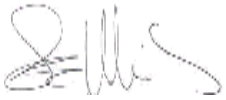
RESERVE STUDIES INC.

— ESTABLISHED 1991 —

RESERVE STUDY - MARCH 9, 2023
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY) 3525 Main Street Los Angeles, California

REVIEWED BY:		
Les Weinberg, MBA, RS DATE: March 9, 2023		

PLANNING A BRIGHT FUTURE

APRA

Association of Professional Reserve Analysts

California Association of Community Managers, Inc.

CACM

Affiliate Member

MEMBER OF community ASSOCIATIONS INSTITUTE

TABLE OF CONTENTS

OVERVIEW

This “Full" Reserve Study has been prepared for "Condominium Homeowners Association (Sample Only)" in Los Angeles, California. It consists of three main divisions:

The **Summary** is a brief synopsis of the results of the Reserve Study for compliance with the Civil Code.

The **Financial Analysis** utilizes the data gathered from the Condition Assessment. Future expenditures by year over a 30-year period are then projected. Specific information regarding methods and assumptions are delineated in that section.

The **Condition Assessment** is both an inventory and examination of the major association components that are subject to deterioration within the 30-year scope of this study. Specific information regarding survey methods and assumptions are delineated in that section.

Information contained in this report will assist in compliance with the provisions of California Civil Code, Sections 5300, 5570, and 5550 which require, among other items, that a pro forma operating budget (which should include a summary of the Reserve Study) be distributed between 30 and 90 days prior to the beginning of the association's fiscal year. The code requires that the association perform a Reserve Study at least every 3 years, which must be updated annually. The summary of the Reserve Study must include:

1) An estimation of remaining life expectancy of those components.
2) A statement of annual contributions necessary to defray such costs.
3) Identification of common area components with less than a 30-year life.
4) A statement showing the current reserves available to defray such costs.
5) "Percent Funded" (i.e. item #4 above divided by item #3).
6) A statement as to whether the board has determined or anticipates any special assessments.
7) A statement regarding the procedures used for calculation and establishment of the reserves.

DOCUMENTS TO BE DISTRIBUTED (within 30 – 90 days prior to the fiscal year the study is for):

1) **Summary**
2) **Component Inventory**
3) **ARFDS** (Assessment and Reserve Funding Disclosure Summary)
4) Copies of the full Reserve Study should be made available upon request.

In addition to the legal objectives, the information contained in the study will provide a perpetual inventory of all common area components which can be expanded should the project undergo any future physical changes. Also, the detailed schedules will serve as an advance warning system with respect to major repair or replacement of the components. This will allow time for obtaining competitive bids, ultimately resulting in cost savings to the individual homeowners. As a planning tool, the study can be utilized as a "maintenance monitor", thus obtaining maximum life potential from the components and avoiding the "quick-fix" option that can occur due to a lack of funds.

One of the most important aspects of this report is that it will provide an educated estimate as to what the monthly reserve contribution realistically needs to be. This will ensure the physical well-being of the project and ultimately enhance each owner's investment while helping to avoid unexpected and costly special assessments.

It is important to note that the information contained herein includes estimates and assumptions based on various sources of information. While every effort has been made to insure accurate results, this report reflects the judgment of Reserve Studies Inc. based on conditions present at the time of the study and should not be construed as a guarantee or assurance of future events. This study has been undertaken by an independent third party. RSI (Reserve Studies Inc.) has no involvement with the client (association) outside of the scope of the services provided herein.

SUMMARY
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

ASSUMPTIONS:			
(A) FISCAL (12 MONTH) PERIOD RESERVE STUDY IS TO COVER:	1/1/2024	through	12/31/2024
(B) INFLATION FACTOR (30 year average CPI per Bureau of Labor Statistics):			2.49%
(C) INTEREST % ON RESERVE FUNDS (unless provided, assumed to be 1%):			3.0000%
(D) BEGINNING RESERVE BALANCE PER ASSOCIATION AS OF:	1/1/2024		$23,402
(E) NUMBER OF UNITS:			6

ANALYSIS OF MONTHLY RESERVE CONTRIBUTION	PERIOD			TOTAL	PER UNIT[1]
(F) CURRENTLY BUDGETED PER ASSOCIATION:	1/1/2023	through	12/31/2023	$450.00	$75.00
(G) RECOMMENDED TO BUDGET (see Funding Plan #3[2]):	1/1/2024	through	12/31/2024	**$618.30**	**$103.05**
(H) DOLLAR INCREASE / (DECREASE) ("G" less "F"):	1/1/2024	through	12/31/2024	$168.30	$28.05
(I) % INCREASE / (DECREASE) ("H" divided by "F"):	1/1/2024	through	12/31/2024	37.40%	37.40%
(J) SPECIAL ASSESSMENT (ANNUAL) - IN ADDITION TO "G":	1/1/2024	through	12/31/2024	$0.00	$0.00
(K) FUTURE ANNUAL % INCREASES / (DECREASES):	1/1/2025	through	12/31/2026	37.40%	37.40%

ANALYSIS OF MONTHLY ASSESSMENT ("DUES"):	PERIOD			TOTAL	PER UNIT[1]
(L) CURRENTLY BUDGETED PER ASSOCIATION:	1/1/2023	through	12/31/2023	$2,216.00	$369.33
(M) RESERVE CONTRIBUTION % (item "F" divided by "L"):	1/1/2023	through	12/31/2023	20.31%	20.31%
(N) % CHANGE IN ASSESSMENT ("H" divided by "L") (if recommended reserve contribution implemented)	1/1/2024	through	12/31/2024	7.59%	7.59%

OVERAGE / (DEFICIT):	PERIOD			TOTAL	PER UNIT[1]
(between "actual" and "ideal" reserve balance)	1/1/2023	through	12/31/2023	($52,870)	($8,812)

COST OF COMPONENTS THAT NEED TO BE REPLACED WITHIN 5 YEARS	$36,823.50

PERCENT FUNDED[3]		
as of 1/1/2024		**30.68%**
as of 12/31/2024	(if Funding Plan #3[2] recommended above is followed)	**23.17%**

FOOTNOTES:

1. Per Unit amounts reflect "Total" amounts divided by units - no adjustments made for variable rate assessments.
2. Funding Plan #3 reflects minimum funding and may only marginally cover total annual expenditures in some years.
3. Actual reserve balance (item "D") divided by accumulated depreciation (per schedule).

FINANCIAL ANALYSIS

This **Financial Analysis** reveals the financial ramifications over a 30-year projection resulting from the Condition Assessment, and consists of the following schedules:

1) **COMPONENT INVENTORY** - Lists all the components compiled from the Condition Assessment, including their quantity, typical useful lives, estimated remaining lives and average costs. Also provided for each component is an allocation of the beginning reserve balance, annual depreciation, accumulated depreciation, and monthly contributions.

   FUNDING PLANS / ILLUSTRATIONS - Four funding plans / illustrations are provided to illustrate the effects of various levels of reserve contributions versus anticipated reserve expenditures. They include 30 years of activity, are detailed on an **annual** basis, and include interest income earned on reserve funds (net of taxes), which can offset the amount of contributions required.

2) **FUNDING ILLUSTRATION #1** - This illustration assumes that the current reserve contribution will remain the same throughout the 30-year projection. In most cases this will not be sufficient to cover future reserve expenditures over the 30-year period. **This is not a recommended funding plan**.

3) **FUNDING ILLUSTRATION #2** - This illustration also assumes that the current reserve contribution will remain the same throughout the 30-year projection. However, special assessments are generated for any year that the reserve balance would otherwise drop below $0.00. **This is not a recommended funding plan**

4) **FUNDING PLAN #3** - This plan increases (or sometimes decreases) current reserve contributions as necessary to cover all future expenditures and achieve 100% funding at least by the end of the 30-year projection. It most fairly matches the depreciation of the common components and the enjoyment of the benefits. **This is a recommended funding plan** and fulfills the requirement of the California Civil Code with respect to distribution of a full funding plan.

5) **FUNDING ILLUSTRATION #4** - This illustration dictates what the reserve contribution would need to be to achieve annual 100% funding.

6) **COMPARISON OF FUNDING PLANS / ILLUSTRATIONS** - Details comparison of the 4 funding plans / illustrations on an annual basis, including the **monthly** reserve contributions and the percent funded for each year.

7) **GRAPH: FUNDING PLANS / ILLUSTRATIONS 1-4 vs. RESERVE EXPENDITURES** - Shows the cash receipts (reserve contributions plus interest income) in each of the 4 funding plans / illustrations versus the total reserve expenditures on an annual basis.

8) **GRAPH: FUNDING PLANS / ILLUSTRATIONS 1-4 vs. ACCUMULATED DEPRECIATION** - Shows the cash receipts versus the accumulated depreciation on an annual basis.

9) **RESERVE EXPENDITURES BY YEAR** – Details the component expenditures for each year they come due.

10) **COMPONENT ACCUMULATED DEPRECIATION ANALYSIS** – Calculates the accumulated depreciation for each component at year-end. The total accumulated depreciation per year is ideally the amount that should be in reserves and represents 100% funded. For example, if a component cost is $1,000, has a useful life of 10 years and is 6 years old, then $600 should be in reserves: $1,000 divided by 10 years = $100 per year x 6 years of depreciation.

COMPONENT INVENTORY

threshold = $1,000

CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

AS OF: 1/1/2024

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS USEFUL	LIFE IN YRS REMAIN	CURRENT COST	ANNUAL DEPRE	RESERVES ACTUAL	RESERVES ACCUM DEPRE	RESERVES SURPLUS/ (DEFICIT)	MONTHLY CONTRIBUTION CURRENT	MONTHLY CONTRIBUTION RECOMMEND
ROOF/DECKS											
composition shingle roof	0101	6,500 sq ft	**25**	**7**	**22,450** [1]	**898**	**4,959**	**16,164**	(11,205)	95.37	131.03
slate decks	0102	350 sq ft	**20**	**2**	**7,450** [4]	**373**	**2,057**	**6,705**	(4,648)	39.56	54.35
gutters & downspouts	0103	400 lin ft	**35**	**21**	**2,700** [4]	**77**	**331**	**1,080**	(749)	6.37	8.76
STRUCTURE											
foundation/structural frame	0201	1 building	**30+**	**30+**	**0**	**0**	**0**	**0**	0	0.00	0.00
structural pest control	0202	120,000 cu ft	**12**	**0**	**10,000** [2]	**833**	**3,068**	**10,000**	(6,932)	59.00	81.07
garage doors	0203	3 doors	**30+**	**3**	**4,600** [4]	**0**	**353**	**1,150**	(797)	6.78	9.32
PAINT											
exterior flatwork	0301	6,900 sq ft	**10**	**6**	**12,550** [3]	**1,255**	**1,540**	**5,020**	(3,480)	29.62	40.69
doors	0302	20 sides	**5**	**4**	**1,300** [3]	**260**	**80**	**260**	(180)	1.53	2.11
garage interior	0303	operating budget	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00
ironwork	0304	600 sq ft	**3**	**0**	**1,000** [2]	**333**	**307**	**1,000**	(693)	5.90	8.11
trim	0305	900 sq ft	**3**	**0**	**2,800** [3]	**933**	**859**	**2,800**	(1,941)	16.52	22.70
wood gates	0306	150 sq ft	**3**	**0**	**300** [1]	**100**	**92**	**300**	(208)	1.77	2.43
MECHANICAL											
gate operators	0401	operating budget	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00
PLUMBING											
circulation pump	0501	1 @ 1/4 horsepower	**10**	**2**	**950** [4]	**95**	**233**	**760**	(527)	4.48	6.16
distribution piping	0502	6 units	**40**	**12**	**31,200** [1]	**780**	**6,701**	**21,840**	(15,139)	128.85	177.05
drainage/ sewer piping	0503	allowance	**30**	**20**	**15,000** [3]	**500**	**1,534**	**5,000**	(3,466)	29.50	40.53
water heater	0504	1 @ 100 gallons	**10**	**9**	**4,250** [2]	**425**	**130**	**425**	(295)	2.51	3.45
ELECTRICAL											
lighting	0601	operating budget	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00
LANDSCAPE/ HARDSCAPE											
concrete block walls	0701	operating budget	**30+**	**30+**	**0**	**0**	**0**	**0**	0	0.00	0.00
concrete flatwork	0702	operating budget	**30+**	**30+**	**0**	**0**	**0**	**0**	0	0.00	0.00
irrigation controllers	0703	2 controllers	**10**	**7**	**500** [4]	**50**	**46**	**150**	(104)	0.88	1.22
irrigation piping system	0704	operating budget	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00
wrought iron	0705	2 gates	**30**	**16**	**4,100** [2]	**137**	**587**	**1,913**	(1,326)	11.29	15.51
wood patio gates	0706	4 gates	**15**	**3**	**1,250** [2]	**83**	**307**	**1,000**	(693)	5.90	8.11
landscape remodel	0707	operating budget	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00
tile-slate	0708	operating budget	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00

COMPONENT INVENTORY

threshold = $1,000

CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

AS OF: 1/1/2024

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS USEFUL	LIFE IN YRS REMAIN	CURRENT COST	ANNUAL DEPRE	RESERVES ACTUAL	RESERVES ACCUM DEPRE	RESERVES SURPLUS/ (DEFICIT)	MONTHLY CONTRIBUTION CURRENT	MONTHLY CONTRIBUTION RECOMMEND
MISCELLANEOUS											
fire extinguisher	0801	operating budget	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00
mailboxes	0802	operating budget	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00
laundry equipment	0803	leased	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00
CONTINGENCY RESERVE	0901	5% of total annual expenditures - see "Reserve Expenditures by Year" schedule for details			**705**	**705**	**216**	**705**	(489)	4.16	5.72
TOTALS					**123,105**	**7,838**	**23,402**	**76,272**	(52,870)	450.00	618.30

COST SOURCES

1) In-house database. Developed from experience of costs for recent repairs, replacements, or restoration of components in similar properties.
2) Based on contractor proposal provided by association and/or information from association's vendors.
3) Based on actual cost of recent repair, replacement, or restoration of component - information provided by association.
4) National cost guide (National Construction Estimator, R.S. Means, LSI, etc.)
5) Per Mechanical Engineering Evaluation
6) Per information in previous non-RSI study

Percent Funded: ratio of the actual reserve balance to the component accumulated depreciation **30.68%**

COMPONENT INVENTORY ADDENDUM

CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS USEFUL	LIFE IN YRS REMAIN	CURRENT COST
COMPONENTS WITH 0 YEARS REMAINING LIFE:					
structural pest control	0202	120,000 cu ft	12	0	10,000
ironwork	0304	600 sq ft	3	0	1,000
trim	0305	900 sq ft	3	0	2,800
wood gates	0306	150 sq ft	3	0	300
TOTAL					**14,100**
COMPONENTS WITH 2 YEARS REMAINING LIFE:					
slate decks	0102	350 sq ft	20	2	7,450
circulation pump	0501	1 @ 1/4 horsepower	10	2	950
TOTAL					**8,400**

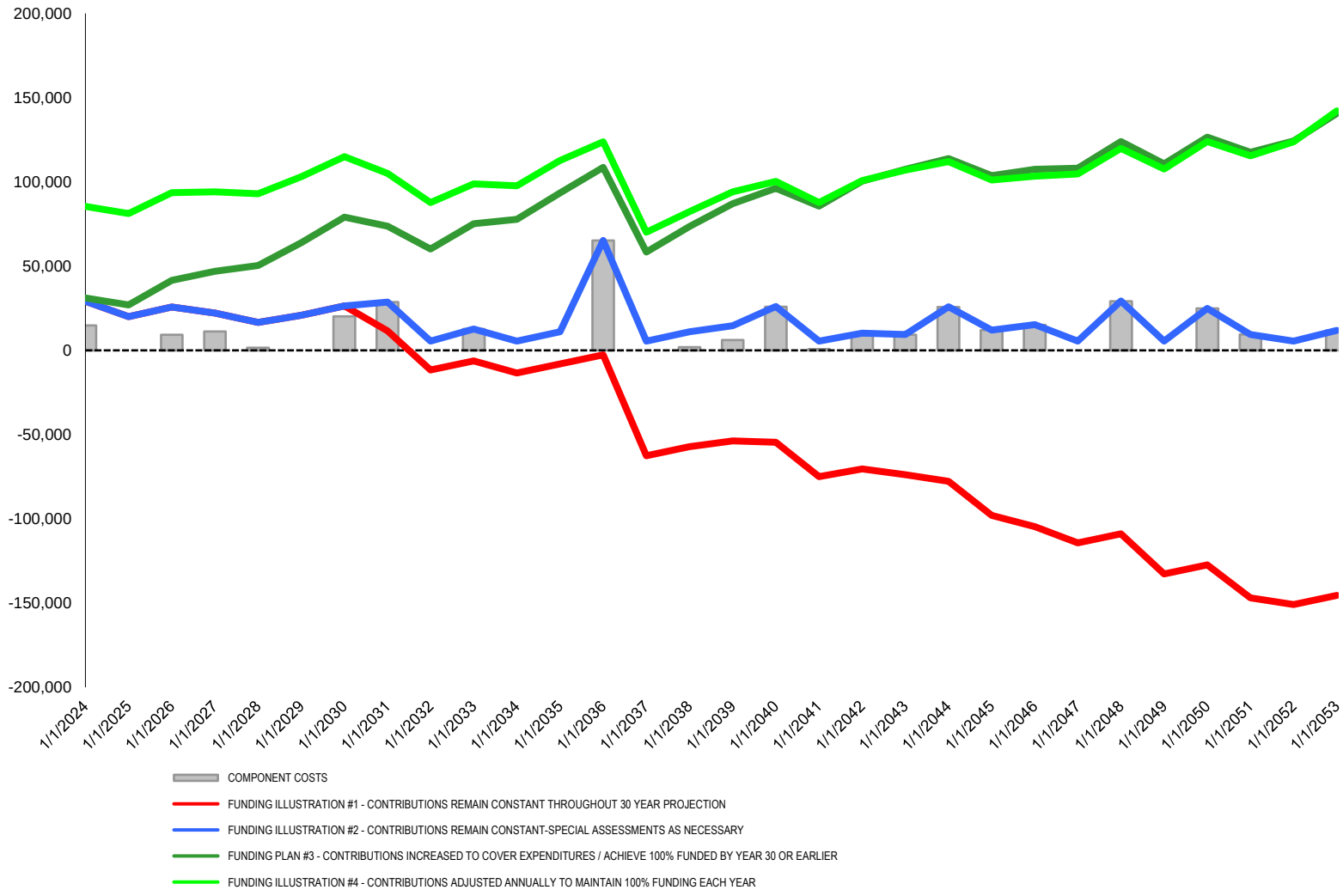
COMPARISON OF FUNDING PLANS / ILLUSTRATIONS
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

	FUNDING ILLUSTRATION #1		FUNDING ILLUSTRATION #2			FUNDING PLAN #3			FUNDING ILLUSTRATION #4		
YEAR	Monthly Contribution	Percent Funded	Monthly Contribution	Annual % Change	Percent Funded	Monthly Contribution	Annual % Change	Percent Funded	Monthly Contribution	Annual % Change	Percent Funded
1/1/2024	450	30.68%	450	0.00%	30.68%	618	37.40%	30.68%	5,103	1034.11%	30.68%
1/1/2025	450	20.28%	450	0.00%	20.28%	850	37.40%	23.17%	759	-85.13%	100.00%
1/1/2026	450	24.70%	450	0.00%	24.70%	1,167	37.40%	33.21%	913	20.37%	100.00%
1/1/2027	450	19.57%	450	0.00%	19.57%	1,167	0.00%	38.20%	686	-24.92%	100.00%
1/1/2028	450	13.17%	450	0.00%	13.17%	1,167	0.00%	42.96%	708	3.23%	100.00%
1/1/2029	450	16.45%	450	0.00%	16.45%	1,167	0.00%	53.42%	810	14.46%	100.00%
1/1/2030	450	20.17%	450	0.00%	20.17%	1,167	0.00%	62.05%	840	3.71%	100.00%
1/1/2031	450	6.51%	1,875	316.67%	6.51%	1,167	0.00%	62.10%	730	-13.15%	100.00%
1/1/2032	450	-22.34%	450	-76.00%	0.13%	1,167	0.00%	59.08%	825	13.03%	100.00%
1/1/2033	450	-13.29%	592	31.48%	6.32%	1,167	0.00%	68.45%	783	-5.08%	100.00%
1/1/2034	450	-21.95%	450	-23.94%	0.06%	1,167	0.00%	72.64%	817	4.38%	100.00%
1/1/2035	450	-13.83%	450	0.00%	5.64%	1,167	0.00%	79.74%	1,099	34.44%	100.00%
1/1/2036	450	-7.19%	4,508	901.85%	9.81%	1,167	0.00%	82.86%	786	-28.48%	100.00%
1/1/2037	450	-116.14%	450	-90.02%	0.04%	1,167	0.00%	74.23%	869	10.63%	100.00%
1/1/2038	450	-89.20%	450	0.00%	7.80%	1,167	0.00%	83.23%	911	4.73%	100.00%
1/1/2039	450	-73.37%	450	0.00%	11.28%	1,167	0.00%	88.97%	1,009	10.82%	100.00%
1/1/2040	450	-68.11%	1,458	224.07%	9.57%	1,167	0.00%	91.88%	911	-9.74%	100.00%
1/1/2041	450	-108.02%	450	-69.14%	0.11%	1,167	0.00%	94.39%	989	8.64%	100.00%
1/1/2042	450	-87.13%	450	0.00%	5.43%	1,167	0.00%	97.57%	1,011	2.16%	100.00%
1/1/2043	450	-86.01%	658	46.30%	1.56%	1,167	0.00%	99.70%	1,101	8.92%	100.00%
1/1/2044	450	-85.02%	2,150	226.58%	0.05%	1,167	0.00%	100.52%	1,052	-4.42%	100.00%
1/1/2045	450	-119.92%	992	-53.88%	0.11%	1,167	0.00%	102.20%	1,101	4.67%	100.00%
1/1/2046	450	-123.45%	1,267	27.73%	0.03%	1,167	0.00%	103.04%	1,064	-3.37%	100.00%
1/1/2047	450	-135.54%	450	-64.47%	0.08%	1,167	0.00%	104.52%	1,224	14.98%	100.00%
1/1/2048	450	-109.10%	1,975	338.89%	5.27%	1,167	0.00%	103.21%	1,107	-9.55%	100.00%
1/1/2049	450	-152.29%	450	-77.22%	0.10%	1,167	0.00%	104.56%	1,262	14.03%	100.00%
1/1/2050	450	-123.27%	1,617	259.26%	5.15%	1,167	0.00%	102.83%	1,206	-4.48%	100.00%
1/1/2051	450	-153.76%	783	-51.55%	0.02%	1,167	0.00%	102.65%	1,213	0.58%	100.00%
1/1/2052	450	-147.30%	450	-42.55%	0.03%	1,167	0.00%	101.98%	1,305	7.58%	100.00%
1/1/2053	450	-121.81%	533	18.52%	4.43%	1,167	0.00%	100.37%	1,330	1.92%	100.00%
AVERAGE:		**-64.04%**			**6.68%**			**80.47%**			**100.00%**

FOOTNOTES: (1) If there are special assessments, they are prorated on a monthly basis

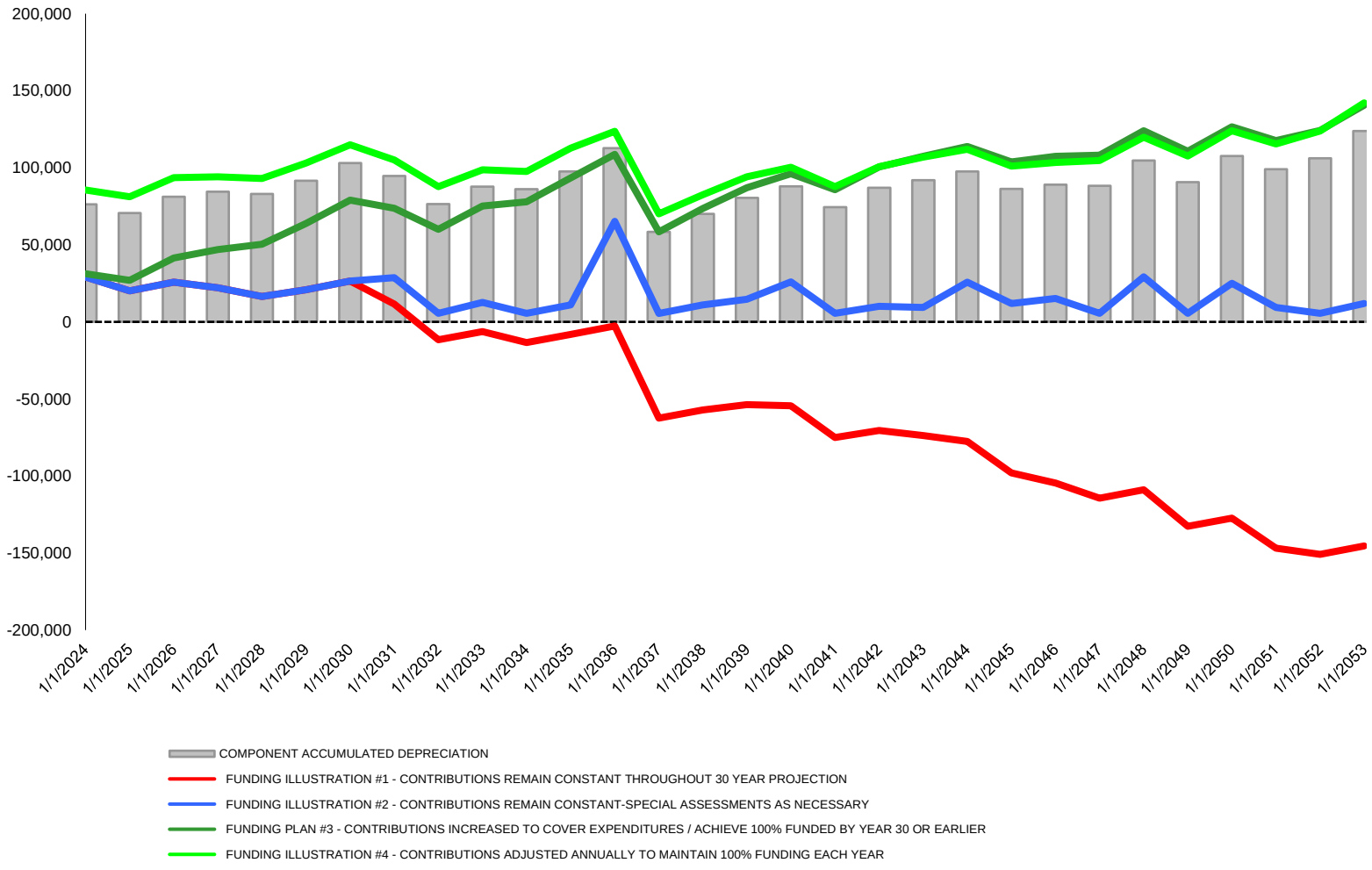
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

GRAPH 1: FUNDING PLAN / ILLUSTRATIONS 1-4 vs COMPONENT COSTS



CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

GRAPH 2: FUNDING PLAN / ILLUSTRATIONS 1-4 vs COMPONENT DEPRECIATION



FUNDING ILLUSTRATION #1 (assumption: current contribution remains constant throughout 30 year projection) **ILLUSTRATION ONLY / NOT RECOMMENDED**

CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY) **ANNUAL BASIS**

DESCRIPTION	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038
RESERVE CONTRIBUTION	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	343	313	332	249	236	326	245	0	0	0	0	0	0	0	0
COMPONENT COSTS (b)	(14,805)	0	(9,265)	(11,248)	(1,506)	0	(20,260)	(28,624)	0	(12,644)	0	0	(65,234)	0	(1,925)
NET RECEIPTS/(DISBURSE)	(9,062)	5,713	(3,533)	(5,598)	4,130	5,726	(14,615)	(23,224)	5,400	(7,244)	5,400	5,400	(59,834)	5,400	3,475
CASH BALANCE: begin year	23,402	14,340	20,053	16,520	10,922	15,052	20,778	6,163	(17,061)	(11,661)	(18,905)	(13,505)	(8,105)	(67,939)	(62,539)
CASH BALANCE: end year	14,340	20,053	16,520	10,922	15,052	20,778	6,163	(17,061)	(11,661)	(18,905)	(13,505)	(8,105)	(67,939)	(62,539)	(59,064)
COMPONENT ACCUMULATED DEPRECIATION (c)	76,272	70,702	81,201	84,416	82,932	91,521	103,029	94,666	76,369	87,774	86,122	97,616	112,732	58,500	70,114
less: beginning cash balance	23,402	14,340	20,053	16,520	10,922	15,052	20,778	6,163	(17,061)	(11,661)	(18,905)	(13,505)	(8,105)	(67,939)	(62,539)
over/(under) funded-total	(52,870)	(56,362)	(61,148)	(67,896)	(72,010)	(76,469)	(82,251)	(88,503)	(93,430)	(99,435)	(105,027)	(111,121)	(120,837)	(126,439)	(132,653)
" " " per unit	(8,812)	(9,394)	(10,191)	(11,316)	(12,002)	(12,745)	(13,708)	(14,750)	(15,572)	(16,572)	(17,504)	(18,520)	(20,140)	(21,073)	(22,109)

DESCRIPTION	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053
RESERVE CONTRIBUTION	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
COMPONENT COSTS (b)	(6,225)	(25,911)	(797)	(8,747)	(9,299)	(25,760)	(11,969)	(15,153)	0	(29,181)	0	(24,976)	(9,384)	0	(11,892)
NET RECEIPTS/(DISBURSE)	(825)	(20,511)	4,603	(3,347)	(3,899)	(20,360)	(6,569)	(9,753)	5,400	(23,781)	5,400	(19,576)	(3,984)	5,400	(6,492)
CASH BALANCE: begin year	(59,064)	(59,889)	(80,400)	(75,797)	(79,144)	(83,043)	(103,402)	(109,971)	(119,724)	(114,324)	(138,104)	(132,704)	(152,281)	(156,264)	(150,864)
CASH BALANCE: end year	(59,889)	(80,400)	(75,797)	(79,144)	(83,043)	(103,402)	(109,971)	(119,724)	(114,324)	(138,104)	(132,704)	(152,281)	(156,264)	(150,864)	(157,357)
COMPONENT ACCUMULATED DEPRECIATION (c)	80,497	87,926	74,434	86,992	92,018	97,672	86,227	89,084	88,331	104,789	90,685	107,651	99,039	106,089	123,853
less: beginning cash balance	(59,064)	(59,889)	(80,400)	(75,797)	(79,144)	(83,043)	(103,402)	(109,971)	(119,724)	(114,324)	(138,104)	(132,704)	(152,281)	(156,264)	(150,864)
over/(under) funded-total	(139,561)	(147,815)	(154,834)	(162,789)	(171,162)	(180,714)	(189,629)	(199,055)	(208,055)	(219,112)	(228,789)	(240,356)	(251,319)	(262,353)	(274,718)
" " " per unit	(23,260)	(24,636)	(25,806)	(27,131)	(28,527)	(30,119)	(31,605)	(33,176)	(34,676)	(36,519)	(38,132)	(40,059)	(41,887)	(43,726)	(45,786)

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.3% Rate: 3.0000%

(b) See "Reserve Expenditures By Year Schedule"

(c) See "Component Accumulated Depreciation Analysis"

FUNDING ILLUSTRATION #2 (assumption: current contribution constant - special assess as necessary) **ILLUSTRATION ONLY / NOT RECOMMENDED**

CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY) **ANNUAL BASIS**

DESCRIPTION	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038
RESERVE CONTRIBUTION	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	17,100	0	1,700	0	0	48,700	0	0
INTEREST INCOME (a)	343	313	332	249	236	326	245	57	51	51	51	151	101	50	132
COMPONENT COSTS (b)	(14,805)	0	(9,265)	(11,248)	(1,506)	0	(20,260)	(28,624)	0	(12,644)	0	0	(65,234)	0	(1,925)
NET RECEIPTS/(DISBURSE)	(9,062)	5,713	(3,533)	(5,598)	4,130	5,726	(14,615)	(6,067)	5,451	(5,493)	5,451	5,551	(11,034)	5,450	3,608
CASH BALANCE: begin year	23,402	14,340	20,053	16,520	10,922	15,052	20,778	6,163	96	5,547	54	5,505	11,055	22	5,471
CASH BALANCE: end year	14,340	20,053	16,520	10,922	15,052	20,778	6,163	96	5,547	54	5,505	11,055	22	5,471	9,079
COMPONENT ACCUMULATED DEPRECIATION (c)	76,272	70,702	81,201	84,416	82,932	91,521	103,029	94,666	76,369	87,774	86,122	97,616	112,732	58,500	70,114
less: beginning cash balance	23,402	14,340	20,053	16,520	10,922	15,052	20,778	6,163	96	5,547	54	5,505	11,055	22	5,471
over/(under) funded-total	(52,870)	(56,362)	(61,148)	(67,896)	(72,010)	(76,469)	(82,251)	(88,503)	(76,273)	(82,227)	(86,068)	(92,111)	(101,677)	(58,478)	(64,642)
" " " per unit	(8,812)	(9,394)	(10,191)	(11,316)	(12,002)	(12,745)	(13,708)	(14,750)	(12,712)	(13,704)	(14,345)	(15,352)	(16,946)	(9,746)	(10,774)

DESCRIPTION	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053
RESERVE CONTRIBUTION	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400
SPECIAL ASSESSMENT	0	12,100	0	0	2,500	20,400	6,500	9,800	0	18,300	0	14,000	4,000	0	1,000
INTEREST INCOME (a)	159	77	44	56	14	1	1	1	51	51	51	51	0	50	50
COMPONENT COSTS (b)	(6,225)	(25,911)	(797)	(8,747)	(9,299)	(25,760)	(11,969)	(15,153)	0	(29,181)	0	(24,976)	(9,384)	0	(11,892)
NET RECEIPTS/(DISBURSE)	(666)	(8,334)	4,647	(3,290)	(1,385)	42	(68)	48	5,451	(5,429)	5,451	(5,526)	17	5,450	(5,442)
CASH BALANCE: begin year	9,079	8,413	79	4,726	1,435	50	92	24	72	5,523	93	5,545	19	35	5,486
CASH BALANCE: end year	8,413	79	4,726	1,435	50	92	24	72	5,523	93	5,545	19	35	5,486	44
COMPONENT ACCUMULATED DEPRECIATION (c)	80,497	87,926	74,434	86,992	92,018	97,672	86,227	89,084	88,331	104,789	90,685	107,651	99,039	106,089	123,853
less: beginning cash balance	9,079	8,413	79	4,726	1,435	50	92	24	72	5,523	93	5,545	19	35	5,486
over/(under) funded-total	(71,418)	(79,513)	(74,355)	(82,266)	(90,583)	(97,622)	(86,135)	(89,060)	(88,259)	(99,266)	(90,592)	(102,107)	(99,020)	(106,054)	(118,368)
" " " per unit	(11,903)	(13,252)	(12,392)	(13,711)	(15,097)	(16,270)	(14,356)	(14,843)	(14,710)	(16,544)	(15,099)	(17,018)	(16,503)	(17,676)	(19,728)

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.3% Rate: 3.0000%

(b) See "Reserve Expenditures By Year Schedule"

(c) See "Component Accumulated Depreciation Analysis"

FUNDING PLAN #3 (assumption: current contribution increased as necessary to cover all expenditures) **RECOMMENDED TO BE ADOPTED**

CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY) **ANNUAL BASIS**

DESCRIPTION	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038
RESERVE CONTRIBUTION	7,420	10,195	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	362	394	538	617	768	1,026	1,116	945	956	1,115	1,276	1,557	1,244	925	1,182
COMPONENT COSTS (b)	(14,805)	0	(9,265)	(11,248)	(1,506)	0	(20,260)	(28,624)	0	(12,644)	0	0	(65,234)	0	(1,925)
NET RECEIPTS/(DISBURSE)	(7,024)	10,589	5,280	3,377	13,270	15,033	(5,137)	(13,672)	14,964	2,478	15,284	15,564	(49,983)	14,933	13,264
CASH BALANCE: begin year	23,402	16,378	26,967	32,247	35,624	48,894	63,927	58,790	45,118	60,081	62,559	77,843	93,407	43,424	58,356
CASH BALANCE: end year	16,378	26,967	32,247	35,624	48,894	63,927	58,790	45,118	60,081	62,559	77,843	93,407	43,424	58,356	71,620
COMPONENT ACCUMULATED DEPRECIATION (c)	76,272	70,702	81,201	84,416	82,932	91,521	103,029	94,666	76,369	87,774	86,122	97,616	112,732	58,500	70,114
less: beginning cash balance	23,402	16,378	26,967	32,247	35,624	48,894	63,927	58,790	45,118	60,081	62,559	77,843	93,407	43,424	58,356
over/(under) funded-total	(52,870)	(54,324)	(54,234)	(52,168)	(47,308)	(42,627)	(39,102)	(35,876)	(31,251)	(27,693)	(23,563)	(19,773)	(19,326)	(15,076)	(11,757)
" " " per unit	(8,812)	(9,054)	(9,039)	(8,695)	(7,885)	(7,105)	(6,517)	(5,979)	(5,209)	(4,615)	(3,927)	(3,296)	(3,221)	(2,513)	(1,960)

DESCRIPTION	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053
RESERVE CONTRIBUTION	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007	14,007
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	1,385	1,373	1,410	1,606	1,727	1,694	1,636	1,674	1,822	1,845	1,868	1,930	1,908	2,114	2,300
COMPONENT COSTS (b)	(6,225)	(25,911)	(797)	(8,747)	(9,299)	(25,760)	(11,969)	(15,153)	0	(29,181)	0	(24,976)	(9,384)	0	(11,892)
NET RECEIPTS/(DISBURSE)	9,167	(10,530)	14,621	6,866	6,435	(10,059)	3,674	528	15,830	(13,328)	15,876	(9,039)	6,531	16,121	4,415
CASH BALANCE: begin year	71,620	80,788	70,257	84,878	91,744	98,179	88,120	91,794	92,323	108,152	94,824	110,700	101,661	108,193	124,313
CASH BALANCE: end year	80,788	70,257	84,878	91,744	98,179	88,120	91,794	92,323	108,152	94,824	110,700	101,661	108,193	124,313	128,729
COMPONENT ACCUMULATED DEPRECIATION (c)	80,497	87,926	74,434	86,992	92,018	97,672	86,227	89,084	88,331	104,789	90,685	107,651	99,039	106,089	123,853
less: beginning cash balance	71,620	80,788	70,257	84,878	91,744	98,179	88,120	91,794	92,323	108,152	94,824	110,700	101,661	108,193	124,313
over/(under) funded-total	(8,877)	(7,138)	(4,177)	(2,114)	(274)	508	1,893	2,711	3,992	3,364	4,139	3,049	2,623	2,104	460
" " " per unit	(1,480)	(1,190)	(696)	(352)	(46)	85	316	452	665	561	690	508	437	351	77

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.3% Rate: 3.0000%
(b) See "Reserve Expenditures By Year Schedule"
(c) See "Component Accumulated Depreciation Analysis"

FUNDING ILLUSTRATION #4 (assumption: contributions as necessary for 100% funding annually) **ILLUSTRATION ONLY - NOT RECOMMENDED**

CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY) **ANNUAL BASIS**

DESCRIPTION	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038
RESERVE CONTRIBUTION	61,242	9,106	10,960	8,228	8,495	9,723	10,083	8,758	9,899	9,397	9,808	13,187	9,431	10,434	10,927
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	863	1,394	1,519	1,535	1,600	1,785	1,814	1,569	1,506	1,595	1,686	1,930	1,571	1,180	1,382
COMPONENT COSTS (b)	(14,805)	0	(9,265)	(11,248)	(1,506)	0	(20,260)	(28,624)	0	(12,644)	0	0	(65,234)	0	(1,925)
NET RECEIPTS/(DISBURSE)	47,300	10,499	3,214	(1,484)	8,589	11,508	(8,363)	(18,297)	11,405	(1,652)	11,494	15,116	(54,232)	11,614	10,384
CASH BALANCE: begin year	23,402	70,702	81,201	84,416	82,932	91,521	103,029	94,666	76,369	87,774	86,122	97,616	112,732	58,500	70,114
CASH BALANCE: end year	70,702	81,201	84,416	82,932	91,521	103,029	94,666	76,369	87,774	86,122	97,616	112,732	58,500	70,114	80,497
COMPONENT ACCUMULATED DEPRECIATION (c)	76,272	70,702	81,201	84,416	82,932	91,521	103,029	94,666	76,369	87,774	86,122	97,616	112,732	58,500	70,114
less: beginning cash balance	23,402	70,702	81,201	84,416	82,932	91,521	103,029	94,666	76,369	87,774	86,122	97,616	112,732	58,500	70,114
over/(under) funded-total	(52,870)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
" " " per unit	(8,812)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

DESCRIPTION	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053
RESERVE CONTRIBUTION	12,109	10,929	11,874	12,131	13,212	12,628	13,217	12,772	14,686	13,284	15,147	14,468	14,552	15,655	15,955
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	1,545	1,489	1,481	1,642	1,740	1,687	1,608	1,628	1,772	1,793	1,820	1,896	1,882	2,109	2,331
COMPONENT COSTS (b)	(6,225)	(25,911)	(797)	(8,747)	(9,299)	(25,760)	(11,969)	(15,153)	0	(29,181)	0	(24,976)	(9,384)	0	(11,892)
NET RECEIPTS/(DISBURSE)	7,428	(13,492)	12,558	5,026	5,654	(11,445)	2,857	(753)	16,458	(14,104)	16,966	(8,613)	7,050	17,764	6,394
CASH BALANCE: begin year	80,497	87,926	74,434	86,992	92,018	97,672	86,227	89,084	88,331	104,789	90,685	107,651	99,039	106,089	123,853
CASH BALANCE: end year	87,926	74,434	86,992	92,018	97,672	86,227	89,084	88,331	104,789	90,685	107,651	99,039	106,089	123,853	130,247
COMPONENT ACCUMULATED DEPRECIATION (c)	80,497	87,926	74,434	86,992	92,018	97,672	86,227	89,084	88,331	104,789	90,685	107,651	99,039	106,089	123,853
less: beginning cash balance	80,497	87,926	74,434	86,992	92,018	97,672	86,227	89,084	88,331	104,789	90,685	107,651	99,039	106,089	123,853
over/(under) funded-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
" " " per unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.3% Rate: 3.0000%

(b) See "Reserve Expenditures By Year Schedule"

(c) See "Component Accumulated Depreciation Analysis"

RESERVE EXPENDITURES BY YEAR
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY) **1/1/2024 through 1/1/2038**

EXPENDITURES	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038
ROOF/DECKS															
composition shingle roof	0	0	0	0	0	0	0	26,668	0	0	0	0	0	0	0
slate decks	0	0	7,826	0	0	0	0	0	0	0	0	0	0	0	0
gutters & downspouts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
STRUCTURE															
foundation/structural frame	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
structural pest control	10,000	0	0	0	0	0	0	0	0	0	0	0	13,434	0	0
garage doors	0	0	0	4,952	0	0	0	0	0	0	0	0	0	0	0
PAINT															
exterior flatwork	0	0	0	0	0	0	14,544	0	0	0	0	0	0	0	0
doors	0	0	0	0	1,434	0	0	0	0	1,622	0	0	0	0	1,833
garage interior	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ironwork	1,000	0	0	1,077	0	0	1,159	0	0	1,248	0	0	1,344	0	0
trim	2,800	0	0	3,014	0	0	3,245	0	0	3,494	0	0	3,761	0	0
wood gates	300	0	0	323	0	0	347	0	0	374	0	0	403	0	0
MECHANICAL															
gate operators	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLUMBING															
circulation pump	0	0	998	0	0	0	0	0	0	0	0	0	1,276	0	0
distribution piping	0	0	0	0	0	0	0	0	0	0	0	0	41,910	0	0
drainage/ sewer piping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
water heater	0	0	0	0	0	0	0	0	0	5,304	0	0	0	0	0
ELECTRICAL															
lighting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LANDSCAPE/ HARDSCAPE															
concrete block walls	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete flatwork	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
irrigation controllers	0	0	0	0	0	0	0	593	0	0	0	0	0	0	0
irrigation piping system	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
wrought iron	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
wood patio gates	0	0	0	1,346	0	0	0	0	0	0	0	0	0	0	0
landscape remodel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
tile-slate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS															
fire extinguisher	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
mailboxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
laundry equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CONTINGENCY RESERVE	**705**	**0**	**441**	**536**	**72**	**0**	**965**	**1,363**	**0**	**602**	**0**	**0**	**3,106**	**0**	**92**
(5% / year of annual expenditures)															
TOTAL	**14,805**	**0**	**9,265**	**11,248**	**1,506**	**0**	**20,260**	**28,624**	**0**	**12,644**	**0**	**0**	**65,234**	**0**	**1,925**

RESERVE EXPENDITURES BY YEAR
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY) **1/1/2039 through 1/1/2053**

EXPENDITURES	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	TOTAL
ROOF/DECKS																
composition shingle roof	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	26,668
slate decks	0	0	0	0	0	0	0	12,798	0	0	0	0	0	0	0	20,624
gutters & downspouts	0	0	0	0	0	0	4,526	0	0	0	0	0	0	0	0	4,526
STRUCTURE																
foundation/structural frame	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
structural pest control	0	0	0	0	0	0	0	0	0	18,045	0	0	0	0	0	41,479
garage doors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,952
PAINT																
exterior flatwork	0	18,600	0	0	0	0	0	0	0	0	0	23,787	0	0	0	56,931
doors	0	0	0	0	2,073	0	0	0	0	2,345	0	0	0	0	2,651	11,958
garage interior	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ironwork	1,446	0	0	1,557	0	0	1,677	0	0	1,806	0	0	1,944	0	0	14,258
trim	4,049	0	0	4,359	0	0	4,693	0	0	5,053	0	0	5,440	0	0	39,908
wood gates	434	0	0	467	0	0	503	0	0	542	0	0	583	0	0	4,276
MECHANICAL																
gate operators	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLUMBING																
circulation pump	0	0	0	0	0	0	0	1,633	0	0	0	0	0	0	0	3,907
distribution piping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41,910
drainage/ sewer piping	0	0	0	0	0	24,533	0	0	0	0	0	0	0	0	0	24,533
water heater	0	0	0	0	6,783	0	0	0	0	0	0	0	0	0	8,675	20,762
ELECTRICAL																
lighting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LANDSCAPE/ HARDSCAPE																
concrete block walls	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete flatwork	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
irrigation controllers	0	0	759	0	0	0	0	0	0	0	0	0	970	0	0	2,322
irrigation piping system	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
wrought iron	0	6,077	0	0	0	0	0	0	0	0	0	0	0	0	0	6,077
wood patio gates	0	0	0	1,947	0	0	0	0	0	0	0	0	0	0	0	3,293
landscape remodel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
tile-slate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS																
fire extinguisher	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
mailboxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
laundry equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CONTINGENCY RESERVE	**296**	**1,234**	**38**	**417**	**443**	**1,227**	**570**	**722**	**0**	**1,390**	**0**	**1,189**	**447**	**0**	**566**	**16,419**
(5% / year of annual expenditures)																
TOTAL	**6,225**	**25,911**	**797**	**8,747**	**9,299**	**25,760**	**11,969**	**15,153**	**0**	**29,181**	**0**	**24,976**	**9,384**	**0**	**11,892**	**344,803**

COMPONENT ACCUMULATED DEPRECIATION ANALYSIS **1/1/2024 through 1/1/2038**
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

COMPONENT	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038
composition shingle roof															
Useful life	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Remaining life	7	6	5	4	3	2	1	0	24	23	22	21	20	19	18
Replacement cost	22,450	23,009	23,582	24,169	24,771	25,388	26,020	26,668	27,332	28,013	28,711	29,426	30,159	30,910	31,680
Accumulated depreciation	16,164	17,487	18,866	20,302	21,798	23,357	24,979	26,668	1,093	2,241	3,445	4,708	6,032	7,418	8,870
slate decks															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	2	1	0	19	18	17	16	15	14	13	12	11	10	9	8
Replacement cost	7,450	7,636	7,826	8,021	8,221	8,426	8,636	8,851	9,071	9,297	9,528	9,765	10,008	10,257	10,512
Accumulated depreciation	6,705	7,254	7,826	401	822	1,264	1,727	2,213	2,721	3,254	3,811	4,394	5,004	5,641	6,307
gutters & downspouts															
Useful life	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Remaining life	21	20	19	18	17	16	15	14	13	12	11	10	9	8	7
Replacement cost	2,700	2,767	2,836	2,907	2,979	3,053	3,129	3,207	3,287	3,369	3,453	3,539	3,627	3,717	3,810
Accumulated depreciation	1,080	1,186	1,296	1,412	1,532	1,657	1,788	1,924	2,066	2,214	2,368	2,528	2,694	2,867	3,048
foundation/structural frame															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
structural pest control															
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	0	11	10	9	8	7	6	5	4	3	2	1	0	11	10
Replacement cost	10,000	10,249	10,504	10,766	11,034	11,309	11,591	11,880	12,176	12,479	12,790	13,108	13,434	13,769	14,112
Accumulated depreciation	10,000	854	1,751	2,692	3,678	4,712	5,796	6,930	8,117	9,359	10,658	12,016	13,434	1,147	2,352
garage doors															
Useful life	4	3	2	1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	3	2	1	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	4,600	4,715	4,832	4,952	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	1,150	1,572	2,416	4,952	0	0	0	0	0	0	0	0	0	0	0
exterior flatwork															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	6	5	4	3	2	1	0	9	8	7	6	5	4	3	2
Replacement cost	12,550	12,862	13,182	13,510	13,846	14,191	14,544	14,906	15,277	15,657	16,047	16,447	16,857	17,277	17,707
Accumulated depreciation	5,020	6,431	7,909	9,457	11,077	12,772	14,544	1,491	3,055	4,697	6,419	8,224	10,114	12,094	14,166
doors															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	4	3	2	1	0	4	3	2	1	0	4	3	2	1	0
Replacement cost	1,300	1,332	1,365	1,399	1,434	1,470	1,507	1,545	1,583	1,622	1,662	1,703	1,745	1,788	1,833
Accumulated depreciation	260	533	819	1,119	1,434	294	603	927	1,266	1,622	332	681	1,047	1,430	1,833
garage interior															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ironwork															
Useful life	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Remaining life	0	2	1	0	2	1	0	2	1	0	2	1	0	2	1
Replacement cost	1,000	1,025	1,051	1,077	1,104	1,131	1,159	1,188	1,218	1,248	1,279	1,311	1,344	1,377	1,411
Accumulated depreciation	1,000	342	701	1,077	368	754	1,159	396	812	1,248	426	874	1,344	459	941

COMPONENT ACCUMULATED DEPRECIATION ANALYSIS **1/1/2024 through 1/1/2038**
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

COMPONENT	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038
trim															
Useful life	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Remaining life	0	2	1	0	2	1	0	2	1	0	2	1	0	2	1
Replacement cost	2,800	2,870	2,941	3,014	3,089	3,166	3,245	3,326	3,409	3,494	3,581	3,670	3,761	3,855	3,951
Accumulated depreciation	2,800	957	1,961	3,014	1,030	2,111	3,245	1,109	2,273	3,494	1,194	2,447	3,761	1,285	2,634
wood gates															
Useful life	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Remaining life	0	2	1	0	2	1	0	2	1	0	2	1	0	2	1
Replacement cost	300	307	315	323	331	339	347	356	365	374	383	393	403	413	423
Accumulated depreciation	300	102	210	323	110	226	347	119	243	374	128	262	403	138	282
gate operators															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
circulation pump															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	2	1	0	9	8	7	6	5	4	3	2	1	0	9	8
Replacement cost	950	974	998	1,023	1,048	1,074	1,101	1,128	1,156	1,185	1,215	1,245	1,276	1,308	1,341
Accumulated depreciation	760	877	998	102	210	322	440	564	694	830	972	1,121	1,276	131	268
distribution piping															
Useful life	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Remaining life	12	11	10	9	8	7	6	5	4	3	2	1	0	39	38
Replacement cost	31,200	31,977	32,773	33,589	34,425	35,282	36,161	37,061	37,984	38,930	39,899	40,892	41,910	42,954	44,024
Accumulated depreciation	21,840	23,183	24,580	26,031	27,540	29,108	30,737	32,428	34,186	36,010	37,904	39,870	41,910	1,074	2,201
drainage/ sewer piping															
Useful life	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Remaining life	20	19	18	17	16	15	14	13	12	11	10	9	8	7	6
Replacement cost	15,000	15,374	15,757	16,149	16,551	16,963	17,385	17,818	18,262	18,717	19,183	19,661	20,151	20,653	21,167
Accumulated depreciation	5,000	5,637	6,303	6,998	7,724	8,482	9,272	10,097	10,957	11,854	12,789	13,763	14,777	15,834	16,934
water heater															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	9	8	7	6	5	4	3	2	1	0	9	8	7	6	5
Replacement cost	4,250	4,356	4,464	4,575	4,689	4,806	4,926	5,049	5,175	5,304	5,436	5,571	5,710	5,852	5,998
Accumulated depreciation	425	871	1,339	1,830	2,345	2,884	3,448	4,039	4,658	5,304	544	1,114	1,713	2,341	2,999
lighting															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete block walls															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete flatwork															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

COMPONENT ACCUMULATED DEPRECIATION ANALYSIS **1/1/2024 through 1/1/2038**
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

COMPONENT	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038
irrigation controllers															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	7	6	5	4	3	2	1	0	9	8	7	6	5	4	3
Replacement cost	500	512	525	538	551	565	579	593	608	623	639	655	671	688	705
Accumulated depreciation	150	205	263	323	386	452	521	593	61	125	192	262	336	413	494
irrigation piping system															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
wrought iron															
Useful life	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Remaining life	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2
Replacement cost	4,100	4,202	4,307	4,414	4,524	4,637	4,752	4,870	4,991	5,115	5,242	5,373	5,507	5,644	5,785
Accumulated depreciation	1,913	2,101	2,297	2,501	2,714	2,937	3,168	3,409	3,660	3,922	4,194	4,478	4,773	5,080	5,399
wood patio gates															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	3	2	1	0	14	13	12	11	10	9	8	7	6	5	4
Replacement cost	1,250	1,281	1,313	1,346	1,380	1,414	1,449	1,485	1,522	1,560	1,599	1,639	1,680	1,722	1,765
Accumulated depreciation	1,000	1,110	1,225	1,346	92	189	290	396	507	624	746	874	1,008	1,148	1,294
landscape remodel															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
tile-slate															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
fire extinguisher															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
mailboxes															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
laundry equipment															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency - 5%	705	0	441	536	72	0	965	1,363	0	602	0	0	3,106	0	92
TOTAL Accumulated depreciation	**76,272**	**70,702**	**81,201**	**84,416**	**82,932**	**91,521**	**103,029**	**94,666**	**76,369**	**87,774**	**86,122**	**97,616**	**112,732**	**58,500**	**70,114**

COMPONENT ACCUMULATED DEPRECIATION ANALYSIS **1/1/2039 through 1/1/2053**
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

COMPONENT	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053
composition shingle roof															
Useful life	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Remaining life	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3
Replacement cost	32,469	33,277	34,106	34,955	35,825	36,717	37,631	38,568	39,528	40,512	41,521	42,555	43,615	44,701	45,814
Accumulated depreciation	10,390	11,980	13,642	15,380	17,196	19,093	21,073	23,141	25,298	27,548	29,895	32,342	34,892	37,549	40,316
slate decks															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	7	6	5	4	3	2	1	0	19	18	17	16	15	14	13
Replacement cost	10,774	11,042	11,317	11,599	11,888	12,184	12,487	12,798	13,117	13,444	13,779	14,122	14,474	14,834	15,203
Accumulated depreciation	7,003	7,729	8,488	9,279	10,105	10,966	11,863	12,798	656	1,344	2,067	2,824	3,619	4,450	5,321
gutters & downspouts															
Useful life	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Remaining life	6	5	4	3	2	1	0	34	33	32	31	30	29	28	27
Replacement cost	3,905	4,002	4,102	4,204	4,309	4,416	4,526	4,639	4,755	4,873	4,994	5,118	5,245	5,376	5,510
Accumulated depreciation	3,236	3,430	3,633	3,844	4,063	4,290	4,526	133	272	418	571	731	899	1,075	1,259
foundation/structural frame															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
structural pest control															
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	9	8	7	6	5	4	3	2	1	0	11	10	9	8	7
Replacement cost	14,463	14,823	15,192	15,570	15,958	16,355	16,762	17,179	17,607	18,045	18,494	18,955	19,427	19,911	20,407
Accumulated depreciation	3,616	4,941	6,330	7,785	9,309	10,903	12,572	14,316	16,140	18,045	1,541	3,159	4,857	6,637	8,503
garage doors															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
exterior flatwork															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	1	0	9	8	7	6	5	4	3	2	1	0	9	8	7
Replacement cost	18,148	18,600	19,063	19,538	20,024	20,523	21,034	21,558	22,095	22,645	23,209	23,787	24,379	24,986	25,608
Accumulated depreciation	16,333	18,600	1,906	3,908	6,007	8,209	10,517	12,935	15,467	18,116	20,888	23,787	2,438	4,997	7,682
doors															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	4	3	2	1	0	4	3	2	1	0	4	3	2	1	0
Replacement cost	1,879	1,926	1,974	2,023	2,073	2,125	2,178	2,232	2,288	2,345	2,403	2,463	2,524	2,587	2,651
Accumulated depreciation	376	770	1,184	1,618	2,073	425	871	1,339	1,830	2,345	481	985	1,514	2,070	2,651
garage interior															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ironwork															
Useful life	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Remaining life	0	2	1	0	2	1	0	2	1	0	2	1	0	2	1
Replacement cost	1,446	1,482	1,519	1,557	1,596	1,636	1,677	1,719	1,762	1,806	1,851	1,897	1,944	1,992	2,042
Accumulated depreciation	1,446	494	1,013	1,557	532	1,091	1,677	573	1,175	1,806	617	1,265	1,944	664	1,361

COMPONENT ACCUMULATED DEPRECIATION ANALYSIS **1/1/2039 through 1/1/2053**
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

COMPONENT	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053
trim															
Useful life	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Remaining life	0	2	1	0	2	1	0	2	1	0	2	1	0	2	1
Replacement cost	4,049	4,150	4,253	4,359	4,468	4,579	4,693	4,810	4,930	5,053	5,179	5,308	5,440	5,575	5,714
Accumulated depreciation	4,049	1,383	2,835	4,359	1,489	3,053	4,693	1,603	3,287	5,053	1,726	3,539	5,440	1,858	3,809
wood gates															
Useful life	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Remaining life	0	2	1	0	2	1	0	2	1	0	2	1	0	2	1
Replacement cost	434	445	456	467	479	491	503	516	529	542	555	569	583	598	613
Accumulated depreciation	434	148	304	467	160	327	503	172	353	542	185	379	583	199	409
gate operators															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
circulation pump															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	7	6	5	4	3	2	1	0	9	8	7	6	5	4	3
Replacement cost	1,374	1,408	1,443	1,479	1,516	1,554	1,593	1,633	1,674	1,716	1,759	1,803	1,848	1,894	1,941
Accumulated depreciation	412	563	722	887	1,061	1,243	1,434	1,633	167	343	528	721	924	1,136	1,359
distribution piping															
Useful life	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Remaining life	37	36	35	34	33	32	31	30	29	28	27	26	25	24	23
Replacement cost	45,120	46,243	47,394	48,574	49,783	51,023	52,293	53,595	54,930	56,298	57,700	59,137	60,610	62,119	63,666
Accumulated depreciation	3,384	4,624	5,924	7,286	8,712	10,205	11,766	13,399	15,106	16,889	18,753	20,698	22,729	24,848	27,058
drainage/ sewer piping															
Useful life	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Remaining life	5	4	3	2	1	0	29	28	27	26	25	24	23	22	21
Replacement cost	21,694	22,234	22,788	23,355	23,937	24,533	25,144	25,770	26,412	27,070	27,744	28,435	29,143	29,869	30,613
Accumulated depreciation	18,078	19,269	20,509	21,798	23,139	24,533	838	1,718	2,641	3,609	4,624	5,687	6,800	7,965	9,184
water heater															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	4	3	2	1	0	9	8	7	6	5	4	3	2	1	0
Replacement cost	6,147	6,300	6,457	6,618	6,783	6,952	7,125	7,302	7,484	7,670	7,861	8,057	8,258	8,464	8,675
Accumulated depreciation	3,688	4,410	5,166	5,956	6,783	695	1,425	2,191	2,994	3,835	4,717	5,640	6,606	7,618	8,675
lighting															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete block walls															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete flatwork															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

COMPONENT ACCUMULATED DEPRECIATION ANALYSIS **1/1/2039 through 1/1/2053**
CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

COMPONENT	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053
irrigation controllers															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	2	1	0	9	8	7	6	5	4	3	2	1	0	9	8
Replacement cost	723	741	759	778	797	817	837	858	879	901	923	946	970	994	1,019
Accumulated depreciation	578	667	759	78	159	245	335	429	527	631	738	851	970	99	204
irrigation piping system															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
wrought iron															
Useful life	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Remaining life	1	0	29	28	27	26	25	24	23	22	21	20	19	18	17
Replacement cost	5,929	6,077	6,228	6,383	6,542	6,705	6,872	7,043	7,218	7,398	7,582	7,771	7,964	8,162	8,365
Accumulated depreciation	5,731	6,077	208	426	654	894	1,145	1,409	1,684	1,973	2,275	2,590	2,920	3,265	3,625
wood patio gates															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	3	2	1	0	14	13	12	11	10	9	8	7	6	5	4
Replacement cost	1,809	1,854	1,900	1,947	1,995	2,045	2,096	2,148	2,201	2,256	2,312	2,370	2,429	2,489	2,551
Accumulated depreciation	1,447	1,607	1,773	1,947	133	273	419	573	734	902	1,079	1,264	1,457	1,659	1,871
landscape remodel															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
tile-slate															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
fire extinguisher															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
mailboxes															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
laundry equipment															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency - 5%	296	1,234	38	417	443	1,227	570	722	0	1,390	0	1,189	447	0	566
TOTAL Accumulated depreciation	**80,497**	**87,926**	**74,434**	**86,992**	**92,018**	**97,672**	**86,227**	**89,084**	**88,331**	**104,789**	**90,685**	**107,651**	**99,039**	**106,089**	**123,853**

CONDITION ASSESSMENT

This **Condition Assessment** is an evaluation of those major components that are subject to deterioration at a predictable rate and within a thirty (30) year projection of the study. A threshold of $500 has been utilized in this report, and therefore any component with an average cost of less than that would be presumed to be funded from the operating account. Those elements with anticipated life expectancies of more than thirty (30) years (i.e. concrete surfaces, building superstructures, sewers, main electrical systems etc.) have, for the purposes of this study been defined as "lifetime components".

Estimated life expectancies and life cycles are based upon conditions that were readily visible and accessible at the time of the survey (which involved no destructive or intrusive methods of examination). RSI's field personnel access as many common areas as practicable. However, some random evaluation procedures were inevitable (i.e. not every square foot of roofing was inspected, and in the case of multiplicity of components, at least 25% were randomly observed). Only limited evaluations (i.e. less than 10% were made of exclusive use common areas, as these could only be properly accessed via the "separate interests". All quantities, types, and descriptions of components, where practical, were verified by field observation. Although the survey may identify design and/or installation deficiencies with certain components, this is done so in a limited manner. It is not the intent of this report to provide a comprehensive listing of construction deficiencies. If the association has concerns with regards to such matters, the advice of appropriately qualified specialists should be sought. The survey also relies upon the Association's CC & R's and information supplied by other parties, which may have included one or more of the following: the association's community manager; the board of directors; owners/occupants; contractors; and specialist consultants. The results are based upon the experience of the inspector, contractor bids and published cost estimating information (with local adjustment factors).

Invariably some assumptions must be made in the compilation of this type of report. Anticipated events may not materialize, and unpredictable circumstances could well occur. This report should only be considered as a tool for assistance in compilation of the association's budget and not as an all-encompassing prediction of future events. Rates of deterioration and repair/replacement costs frequently vary, and such variations could significantly affect the content of the study. It is therefore imperative that the study be updated on a yearly basis and that a Condition Assessment be performed at least every 3 years.

DATE OF SURVEY: January 5, 2023

INSPECTOR(S): Cai Deering

OTHERS PRESENT: None

CONDOMINIUM HOMEOWNERS ASSOCIATION (SAMPLE ONLY)

CATEGORY:	*ROOF/DECKS*	
COMPONENT(S):	*COMPOSITION SHINGLE ROOF*	**ID#(S)** *0101*

COMPOSITION SHINGLE ROOF (TYPICAL)

OBSERVATIONS: *This component includes the composition shingle roofing (sloped). Access was limited (extension ladder required); however, we were previously informed it was installed in 2000 and that repairs were done in 2014. For reporting purposes, the remaining life has been estimated. For this type of roofing material on these types of structures, 2 layers are generally permitted. However, if it is decided to re-roof over the existing roofing, experience dictates that the typical useful life of the new materials would be reduced by approximately one third (33%). The average component cost and typical useful life reflects removal of the existing roofing prior to the installation of the new roofing.*

TYPICAL USEFUL LIFE:	*25 YEAR(S)*
ESTIMATED REMAINING LIFE:	*7 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 22,450*

TO PROTECT YOUR INVESTMENT: *Periodic maintenance should include an examination for and replacement of missing and damaged shingles, especially subsequent to windy weather and prior to the rainy season. All flashings should also be regularly examined and re-sealed with caulking mastic as necessary. Such repairs should be performed immediately upon discovery so as to help prevent damage to the surrounding roof areas, the structures and the interiors of the individual units. A maintenance contract with a licensed roofing contractor is strongly recommended.*

CATEGORY:	*ROOF/DECKS*	
COMPONENT(S):	*SLATE DECKS*	**ID#(S)** *0102*

SLATE DECKS (TYPICAL)

OBSERVATIONS: *This component includes the slate tile & membrane deck surfaces of the unit balconies. They appeared to be in average to aging condition. Replacement typically becomes necessary in order to access the waterproof membrane that should be installed beneath, or to eventually update their appearance.*

TYPICAL USEFUL LIFE:	*20 YEAR(S)*
ESTIMATED REMAINING LIFE:	*2 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 7,450*

TO PROTECT YOUR INVESTMENT: *Maintenance would entail occasional cleaning and periodic grout re-sealing.*

CATEGORY:	*ROOF/DECKS*
COMPONENT(S):	*GUTTERS & DOWNSPOUTS* **ID#(S)** *0103*

GUTTERS & DOWNSPOUTS (TYPICAL)

OBSERVATIONS: *The aluminum gutters and downspouts. We were previously informed that they were installed in 2005 and they appeared to be in good condition. The importance of a properly functioning water removal system lies in the fact that other components can be affected considerably (i.e. integrity of the roof, siding, paint, termite infestation, etc.). Therefore, proper maintenance is imperative.*

TYPICAL USEFUL LIFE:	*35 YEAR(S)*
ESTIMATED REMAINING LIFE:	*21 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 2,700*

TO PROTECT YOUR INVESTMENT: *The gutter systems should be regularly examined, cleaned, leveled and re-secured (if necessary) and all joints sealed as required. Drainage should be directed away from the structure.*

CATEGORY:	*STRUCTURE*
COMPONENT(S):	*FOUNDATIONS/STRUCTURAL FRAME* **ID#(S)** *0201*

FOUNDATIONS/STRUCTURAL FRAME (TYPICAL)

OBSERVATIONS: *This component includes the foundations and structural frame, along with the exterior surfaces. Provided there are no major catastrophes, the proper drainage principles are maintained and that structural pest control procedures are adhered to, this would normally be considered to be a lifetime component for which no reserve budget would be called for. It was noted that the baluster spacing of the guardrails at the stairs exceeded the current building standard of 4" maximum. Small children are at risk to pass through these openings, which has led to revised construction standards over the years due to injuries and deaths of small children who passed through those railings. Although older balconies may be grandfathered by city and county building standards, the insurance industry has been known to cancel their policies unless upgrades are made. It is recommended that consideration be given to upgrading the railings at this time. The insurance carrier should first be consulted with respect to the appropriate specifications, and bids for replacement should then be obtained.*

TYPICAL USEFUL LIFE:	*30+ YEAR(S)*
ESTIMATED REMAINING LIFE:	*30+ YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *It is important that all grade levels be maintained 4-6 inches below the lowest edge of the structural frame. In addition, all grading should be properly sloped away from the structures for drainage and all downspouts should discharge onto hardscape areas or splash blocks such that rainwater is directed away from the structures.*

CATEGORY:	*STRUCTURE*
COMPONENT(S):	*STRUCTURAL PEST CONTROL* **ID#(S)** *0202*

STRUCTURAL PEST CONTROL (TYPICAL)

OBSERVATIONS: *This component addresses the potential fumigation of the building. We were previously informed the building was fumigated in 1999, and that spot treatments are performed on a quarterly basis. When and where an infestation of wood destroying pests or organisms occurs, and how severe the infestation will be, is difficult to predict. The California Department of Real Estate (DRE), per the "Operating Cost Manual", suggests that annual inspections be performed to discover any infestation in its early stages before it becomes a serious problem. It previously required that associations establish a reserve for fumigation of all structures on at least a 12-year basis. This is now considered optional; however, it would be prudent to budget for future fumigation in the event it becomes necessary. The frequency for fumigation tends to be greater in ocean environments, while decreasing further inland, especially in desert environments. It is suggested that further evaluation be obtained from a licensed pest control operator.*

TYPICAL USEFUL LIFE:	*12 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 10,000*

TO PROTECT YOUR INVESTMENT: *It is suggested that a regular and on-going maintenance program be established with a reputable licensed pest control operator. Such a program can minimize the necessity for fumigation. In addition, loose or cracked siding or stucco, peeling paint and gaps at trim around windows and doors should be repaired accordingly as to prevent moisture from making its way into the framing and providing an environment for termite infestation, fungus, and/or mold. It is recommended that planned inspection(s) be performed prior to repainting being done in order to identify & correct/repair these situations. Other situations that should be monitored with respect to termite infestation include low foundation walls, cracks in foundation walls, leaking pipes, over-watered landscape surrounding the structure, and damaged or nonexistent gutters and downspouts that discharge near the perimeter of the structures.*

CATEGORY:	*STRUCTURE*
COMPONENT(S):	*GARAGE DOORS* **ID#(S)** *0203*

GARAGE DOORS (TYPICAL)

OBSERVATIONS: *This component includes the 3 remaining wood garage doors which we were informed are to be replaced with metal roll up doors. Once installed, these would be considered a lifetime component.*

TYPICAL USEFUL LIFE:	*30+ YEAR(S)*
ESTIMATED REMAINING LIFE:	*3 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 4,300*

TO PROTECT YOUR INVESTMENT: *N/A.*

CATEGORY:	*PAINT*
COMPONENT(S):	*EXTERIOR FLATWORK* **ID#(S)** *0301*

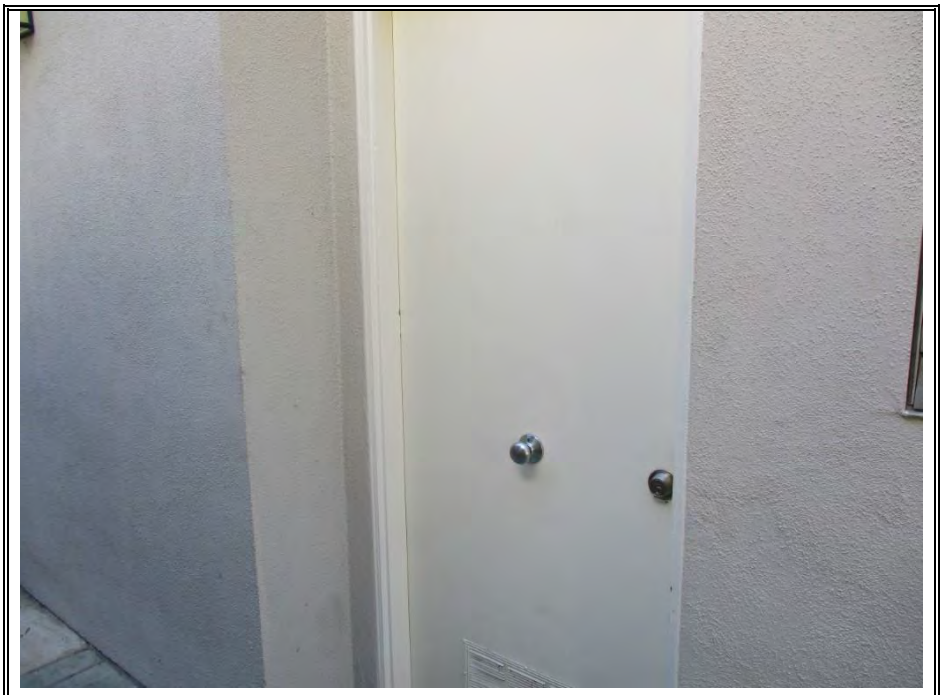
EXTERIOR FLATWORK (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the stucco and the concrete block privacy walls. We were previously informed that they were painted in 2015 and they appeared to be in good condition.*

TYPICAL USEFUL LIFE:	*10 YEAR(S)*
ESTIMATED REMAINING LIFE:	*6 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 12,550*

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.*

CATEGORY:	*PAINT*
COMPONENT(S):	*DOORS* **ID#(S)** *0302*



DOORS (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the exteriors of the individual unit doors as well as both sides of the common area doors. We were informed that they were painted in 2018 and they appeared to be in good condition.*

TYPICAL USEFUL LIFE:	*5 YEAR(S)*
ESTIMATED REMAINING LIFE:	*4 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,300*

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of doors should be examined prior to painting and re-caulked if required.*

CATEGORY:	*PAINT*
COMPONENT(S):	*GARAGE INTERIOR* **ID#(S)** *0303*

GARAGE INTERIOR (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the interior of the garage. They appeared to be in average condition. It is recommended that repainting be performed on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.*

CATEGORY:	*PAINT*
COMPONENT(S):	*IRONWORK* **ID#(S)** *0304*

IRONWORK (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces wood trim metal and wrought iron fencing, rails and stair stringers at the exterior of the building. We were informed they are to be painted in 2019 and they appeared to be in average condition for their age.*

TYPICAL USEFUL LIFE:	*3 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,000*

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, and for protection of the underlying component. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.*

CATEGORY:	*PAINT*
COMPONENT(S):	*TRIM* **ID#(S)** *0305*

TRIM (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces wood trim and garage doors at the exterior of the building. We were informed they are to be painted in 2019 and they appeared to be in average condition for their age.*

TYPICAL USEFUL LIFE:	*3 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 2,800*

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, and for protection of the underlying component. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.*

CATEGORY:	*PAINT*
COMPONENT(S):	*WOOD GATES* **ID#(S)** *0306*

WOOD GATES (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the wood gates at the privacy walls. They appeared to be in average condition.*

TYPICAL USEFUL LIFE:	*3 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.*

CATEGORY:	*MECHANICAL*
COMPONENT(S):	*GATE OPERATORS* **ID#(S)** *0401*

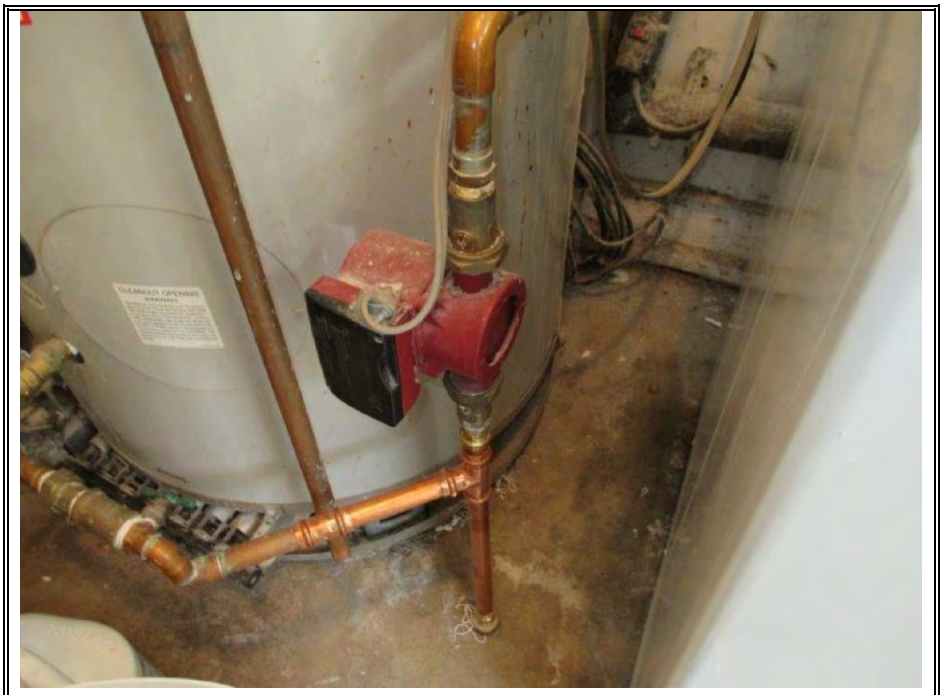
GATE OPERATORS (TYPICAL)

OBSERVATIONS: *This component includes the overhead-type vehicle gate operators. They appeared to be in average condition. We were informed that repair / replacement is performed on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Maintenance should include regular lubrication of all moving parts. It is suggested that a maintenance contract be obtained with a qualified specialist.*

CATEGORY:	*PLUMBING*
COMPONENT(S):	*CIRCULATION PUMP* **ID#(S)** *0501*



CIRCULATION PUMP (TYPICAL)

OBSERVATIONS: *This component includes a circulation pump, which serves to expedite hot water provision to the individual units. It was inaccessible for inspection (laundry room locked) and for reporting purposes the remaining life has been estimated.*

TYPICAL USEFUL LIFE:	*10 YEAR(S)*
ESTIMATED REMAINING LIFE:	*2 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 950*

TO PROTECT YOUR INVESTMENT: *Maintenance should include periodic lubrication (which can considerably extend its life expectancy).*

CATEGORY:	*PLUMBING*
COMPONENT(S):	*DISTRIBUTION PIPING* **ID#(S)** *0502*

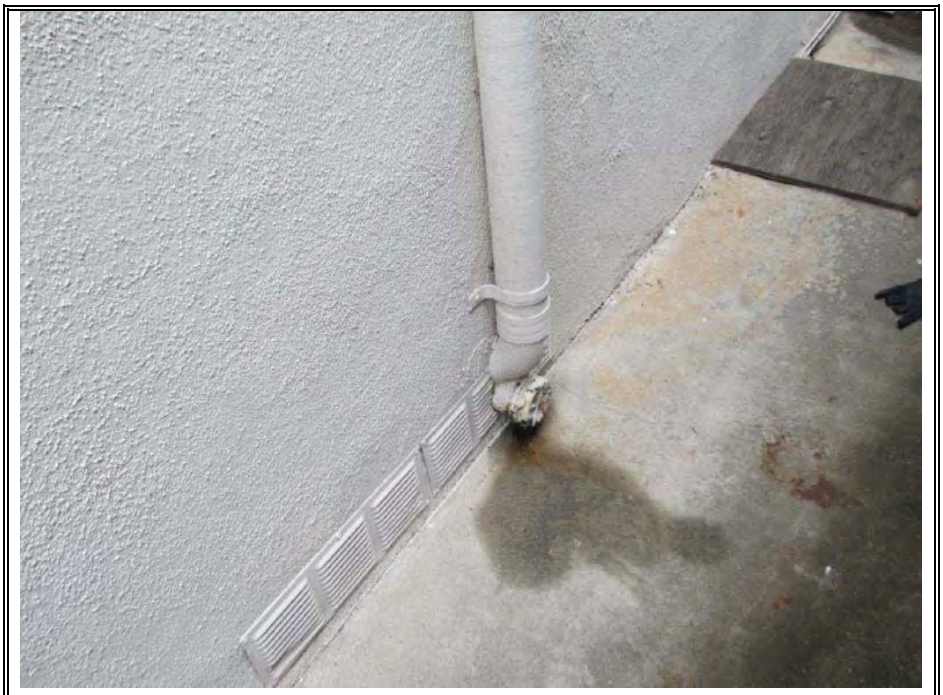
DISTRIBUTION PIPING (TYPICAL)

OBSERVATIONS: *This component includes the copper distribution piping that provides potable water to the individual units and throughout the complex. We were informed it was installed in 1991 and it appeared to be in average condition. Although previously considered to be a lifetime component, copper piping has more recently been found to fail as early as 15 years after installation. This is suspected to be primarily caused by changes in the chemical makeup of potable water due to the U.S. Environmental Protection Agency's (EPA) Safe Water Drinking Act and the Lead and Copper Rule (LCR). For purposes of reporting, an approximate time frame of 40 years has been assumed for future replacement. A rough cost estimate, based on number of units, has been provided. It is recommended that further evaluation be obtained from a licensed plumbing consultant / contractor, as well as consideration of an epoxy pipe lining system, and adjustments can be included in a future Reserve Study Update.*

TYPICAL USEFUL LIFE:	*40 YEAR(S)*
ESTIMATED REMAINING LIFE:	*12 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 31,200*

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance is needed for the piping other than periodic examination for leaking, especially in the garage area. Any leaks should be promptly repaired upon discovery, as any wood or soil that is kept constantly moist provides ideal conditions for termites. Consideration may be given to professionally installing a water treatment system and / or an epoxy pipe lining system, which would serve to enhance the longevity of the piping.*

CATEGORY:	*PLUMBING*
COMPONENT(S):	*DRAINAGE/SEWER PIPING* **ID#(S)** *0503*



DRAINAGE/SEWER PIPING (TYPICAL)

OBSERVATIONS: *This component provides an allowance for repair / sectional replacement of the sewer and drainage piping. We were informed that a portion of the main sewage line was replaced in 2018 (front half of the building). No amount has been provided for complete replacement as the piping would typically have a life well in excess of the scope of this projection and would therefore be considered a lifetime component.*

TYPICAL USEFUL LIFE:	*30 YEAR(S)*
ESTIMATED REMAINING LIFE:	*20 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 15,000*

TO PROTECT YOUR INVESTMENT: *Occasional routing should be performed to ensure that the drainage system is free flowing.*

CATEGORY:	*PLUMBING*
COMPONENT(S):	*WATER HEATER* **ID#(S)** *0504*

WATER HEATER (TYPICAL)

OBSERVATIONS: *This component includes a water heater that provides hot water throughout the complex. We were informed it is to be replaced in 2018 and for reporting purposes it is assumed to be done. A visual examination cannot make predictions as to future performance (i.e. even with correct maintenance, these units can fail without warning).*

TYPICAL USEFUL LIFE:	*10 YEAR(S)*
ESTIMATED REMAINING LIFE:	*9 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 4,250*

TO PROTECT YOUR INVESTMENT: *Maintenance should include periodic draining of a few gallons of water from the drain cock to relieve sediment build-up. A regular safety check-up by the local utility company (if available) or licensed plumbing contractor is also suggested.*

CATEGORY:	*ELECTRICAL*
COMPONENT(S):	*LIGHTING* **ID#(S)** *0601*

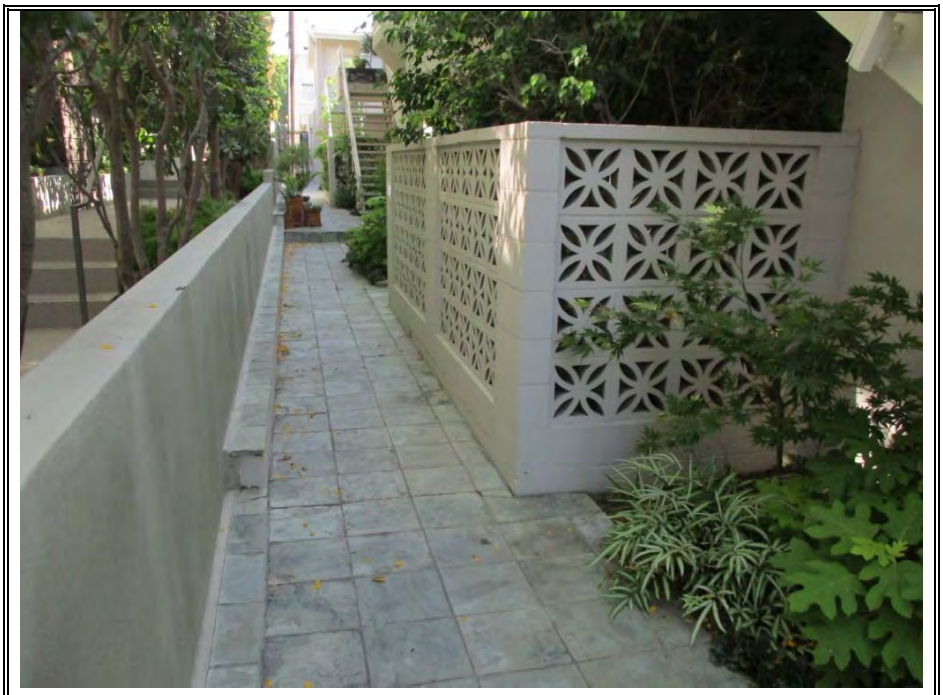
LIGHTING (TYPICAL)

OBSERVATIONS: *This component includes the light fixtures at the exterior of the building. We were previously informed they were installed in 2015 and they appeared to be in average condition. Given the limited quantity, it is recommended that repairs/replacements be performed on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*
COMPONENT(S):	*CONCRETE BLOCK WALLS* **ID#(S)** *0701*



CONCRETE BLOCK WALLS (TYPICAL)

OBSERVATIONS: *This component includes the concrete block walls throughout the complex. They appeared to be in average condition. It is recommended that any repair / replacement be performed on an as-needed basis and funded from the operating account. No amount has been provided for complete replacement as they would typically have a life well in excess of the scope of this projection and would therefore be considered lifetime components.*

TYPICAL USEFUL LIFE:	*30+ YEAR(S)*
ESTIMATED REMAINING LIFE:	*30+ YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Maintenance would entail monitoring for cracks on a periodic basis. Any necessary repairs should be made accordingly.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*
COMPONENT(S):	*CONCRETE FLATWORK* **ID#(S)** *0702*

CONCRETE FLATWORK (TYPICAL)

OBSERVATIONS: *This component includes the concrete driveways, walkways and at the building. Although they appeared to be in average condition, they should be regularly monitored for cracking and vertical displacement, which can create potential trip hazards (and liability for the association). Otherwise, concrete areas are generally considered a lifetime component and therefore no amount has been budgeted for replacement. Occasional repairs would typically be funded from the operating account.*

TYPICAL USEFUL LIFE:	*30+ YEAR(S)*
ESTIMATED REMAINING LIFE:	*30+ YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Sections observed to be vertically displaced should be repaired immediately. Emphasis should be placed on areas adjacent to trees, as their roots are often the culprits of such damage. As the need for such repairs is difficult to predict, costs should be disbursed either from the operating account or the contingency reserve (see "Reserve Expenditures By Year Schedule" in the Reserve Funding section of this report as well as the Glossary for more on the contingency reserve).*

CATEGORY:	*LANDSCAPE/HARDSCAPE*
COMPONENT(S):	*IRRIGATION CONTROLLERS* **ID#(S)** *0703*

IRRIGATION CONTROLLERS (TYPICAL)

OBSERVATIONS: *This component includes the irrigation controllers, including one at the side of the building and one at the laundry room. We were previously informed that they were installed in 2016 and they appeared to be in good condition. They tend to have a more predictable life expectancy, and the average component cost provides for their replacement. However, average life expectancies cannot be predicted for the other sprinkler components or automatic valve actuation systems. Repairs/replacements of such systems usually occur on an ongoing basis and should be covered under the operating account.*

TYPICAL USEFUL LIFE:	*10 YEAR(S)*
ESTIMATED REMAINING LIFE:	*7 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 500*

TO PROTECT YOUR INVESTMENT: *The irrigation system should be maintained in such a manner so as to prevent overspray onto, and water accumulations adjacent to the structures. Occasional removal and cleaning of sprinkler heads that become clogged with debris may be performed by the gardening service in order to prevent premature death of shrubbery/ground cover.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*
COMPONENT(S):	*IRRIGATION PIPING SYSTEM* **ID#(S)** *0704*

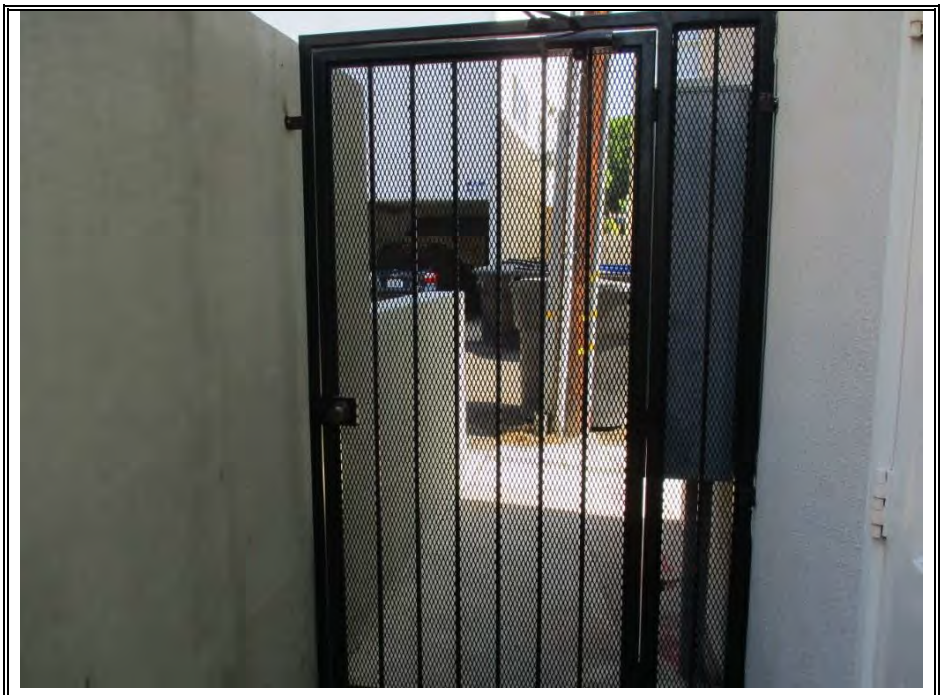
IRRIGATION PIPING SYSTEM (TYPICAL)

OBSERVATIONS: *This component includes the irrigation system "PVC" piping. We were previously informed the re-piping project was completed in 2016. Future repairs and replacements should be performed on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance is needed for the piping.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*
COMPONENT(S):	*WROUGHT IRON* **ID#(S)** *0705*



WROUGHT IRON (TYPICAL)

OBSERVATIONS: *This component includes the wrought iron. We were informed that one gate was installed in 2018 and that there were repairs to the other. For reporting purposes, the remaining lives have been averaged. If it is regularly painted and exposure to moisture kept to a minimum, most of the wrought iron should have a life well in excess of 30 years. However, based upon our opinion and prior experience, repair and replacement of a portion of the wrought iron should be anticipated due to inevitable corrosion from exposure of some sections to constant sprinkler spray as well as proximity to the ground.*

TYPICAL USEFUL LIFE:	*30 YEAR(S)*
ESTIMATED REMAINING LIFE:	*16 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 4,100*

TO PROTECT YOUR INVESTMENT: *It is imperative that the wrought iron be regularly painted in order to obtain the maximum life potential from this component. It should be inspected in its entirety at least once per year, with emphasis being placed on places where it has been welded, such as where it meets the spacers or walls. As it can deteriorate from the inside out, the inspection should include trying to bend or squeeze the metal (if it gives at all, repair or replacement of those sections should be performed). Where possible, direct exposure to the ground and sprinkler spray should be minimized.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*
COMPONENT(S):	*WOOD PATIO GATES* **ID#(S)** *0706*

WOOD PATIO GATES (TYPICAL)

OBSERVATIONS: *This component includes the wood gates at the patio entrances. They appeared to be in average condition.*

TYPICAL USEFUL LIFE:	*15 YEAR(S)*
ESTIMATED REMAINING LIFE:	*3 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,250*

TO PROTECT YOUR INVESTMENT: *The wood gates should be regularly examined for potential decay, which should be incorporated as part of the regular pest control maintenance program. All damaged areas and loose boards should be repaired as necessary. Re-painting/staining is advocated at 4-year intervals, especially upon installation of new fencing, for longevity of this component.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*
COMPONENT(S):	*LANDSCAPE REMODEL* **ID#(S)** *0707*

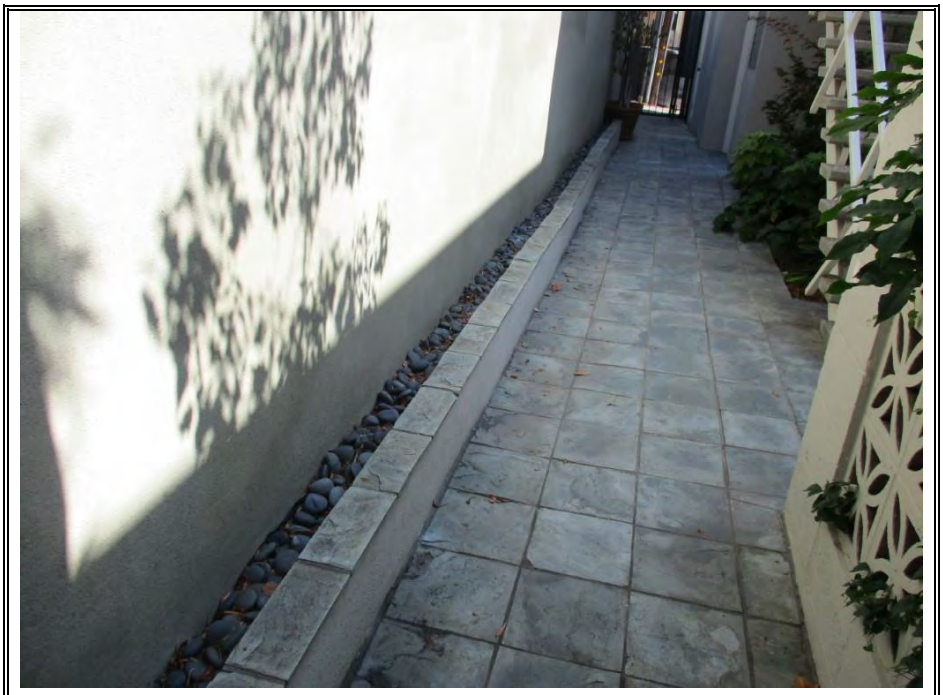
LANDSCAPE REMODEL (TYPICAL)

OBSERVATIONS: *This component addresses the landscaping throughout the property. We were previously informed that the landscape remodel was completed in 2016, and that future repairs and replacements should are to be performed on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *N/A.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*
COMPONENT(S):	*TILE-SLATE* **ID#(S)** *0708*



TILE-SLATE (TYPICAL)

OBSERVATIONS: *This component includes the slate tile on the walkways. We were previously informed it was installed in 1991 and it appeared to be in average condition for its age. We were informed that any repairs / sectional replacements are performed on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Maintenance would entail occasional cleaning and periodic grout re-sealing.*

CATEGORY:	*MISCELLANEOUS*	
COMPONENT(S):	*FIRE EXTINGUISHERS*	**ID#(S)** *0801*

FIRE EXTINGUISHERS (TYPICAL)

OBSERVATIONS: *This component includes the fire extinguishers. They appeared to be in average condition and noted as last serviced on 9/20/2017. Given the limited quantity, it is recommended that replacement be performed on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *The extinguishers should be inspected and re-charged by a State Fire Marshall approved company at a maximum of 1 year intervals (or as required by law).*

CATEGORY:	*MISCELLANEOUS*
COMPONENT(S):	*MAILBOXES* **ID#(S)** *0802*

MAILBOXES (TYPICAL)

OBSERVATIONS: *This component includes the cluster of individual mailboxes. They appeared to be in an aging condition. We were informed that maintenance would be funded out of the operating budget.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Other than occasional lubrication of the locks, little can be performed by way of maintenance for this type of equipment.*

CATEGORY:	*MISCELLANEOUS*
COMPONENT(S):	*LAUNDRY EQUIPMENT* **ID#(S)** *0803*

LAUNDRY EQUIPMENT (TYPICAL)

OBSERVATIONS: *This component includes the coin operated washers and dryers in the laundry rooms of the apartment buildings. They appeared to be in average condition and we were previously informed that they are leased.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *N/A*

CATEGORY:	*CONTINGENCY RESERVE*
COMPONENT(S):	*GENERAL - 5%* **ID#(S)** *0901*

COMPONENT NOT PHOTOGRAPHED

GENERAL - 5% (TYPICAL)

OBSERVATIONS: *While efforts have been made to ensure a reasonable level of precision, it is seldom possible to anticipate every expense / replacement that will be incurred by an association during an operating year. Also, it is difficult to accurately predict the cost of some items that are anticipated, due to unforeseen circumstances with respect to removal/installation, replacement with a different material than originally budgeted for, economic factors, etc. Therefore, it is prudent to include a contingency amount in the reserve budget. The Department of Real Estate (DRE) suggests a contingency equal to 3% of the annual budget (5% for a conversion from an apartment complex and 10% for a high-rise building over 70 feet). It is our opinion that a 5% contingency factor should be included in the reserve budget, and therefore a provision for this has been included (see Component Inventory page for dollar amount).*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ SEE PG 4*

TO PROTECT YOUR INVESTMENT: *N/A.*

GLOSSARY

ACCUMULATED DEPRECIATION	Amount of each component that has been used up at a point in time. The total accumulated depreciation equates to a "fully funded balance" (per CAI Standards definition).
ANNUAL DEPRECIATION	The current cost of a component divided by its typical life expectancy.
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. Different reserve funding plans are tested against the anticipated reserve expenses to achieve a desired funding goal.
CASH RESERVES	Funds available for major repair, restoration, replacement, or maintenance of the common components.
CC&R's	The covenants, conditions and restrictions, which govern the day to day operations of a facility.
COMPONENTS	The common area assets that require major repair, restoration, replacement, or maintenance. Typically: 1) Association responsibility, 2) with limited useful life expectancies, 3) predictable remaining useful life expectancies, 4) above a minimum threshold cost, and 5) as required by local codes.
COMPONENT INVENTORY	A list of components subject to degradation at a somewhat predictable rate within the projection period.
CONDITION ASSESSMENT	The evaluation of the current condition of the components based on observed or reported characteristics.
CONTINGENCY RESERVE ALLOWANCE	Additional funds set aside to allow for unforeseeable situations or variations. It is a percentage based on total expenditures anticipated each year.
CU. FT.	Measured in cubic feet.
CURRENT COST	Average cost for major repair, restoration, replacement, or maintenance of a component.
CURRENT RESERVE BALANCE	Amount of funds in reserve accounts estimated as of the beginning of the Reserve Study.
DEFICIT	The amount that the fully funded balance exceeds the actual (or projected) reserve balance.
EXCLUSIVE USE COMMON AREA	That part of a common area that has been designated for the individual use by a single interest.
FINANCIAL ANALYSIS	The portion of a Reserve Study (one of two parts) 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 expenditures over time are presented. It should illustrate the financial ability to fund future major repair or replacement of those common components that are subject to degradation within a specified period.
FISCAL YEAR	The twelve-month financial reporting period, which may not necessarily be a calendar year. Example: July 1, 2018 through June 30, 2019.
INFLATION FACTOR	An allowance for anticipated price increases based upon a 10-year average of the Consumer Price Index published by the U.S. Department of Labor. It is set at the beginning of each year.
INTEREST RATE ASSUMPTIONS	Average interest rate currently being earned from financial institutions where reserve funds are held.
LIFE CYCLE	The normal lifetime of a component, assuming it is properly installed / constructed and maintained.
LIFETIME COMPONENT	An element with a life expectancy that extends beyond the projection period of the study.
LIN. FT.	Measured in linear feet.
PERCENT FUNDED	The ratio, at a point of time (typically the beginning of the fiscal fear), of the actual (or projected) reserve balance to the accumulated depreciation of all the components (i.e. amount that ideally should be in reserves), expressed as a percentage.
PHYSICAL INSPECTION	A visual examination of accessible common components subject to degradation within the projection period.
PRO FORMA OPERATING BUDGET	A projection of operating expenditures for the year.
PROJECTION PERIOD	The span (in years) over which the study forecasts potential reserve expenditures and liabilities.
REGULAR ASSESSMENT	Budgeted amounts assessed to all owners (oftentimes referred to as "Dues"), including the reserve contribution – typically assessed monthly, quarterly, or annually.
REMAINING LIFE	The number of remaining years of a components' anticipated life expectancy based upon current condition and degradation factors.
REPLACEMENT CYCLE	See "Life Cycle" (i.e. frequency of repair/replacement within forecast).
RESERVE CONTRIBUTION	That portion of the "regular" assessment allocated to the reserve fund.
RESERVE STATUS	The present ability to fund future major repair or replacement of its common components.
SPECIAL ASSESSMENT	An assessment levied in addition to regular assessments, often regulated by governing documents or local statutes.
SQ. FT.	Measured in square feet.
SURPLUS	An actual (or projected) reserve balance greater than the fully funded balance.
USEFUL LIFE (UL)	The estimated time in years that a component is expected to serve its intended function if properly constructed in its present application or installation.