

Veteran Owned Business

SPECIALIZING IN RESERVE STUDIES SINCE 1990
A PROFESSIONAL CORPORATION

APRA

Association of Professional Reserve Analysts

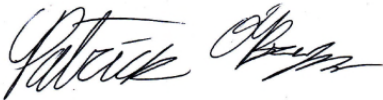
May 27, 2016

Landmark Mews Community Association
C/o Ms. P Gay Bridges, CMCA® AMS®
Vice President
Associa / SCS Management
4840 Westfield Boulevard, Suite 160
Chantilly, VA 20151

Dear Ms. Bridges:

At a recent meeting the board of directors approved the draft reserve study, dated December 22, 2015 as submitted. Accordingly, please consider the attached study the "Final Report." I again thank the Board of Directors and Associa / SCS Management for selecting **PM+** to do this study and hope you will continue to call upon **PM+** for your future reserve studies.

Sincerely,



Patrick B. O'Bryan
Project Manager



Mario B. "Ben" Ginnetti, PRA, RS, P.E.
President

Enclosure:
Study - PDF File

Veteran Owned Business

SPECIALIZING IN RESERVE STUDIES SINCE 1990
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LANDMARK MEWS COMMUNITY ASSOCIATION Alexandria, VA Level II Update Reserve Study, May 27, 2016



Prepared for:

Board of Directors



Engineer

Mario B. "Ben" Ginnetti, PRA, RS, P.E.

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4388 Poplar Tree Court • Chantilly, VA 20151-2523
(703) 803-8436 • FAX (703)-378-0433
pmplusreserves@cox.net www.pmplusreserves.com

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EXECUTIVE SUMMARY

KEY TO UNDERSTANDING STUDY RESULTS – purpose of a reserve study is to establish a financial plan for keeping the property’s common and limited common elements in good repair. The plan is developed by identifying the component, assessing its condition and estimating both the time when work will be needed and cost of work. In a **PM+** study these entries can be found beginning on page A1, columns (1), (4) and (5). Those entries combined with reserve savings, current reserve contribution, interest and inflation rates, and how much of a contingency should be preserved to fund unforeseen events are the factors that determine the reserve contribution.

RELEVANT DATA

1st Study Year	FY16	\$373,570	AOH Start of FY16 ♦
FY Begins	01-Jan-16	\$53,664	Your Contribution in FY16 ♦
Inspection Date(s)	12/15/2015	2.28%	Inflation ♦♦
# Units	148	3.33%	Interest ♦♦

- ♦ **AOH** (cash/investments start of fiscal year) and **Current Year Contribution** were provided to **PM+** and were best estimates available when provided, they are not audited amounts.
- ♦♦ **INTEREST AND INFLATION** factors¹ best project the future needs of the property. Inflation is based on the last ten year average for the Consumer Price Index (CPI); interest on savings is based on the ten year average of the Constant Maturity Yield for the 10-Year U.S. Treasury note.

NOTE – If changes to amounts/factors are desired **PM+** will provide a revised study, if requested.

THE FOLLOWING TABLE SUMMARIZES study findings – see detail information in "Funding Plans - 30 Year Projection" chart, columns (13) - (21)):

	<u>CONTRIBUTION SUMMARY</u>		
	<u>Association²</u>	<u>Cash Flow(CF)</u>	<u>Component</u>
	<u>Plan</u>	<u>Plan</u>	<u>Plan</u>
Reserve Contribution FY16	\$53,660	\$41,530	\$14,330
Avg Owner Contribution FY16	363	281	97
Avg Owner Contribution/Month	30.21	23.38	8.07
30-Year Income	3,025,030	2,210,740	2,210,730
Income From Interest	750,170	450,010	352,700
Income From Assessments	2,274,860	1,760,730	1,858,030
30-Year Min Balance	442,600	304,670	235,850
30-Year Max Balance	1,175,360	592,310	514,610
50-Year Min Balance	1,278,520	171,420	398,850
50-Year Max Balance	2,655,510	702,950	746,530

ANALYSIS:

- As indicated in the above table the association’s projected FY16 contribution is more than needed to meet the reserve needs of the property.
- The recommended owner contribution assumes interest earned on savings will be applied to the reserves and not used to offset operating account expenses or used for other purposes. If interest is not applied to the reserves then the annual contribution will need to be increased by the interest amount.

1. Although factors used may not prove to be precise they should be reasonable predictors of cost increases and contributions needed to support the reserve requirement over the life of the study.

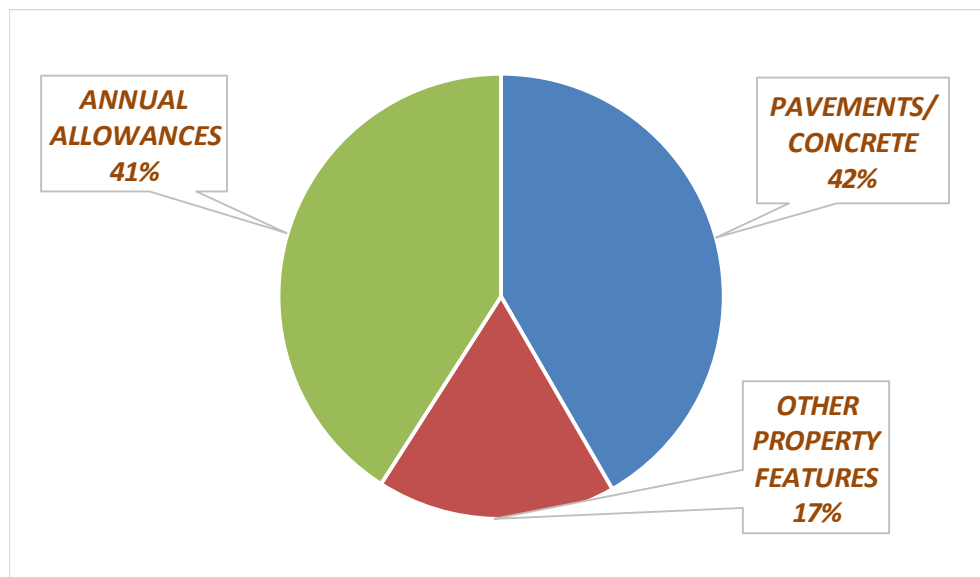
2. If the study is being done for other than the current fiscal year, inflation is applied to prior year contribution.

- Cash flow method is the preferred method for funding reserves. It provides consistency in the annual contribution from one year to the next year. Future contribution increases are mostly attributable to inflation.
- Component method contributions can be expected to fluctuate considerably from year to year, making it less practical as a funding plan.
- Funding plan dollar amounts shown in columns (15), (18) and (21) of the Funding Plans – 30 Year Projection chart are the approximate year end balances, both minimum and maximum, that can be expected if the plans are funded as shown. Properly funded plans will meet the following objectives: 1) funds are always available for needed work, 2) there is always a minimum amount of savings available to provide for unforeseen contingencies, and 3) when studies are updated, there is not a substantial increase needed to meet the reserve requirement. To avoid substantial increases **PM+** studies take into consideration the first thirty years of the study and an additional twenty years, making the "look at" period a total of fifty years. The 50-year projection is to assure the recommended contribution is based on a sound long range analysis of the property's reserve needs.

RECOMMENDATION:

- Fund the reserves using the Cash Flow method.

WHERE THE CONTRIBUTIONS TO THE RESERVES GO:



STUDY INFORMATION

THIS STUDY is a **Level II Update**, as requested, with on-site visit and is the second (Last **PM+** study – October 18th, 2011) engagement for the property by **PM+**. **PM+** has neither collaborated with nor provided consulting advice to others on issues pertaining to the property. Interested parties should refer to earlier studies for previous assumptions and comments.

STUDY WAS DONE in its entirety by Mario B. “Ben” Ginnetti, a registered professional engineer (**P.E.**) licensed to practice engineering in the states of Virginia, Maryland and the District of Columbia. Mr. Ginnetti is also a CAI Certified Reserve Specialist (**RS**) and a Professional Reserve Analyst (**PRA**).

RESERVE STUDY criteria is defined by the Community Association Institute (CAI) and the Association of Professional Reserve Analysts (APRA). In complying with the criteria this study compares the “Associations” current funding plan to the two recommended methods for preparing reserve studies, “Cash Flow (AKA Pooling)” and “Component.” This is a reserve study only - no other use is intended.

STUDY WAS COMPILED in accordance with generally accepted standards and represents our professional opinion on the components, timing and dollar amounts that should be budgeted for repair and replacement. In compiling this study information was obtained from field measurements, visual observations and management (information provided by management is considered to be reliable). Also taken into consideration are construction features, current conditions and age. Testing was not performed, nor was demolition done or panels removed to determine conditions that are not obvious. Based on our observations and the information gained during the visit this study contains, to the best of our ability, all material issues required to determine the funding needed to meet the property’s reserve requirement.

FOR PROPERTIES LOCATED IN THE STATE OF VIRGINIA, Virginia Statutes, 2003 Condominium and Property Owner’s Association Act require the association to conduct reserve studies at least every five years, review the results of the study at least annually and make adjustments as necessary unless the condominium instruments/declaration imposes more stringent requirements. Your attention is called to Sections 55-79.83:1or 55-514.1 of the Statutes for the complete text.

AGE, UNITS AND STYLE

Constructed between 1982 and 1988.
148 Townhome units

CASH FLOW AND COMPONENT METHOD STUDIES

This study was calculated using both the Cash Flow and Component methods. A synopsis of each method is as follows:

CASH FLOW METHOD - This method develops the funding plan by having the annual contributions offset the variable annual expenses. All expenses are averaged over the life of the study to calculate the annual contribution needed to support the reserve requirement. Yearly contribution increases are attributed to inflation.

COMPONENT METHOD - This method develops the funding plan by dividing the remaining useful life into the balance needed to fund the component for only the next cycle of work. Yearly contributions can vary significantly from year to year depending on where the components are in their life cycle. Contribution needed to pay expenses will equal the cash flow method over the life of the study.

FUNDING GOAL

This study complies with the “Threshold Funding Plan” established by the Community Association Institute (CAI) for reserve studies. Funding goal objective is to keep the reserve balance above a specified dollar or Percent Funded amount.

IN DEVELOPING the reserve we consider components that have a predictable life cycle as well as those that will most likely need annual maintenance and repairs to keep them in serviceable condition. They are as follows:

PREDICTABLE LIFE CYCLE (Non # sign Components).

These components have a predictable life cycle (an average useful life). At the end of its useful life total replacement will be needed.

ANNUAL ALLOWANCES (Components preceded by the # sign).

We reserve an average annual amount for these components. They are typically “life of the property” or long lasting and do not have a predictable life cycle. We assume the association will keep these components in satisfactory condition with timely spot repairs.

FOLLOWING CONSIDERATIONS should be taken into account to properly manage the reserves: 1) properly funded reserves avoids “special assessments”, 2) each owner should pay their fair share for the time they use the component, 3) when reserve funds are available the Association is more inclined not to defer work; deferral results in additional deterioration and “catch-up” costs to restore the component to a good condition, 4) government mortgage guarantees agencies, i.e. FHA, require a current reserve study to be available before backing a loan, and 5) some state laws require them. In addition to these considerations, a new factor has recently become apparent. Years ago owners were poorly informed on the importance of the reserves and paid very little attention to whether or not a property had an adequate plan for funding the reserves. With the inclusion of reserve tables in resale packages and other publicity, many potential buyers are now verifying the reserve status before they buy.

ALTHOUGH we use generally accepted techniques and the best information available, it is possible actual costs and useful lives can vary significantly from our estimates. We recognize that possibility and attempt with our methodology to arrive at the overall funding recommendation that will avoid, or minimize the amount of funding if a special assessment is needed to do reserve work.

FOR THE RESERVES to be an effective budget management tool it will need periodic updates. Because reserves on hand, current costs, quality of maintenance, acts of God, vandalism, and useful life can vary from year to year, a periodic review will assure it remains an effective management tool. We recommend studies be updated every 3-years.

UNLESS OTHERWISE NOTED this study does not take into consideration any work the association may need to correct hazardous or defective conditions, such as issues with asbestos, radon, lead, mold, FRT, etc., nor will it fund major projects to repair/replace facades, building tension cables, utilities and other essential systems. Projects of this nature require the services of engineers or other consultants to determine scope, timing and projects costs. If requested, once costs and project timing are known, we will provide a revised study at no additional cost.

FOR ANY RESERVE PROJECTS in progress on the date(s) of our visit our observation of the work should not be considered a project audit or quality control inspection. We leave that to others to determine.

IF WE DESCRIBE PREVENTIVE MAINTENANCE recommendations in this study are intended to be general in nature and the most common tasks needed to extend useful life. They are not all inclusive; we do not imply that is all that is necessary for good maintenance. Manufactures brochures, service specialty companies and other qualified sources should be consulted to establish the full array of actions needed for proper preventive maintenance.

FUNDING FROM RESERVE VERSUS OPERATING ACCOUNT - There could be components in this study the association is funding from the operating account. When there are we recommend they be funded from the reserves. When components are worked on it usually extends their useful life - a proper reserve expense. Reserve funds are intended to keep components in good repair and to replace those that need replacing; operating funds are intended for maintenance and reoccurring operating expenses.

READING AND UNDERSTANDING TABLES & CHARTS

RELEVANT DATA

Study fiscal year, inspection date(s), units, associations' financial data, and interest/inflation rates.

CONTRIBUTION SUMMARY

Financial summary of study results.

TABLE OF REPAIR & REPLACEMENT RESERVES

The Repair and Replacement Table shows the common or limited common element, average and remaining useful life and estimated cost for work. This information, for the most part, is self-explanatory; however, when we believe more information is needed, we provide comments or use photographs.

Column

- (1) The property components the association should include in the reserves. Where a 15%, 30%, etc., is shown it means total replacement of the item is not anticipated. These components generally have an indefinite life span and only need partial repairs. Components preceded by the pound (#) sign are budgeted for a year at a time. Typically, these items need annual repairs and should be adjusted at each update based on historical trends and the amount of work anticipated the following year. If we have omitted or added components that are not common or limited common area responsibility, please inform us so we can provide a revised table. It also applies if the association accomplishes the work from their annual operating expense and a reserve set-aside is not needed. If components are included that are operating expenses, we leave it to others to determine the correct tax consequence of the component.

- (2) Approximate quantity and unit of measure. The following abbreviations are used; however, they may not all appear in this study:

AC – Acres	HP – Horsepower
AOH - Amount-On-Hand	RC - Replacement Cost
AnAvg - Annual Average	SF - Square Feet
BLD - Building	SY - Square Yards
EA - Each	TN - Tons
CY - Cubic Yards	UN - Units
LF - Linear Feet	> - Greater Than
LS - Lump Sum	< - Less Than

- (3) The components average useful life (Avg). Leading publications on useful life data, our own experiences and historical trends are used to determine the average useful life.
- (4) Our best estimate of the remaining useful life (RUL). Some components in the table may not fail precisely as shown. We use the remaining useful life in conjunction with the estimated cost to calculate the annual contribution needed to fund the component. Actual remaining useful life can be significantly different.
- (5) Estimated costs are in current dollars; actual cost can be significantly different. Estimates are based on similar work in the greater Washington area, association experience, industry publications, such as R.S. Means and HomeTech, contractors and other reliable sources. It assumes the association will competitively seek bids and obtain a fair price in today's market. Some work, such as, balconies, roofing, garages, façade, boiler and chiller replacements, etc. may need the services of an engineer or architect to determine scope and oversee repairs. Those estimates take precedence over those shown in the table. Conditions that are not obvious from observations, such as excessive deterioration in materials and systems could also affect costs.
- (6) Distribution of the funds the association had (is projected to have) at the start of their fiscal year or the amount we were requested to use. The program distributes a prorated amount to each component.

- (7) The amount needed to fund the balance of the requirement.
- (8) The contribution needed to fund the 1st year applying the cash flow method. This value is the product of the components and the Funding Plans - 30 Year Projection chart. The annual contribution is calculated so that the reserve balance never falls below the “X” axis and there is always a minimum balance for unforeseen contingencies.
- (9) The contribution needed to fund the 1st year applying the component method.

Fiscal Years 1 - 10 Expense Projection – Projected cash out-lays over the first ten years of the study.

Fiscal Years 11 - 30 Expense Projection – Projected cash out-lays over the next twenty years of the study.

Average Contribution Per Owner - The average contribution needed per owner to fund the 1st year reserve contribution. This amount is not indicative of each owner’s individual contribution.

FUNDING PLANS - 30 YEAR PROJECTION

Column

- (10) - Fiscal Year.
- (11) - Projected annual expenses.
- (12) - Cumulative expenses over 30-years.
- (13), (16) and (19) - Interest earned per funding plan based on previous year end balance.
- (14), (17) and (20) - Contribution per funding plan, inflation applied.
- (15), (18) and (21) - Projected year-end balance per funding plan.

Graphs

Graphs depict the projected contributions and year end balances for each plan. The contribution objective should be to have a consistent contribution, year after year, that can be maintained with inflation adjustments. Avoid fluctuating contributions as they can impose financial hardships on owners. The plot objective for the reserve balance is to have the year end balances always above the “X” axis. If it falls below, it indicates a special assessment or loan will be needed to support the reserves.

Summary

- 30-Year Income - projected from interest and owners.
- 30-Year Average Annual Contribution - average association contribution over 30-years.
- 30-Year Average Contribution/Owner - average contribution to be paid by each owner.
- 30 & 50-Year Minimum/Maximum Balances - includes contingency for unforeseen events.

PROPERTY COMPARISON (NOT SHOWN IN SOME STUDIES)

The “Property Comparison” chart compares the property’s current funding to the 100 properties we have recently studied. The comparison shows the maximums, minimums, property averages and medians compared to your property. These properties often differ greatly in the scope of features that the HOA is responsible for. Three comparisons are made:

- % Funded - Ratio of the current to the ideal Reserve Balance for each component in the Reserve Table. The ratio is a product of the “used-up” life, useful life and cost.
- Reserve Depletion Factor - Number of years amount-on-hand will fund (It’s the same as the “go broke” date if no more money is added to the reserves).
- Cost Per Owner – Average contribution per owner needed to meet the reserve requirement. Dollar amounts will vary from property to property based on construction features, common/limited common elements, past contributions to the reserves and other factors that may not result in a true comparison.

APPENDIX A

TABLE OF REPAIR & REPLACEMENT RESERVES

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COMPONENT	APPROX'MT QUANTITY	USEFUL LIFE AVG REM (YRS)	ESTIMATED COST IN CURRENT \$	DISTR'BTN OF AOH AS OF 1-Jan-16	BALANCE NEEDED TO FUND RESERVE	FY16 CONTRIBUTION		FISCAL YEARS 1 - 10 EXPENSE PROJECTION											
						CASH FLOW	COMPONENT METHODS	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
(1)	(2)	(3) (4)	(5)	(6)	(7)	(8)	(9)												
PAVEMENTS/CONCRETE																			
ASPHALT																			
PREVENTIVE MAINTENANCE	9,980	SY	4 1	\$22,460	\$17,910	\$4,550	\$13,230	\$3,820	\$22,460	\$0	\$0	\$0	\$24,580	\$0	\$0	\$0	\$26,900	\$0	\$0
PAVEMENT OVERLAY	9,980	SY	15 11	144,720	115,430	29,290	7,740	2,240	0	0	0	0	0	0	0	0	0	0	0
BASE/SUB-BASE/CONCRETE RPRS @ 5%	499	SY	15 11	17,090	13,630	3,460	910	260	0	0	0	0	0	0	0	0	0	0	0
CONCRETE																			
SIDEWALKS/DRIVEWAY APRONS @ 5%	296	LF	8 4	19,540	15,580	3,960	2,880	830	0	0	0	20,910	0	0	0	0	0	0	0
CURBS & GUTTERS @ 5%	306	LF	15 11	11,030	8,800	2,230	590	170	0	0	0	0	0	0	0	0	0	0	0
BRICK PAVER REPAIRS/BORDERS @ 20%	261	SF	8 4	10,440	8,330	2,110	1,530	440	0	0	0	11,170	0	0	0	0	0	0	0
TOTAL PAVEMENTS/CONCRETE				225,280	179,680	45,600	26,880	7,760											
OTHER PROPERTY FEATURES																			
ENTRANCE FEATURE																			
MASONRY REPAIRS/CLEANING		LS	5 3	4,500	3,590	910	880	250	0	0	4,710	0	0	0	0	5,270	0	0	0
FENCING/RAILING																			
METAL GATE SPOT REPAIRS	4	EA	5 3	4,800	3,830	970	940	270	0	0	5,020	0	0	0	0	5,620	0	0	0
WOOD GATE	1	EA	15 5	1,000	800	200	120	30	0	0	0	1,090	0	0	0	0	0	0	0
METAL FENCE-LANDMARK MEWS DR.	58	EA	30 27	5,510	4,390	1,120	120	30	0	0	0	0	0	0	0	0	0	0	0
WOOD FENCE-ABOVE DRAINAGE DITCH	171	LF	25 15	7,350	5,860	1,490	290	80	0	0	0	0	0	0	0	0	0	0	0
WOOD FENCE-BEHIND CHAUCER VIEW CR.	100	LF	25 10	4,000	3,190	810	240	70	0	0	0	0	0	0	0	0	0	0	4,900
METAL-RAILING BEHIND BRAMPTONS CT	90	LF	40 17	4,050	3,230	820	140	40	0	0	0	0	0	0	0	0	0	0	0
WOOD RETAINING WALLS BETWEEN MANCHESTER WAY AND BRAMPTON COURT																			
OLDER WOOD-PARKS/STAIRS/SIDEWALK	440	SF	35 15	15,400	12,280	3,120	600	170	0	0	0	0	0	0	0	0	0	0	0
NEWER WOOD-ADJACENT TO SIDEWALK	410	SF	35 28	14,350	11,450	2,900	300	90	0	0	0	0	0	0	0	0	0	0	0
BEHIND BRAMPTON COURT	175	SF	35 7	6,130	4,890	1,240	510	150	0	0	0	0	0	0	7,020	0	0	0	0
MANCHESTER WAY BERM	190	SF	35 15	3,420	2,730	690	130	40	0	0	0	0	0	0	0	0	0	0	0
STEVENSON AVE	360	SF	35 28	6,480	5,170	1,310	140	40	0	0	0	0	0	0	0	0	0	0	0
EXERCISE/WALKING TRAIL																			
ASPHALT TRAIL	700	LF	15 8	19,600	15,630	3,970	1,440	420	0	0	0	0	0	0	0	22,950	0	0	0
SITE LIGHTING																			
POLE LIGHTING	31	EA	30 15	74,400	59,340	15,060	2,920	840	0	0	0	0	0	0	0	0	0	0	0
WALL MOUNTED LIGHTS	55	EA	30 15	24,750	19,740	5,010	970	280	0	0	0	0	0	0	0	0	0	0	0
MAIL BOXES																			
MAIL BOXES-STREET	148	EA	25 24	26,250	20,940	5,310	640	190	0	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER PROPERTY FEATURES				221,990	177,060	44,930	10,380	2,990											
ANNUAL ALLOWANCES																			
# PERIMETER WALL REPOINTING/REPAIRS		LS	1 1	3,600	2,870	730	730	610	3,600	3,680	3,770	3,850	3,940	4,030	4,120	4,220	4,310	4,410	
# CONCRETE WALL/BRICK COLUMN RPRS		LS	1 1	1,200	960	240	240	200	1,200	1,230	1,260	1,280	1,310	1,340	1,370	1,410	1,440	1,470	
# TREES/LANDSCAPING REPLACEMENT		LS	1 1	10,300	8,220	2,080	2,080	1,750	10,300	10,530	10,780	11,020	11,270	11,530	11,790	12,060	12,340	12,620	
# IRRIGATION SYSTEM		LS	1 1	3,000	2,390	610	610	510	3,000	3,070	3,140	3,210	3,280	3,360	3,430	3,510	3,590	3,670	
# SITE ITEMS		LS	1 1	3,000	2,390	610	610	510	3,000	3,070	3,140	3,210	3,280	3,360	3,430	3,510	3,590	3,670	

TABLE OF REPAIR & REPLACEMENT RESERVES

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COMPONENT (1)	APPROX'MT QUANTITY (2)	USEFUL LIFE AVG REM (YRS) (3) (4)	ESTIMATED COST IN CURRENT \$ (5)	DISTR'BTN OF AOH AS OF 1-Jan-16 (6)	BALANCE NEEDED TO FUND RESERVE (7)	FY16 CONTRIBUTION CASH FLOW COMPONENT METHODS (8) (9)	FISCAL YEARS 1 - 10 EXPENSE PROJECTION													
							2016	2017	2018	2019	2020	2021	2022	2023	2024	2025				
TOTAL ANNUAL ALLOWANCES			21,100	16,830	4,270	4,270	3,580													
TOTAL RESERVES			\$468,370	\$373,570	\$94,800	\$41,530	\$14,330	\$43,560	\$21,580	\$31,820	\$54,650	\$48,750	\$23,620	\$31,160	\$58,550	\$52,170	\$30,740			
						Reserve Contribution FY16	\$41,530	\$14,330												
						Avg Owner Contribution FY16	\$281	\$97												
						Avg Owner Contribution/Month	\$23.38	\$8.07												

Notes:

All dollars rounded to nearest \$10. Totals may not add due to rounding.
 # - An annual allocation. Repairs are usually needed at least once a year.
 One year remaining useful life indicates the useful life of the component is used up, except for # sign items that are treated as annual events.

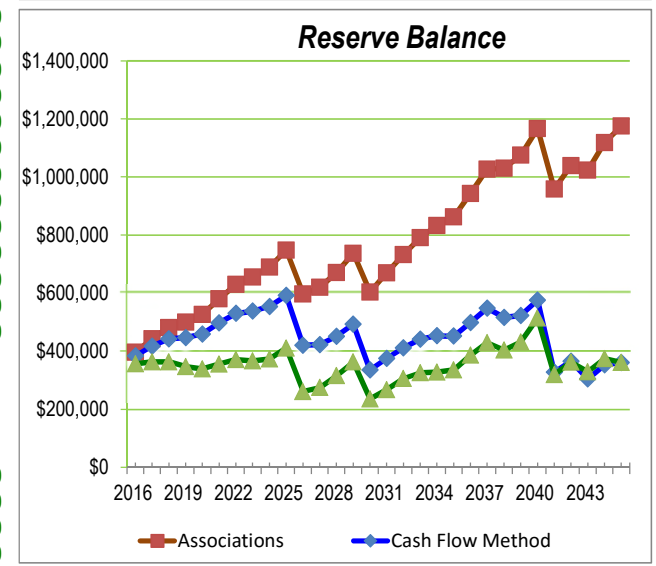
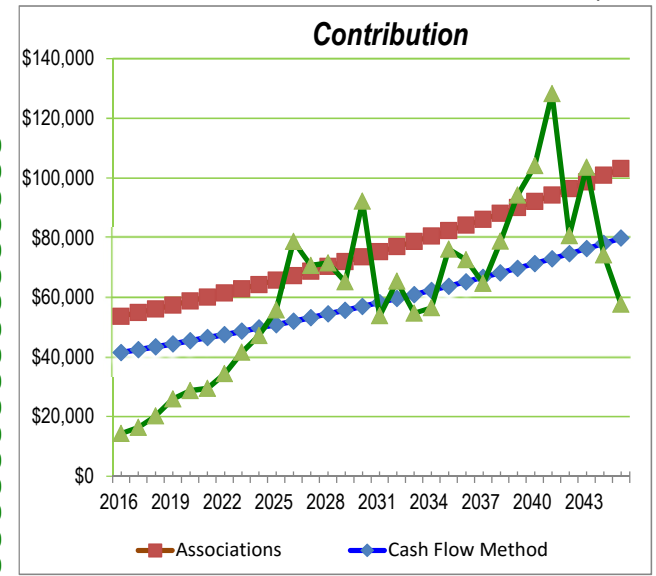
COMPONENT	USEFUL LIFE ESTIMATED			FISCAL YEARS 11 - 30 EXPENSE PROJECTION																				
	AVG REM (YRS)	COST IN CURRENT \$		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	
(1)	(3)	(4)	(5)																					
PAVEMENTS/CONCRETE																								
ASPHALT																								
PREVENTIVE MAINTENANCE	4	1	22,460	0	0	0	0	30,790	0	0	0	33,700	0	0	0	36,880	0	0	0	0	0	0	0	43,190
PAVEMENT OVERLAY	15	11	144,720	181,320	0	0	0	0	0	0	0	0	0	0	0	0	0	0	254,270	0	0	0	0	
BASE/SUB-BASE/CONCRETE RPRS @ 5%	15	11	17,090	21,410	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,030	0	0	0	0	
CONCRETE																								
SIDEWALKS/DRIVEWAY APRONS @ 5%	8	4	19,540	0	25,040	0	0	0	0	0	0	0	29,990	0	0	0	0	0	0	0	35,910	0	0	
CURBS & GUTTERS @ 5%	15	11	11,030	13,820	0	0	0	0	0	0	0	0	0	0	0	0	0	0	19,380	0	0	0	0	
BRICK PAVER REPAIRS/BORDERS @ 20%	8	4	10,440	0	13,380	0	0	0	0	0	0	0	16,020	0	0	0	0	0	0	0	19,190	0	0	
TOTAL PAVEMENTS/CONCRETE			225,280																					
OTHER PROPERTY FEATURES																								
ENTRANCE FEATURE																								
MASONRY REPAIRS/CLEANING	5	3	4,500	0	0	5,900	0	0	0	0	6,600	0	0	0	0	7,390	0	0	0	0	8,270	0	0	
FENCING/RAILING																								
METAL GATE SPOT REPAIRS	5	3	4,800	0	0	6,290	0	0	0	0	7,040	0	0	0	0	7,880	0	0	0	0	8,820	0	0	
WOOD GATE	15	5	1,000	0	0	0	0	0	0	0	0	0	1,530	0	0	0	0	0	0	0	0	0	0	
METAL FENCE-LANDMARK MEWS DR.	30	27	5,510	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,900	0	0	0	
WOOD FENCE-ABOVE DRAINAGE DITCH	25	15	7,350	0	0	0	0	10,080	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
WOOD FENCE-BEHIND CHAUCER VIEW CR.	25	10	4,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
METAL-RAILING BEHIND BRAMPTONS CT	40	17	4,050	0	0	0	0	0	0	5,810	0	0	0	0	0	0	0	0	0	0	0	0	0	
WOOD RETAINING WALLS																								
BETWEEN MANCHESTER WAY AND BRAMPTON COURT																								
OLDER WOOD-PARKS/STAIRS/SIDEWALK	35	15	15,400	0	0	0	0	21,110	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NEWER WOOD-ADJACENT TO SIDEWALK BEHIND BRAMPTON COURT	35	28	14,350	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	26,380	0	0	
MANCHESTER WAY BERM	35	15	3,420	0	0	0	0	4,690	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
STEVENSON AVE	35	28	6,480	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11,910	0	0	
EXERCISE/WALKING TRAIL																								
ASPHALT TRAIL	15	8	19,600	0	0	0	0	0	0	0	0	0	0	0	0	32,180	0	0	0	0	0	0	0	
SITE LIGHTING																								
POLE LIGHTING	30	15	74,400	0	0	0	0	102,010	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
WALL MOUNTED LIGHTS	30	15	24,750	0	0	0	0	33,930	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
MAIL BOXES																								
MAIL BOXES-STREET	25	24	26,250	0	0	0	0	0	0	0	0	0	0	0	0	0	44,090	0	0	0	0	0	0	
TOTAL OTHER PROPERTY FEATURES			221,990																					
ANNUAL ALLOWANCES																								
# PERIMETER WALL REPOINTING/REPAIRS	1	1	3,600	4,510	4,610	4,720	4,830	4,940	5,050	5,160	5,280	5,400	5,520	5,650	5,780	5,910	6,050	6,180	6,330	6,470	6,620	6,770	6,920	
# CONCRETE WALL/BRICK COLUMN RPRS	1	1	1,200	1,500	1,540	1,570	1,610	1,650	1,680	1,720	1,760	1,800	1,840	1,880	1,930	1,970	2,020	2,060	2,110	2,160	2,210	2,260	2,310	
# TREES/LANDSCAPING REPLACEMENT	1	1	10,300	12,900	13,200	13,500	13,810	14,120	14,440	14,770	15,110	15,460	15,810	16,170	16,540	16,910	17,300	17,690	18,100	18,510	18,930	19,360	19,800	
# IRRIGATION SYSTEM	1	1	3,000	3,760	3,840	3,930	4,020	4,110	4,210	4,300	4,400	4,500	4,600	4,710	4,820	4,930	5,040	5,150	5,270	5,390	5,510	5,640	5,770	
# SITE ITEMS	1	1	3,000	3,760	3,840	3,930	4,020	4,110	4,210	4,300	4,400	4,500	4,600	4,710	4,820	4,930	5,040	5,150	5,270	5,390	5,510	5,640	5,770	
TOTAL ANNUAL ALLOWANCES			21,100																					
TOTAL RESERVES			\$468,370	\$242,980	\$65,450	\$39,840	\$28,290	\$231,540	\$29,590	\$36,060	\$44,590	\$65,360	\$79,910	\$33,120	\$33,890	\$118,980	\$79,540	\$36,230	\$340,760	\$47,820	\$149,260	\$39,670	\$83,760	

FUNDING PLANS - 30 YEAR PROJECTION

Units = 148

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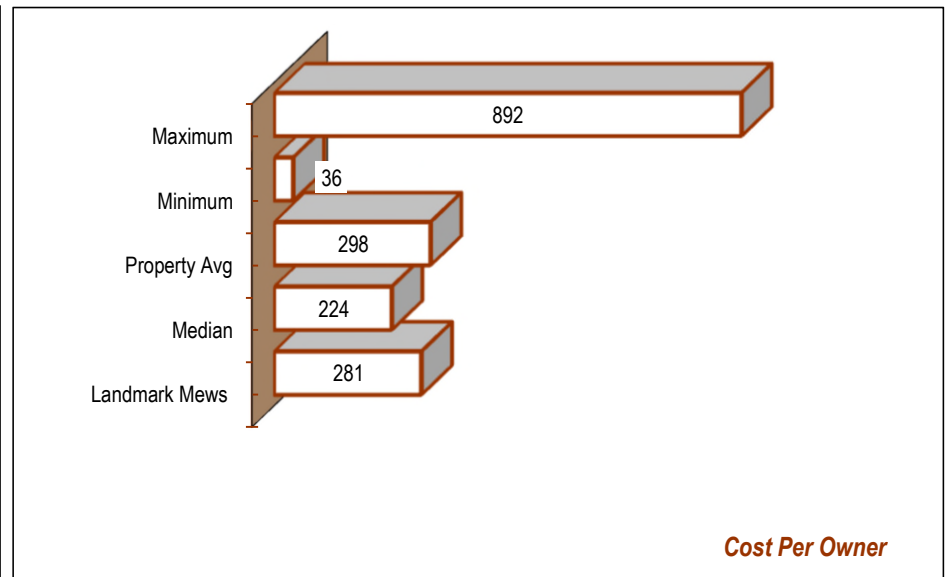
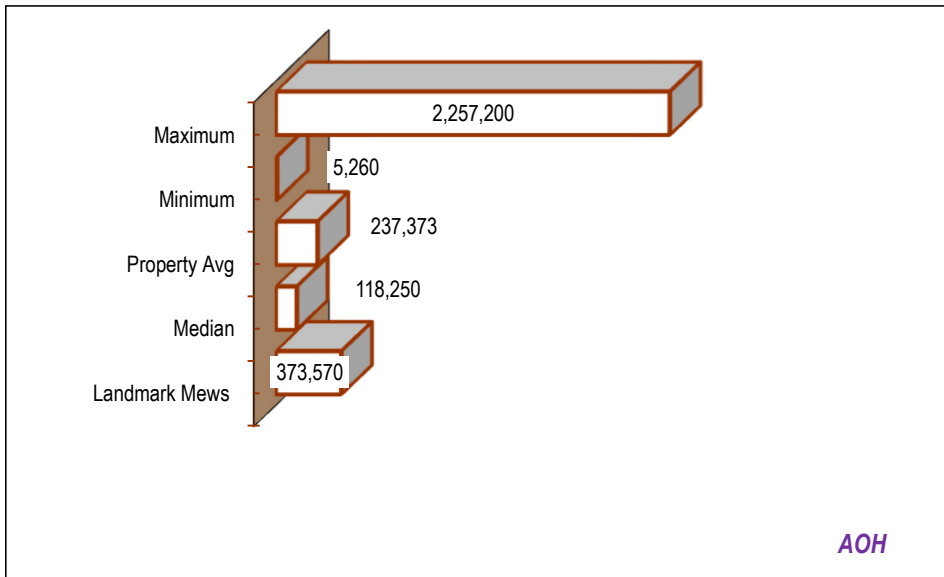
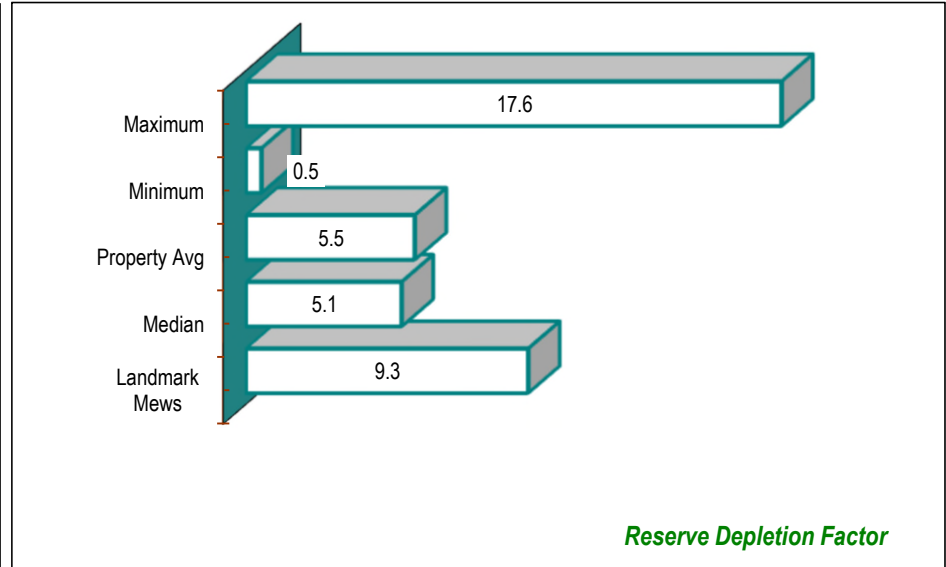
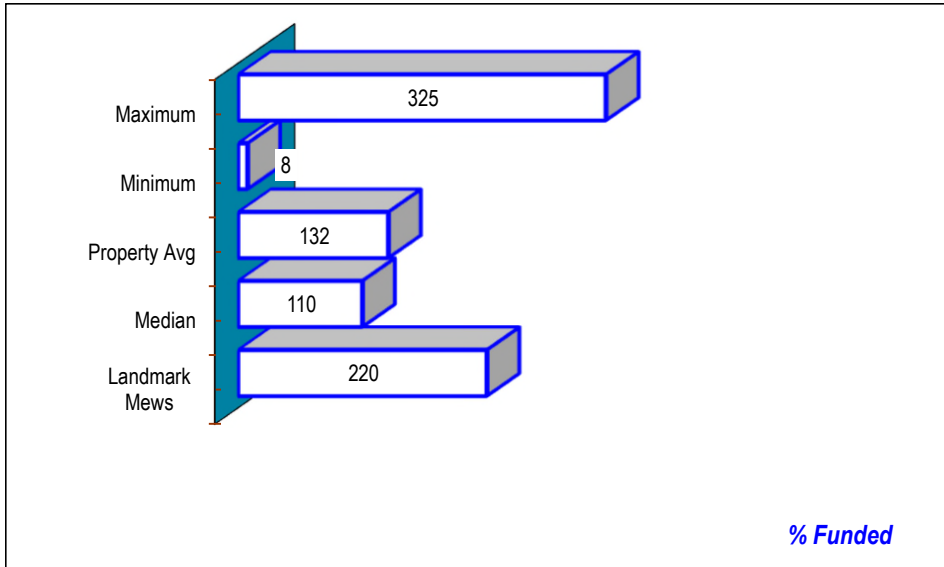
FY (10)	Expenses		Associations			Cash Flow Method			Component Method		
	Annual* (11)	Cumulative (12)	Interest (13)	Contr'bton (14)	Balance (15)	Interest (16)	Contr'bton (17)	Balance (18)	Interest (19)	Contr'bton (20)	Balance (21)
AOH					\$373,570			\$373,570			\$373,570
2016	43,560	43,560	12,440	53,660	396,110	12,440	41,530	383,980	12,440	14,330	356,780
2017	21,580	65,140	13,190	54,880	442,600	12,790	42,480	417,670	11,880	16,360	363,440
2018	31,820	96,960	14,740	56,130	481,650	13,910	43,450	443,210	12,100	20,300	364,020
2019	54,650	151,610	16,040	57,410	500,450	14,760	44,440	447,760	12,120	25,920	347,410
2020	48,750	200,360	16,660	58,720	527,080	14,910	45,450	459,370	11,570	28,740	338,970
2021	23,620	223,980	17,550	60,060	581,070	15,300	46,490	497,540	11,290	29,490	356,130
2022	31,160	255,140	19,350	61,430	630,690	16,570	47,550	530,500	11,860	34,460	371,290
2023	58,550	313,690	21,000	62,830	655,970	17,670	48,630	538,250	12,360	41,580	366,680
2024	52,170	365,860	21,840	64,260	689,900	17,920	49,740	553,740	12,210	47,150	373,870
2025	30,740	396,600	22,970	65,730	747,860	18,440	50,870	592,310	12,450	55,800	411,380
2026	242,980	639,580	24,900	67,230	597,010	19,720	52,030	421,080	13,700	78,760	260,860
2027	65,450	705,030	19,880	68,760	620,200	14,020	53,220	422,870	8,690	70,690	274,790
2028	39,840	744,870	20,650	70,330	671,340	14,080	54,430	451,540	9,150	71,530	315,630
2029	28,290	773,160	22,360	71,930	737,340	15,040	55,670	493,960	10,510	65,230	363,080
2030	231,540	1,004,700	24,550	73,570	603,920	16,450	56,940	335,810	12,090	92,220	235,850
2031	29,590	1,034,290	20,110	75,250	669,690	11,180	58,240	375,640	7,850	53,870	267,980
2032	36,060	1,070,350	22,300	76,970	732,900	12,510	59,570	411,660	8,920	65,380	306,220
2033	44,590	1,114,940	24,410	78,720	791,440	13,710	60,930	441,710	10,200	54,650	326,480
2034	65,360	1,180,300	26,350	80,510	832,940	14,710	62,320	453,380	10,870	56,490	328,480
2035	79,910	1,260,210	27,740	82,350	863,120	15,100	63,740	452,310	10,940	76,190	335,700
2036	33,120	1,293,330	28,740	84,230	942,970	15,060	65,190	499,440	11,180	72,620	386,380
2037	33,890	1,327,220	31,400	86,150	1,026,630	16,630	66,680	548,860	12,870	64,620	429,980
2038	118,980	1,446,200	34,190	88,110	1,029,950	18,280	68,200	516,360	14,320	78,800	404,120
2039	79,540	1,525,740	34,300	90,120	1,074,830	17,190	69,750	523,760	13,460	94,220	432,260
2040	36,230	1,561,970	35,790	92,170	1,166,560	17,440	71,340	576,310	14,390	104,190	514,610
2041	340,760	1,902,730	38,850	94,270	958,920	19,190	72,970	327,710	17,140	128,320	319,310
2042	47,820	1,950,550	31,930	96,420	1,039,450	10,910	74,630	365,430	10,630	80,610	362,730
2043	149,260	2,099,810	34,610	98,620	1,023,420	12,170	76,330	304,670	12,080	103,600	329,150
2044	39,670	2,139,480	34,080	100,870	1,118,700	10,150	78,070	353,220	10,960	74,180	374,620
2045	83,760	2,223,240	37,250	103,170	1,175,360	11,760	79,850	361,070	12,470	57,730	361,060
SUMMARY											
30-Year Income =			\$750,170	\$2,274,860		\$450,010	\$1,760,730		\$352,700	\$1,858,030	
30-Yr Avg Annual Contr'bton =				75,830			58,690			61,930	
30-Yr Avg Contr'bton/Owner =				512			397			418	
30-Year Minimum Balance =					\$442,600		\$304,670			\$235,850	
30-Year Maximum Balance =					1,175,360		592,310			514,610	
50-Year Minimum Balance =					1,278,520		171,420			398,850	
50-Year Maximum Balance =					2,655,510		702,950			746,530	



Notes:
 * An annual average cost. Some expenditures may be needed in earlier years, some in later years, depending on when the actual work is done.
 Data is a projection based on this point in time. The projection will change as useful life, current costs and amount-on-hand vary.
 Data should be considered a more accurate projection for years 1 - 5 than the out-years.
 Minimum balance does not include the first year.

PROPERTY COMPARISON
Sample Size = 100 HOA's/POA's

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Legend:
 This comparison only compares the first study year to other properties.
 % Funded -- Used-up life divided by Useful Life times Current Cost.
 Reserve Depletion Factor -- Number of years the amount-on-hand will fund if no more is contributed to the reserves.
 Cost Per Owner - The average cost per owner to meet the reserve requirement compared to other properties.

COMMENTS

Attention is directed to columns (1) COMPONENT, (3) AVG and (4) REM USEFUL LIIFE, and (5) ESTIMATED COST IN CURRENT DOLLARS on Page A1. These entries, along with reserve savings at the start of the fiscal year and contingency built into the funding plan, determine the annual contribution needed to support the reserves. The remaining useful life approximates the time period when funding should be available for repair/replacement work. Good maintenance and repair practices prior to replacement can extend component useful life; conversely, poor or no maintenance/repair will shorten life and result in more cost to the association. Following comments are provided for components that may need further explanation.

PAVEMENTS/CONCRETE

ASPHALT

Overlaid since the last study was done. There are two considerations that apply to asphalt pavements:

1) Implement a preventive maintenance program - preventive maintenance consist of sealing open cracks (equal to or greater than 1/8"), repair wearing surface/base/sub-base areas that have failed (distinguished by "alligator" or "chicken wire" cracking), applying a seal coat to the entire surface and repaint all traffic markings. An additional benefit of sealcoating and traffic markings is the pavement will look uniform and that enhances property appearance. Funding for this work is identified as "Preventive Maintenance" and "Immediate Repairs for Life Extension." Although we allow for preventive maintenance to be done every four years, if cracks open or asphalt failures occur sooner they should be repaired as needed. Contingency built into the funding plan should be more than adequate to fund additional needed work, 2) Be prepared to repave all asphalt around the time period shown in the table. When repaving there are two possible courses of action, a) mill only near gutter pans to preserve proper drainage and place back 1-1/2" (or more) of compacted asphalt throughout, and b) total milling of all asphalt and repave to thickness removed. Notes: a) Asphalt is an oil based product - price varies with the cost of a barrel of oil, and b) When pavements are shared with adjacent properties quantity shown is one-half the shared amount.

BASE/SUB-BASE/CONCRETE RPRS @ 5%

Although we allow for 100% of the asphalt to be repaved our experience supports a smaller percentage of the base/sub-base will need repairs. Entry also provides for major concrete repairs to curbs, gutters and sidewalks.

CONCRETE

Sidewalks, driveway aprons, curbs & gutters now shown as a percentage to be repaired as needed. Previous study depicted this work as an annual allowance.

OTHER PROPERTY FEATURES

WOOD RETAINING WALLS

Quantities adjusted to include new walls built since 2011.

MAIL BOXES

Component now included in reserves. Previously reported to be US Post Office responsibility; however, when the association asked the Post Office to replace the boxes they indicated the association would be responsible for replacement.

ANNUAL ALLOWANCES

PERIMETER WALL REPOINTING/REPAIRS

This category provides for non-cyclical items that typically experience some kind of failure each year or every few years. Reserve Perimeter wall was repointed where needed since the last study was done. Concrete and masonry walls are a "life of the property" component that should never need to be completely replaced unless a catastrophic failure occurs. We allow an annual amount to keep them in good repair.

CONCRETE WALL/BRICK COLUMN RPRS

We consider concrete and masonry walls to be "life of the property" component that should never need to be completely replaced unless a catastrophic failure occurs. We also consider metal railings (other than balcony) to be a "life of the property" component. We allow an annual amount for spot repairs to keep these components in good condition.

TREES/LANDSCAPING REPLACEMENT

Replacement of dead and diseased items. Does not include normal landscaping upkeep which is funded from the operating account

IRRIGATION SYSTEM

These systems can be kept in good repair by doing spot repairs/replacements as needed.

SITE ITEMS

Repairs to signs, sign posts, flood lights, drainage systems, wood hand railing, park benches, alley upkeep, erosion control and other miscellaneous items that are not reserved for elsewhere.

EXCLUSIONS

PRESSURE WASHING/PAINTING/STAINING

Not included in the reserves. Maintenance work, properly funded from the operating account.

CATASTROPHES

Are not predictable events - no reserve allowance. If one occurs funding from other sources may be needed if the contingency built into the reserves is insufficient to cover expenses.

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