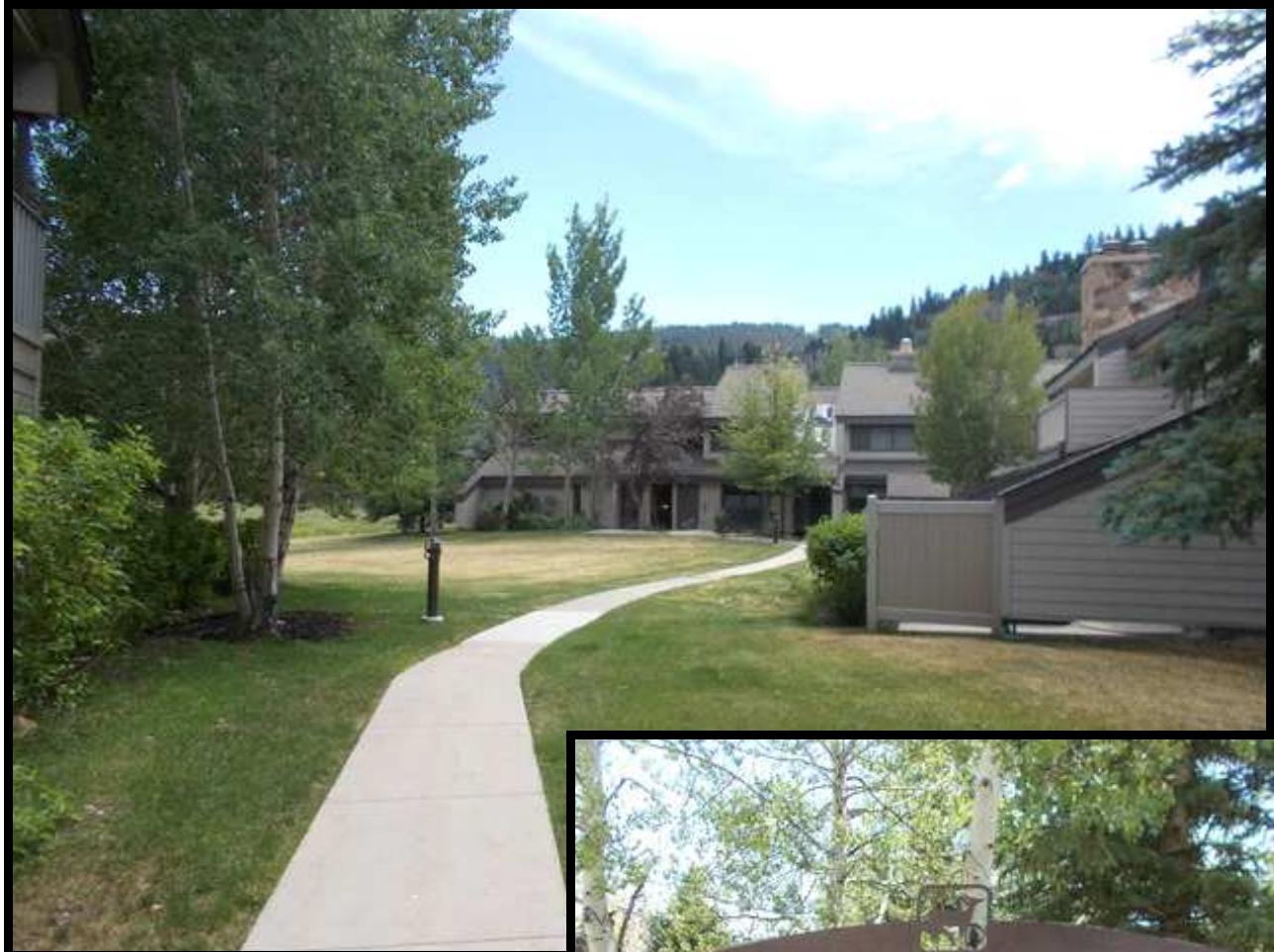


Fawngrove Homeowners Association

Full Reserve Study

Year Beginning: 01/01/2024



Better Reserve Consultants

Mari Jo Betterley, RSS 0000025

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August 30, 2023

Fawngrove Homeowners Association

1400-1686 Deer Valley Drive
Park City, UT 84060

Fawngrove Homeowners Association Executive Board of Directors,

Thank you for this opportunity to complete a Reserve Study for your Association. A Reserve Study is the most important document that determines where “hundreds of thousands or millions” of your assessment dollars will be spent. The Study is a planning tool that will plan the maintenance of your Association and affect your property value now and in the future.

Reserve Study with Site Inspection and Annual Updates

Reserve Study with Site Inspection Period Beginning: January 1, 2024
Next Reserve Study with Site Inspection: January 1, 2029
Reserve Study Update: Must be completed each year prior to Budget

Project Description

The Fawngrove Homeowners Association is located in Park City, Utah. The Association consists of 60 Assessment Paying Members. The Common Elements include the Exterior of Homes, Parking Garages, Asphalt Roads and Parking, Concrete Patios and Sidewalks, and Landscaping. The Association is well maintained and in overall very good condition.

What is a Reserve Study?

- A Reserve Study is a financial planning tool to fund the repair, replacement, restoration and maintenance of the major components of the common elements. A major component of the common element includes, any amenity, improvement, furnishing, fixture, finish, system or equipment that may, within 30 years after its original installation, require repair, replacement or restoration in excess of routine or annual maintenance. This funding allows an equal payment of each cost over a period of time that a large burden will not be placed on future owners. Day-to-day expenses and components included in the annual operating budget of an association are not included in the Reserve Study.
- A Reserve Study provides important annual disclosures to association members and prospective buyers regarding the condition of common area components.
- If you are selling your property or if you are a potential buyer, many financial institutions will not lend money on a property in an association without a properly funded Reserve Study.
- A Reserve Study focuses on ensuring that the property is in good condition, yet saves or "reserves" your Association's money properly so that there are no needs for "Special Reserve Assessments" or huge increases in assessments in the future.
- And most important, a Reserve Study ensures that your Association will be a better place to own, now and in the future.
- The Reserve Study is prepared by an outside independent consultant for the benefit of the Board of Directors of a property with multiple owners, such as Homeowners Associations, Time Shares, Resorts, Hotels, Apartment Buildings, Office Parks, Worship Facilities, Swimming Pools, Private (golf/social) Clubs, Lodges (Elks, Masons) Nursing Homes, Sororities, Fraternities and Private Schools.
- The Reserve Study contains an assessment of the Estimated Useful Life and Replacement Costs of the commonly owned property components as determined by the particular association's CC&R's and bylaws. This Study evaluates the current condition of the Components and the Estimated Remaining Useful Life. The Replacement Cost is based on actual historical costs from Invoices or Bids or Estimates from Experts in the Field.

Levels of Service:

There are three types of a Reserve Study:

1. Full Reserve Study:
Component Inventory-- An actual field inspection of the common elements with representative sampling;
Condition Assessment (based upon on-site visual observations)
Life and Valuation Estimates
Fund Status
Funding Plan

2. Update, With-Site-Visit/On-Site Review: (May be an update on a Reserve Study Completed by this Reserve Study Specialist or an Update to another Reserve Study Specialist's report).
Component Inventory (verification only, not quantification)
Condition Assessment (based on on-site visual observations)
Life and Valuation Estimates
Fund Status
Funding Plan
3. Update, No-Site-Visit/Off Site Review: (May be an update on a Reserve Study Completed by this Reserve Study Specialist or an Update to another Reserve Study Specialist's report).
Life and Valuation Estimates
Fund Status
Funding Plan

For updated reserve studies, quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies.

In many cases, it is better to complete a new, Full Study rather than ask the Reserve Study Specialist to update a Study prepared by another company. The Reserve Study Specialist must rely on the previous Study's information, measurements, estimated useful life and replacement costs.

There are Three Funding Plans: Baseline, Threshold and Full Funding

This Reserve Study is based on the Threshold Funding Plan: Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount.

Baseline Funding has a goal of maintaining funds above zero, while Full Funding has a goal of attaining and maintaining funding at 100% or greater. This is the most conservative funding goal.

Disclosures

The Initial Reserve Fund Bank Account Balance and Interest Rate was provided by the Management Company or Board of Directors. The Reserve Study Specialist did not verify or audit this fund. There are no guarantees, expressed or implied, with the predictions of the cost or life expectancy of any of the major components. Information provided to the preparer of a reserve study by an official representative of the association regarding financial, historical, physical, quantitative or reserve project issues will be deemed reliable by the preparer.

A reserve study will be a reflection of information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited. A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. An on-site inspection conducted in conjunction with a reserve study should not be deemed to be a project audit or quality or structural inspection. The Reserve Study Specialist will not perform invasive testing. The Condition of the Components may be based on Representative Sampling. Better Reserve Consultants has the required \$1,000,000.00 professional liability insurance coverage.

Material issues which (including Defects in Design or Construction), if not disclosed, would cause the condition of the association to be misrepresented. The Client Inventory List is based on the Site Inspection, Previous Reserve Study and Information provided by the Community Manager and Board of Directors. It is the responsibility of the client to verify that all components are listed correctly.

The projected life expectancy of the major components and the funding needs of the reserves of the association are based upon the association performing appropriate routine and preventative maintenance for each major component. Failure to perform such maintenance can negatively impact the remaining useful life of the major components and dramatically increase the funding needs of the reserves of the association.

Paul Herzbrun State of Nevada RSS.0234, Better Reserve Consultants LLC., assists in preparation of the Reserve Study.

Utilities and Asbestos

Future Utility Line Major Repairs and Replacement such as Water Lines, Sewer Lines and Electrical Upgrades should be included in the Study. Expert evaluation of all Utilities is strongly recommended to ensure the accurate Repair or Replacement Costs as well as the Estimated Remaining Useful Life of each Component. If there is Asbestos present in the property, the Asbestos Abatement Costs and Time Frames should be included in the Study. Because a Reserve Study is not a Structural or Property Inspection, the Reserve Specialist may not be aware of Utility Line Issues or Asbestos. The Board of Directors and the Community Manager must inform the Specialist of any issues that may be present.

Reserve Study Specialist Experience and Qualifications

Mari Jo Betterley, State of Nevada RSS.025

- National Association of Professional Reserve Analysts Certified RS #2331
- Community Association Institute Certified RS #169
- Community Association Institute Business Partner
- Chairman-Nevada Reserves for Recovery Task For
- Over 5000 Reserve Studies and Reserve Study Updates completed worldwide.
- Reserve Study Specialist 2004-Present
- Graduate- University of Nevada Reno- 1983
- Attendance 800+ Homeowner Association Executive Board Meetings and HOA Meetings
- Instructor Continuing Education Classes:
"Reserve Studies - Working With the Experts in the Field -Pavement Engineer" - CE.0166500
"Manager's Role/ How to Read and Interpret a Reserve Study"- CE.0166000-CAM
" Reserve Studies- Meet the Experts- Painting and Surface Treatment"- CE.0166600-CAM
"Reserve Studies From Start to Finish- Fundamentals" – CE.0166400-CAM
"Understanding the Reserve Study from Start to Finish" – CE.0377000-CAM

Conflict of Interest

There is no relationship with this Association that could result in actual or perceived conflicts of interest. The Reserve Study Specialist does not expect to receive any direct or indirect compensation or profits from any person who will perform services for the client.

There is no affiliation with, or financial interest in the association for which the reserve study specialist will prepare the reserve study; and The Reserve Study Specialist does not have a personal relationship with any unit's owner, member of the executive board of the association for which the reserve study specialist will prepare the reserve study.

Sources Relied Upon in Determining the Component Estimated Useful Life, Remaining Useful Life and today's cost

Better Reserve Consultants uses "real costs and numbers" whenever possible. We rely on the management company and the Board of Directors to provide actual bids, invoices and estimates for the component measurements, replacement costs and estimated time frames. If the management company does not have the "history" of the component information, we may ask a third party contractor to evaluate and measure the property. It is always best to work the Association's own vendors to obtain accurate information. Any consultants and other persons with expertise used to assist in the preparation of the reserve study names have been included in this Study.

Calculations

This Study Fully Funded Balance is based upon the National Standards set forth through the Community Association Institute. The Fully Funded Balance (FFB) is defined as: Total Accrued Depreciation-An indicator against which Actual (or projected) Reserve balance can be compared. The Reserve balance is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost. This number is calculated for each component, then summed together for an association total. Two formulas can be utilized depending on the provider's sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent.
$$FFB = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$$
 or
$$FFB = (\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) + [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Interest Rate})^{\text{Remaining Life}}] - [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Inflation Rate})^{\text{Remaining Life}}]$$
.

Initial Reserve Bank Balance

The beginning reserve bank balance is the cash balance at the beginning of the fiscal year/period beginning date. The bank balance may be an estimation of the future balance based on the current balance, additional transfers to the reserve bank account and expected expenditures prior to the beginning of the fiscal year. This balance is provided by the Board of Directors and/or the management company. This balance does not include any "due-to-from" amount if any funds are owed to the reserve account from past years.

Funding Summary

The Reserve Study Funding Plan is based on the assumption that there are no unforeseen circumstances that would alter the components Repair, Replacement, Restoration or Maintenance Costs and Estimated Remaining or Useful Life. The Recommended Reserve Contribution and Funding Levels chart, included in this Study, must be followed.

Utah Reserve Study Law

Effective 5/5/2021 57-8-7.5 Reserve analysis -- Reserve fund. (1) As used in this section: (a) "Reserve analysis" means an analysis to determine: (i) the need for a reserve fund to accumulate reserve funds; and (ii) the appropriate amount of any reserve fund. (b) "Reserve fund line item" means the line item in an association of unit owners` annual budget that identifies the amount to be placed into a reserve fund. (c) "Reserve funds" means money to cover: (i) the cost of repairing, replacing, or restoring common areas and facilities that have a useful life of three years or more and a remaining useful life of less than 30 years, if the cost cannot reasonably be funded from the general budget or other funds of the association of unit owners; or (ii) a shortfall in the general budget, if: (A) the shortfall occurs while a state of emergency declared in accordance with Section 53-2a-206 is in effect; (B) the geographic area for which the state of emergency described in Subsection (1)(c)(ii)(A) is declared extends to the entire state; and (C) at the time the money is spent, more than 10% of unit owners that are not members of the management committee in the association are delinquent in the payment of assessments as a result of events giving rise to the state of emergency described in Subsection (1)(c)(ii) (A). (2) Except as otherwise provided in the declaration, a management committee shall: (a) cause a reserve analysis to be conducted no less frequently than every six years; and (b) review and, if necessary, update a previously conducted reserve analysis no less frequently than every three years. (3) The management committee may conduct a reserve analysis itself or may engage a reliable person or organization, as determined by the management committee, to conduct the reserve analysis. (4) A reserve fund analysis shall include: (a) a list of the components identified in the reserve analysis that will reasonably require reserve funds; (b) a statement of the probable remaining useful life, as of the date of the reserve analysis, of each component identified in the reserve analysis; (c) an estimate of the cost to repair, replace, or restore each component identified in the reserve analysis; (d) an estimate of the total annual contribution to a reserve fund necessary: (i) to meet the cost to repair, replace, or restore each component identified in the reserve analysis during the component`s useful life and at the end of the component`s useful life; and (ii) to prepare for a shortfall in the general budget that the association or management committee may use reserve funds to cover; and (e) a reserve funding plan that recommends how the association of unit owners may fund the annual contribution described in Subsection (4)(d). (5) An association of unit owners shall: (a) annually provide unit owners a summary of the most recent reserve analysis or update; and (b) provide a copy of the complete reserve analysis or update to a unit owner who requests a copy. Utah Code Page 2 (6) In formulating the association of unit owners` budget each year, an association of unit owners shall include a reserve fund line item in: (a) an amount the management committee determines, based on the reserve analysis, to be prudent; or (b) an amount required by the declaration, if the declaration requires an amount higher than the amount determined under Subsection (6)(a). (7) (a) Within 45 days after the day on which an association of unit owners adopts the association of unit owners` annual budget, the unit owners may veto the reserve fund line item by a 51% vote of the allocated voting interests in the association of unit owners at a special meeting called by the unit owners for the purpose of voting whether to veto a reserve fund line item. (b) If the unit owners veto a reserve fund line item under Subsection (7)(a) and a reserve fund line item exists in a previously approved annual budget of the association of unit owners that was not vetoed, the association of unit owners shall fund the reserve account in accordance with that prior reserve fund line item. (8) (a) Subject to Subsection (8)(b), if an association of unit owners does not comply with the requirements of Subsection (5), (6), or (7) and fails to remedy the noncompliance within the time specified in Subsection (8)(c), a unit owner may file an action in state court for: (i) injunctive relief requiring the association of unit owners to comply with the requirements of Subsection (5), (6), or (7); (ii) \$500 or actual damages, whichever is greater; (iii) any other remedy provided by law; and (iv) reasonable costs and attorney fees. (b) No fewer than 90 days before the day

on which a unit owner files a complaint under Subsection (8)(a), the unit owner shall deliver written notice described in Subsection (8)(c) to the association of unit owners. (c) A notice under Subsection (8)(b) shall state: (i) the requirement in Subsection (5), (6), or (7) with which the association of unit owners has failed to comply; (ii) a demand that the association of unit owners come into compliance with the requirements; and (iii) a date, no fewer than 90 days after the day on which the unit owner delivers the notice, by which the association of unit owners shall remedy its noncompliance. (d) In a case filed under Subsection (8)(a), a court may order an association of unit owners to produce the summary of the reserve analysis or the complete reserve analysis on an expedited basis and at the association of unit owners` expense. (9) (a) A management committee may not use money in a reserve fund for any purpose other than the purpose for which the reserve fund was established, unless a majority of the members of the association of unit owners vote to approve the use of reserve fund money for that purpose. (b) (i) A management committee may not use money in a reserve fund for daily maintenance expenses, unless: (A) a majority of the members of the association of unit owners vote to approve the use of reserve fund money for daily maintenance expenses; or Utah Code Page 3 (B) there exists in the general budget a shortfall that the management committee may use reserve funds to cover. (ii) Members of the association of unit owners may prohibit the use of reserve fund money for daily maintenance expenses under the circumstances described in Subsection (9)(b)(i)(B) by a 51% vote of the allocated voting interest in the association of unit owners at a special meeting: (A) for which each unit owner receives at least 48 hours notice; and (B) the unit owners call for the purpose of voting whether to prohibit the use of reserve fund money for daily maintenance expenses under the circumstances described in Subsection (9)(b)(i)(B). (c) A management committee shall maintain a reserve fund separate from other funds of the association of unit owners. (d) This Subsection (9) may not be construed to: (i) limit a management committee from prudently investing money in a reserve fund, subject to any investment constraints imposed by the declaration; (ii) excuse an association from the requirements described in Section 57-8-58; or (iii) permit the use of money in a reserve fund for a legal action described in Section 57-8-58. (10) Subsections (2) through (9) do not apply to an association of unit owners during the period of administrative control. (11) For a condominium project whose initial declaration is recorded on or after May 12, 2015, during the period of administrative control, for any property that the declarant sells to a third party, the declarant shall give the third party: (a) a copy of the association of unit owners` governing documents; and (b) a copy of the association of unit owners` most recent financial statement that includes any reserve funds held by the association of unit owners or by a subsidiary of the association of unit owners. (12) Except as otherwise provided in this section, this section applies to each association of unit owners, regardless of when the association of unit owners was created. Amended by Chapter 218, 2021 General Session.

A Reserve Study is a Budget Planning Tool

Do NOT rely on this Reserve Study for condition assessment or evaluation of quality of work. This report is prepared as a budget planning tool to assist the association in its long-range financial planning. Use of the Study for any other purpose is not appropriate. The visual observations made do NOT constitute a Structural or Engineering Inspection and are not detailed enough to be relied upon, nor should they be relied upon, to determine violations of jurisdictional requirements (building ordinances, codes, etc.) relating to the safety, soundness, structural integrity, or habitability of the projects buildings of of any individual component. A Reserve Study is a Budget Planning Tool and should not be used for other purposes.

We appreciate this opportunity to EARN your business. Better Reserve Consultants takes pride in completing an accurate Reserve Study that is very "customized" to your Association. It is our goal to provide a Reserve Study that you will actually use as a funding tool - a Study that you will believe in!

Thank you,

Mari Jo Betterley, RSS
Better Reserve Consultants, LLC

Important Information

Reserve Study Year Beginning: 01/01/2024

Reserve Study Site Inspection Date / Commencement Date: July 10, 2017

Number of Assessment Paying Members/ Units: 60

Reserve Bank Accounts Interest Rate and Balance as of: 01/01/2023

Reserve Bank Account	.2%	<u>\$246,236.00</u>
		Total: \$246,236.00

Inflation Rate: 3.00% (Based on the average over the last 20 years)

Income Tax Rate: 30.00% on Reserve Bank Account Interest Only

Current Annual Reserve Contribution/ Transfer From Operating: \$100,000.00

Total estimated current replacement costs of the major component inventory: \$1,195,592.63

Total Special Reserve Assessment Recommended: \$0.00



The Individual Owners are responsible for their Decks, Patios, Windows and Doors. These components have not been included in the Reserve Study.



Garage Area Touch Up Painting, Parking Spaces Painting, Lighting and Electrical Repairs are considered to be Operational Expenses.



Repairs of the Storage Doors are done as needed through the Operating Budget and have not been included in the Study.



Replacement of the Exhaust Fans in the Garage Area has been included in the Study through an allowance to be done as needed.



The Exterior of Homes Category includes Roof Replacement and Siding Repairs, to be done as needed. An allowance for Siding Repairs has been included in the Reserve Study. Because the Hardie Board Siding has an estimated useful life when new of 50 Years, complete Replacement has not been included in the Study. Painting touch-up is done through the Operating Budget.



Complete replacement of all Concrete has not been included in the Study. Instead, repair and replacement has been scheduled as an allowance to be done as needed.



Maintenance of the Stairwell Touch Up Painting, and Repairs is considered an Operational Expense and has not been included in the Study.



The Common Area Lighting was replaced in 2012. Future Replacement has been included in the Study. Light repairs are done through the Operating Budget.



Signage throughout the Community is replaced through the Operating Budget.



The Stone Chimney Repairs are done as needed through the Operating Budget. Complete replacement of the Stone Facade is not planned and has not been included in the Study.



Painting and Repair of the Beams and Shade Structures has been included in the Study to be done every 5 years.



Further evaluation of the Beam Supports is needed to determine their estimated useful life. Complete replacement has not been included in the Reserve Study.



Landscaping Costs are included in the Operating Budget and have not been listed in the Reserve Study. Replacement and rehab of the Irrigation System has been included in the Reserve Study. The cost and remaining useful life is an estimation only. This Study should be updated with accurate costs based on contractor bids.



The Lake Area Pumps are maintained through the Operating Budget and have not been included in the Study.



Removal and Replacement of the Asphalt Roads and Concrete Curb Gutters has been included in the Study to be done in the future.



The Asphalt Road Maintenance Schedule includes the Surface Maintenance Treatment, Overlay, Crack Seal, Concrete Curbing Repairs and Striping and Curb Painting. This Schedule is an estimation only.



The Association is well maintained and in overall very good condition.

Component Evaluation - Concepts

Common Element

The Association CC&Rs typically define what a common element is. Usually, this is property owned in common by all the unit owners (rather than by an individual unit owner).

Component

A Major Component of the common elements is any component of the common elements, including, without limitation, any amenity, improvement, furnishing, fixture, finish, system or equipment, that may, within 30 years after its original installation, require repair, replacement or restoration in excess of routine annual maintenance which is included in the annual operating budget of an association.

Units

A quantity chosen as a standard in terms of measurement. For Example, Square Footage, Linear Footage, a Condominium Unit, a Roof, etc.

Date Last Repaired/ Replaced:

Estimated date when the Component was last Replaced, Repaired, Restored or Maintained

Cost Per Unit

How much each unit of measurement costs to repair, replace, restore, or maintain

Today's Cost:

Total Estimated Cost to Repair, Replace, Maintain or Restore the Component
This may be a calculation of Costs per Unit x Number of Units or it may be a set value.

Estimated Life When New

Estimated Time Frame that the Component should last before it is Repaired, Replaced, Restored or Maintained. This may be based on a Warranty, Historical Life Span, Manufacturers/ Contractors opinion, location, etc.

Estimated Remaining Useful Life:

The Estimated amount of time that the component will actually last from today.
This may be a calculation based on Estimated Useful Life When New minus the actual age or it could be based on other factors such as wear, condition, climate etc.



Common Area

Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1. Concrete Repair or Replacement (Includes Common Patios Between Units)	2028	allowance	\$2,500	\$2,500	5	5
2. Entrance Signage Refurbishment (Wood)	2028	as needed	\$2,500	\$5,000	5	10
3. Landscaping - Irrigation Renovation	2028	allowance	\$10,000	\$10,000	5	5
4. Landscaping - Renovation (Plants, Bushes, Trees Replacement)	2028	allowance	\$10,000	\$10,000	5	5
5. Lighting Replacement (Done 2012) (Lighting Along Walkways)	2042	as needed	\$50,000	\$50,000	19	30



Exterior of Homes

Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1. Roof Asphalt Shingle Rejuvenation (Maintenance Treatment by Roof Maxx)	2023	93449 sq ft	\$.87/sq ft	\$81,300.63	0	5
2. Roof Asphalt Shingle Replacement (Done 2002) (Using Whole Roof Health by Roof Maxx)	2041	93449 sq ft	\$9/sq ft	\$841,041	18	30
3. Siding and Gutter Repairs	2028	allowance	\$2,500	\$2,500	5	5
4. Siding Replacement (Done 2007) (Estimated Useful Remaining Life is More Than 30 Years)	2056	as needed	\$1	\$1	33	50
5. Utilities/ Plumbing	2028	allowance	\$5,000	\$5,000	5	5



Garage

Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1. Community Access System (Done 2023)	2023	5 units	\$200/unit	\$1,000	0	7
2. Door Motors and Operators Replacement (Phase 01) (Done 2023)	2023	1 unit	\$3,000	\$3,000	0	10
3. Door Motors and Operators Replacement (Phase 02)	2024	1 unit	\$3,000	\$3,000	1	10
4. Door Motors and Operators Replacement (Phase 03)	2025	1 unit	\$3,000	\$3,000	2	10
5. Door Motors and Operators Replacement (Phase 04)	2026	1 unit	\$3,000	\$3,000	3	10
6. Door Motors and Operators Replacement (Phase 05)	2027	1 unit	\$3,000	\$3,000	4	10
7. Door Motors and Operators Replacement (Phase 06)	2028	1 unit	\$3,000	\$3,000	5	10
8. Door Replacement (Phase 01) (Done 2023)	2023	1 unit	\$3,000	\$3,000	0	20
9. Door Replacement (Phase 02)	2024	1 unit	\$3,000	\$3,000	1	20
10. Door Replacement (Phase 03)	2025	1 unit	\$3,000	\$3,000	2	20
11. Door Replacement (Phase 04)	2026	1 unit	\$3,000	\$3,000	3	20
12. Door Replacement (Phase 05)	2027	1 unit	\$3,000	\$3,000	4	20
13. Door Replacement (Phase 06)	2028	1 unit	\$3,000	\$3,000	5	20
14. Exhaust Fans Replacement	2028	allowance	\$2,500	\$2,500	5	5

Garage (Continued)

Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
15. Security Camera Replacement (Done 2017)	2027	as needed	\$10,000	\$10,000	4	10
16. Stairway Wooden Steps Replacement	2051	as needed	\$7,500	\$7,500	28	30



Roads and Parking

Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1. Concrete Curb Gutter Replacement	2028	allowance	\$5,000	\$5,000	5	5
2. Crack Seal	2024	as needed	\$2,500	\$2,500	1	2
3. Reconstruction	2041	as needed	\$2.50	\$106,250	18	20
4. Surface Maintenance Treatment	2024	42500 sq ft	\$.32/sq ft	\$13,600	1	5



Reserve Study

Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1. Full Reserve Study (Done 2023)	2027	ea	\$2,650	\$2,650	4	5
2. Update (Required per NRS116.31151)	Annual	ea	\$1,250	\$1,250	1	1

Recommended Reserve Contribution and Funding Levels - Concepts

Beginning of the Year Balance	Reserve Bank Account(s) Balance as of the Beginning of the year
Special Reserve Assessment	A temporary assessment levied on the members in addition to regular assessments by the board of directors when necessary for several reasons, including funding a major repair or replacement of a common element or funding, in general, the reserve account.
Annual Transfer	Recommended Transfer or Annual Contribution to the Reserve Account
Monthly Contribution per Unit	An example of the amount of money that each unit owner would contribute to the Reserve Bank Account each month
Annual Expenditures	Estimated Expenditures based on the Component Evaluation
Investment Earnings	Dollar Amount of Interest contributed to the Reserve Account based on the percent interest rate on the Reserve Bank Account - Provided by the Management Company or Board of Directors.
Income Tax	Estimated Income Tax - 30% of the Reserve Bank Account(s) earned interest
End of the Year Balance	Recommended Reserve Bank Account Ending Balance at the end of the Fiscal Year
% Funded	A Measure of the financial health of the Association based on funding the depreciation of each Component. The chart below indicates the financial position based on the Percent Funded.
Fully Funded	Funding of 100% of the depreciation of each Component.

0% - 39% Funded is considered to be a "weak" financial position. Associations that fall into this category must take action to bring the funding levels to a proper level by raising the monthly/ annual contribution or a Special Reserve Assessment.

40% - 69% Funded is considered to be a "fair" financial position. This does not represent financial strength and stability. The likelihood of a Special Reserve Assessment is still possible. The Association should make every effort to continue strengthening the financial position of the Reserve Fund.

70% - 99% Funded is considered a "strong" financial position. This indicates financial strength of a Reserve Fund and every attempt to maintain this level should be a goal of the Association.

100% Funded or Greater is the "ideal" financial position. This means that the Association has the funds in the Reserve Account in order to repair, replace, restore or maintain the Common Elements based on their depreciation.

Recommended Reserve Contribution

Year Funded	Beginning of Year Balance	Spc Rsv Assessmt	Annual Transfer	Member Mo Pmt	Annual Expenditures	Interest Earned	Income Tax	End of Year Balance	% Funded	Fully Funded (100%)
2023	\$246,236.00	\$0.00	\$100,000.00	\$138.89	\$88,300.63	\$492.00	\$147.60	\$258,279.77	40.76	\$633,734.79
2024	\$258,279.77	\$0.00	\$100,000.00	\$138.89	\$24,050.50	\$517.00	\$155.10	\$334,591.17	47.31	\$707,238.50
2025	\$334,591.17	\$0.00	\$120,000.00	\$166.67	\$7,691.53	\$669.00	\$200.70	\$447,367.94	56.02	\$798,625.09
2026	\$447,367.94	\$0.00	\$120,000.00	\$166.67	\$10,654.09	\$895.00	\$268.50	\$557,340.35	62.69	\$889,007.92
2027	\$557,340.35	\$0.00	\$120,000.00	\$166.67	\$22,397.64	\$1,115.00	\$334.50	\$655,723.21	67.61	\$969,919.90
2028	\$655,723.21	\$0.00	\$140,000.00	\$194.44	\$154,821.79	\$1,311.00	\$393.30	\$641,819.12	69.20	\$927,499.11
2029	\$641,819.12	\$0.00	\$140,000.00	\$194.44	\$17,731.68	\$1,284.00	\$385.20	\$764,986.24	74.98	\$1,020,271.68
2030	\$764,986.24	\$0.00	\$140,000.00	\$194.44	\$5,841.89	\$1,530.00	\$459.00	\$900,215.35	79.94	\$1,126,147.17
2031	\$900,215.35	\$0.00	\$140,000.00	\$194.44	\$1,583.46	\$1,800.00	\$540.00	\$1,039,891.89	84.05	\$1,237,279.76
2032	\$1,039,891.89	\$0.00	\$140,000.00	\$194.44	\$8,350.55	\$2,080.00	\$624.00	\$1,172,997.34	87.36	\$1,342,759.42
2033	\$1,172,997.34	\$0.00	\$140,000.00	\$194.44	\$165,369.75	\$2,346.00	\$703.80	\$1,149,269.79	88.38	\$1,300,437.45
2034	\$1,149,269.79	\$0.00	\$140,000.00	\$194.44	\$28,169.15	\$2,299.00	\$689.70	\$1,262,709.94	90.67	\$1,392,697.53
2035	\$1,262,709.94	\$0.00	\$140,000.00	\$194.44	\$6,059.48	\$2,525.00	\$757.50	\$1,398,417.96	92.80	\$1,506,877.14
2036	\$1,398,417.96	\$0.00	\$140,000.00	\$194.44	\$9,912.60	\$2,797.00	\$839.10	\$1,530,463.26	94.63	\$1,617,379.66
2037	\$1,530,463.26	\$0.00	\$140,000.00	\$194.44	\$27,075.36	\$3,061.00	\$918.30	\$1,645,530.60	96.16	\$1,711,164.02
2038	\$1,645,530.60	\$0.00	\$140,000.00	\$194.44	\$203,393.63	\$3,291.00	\$987.30	\$1,584,440.67	96.74	\$1,637,864.63
2039	\$1,584,440.67	\$0.00	\$145,000.00	\$201.39	\$23,829.89	\$3,169.00	\$950.70	\$1,707,829.08	98.23	\$1,738,607.73
2040	\$1,707,829.08	\$0.00	\$150,000.00	\$208.33	\$6,198.18	\$3,416.00	\$1,024.80	\$1,854,022.10	99.94	\$1,855,142.88
2041	\$1,854,022.10	\$0.00	\$152,000.00	\$211.11	\$1,614,827.55	\$3,708.00	\$1,112.40	\$393,790.15	89.96	\$437,731.74
2042	\$393,790.15	\$0.00	\$152,000.00	\$211.11	\$98,897.74	\$788.00	\$236.40	\$447,444.01	89.91	\$497,676.57
2043	\$447,444.01	\$0.00	\$154,000.00	\$213.89	\$227,661.46	\$895.00	\$268.50	\$374,409.05	84.64	\$442,355.42
2044	\$374,409.05	\$0.00	\$154,000.00	\$213.89	\$45,298.17	\$749.00	\$224.70	\$483,635.18	84.87	\$569,861.23
2045	\$483,635.18	\$0.00	\$158,000.00	\$219.44	\$13,891.75	\$967.00	\$290.10	\$628,420.33	85.76	\$732,754.08
2046	\$628,420.33	\$0.00	\$158,000.00	\$219.44	\$19,242.47	\$1,257.00	\$377.10	\$768,057.76	85.79	\$895,257.14
2047	\$768,057.76	\$0.00	\$158,000.00	\$219.44	\$40,452.59	\$1,536.00	\$460.80	\$886,680.37	85.08	\$1,042,229.66
2048	\$886,680.37	\$0.00	\$168,000.00	\$233.33	\$279,625.33	\$1,773.00	\$531.90	\$776,296.14	80.18	\$968,188.83
2049	\$776,296.14	\$0.00	\$168,000.00	\$233.33	\$32,025.38	\$1,553.00	\$465.90	\$913,357.86	80.10	\$1,140,238.83
2050	\$913,357.86	\$0.00	\$178,000.00	\$247.22	\$8,329.83	\$1,827.00	\$548.10	\$1,084,306.93	80.91	\$1,340,162.51
2051	\$1,084,306.93	\$0.00	\$178,000.00	\$247.22	\$22,307.30	\$2,169.00	\$650.70	\$1,241,517.93	81.13	\$1,530,341.23
2052	\$1,241,517.93	\$0.00	\$178,000.00	\$247.22	\$15,082.02	\$2,483.00	\$744.90	\$1,406,174.01	81.20	\$1,731,760.72
Total:			\$0.00	\$4,351,000.00		\$3,229,073.39	\$54,302.00	\$16,290.60		

30 Year Planned Expenditures

This is where you will spend your money in the next 30 years

2023

Exterior of Homes - Roof Asphalt Shingle Rejuvenation (Maintenance Treatment by Roof Maxx)	\$81,300.63
Garage - Community Access System (Done 2023)	\$1,000.00
Garage - Door Motors and Operators Replacement (Phase 01) (Done 2023)	\$3,000.00
Garage - Door Replacement (Phase 01) (Done 2023)	\$3,000.00
Total	\$88,300.63

2024

Garage - Door Motors and Operators Replacement (Phase 02)	\$3,090.00
Garage - Door Replacement (Phase 02)	\$3,090.00
Reserve Study - Update (Required per NRS116.31151)	\$1,287.50
Roads and Parking - Crack Seal	\$2,575.00
Roads and Parking - Surface Maintenance Treatment	\$14,008.00
Total	\$24,050.50

2025

Garage - Door Motors and Operators Replacement (Phase 03)	\$3,182.70
Garage - Door Replacement (Phase 03)	\$3,182.70
Reserve Study - Update (Required per NRS116.31151)	\$1,326.13
Total	\$7,691.53

2026

Garage - Door Motors and Operators Replacement (Phase 04)	\$3,278.18
Garage - Door Replacement (Phase 04)	\$3,278.18
Reserve Study - Update (Required per NRS116.31151)	\$1,365.91
Roads and Parking - Crack Seal	\$2,731.82
Total	\$10,654.09

2027

Garage - Door Motors and Operators Replacement (Phase 05)	\$3,376.53
Garage - Door Replacement (Phase 05)	\$3,376.53
Garage - Security Camera Replacement (Done 2017)	\$11,255.09
Reserve Study - Full Reserve Study (Done 2023)	\$2,982.60
Reserve Study - Update (Required per NRS116.31151)	\$1,406.89
Total	\$22,397.64

2028

Common Area - Concrete Repair or Replacement (Includes Common Patios Between Units)	\$2,898.19
Common Area - Entrance Signage Refurbishment (Wood)	\$5,796.37
Common Area - Landscaping - Irrigation Renovation	\$11,592.74
Common Area - Landscaping - Renovation (Plants, Bushes, Trees Replacement)	\$11,592.74
Exterior of Homes - Roof Asphalt Shingle Rejuvenation (Maintenance Treatment by Roof Maxx)	\$94,249.71
Exterior of Homes - Siding and Gutter Repairs	\$2,898.19
Exterior of Homes - Utilities/ Plumbing	\$5,796.37
Garage - Door Motors and Operators Replacement (Phase 06)	\$3,477.82
Garage - Door Replacement (Phase 06)	\$3,477.82
Garage - Exhaust Fans Replacement	\$2,898.19
Reserve Study - Update (Required per NRS116.31151)	\$1,449.09
Roads and Parking - Concrete Curb Gutter Replacement	\$5,796.37
Roads and Parking - Crack Seal	\$2,898.19
Total	\$154,821.79

2029

Reserve Study - Update (Required per NRS116.31151)	\$1,492.57
Roads and Parking - Surface Maintenance Treatment	\$16,239.11
Total	\$17,731.68

2030

Garage - Community Access System (Done 2023)	\$1,229.87
Reserve Study - Update (Required per NRS116.31151)	\$1,537.34
Roads and Parking - Crack Seal	\$3,074.68
Total	\$5,841.89

2031

Reserve Study - Update (Required per NRS116.31151)	\$1,583.46
Total	\$1,583.46

2032

Reserve Study - Full Reserve Study (Done 2023)	\$3,457.65
Reserve Study - Update (Required per NRS116.31151)	\$1,630.97
Roads and Parking - Crack Seal	\$3,261.93
Total	\$8,350.55

2033

Common Area - Concrete Repair or Replacement (Includes Common Patios Between Units)	\$3,359.79
Common Area - Landscaping - Irrigation Renovation	\$13,439.16
Common Area - Landscaping - Renovation (Plants, Bushes, Trees Replacement)	\$13,439.16
Exterior of Homes - Roof Asphalt Shingle Rejuvenation (Maintenance Treatment by Roof Maxx)	\$109,261.25
Exterior of Homes - Siding and Gutter Repairs	\$3,359.79
Exterior of Homes - Utilities/ Plumbing	\$6,719.58
Garage - Door Motors and Operators Replacement (Phase 01) (Done 2023)	\$4,031.75
Garage - Exhaust Fans Replacement	\$3,359.79
Reserve Study - Update (Required per NRS116.31151)	\$1,679.90
Roads and Parking - Concrete Curb Gutter Replacement	\$6,719.58
Total	\$165,369.75

2034

Garage - Door Motors and Operators Replacement (Phase 02)	\$4,152.70
Reserve Study - Update (Required per NRS116.31151)	\$1,730.29
Roads and Parking - Crack Seal	\$3,460.58
Roads and Parking - Surface Maintenance Treatment	\$18,825.58
Total	\$28,169.15

2035

Garage - Door Motors and Operators Replacement (Phase 03)	\$4,277.28
Reserve Study - Update (Required per NRS116.31151)	\$1,782.20
Total	\$6,059.48

2036

Garage - Door Motors and Operators Replacement (Phase 04)	\$4,405.60
Reserve Study - Update (Required per NRS116.31151)	\$1,835.67
Roads and Parking - Crack Seal	\$3,671.33
Total	\$9,912.60

2037

Garage - Community Access System (Done 2023)	\$1,512.59
Garage - Door Motors and Operators Replacement (Phase 05)	\$4,537.77
Garage - Security Camera Replacement (Done 2017)	\$15,125.90
Reserve Study - Full Reserve Study (Done 2023)	\$4,008.36
Reserve Study - Update (Required per NRS116.31151)	\$1,890.74
Total	\$27,075.36

2038

Common Area - Concrete Repair or Replacement (Includes Common Patios Between Units)	\$3,894.92
Common Area - Entrance Signage Refurbishment (Wood)	\$7,789.84
Common Area - Landscaping - Irrigation Renovation	\$15,579.67
Common Area - Landscaping - Renovation (Plants, Bushes, Trees Replacement)	\$15,579.67
Exterior of Homes - Roof Asphalt Shingle Rejuvenation (Maintenance Treatment by Roof Maxx)	\$126,663.73
Exterior of Homes - Siding and Gutter Repairs	\$3,894.92
Exterior of Homes - Utilities/ Plumbing	\$7,789.84
Garage - Door Motors and Operators Replacement (Phase 06)	\$4,673.90
Garage - Exhaust Fans Replacement	\$3,894.92
Reserve Study - Update (Required per NRS116.31151)	\$1,947.46
Roads and Parking - Concrete Curb Gutter Replacement	\$7,789.84
Roads and Parking - Crack Seal	\$3,894.92
Total	\$203,393.63

2039

Reserve Study - Update (Required per NRS116.31151)	\$2,005.88
Roads and Parking - Surface Maintenance Treatment	\$21,824.01
Total	\$23,829.89

2040

Reserve Study - Update (Required per NRS116.31151)	\$2,066.06
Roads and Parking - Crack Seal	\$4,132.12
Total	\$6,198.18

2041

Exterior of Homes - Roof Asphalt Shingle Replacement (Done 2002) (Using Whole Roof Health by Roof Maxx)	\$1,431,816.00
Reserve Study - Update (Required per NRS116.31151)	\$2,128.04
Roads and Parking - Reconstruction	\$180,883.51
Total	\$1,614,827.55

2042

Common Area - Lighting Replacement (Done 2012) (Lighting Along Walkways)	\$87,675.30
Reserve Study - Full Reserve Study (Done 2023)	\$4,646.79
Reserve Study - Update (Required per NRS116.31151)	\$2,191.88
Roads and Parking - Crack Seal	\$4,383.77
Total	\$98,897.74

2043

Common Area - Concrete Repair or Replacement (Includes Common Patios Between Units)	\$4,515.28
Common Area - Landscaping - Irrigation Renovation	\$18,061.11
Common Area - Landscaping - Renovation (Plants, Bushes, Trees Replacement)	\$18,061.11
Exterior of Homes - Roof Asphalt Shingle Rejuvenation (Maintenance Treatment by Roof Maxx)	\$146,837.98
Exterior of Homes - Siding and Gutter Repairs	\$4,515.28
Exterior of Homes - Utilities/ Plumbing	\$9,030.56
Garage - Door Motors and Operators Replacement (Phase 01) (Done 2023)	\$5,418.33
Garage - Door Replacement (Phase 01) (Done 2023)	\$5,418.33
Garage - Exhaust Fans Replacement	\$4,515.28
Reserve Study - Update (Required per NRS116.31151)	\$2,257.64
Roads and Parking - Concrete Curb Gutter Replacement	\$9,030.56
Total	\$227,661.46

2044

Garage - Community Access System (Done 2023)	\$1,860.29
Garage - Door Motors and Operators Replacement (Phase 02)	\$5,580.88
Garage - Door Replacement (Phase 02)	\$5,580.88
Reserve Study - Update (Required per NRS116.31151)	\$2,325.37
Roads and Parking - Crack Seal	\$4,650.74
Roads and Parking - Surface Maintenance Treatment	\$25,300.01
Total	\$45,298.17

2045

Garage - Door Motors and Operators Replacement (Phase 03)	\$5,748.31
Garage - Door Replacement (Phase 03)	\$5,748.31
Reserve Study - Update (Required per NRS116.31151)	\$2,395.13
Total	\$13,891.75

2046

Garage - Door Motors and Operators Replacement (Phase 04)	\$5,920.76
Garage - Door Replacement (Phase 04)	\$5,920.76
Reserve Study - Update (Required per NRS116.31151)	\$2,466.98
Roads and Parking - Crack Seal	\$4,933.97
Total	\$19,242.47

2047

Garage - Door Motors and Operators Replacement (Phase 05)	\$6,098.38
Garage - Door Replacement (Phase 05)	\$6,098.38
Garage - Security Camera Replacement (Done 2017)	\$20,327.94
Reserve Study - Full Reserve Study (Done 2023)	\$5,386.90
Reserve Study - Update (Required per NRS116.31151)	\$2,540.99
Total	\$40,452.59

2048

Common Area - Concrete Repair or Replacement (Includes Common Patios Between Units)	\$5,234.44
Common Area - Entrance Signage Refurbishment (Wood)	\$10,468.89
Common Area - Landscaping - Irrigation Renovation	\$20,937.78
Common Area - Landscaping - Renovation (Plants, Bushes, Trees Replacement)	\$20,937.78
Exterior of Homes - Roof Asphalt Shingle Rejuvenation (Maintenance Treatment by Roof Maxx)	\$170,225.46
Exterior of Homes - Siding and Gutter Repairs	\$5,234.44
Exterior of Homes - Utilities/ Plumbing	\$10,468.89
Garage - Door Motors and Operators Replacement (Phase 06)	\$6,281.33
Garage - Door Replacement (Phase 06)	\$6,281.33
Garage - Exhaust Fans Replacement	\$5,234.44
Reserve Study - Update (Required per NRS116.31151)	\$2,617.22
Roads and Parking - Concrete Curb Gutter Replacement	\$10,468.89
Roads and Parking - Crack Seal	\$5,234.44
Total	\$279,625.33

2049

Reserve Study - Update (Required per NRS116.31151)	\$2,695.74
Roads and Parking - Surface Maintenance Treatment	\$29,329.64
Total	\$32,025.38

2050

Reserve Study - Update (Required per NRS116.31151)	\$2,776.61
Roads and Parking - Crack Seal	\$5,553.22
Total	\$8,329.83

2051

Garage - Community Access System (Done 2023)	\$2,287.93
Garage - Stairway Wooden Steps Replacement	\$17,159.46
Reserve Study - Update (Required per NRS116.31151)	\$2,859.91
Total	\$22,307.30

2052

Reserve Study - Full Reserve Study (Done 2023)	\$6,244.90
Reserve Study - Update (Required per NRS116.31151)	\$2,945.71
Roads and Parking - Crack Seal	\$5,891.41
Total	\$15,082.02