

RESERVE STUDIES INC.

— ESTABLISHED 1991 —

COMPLETE RSI RESERVE STUDY WITH SITE VISIT

CONDOMINIUM HOMEOWNERS' ASSOCIATION

1234 Main Street
Anywhere, California

REVIEWED BY:

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DATE:

2/10/2026



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OVERVIEW

The **Reserve Study** consists of three main divisions:

The **Summary** is a brief synopsis of the results of the Reserve Study for compliance with the applicable laws and standards.

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 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 industry standards which require, among other items, that a summary of the Reserve Study be distributed between 30 and 90 days prior to the beginning of the calendar/fiscal year. It is recommended that a Reserve Study with a visual inspection be performed on 3-5 year cycles, which should 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 transfers 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 regarding the procedures used for calculation and establishment of the reserves.

DOCUMENTS REQUIRED TO BE DISTRIBUTED 30 to 90 days prior to the end of the fiscal year:
(Per §5300 subdivisions 2 & 3 and §5570)

- 1) **Summary of the Reserves**
- 2) **Summary of Funding Plan Adopted by BOD**
- 3) **Assessment and Reserve Funding Disclosure Summary**

In addition to the prudence 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. 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 transfer realistically needs to be. This will ensure the physical well-being of the project 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 ensure 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 outside of the scope of the services provided herein.

SUMMARY
CONDOMINIUM HOMEOWNERS' ASSOCIATION

ASSUMPTIONS:

(A) FISCAL (12 MONTH) PERIOD RESERVE STUDY IS TO COVER:	1/1/2027	through	12/31/2027
(B) INFLATION FACTOR (30 year average CPI per Bureau of Labor Statistics):			2.53%
(C) INTEREST % ON RESERVE FUNDS (unless provided, assumed to be 3%):			3.0000%
(D) BEGINNING RESERVE BALANCE PER ASSOCIATION AS OF:	1/1/2027		\$175,000
(E) NUMBER OF UNITS:			24

ANALYSIS OF MONTHLY RESERVE TRANSFER	PERIOD			TOTAL	PER UNIT ¹
(F) CURRENTLY BUDGETED PER ASSOCIATION:	1/1/2026	through	12/31/2026	\$2,661.00	\$110.88
(G) RECOMMENDED TO BUDGET (see Funding Plan #3²):	1/1/2027	through	12/31/2027	\$4,302.84	\$179.28
(H) DOLLAR INCREASE / (DECREASE) ("G" less "F"):	1/1/2027	through	12/31/2027	\$1,641.84	\$68.41
(I) FUTURE ANNUAL % INCREASES / (DECREASES):	1/1/2028	through	12/31/2029	61.70%	61.70%

SPECIAL ASSESSMENT	PERIOD			TOTAL	PER UNIT ¹
(J) SPECIAL ASSESSMENT (ONE-TIME/ IN ADDITION TO "G"):	1/1/2027	through	12/31/2027	\$0.00	\$0.00

ANALYSIS OF MONTHLY ASSESSMENT ("DUES"):	PERIOD			TOTAL	PER UNIT ¹
(K) CURRENTLY BUDGETED PER ASSOCIATION:	1/1/2026	through	12/31/2026	\$18,000.00	\$750.00
(L) RESERVE TRANSFER % (item "F" divided by "K"):	1/1/2026	through	12/31/2026	14.78%	14.78%
(M) % CHANGE IN ASSESSMENT ("H" divided by "K") (if recommended reserve transfer implemented)	1/1/2027	through	12/31/2027	9.12%	9.12%

ACCUMULATED DEPRECIATION:	PERIOD			TOTAL	PER UNIT ¹
("ideal reserve balance" / funds in reserve accounts necessary to achieve 100% funding for the current year)	1/1/2027	through	12/31/2027	\$573,539	\$23,897

ANNUAL DEPRECIATION:	PERIOD			TOTAL	PER UNIT ¹
The current cost of all components divided by their respective typical life expectancies.	1/1/2027		12/31/2027	\$82,459	\$3,436

OVERAGE / (DEFICIT):	PERIOD			TOTAL	PER UNIT ¹
(between "actual" and "ideal" reserve balance)	1/1/2027	through	12/31/2027	(\$398,539)	(\$16,605.77)

PERCENT FUNDED³

as of 1/1/2027	30.51%
as of 12/31/2027 (if Funding Plan #3 ² recommended above is followed)	2.58%

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** illustrates 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 annual depreciation.
- 2) **FUNDING PLANS / ILLUSTRATIONS** - Three funding plans / illustrations are provided to illustrate the effects of various levels of reserve transfers 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 transfers required.
- 3) **FUNDING ILLUSTRATION #1** - This illustration assumes that the current reserve transfer 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.**
- 4) **FUNDING ILLUSTRATION #2** - This illustration also assumes that the current reserve transfer 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.**
- 5) **FUNDING PLAN #3** - This plan increases (or sometimes decreases) current reserve transfers 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** as it is the most equitable and it fulfills the requirement of the California Civil Code with respect to distribution of a full funding plan for HOAs.
- 6) **COMPARISON OF FUNDING PLANS / ILLUSTRATIONS** - Details of the 3 funding plans / illustrations on an annual basis, including the cash receipts (reserve transfers, special assessments, interest income) + the beginning reserve balance, as well as the percent funded, for each year.
- 7) **GRAPH 1: FUNDING PLANS / ILLUSTRATIONS 1-3 vs. RESERVE EXPENDITURES** - Shows the cash receipts (reserve transfers, special assessments, interest income) + the beginning reserve balance, versus reserve expenditures, for each year.
- 8) **GRAPH 2: PERCENT FUNDED OVER TIME - CURRENT FUNDING vs RECOMMENDED FUNDING** – for each year.
- 9) **RESERVE EXPENDITURES BY YEAR** – Details the component expenditures for each year they are anticipated to come due.

COMPONENT INVENTORY
CONDOMINIUM HOMEOWNERS' ASSOCIATION

component threshold = \$1,000

AS OF: 1/1/2027

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	ACCUM DEPRE	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
ROOF/DECKS											
modified cap sheet roof	0101	12,250 sq ft	20	16	88,600 ²	4,430	5,407	17,720	(12,313)	82.21	132.94
concrete tile roof	0102	800 sq ft	35	34	20,400 ²	583	178	583	(405)	2.70	4.37
exterior elevated elements inspection	0103	1 inspection	9	6	2,450 ²	272	249	817	(568)	3.79	6.13
membrane decks-rooftop (resurface)	0104	homeowner	n/a	n/a	0	0	0	0	0	0.00	0.00
membrane decks-rooftop (coating)	0105	homeowner	n/a	n/a	0	0	0	0	0	0.00	0.00
membrane decks-balconies (resurface)	0106	1,350 sq ft	15	0	72,000 ²	4,800	21,969	72,000	(50,031)	334.05	540.16
membrane decks-balconies (coating)	0107	1,350 sq ft	5	0	28,800 ²	5,760	8,788	28,800	(20,012)	133.62	216.07
membrane decks-common (resurface)	0108	650 sq ft	15	1	6,200 ¹	413	1,766	5,787	(4,021)	26.85	43.42
membrane decks-common (coating)	0109	650 sq ft	5	0	2,350 ²	470	717	2,350	(1,633)	10.90	17.63
gutters & downspouts	0110	550 lin ft	30	16	4,650 ¹	155	662	2,170	(1,508)	10.07	16.28
skylights	0111	8 skylights	20	3	4,750 ¹	238	1,232	4,038	(2,806)	18.73	30.29
STRUCTURE											
foundations/structural frame	0201	1 building	30+	30+	0	0	0	0	0	0.00	0.00
fumigation	0202	908,160 cu ft	15	0	56,150 ¹	3,743	17,133	56,150	(39,017)	260.51	421.25
PAINT											
exterior flatwork	0301	26,350 sq ft	8	2	48,600 ¹	6,075	11,122	36,450	(25,328)	169.11	273.46
doors-paint	0302	128 sides	5	2	9,250 ¹	1,850	1,693	5,550	(3,857)	25.75	41.64
doors-lacquer	0303	4 sides	5	2	800 ¹	160	146	480	(334)	2.23	3.60
interior flatwork-common	0304	18,950 sq ft	8	2	50,600 ²	6,325	11,579	37,950	(26,371)	176.07	284.71
wallpaper-lobby/ground floor	0305	2,000 sq ft	15	2	16,000 ¹	1,067	4,231	13,867	(9,636)	64.34	104.03
ironwork-exterior	0306	3,500 sq ft	5	2	12,200 ²	2,440	2,234	7,320	(5,086)	33.96	54.92
ironwork-interior	0307	1,200 sq ft	10	2	4,650 ¹	465	1,135	3,720	(2,585)	17.26	27.91
parking stripes	0308	60 spaces	8	0	1,150 ¹	144	351	1,150	(799)	5.34	8.63

COMPONENT INVENTORY
CONDOMINIUM HOMEOWNERS' ASSOCIATION

component threshold = \$1,000

AS OF: 1/1/2027

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	ACCUM DEPRE	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
MECHANICAL											
elevators-mechanical	0401	1@4 + 1@5 stops	25	24	304,250 ²	12,170	3,713	12,170	(8,457)	56.46	91.30
elevators-cab remodel	0402	2 elevator cabs	15	14	15,400 ²	1,027	313	1,027	(714)	4.76	7.70
exhaust fan-garage	0403	1 @ 5 hp	25	2	9,850 ¹	394	2,765	9,062	(6,297)	42.04	67.99
exhaust fan-hallway	0404	1 @ 3 hp	20	5	7,100 ¹	355	1,625	5,325	(3,700)	24.71	39.95
gate operators	0405	5 operators	10	2	12,650 ²	1,265	3,088	10,120	(7,032)	46.95	75.92
air conditioning-evaporative coils	0406	2 evaporator coils	24	22	5,150 ¹	215	131	429	(298)	1.99	3.22
air conditioning-condensers	0407	2 condensers	20	18	4,600 ¹	230	140	460	(320)	2.13	3.45
dual pack	0408	1 @ 3.5 tons	20	18	14,500 ²	725	442	1,450	(1,008)	6.73	10.88
trash chutes	0409	3 doors / 1 chute	20	5	2,450 ¹	123	561	1,838	(1,277)	8.53	13.79
exhaust fan- pool area	0410	1 exhaust fan	15	14	3,600 ²	240	73	240	(167)	1.11	1.80
PLUMBING											
boiler-replace	0501	1 @ 400,000 btu	24	19	14,350 ¹	598	912	2,990	(2,078)	13.87	22.43
boiler-overhaul	0502	1 @ 400,000 btu	24	7	5,750 ²	240	1,243	4,073	(2,830)	18.90	30.56
circulation pump	0503	1 pump	5	4	1,950 ²	390	119	390	(271)	1.81	2.93
distribution piping	0504	24 units	40	6	133,900 ¹	3,348	34,728	113,815	(79,087)	528.06	853.87
drainage/sewer piping	0505	allowance	4	2	2,350 ¹	588	359	1,175	(816)	5.45	8.82
sump pumps	0506	2 pumps	10	1	3,800 ¹	380	1,044	3,420	(2,376)	15.87	25.66
water storage tank	0507	1 @ 115 gallons	10	5	3,850 ²	385	587	1,925	(1,338)	8.93	14.44
fire sprinklers	0508	operating budget	30+	30+	0	0	0	0	0	0.00	0.00
ELECTRICAL											
intercoms	0601	5 intercoms	12	6	16,050 ²	1,338	2,449	8,025	(5,576)	37.23	60.21
fire annunciator system	0602	1 system	20	19	3,400 ¹	170	52	170	(118)	0.79	1.28
lighting-emergency	0603	33 fixtures	20	5	11,950 ¹	598	2,735	8,963	(6,228)	41.58	67.24
lighting-exit signs	0604	23 fixtures	20	5	2,350 ¹	118	538	1,763	(1,225)	8.18	13.23
lighting-exterior	0605	54 fixtures	15	0	7,350 ¹	490	2,243	7,350	(5,107)	34.10	55.14
lighting-interior	0606	25 fixtures	15	5	3,400 ¹	227	692	2,267	(1,575)	10.52	17.01

COMPONENT INVENTORY component threshold = \$1,000
 CONDOMINIUM HOMEOWNERS' ASSOCIATION

AS OF: 1/1/2027

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION		
			USEFUL	REMAIN			ACTUAL	ACCUM DEPRE	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND	
FLOORING												
carpeting hallways	0701	310 sq yds	8	0	12,650 ¹	1,581	3,860	12,650	(8,790)	58.69	94.90	
carpeting gym	0702	38 sq yds	8	0	1,700 ¹	213	519	1,700	(1,181)	7.89	12.75	
carpeting stairwells	0703	160 sq yds	10	0	6,500 ¹	650	1,983	6,500	(4,517)	30.16	48.76	
marble-restoration	0704	550 sq ft	15	3	9,650 ¹	643	2,356	7,720	(5,364)	35.82	57.92	
marble-polishing	0705	550 sq ft	3	3	2,100 ²	700	0	0	0	0.00	0.00	
tile-quarry	0706	300 sq ft	20	0	6,050 ¹	303	1,846	6,050	(4,204)	28.07	45.39	
POOL												
plaster	0801	800 sq ft	10	2	5,550 ¹	555	1,355	4,440	(3,085)	20.60	33.31	
coping joint	0802	85 lin ft	8	0	650 ¹	81	198	650	(452)	3.02	4.88	
coping/tile	0803	85 lin ft	20	0	4,200 ¹	210	1,282	4,200	(2,918)	19.49	31.51	
heater	0804	1 heater	12	0	4,500 ¹	375	1,373	4,500	(3,127)	20.88	33.76	
filter & separation tank	0805	1 filter/1 tank	10	0	1,950 ¹	195	595	1,950	(1,355)	9.05	14.63	
motor	0806	1 motor	5	0	650 ²	130	198	650	(452)	3.02	4.88	
pump	0807	1 pump	15	8	650 ²	43	92	303	(211)	1.41	2.27	
furniture	0808	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00	
suspended ceiling tile	0809	recommend removal	n/a	n/a	0	0	0	0	0	0.00	0.00	
LANDSCAPE/ HARDSCAPE												
irrigation controller	0901	1 controller	10	3	1,050 ¹	105	224	735	(511)	3.41	5.51	
back flow preventer	0902	1 preventer	15	1	950 ¹	63	271	887	(616)	4.12	6.65	
RECREATION FACILITIES												
furnishings	1001	allowance	15	2	12,900 ¹	860	3,411	11,180	(7,769)	51.87	83.88	
interior designer	1002	one-time	n/a	2	10,000 ²	0	0	0	0	0.00	0.00	
fitness equipment	1003	to be removed	n/a	n/a	0	0	0	0	0	0.00	0.00	
restroom	1004	1 restroom	20	19	4,750 ¹	238	73	238	(165)	1.10	1.79	
sauna-refinish	1005	to be removed	n/a	n/a	0	0	0	0	0	0.00	0.00	
sauna-heater	1006	to be removed	n/a	n/a	0	0	0	0	0	0.00	0.00	

COMPONENT INVENTORY
CONDOMINIUM HOMEOWNERS' ASSOCIATION

component threshold = \$1,000

AS OF: 1/1/2027

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEP	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	ACCUM DEP	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
MISCELLANEOUS											
fire extinguishers	1101	9 extinguishers	25	3	2,050 ¹	82	550	1,804	(1,254)	8.37	13.53
mailboxes	1102	30 mailboxes	20	3	2,000 ¹	100	519	1,700	(1,181)	7.89	12.75
directory board	1103	to be removed	n/a	n/a	0	0	0	0	0	0.00	0.00
CONTINGENCY RESERVE	1201	5% of total annual expenditures - see "Reserve Expenditures by Year" schedule for details			<u>10,333</u>	<u>10,333</u>	<u>3,153</u>	<u>10,333</u>	<u>(7,180)</u>	<u>48</u>	<u>78</u>
TOTALS					<u>1,120,433</u>	<u>82,459</u>	<u>175,000</u>	<u>573,539</u>	<u>(398,539)</u>	<u>2,661</u>	<u>4,303</u>

COST SOURCES

- 1) In-house database or national cost guide (National Construction Estimator, R.S. Means, LSI, etc.).
- 2) Based on contractor proposal or actual cost of recent repair, replacement, or restoration of component - information provided by client.
- 3) Per Contractor Evaluation.
- 4) Per information in previous non-RSI study.

Percent Funded: ratio of the actual reserve balance to the component accumulated depreciation	30.51%
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**COMPONENT INVENTORY ADDENDUM
CONDOMINIUM HOMEOWNERS' ASSOCIATION**

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST
			USEFUL	REMAIN	
COMPONENTS WITH 0 YEARS REMAINING LIFE:					
membrane decks-balconies (resurface)	0106	1,350 sq ft	15	0	72,000
membrane decks-balconies (coating)	0107	1,350 sq ft	5	0	28,800
membrane decks-common (coating)	0109	650 sq ft	5	0	2,350
fumigation	0202	908,160 cu ft	15	0	56,150
parking stripes	0308	60 spaces	8	0	1,150
lighting-exterior	0605	54 fixtures	15	0	7,350
carpeting hallways	0701	310 sq yds	8	0	12,650
carpeting gym	0702	38 sq yds	8	0	1,700
carpeting stairwells	0703	160 sq yds	10	0	6,500
tile-quarry	0706	300 sq ft	20	0	6,050
coping joint	0802	85 lin ft	8	0	650
coping/tile	0803	85 lin ft	20	0	4,200
heater	0804	1 heater	12	0	4,500
filter & separation tank	0805	1 filter/1 tank	10	0	1,950
motor	0806	1 motor	5	0	650
TOTAL					206,650

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST
			USEFUL	REMAIN	
COMPONENTS WITH 1 YEAR REMAINING LIFE:					
membrane decks-common (resurface)	0108	650 sq ft	15	1	6,200
sump pumps	0506	2 pumps	10	1	3,800
back flow preventer	0902	1 preventer	15	1	950
TOTAL					10,950

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST
			USEFUL	REMAIN	
COMPONENTS WITH 2 YEARS REMAINING LIFE:					
exterior flatwork	0301	26,350 sq ft	8	2	48,600
doors-paint	0302	128 sides	5	2	9,250
doors-lacquer	0303	4 sides	5	2	800
interior flatwork-common	0304	18,950 sq ft	8	2	50,600
wallpaper-lobby/ground floor	0305	2,000 sq ft	15	2	16,000
ironwork-exterior	0306	3,500 sq ft	5	2	12,200
ironwork-interior	0307	1,200 sq ft	10	2	4,650
exhaust fan-garage	0403	1 @ 5 hp	25	2	9,850
gate operators	0405	5 operators	10	2	12,650
drainage/sewer piping	0505	allowance	4	2	2,350
plaster	0801	800 sq ft	10	2	5,550
furnishings	1001	allowance	15	2	12,900
interior designer	1002	one-time	n/a	2	10,000
TOTAL					195,400

**COMPARISON OF FUNDING PLANS / ILLUSTRATIONS
CONDOMINIUM HOMEOWNERS' ASSOCIATION**

FUNDING ILLUSTRATION #1 (current transfer remains constant)			
YEAR	MONTHLY RESERVE TRANSFER	ANNUAL % CHANGE	PERCENT FUNDED
1/1/2027	2,661	0.00%	30.51%
1/1/2028	2,661	0.00%	-1.94%
1/1/2029	2,661	0.00%	2.22%
1/1/2030	2,661	0.00%	-39.57%
1/1/2031	2,661	0.00%	-32.53%
1/1/2032	2,661	0.00%	-21.86%
1/1/2033	2,661	0.00%	-27.92%
1/1/2034	2,661	0.00%	-64.72%
1/1/2035	2,661	0.00%	-57.77%
1/1/2036	2,661	0.00%	-48.84%
1/1/2037	2,661	0.00%	-38.18%
1/1/2038	2,661	0.00%	-65.99%
1/1/2039	2,661	0.00%	-53.30%
1/1/2040	2,661	0.00%	-55.37%
1/1/2041	2,661	0.00%	-45.13%
1/1/2042	2,661	0.00%	-40.90%
1/1/2043	2,661	0.00%	-71.77%
1/1/2044	2,661	0.00%	-92.63%
1/1/2045	2,661	0.00%	-91.77%
1/1/2046	2,661	0.00%	-128.66%
1/1/2047	2,661	0.00%	-115.75%
1/1/2048	2,661	0.00%	-116.01%
1/1/2049	2,661	0.00%	-99.51%
1/1/2050	2,661	0.00%	-99.87%
1/1/2051	2,661	0.00%	-85.96%
1/1/2052	2,661	0.00%	-197.70%
1/1/2053	2,661	0.00%	-196.00%
1/1/2054	2,661	0.00%	-223.45%
1/1/2055	2,661	0.00%	-205.99%
1/1/2056	2,661	0.00%	-173.68%

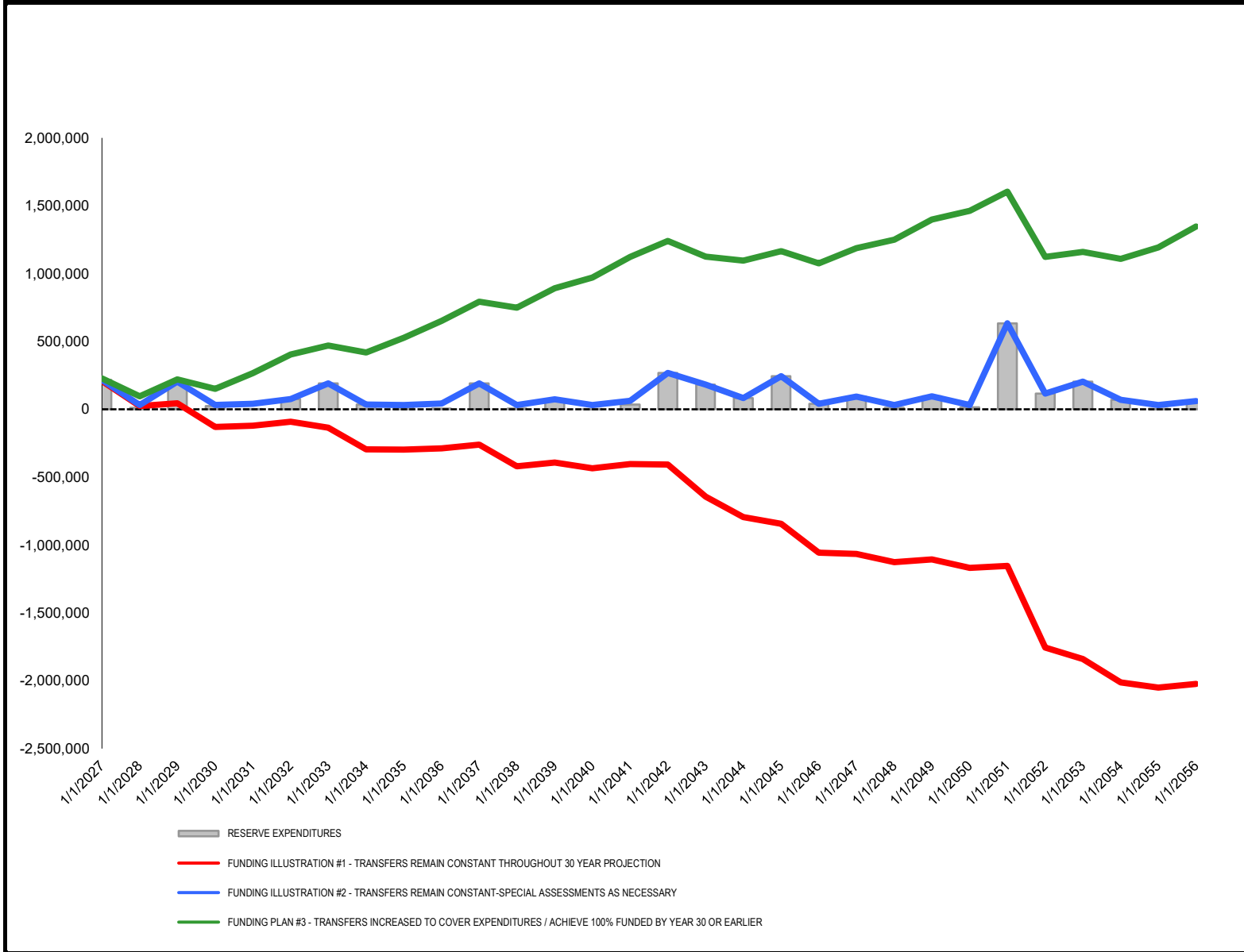
FUNDING ILLUSTRATION #2 (current transfer constant - special assess as necessary)			
YEAR	MONTHLY RESERVE TRANSFER	SPECIAL ASSESSMENT (ONE-TIME)	PERCENT FUNDED
1/1/2027	2,661	8,500	30.51%
1/1/2028	2,661	0	0.01%
1/1/2029	2,661	152,200	3.88%
1/1/2030	2,661	0	0.01%
1/1/2031	2,661	0	1.61%
1/1/2032	2,661	4,900	6.65%
1/1/2033	2,661	159,400	0.00%
1/1/2034	2,661	3,100	0.01%
1/1/2035	2,661	0	0.01%
1/1/2036	2,661	0	1.61%
1/1/2037	2,661	121,400	4.91%
1/1/2038	2,661	0	0.01%
1/1/2039	2,661	14,100	3.39%
1/1/2040	2,661	0	0.00%
1/1/2041	2,661	0	3.18%
1/1/2042	2,661	207,700	2.66%
1/1/2043	2,661	150,600	0.00%
1/1/2044	2,661	50,200	0.00%
1/1/2045	2,661	212,500	0.00%
1/1/2046	2,661	9,300	0.01%
1/1/2047	2,661	61,400	0.00%
1/1/2048	2,661	0	0.01%
1/1/2049	2,661	41,900	1.90%
1/1/2050	2,661	0	0.01%
1/1/2051	2,661	585,400	1.19%
1/1/2052	2,661	84,700	0.01%
1/1/2053	2,661	172,300	0.00%
1/1/2054	2,661	38,600	0.01%
1/1/2055	2,661	0	0.01%
1/1/2056	2,661	0	2.36%

FUNDING PLAN #3 (RECOMMENDED) (current transfer increased to achieve 100% funded by year 30)			
YEAR	MONTHLY RESERVE TRANSFER	ANNUAL % CHANGE	PERCENT FUNDED
1/1/2027	4,303	61.70%	30.51%
1/1/2028	6,958	61.70%	2.58%
1/1/2029	11,251	61.70%	15.99%
1/1/2030	11,251	0.00%	3.73%
1/1/2031	11,251	0.00%	26.91%
1/1/2032	11,251	0.00%	46.44%
1/1/2033	11,251	0.00%	55.04%
1/1/2034	11,251	0.00%	55.17%
1/1/2035	11,251	0.00%	67.38%
1/1/2036	11,251	0.00%	77.44%
1/1/2037	11,251	0.00%	84.34%
1/1/2038	11,251	0.00%	87.83%
1/1/2039	11,251	0.00%	93.22%
1/1/2040	11,251	0.00%	97.26%
1/1/2041	11,251	0.00%	100.31%
1/1/2042	11,251	0.00%	101.44%
1/1/2043	11,251	0.00%	103.46%
1/1/2044	11,251	0.00%	105.79%
1/1/2045	11,251	0.00%	106.20%
1/1/2046	11,251	0.00%	108.97%
1/1/2047	11,251	0.00%	108.96%
1/1/2048	11,251	0.00%	109.54%
1/1/2049	11,251	0.00%	108.49%
1/1/2050	11,251	0.00%	108.29%
1/1/2051	11,251	0.00%	104.94%
1/1/2052	11,251	0.00%	107.31%
1/1/2053	11,251	0.00%	105.37%
1/1/2054	11,251	0.00%	104.39%
1/1/2055	11,251	0.00%	102.62%
1/1/2056	11,251	0.00%	100.45%

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

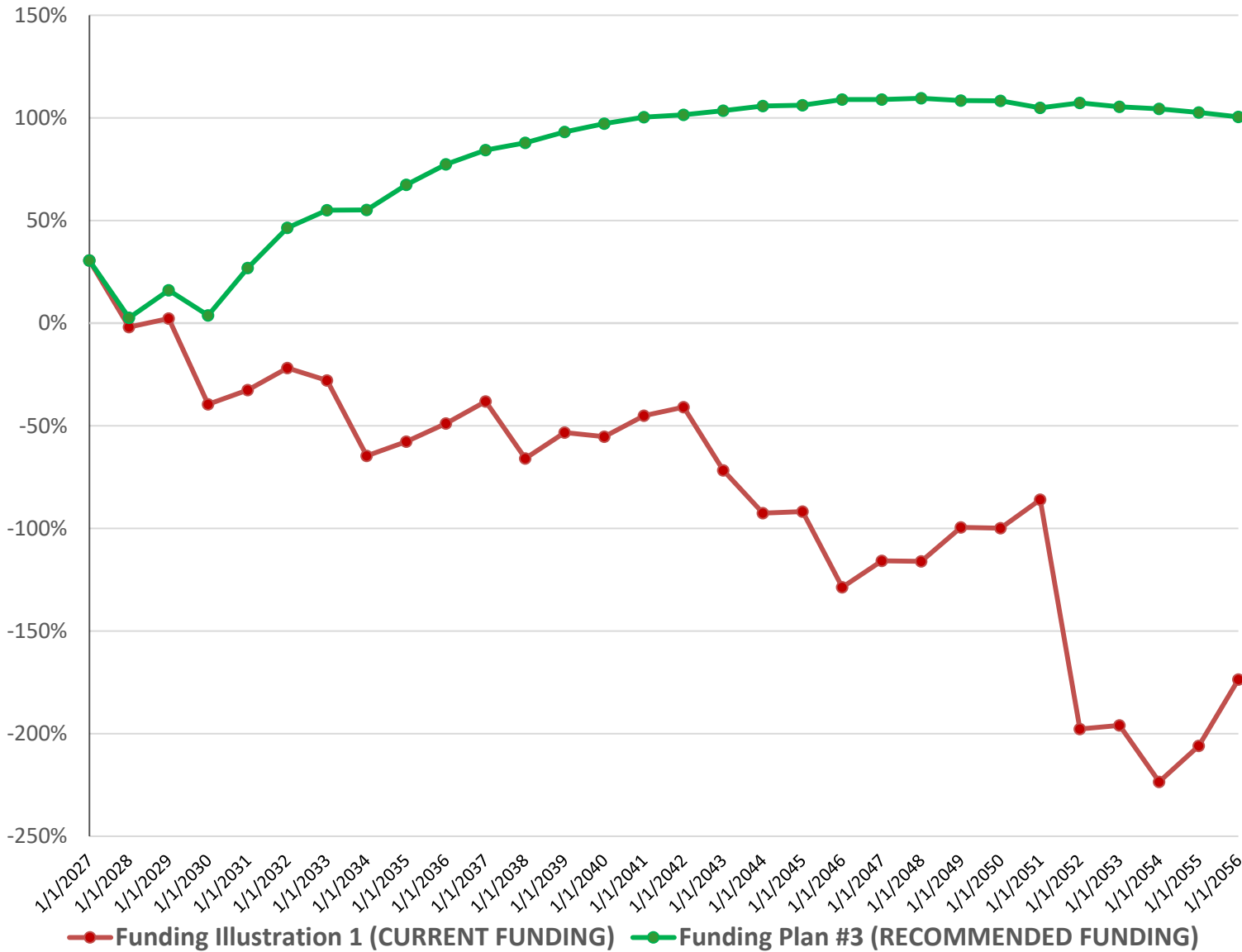
CONDOMINIUM HOMEOWNERS' ASSOCIATION

GRAPH 1: FUNDING PLAN / ILLUSTRATIONS 1-3 vs RESERVE EXPENDITURES



CONDOMINIUM HOMEOWNERS' ASSOCIATION

GRAPH 2: PERCENT FUNDED OVER TIME - CURRENT FUNDING vs RECOMMENDED FUNDING



FUNDING ILLUSTRATION #1 (assumption: current reserve transfer remains constant throughout 30 year projection) **ILLUSTRATION ONLY / NOT RECOMMENDED**
CONDOMINIUM HOMEOWNERS' ASSOCIATION **ANNUAL BASIS**

DESCRIPTION	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	1/1/2039	1/1/2040	1/1/2041
RESERVE TRANSFER	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	1,513	28	0	0	0	0	0	0	0	0	0	0	0	0	0
COMPONENT COSTS (b)	(216,983)	(11,788)	(204,646)	(24,445)	(2,263)	(74,832)	(191,327)	(35,020)	(21,544)	(5,325)	(191,151)	(5,252)	(73,267)	(1,526)	(34,709)
NET RECEIPTS/(DISBURSE)	(183,537)	20,172	(172,714)	7,487	29,669	(42,900)	(159,395)	(3,088)	10,388	26,607	(159,219)	26,680	(41,335)	30,406	(2,777)
CASH BALANCE: begin year	175,000	(8,537)	11,635	(161,079)	(153,593)	(123,923)	(166,824)	(326,219)	(329,306)	(318,918)	(292,311)	(451,530)	(424,850)	(466,185)	(435,779)
CASH BALANCE: end year	(8,537)	11,635	(161,079)	(153,593)	(123,923)	(166,824)	(326,219)	(329,306)	(318,918)	(292,311)	(451,530)	(424,850)	(466,185)	(435,779)	(438,555)
COMPONENT ACCUMULATED DEPRECIATION (c)	573,539	440,080	524,702	407,053	472,107	567,019	597,539	504,069	570,027	652,932	765,694	684,266	797,027	841,949	965,672
less: beginning cash balance	175,000	(8,537)	11,635	(161,079)	(153,593)	(123,923)	(166,824)	(326,219)	(329,306)	(318,918)	(292,311)	(451,530)	(424,850)	(466,185)	(435,779)
over/(under) funded-total	(398,539)	(448,618)	(513,067)	(568,133)	(625,699)	(690,943)	(764,363)	(830,287)	(899,333)	(971,850)	(1,058,005)	(1,135,796)	(1,221,877)	(1,308,134)	(1,401,450)
" " " per unit	(16,606)	(18,692)	(21,378)	(23,672)	(26,071)	(28,789)	(31,848)	(34,595)	(37,472)	(40,494)	(44,084)	(47,325)	(50,912)	(54,506)	(58,394)

DESCRIPTION	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	1/1/2054	1/1/2055	1/1/2056
RESERVE TRANSFER	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932
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)	(268,365)	(182,527)	(82,133)	(244,394)	(41,263)	(93,273)	(10,469)	(95,692)	(15,763)	(633,828)	(116,675)	(204,176)	(70,501)	(4,331)	(45,397)
NET RECEIPTS/(DISBURSE)	(236,433)	(150,595)	(50,201)	(212,462)	(9,331)	(61,341)	21,464	(63,760)	16,169	(601,896)	(84,743)	(172,244)	(38,569)	27,601	(13,465)
CASH BALANCE: begin year	(438,555)	(674,989)	(825,584)	(875,785)	(1,088,246)	(1,097,577)	(1,158,918)	(1,137,454)	(1,201,214)	(1,185,045)	(1,786,941)	(1,871,684)	(2,043,928)	(2,082,497)	(2,054,896)
CASH BALANCE: end year	(674,989)	(825,584)	(875,785)	(1,088,246)	(1,097,577)	(1,158,918)	(1,137,454)	(1,201,214)	(1,185,045)	(1,786,941)	(1,871,684)	(2,043,928)	(2,082,497)	(2,054,896)	(2,068,361)
COMPONENT ACCUMULATED DEPRECIATION (c)	1,072,212	940,449	891,305	954,365	845,844	948,264	999,008	1,143,077	1,202,767	1,378,595	903,864	954,938	914,714	1,010,967	1,183,122
less: beginning cash balance	(438,555)	(674,989)	(825,584)	(875,785)	(1,088,246)	(1,097,577)	(1,158,918)	(1,137,454)	(1,201,214)	(1,185,045)	(1,786,941)	(1,871,684)	(2,043,928)	(2,082,497)	(2,054,896)
over/(under) funded-total	(1,510,768)	(1,615,438)	(1,716,889)	(1,830,149)	(1,934,090)	(2,045,841)	(2,157,925)	(2,280,531)	(2,403,981)	(2,563,640)	(2,690,805)	(2,826,622)	(2,958,642)	(3,093,464)	(3,238,018)
" " " per unit	(62,949)	(67,310)	(71,537)	(76,256)	(80,587)	(85,243)	(89,914)	(95,022)	(100,166)	(106,818)	(112,117)	(117,776)	(123,277)	(128,894)	(134,917)

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 reserve transfer constant - special assess as necessary) **ILLUSTRATION ONLY / NOT RECOMMENDED**
CONDOMINIUM HOMEOWNERS' ASSOCIATION

ANNUAL BASIS

DESCRIPTION	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	1/1/2039	1/1/2040	1/1/2041
RESERVE TRANSFER	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932
SPECIAL ASSESSMENT	8,500	0	152,200	0	0	4,900	159,400	3,100	0	0	121,400	0	14,100	0	0
INTEREST INCOME (a)	1,591	186	186	69	412	343	0	1	96	437	342	246	246	279	538
COMPONENT COSTS (b)	(216,983)	(11,788)	(204,646)	(24,445)	(2,263)	(74,832)	(191,327)	(35,020)	(21,544)	(5,325)	(191,151)	(5,252)	(73,267)	(1,526)	(34,709)
NET RECEIPTS/(DISBURSE)	(174,959)	20,329	(20,328)	7,556	30,081	(37,658)	6	13	10,484	27,045	(37,477)	26,926	(26,989)	30,686	(2,239)
CASH BALANCE: begin year	175,000	41	20,370	41	7,598	37,679	21	27	40	10,524	37,568	91	27,018	29	30,714
CASH BALANCE: end year	41	20,370	41	7,598	37,679	21	27	40	10,524	37,568	91	27,018	29	30,714	28,476
COMPONENT ACCUMULATED DEPRECIATION (c)	573,539	440,080	524,702	407,053	472,107	567,019	597,539	504,069	570,027	652,932	765,694	684,266	797,027	841,949	965,672
less: beginning cash balance	175,000	41	20,370	41	7,598	37,679	21	27	40	10,524	37,568	91	27,018	29	30,714
over/(under) funded-total	(398,539)	(440,040)	(504,332)	(407,012)	(464,509)	(529,341)	(597,518)	(504,042)	(569,987)	(642,408)	(728,126)	(684,175)	(770,009)	(841,920)	(934,957)
" " " per unit	(16,606)	(18,335)	(21,014)	(16,959)	(19,355)	(22,056)	(24,897)	(21,002)	(23,749)	(26,767)	(30,339)	(28,507)	(32,084)	(35,080)	(38,957)

DESCRIPTION	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	1/1/2054	1/1/2055	1/1/2056
RESERVE TRANSFER	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932	31,932
SPECIAL ASSESSMENT	207,700	150,600	50,200	212,500	9,300	61,400	0	41,900	0	585,400	84,700	172,300	38,600	0	0
INTEREST INCOME (a)	259	0	0	0	1	1	198	150	149	150	0	1	1	255	389
COMPONENT COSTS (b)	(268,365)	(182,527)	(82,133)	(244,394)	(41,263)	(93,273)	(10,469)	(95,692)	(15,763)	(633,828)	(116,675)	(204,176)	(70,501)	(4,331)	(45,397)
NET RECEIPTS/(DISBURSE)	(28,474)	5	(1)	39	(30)	60	21,662	(21,661)	16,319	(16,347)	(42)	57	32	27,856	(13,075)
CASH BALANCE: begin year	28,476	1	6	6	44	14	74	21,736	74	16,393	47	4	61	93	27,949
CASH BALANCE: end year	1	6	6	44	14	74	21,736	74	16,393	47	4	61	93	27,949	14,873
COMPONENT ACCUMULATED DEPRECIATION (c)	1,072,212	940,449	891,305	954,365	845,844	948,264	999,008	1,143,077	1,202,767	1,378,595	903,864	954,938	914,714	1,010,967	1,183,122
less: beginning cash balance	28,476	1	6	6	44	14	74	21,736	74	16,393	47	4	61	93	27,949
over/(under) funded-total	(1,043,737)	(940,448)	(891,299)	(954,359)	(845,800)	(948,250)	(998,933)	(1,121,341)	(1,202,692)	(1,362,202)	(903,817)	(954,934)	(914,653)	(1,010,874)	(1,155,173)
" " " per unit	(43,489)	(39,185)	(37,137)	(39,765)	(35,242)	(39,510)	(41,622)	(46,723)	(50,112)	(56,758)	(37,659)	(39,789)	(38,111)	(42,120)	(48,132)

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 reserve transfer adjusted as necessary to cover all expenditures)
CONDOMINIUM HOMEOWNERS' ASSOCIATION

RECOMMENDED TO BE ADOPTED

ANNUAL BASIS

DESCRIPTION	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	1/1/2039	1/1/2040	1/1/2041
RESERVE TRANSFER	51,634	83,492	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	1,694	866	901	1,293	3,549	5,384	5,518	6,020	8,088	10,467	11,334	12,217	14,198	16,250	18,692
COMPONENT COSTS (b)	(216,983)	(11,788)	(204,646)	(24,445)	(2,263)	(74,832)	(191,327)	(35,020)	(21,544)	(5,325)	(191,151)	(5,252)	(73,267)	(1,526)	(34,709)
NET RECEIPTS/(DISBURSE)	(163,654)	72,570	(68,738)	111,855	136,293	65,558	(50,802)	106,007	121,551	140,150	(44,811)	141,972	75,938	149,731	118,991
CASH BALANCE: begin year	175,000	11,346	83,915	15,177	127,032	263,325	328,883	278,080	384,087	505,639	645,788	600,978	742,949	818,888	968,618
CASH BALANCE: end year	11,346	83,915	15,177	127,032	263,325	328,883	278,080	384,087	505,639	645,788	600,978	742,949	818,888	968,618	1,087,609
COMPONENT ACCUMULATED DEPRECIATION (c)	573,539	440,080	524,702	407,053	472,107	567,019	597,539	504,069	570,027	652,932	765,694	684,266	797,027	841,949	965,672
less: beginning cash balance	175,000	11,346	83,915	15,177	127,032	263,325	328,883	278,080	384,087	505,639	645,788	600,978	742,949	818,888	968,618
over/(under) funded-total	(398,539)	(428,735)	(440,787)	(391,876)	(345,075)	(303,695)	(268,656)	(225,988)	(185,940)	(147,293)	(119,906)	(83,289)	(54,077)	(23,061)	2,947
" " " per unit	(16,606)	(17,864)	(18,366)	(16,328)	(14,378)	(12,654)	(11,194)	(9,416)	(7,747)	(6,137)	(4,996)	(3,470)	(2,253)	(961)	123

DESCRIPTION	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	1/1/2054	1/1/2055	1/1/2056
RESERVE TRANSFER	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007	135,007
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	18,732	17,416	17,785	17,593	17,772	19,341	21,221	23,114	24,993	21,969	17,964	17,827	18,112	20,235	22,627
COMPONENT COSTS (b)	(268,365)	(182,527)	(82,133)	(244,394)	(41,263)	(93,273)	(10,469)	(95,692)	(15,763)	(633,828)	(116,675)	(204,176)	(70,501)	(4,331)	(45,397)
NET RECEIPTS/(DISBURSE)	(114,626)	(30,103)	70,659	(91,794)	111,516	61,076	145,760	62,429	144,237	(476,852)	36,296	(51,341)	82,617	150,910	112,237
CASH BALANCE: begin year	1,087,609	972,983	942,879	1,013,538	921,744	1,033,260	1,094,336	1,240,096	1,302,525	1,446,762	969,910	1,006,206	954,864	1,037,482	1,188,392
CASH BALANCE: end year	972,983	942,879	1,013,538	921,744	1,033,260	1,094,336	1,240,096	1,302,525	1,446,762	969,910	1,006,206	954,864	1,037,482	1,188,392	1,300,629
COMPONENT ACCUMULATED DEPRECIATION (c)	1,072,212	940,449	891,305	954,365	845,844	948,264	999,008	1,143,077	1,202,767	1,378,595	903,864	954,938	914,714	1,010,967	1,183,122
less: beginning cash balance	1,087,609	972,983	942,879	1,013,538	921,744	1,033,260	1,094,336	1,240,096	1,302,525	1,446,762	969,910	1,006,206	954,864	1,037,482	1,188,392
over/(under) funded-total	15,397	32,534	51,574	59,173	75,900	84,997	95,328	97,019	99,758	68,167	66,046	51,268	40,150	26,514	5,270
" " " per unit	642	1,356	2,149	2,466	3,163	3,542	3,972	4,042	4,157	2,840	2,752	2,136	1,673	1,105	220

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

1/1/2027 through 1/1/2041

EXPENDITURES	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	1/1/2039	1/1/2040	1/1/2041
ROOF/DECKS															
modified cap sheet roof	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete tile roof	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
exterior elevated elements inspection	0	0	0	0	0	0	2,847	0	0	0	0	0	0	0	0
membrane decks-rooftop (resurface)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-rooftop (coating)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-balconies (resurface)	72,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-balconies (coating)	28,800	0	0	0	0	32,632	0	0	0	0	36,974	0	0	0	0
membrane decks-common (resurface)	0	6,357	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-common (coating)	2,350	0	0	0	0	2,662	0	0	0	0	3,016	0	0	0	0
gutters & downspouts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
skylights	0	0	0	5,119	0	0	0	0	0	0	0	0	0	0	0
STRUCTURE															
foundations/structural frame	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
fumigation	56,150	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PAINT															
exterior flatwork	0	0	51,091	0	0	0	0	0	0	0	62,396	0	0	0	0
doors-paint	0	0	9,724	0	0	0	0	11,018	0	0	0	0	12,484	0	0
doors-lacquer	0	0	841	0	0	0	0	953	0	0	0	0	1,080	0	0
interior flatwork-common	0	0	53,193	0	0	0	0	0	0	0	64,963	0	0	0	0
wallpaper-lobby/ground floor	0	0	16,820	0	0	0	0	0	0	0	0	0	0	0	0
ironwork-exterior	0	0	12,825	0	0	0	0	14,532	0	0	0	0	16,466	0	0
ironwork-interior	0	0	4,889	0	0	0	0	0	0	0	0	0	6,277	0	0
parking stripes	1,150	0	0	0	0	0	0	0	1,405	0	0	0	0	0	0
MECHANICAL															
elevators-mechanical	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
elevators-cab remodel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21,850
exhaust fan-garage	0	0	10,355	0	0	0	0	0	0	0	0	0	0	0	0
exhaust fan-hallway	0	0	0	0	0	8,046	0	0	0	0	0	0	0	0	0
gate operators	0	0	13,298	0	0	0	0	0	0	0	0	0	17,073	0	0
air conditioning-evaporative coils	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
air conditioning-condensors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
dual pack	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
trash chutes	0	0	0	0	0	2,777	0	0	0	0	0	0	0	0	0
exhaust fan- pool area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,107
PLUMBING															
boiler-replace	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
boiler-overhaul	0	0	0	0	0	0	0	6,849	0	0	0	0	0	0	0
circulation pump	0	0	0	0	2,155	0	0	0	0	2,442	0	0	0	0	2,767
distribution piping	0	0	0	0	0	0	155,555	0	0	0	0	0	0	0	0
drainage/sewer piping	0	0	2,470	0	0	0	2,729	0	0	0	3,016	0	0	0	3,332
sump pumps	0	3,896	0	0	0	0	0	0	0	0	0	5,002	0	0	0
water storage tank	0	0	0	0	0	4,362	0	0	0	0	0	0	0	0	0
fire sprinklers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

RESERVE EXPENDITURES BY YEAR
 CONDOMINIUM HOMEOWNERS' ASSOCIATION

1/1/2027 through 1/1/2041

EXPENDITURES	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	1/1/2039	1/1/2040	1/1/2041
ELECTRICAL															
intercoms	0	0	0	0	0	0	18,646	0	0	0	0	0	0	0	0
fire annunciator system	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-emergency	0	0	0	0	0	13,540	0	0	0	0	0	0	0	0	0
lighting-exit signs	0	0	0	0	0	2,662	0	0	0	0	0	0	0	0	0
lighting-exterior	7,350	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-interior	0	0	0	0	0	3,852	0	0	0	0	0	0	0	0	0
FLOORING															
carpeting hallways	12,650	0	0	0	0	0	0	0	15,449	0	0	0	0	0	0
carpeting gym	1,700	0	0	0	0	0	0	0	2,076	0	0	0	0	0	0
carpeting stairwells	6,500	0	0	0	0	0	0	0	0	0	8,345	0	0	0	0
marble-restoration	0	0	0	10,401	0	0	0	0	0	0	0	0	0	0	0
marble-polishing	0	0	0	2,263	0	0	2,439	0	0	2,629	0	0	2,834	0	0
tile-quarry	6,050	0	0	0	0	0	0	0	0	0	0	0	0	0	0
POOL															
plaster	0	0	5,834	0	0	0	0	0	0	0	0	0	7,489	0	0
coping joint	650	0	0	0	0	0	0	0	794	0	0	0	0	0	0
coping/tile	4,200	0	0	0	0	0	0	0	0	0	0	0	0	0	0
heater	4,500	0	0	0	0	0	0	0	0	0	0	0	6,075	0	0
filter & separation tank	1,950	0	0	0	0	0	0	0	0	0	2,504	0	0	0	0
motor	650	0	0	0	0	736	0	0	0	0	835	0	0	0	0
pump	0	0	0	0	0	0	0	0	794	0	0	0	0	0	0
furniture	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
suspended ceiling tile	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NDSCAPE/ HARDSCAPE															
irrigation controller	0	0	0	1,132	0	0	0	0	0	0	0	0	0	1,453	0
back flow preventer	0	974	0	0	0	0	0	0	0	0	0	0	0	0	0
RECREATION FACILITIES															
furnishings	0	0	13,561	0	0	0	0	0	0	0	0	0	0	0	0
interior designer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
fitness equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
restroom	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
sauna-refinish	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
sauna-heater	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS															
fire extinguishers	0	0	0	2,210	0	0	0	0	0	0	0	0	0	0	0
mailboxes	0	0	0	2,156	0	0	0	0	0	0	0	0	0	0	0
directory board	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CONTINGENCY RESERVE	10,333	561	9,745	1,164	108	3,563	9,111	1,668	1,026	254	9,102	250	3,489	73	1,653
(5% / year of annual expenditures)															
TOTAL	216,983	11,788	204,646	24,445	2,263	74,832	191,327	35,020	21,544	5,325	191,151	5,252	73,267	1,526	34,709

RESERVE EXPENDITURES BY YEAR
 CONDOMINIUM HOMEOWNERS' ASSOCIATION

1/1/2042 through 1/1/2056

EXPENDITURES	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	1/1/2054	1/1/2055	1/1/2056	TOTAL
ROOF/DECKS																
modified cap sheet roof	0	132,145	0	0	0	0	0	0	0	0	0	0	0	0	0	132,145
concrete tile roof	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
exterior elevated elements inspection	3,567	0	0	0	0	0	0	0	0	4,466	0	0	0	0	0	10,880
membrane decks-rooftop (resurface)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-rooftop (coating)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-balconies (resurface)	104,738	0	0	0	0	0	0	0	0	0	0	0	0	0	0	176,738
membrane decks-balconies (coating)	41,893	0	0	0	0	47,467	0	0	0	0	53,782	0	0	0	0	241,548
membrane decks-common (resurface)	0	9,247	0	0	0	0	0	0	0	0	0	0	0	0	0	15,604
membrane decks-common (coating)	3,416	0	0	0	0	3,871	0	0	0	0	4,386	0	0	0	0	19,701
gutters & downspouts	0	6,937	0	0	0	0	0	0	0	0	0	0	0	0	0	6,937
skylights	0	0	0	0	0	0	0	0	8,436	0	0	0	0	0	0	13,555
STRUCTURE																
foundations/structural frame	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
fumigation	81,681	0	0	0	0	0	0	0	0	0	0	0	0	0	0	137,831
PAINT																
exterior flatwork	0	0	0	76,204	0	0	0	0	0	0	0	93,066	0	0	0	282,757
doors-paint	0	0	14,145	0	0	0	0	16,027	0	0	0	0	18,159	0	0	81,557
doors-lacquer	0	0	1,223	0	0	0	0	1,386	0	0	0	0	1,571	0	0	7,054
interior flatwork-common	0	0	0	79,337	0	0	0	0	0	0	0	96,890	0	0	0	294,383
wallpaper-lobby/ground floor	0	0	24,467	0	0	0	0	0	0	0	0	0	0	0	0	41,287
ironwork-exterior	0	0	18,657	0	0	0	0	21,140	0	0	0	0	23,952	0	0	107,572
ironwork-interior	0	0	0	0	0	0	0	8,060	0	0	0	0	0	0	0	19,226
parking stripes	0	1,714	0	0	0	0	0	0	0	2,093	0	0	0	0	0	6,362
MECHANICAL																
elevators-mechanical	0	0	0	0	0	0	0	0	0	554,184	0	0	0	0	0	554,184
elevators-cab remodel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	31,784	53,634
exhaust fan-garage	0	0	0	0	0	0	0	0	0	0	0	0	19,340	0	0	29,695
exhaust fan-hallway	0	0	0	0	0	0	0	0	0	0	13,264	0	0	0	0	21,310
gate operators	0	0	0	0	0	0	0	21,920	0	0	0	0	0	0	0	52,291
air conditioning-evaporative coils	0	0	0	0	0	0	0	8,920	0	0	0	0	0	0	0	8,920
air conditioning-condensors	0	0	0	7,211	0	0	0	0	0	0	0	0	0	0	0	7,211
dual pack	0	0	0	22,734	0	0	0	0	0	0	0	0	0	0	0	22,734
trash chutes	0	0	0	0	0	0	0	0	0	0	4,579	0	0	0	0	7,356
exhaust fan- pool area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,428	12,535
PLUMBING																
boiler-replace	0	0	0	0	23,066	0	0	0	0	0	0	0	0	0	0	23,066
boiler-overhaul	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,849
circulation pump	0	0	0	0	3,135	0	0	0	0	3,551	0	0	0	0	4,023	18,073
distribution piping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	155,555
drainage/sewer piping	0	0	0	3,682	0	0	0	4,069	0	0	0	4,497	0	0	0	23,795
sump pumps	0	0	0	0	0	0	6,422	0	0	0	0	0	0	0	0	15,320
water storage tank	5,599	0	0	0	0	0	0	0	0	0	7,190	0	0	0	0	17,151
fire sprinklers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

RESERVE EXPENDITURES BY YEAR
 CONDOMINIUM HOMEOWNERS' ASSOCIATION

1/1/2042 through 1/1/2056

EXPENDITURES	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	1/1/2054	1/1/2055	1/1/2056	TOTAL
ELECTRICAL																
intercoms	0	0	0	25,166	0	0	0	0	0	0	0	0	0	0	0	43,812
fire annunciator system	0	0	0	0	5,463	0	0	0	0	0	0	0	0	0	0	5,463
lighting-emergency	0	0	0	0	0	0	0	0	0	0	22,317	0	0	0	0	35,857
lighting-exit signs	0	0	0	0	0	0	0	0	0	0	4,386	0	0	0	0	7,048
lighting-exterior	10,691	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18,041
lighting-interior	0	0	0	0	0	5,601	0	0	0	0	0	0	0	0	0	9,453
FLOORING																
carpeting hallways	0	18,868	0	0	0	0	0	0	0	23,044	0	0	0	0	0	70,011
carpeting gym	0	2,537	0	0	0	0	0	0	0	3,098	0	0	0	0	0	9,411
carpeting stairwells	0	0	0	0	0	10,712	0	0	0	0	0	0	0	0	0	25,557
marble-restoration	0	0	0	15,130	0	0	0	0	0	0	0	0	0	0	0	25,531
marble-polishing	3,055	0	0	3,292	0	0	3,548	0	0	3,824	0	0	4,122	0	0	28,006
tile-quarry	0	0	0	0	0	9,972	0	0	0	0	0	0	0	0	0	16,022
POOL																
plaster	0	0	0	0	0	0	0	9,613	0	0	0	0	0	0	0	22,936
coping joint	0	970	0	0	0	0	0	0	0	1,185	0	0	0	0	0	3,599
coping/tile	0	0	0	0	0	6,922	0	0	0	0	0	0	0	0	0	11,122
heater	0	0	0	0	0	0	0	0	0	8,201	0	0	0	0	0	18,776
filter & separation tank	0	0	0	0	0	3,214	0	0	0	0	0	0	0	0	0	7,668
motor	946	0	0	0	0	1,072	0	0	0	0	1,215	0	0	0	0	5,454
pump	0	0	0	0	0	0	0	0	1,156	0	0	0	0	0	0	1,950
furniture	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
suspended ceiling tile	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LANDSCAPE/ HARDSCAPE																
irrigation controller	0	0	0	0	0	0	0	0	1,868	0	0	0	0	0	0	4,453
back flow preventer	0	1,417	0	0	0	0	0	0	0	0	0	0	0	0	0	2,391
RECREATION FACILITIES																
furnishings	0	0	19,730	0	0	0	0	0	0	0	0	0	0	0	0	33,291
interior designer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
fitness equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
restroom	0	0	0	0	7,634	0	0	0	0	0	0	0	0	0	0	7,634
sauna-refinish	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
sauna-heater	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS																
fire extinguishers	0	0	0	0	0	0	0	0	0	0	0	0	0	4,125	0	6,335
mailboxes	0	0	0	0	0	0	0	0	3,552	0	0	0	0	0	0	5,708
directory board	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CONTINGENCY RESERVE	12,779	8,692	3,911	11,638	1,965	4,442	499	4,557	751	30,182	5,556	9,723	3,357	206	2,162	152,517
(5% / year of annual expenditures)																
TOTAL	268,365	182,527	82,133	244,394	41,263	93,273	10,469	95,692	15,763	633,828	116,675	204,176	70,501	4,331	45,397	3,202,862

CONDITION ASSESSMENT

This Condition Assessment is an evaluation of the major components that are subject to deterioration at a predictable rate and within a thirty (30) year projection of the study. A threshold has been established and noted on the inventory, 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). Field personnel access as many areas as practicable. However, some random evaluation procedures are 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% 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 there are concerns with regards to such matters, the advice of appropriately qualified specialists should be obtained. The survey also relies upon CC & R's (if available) and information supplied by other parties, which may include one or more of the following: community manager; board of directors; owners/occupants; contractors; and specialist consultants. The results are based upon the experience of the field personnel, 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 occur. This report should only be considered as a tool for assistance in compilation of the budget as well as for compliance with legal requirements, and not as an all-encompassing prediction of future events. Rates of deterioration and repair/replacement costs frequently vary, which could significantly affect the content of the study. It is therefore imperative that the study be updated on a yearly basis, including a Condition Assessment every 3 years.

DATE OF SURVEY: 2/5/2026
INSPECTOR(S): RSI Inspector
OTHERS PRESENT: Board Member & Property Manager



CONDOMINIUM HOMEOWNERS' ASSOCIATION

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	MODIFIED CAP SHEET ROOF	ID#(S) 0101



MODIFIED CAP SHEET ROOF (TYPICAL)

OBSERVATIONS: *This component addresses the modified cap-sheet roofing (flat). We were previously informed that it was installed in 2023 and it appeared to be in good condition. On this type of structure, 2 layers are generally permitted. However, if the association should decide 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:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	16 YEAR(S)
AVERAGE COMPONENT COST:	\$ 88,600

TO PROTECT YOUR INVESTMENT: *Periodic maintenance should include an examination for, and resealing of any separated laps and seams. All flashings should also be regularly examined and resealed as necessary. Any roof drains should be maintained in a clean and operational condition at all times to prevent damming, water retention and associated leakage. A maintenance contract with a licensed roofing contractor is strongly recommended.*

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	CONCRETE TILE ROOF	ID#(S) 0102



CONCRETE TILE ROOF (TYPICAL)

OBSERVATIONS: *This component addresses the concrete tile roofing (sloped) on the mansards. We were informed that replacement is to be done in 2026. Although the tile itself has a life expectancy of more than 35 years, replacement typically becomes necessary because of degradation of the underlayment. The remaining life expectancy is based upon the estimated age of the roofing, as the underlayment was not visible.*

TYPICAL USEFUL LIFE:	35 YEAR(S)
ESTIMATED REMAINING LIFE:	34 YEAR(S)
AVERAGE COMPONENT COST:	\$ 20,400

TO PROTECT YOUR INVESTMENT: *Periodic maintenance should include an examination for any broken tiles, which should be replaced as necessary. All flashings should also be regularly examined and re-sealed as necessary. In addition, any valley flashings should be cleared of debris, which can cause damming and associated leakage. A maintenance contract with a licensed roofing contractor is strongly recommended.*

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	EXTERIOR ELEVATED ELEMENTS INSPECTION	ID#(S) 0103



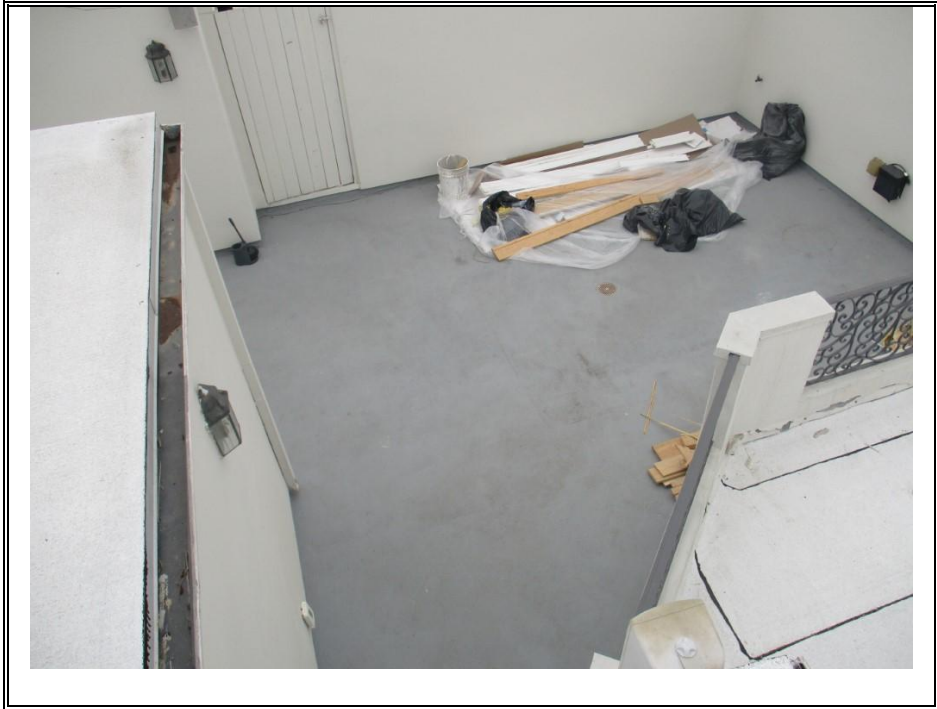
EXTERIOR ELEVATED ELEMENTS INSPECTION (TYPICAL)

OBSERVATIONS: *This component provides a rough allowance for the structural inspections that must be done for the exterior elevated elements per California Civil Code § 5551, which states, in part; (b) (1) At least once every nine years, the board of an association of a condominium project shall cause a reasonably competent and diligent visual inspection to be conducted by a licensed structural engineer or architect of a random and statistically significant sample of exterior elevated elements for which the association has maintenance or repair responsibility. (2) The inspection shall determine whether the exterior elevated elements are in a generally safe condition and performing in accordance with applicable standards. (f) The report issued pursuant to subdivision (e) shall be stamped or signed by the inspector, presented to the board, and incorporated into the study required by Section 5550. (i) The first inspection shall be completed by January 1, 2025, and then every nine years thereafter in coordination with the Reserve Study inspection pursuant to Section 5550. All written reports shall be maintained for two inspection cycles as records of the association. We were informed that it was done in 2024.*

TYPICAL USEFUL LIFE:	9 YEAR(S)
ESTIMATED REMAINING LIFE:	6 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,450

TO PROTECT YOUR INVESTMENT: N/A.

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	MEMBRANE DECKS-ROOFTOP (RESURFACE)	ID#(S) 0104



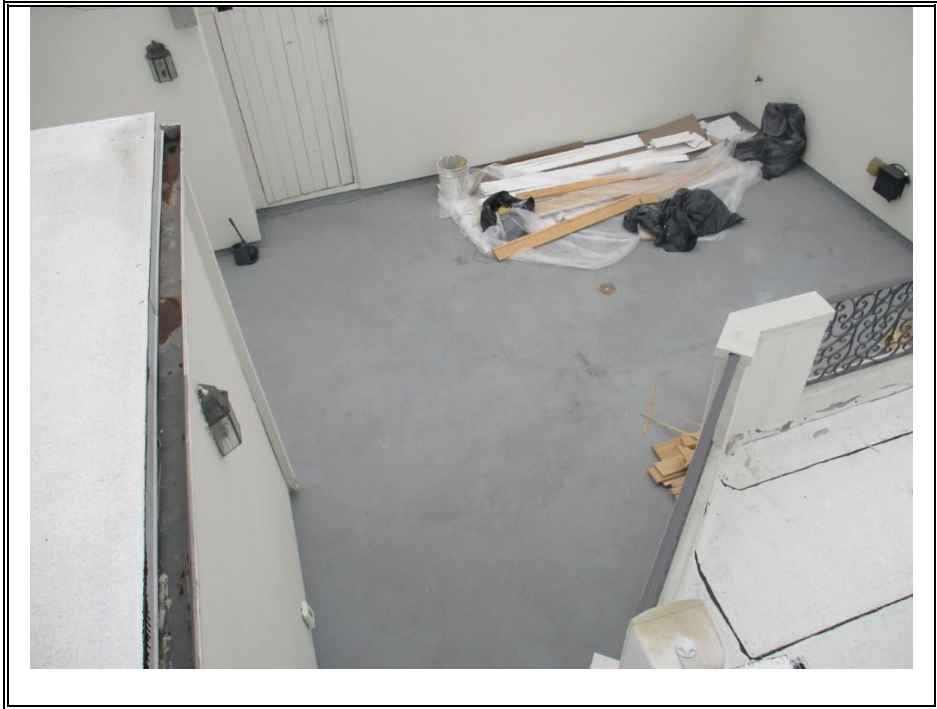
MEMBRANE DECKS-ROOFTOP (RESURFACE) (TYPICAL)

OBSERVATIONS: *This component addresses the membrane deck surfaces of the rooftop balconies. As per the CC & R's, they would be the responsibility of the individual homeowners.*

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:	ROOF/DECKS	
COMPONENT(S):	MEMBRANE DECKS-ROOFTOP (COATING)	ID#(S) 0105



MEMBRANE DECKS-ROOFTOP (COATING) (TYPICAL)

OBSERVATIONS: *This component addresses the coating for the membrane deck surfaces of the rooftop balconies. As per the CC & R's, it would be the responsibility of the individual homeowners.*

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:	ROOF/DECKS	
COMPONENT(S):	MEMBRANE DECKS-BALCONIES (RESURFACE)	ID#(S) 0106



MEMBRANE DECKS-BALCONIES (RESURFACE) (TYPICAL)

OBSERVATIONS: *This component addresses the membrane deck surfaces of the individual balconies. They were inaccessible for inspection (unit access required) and for reporting purposes the remaining life has been estimated. Resurfacing of these areas is critical to prevent internal damage to the structural elements and possible leakage into areas adjacent to, or beneath these decks. The average component cost does not provide for any possible repairs/replacement of substrate damage that is sometimes discovered upon future removal of the deck surfacing.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 72,000

TO PROTECT YOUR INVESTMENT: *Repair cracks and deterioration and reseal the surface every 3-5 years. Carpeting or tile should be discouraged as they can impair the waterproofing and change drainage patterns. Patio furniture feet should be protected and potted plants should be elevated on suitable drained platforms.*

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	MEMBRANE DECKS-BALCONIES (COATING)	ID#(S) 0107



MEMBRANE DECKS-BALCONIES (COATING) (TYPICAL)

OBSERVATIONS: *This component addresses the coating for the membrane deck surfaces of the individual balconies. It was inaccessible for inspection (unit access required); however, we were informed that it was applied in 2019.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 28,800

TO PROTECT YOUR INVESTMENT: *Repair cracks and deterioration and reseal the surface every 3-5 years. Carpeting or tile should be discouraged as they can impair the waterproofing and change drainage patterns. Patio furniture feet should be protected and potted plants should be elevated on suitable drained platforms.*

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	MEMBRANE DECKS-COMMON (RESURFACE)	ID#(S) 0108



MEMBRANE DECKS-COMMON (RESURFACE) (TYPICAL)

OBSERVATIONS: *This component addresses the membrane deck surfaces of the pool area and walkways. They appeared to be in average to aging condition. Resurfacing of these areas is critical in order to prevent internal damage to the structural elements and possible leakage into areas adjacent to, or beneath these decks. The average component cost does not provide for any possible repairs/replacement of substrate damage that is sometimes discovered upon future removal of the deck surfacing.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	1 YEAR(S)
AVERAGE COMPONENT COST:	\$ 6,200

TO PROTECT YOUR INVESTMENT: *Repair cracks and deterioration and reseal the surface every 3-5 years. Carpeting or tile should be discouraged as they can impair the waterproofing and change drainage patterns. Patio furniture feet should be protected and potted plants should be elevated on suitable drained platforms.*

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	MEMBRANE DECKS-COMMON (COATING)	ID#(S) 0109



MEMBRANE DECKS-COMMON (COATING) (TYPICAL)

OBSERVATIONS: *This component addresses the coating for the membrane deck surfaces of the pool area and walkways. It appeared to be in an aging condition.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,350

TO PROTECT YOUR INVESTMENT: *Repair cracks and deterioration and reseal the surface every 3-5 years. Carpeting or tile should be discouraged as they can impair the waterproofing and change drainage patterns. Patio furniture feet should be protected and potted plants should be elevated on suitable drained platforms.*

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	GUTTERS & DOWNSPOUTS	ID#(S) 0110



GUTTERS & DOWNSPOUTS (TYPICAL)

OBSERVATIONS: *The galvanized and aluminum gutters and downspouts appeared to be in various conditions and for reporting purposes the remaining life has been corroborated with roof replacement. 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:	30 YEAR(S)
ESTIMATED REMAINING LIFE:	16 YEAR(S)
AVERAGE COMPONENT COST:	\$ 4,650

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: ROOF/DECKS

COMPONENT(S): SKYLIGHTS

ID#(S) 0111



SKYLIGHTS (TYPICAL)

OBSERVATIONS: *This component addresses the skylights. They appeared to be in average condition for their age.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 4,750

TO PROTECT YOUR INVESTMENT: *The skylights should be re-caulked on an as-needed basis to prevent leakage (minor expenditure – operating cost).*

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



FOUNDATIONS/STRUCTURAL FRAME (TYPICAL)

OBSERVATIONS: *This component addresses the foundations and structural frame, along with the exterior stucco 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.*

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):	FUMIGATION	ID#(S) 0202



FUMIGATION (TYPICAL)

OBSERVATIONS: *This component addresses the potential fumigation of the building. Prudent property maintenance suggests that annual inspections be performed to discover any infestation in its early stages before it becomes a serious problem. It would be advantageous 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. An allowance for regular fumigation of the property has been provided. Further evaluation and recommendations should be obtained from a licensed pest control operator.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 56,150

TO PROTECT YOUR INVESTMENT: *A maintenance contract with a qualified pest control contractor is recommended, which can minimize the necessity for fumigation. Repair loose or cracked siding or stucco, peeling paint and gaps at trim around windows and doors to prevent moisture getting into the framing leading to termite infestation, fungus, and/or mold. 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 should be monitored and repaired as necessary.*

CATEGORY:	<i>PAIN</i>	
COMPONENT(S):	<i>EXTERIOR FLATWORK</i>	ID#(S) 0301



EXTERIOR FLATWORK (TYPICAL)

OBSERVATIONS: *This component addresses the painted surfaces of the stucco on the exterior of the building. We were previously informed that they were painted in 2021 and the surfaces appeared to be in average condition and performing well for their age.*

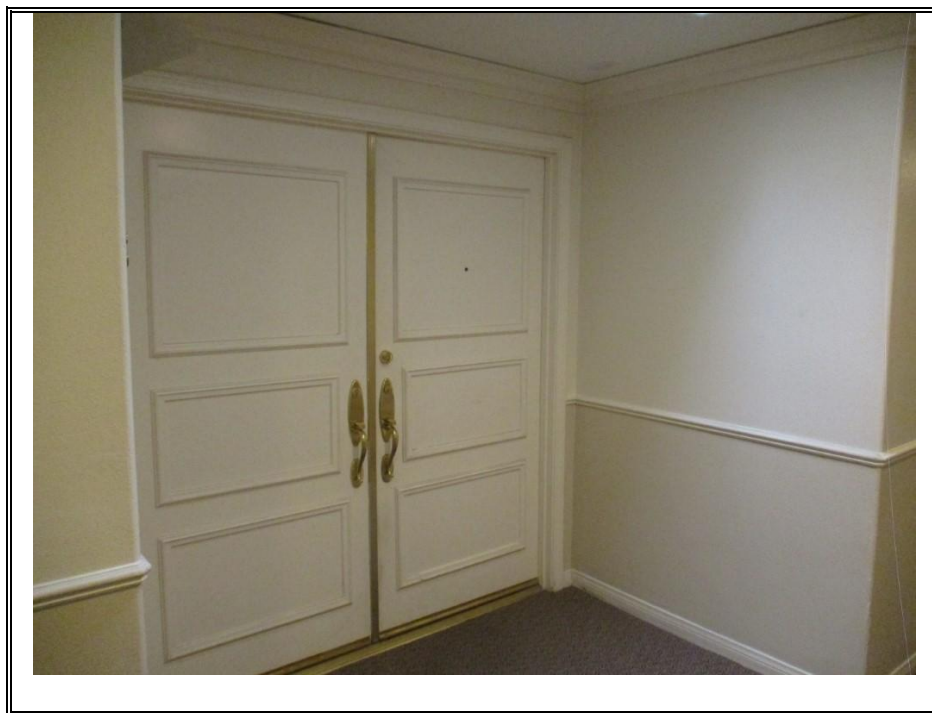
TYPICAL USEFUL LIFE:	8 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 48,600

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY: PAINT

COMPONENT(S): DOORS-PAINT

ID#(S) 0302



DOORS-PAINT (TYPICAL)

OBSERVATIONS: *This component addresses the painted surfaces of both sides of the common area doors. They appeared to be in various conditions, and for reporting purposes the remaining life has been averaged.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 9,250

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY: PAINT

COMPONENT(S): DOORS-LACQUER

ID#(S) 0303



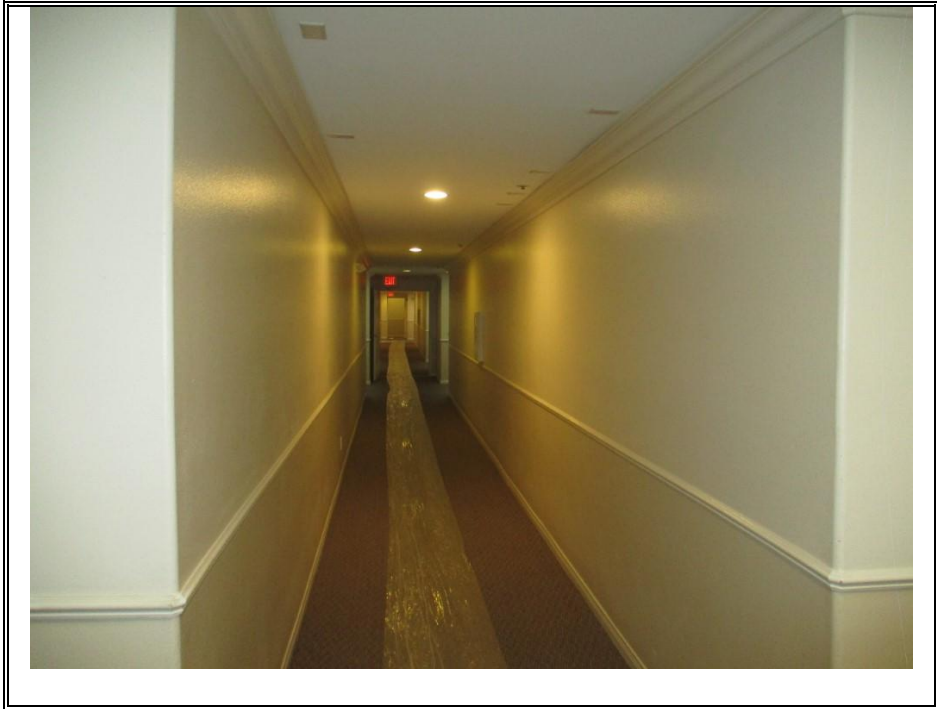
DOORS-LACQUER (TYPICAL)

OBSERVATIONS: *This component addresses the lacquered surfaces of the exteriors of the entry and lobby doors. They appeared to be in various conditions, and for reporting purposes the remaining life has been averaged.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 800

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY:	<i>PAIN</i>	
COMPONENT(S):	<i>INTERIOR FLATWORK</i>	ID#(S) 0304



INTERIOR FLATWORK (TYPICAL)

OBSERVATIONS: *This component addresses the painted surfaces of the gym, restroom, stairwells, internal hallways, and miscellaneous common areas. They appeared to be in various conditions, and for reporting purposes the remaining life has been averaged.*

TYPICAL USEFUL LIFE:	8 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 50,600

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY: PAINT

COMPONENT(S): WALLPAPER-LOBBY/GROUND FLOOR

ID#(S) 0305



WALLPAPER-LOBBY/GROUND FLOOR (TYPICAL)

OBSERVATIONS: *This component addresses the wallpapered surfaces of the lobby and ground floor hallway. For reporting purposes, installation is anticipated to be done in conjunction with interior painting.*

TYPICAL USEFUL LIFE:

15 YEAR(S)

ESTIMATED REMAINING LIFE:

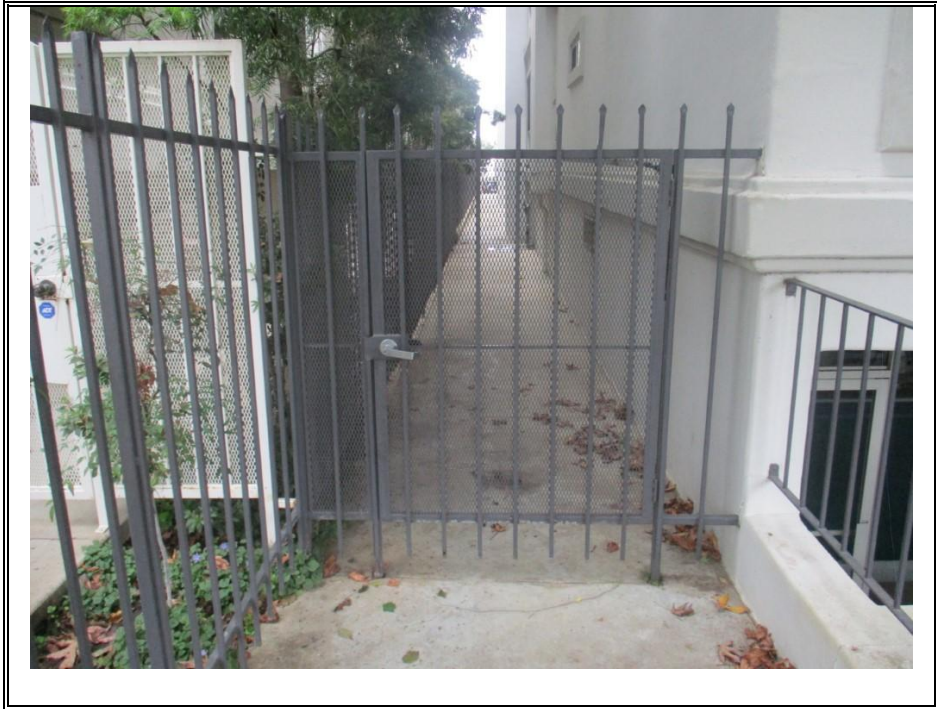
2 YEAR(S)

AVERAGE COMPONENT COST:

\$ 16,000

TO PROTECT YOUR INVESTMENT: *Peeling sections of wallpaper should be re-glued in order to preserve the integrity of the remaining sections.*

CATEGORY:	<i>PAINT</i>	
COMPONENT(S):	<i>IRONWORK-EXTERIOR</i>	ID#(S) 0306



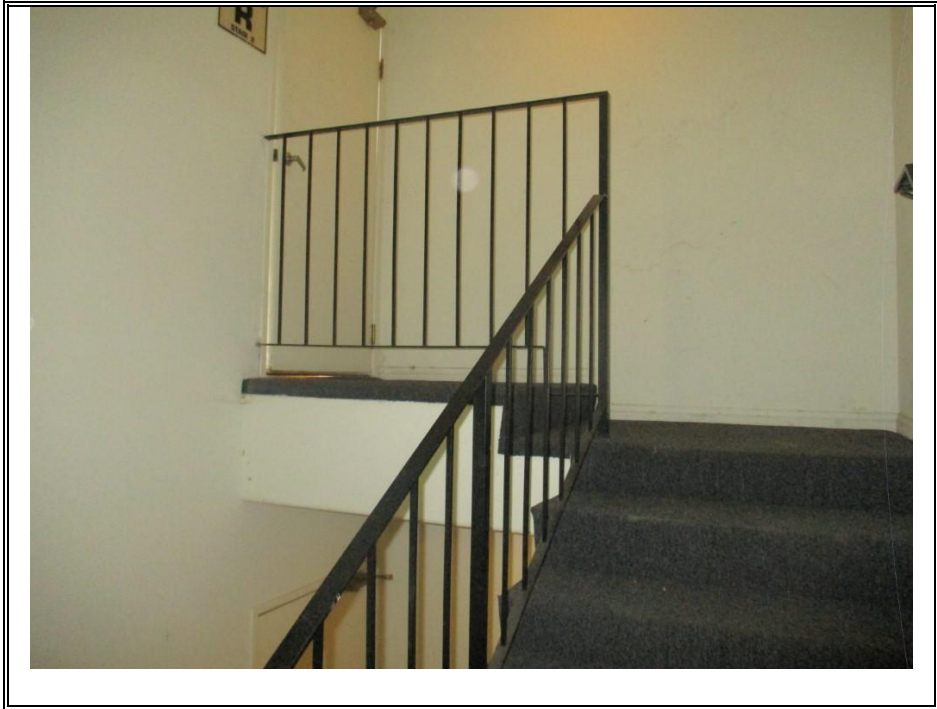
IRONWORK-EXTERIOR (TYPICAL)

OBSERVATIONS: *This component addresses the painted surfaces of the wrought iron gates, fencing, and railing. They appeared to be in an aging condition, and we were informed that painting is to be done in conjunction with the building exteriors.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 12,200

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY:	PAINT	
COMPONENT(S):	IRONWORK-INTERIOR	ID#(S) 0307



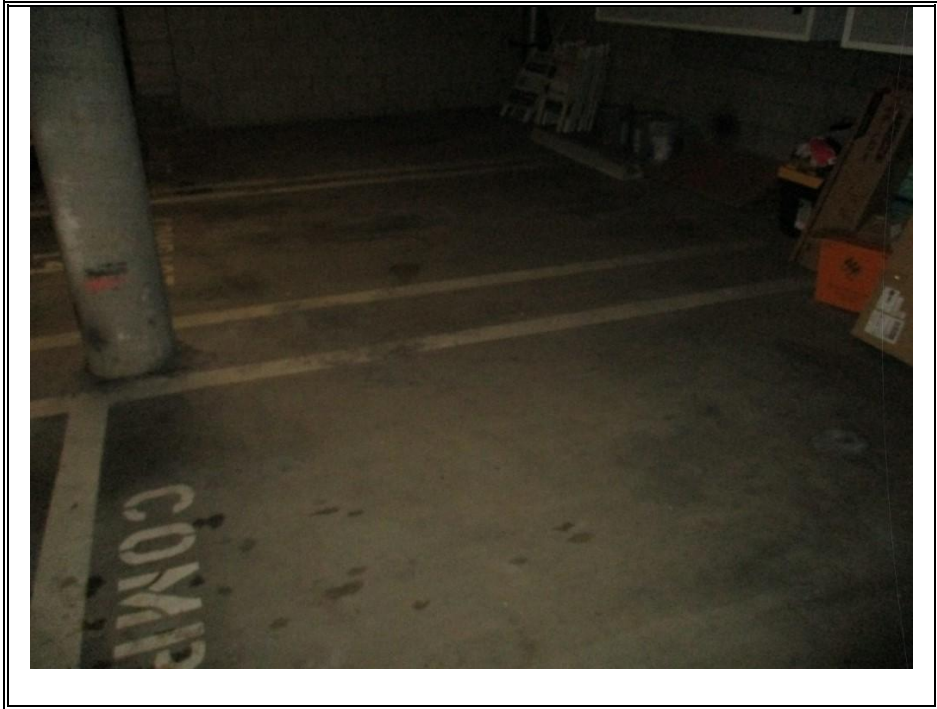
IRONWORK-INTERIOR (TYPICAL)

OBSERVATIONS: *This component addresses the painted surfaces of the wrought iron railing and stair stringers. They appeared to be in various conditions, and for reporting purposes the remaining life has been averaged.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 4,650

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY:	<i>PAINT</i>	
COMPONENT(S):	<i>PARKING STRIPES</i>	ID#(S) 0308



PARKING STRIPES (TYPICAL)

OBSERVATIONS: *This component addresses the painted parking stripes that delineate the individual parking spaces. They appeared to be in an aging condition.*

TYPICAL USEFUL LIFE:	8 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 1,150

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY:	MECHANICAL	
COMPONENT(S):	ELEVATORS-MECHANICAL	ID#(S) 0401



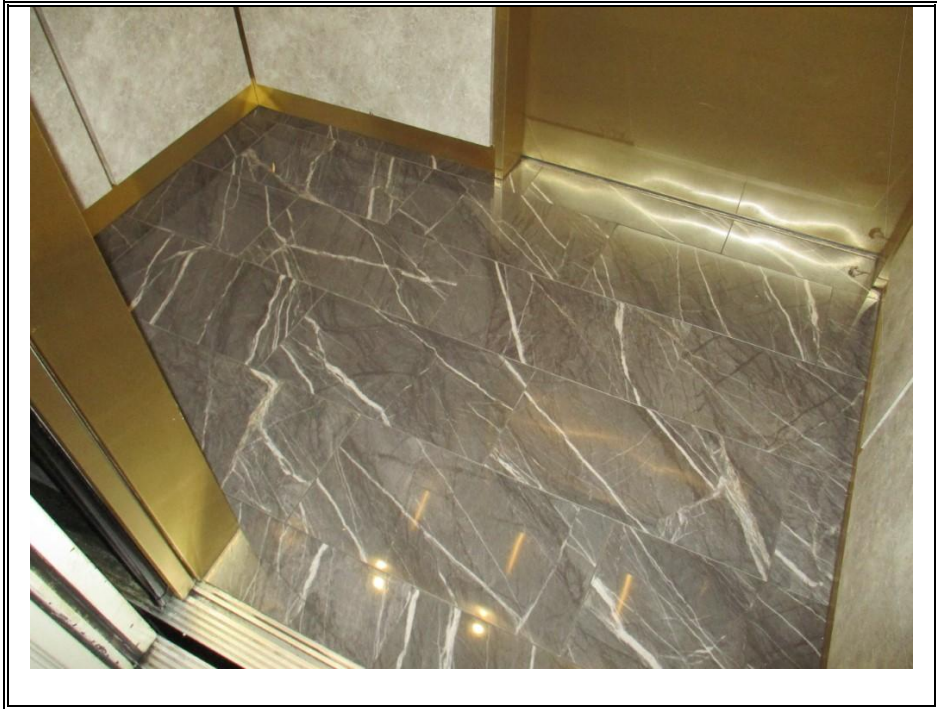
ELEVATORS-MECHANICAL (TYPICAL)

OBSERVATIONS: *This component addresses the mechanical aspects of the elevators, comprised of one at 4 stops and one at 5 stops. We were informed that the modernization project is to be done in 2026. It is recommended that further evaluation be obtained from an elevator specialist.*

TYPICAL USEFUL LIFE:	25 YEAR(S)
ESTIMATED REMAINING LIFE:	24 YEAR(S)
AVERAGE COMPONENT COST:	\$ 304,250

TO PROTECT YOUR INVESTMENT: *It is suggested that a maintenance contract be obtained with a qualified specialist.*

CATEGORY:	MECHANICAL	
COMPONENT(S):	ELEVATORS-CAB REMODEL	ID#(S) 0402



ELEVATORS-CAB REMODEL (TYPICAL)

OBSERVATIONS: *This component provides for the remodeling of elevator cabs (interiors). We were informed that remodeling was done in 2026.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	14 YEAR(S)
AVERAGE COMPONENT COST:	\$ 15,400

TO PROTECT YOUR INVESTMENT: *General surface cleaning of the elevator cab interior would be the extent of any maintenance necessary by the association.*

CATEGORY:	MECHANICAL	
COMPONENT(S):	EXHAUST FAN-GARAGE	ID#(S) 0403



EXHAUST FAN-GARAGE (TYPICAL)

OBSERVATIONS: *This component addresses an exhaust fan on the roof, which serves the purpose of ventilating the garage area. Although it appeared to be in an aging condition, we were informed that it was serviced in 2023. It is recommended that a carbon monoxide detector be installed in conjunction with an auto-start mechanism in the interest of safety.*

TYPICAL USEFUL LIFE:	25 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 9,850

TO PROTECT YOUR INVESTMENT: *The bearings should be oiled / greased on a periodic basis as well as occasional verification of operation of the fan. It is recommended that a maintenance contract be obtained from a qualified specialist.*

CATEGORY:	MECHANICAL	
COMPONENT(S):	EXHAUST FAN-HALLWAY	ID#(S) 0404



EXHAUST FAN-HALLWAY (TYPICAL)

OBSERVATIONS: *This component addresses an exhaust fan that serves the purpose of ventilating the internal hallways. We were informed that it was serviced in 2023, and it appeared to be in average condition.*

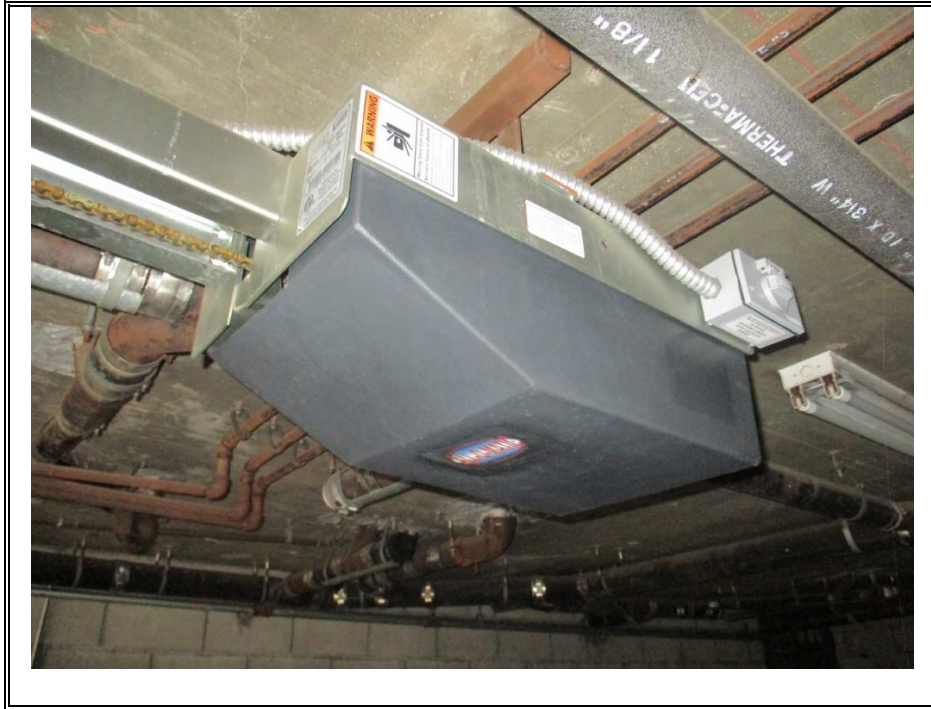
TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	5 YEAR(S)
AVERAGE COMPONENT COST:	\$ 7,100

TO PROTECT YOUR INVESTMENT: *The bearings should be oiled/greased on a periodic basis as well as occasional verification of operation of the fan. We recommend obtaining a maintenance contract with a qualified specialist.*

CATEGORY: MECHANICAL

COMPONENT(S): GATE OPERATORS

ID#(S) 0405



GATE OPERATORS (TYPICAL)

OBSERVATIONS: *This component addresses the overhead-type vehicle gate operators. They appeared to be in an aging condition.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 12,650

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:	MECHANICAL	
COMPONENT(S):	AIR CONDITIONING-EVAPORATIVE COILS	ID#(S) 0406



AIR CONDITIONING-EVAPORATIVE COILS (TYPICAL)

OBSERVATIONS: *This component addresses the evaporative coils for the gym and lobby air conditioning systems respectively. Although they were inaccessible for inspection (encased), we were informed that they were placed into service in 2023.*

TYPICAL USEFUL LIFE:	24 YEAR(S)
ESTIMATED REMAINING LIFE:	22 YEAR(S)
AVERAGE COMPONENT COST:	\$ 5,150

TO PROTECT YOUR INVESTMENT: *The evaporative coils should be serviced twice a year. We recommend obtaining a maintenance contract with a reputable licensed heating/air conditioning company.*

CATEGORY:	MECHANICAL	
COMPONENT(S):	AIR CONDITIONING-CONDENSORS	ID#(S) 0407



AIR CONDITIONING-CONDENSORS (TYPICAL)

OBSERVATIONS: *This component addresses the condensers for the gym and lobby air conditioning systems respectively, located on the roof. We were informed that they were placed into service in 2023, and they appeared to be in good condition.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	18 YEAR(S)
AVERAGE COMPONENT COST:	\$ 4,600

TO PROTECT YOUR INVESTMENT: *The condensers should be serviced twice a year. We recommend obtaining a maintenance contract with a reputable licensed heating/air conditioning company.*

CATEGORY:	<i>MECHANICAL</i>	
COMPONENT(S):	<i>DUAL PACK</i>	ID#(S) 0408



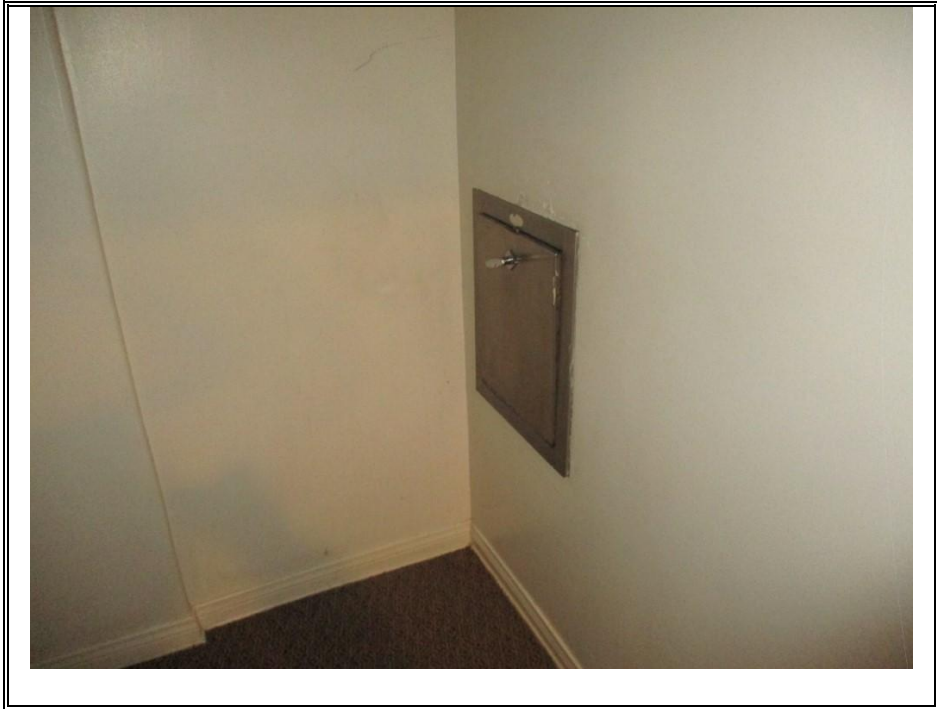
DUAL PACK (TYPICAL)

OBSERVATIONS: *This component addresses the “ICP” packaged unit for the hallway air conditioning system. We were informed that it was installed in 2023 and it appeared to be in good condition.*

TYPICAL USEFUL LIFE:	<i>20 YEAR(S)</i>
ESTIMATED REMAINING LIFE:	<i>18</i>
AVERAGE COMPONENT COST:	<i>\$ 14,500</i>

TO PROTECT YOUR INVESTMENT: *Service twice a year. A maintenance contract should be obtained from a qualified specialist.*

CATEGORY:	MECHANICAL	
COMPONENT(S):	TRASH CHUTES	ID#(S) 0409



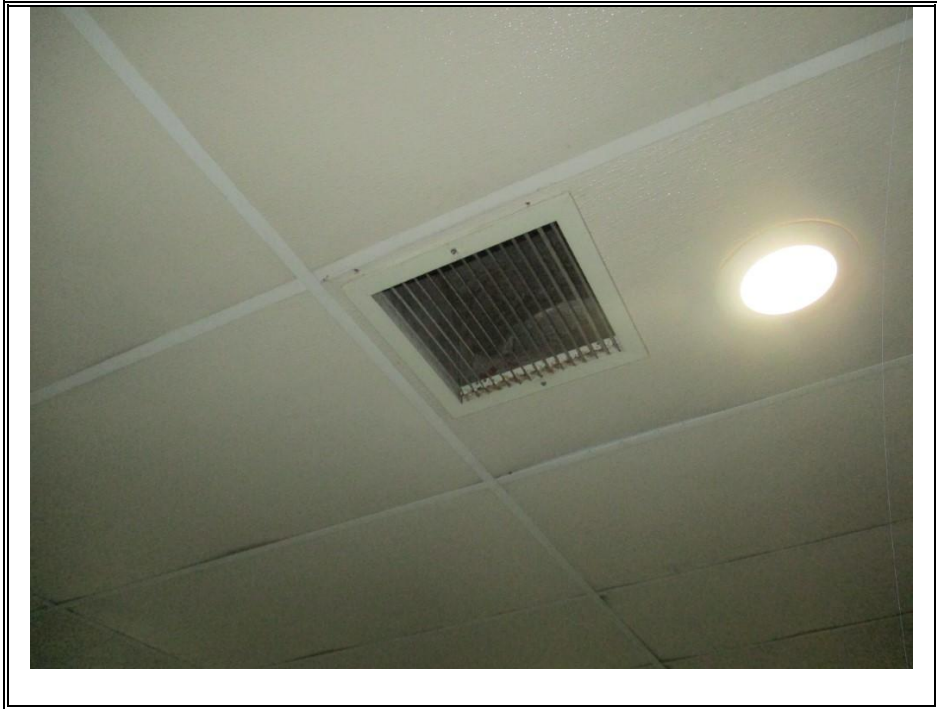
TRASH CHUTES (TYPICAL)

OBSERVATIONS: *This component addresses the trash chutes. They appeared to be in average condition for their age. A rough allowance for replacement of the doors, including other miscellaneous repairs, has been provided.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	5 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,450

TO PROTECT YOUR INVESTMENT: *It is recommended that a full-service maintenance contract be obtained from a licensed specialist.*

CATEGORY:	MECHANICAL	
COMPONENT(S):	EXHAUST FAN-POOL AREA	ID#(S) 0410



EXHAUST FAN-POOL AREA (TYPICAL)

OBSERVATIONS: *This component addresses an exhaust fan in the pool/sauna area, which serves the purpose of reducing the humidity (moisture) in these areas. It was inaccessible for inspection (encased); however, we were informed that it was installed in 2026.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	14 YEAR(S)
AVERAGE COMPONENT COST:	\$ 3,600

TO PROTECT YOUR INVESTMENT: *It is recommended that a full-service maintenance contract be obtained from a licensed specialist.*

CATEGORY:	PLUMBING	
COMPONENT(S):	BOILER-REPLACE	ID#(S) 0501



BOILER-REPLACE (TYPICAL)

OBSERVATIONS: *This component addresses a boiler, which serves the purpose of providing hot water throughout the complex. We were previously informed that it was installed in 2022 and it appeared to be in good condition. However, this type of equipment can fail without warning, often as a result of improper maintenance.*

TYPICAL USEFUL LIFE:	24 YEAR(S)
ESTIMATED REMAINING LIFE:	19 YEAR(S)
AVERAGE COMPONENT COST:	\$ 14,350

TO PROTECT YOUR INVESTMENT: *It is recommended that a full-service maintenance contract be obtained with a reputable licensed plumbing contractor. Also, the addition of a water treatment system would serve to enhance the longevity of this component.*

CATEGORY:	PLUMBING	
COMPONENT(S):	BOILER-OVERHAUL	ID#(S) 0502



BOILER-OVERHAUL (TYPICAL)

OBSERVATIONS: *This component addresses the overhauling of the boiler. Such overhaul should include reaming of the header/tube pack replacement to obtain maximum efficiency and service life from the boiler. This typically occurs at about mid-life of the boiler (i.e. 12 years). A life cycle of 24 years is therefore used for purposes of reporting. It should be noted that a visual examination can make no predictions as to future performance (i.e. even with correct maintenance, these units can fail without warning).*

TYPICAL USEFUL LIFE:	24 YEAR(S)
ESTIMATED REMAINING LIFE:	7 YEAR(S)
AVERAGE COMPONENT COST:	\$ 5,750

TO PROTECT YOUR INVESTMENT: *It is recommended that a full-service maintenance contract be obtained with a reputable licensed plumbing contractor. Also, the addition of a water treatment system would serve to enhance the longevity of this component.*

CATEGORY: PLUMBING

COMPONENT(S): CIRCULATION PUMP

ID#(S) 0503



CIRCULATION PUMP (TYPICAL)

OBSERVATIONS: *This component addresses a circulation pump, which serves to expedite hot water provision to the individual units. We were informed that it was installed in 2026.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	4 YEAR(S)
AVERAGE COMPONENT COST:	\$ 1,950

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

CATEGORY:	PLUMBING	
COMPONENT(S):	DISTRIBUTION PIPING	ID#(S) 0504



DISTRIBUTION PIPING (TYPICAL)

OBSERVATIONS: *This component addresses the copper distribution piping that provides potable water to the individual units and throughout the complex. The visible sections appeared to be in average condition, and no major problems were observed or reported. The typical useful life is approximately 40 years; however, it can fail as early as 15 years after installation. This is suspected to be primarily caused by changes in the chemical makeup of potable water. 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.*

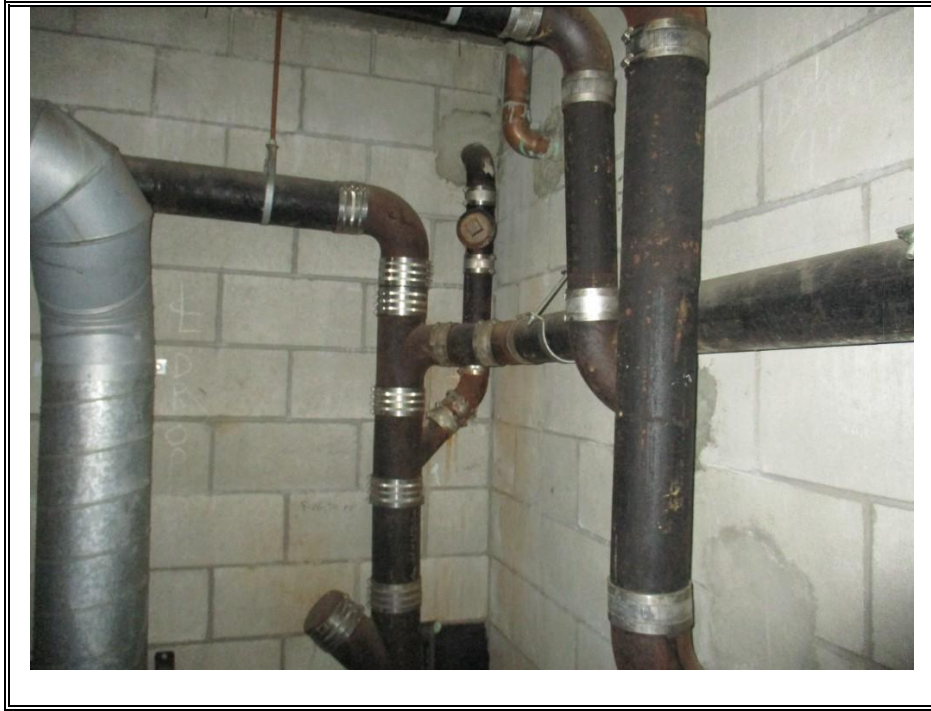
TYPICAL USEFUL LIFE:	40 YEAR(S)
ESTIMATED REMAINING LIFE:	6 YEAR(S)
AVERAGE COMPONENT COST:	\$ 133,900

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance is needed other than examination for leaking, especially in the garage area. Leaks should be repaired upon discovery, as wood or soil kept constantly moist provides ideal conditions for termites.*

CATEGORY: PLUMBING

COMPONENT(S): DRAINAGE/SEWER PIPING

ID#(S) 0505



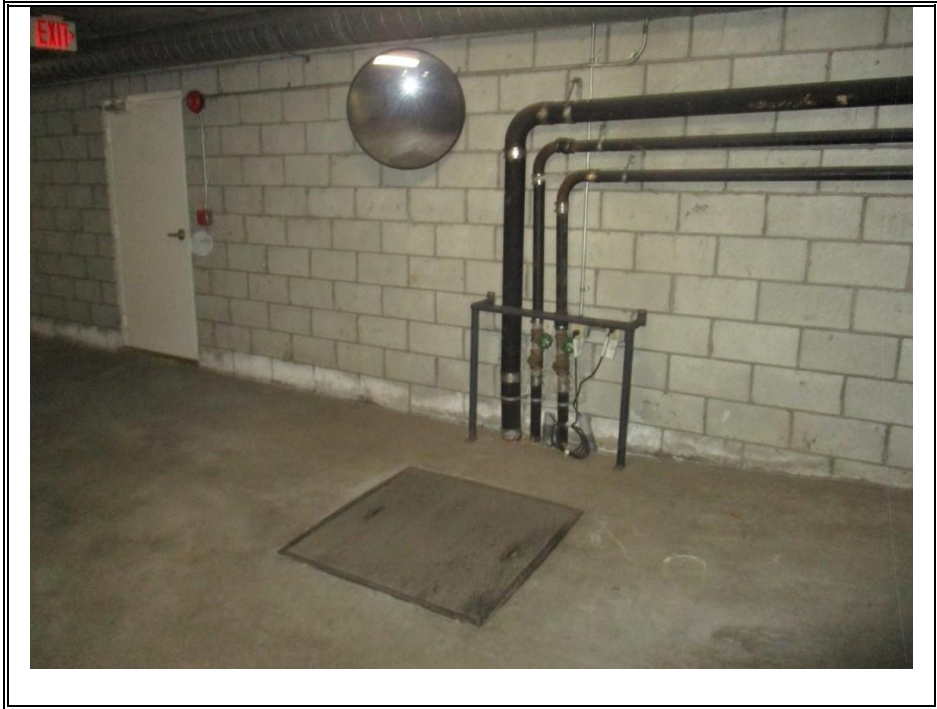
DRAINAGE/SEWER PIPING (TYPICAL)

OBSERVATIONS: *This component addresses sectional repair / replacement of the sewer and drainage piping. 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.*

TYPICAL USEFUL LIFE:	4 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,350

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

CATEGORY:	PLUMBING	
COMPONENT(S):	SUMP PUMPS	ID#(S) 0506



SUMP PUMPS (TYPICAL)

OBSERVATIONS: *This component addresses two sump pumps in the lower garage. They were inaccessible for inspection (encased / submerged), and for reporting purposes the remaining life has been estimated. The pumps serve the purpose of preventing flooding by pumping water out to the street. These types of pumps are designed to operate automatically and are imperative for water removal during rainstorms. Failure of the pumps can also lead to over-saturation of the sub-surface soils and associated foundation and concrete slab settlement/cracking.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	1 YEAR(S)
AVERAGE COMPONENT COST:	\$ 3,800

TO PROTECT YOUR INVESTMENT: *Maintenance should include regular cleaning of the sumps along with verification that the pumps are operational. This should be specifically performed prior to the onset of the rainy season.*

CATEGORY: PLUMBING

COMPONENT(S): WATER STORAGE TANK

ID#(S) 0507



WATER STORAGE TANK (TYPICAL)

OBSERVATIONS: *This component addresses a hot water storage tank on the roof, adjacent to the boiler. It appeared to be in average condition. However, this type of equipment can fail without warning, often as a result of improper maintenance.*

TYPICAL USEFUL LIFE:

10 YEAR(S)

ESTIMATED REMAINING LIFE:

5 YEAR(S)

AVERAGE COMPONENT COST:

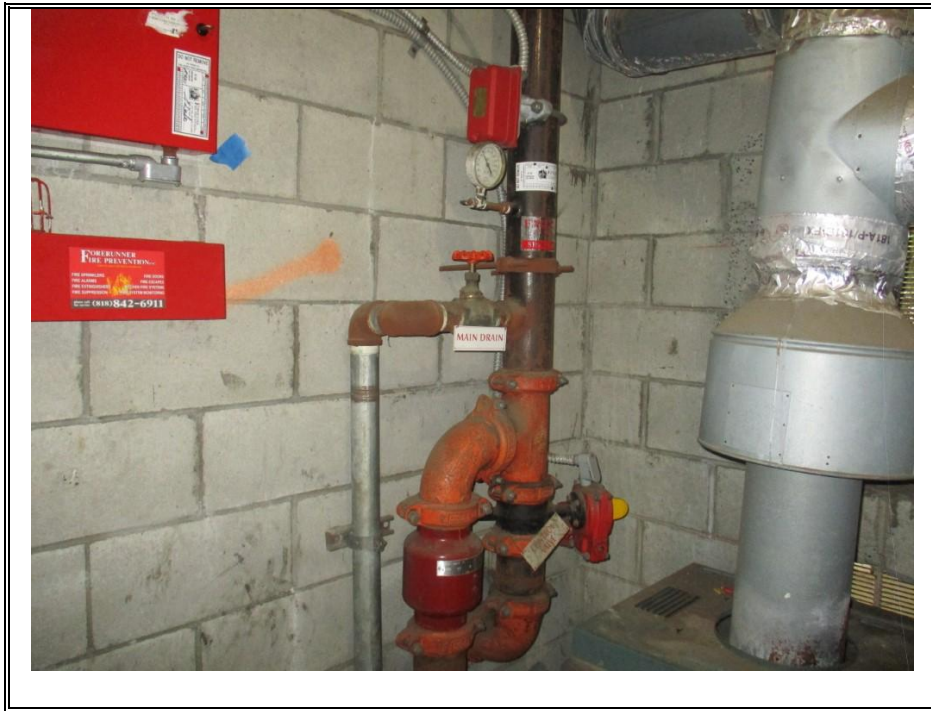
\$ 3,850

TO PROTECT YOUR INVESTMENT: *Maintenance should include periodic draining of a few gallons of water from the drain cock to relieve sediment build-up. It is also essential that the sacrificial anodes be checked at least every three months. A service contract with a reputable licensed plumbing contractor is again recommended for longevity of the system.*

CATEGORY: PLUMBING

COMPONENT(S): FIRE SPRINKLERS

ID#(S) 0508



FIRE SPRINKLERS (TYPICAL)

OBSERVATIONS: *This component addresses the fire sprinklers. They appeared to be in average condition. The fire sprinkler system would be considered to be a lifetime component, and it is recommended that repair/replacement be made on an as-needed basis and 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: *Periodic inspection and maintenance should be performed by a State Fire Marshall approved company.*

CATEGORY:	<i>ELECTRICAL</i>	
COMPONENT(S):	<i>INTERCOMS</i>	ID#(S) 0601



INTERCOMS (TYPICAL)

OBSERVATIONS: *This component addresses the intercom entry systems. We were previously informed that they were installed in 2021 and they appeared to be in average condition.*

TYPICAL USEFUL LIFE:	12 YEAR(S)
ESTIMATED REMAINING LIFE:	6 YEAR(S)
AVERAGE COMPONENT COST:	\$ 16,050

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for these components, although minor operational problems are typically encountered (operating cost).*

CATEGORY:	<i>ELECTRICAL</i>	
COMPONENT(S):	<i>FIRE ANNUNCIATOR SYSTEM</i>	ID#(S) 0602



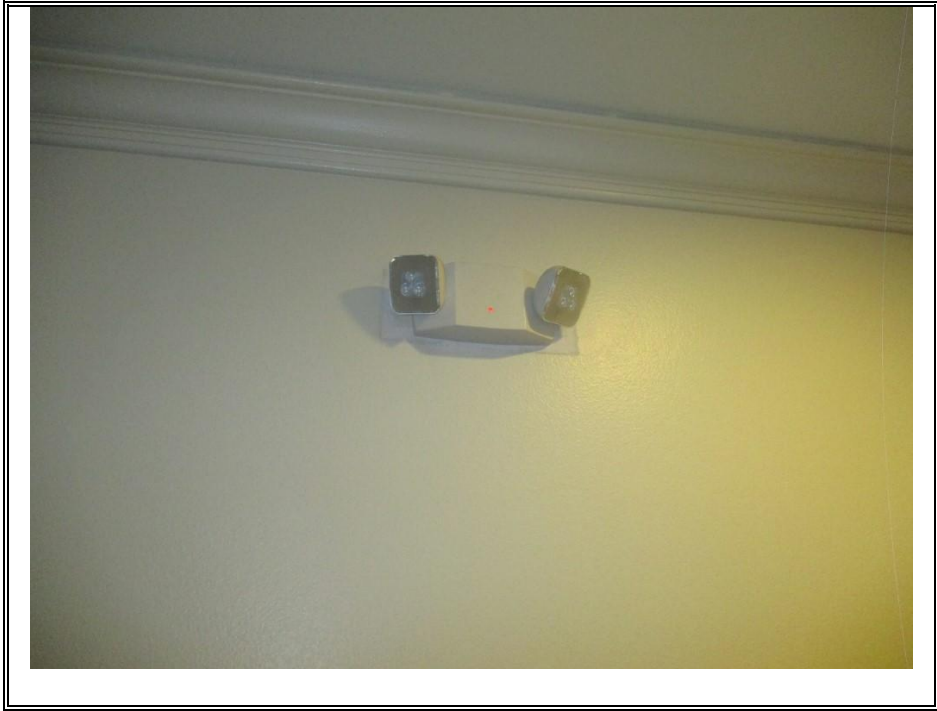
FIRE ANNUNCIATOR SYSTEM (TYPICAL)

OBSERVATIONS: *This component addresses a fire annunciator system (panel) in the lobby. We were informed that the system was upgraded in 2026.*

TYPICAL USEFUL LIFE:	<i>20 YEAR(S)</i>
ESTIMATED REMAINING LIFE:	<i>19 YEAR(S)</i>
AVERAGE COMPONENT COST:	<i>\$ 3,400</i>

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component. However, it should be professionally inspected on a regular (suggested annual) basis.*

CATEGORY:	<i>ELECTRICAL</i>	
COMPONENT(S):	<i>LIGHTING-EMERGENCY</i>	ID#(S) 0603



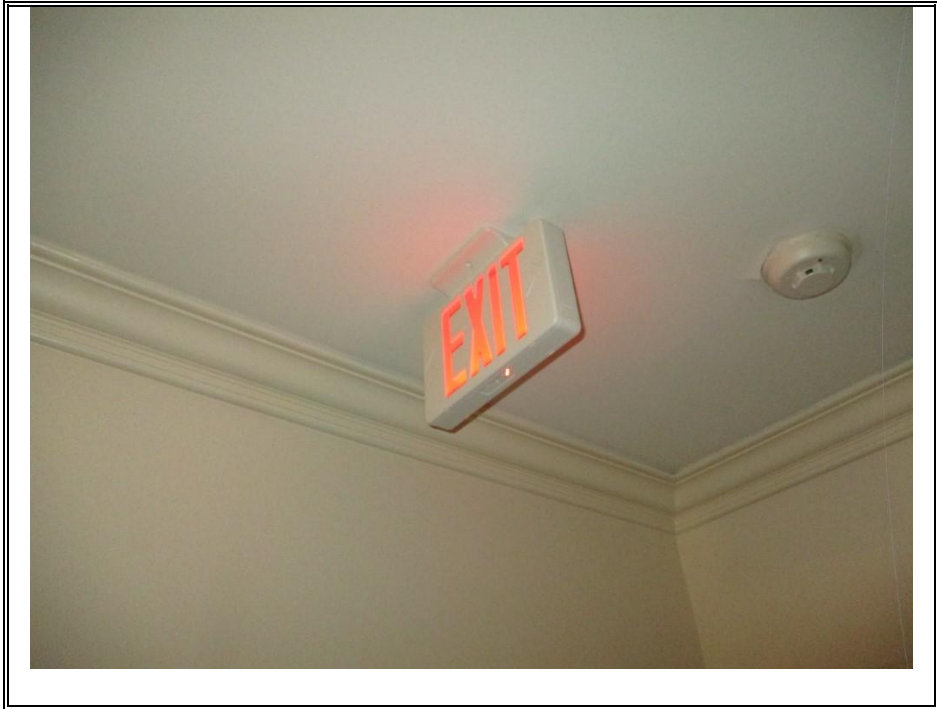
LIGHTING-EMERGENCY (TYPICAL)

OBSERVATIONS: *This component addresses the emergency light fixtures throughout the complex. They appeared to be in various conditions, and for reporting purposes the remaining life has been averaged.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	5 YEAR(S)
AVERAGE COMPONENT COST:	\$ 11,950

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:	<i>ELECTRICAL</i>	
COMPONENT(S):	<i>LIGHTING-EXIT SIGNS</i>	ID#(S) 0604



LIGHTING-EXIT SIGNS (TYPICAL)

OBSERVATIONS: *This component addresses the illuminated exit signs throughout the complex. They appeared to be in various conditions, and for reporting purposes the remaining life has been averaged.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	5 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,350

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:	<i>ELECTRICAL</i>	
COMPONENT(S):	<i>LIGHTING-EXTERIOR</i>	ID#(S) 0605



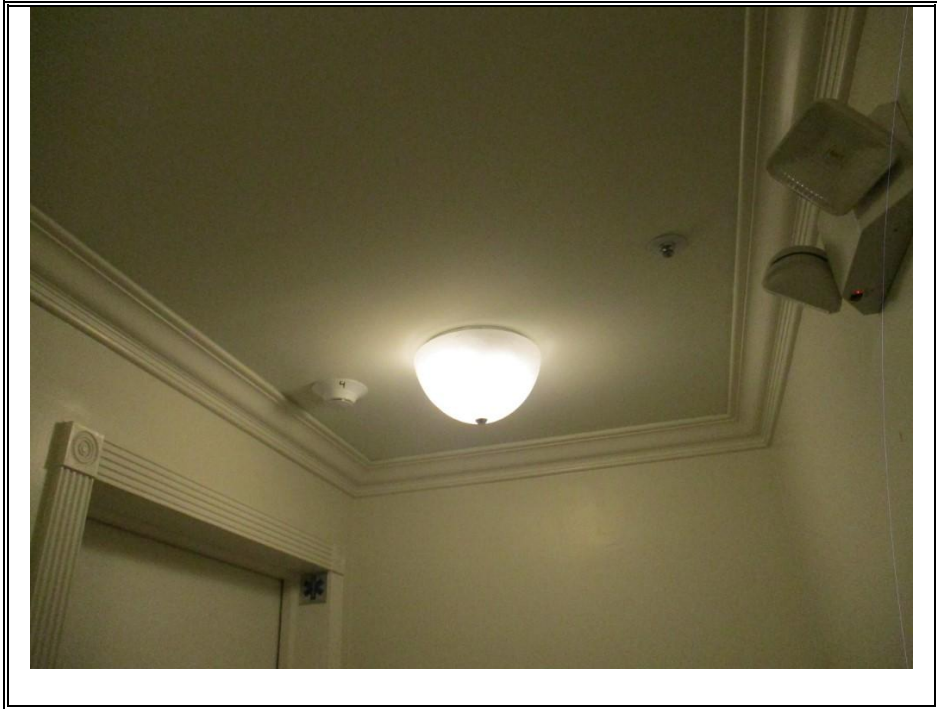
LIGHTING-EXTERIOR (TYPICAL)

OBSERVATIONS: *This component addresses the light fixtures on the exterior of the building. They appeared to be in an aging condition.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 7,350

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:	<i>ELECTRICAL</i>	
COMPONENT(S):	<i>LIGHTING-INTERIOR</i>	ID#(S) 0606



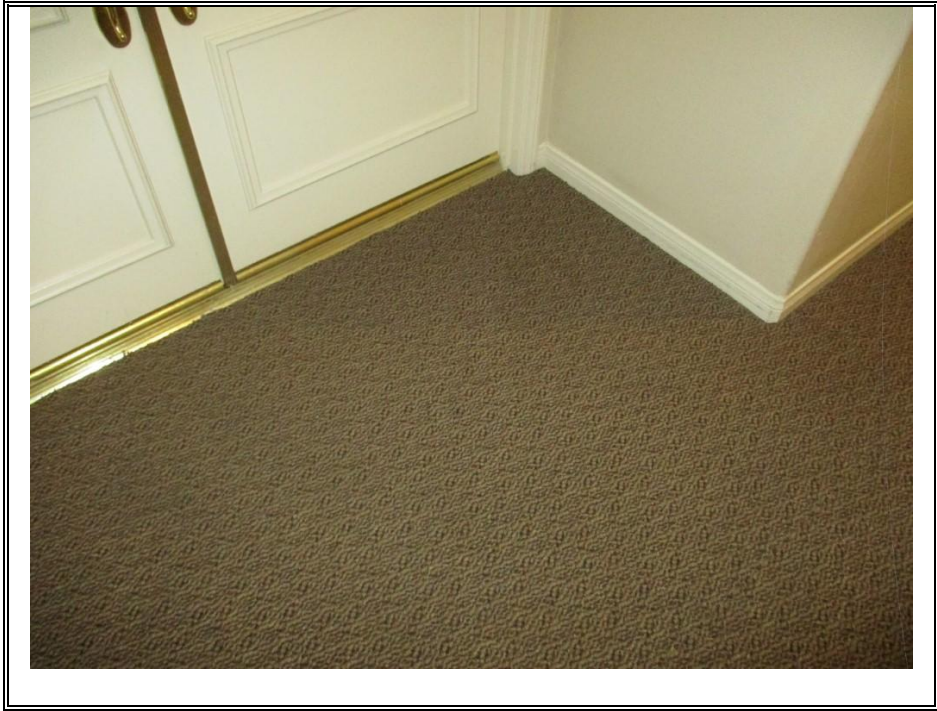
LIGHTING-INTERIOR (TYPICAL)

OBSERVATIONS: *This component addresses the light fixtures in the internal hallways. They appeared to be in various conditions, and for reporting purposes the remaining life has been averaged.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	5 YEAR(S)
AVERAGE COMPONENT COST:	\$ 3,400

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:	FLOORING	
COMPONENT(S):	CARPETING-HALLWAYS	ID#(S) 0701



CARPETING-HALLWAYS (TYPICAL)

OBSERVATIONS: *This component addresses the carpeting in the internal hallways. It appeared to be in average to aging condition, though well maintained.*

TYPICAL USEFUL LIFE:	8 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 12,650

TO PROTECT YOUR INVESTMENT: *Damaged areas should be repaired as they can create a trip hazard resulting in association liability.*

CATEGORY: FLOORING

COMPONENT(S): CARPETING-GYM

ID#(S) 0702



CARPETING-GYM (TYPICAL)

OBSERVATIONS: *This component addresses the carpeting in the gym. It appeared to be in an aging condition.*

TYPICAL USEFUL LIFE:

8 YEAR(S)

ESTIMATED REMAINING LIFE:

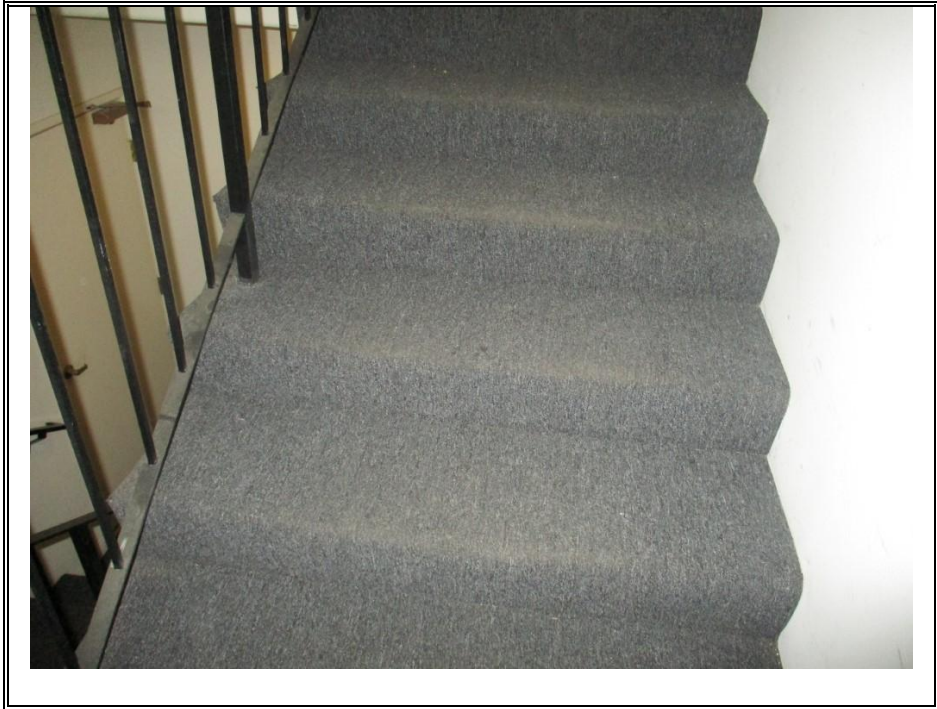
0 YEAR(S)

AVERAGE COMPONENT COST:

\$ 1,700

TO PROTECT YOUR INVESTMENT: *Damaged areas should be repaired as they can create a trip hazard resulting in association liability.*

CATEGORY:	FLOORING	
COMPONENT(S):	CARPETING-STAIRWELLS	ID#(S) 0703



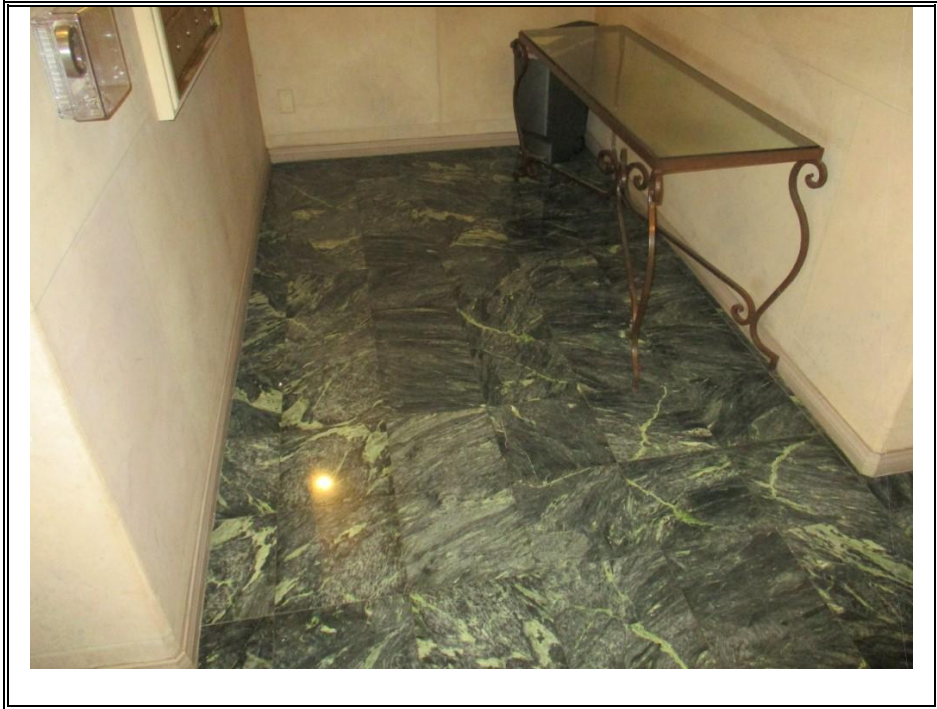
CARPETING-STAIRWELLS (TYPICAL)

OBSERVATIONS: *This component consists of the carpeting in the stairwells. It appeared to be in an aging condition.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 6,500

TO PROTECT YOUR INVESTMENT: *Damaged areas should be repaired as they can create a trip hazard resulting in association liability.*

CATEGORY:	FLOORING	
COMPONENT(S):	MARBLE-RESTORATION	ID#(S) 0704



MARBLE-RESTORATION (TYPICAL)

OBSERVATIONS: *This component provides for the restoration of the marble flooring in the lobby. It appeared to be in an average condition for its age, and we were informed the restoration is to be done with the conclusion of the lobby remodel project. Included would be epoxy grout, heavy buff, polish, buff & seal. With regular maintenance, the cycle for restoration should be at approximately 15-year intervals.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 9,650

TO PROTECT YOUR INVESTMENT: *Only a mild soap and water solution should be used. Proprietary cleaners and sealers are highly discouraged. It is suggested that the marble be professionally cleaned on an annual basis.*

CATEGORY:	FLOORING	
COMPONENT(S):	MARBLE-POLISHING	ID#(S) 0705



MARBLE-POLISHING (TYPICAL)

OBSERVATIONS: *This component provides for more frequent buffing and polishing of the marble flooring. We were informed that it is to be done in conjunction with the lobby remodel project.*

TYPICAL USEFUL LIFE:	3 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,100

TO PROTECT YOUR INVESTMENT: *Only a mild soap and water solution should be used. Proprietary cleaners and sealers are highly discouraged. It is suggested that the marble be professionally cleaned on an annual basis.*

CATEGORY: FLOORING

COMPONENT(S): TILE-QUARRY

ID#(S) 0706



TILE-QUARRY (TYPICAL)

OBSERVATIONS: *This component addresses the quarry tile at the exterior main entry. It appeared to be in an aging condition.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 6,050

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

CATEGORY: POOL

COMPONENT(S): PLASTER

ID#(S) 0801



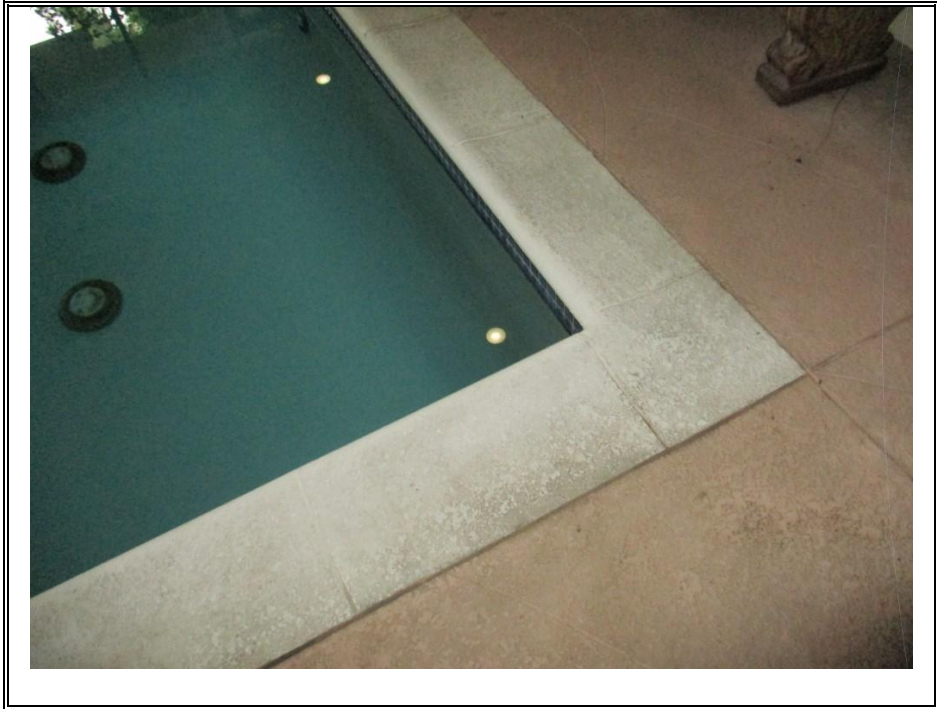
PLASTER (TYPICAL)

OBSERVATIONS: *This component addresses the plaster lining of the pool. It appeared to be in an aging condition. Coarseness of the plaster, which occurs over time, is conducive to algae growth and can be injurious to users of the pool (potential association liability).*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 5,550

TO PROTECT YOUR INVESTMENT: *Maintenance of a clean surface and proper chemical balance is essential for the longevity of the plaster lining.*

CATEGORY:	POOL	
COMPONENT(S):	COPING JOINT	ID#(S) 0802



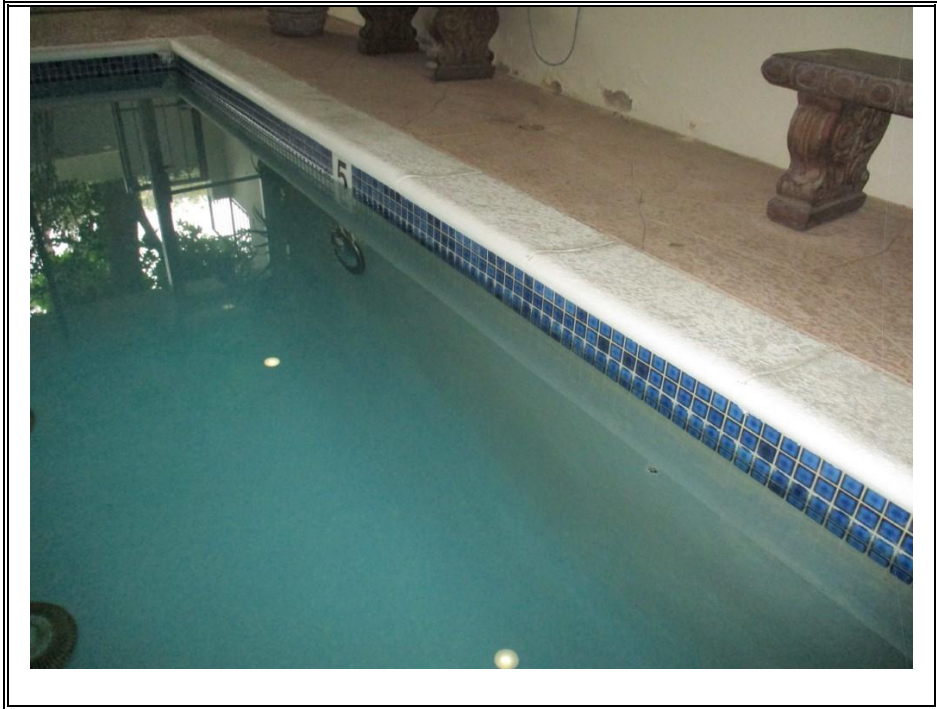
COPING JOINT (TYPICAL)

OBSERVATIONS: *This component addresses the caulking for the control joint (gap) between the pool decking and the coping. It appeared to be in an aging condition.*

TYPICAL USEFUL LIFE:	8 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 650

TO PROTECT YOUR INVESTMENT: *Maintenance of a well-sealed joint will reduce the potential for cracking and settlement of the pool decks. Prior to subsequent re-caulking of the coping joint, the existing caulk should be removed first. Otherwise, little by way of maintenance can be performed for this component.*

CATEGORY:	POOL	
COMPONENT(S):	COPING/TILE	ID#(S) 0803



COPING/TILE (TYPICAL)

OBSERVATIONS: *This component addresses the coping and tile around the perimeter of the pool. It appeared to be in an aging condition. It is suggested that replacement be coordinated with alternate re-plastering cycles.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 4,200

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for the coping and tile other than regular cleaning.*

CATEGORY: POOL

COMPONENT(S): HEATER

ID#(S) 0804



HEATER (TYPICAL)

OBSERVATIONS: *This component addresses a heater for the pool. It appeared to be in an aged condition.*

TYPICAL USEFUL LIFE:

12 YEAR(S)

ESTIMATED REMAINING LIFE:

0 YEAR(S)

AVERAGE COMPONENT COST:

\$ 4,500

TO PROTECT YOUR INVESTMENT: *The heater should be professionally cleaned and serviced on an annual basis.*

CATEGORY: POOL

COMPONENT(S): FILTER & SEPARATION TANK

ID#(S) 0805



FILTER & SEPARATION TANK (TYPICAL)

OBSERVATIONS: *This component addresses a filter and separation tank for the pool. They appeared to be in an aging condition.*

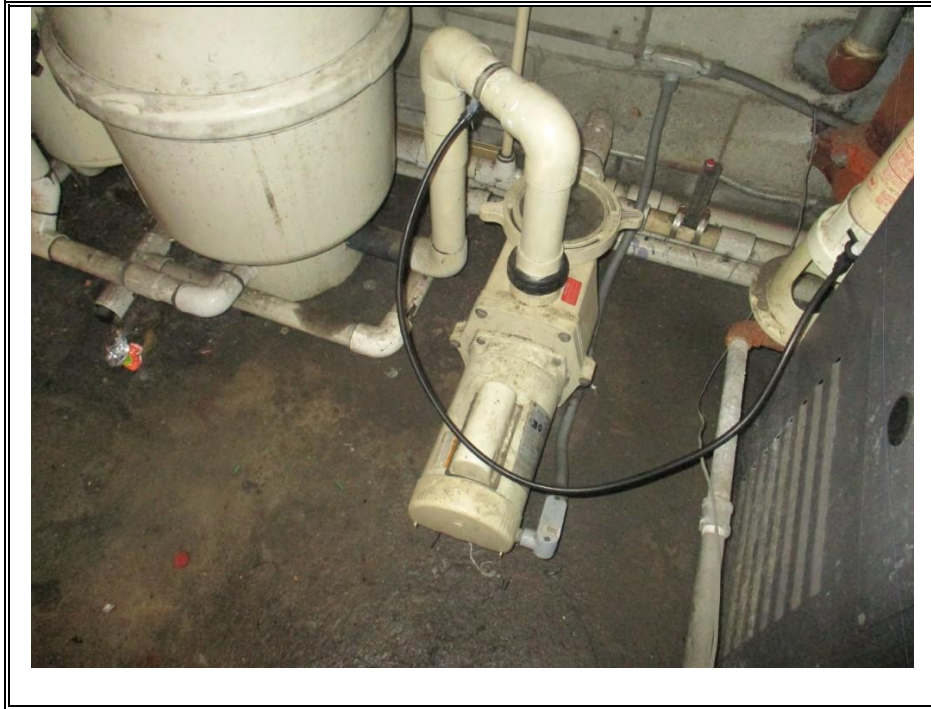
TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 1,950

TO PROTECT YOUR INVESTMENT: *The filter should be regularly cleaned, and the media re-charged or replaced (backwashed).*

CATEGORY: POOL

COMPONENT(S): MOTOR

ID#(S) 0806



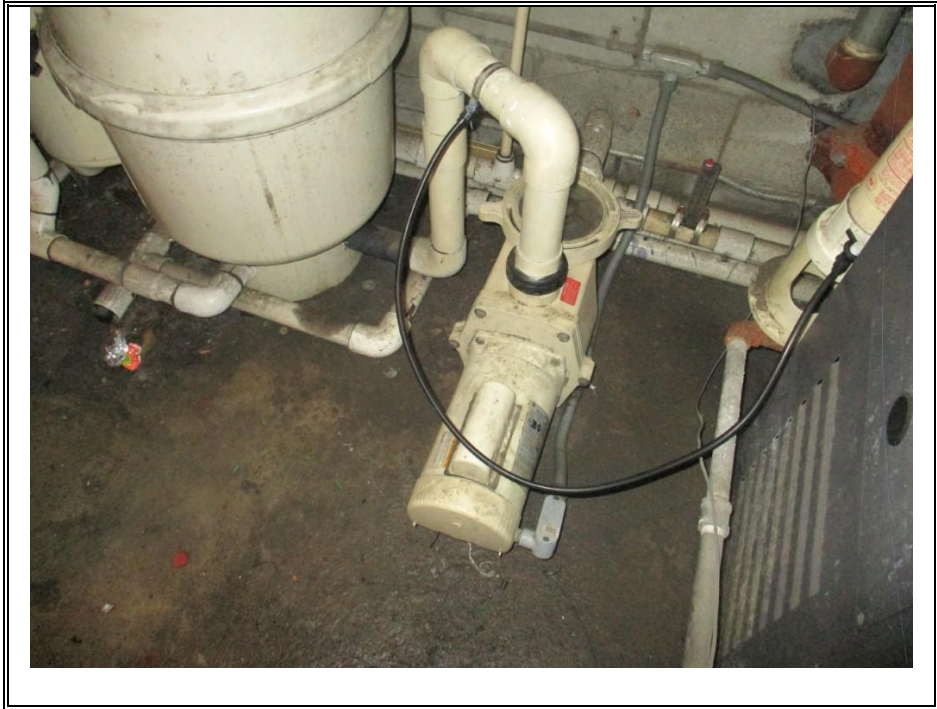
MOTOR (TYPICAL)

OBSERVATIONS: *This component addresses a "Pentair" motor for the pool. It appeared to be in an aging condition.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 650

TO PROTECT YOUR INVESTMENT: *The motor should be regularly examined, lubricated and serviced as necessary.*

CATEGORY:	POOL	
COMPONENT(S):	PUMP	ID#(S) 0807



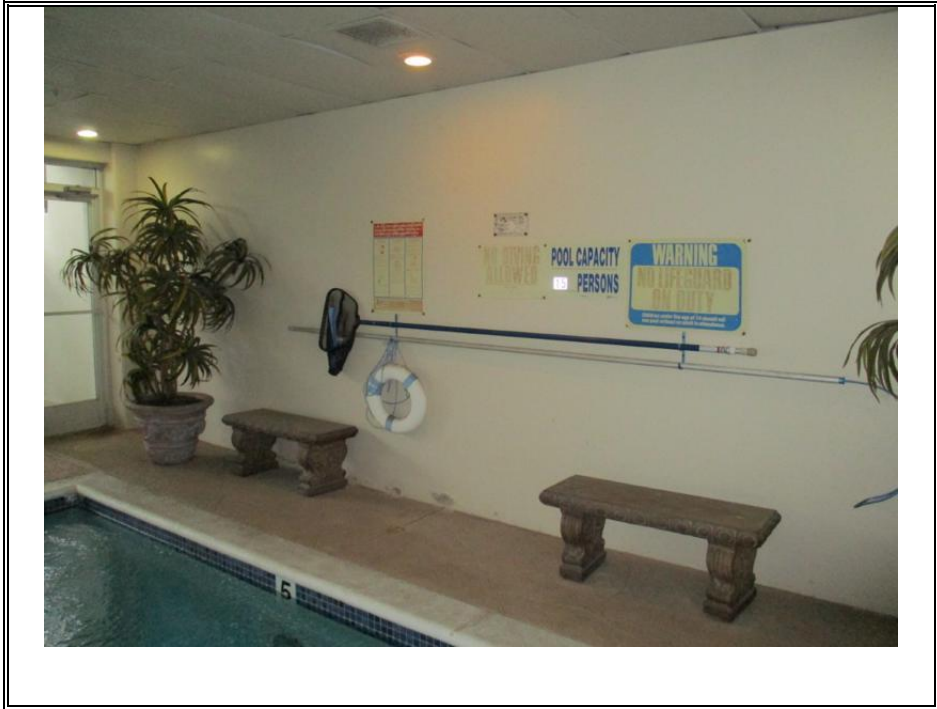
PUMP (TYPICAL)

OBSERVATIONS: *This component addresses a "Pentair" pump for the pool. It appeared to be in average condition.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	8 YEAR(S)
AVERAGE COMPONENT COST:	\$ 650

TO PROTECT YOUR INVESTMENT: *The pump should be regularly examined, lubricated and serviced as necessary.*

CATEGORY:	POOL	
COMPONENT(S):	FURNITURE	ID#(S) 0808



FURNITURE (TYPICAL)

OBSERVATIONS: *This component addresses the furniture around the pool, comprised of concrete benches and pots. It would be considered a lifetime component, and any necessary repairs/replacements should be funded as needed 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:	POOL	
COMPONENT(S):	SUSPENDED CEILING TILE	ID#(S) 0809



SUSPENDED CEILING TILE (TYPICAL)

OBSERVATIONS: *This component addresses the suspended ceiling tile at the pool area. This type of installation is not recommended for pool areas, and it is suggested that removal be considered.*

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):	IRRIGATION CONTROLLER	ID#(S) 0901



IRRIGATION CONTROLLER (TYPICAL)

OBSERVATIONS: *The irrigation controller tends to have a more predictable life expectancy, and the average component cost provides for its replacement. It appeared to be in average condition for its age. 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:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 1,050

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):	BACK FLOW PREVENTER	ID#(S) 0902



BACK FLOW PREVENTER (TYPICAL)

OBSERVATIONS: *This component addresses a back-flow preventer, which is part of the irrigation system. The actual performance life would be difficult to determine. However, a rough time frame has been provided for budgeting purposes.*

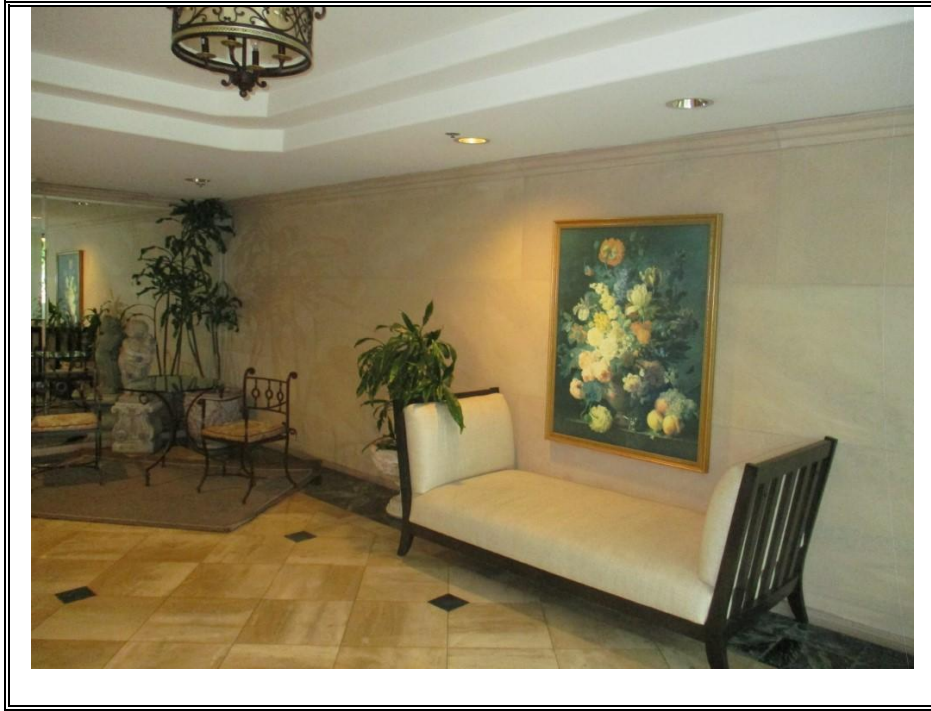
TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	1 YEAR(S)
AVERAGE COMPONENT COST:	\$ 950

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for the sauna heater.*

CATEGORY: RECREATION FACILITIES

COMPONENT(S): FURNISHINGS

ID#(S) 1001



FURNISHINGS (TYPICAL)

OBSERVATIONS: *This component addresses the furniture in the lobby. It appeared to be in average condition for its age. The average component cost is general for the type of furnishings in use.*

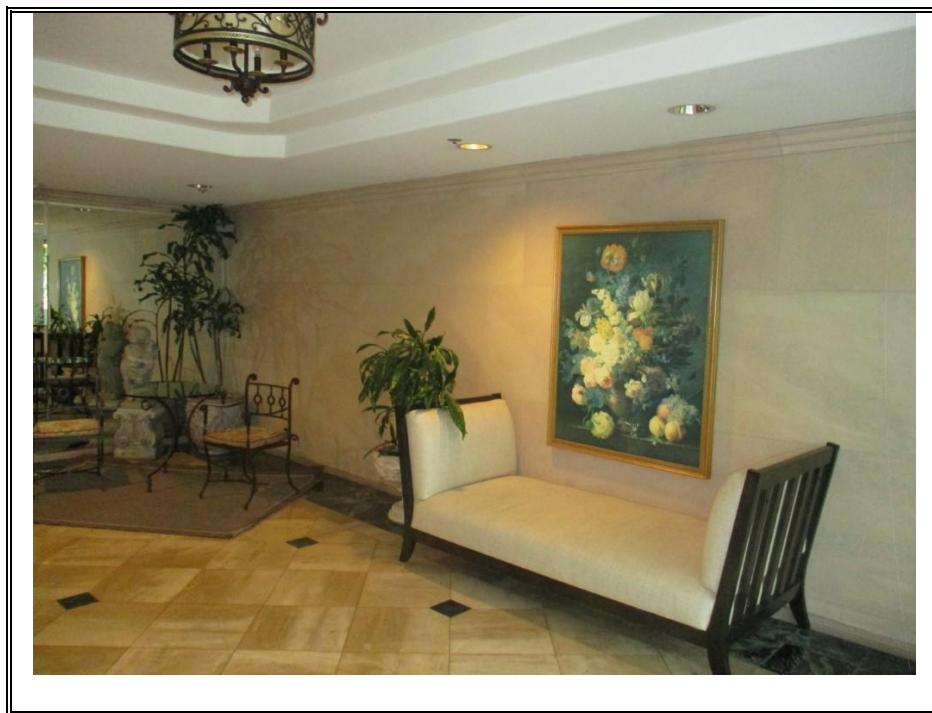
TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	2 YEAR(S)
AVERAGE COMPONENT COST:	\$ 12,900

TO PROTECT YOUR INVESTMENT: *General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap solution or professionally steam cleaned simultaneously with carpeted areas.*

CATEGORY: RECREATION FACILITIES

COMPONENT(S): INTERIOR DESIGNER

ID#(S) 1002



INTERIOR DESIGNER (TYPICAL)

OBSERVATIONS: *This component provides a one-time cost for the services of an interior designer.*

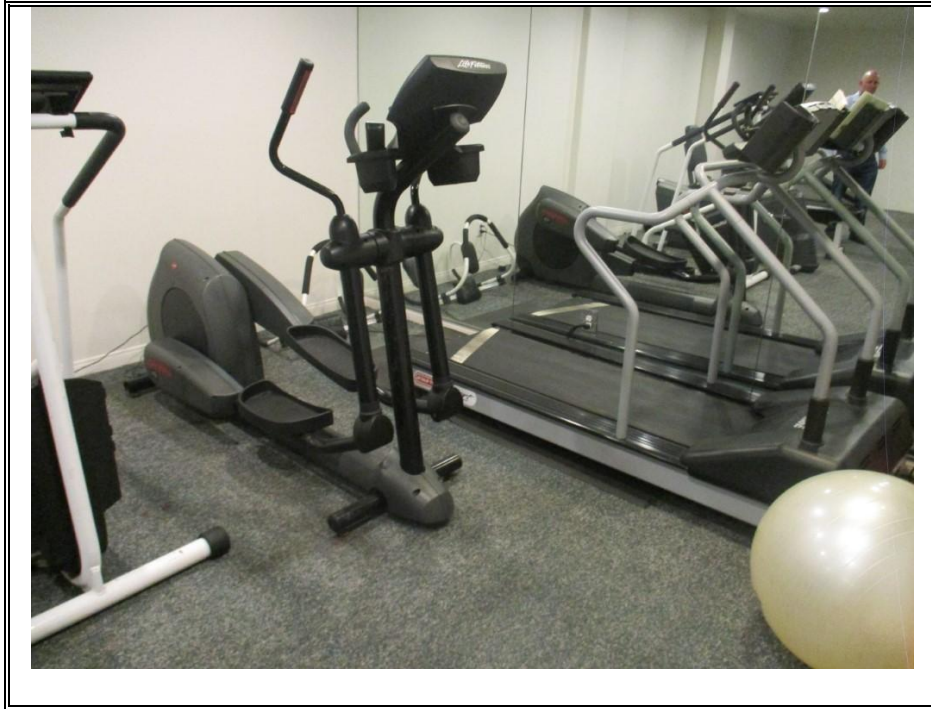
TYPICAL USEFUL LIFE:	<i>N/A YEAR(S)</i>
ESTIMATED REMAINING LIFE:	<i>2 YEAR(S)</i>
AVERAGE COMPONENT COST:	<i>\$ 10,000</i>

TO PROTECT YOUR INVESTMENT: *N/A*

CATEGORY: RECREATION FACILITIES

COMPONENT(S): FITNESS EQUIPMENT

ID#(S) 1003



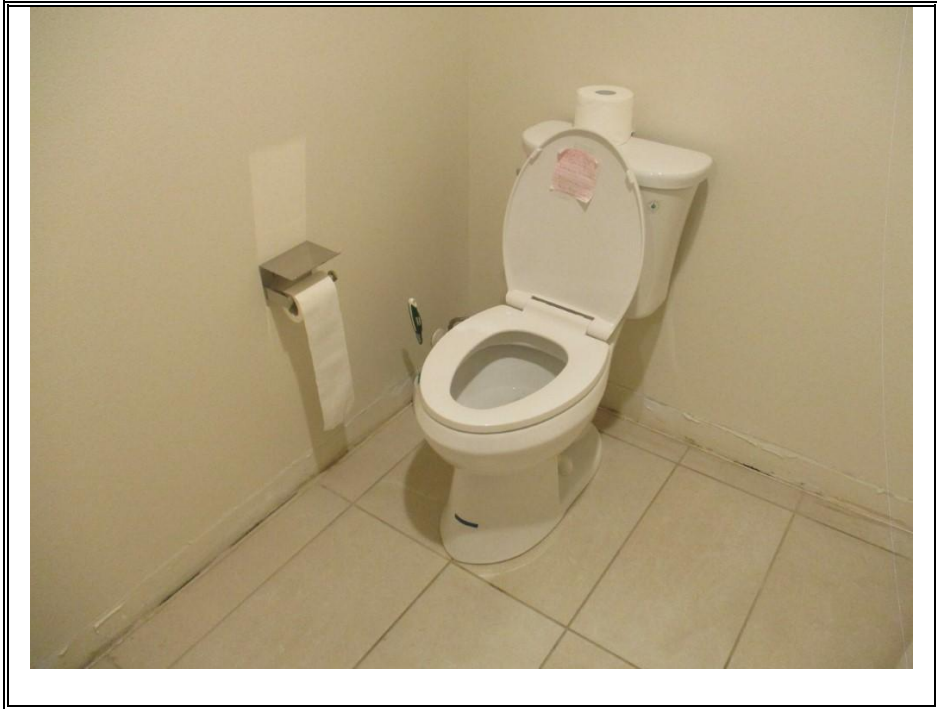
FITNESS EQUIPMENT (TYPICAL)

OBSERVATIONS: *This component addresses the fitness equipment. We were informed that the gym is no longer in use and is to be removed.*

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

TO PROTECT YOUR INVESTMENT: *The equipment should be maintained in a sanitary condition. Applicable instructions as well as warnings should be posted with respect to proper use of the equipment.*

CATEGORY:	RECREATION FACILITIES	
COMPONENT(S):	RESTROOM	ID#(S) 1004



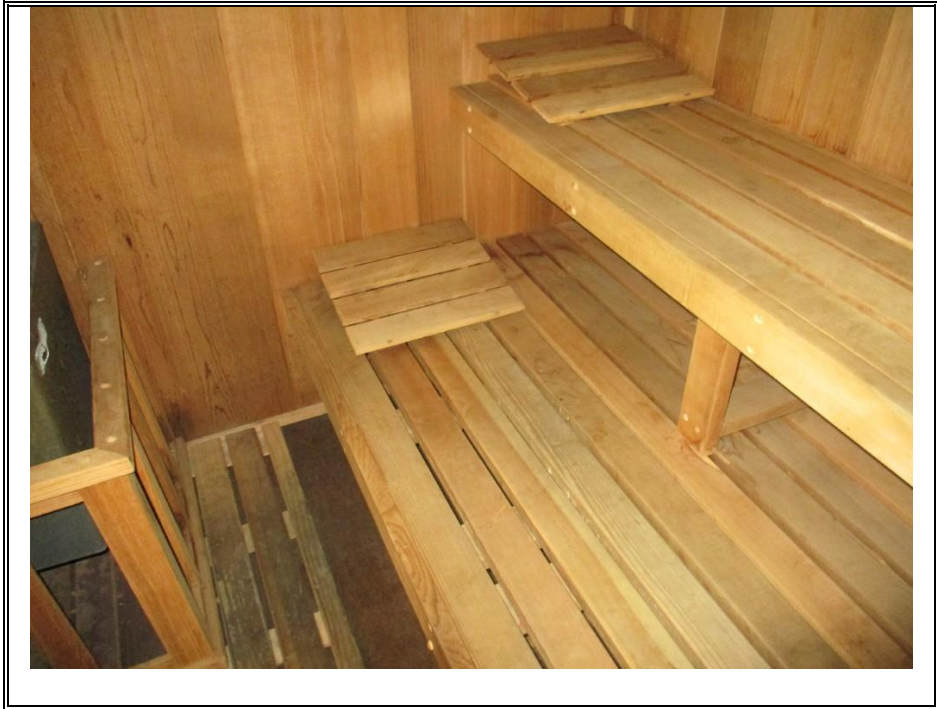
RESTROOM (TYPICAL)

OBSERVATIONS: *This component addresses the remodeling of the restroom at the gym. We were informed that it was recently refurbished, and it appeared to be in good condition.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	19 YEAR(S)
AVERAGE COMPONENT COST:	\$ 4,750

TO PROTECT YOUR INVESTMENT: *The restroom should be maintained in a sanitized condition.*

CATEGORY:	RECREATION FACILITIES	
COMPONENT(S):	SAUNA-REFINISH	ID#(S) 1005



SAUNA-REFINISH (TYPICAL)

OBSERVATIONS: *This component addresses the refinishing of the wooden sauna enclosure at the gym. We were informed that it is no longer in use and is to be removed.*

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

TO PROTECT YOUR INVESTMENT: *Maintenance of the sauna enclosure entails periodically sealing with a preservative, dependent upon level of use.*

CATEGORY:	RECREATION FACILITIES	
COMPONENT(S):	SAUNA-HEATER	ID#(S) 1006



SAUNA-HEATER (TYPICAL)

OBSERVATIONS: *This component addresses an electric sauna heater. We were informed that it is no longer in use and is to be removed.*

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 can be performed for the sauna heater.*

CATEGORY: MISCELLANEOUS

COMPONENT(S): FIRE EXTINGUISHERS

ID#(S) 1101



FIRE EXTINGUISHERS (TYPICAL)

OBSERVATIONS: *This component addresses the fire extinguishers in the hallways and garages. They appeared to be in average condition.*

TYPICAL USEFUL LIFE:	25 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,050

TO PROTECT YOUR INVESTMENT: *The extinguishers should be inspected and re-charged by a State Fire Marshall approved company at a maximum of 2-year intervals (or as required by law).*

CATEGORY:	MISCELLANEOUS	
COMPONENT(S):	MAILBOXES	ID#(S) 1102



MAILBOXES (TYPICAL)

OBSERVATIONS: *This component addresses the individual mailboxes in the lobby. They appeared to be in average condition for their age and well maintained.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,000

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):	DIRECTORY BOARD	ID#(S) 1103



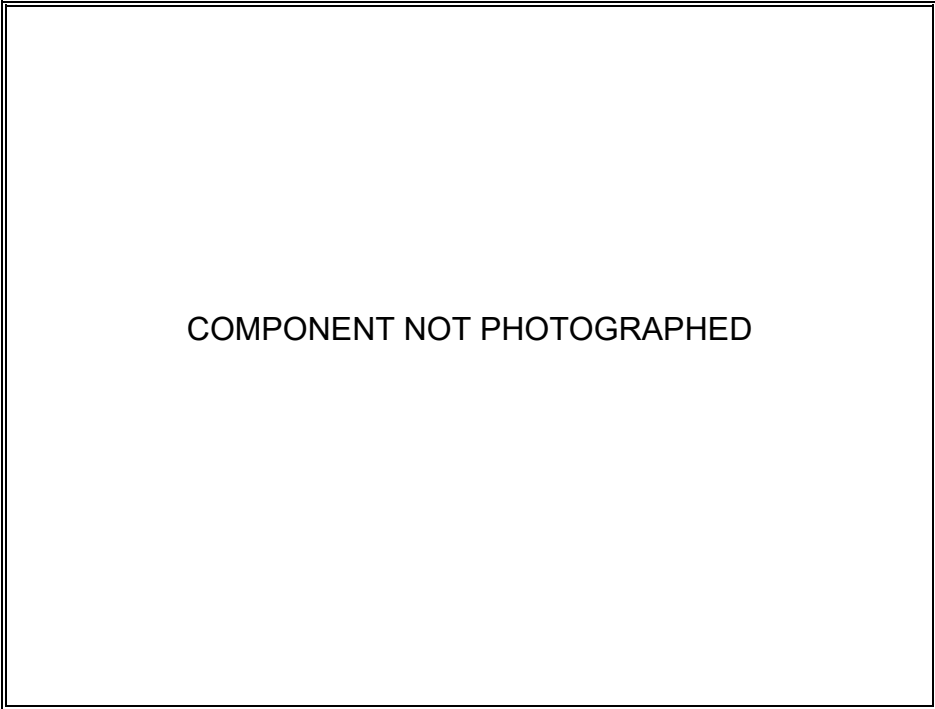
DIRECTORY BOARD (TYPICAL)

OBSERVATIONS: *This component addresses the glass faced aluminum case directory board in the lobby. We were informed that it is no longer in use and is to be removed.*

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

TO PROTECT YOUR INVESTMENT: *Little can be performed by way of maintenance for this type of equipment.*

CATEGORY:	CONTINGENCY RESERVE	
COMPONENT(S):	GENERAL-5%	ID#(S) 1201



GENERAL-5% (TYPICAL)

OBSERVATIONS: *It is difficult to anticipate every expense / replacement as well as 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. 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 would be appropriate.*

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 amount 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 transfers to the reserve fund are designed to offset the variable annual expenditures. Different reserve funding illustrations / 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	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 reserve 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 transfer 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, 2025 through June 30, 2026.
INFLATION FACTOR	An allowance for anticipated price increases based upon a 30-year average of the Consumer Price Index published by the U.S. Department of Labor. It is set at the beginning of each calendar 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 year), 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 <u>operating</u> 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 transfer – 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 TRANSFER	That portion of the “regular” assessment allocated to the reserve fund.
RESERVE STATUS	The ability to fund future major repair or replacement of the common components at a point in time.
SPECIAL ASSESSMENT	An assessment levied in addition to <u>regular</u> assessments, often regulated by governing documents or local statute.
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.