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Victoria Estates HOA Queen Creek, AZ



Report #: 15113-1
Beginning: January 1, 2022
Expires: December 31, 2022

RESERVE STUDY Update "With-Site-Visit"

September 11, 2021

Welcome to your Reserve Study!

A Reserve Study is a valuable tool to help you budget responsibly for your property. This report contains all the information you need to avoid surprise expenses, make informed decisions, save money, and protect property values.

Regardless of the property type, it's a fact of life that the very moment construction is completed, every major building component begins a predictable process of physical deterioration. The operative word is "predictable" because planning for the inevitable is what a Reserve Study by **Association Reserves** is all about!

In this Report, you will find three key results:

- **Component List**
Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.
- **Reserve Fund Strength**
A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.
- **Reserve Funding Plan**
A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

Questions?

Please contact your Project Manager directly.



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Victoria Estates HOA

Queen Creek, AZ

Level of Service: Update "With-Site-Visit"

Report #: 15113-1

of Units: 45

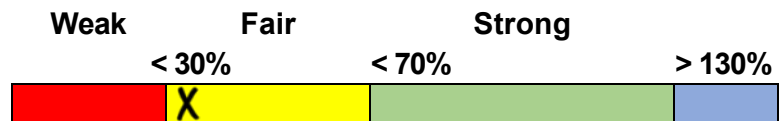
January 1, 2022 through December 31, 2022

Findings & Recommendations

as of January 1, 2022

Projected Starting Reserve Balance	\$112,163
Current Fully Funded Reserve Balance	\$323,781
Average Reserve Deficit (Surplus) Per Unit	\$4,703
Percent Funded	34.6 %
Current Monthly Reserve Contribution	\$1,099
Recommended 2022 Monthly Reserve Contribution	\$3,400
Recommended 2022 Special Assessments for Reserves	\$0

Reserve Fund Strength: 34.6%



Risk of Special Assessment:

High Medium Low

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	0.50 %
Annual Inflation Rate	3.00 %

This is an Update "With-Site-Visit" Reserve Study based on a prior report prepared by Association Reserves for your 2013 Fiscal Year. We performed the site inspection on 5/12/2021.

Update timing has been too long since the original study, so overall costs have increased more than estimated back in 2012. Additionally, funding was added to this analysis for eventual replacement of the irrigation system. These issues result in a sizable difference in this study's results compared to what was projected for 2022 in the original study.

The Reserve expense threshold for this analysis is \$1,000. That means any Reserve related expenses under the threshold are not funded in the Reserve Study and need to be paid from the Operating Budget.

Your Reserve Fund is 34.6 % Funded. This means the Reserve Fund status is Fair, and the HOA's risk of special assessments & deferred maintenance is currently Medium.

The objective of your multi-year Funding Plan is to Fully Fund Reserves, where associations enjoy a low risk of Reserve cash flow problems.

HOA funds Reserves based on a combination of owner assessments and transfer fees collected from home sales. Our recommendation reflects the total amount that should be contributed to Reserves, regardless of the income source.

Based on this starting point and anticipated future expenses, we recommend budgeting Monthly Reserve contributions of \$3,400. Nominal annual increases are scheduled to help offset inflation. Going forward, the contribution rate should be increased as illustrated on the 30-yr Summary Table. While this recommendation does reflect a significant increase over the amount currently being contributed to Reserves, it is relatively comparable to the 2022 contribution projected in the 2013 Reserve Study.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
COMMON AREA				
100	Monuments - Refurbish	20	6	\$10,000
110	Entry Walls - Repair/Paint	5	4	\$10,000
120	Entry Lights - Replace	10	6	\$2,500
380	Mailboxes - Replace	18	8	\$6,300
404	Park Benches - Replace	15	12	\$6,200
405	Park Furniture - Replace	18	4	\$6,100
410	Play Structure - Replace	20	6	\$60,000
411	Play Structure - Repair	5	2	\$3,500
418	Shade Screen - Replace	15	14	\$7,500
422	Playground Turf - Replace	20	6	\$10,400
424	Playground Turf - Repair	20	16	\$1,600
450	Ramada Roof - Replace	30	16	\$10,000
500	Block Walls - Repair	25	10	\$14,700
504	View Fence - Replace	30	15	\$140,000
540	Block & Metal - Repaint	6	0	\$27,000
LANDSCAPE & IRRIGATION				
600	Irrigation System - Replace	20	9	\$150,000
610	Irrig Controllers - Replace	15	0	\$3,600
630	Backflow Valve - Replace	20	10	\$1,500
640	Granite - Replenish (Streetscape)	10	9	\$6,000
642	Granite - Replenish (Grounds)	10	1	\$57,400
650	Landscape - Refurbish	10	9	\$25,000

21 Total Funded Components

Note 1: Yellow highlighted line items are expected to require attention in this initial year.

Introduction



A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.



Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology



For this [Update With-Site-Visit Reserve Study](#), we started with a review of your prior Reserve Study, then looked into recent Reserve expenditures, evaluated how expenditures are handled (ongoing maintenance vs Reserves), and researched any well-established association precedents. We performed an on-site inspection to evaluate your common areas, updating and adjusting your Reserve Component List as appropriate.

Which Physical Assets are Funded by Reserves?

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve



RESERVE COMPONENT "FOUR-PART TEST"

Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

How do we establish Useful Life and Remaining Useful Life estimates?

- 1) Visual Inspection (observed wear and age)
- 2) Association Reserves database of experience
- 3) Client History (install dates & previous life cycle information)
- 4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

- 1) Actual client cost history, or current proposals
- 2) Comparison to Association Reserves database of work done at similar associations
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

- 1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
- 2) Compare that to the Reserve Fund Balance, and express as a percentage.



Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

How much should we contribute?



RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*



FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Site Inspection Notes

During the site visit on 5/12/2021, I started by meeting with Community Manager Ryan Garrison from Vision Community Management. We spent time reviewing reserve related expenses and projects that have occurred in the recent past and are planned in the near future. After the meeting, I visually inspected the community entrance, park, and common areas.

Please see the Component Details Appendix at the end of this report for a detailed look at each component.



Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all of these expenses will take place as anticipated. This Reserve Study needs to be updated annually, because we expect the timing of expenses to shift and the size of the expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The chart below summarizes the projected future expenses at your association as defined by the Reserve Component List. A summary of these components is shown in the Component Details Table, while a summary of the expenses themselves is shown in the 30-yr Expense Summary Table.

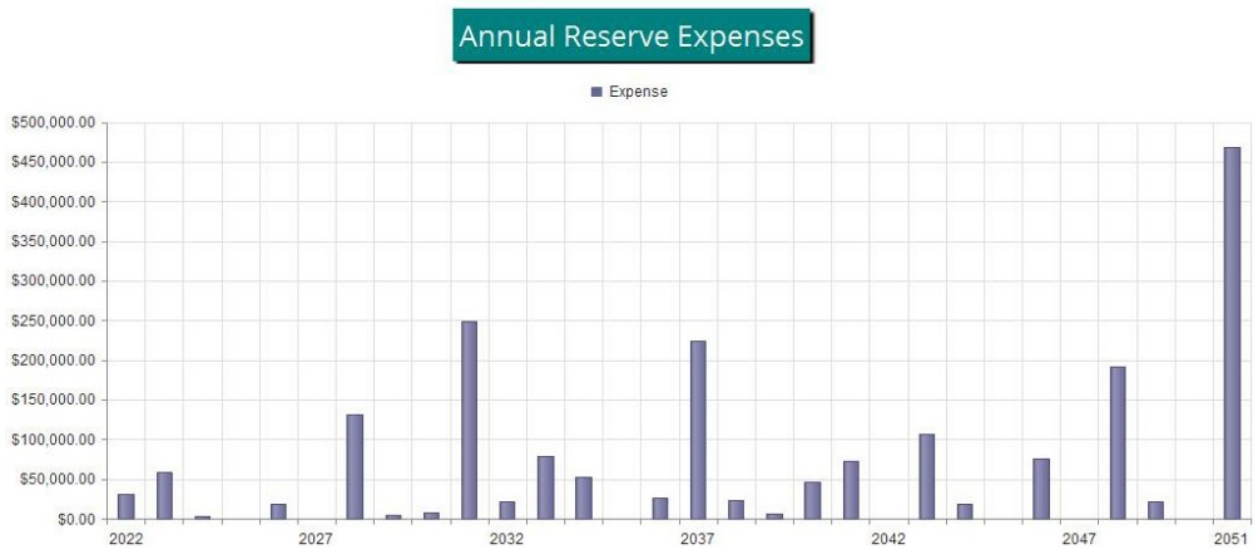


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$112,163 as-of the start of your fiscal year on 1/1/2022. This is based on your actual balance of \$115,416 on 1/31/2021 and anticipated Reserve contributions and expenses projected through the end of your Fiscal Year. As of 1/1/2022, your Fully Funded Balance is computed to be \$323,781. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to the Fully Funded Balance indicates Reserves are 34.6 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and cash flow requirements, we recommend budgeting Monthly Reserve contributions of \$3,400 this Fiscal Year. The overall 30-year plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

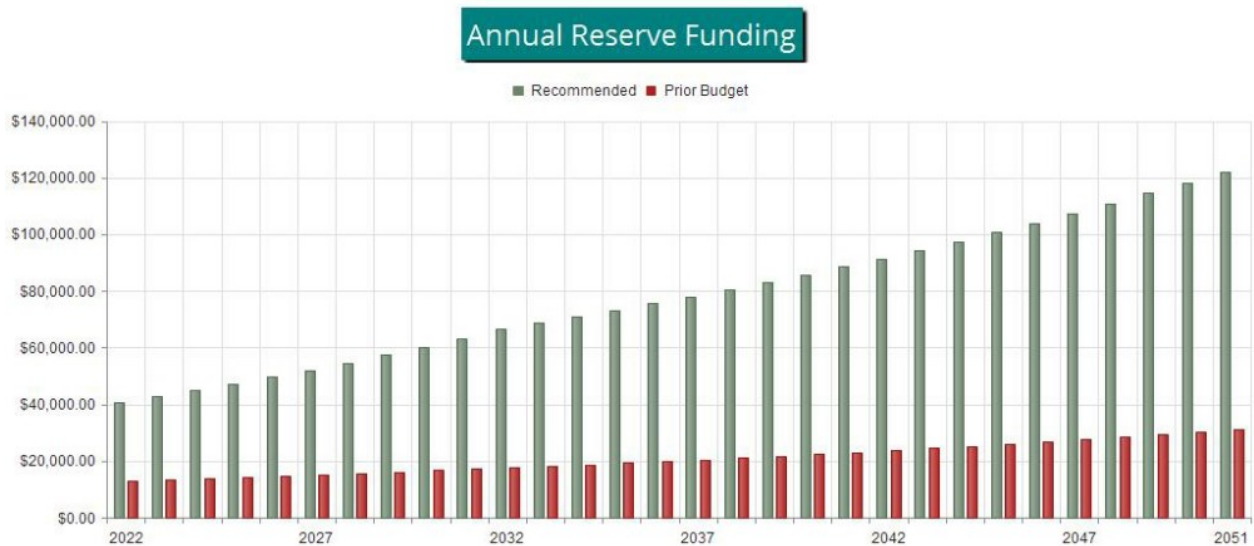


Figure 2

The following chart shows your Reserve balance under our recommended Funding Plan and your currently budgeted contribution rate, compared to the always-changing Fully Funded Balance target.

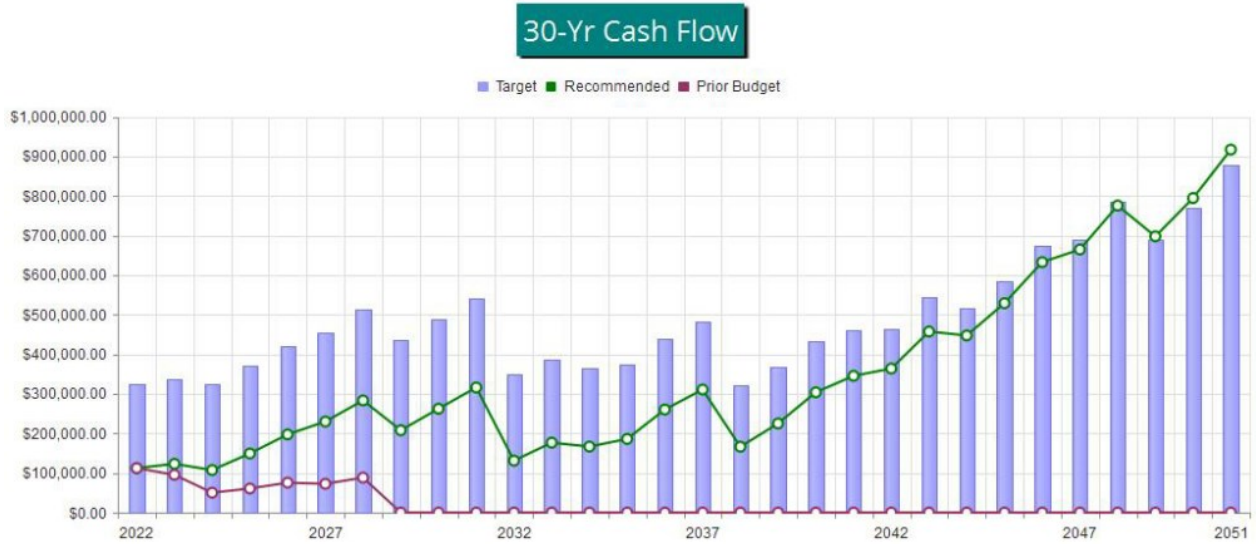


Figure 3

This chart shows the same information plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-year Funding Plan.

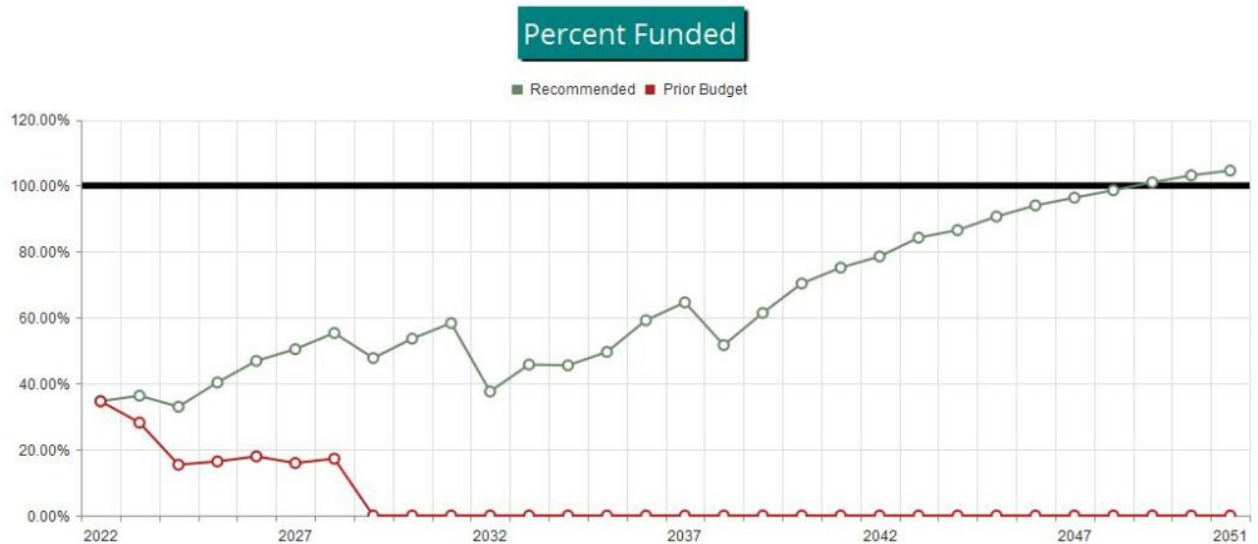


Figure 4



Executive Summary is a summary of your Reserve Components

Budget Summary is a management and accounting tool, summarizing groupings of your Reserve Components.

Reserve Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the property total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the property, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

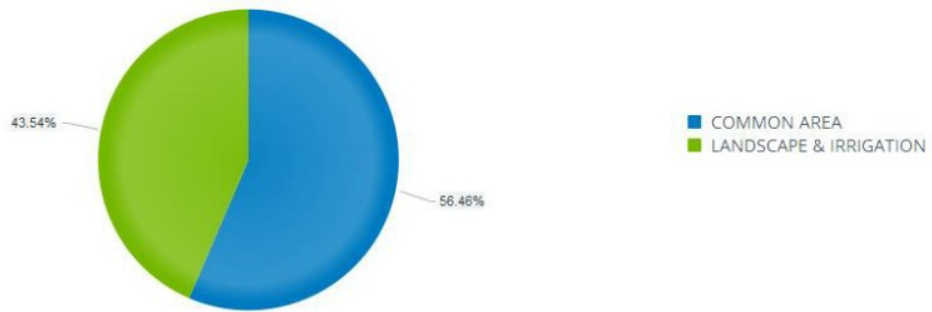


	Useful Life		2022 Rem. Useful Life		Estimated Replacement Cost in 2022	2022 Expenditures	01/01/2022 Current Fund Balance	01/01/2022 Fully Funded Balance	Remaining Bal. to be Funded	2022 Contributions
	Min	Max	Min	Max						
	COMMON AREA	5	30	0						
LANDSCAPE & IRRIGATION	10	20	0	10	\$243,500	\$3,600	\$55,260	\$141,610	\$188,240	\$19,198
					\$559,300	\$30,600	\$112,163	\$323,781	\$447,137	\$40,800

Percent Funded: 34.6%

Budget Summary

Percentage of Total Estimated Replacement Costs



#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate
COMMON AREA					
100	Monuments - Refurbish	(2) Monuments	20	6	\$10,000
110	Entry Walls - Repair/Paint	Approx 2,240 Sq Ft	5	4	\$10,000
120	Entry Lights - Replace	(10) Light Fixtures	10	6	\$2,500
380	Mailboxes - Replace	(3) 16-Box Clusters	18	8	\$6,300
404	Park Benches - Replace	(3) Benches	15	12	\$6,200
405	Park Furniture - Replace	(5) Pieces	18	4	\$6,100
410	Play Structure - Replace	(1) Little Tikes	20	6	\$60,000
411	Play Structure - Repair	(1) Little Tikes	5	2	\$3,500
418	Shade Screen - Replace	Approx 1,224 Sq Ft	15	14	\$7,500
422	Playground Turf - Replace	Approx 400 Sq Ft	20	6	\$10,400
424	Playground Turf - Repair	Approx 400 Sq Ft	20	16	\$1,600
450	Ramada Roof - Replace	(1) Ramada: 440 Sq Ft	30	16	\$10,000
500	Block Walls - Repair	Approx 19,640 Sq Ft	25	10	\$14,700
504	View Fence - Replace	Approx 3,900 LF	30	15	\$140,000
540	Block & Metal - Repaint	Walls, Fence & Rail	6	0	\$27,000
LANDSCAPE & IRRIGATION					
600	Irrigation System - Replace	Lines, Valves, Heads	20	9	\$150,000
610	Irrig Controllers - Replace	(2) Irritrol	15	0	\$3,600
630	Backflow Valve - Replace	(1) Febco, 2"	20	10	\$1,500
640	Granite - Replenish (Streetscape)	Approx 15,110 Sq Ft	10	9	\$6,000
642	Granite - Replenish (Grounds)	Approx 163,800 Sq Ft	10	1	\$57,400
650	Landscape - Refurbish	Plants & Trees	10	9	\$25,000
21	Total Funded Components				

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
COMMON AREA								
100	Monuments - Refurbish	\$10,000	X	14	/	20	=	\$7,000
110	Entry Walls - Repair/Paint	\$10,000	X	1	/	5	=	\$2,000
120	Entry Lights - Replace	\$2,500	X	4	/	10	=	\$1,000
380	Mailboxes - Replace	\$6,300	X	10	/	18	=	\$3,500
404	Park Benches - Replace	\$6,200	X	3	/	15	=	\$1,240
405	Park Furniture - Replace	\$6,100	X	14	/	18	=	\$4,744
410	Play Structure - Replace	\$60,000	X	14	/	20	=	\$42,000
411	Play Structure - Repair	\$3,500	X	3	/	5	=	\$2,100
418	Shade Screen - Replace	\$7,500	X	1	/	15	=	\$500
422	Playground Turf - Replace	\$10,400	X	14	/	20	=	\$7,280
424	Playground Turf - Repair	\$1,600	X	4	/	20	=	\$320
450	Ramada Roof - Replace	\$10,000	X	14	/	30	=	\$4,667
500	Block Walls - Repair	\$14,700	X	15	/	25	=	\$8,820
504	View Fence - Replace	\$140,000	X	15	/	30	=	\$70,000
540	Block & Metal - Repaint	\$27,000	X	6	/	6	=	\$27,000
LANDSCAPE & IRRIGATION								
600	Irrigation System - Replace	\$150,000	X	11	/	20	=	\$82,500
610	Irrig Controllers - Replace	\$3,600	X	15	/	15	=	\$3,600
630	Backflow Valve - Replace	\$1,500	X	10	/	20	=	\$750
640	Granite - Replenish (Streetscape)	\$6,000	X	1	/	10	=	\$600
642	Granite - Replenish (Grounds)	\$57,400	X	9	/	10	=	\$51,660
650	Landscape - Refurbish	\$25,000	X	1	/	10	=	\$2,500
								\$323,781

# Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
COMMON AREA				
100 Monuments - Refurbish	20	\$10,000	\$500	1.41 %
110 Entry Walls - Repair/Paint	5	\$10,000	\$2,000	5.65 %
120 Entry Lights - Replace	10	\$2,500	\$250	0.71 %
380 Mailboxes - Replace	18	\$6,300	\$350	0.99 %
404 Park Benches - Replace	15	\$6,200	\$413	1.17 %
405 Park Furniture - Replace	18	\$6,100	\$339	0.96 %
410 Play Structure - Replace	20	\$60,000	\$3,000	8.48 %
411 Play Structure - Repair	5	\$3,500	\$700	1.98 %
418 Shade Screen - Replace	15	\$7,500	\$500	1.41 %
422 Playground Turf - Replace	20	\$10,400	\$520	1.47 %
424 Playground Turf - Repair	20	\$1,600	\$80	0.23 %
450 Ramada Roof - Replace	30	\$10,000	\$333	0.94 %
500 Block Walls - Repair	25	\$14,700	\$588	1.66 %
504 View Fence - Replace	30	\$140,000	\$4,667	13.18 %
540 Block & Metal - Repaint	6	\$27,000	\$4,500	12.71 %
LANDSCAPE & IRRIGATION				
600 Irrigation System - Replace	20	\$150,000	\$7,500	21.19 %
610 Irrig Controllers - Replace	15	\$3,600	\$240	0.68 %
630 Backflow Valve - Replace	20	\$1,500	\$75	0.21 %
640 Granite - Replenish (Streetscape)	10	\$6,000	\$600	1.70 %
642 Granite - Replenish (Grounds)	10	\$57,400	\$5,740	16.22 %
650 Landscape - Refurbish	10	\$25,000	\$2,500	7.06 %
21 Total Funded Components			\$35,395	100.00 %

Fiscal Year Start: 2022

Interest: 0.50 %

Inflation: 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date	Projected Reserve Balance Changes
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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase		Loan or Special Assmts	Interest Income	Reserve Expenses
					In Annual Reserve Contribs.	Reserve Contribs.			
2022	\$112,163	\$323,781	34.6 %	Medium	209.37 %	\$40,800	\$0	\$588	\$30,600
2023	\$122,951	\$338,434	36.3 %	Medium	5.00 %	\$42,840	\$0	\$575	\$59,122
2024	\$107,244	\$325,242	33.0 %	Medium	5.00 %	\$44,982	\$0	\$641	\$3,713
2025	\$149,154	\$369,852	40.3 %	Medium	5.00 %	\$47,231	\$0	\$866	\$0
2026	\$197,251	\$420,785	46.9 %	Medium	5.00 %	\$49,593	\$0	\$1,067	\$18,121
2027	\$229,790	\$455,777	50.4 %	Medium	5.00 %	\$52,072	\$0	\$1,282	\$0
2028	\$283,144	\$511,714	55.3 %	Medium	5.00 %	\$54,676	\$0	\$1,227	\$131,226
2029	\$207,821	\$435,434	47.7 %	Medium	5.00 %	\$57,410	\$0	\$1,175	\$4,305
2030	\$262,101	\$488,901	53.6 %	Medium	5.00 %	\$60,280	\$0	\$1,445	\$7,981
2031	\$315,845	\$541,531	58.3 %	Medium	5.00 %	\$63,294	\$0	\$1,117	\$249,212
2032	\$131,044	\$348,657	37.6 %	Medium	5.00 %	\$66,459	\$0	\$769	\$21,771
2033	\$176,500	\$385,687	45.8 %	Medium	3.25 %	\$68,619	\$0	\$857	\$79,455
2034	\$166,522	\$365,884	45.5 %	Medium	3.25 %	\$70,849	\$0	\$881	\$52,325
2035	\$185,926	\$374,945	49.6 %	Medium	3.25 %	\$73,152	\$0	\$1,115	\$0
2036	\$260,193	\$439,731	59.2 %	Medium	3.25 %	\$75,529	\$0	\$1,427	\$26,470
2037	\$310,678	\$480,803	64.6 %	Medium	3.25 %	\$77,984	\$0	\$1,192	\$223,724
2038	\$166,129	\$321,591	51.7 %	Medium	3.25 %	\$80,518	\$0	\$978	\$22,626
2039	\$224,999	\$366,436	61.4 %	Medium	3.25 %	\$83,135	\$0	\$1,321	\$5,785
2040	\$303,670	\$431,729	70.3 %	Low	3.25 %	\$85,837	\$0	\$1,622	\$45,966
2041	\$345,163	\$459,402	75.1 %	Low	3.25 %	\$88,627	\$0	\$1,772	\$71,894
2042	\$363,668	\$463,061	78.5 %	Low	3.25 %	\$91,507	\$0	\$2,052	\$0
2043	\$457,226	\$542,798	84.2 %	Low	3.25 %	\$94,481	\$0	\$2,261	\$106,781
2044	\$447,187	\$516,919	86.5 %	Low	3.25 %	\$97,551	\$0	\$2,439	\$18,395
2045	\$528,783	\$583,335	90.6 %	Low	3.25 %	\$100,722	\$0	\$2,902	\$0
2046	\$632,407	\$672,787	94.0 %	Low	3.25 %	\$103,995	\$0	\$3,241	\$75,213
2047	\$664,431	\$689,610	96.3 %	Low	3.25 %	\$107,375	\$0	\$3,599	\$0
2048	\$775,405	\$786,632	98.6 %	Low	3.25 %	\$110,865	\$0	\$3,682	\$192,368
2049	\$697,583	\$690,715	101.0 %	Low	3.25 %	\$114,468	\$0	\$3,729	\$21,547
2050	\$794,234	\$770,225	103.1 %	Low	3.25 %	\$118,188	\$0	\$4,276	\$0
2051	\$916,698	\$876,743	104.6 %	Low	3.25 %	\$122,029	\$0	\$3,728	\$467,778

Fiscal Year	2022	2023	2024	2025	2026
Starting Reserve Balance	\$112,163	\$122,951	\$107,244	\$149,154	\$197,251
Annual Reserve Contribution	\$40,800	\$42,840	\$44,982	\$47,231	\$49,593
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$588	\$575	\$641	\$866	\$1,067
Total Income	\$153,551	\$166,366	\$152,867	\$197,251	\$247,911
# Component					
COMMON AREA					
100 Monuments - Refurbish	\$0	\$0	\$0	\$0	\$0
110 Entry Walls - Repair/Paint	\$0	\$0	\$0	\$0	\$11,255
120 Entry Lights - Replace	\$0	\$0	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Park Benches - Replace	\$0	\$0	\$0	\$0	\$0
405 Park Furniture - Replace	\$0	\$0	\$0	\$0	\$6,866
410 Play Structure - Replace	\$0	\$0	\$0	\$0	\$0
411 Play Structure - Repair	\$0	\$0	\$3,713	\$0	\$0
418 Shade Screen - Replace	\$0	\$0	\$0	\$0	\$0
422 Playground Turf - Replace	\$0	\$0	\$0	\$0	\$0
424 Playground Turf - Repair	\$0	\$0	\$0	\$0	\$0
450 Ramada Roof - Replace	\$0	\$0	\$0	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$0	\$0	\$0
504 View Fence - Replace	\$0	\$0	\$0	\$0	\$0
540 Block & Metal - Repaint	\$27,000	\$0	\$0	\$0	\$0
LANDSCAPE & IRRIGATION					
600 Irrigation System - Replace	\$0	\$0	\$0	\$0	\$0
610 Irrig Controllers - Replace	\$3,600	\$0	\$0	\$0	\$0
630 Backflow Valve - Replace	\$0	\$0	\$0	\$0	\$0
640 Granite - Replenish (Streetscape)	\$0	\$0	\$0	\$0	\$0
642 Granite - Replenish (Grounds)	\$0	\$59,122	\$0	\$0	\$0
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$30,600	\$59,122	\$3,713	\$0	\$18,121
Ending Reserve Balance	\$122,951	\$107,244	\$149,154	\$197,251	\$229,790

Fiscal Year	2027	2028	2029	2030	2031
Starting Reserve Balance	\$229,790	\$283,144	\$207,821	\$262,101	\$315,845
Annual Reserve Contribution	\$52,072	\$54,676	\$57,410	\$60,280	\$63,294
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,282	\$1,227	\$1,175	\$1,445	\$1,117
Total Income	\$283,144	\$339,047	\$266,405	\$323,825	\$380,256
# Component					
COMMON AREA					
100 Monuments - Refurbish	\$0	\$11,941	\$0	\$0	\$0
110 Entry Walls - Repair/Paint	\$0	\$0	\$0	\$0	\$13,048
120 Entry Lights - Replace	\$0	\$2,985	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$0	\$0	\$7,981	\$0
404 Park Benches - Replace	\$0	\$0	\$0	\$0	\$0
405 Park Furniture - Replace	\$0	\$0	\$0	\$0	\$0
410 Play Structure - Replace	\$0	\$71,643	\$0	\$0	\$0
411 Play Structure - Repair	\$0	\$0	\$4,305	\$0	\$0
418 Shade Screen - Replace	\$0	\$0	\$0	\$0	\$0
422 Playground Turf - Replace	\$0	\$12,418	\$0	\$0	\$0
424 Playground Turf - Repair	\$0	\$0	\$0	\$0	\$0
450 Ramada Roof - Replace	\$0	\$0	\$0	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$0	\$0	\$0
504 View Fence - Replace	\$0	\$0	\$0	\$0	\$0
540 Block & Metal - Repaint	\$0	\$32,239	\$0	\$0	\$0
LANDSCAPE & IRRIGATION					
600 Irrigation System - Replace	\$0	\$0	\$0	\$0	\$195,716
610 Irrig Controllers - Replace	\$0	\$0	\$0	\$0	\$0
630 Backflow Valve - Replace	\$0	\$0	\$0	\$0	\$0
640 Granite - Replenish (Streetscape)	\$0	\$0	\$0	\$0	\$7,829
642 Granite - Replenish (Grounds)	\$0	\$0	\$0	\$0	\$0
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$32,619
Total Expenses	\$0	\$131,226	\$4,305	\$7,981	\$249,212
Ending Reserve Balance	\$283,144	\$207,821	\$262,101	\$315,845	\$131,044

Fiscal Year	2032	2033	2034	2035	2036
Starting Reserve Balance	\$131,044	\$176,500	\$166,522	\$185,926	\$260,193
Annual Reserve Contribution	\$66,459	\$68,619	\$70,849	\$73,152	\$75,529
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$769	\$857	\$881	\$1,115	\$1,427
Total Income	\$198,272	\$245,977	\$238,252	\$260,193	\$337,148
# Component					
COMMON AREA					
100 Monuments - Refurbish	\$0	\$0	\$0	\$0	\$0
110 Entry Walls - Repair/Paint	\$0	\$0	\$0	\$0	\$15,126
120 Entry Lights - Replace	\$0	\$0	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Park Benches - Replace	\$0	\$0	\$8,840	\$0	\$0
405 Park Furniture - Replace	\$0	\$0	\$0	\$0	\$0
410 Play Structure - Replace	\$0	\$0	\$0	\$0	\$0
411 Play Structure - Repair	\$0	\$0	\$4,990	\$0	\$0
418 Shade Screen - Replace	\$0	\$0	\$0	\$0	\$11,344
422 Playground Turf - Replace	\$0	\$0	\$0	\$0	\$0
424 Playground Turf - Repair	\$0	\$0	\$0	\$0	\$0
450 Ramada Roof - Replace	\$0	\$0	\$0	\$0	\$0
500 Block Walls - Repair	\$19,756	\$0	\$0	\$0	\$0
504 View Fence - Replace	\$0	\$0	\$0	\$0	\$0
540 Block & Metal - Repaint	\$0	\$0	\$38,496	\$0	\$0
LANDSCAPE & IRRIGATION					
600 Irrigation System - Replace	\$0	\$0	\$0	\$0	\$0
610 Irrig Controllers - Replace	\$0	\$0	\$0	\$0	\$0
630 Backflow Valve - Replace	\$2,016	\$0	\$0	\$0	\$0
640 Granite - Replenish (Streetscape)	\$0	\$0	\$0	\$0	\$0
642 Granite - Replenish (Grounds)	\$0	\$79,455	\$0	\$0	\$0
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$21,771	\$79,455	\$52,325	\$0	\$26,470
Ending Reserve Balance	\$176,500	\$166,522	\$185,926	\$260,193	\$310,678

Fiscal Year	2037	2038	2039	2040	2041
Starting Reserve Balance	\$310,678	\$166,129	\$224,999	\$303,670	\$345,163
Annual Reserve Contribution	\$77,984	\$80,518	\$83,135	\$85,837	\$88,627
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,192	\$978	\$1,321	\$1,622	\$1,772
Total Income	\$389,854	\$247,625	\$309,455	\$391,129	\$435,561
# Component					
COMMON AREA					
100 Monuments - Refurbish	\$0	\$0	\$0	\$0	\$0
110 Entry Walls - Repair/Paint	\$0	\$0	\$0	\$0	\$17,535
120 Entry Lights - Replace	\$0	\$4,012	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Park Benches - Replace	\$0	\$0	\$0	\$0	\$0
405 Park Furniture - Replace	\$0	\$0	\$0	\$0	\$0
410 Play Structure - Replace	\$0	\$0	\$0	\$0	\$0
411 Play Structure - Repair	\$0	\$0	\$5,785	\$0	\$0
418 Shade Screen - Replace	\$0	\$0	\$0	\$0	\$0
422 Playground Turf - Replace	\$0	\$0	\$0	\$0	\$0
424 Playground Turf - Repair	\$0	\$2,568	\$0	\$0	\$0
450 Ramada Roof - Replace	\$0	\$16,047	\$0	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$0	\$0	\$0
504 View Fence - Replace	\$218,115	\$0	\$0	\$0	\$0
540 Block & Metal - Repaint	\$0	\$0	\$0	\$45,966	\$0
LANDSCAPE & IRRIGATION					
600 Irrigation System - Replace	\$0	\$0	\$0	\$0	\$0
610 Irrig Controllers - Replace	\$5,609	\$0	\$0	\$0	\$0
630 Backflow Valve - Replace	\$0	\$0	\$0	\$0	\$0
640 Granite - Replenish (Streetscape)	\$0	\$0	\$0	\$0	\$10,521
642 Granite - Replenish (Grounds)	\$0	\$0	\$0	\$0	\$0
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$43,838
Total Expenses	\$223,724	\$22,626	\$5,785	\$45,966	\$71,894
Ending Reserve Balance	\$166,129	\$224,999	\$303,670	\$345,163	\$363,668

Fiscal Year	2042	2043	2044	2045	2046
Starting Reserve Balance	\$363,668	\$457,226	\$447,187	\$528,783	\$632,407
Annual Reserve Contribution	\$91,507	\$94,481	\$97,551	\$100,722	\$103,995
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$2,052	\$2,261	\$2,439	\$2,902	\$3,241
Total Income	\$457,226	\$553,968	\$547,178	\$632,407	\$739,644
# Component					
COMMON AREA					
100 Monuments - Refurbish	\$0	\$0	\$0	\$0	\$0
110 Entry Walls - Repair/Paint	\$0	\$0	\$0	\$0	\$20,328
120 Entry Lights - Replace	\$0	\$0	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Park Benches - Replace	\$0	\$0	\$0	\$0	\$0
405 Park Furniture - Replace	\$0	\$0	\$11,688	\$0	\$0
410 Play Structure - Replace	\$0	\$0	\$0	\$0	\$0
411 Play Structure - Repair	\$0	\$0	\$6,706	\$0	\$0
418 Shade Screen - Replace	\$0	\$0	\$0	\$0	\$0
422 Playground Turf - Replace	\$0	\$0	\$0	\$0	\$0
424 Playground Turf - Repair	\$0	\$0	\$0	\$0	\$0
450 Ramada Roof - Replace	\$0	\$0	\$0	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$0	\$0	\$0
504 View Fence - Replace	\$0	\$0	\$0	\$0	\$0
540 Block & Metal - Repaint	\$0	\$0	\$0	\$0	\$54,885
LANDSCAPE & IRRIGATION					
600 Irrigation System - Replace	\$0	\$0	\$0	\$0	\$0
610 Irrig Controllers - Replace	\$0	\$0	\$0	\$0	\$0
630 Backflow Valve - Replace	\$0	\$0	\$0	\$0	\$0
640 Granite - Replenish (Streetscape)	\$0	\$0	\$0	\$0	\$0
642 Granite - Replenish (Grounds)	\$0	\$106,781	\$0	\$0	\$0
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$106,781	\$18,395	\$0	\$75,213
Ending Reserve Balance	\$457,226	\$447,187	\$528,783	\$632,407	\$664,431

Fiscal Year	2047	2048	2049	2050	2051
Starting Reserve Balance	\$664,431	\$775,405	\$697,583	\$794,234	\$916,698
Annual Reserve Contribution	\$107,375	\$110,865	\$114,468	\$118,188	\$122,029
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,599	\$3,682	\$3,729	\$4,276	\$3,728
Total Income	\$775,405	\$889,951	\$815,780	\$916,698	\$1,042,455
# Component					
COMMON AREA					
100 Monuments - Refurbish	\$0	\$21,566	\$0	\$0	\$0
110 Entry Walls - Repair/Paint	\$0	\$0	\$0	\$0	\$23,566
120 Entry Lights - Replace	\$0	\$5,391	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$13,587	\$0	\$0	\$0
404 Park Benches - Replace	\$0	\$0	\$13,772	\$0	\$0
405 Park Furniture - Replace	\$0	\$0	\$0	\$0	\$0
410 Play Structure - Replace	\$0	\$129,395	\$0	\$0	\$0
411 Play Structure - Repair	\$0	\$0	\$7,775	\$0	\$0
418 Shade Screen - Replace	\$0	\$0	\$0	\$0	\$17,674
422 Playground Turf - Replace	\$0	\$22,429	\$0	\$0	\$0
424 Playground Turf - Repair	\$0	\$0	\$0	\$0	\$0
450 Ramada Roof - Replace	\$0	\$0	\$0	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$0	\$0	\$0
504 View Fence - Replace	\$0	\$0	\$0	\$0	\$0
540 Block & Metal - Repaint	\$0	\$0	\$0	\$0	\$0
LANDSCAPE & IRRIGATION					
600 Irrigation System - Replace	\$0	\$0	\$0	\$0	\$353,485
610 Irrig Controllers - Replace	\$0	\$0	\$0	\$0	\$0
630 Backflow Valve - Replace	\$0	\$0	\$0	\$0	\$0
640 Granite - Replenish (Streetscape)	\$0	\$0	\$0	\$0	\$14,139
642 Granite - Replenish (Grounds)	\$0	\$0	\$0	\$0	\$0
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$58,914
Total Expenses	\$0	\$192,368	\$21,547	\$0	\$467,778
Ending Reserve Balance	\$775,405	\$697,583	\$794,234	\$916,698	\$574,677



Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. DJ Vlaming, R.S., company president, is a credentialed Reserve Specialist (#61). All work done by Association Reserves is performed under his Responsible Charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

Per NRSS, information provided by official representative(s) of the client, vendors, and suppliers regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable, and is not intended to be used for the purpose of any type of audit, quality/forensic analysis, or background checks of historical records. As such, information provided to us has not been audited or independently verified.

Estimates for interest and inflation have been included, because including such estimates are more accurate than ignoring them completely. When we are hired to prepare Update reports, the client is considered to have deemed those previously developed component quantities as accurate and reliable, whether established by our firm or other individuals/firms (unless specifically mentioned in our Site Inspection Notes). During inspections our company standard is to establish measurements within 5% accuracy, and our scope includes visual inspection of accessible areas and components and does not include any destructive or other testing. Our work is done only for budget purposes. Uses or expectations outside our expertise and scope of work include, but are not limited to, project audit, quality inspection, and the identification of construction defects, hazardous materials, or dangerous conditions. Identifying hidden issues such as but not limited to plumbing or electrical problems are also outside our scope of work. Our estimates assume proper original installation & construction, adherence to recommended preventive maintenance, a stable economic environment, and do not consider frequency or severity of natural disasters. Our opinions of component Useful Life, Remaining Useful Life, and current or future cost estimates are not a warranty or guarantee of actual costs or timing.

Because the physical and financial status of the property, legislation, the economy, weather, owner expectations, and usage are all in a continual state of change over which we have no control, we do not expect that the events projected in this document will all occur exactly as planned. This Reserve Study is by nature a "one-year" document in need of being updated annually so that more accurate estimates can be incorporated. It is only because a long-term perspective improves the accuracy of near-term planning that this Report projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of expense projections and the funding necessary to prepare for those estimated expenses.

In this engagement our compensation is not contingent upon our conclusions, and our liability in any matter involving this Reserve Study is limited to our fee for services rendered.



Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)
Effective Age	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
Fully Funded Balance (FFB)	The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.
Inflation	Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on the "30-yr Income/Expense Detail" table.
Interest	Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.
Percent Funded	The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life (RUL)	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
Useful Life (UL)	The estimated time, in years, that a common area component can be expected to serve its intended function.



Component Details

The primary purpose of the Component Details appendix is to provide the reader with the basis of our funding assumptions resulting from the physical analysis and subsequent research. The information presented here represents a wide range of components that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding:

- 1) Common area repair & replacement responsibility
- 2) Component must have a limited useful life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of Annual operating expenses).

Not all of your components may have been found appropriate for reserve funding. In our judgment, the components meeting the above four criteria are shown with the Useful Life (how often the project is expected to occur), Remaining Useful Life (when the next instance of the expense will be) and representative market cost range termed “Best Cost” and “Worst Cost”. There are many factors that can result in a wide variety of potential costs, and we have attempted to present the cost range in which your actual expense will occur.

Where no Useful Life, Remaining Useful Life, or pricing exists, the component was deemed inappropriate for Reserve Funding.

COMMON AREA

Comp #: 100 Monuments - Refurbish**Quantity: (2) Monuments**

Location: Community entrance on Hawes Rd & Jude Dr

Funded?: Yes.

History: Installed in 2008.

Comments: Monuments consists of a tile wall surface with plastic lettering attached that spells out "Victoria Estates". Still in decent shape. This component funds to eventually replace the lettering and tile, plus improve landscaping in front of the monuments.

Useful Life:
20 yearsRemaining Life:
6 years

Best Case: \$ 10,000

Worst Case: \$ 10,000

Cost Source: AR Cost Database

Comp #: 110 Entry Walls - Repair/Paint**Quantity: Approx 2,240 Sq Ft**

Location: Community entrance on Hawes Rd & Jude Dr: Monuments & Perimeter Walls bordering entry

Funded?: Yes.

History: Repainted in 2021 for \$2,482. Previously painted in 2008.

Comments: HOA approved a proposal to repair and paint monument stucco in 2021. Project will also include painting just the entry portion of the perimeter walls to match the monuments. Due to high visibility, we recommend planning to repaint this area more frequently than the other community walls.

Useful Life:
5 yearsRemaining Life:
4 years

Best Case: \$ 10,000

Worst Case: \$ 10,000

Cost Source: Client Cost History

Comp #: 120 Entry Lights - Replace

Quantity: (10) Light Fixtures

Location: Community entrance on Hawes Rd & Jude Dr

Funded?: Yes.

History: Age is unknown. Previously installed around 2012.

Comments: Quantity includes (6) spot lights for the monuments and (10) well lights at the palm trees in the entry island. There is (1) Unique transformer for the lights too. The original monument lights were replaced with these LED spot lights, but the timing and cost is unknown. They do not appear newer though, but still in fair condition. Repair or replace individual fixtures as a maintenance expense. This component funds to replace all of the lights and transformer together.

Useful Life:
10 years

Remaining Life:
6 years



Best Case: \$ 2,500

Worst Case: \$ 2,500

Cost Source: AR Cost Database

Comp #: 200 Asphalt - Repave

Quantity: Numerous Sq Ft

Location: Streets throughout the community

Funded?: No. Streets in this community are public and not HOA maintained, so no Reserve funding has been allocated.

History: Installed in 2008.

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 220 Concrete - Repair

Quantity: Numerous Sq Ft

Location: Common area walkways

Funded?: No. There is a limited amount of HOA owned concrete. There is no expectancy to completely replace the concrete. HOA plans to repair or replace as needed with Operating funds, so no Reserve funding has been allocated.

History: Installed in 2008.

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 320 Street Lights - Replace

Quantity: (14) Pole Lights

Location: Bordering streets throughout the community

Funded?: No. Street lights are owned and maintained by the power company, not the HOA, so no Reserve funding has been allocated.

History: Installed in 2008.

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 380 Mailboxes - Replace

Quantity: (3) 16-Box Clusters

Location: Mounted on 198th Street, across from the park

Funded?: Yes.

History: Installed in 2012.

Comments: Mailbox clusters are physically intact but already appear very faded and weathered.

*(2) clusters with Mfg date 7/2012 & (1) cluster with Mfg date 12/2012

Useful Life:
18 years

Remaining Life:
8 years



Best Case: \$ 6,300

Worst Case: \$ 6,300

Cost Source: Internet Research

Comp #: 404 Park Benches - Replace

Quantity: (3) Benches

Location: Park on 198th Pl & Russet Rd

Funded?: Yes.

History: Age is unknown. Previously installed in 2008.

Comments: Park benches have been replaced in the recent past, but actual timing and cost are currently unknown. They still look newer and are in good condition.

Useful Life:
15 years

Remaining Life:
12 years



Best Case: \$ 6,200

Worst Case: \$ 6,200

Cost Source: Internet Research

Comp #: 405 Park Furniture - Replace

Quantity: (5) Pieces

Location: Park on 198th Pl & Russet Rd

Funded?: Yes.

History: Installed in 2008.

Comments: Pieces include (2) picnic tables, (1) trash can, and (2) Iron Mountain Forge barbecue grills. Furniture is still original and looks older and dirty. Still intact, functional, and in fair condition.

Useful Life:
18 years

Remaining Life:
4 years



Best Case: \$ 6,100

Worst Case: \$ 6,100

Cost Source: Internet Research

Comp #: 410 Play Structure - Replace

Quantity: (1) Little Tikes

Location: Park on 198th Pl & Russet Rd

Funded?: Yes.

History: Installed in 2008.

Comments: This is a large structure that consists of (3) main sections connected by crawl tubes. It also has (3) slides, (2) horizontal ladders, and other climbers. Structure is still intact but getting older. Normal wear and tear noted, but no signs of vandalism or damage. Holding up well for its age. Expect to replace structure before it physically wears out.

Useful Life:
20 years

Remaining Life:
6 years



Best Case: \$ 60,000

Worst Case: \$ 60,000

Cost Source: AR Cost Database

Comp #: 411 Play Structure - Repair

Quantity: (1) Little Tikes

Location: Park on 198th Pl & Russet Rd

Funded?: Yes.

History:

Comments: This component funds an allowance for repairs or replacement of pieces (slides, panels, etc.) due to vandalism or excessive use. No problems observed at the time of inspection.

Useful Life:
5 years

Remaining Life:
2 years



Best Case: \$ 3,500

Worst Case: \$ 3,500

Cost Source: AR Cost Allowance

Comp #: 418 Shade Screen - Replace

Quantity: Approx 1,224 Sq Ft

Location: Park on 198th Pl & Russet Rd

Funded?: Yes.

History: Replaced in 2021. Previously installed in 2008.

Comments: There were a couple holes in the screen material at the time of inspection, and the material appeared to be thinning. After the inspection, screen was damaged during a storm and was replaced through insurance.

Useful Life:
15 years

Remaining Life:
14 years



Best Case: \$ 7,500

Worst Case: \$ 7,500

Cost Source: AR Cost Database

Comp #: 420 Playground Sand - Replenish

Quantity: Approx 2,430 Sq Ft

Location: Park on 198th Pl & Russet Rd

Funded?: No. There is no expectancy to completely replace the sand. Expect to eventually replenish with a new 2" layer. Cost is below the Reserve expense threshold, so no funding has been allocated. Treat replenishing as a maintenance expense.

History: Installed in 2008.

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 422 Playground Turf - Replace

Quantity: Approx 400 Sq Ft

Location: Park on 198th Pl & Russet Rd

Funded?: Yes.

History: Installed in 2008.

Comments: This is a rubberized turf. Surface is old but there are no visible holes, cracks, or vandalism. Surface is somewhat hard, but it likely receives limited use. Replacement should be planned eventually.

Useful Life:
20 years

Remaining Life:
6 years



Best Case: \$ 10,400

Worst Case: \$ 10,400

Cost Source: AR Cost Database

Comp #: 424 Playground Turf - Repair

Quantity: Approx 400 Sq Ft

Location: Park on 198th Pl & Russet Rd

Funded?: Yes.

History: Installed in 2008.

Comments: This repair allowance is scheduled to cycle in between replacement of the turf to help prolong its life. There has been no reported history of repairs. At this point, we expect the turf will be replaced before any significant repair expenses will be incurred.

Useful Life:
20 years

Remaining Life:
16 years



Best Case: \$ 1,600

Worst Case: \$ 1,600

Cost Source: AR Cost Allowance

Comp #: 450 Ramada Roof - Replace

Quantity: (1) Ramada: 440 Sq Ft

Location: Park on 198th Pl & Russet Rd

Funded?: Yes.

History: Installed in 2008.

Comments: This is a pre-fabricated metal roof. No visible dents or damage. Still in good shape. Long life expectancy under normal circumstances. However, we feel it is prudent to plan for future replacement.

Useful Life:
30 years

Remaining Life:
16 years



Best Case: \$ 10,000

Worst Case: \$ 10,000

Cost Source: AR Cost Database

Comp #: 452 Ramada Trim - Repaint

Quantity: Approx 312 Sq Ft

Location: Park on 198th Pl & Russet Rd

Funded?: No. Cost to paint the metal support beams is too small for Reserve designation. Painting is included as part of the Block & Metal component.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 500 Block Walls - Repair

Quantity: Approx 19,640 Sq Ft

Location: Perimeter Walls, Monument Walls & Ramada Columns

Funded?: Yes.

History: Installed in 2007 - 2008.

Comments: Walls are expected to last the life of the community under normal circumstances. This component funds an allowance for repairs and partial replacement due to excessive settling or other sources of damage.

Useful Life:
25 years

Remaining Life:
10 years



Best Case: \$ 14,700

Worst Case: \$ 14,700

Cost Source: AR Cost Allowance

Comp #: 504 View Fence - Replace

Quantity: Approx 3,900 LF

Location: Community Perimeter

Funded?: Yes.

History: Installed in 2007 - 2008.

Comments: View fence is 2.5' to 3.5' high and mounted on top of the perimeter block walls. Fence is still intact and structurally sound but there is visible rusting. Long life expectancy due to being mounted off of the ground.

Useful Life:
30 years

Remaining Life:
15 years



Best Case: \$ 140,000

Worst Case: \$ 140,000

Cost Source: ARI Cost Database

Comp #: 530 Culvert Rail - Replace

Quantity: (1) Rail, ~12 LF

Location: Park on 198th Pl & Russet Rd

Funded?: No. This component has an extended life span with no expectancy to replace in the foreseeable future. Inspections and repairs should be addressed as a maintenance expense when needed. Painting is included as part of the Block & Metal component.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 540 Block & Metal - Repaint

Quantity: Walls, Fence & Rail

Location: Perimeter Walls (excludes entry walls), View Fence, Culvert Rail, Ramada Columns & Trim

Funded?: Yes.

History: Painted in 2007-08.

Comments: This component funds to repaint ~17,400 sq ft of block walls, 3,900 LF of view fence, 12 LF of culvert rail, and 310 sq ft of metal ramada trim. Wall surfaces are old and faded. Metal fence and rails are faded, rusting, and peeling. Overall poor condition. Repaint periodically to maintain the appearance and to inhibit rusting.

Useful Life:
6 years

Remaining Life:
0 years



Best Case: \$ 27,000

Worst Case: \$ 27,000

Cost Source: HOA's Proposal from EmpireWorks (888-278-8200)

LANDSCAPE & IRRIGATION

Comp #: 600 Irrigation System - Replace

Quantity: Lines, Valves, Heads

Location: Common areas throughout the community

Funded?: Yes.

History: Installed in 2008.

Comments: It is beyond the scope of this Reserve Study to quantify and assess conditions of the irrigation system. Landscaper provided a ballpark estimate to replace the system for ~\$150,000 and recommended planning to do this in roughly 10 years.

Repairs and partial replacements should be included in the annual landscape maintenance budget.

Useful Life:
20 years

Remaining Life:
9 years



Best Case: \$ 150,000

Worst Case: \$ 150,000

Cost Source: Estimate Provided by Client

Comp #: 610 Irrig Controllers - Replace

Quantity: (2) Irritrol

Location: Common areas throughout the community

Funded?: Yes.

History: Installed in 2007-08.

Comments: These controllers are older but still appear to be functional. Based on age, they should be nearing time for replacement.

*Controller 'A' - Model: MC-30 Plus, 30-Stations, Serial #102243, Date Code J0648

*Controller 'B' - Model: MC-12E, 12-Stations, Serial #101301, Date Code J0734

Useful Life:
15 years

Remaining Life:
0 years



Best Case: \$ 3,600

Worst Case: \$ 3,600

Cost Source: Internet Research

Comp #: 630 Backflow Valve - Replace

Quantity: (1) Febco, 2"

Location: Russet Rd cul-de-sac - inside block enclosure along the side of Lot 21 (near the park)

Funded?: Yes.

History: Replaced in 2012. Previously installed in 2008.

Comments: Backflow valves typically last a long time. They can often be repaired and rebuilt rather than replaced. Recommend repairing as-needed with Operating funds. This component funds long-term replacement.

*Model: 825Y, Size = 2", Serial #J025868

Useful Life:
20 years

Remaining Life:
10 years



Best Case: \$ 1,500

Worst Case: \$ 1,500

Cost Source: Internet Research

Comp #: 640 Granite - Replenish (Streetscape)

Quantity: Approx 15,110 Sq Ft

Location: Community entrance & common tracts bordering the streets

Funded?: Yes.

History: Replenished 1/2021 for \$5,720. Previously installed in 2007-08.

Comments: This section of granite was recently top dressed with a new layer of granite. Invoice shows that 88 tons were spread amongst all of the the streetscape tracts. Surfaces look full and are in good condition. Complete replacement of the landscape granite is not anticipated. Coverage will deplete over time, so this component funds an allowance to top dress the existing granite with a new 1" layer.

Useful Life:
10 years

Remaining Life:
9 years



Best Case: \$ 6,000

Worst Case: \$ 6,000

Cost Source: Client Cost History

Comp #: 642 Granite - Replenish (Grounds)

Quantity: Approx 163,800 Sq Ft

Location: Common areas throughout the community - excludes streetscape tracts

Funded?: Yes.

History: Installed in 2007-08.

Comments: Granite has been partially top dressed at times since 2007, but actual timing and costs are unknown. Most of the perimeter areas and other common tracts look older and have thinning coverage. Complete replacement of the landscape granite is not anticipated. Coverage will deplete over time, so this component funds an allowance to top dress the existing granite with a new 1" layer, which we estimate will require ~820 tons.

Useful Life:
10 years

Remaining Life:
1 years



Best Case: \$ 57,400

Worst Case: \$ 57,400

Cost Source: Client Cost History (Based on 2021 work)

Comp #: 650 Landscape - Refurbish

Quantity: Plants & Trees

Location: Common areas throughout the community

Funded?: Yes.

History: Refurbished 1/2021 for \$7,140 & 5/2020 for \$7,629.

Comments: HOA conducted a refurbish project during 2020 and early 2021 that primarily accounted for replacing missing/dead plants and trees. This component funds an allowance to conduct the same type of work periodically but at a higher cost to allow for more extensive replacements.

Useful Life:
10 years

Remaining Life:
9 years



Best Case: \$ 25,000

Worst Case: \$ 25,000

Cost Source: Estimate Provided by Client

Comp #: 654 Trees - Trim/Replace

Quantity: Approx (160) Trees

Location: Common areas throughout the community

Funded?: No. Trees should be trimmed and maintained annually. Partial replacement should be anticipated annually as well due to storm damage and disease. These expenses should be funded as an Operating expense through the Landscape Maintenance Budget.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 660 Drywells - Inspect/Clean

Quantity: (5) Drywells

Location: Common areas throughout the community

Funded?: No. Drywells need to be inspected and cleaned out periodically to ensure proper operation and to prevent failure. HOA will reportedly treat this as an Operating expense, so no Reserve funding has been allocated.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 662 Drywells - Partial Replace

Quantity: (5) Drywells

Location: Common areas throughout the community

Funded?: No. There is no expectancy to replace drywells under normal circumstances. Replacement is usually the result of improper installation or neglect. At the HOA's request, no funding has been allocated for partial replacement, since drywells will be inspected and cleaned regularly.

History: Installed in 2008.

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source: