

YOUR COMMUNITY

HOA RESERVE STUDY



Beginning Period: January 1, 2011

Ending: December 31, 2011

Prepared By:



Report Number: 10-001
Site Inspection Date: April 14, 2010
Report Submittal Date: May 1, 2010

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1.0 Funding Analysis

1.1 Funding Goals

Ultimately, the funding goals must be derived by the board elected by the HOA members. It is likely that full funding of the reserve account will require several years. This report documents the current projected reserve status over the next 30 years, as well as the projected reserve status over the next 30 years for minimum and maximum recommended funding option.

1.2 Reserve Fund Income

Income for the reserve fund is a function of monthly HOA fees paid by unit owners as well as interest paid on the account balance. The funding analysis was performed using both the present HOA fee rates, and recommended HOA fee rates, with associated after-tax interest income. The post-tax interest rate used for the analysis was 2%. Additionally, a rate of 3% was used to account for inflation. As of April 1, 2010, the monthly due per unit is \$105.00. Of the monthly due, \$8.37 is placed in the reserve account. This results in an annual contribution of \$6,428.16.

1.3 Projected Expenditures and Reserve Fund Needs

Projected expenditures and reserve fund needs are included in Table 1.1. The total anticipated expenditure per component over the study period has also been included. For components that have multiple recurrences over the study period the component life cycle is multiplied by the anticipated number of recurrences.

Table 1.1 – List of components and corresponding data used in the analysis.

Component Name	Useful Life	Year New	Remaining Life	Low Cost (\$)	High Cost (\$)	Unit	Quantity	Recur
Pitched Roof - Comp Shingle - Replace	30	2007	27	2.32	2.55	sf	79400	1
Gutters & Downspouts	30	2007	27	7.00	9.00	lf	3250	1
Wooden Trellis	10	2007	7	700	800	ea	12	3
Exterior Repair (Siding, Stucco, & Trim Repair)	30	2007	27	0	2000	unit	12	1
Stucco Surfaces - Repaint	12	2007	9	2.80	3.20	sf	73500	2
Asphalt - 2" Overlay	20	2007	17	0.94	1.03	sf	41800	1
Asphalt - Slurry Seal	5	2007	2	0.13	0.14	sf	41800	5
6" Concrete - Repair/Replace	30	2007	27	0	30000	LS	1	1
Lot/Street Striping	2	2007	-1	0.19	0.38	lf	576	15
Mailboxes - Replace	18	2007	15	6716	7388	ea	4	1
Street and Directional	10	2007	7	120	198	ea	14	3
Building Numbering	20	2007	17	80	110	ea	64	1
4' PVC Vinyl Fencing - Replace	18	2007	15	25.49	28.04	lf	970	1
Play Structures - Replace	15	2007	12	6064	6670	ea	1	2
3" Tot Lot Groundcover - Refill	3	2007	0	0.50	1.00	sf	400	10
Pole Light Fixtures - Replace	18	2007	15	3800	4180	ea	8	1
Street Lights - Replace	18	2007	15	300	330	ea	8	1
Landscape Renovation	30	2007	27	0	40000	LS	1	1
Tree Maintenance (Major Trimming)	10	2007	7	230	320	ea	15	3
Sprinkler System - Overhaul	30	2007	27	0	35000	LS	1	1

Figure 1.1 is a graphical representation of expenditures over the thirty year reserve study period. The light and dark blue bar columns represent anticipated expenditures based on the lowest, best cost scenario, and the high cost scenario, respectively. The corresponding light and dark blue lines indicates the capital in the reserve fund for the low and high expenditures, respectively, according to unit allotments recommended.

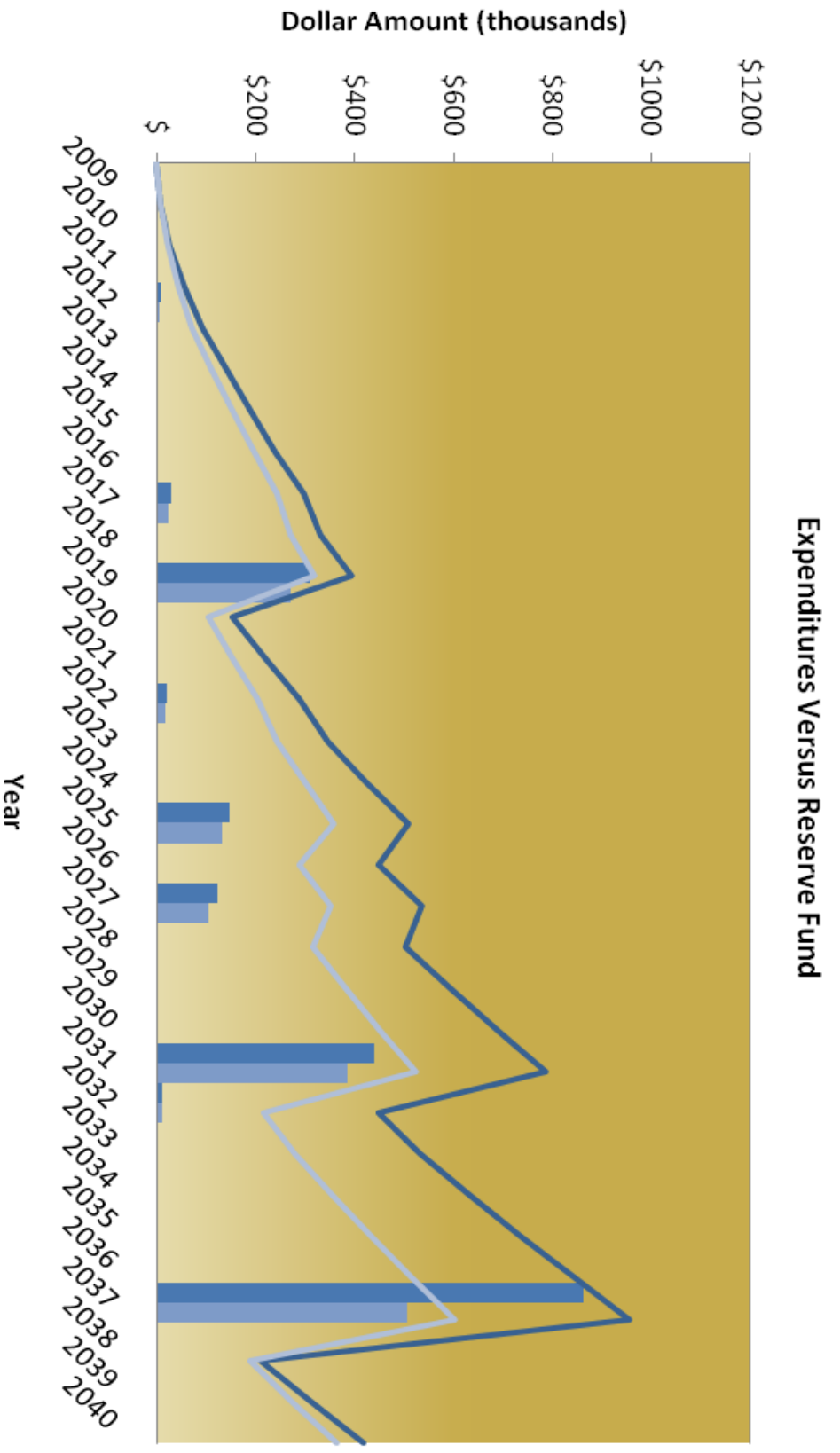


Figure 1.1 – Expenditures versus reserve fund for high and low component costs.

Component Name: Asphalt Slurry Seal
Component Number: Drive Materials 1002

Date of Photograph: Wednesday, April 14, 2010
Photograph By: Shaun Young



Component Duration

Component Life Expectancy: 5 years
Age of Component: 3 years
Remaining Component Life: 2 years

Component Cost

High Replacement Cost: \$5,977
Low Replacement Cost: \$5,434

Quantity Breakdown

Location	Quantity	Unit
Parking Areas 1 - 5	4063	SF
Old Arbor Lane	17000	SF
Fairgrove Lane	12380	SF
Songbird Drive	4080	SF
Greengrove Lane	2140	SF
Asbury Lane	5400	SF

General Description

The asphalt appeared to be in good condition with minor cracking. A slurry seal is recommended within the next two years. Slurry seal will help protect the asphalt from degradation by sealing cracks, preventing water seepage and damage. It also rejuvenates the surface and renews the oils, keeping the asphalt from becoming overly brittle.

Special Notes, Comments, and Considerations

Component Name: Roof
Component Number: Roofing 9001

Date of Photograph: Wednesday, April 14, 2010
Photograph By: Shaun Young



Component Duration

Component Life Expectancy: 30 years
Age of Component: 3 years
Remaining Component Life: 27 years

Component Cost

High Replacement Cost: \$ 202,629
Low Replacement Cost: \$ 184,208

Quantity Breakdown

Location	Quantity	Area
Six Unit Building	5	6728 sf
Four Unit Building	7	4640 sf

General Description

The roof was installed in 2007 and from the ground appears sound. No leaks or issues have been reported by the homeowners to property management. This asphalt shingle roof has a 30-year life span, and is recommended to be replaced between 2026 and 2028.

Special Notes, Comments, and Considerations