RDA REPORT

Four Seasons Condominiums
Scottsdale, Arizona
Account 3572 - Version 002
August 30, 2013

RESERVE DATA ANALYSIS, INC.
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This reserve analysis study and the parameters under which it has been completed are based upon information provided to us in part by representatives of the association, its contractors, assorted vendors, specialist and independent contractors, the Community Associations Institute, various construction pricing and scheduling manuals including, but not limited to: Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, RS Means Repair & Remodeling Cost Data, National Construction Estimator, National Repair & Remodel Estimator, Dodge Cost Manual and the McGraw Hill Book Company. Additionally, costs are obtained from numerous vendor catalogues, actual quotations or historical costs, and our own experience in the field of property management and preparation of reserve analysis studies.

It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and each estimated useful life will approximate that of the norm per industry standards and/or manufacture specifications used. In some cases, estimates may have been used on assets which have an indeterminable but potential liability to the association. The decision for the inclusion of these as well as all assets considered is left to the client.

We recommend that your reserve analysis study be updated every two to three years due to fluctuating interest rates, inflationary changes and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and subsequent computations made in preparing this reserve analysis study are retained in our computer files. Therefore, updates can typically be completed in a more timely manner than the original study.

Reserve Data Analysis, Inc. would like to thank you for using our services, and we invite you to call us at any time should you have any questions or comments or need assistance. In addition, any of the parameters and estimates used in this study may be changed at your request, after which we will provide you with a revised study.

RESERVE DATA ANALYSIS, INC.

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PART I - INTRODUCTION

Preparing the annual budget and overseeing the association's finances are perhaps the most important responsibilities of board members. The annual operating and reserve budgets reflect the planning and goals of the association and set the level and quality of service for all of the association's activities.

■ 1. Funding Options

When a major repair or replacement is required in a community, an association has essentially four options available to address the expenditure:

The first option is to pass a "special assessment" to the membership in an amount required to cover the expenditure. Although not commonplace, there have been special assessments in the amount of $10,000 per member assessed in associations in Virginia and southern California. When a special assessment is passed, the association has the authority and responsibility to collect the assessments, even by means of foreclosure if necessary. However, an association operating on a special assessment basis cannot guarantee that an assessment, when needed, will be passed. Consequently, it cannot guarantee its ability to perform the required repairs or replacements to those major components for which the association is obligated to maintain when the need arises. Additionally, while relatively new communities require very little in the way of major "reserve" expenditures, associations reaching 12 to 15 years of age and older find many components reaching the end of their effective useful lives. These required expenditures, all accruing at the same time, can be devastating to an association's overall budget.

The second option is for the association to acquire a loan from a lending institution in order to effect the required repairs. In many cases, banks will lend money to an association using "future homeowner assessments" as collateral for the loan. With this method, not only is the current board of directors pledging the future assets of an association, they are also required to pay interest fees on the loan payback in addition to the original principal. In the case of a $150,000 roofing replacement, the association may be required to pay back the loan over a three to five year period, with interest; whereas, if the association was setting aside reserves for this purpose, using the

vehicle of the regularly assessed membership dues, it would have had the full term of the life of the roof in order to accumulate the necessary moneys. Additionally, those contributions would have been evenly distributed over the entire membership and would have earned interest as part of that contribution.

The third option, too often used, is simply to defer the required repair or replacement. This option can create an environment of declining property values due to the increasing deferred maintenance and the association's financial inability to keep pace with the normal aging process of the common area components. This, in turn, can have a seriously negative impact on sellers in the Association by making it difficult or even impossible for potential buyers to obtain financing from lenders. Increasingly, many lending institutions are requesting copies of the association's most recent reserve study before granting loans, either for the association, a prospective purchaser, or for an individual within such association.

The fourth, and only logical means that the board of directors has to ensure its ability to maintain the assets for which it is obligated, uniformly distributing the costs of the replacements over the entire membership, is by assessing an adequate level of reserves as part of the regular membership assessment. The community is not only comprised of present members, but also future members. Any decision by the board of directors to adopt a calculation method or funding plan which would disproportionately burden future members in order to make up for past reserve deficits would be a breach of its fiduciary responsibility to those future members. Unlike individuals determining their own course of action, the board is responsible to the "community" as a whole.

■ 2. The Reserve Study

There are two components of a reserve study – a physical analysis and a financial analysis. During the physical analysis, a reserve provider evaluates information regarding the physical status and repair/replacement cost of the association's major common area components. To do so, the provider conducts a component inventory, a condition assessment, and life and valuation estimates. A financial analysis assesses the association's reserve balance or "fund status" (measured in cash or as percent funded) to determine a recommendation for an appropriate reserve contribution rate in the future known as the "funding plan."

Reserve studies fit into one of three categories: 1) Full Study; 2) Update - with site inspection; and 3) Update - without site inspection.

- In a Full reserve study, the reserve provider conducts a component inventory, a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both a "fund status" and "funding plan."

- In an Update – with site inspection, the reserve provider conducts a component inventory (verification only, not quantification), a condition assessment (based on on-site visual observations), and life and valuation estimates to determine both the "fund status" and "funding plan."

- In an Update – without site inspection, the reserve provider conducts life and valuation estimates to determine the "fund status" and "funding plan."

■ 3. Developing a Component List

The budget process begins with an accurate inventory of all the major components for which the association is responsible. The determination of whether an expense should be labeled as operational, reserve, or excluded altogether is sometimes subjective. Since this labeling may have a major impact on the financial plans of the association, subjective determinations should be minimized. We suggest the following considerations when labeling an expense:

OPERATIONAL EXPENSES occur at least annually, no matter how large the expense, and can be effectively budgeted for each year. They are characterized as being reasonably predictable both in terms of frequency and cost. Operational expenses include all minor expenses which would not otherwise adversely affect an operational budget from one year to the next. Examples of Operational Expenses include:

Utilities:

- Electricity
- Gas
- Water
- Telephone
- Cable TV

Administrative:

- Supplies
- Bank Service Charges
- Dues & Publications
- Licenses, Permits & Fees

Services:

- Landscaping
- Pool Maintenance
- Street Sweeping
- Accounting
- Reserve Study

Repair Expenses:

- Tile Roof Repairs
- Equipment Repairs
- Minor Concrete Repairs
- Operating Contingency

RESERVE EXPENSES are major expenses that occur other than annually and which must be budgeted for in advance in order to provide the necessary funds in time

for their occurrence. Reserve expenses are reasonably predictable both in terms of frequency and cost. However, they may include significant assets which have an indeterminable but potential liability which may be demonstrated as a likely occurrence. They are expenses that when incurred would have a significant affect on the smooth operation of the budgetary process from one year to the next if they were not reserved for in advance. Examples of Reserve Expenses include:

- Roof Replacements
- Painting
- Deck Resurfacing
- Fencing Replacement
- Street Seal/Slurry Coatings
- Asphalt Overlays
- Pool Re-plastering
- Pool Equipment Replacement
- Pool Furniture Replacement
- Tennis Court Resurfacing
- Park & Play Equipment
- Equipment Replacement
- Interior Furnishings
- Lighting Replacement

BUDGETING IS NORMALLY EXCLUDED FOR repairs or replacements of assets which are deemed to have an estimated useful life equal to or exceeding the estimated useful life of the facility or community itself, or exceeding the legal life of the community as defined in an association's governing documents. Examples include the complete replacement of elevators, tile roofs, wiring and plumbing. Also excluded are insignificant expenses which may be covered either by an operating or reserve contingency, or otherwise in a general maintenance fund. Costs which are caused by acts of God, accidents or other occurrences which are more properly insured for, rather than reserved for, are also excluded.

■ 4. Preparing the Reserve Study

Once the reserve assets have been identified and quantified, their respective replacement costs, useful lives and remaining lives must be assigned so that a funding schedule can be constructed. Replacement costs and useful lives can be found in published manuals such as construction estimators, appraisal handbooks, and valuation guides. Remaining lives are calculated from the useful lives and ages of assets and adjusted according to conditions such as design, manufacture quality, usage, exposure to the elements and maintenance history.

By following the recommendations of an effective reserve study the association should avoid any major shortfalls. However, to remain accurate, the report should be updated every two to three years to reflect such changes as shifts in economic parameters, additions of phases or assets, or expenditures of reserve funds. The association can assist in simplifying the reserve analysis update process by keeping accurate records of these changes throughout the year.

■ 5. Funding Methods

From the simplest to most complex, reserve analysis providers use many different computational processes to calculate reserve requirements. However, there are two basic processes identified as industry standards: the cash-flow method and the component method.

The cash flow method develops a reserve-funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the actual anticipated schedule of reserve expenses until the desired funding goal is achieved. This method sets up a "window" in which all future anticipated replacement costs are computed, based on the individual lives of the components under consideration.

The component method develops a reserve-funding plan where the total contribution is based on the sum of contributions for individual components. The component method is the more conservative of the two funding options, and assures that the association will achieve and maintain an ideal level of reserves over time. This method also allows for computations on individual components in the analysis. The RDA Summary and RDA Projection Reports are based upon the component methodology.

■ 6. Funding Strategies

Once an association has established its funding goals, the association can select an appropriate funding plan. There are two basic strategies widely used by associations. It is recommended that associations consult professionals to determine the best strategy or combination of plans that best suit the association's need. Additionally, associations should consult with their financial advisor to determine the tax implications of selecting a particular plan. Further, consultation with the American Institute of Certified Public Accountants (AICPA) for their reporting requirements is advisable. The two funding plans and descriptions of both are detailed below.

• Full Funding — Given that the basis of funding for reserves is to distribute the costs of the replacements over the lives of the components in question, it follows that the ideal level of reserves would be proportionately related to those lives and costs. If an association has a component with an expected estimated useful life of ten years, it would set aside approximately one-tenth of the replacement cost each year. At the end of three years, one would expect that three-tenths of the replacement cost to have accumulated, and if so, that component would be "fully-funded." This model is

important in that it is a measure of the adequacy of an association's reserves at any one point of time, and is independent of any particular method which may have been used for past funding or may be under consideration for future funding. The formula is based on current replacement cost, and is a measure in time, independent of future inflationary or investment factors:

$$\text{Fully Funded Reserves} = \frac{\text{Age of Component}}{\text{Useful Life}} \times \text{Current Replacement Cost}$$

When an association's total accumulated reserves for all components meet this criteria, its reserves are "fully-funded."

• Threshold Funding (RDA Modified Cash Flow Reports) — There are two goals of this funding method. The first goal is to make sure that all scheduled reserve expenditures are covered by keeping the reserve cash balance above zero during the projected period. The second goal is to reach and maintain a 100% fully funded reserve balance during the projected period. Depending on the association's current percent funded, it may take the entire projected period (typically 30 years) before the 100% fully funded level is achieved.

Reaching and maintaining a 100% fully funded reserve balance by uniformly distributing the costs of the replacements over time benefits both current and future members of an association, and is the best approach the board of directors can take to fulfill its fiduciary responsibility. The modified cash flow method creates a funding strategy that gives the membership the lowest reserve funding recommendation as possible over time, while approaching the 100% fully funded level.

Another advantage of the modified cash flow method is that in most cases several strategies can be manually tested by Reserve Data Analysis, Inc. (the strategy is not based strictly on each components current funding status) until the best funding strategy is created – one that has consistent, incremental contribution increases from year to year. This very important aspect of the reserve study will aid the board of directors during the annual budgeting process.

■ 7. Distribution of Accumulated Reserves

The first step is to identify the ideal level of reserves for each asset. As indicated in the prior section, this is accomplished by evaluating the component's age proportionate to its estimated useful life and current replacement cost. Again, the equation used is as follows:

$$\text{Fully Funded Reserves} = \frac{\text{Age of Component}}{\text{Useful Life}} \text{ X Current Replacement Cost}$$

The RDA RESERVE MANAGEMENT SOFTWARE™ program performs the above calculations to the very month the component was placed-in-service. It also allows for the accumulation of the necessary reserves for the replacement to be available on the first day of the fiscal year it is scheduled to be replaced.

After identifying the ideal level of reserves for each asset, the beginning reserve balance must be allocated to each of the individual components identified in the analysis.

The next step the program performs is to arrange all of the assets used in the study in ascending order by remaining life, and alphabetically within each grouping of remaining life items. These assets are then assigned their respective ideal level of reserves until the amount of funds available are depleted, or until all assets are appropriately funded. If any assets are assigned a zero remaining life (schedule for replacement this fiscal year), then the amount assigned equals the current replacement cost and funding begins for the next cycle of replacement. If there are insufficient funds available to accomplish this, then the software automatically adjusts the zero remaining life item to 1 year and that asset assumes its new grouping position alphabetically in the final printed report.

If at the completion of this task there are additional moneys which have not been distributed, the remaining reserves are then assigned, in ascending order, to a level equal to, but not exceeding, the current replacement cost for each component. If there are sufficient moneys available to fund all assets at their current replacement cost levels, then any excess funds are designated as such initially, but are then considered to be available reserves in the report funding computations.

Assigning the reserves in this manner defers the make-up period for any underfunding over the longest remaining life of all the assets under consideration, thereby minimizing the impact of deficiency. For example, if the report indicates an underfunding of $50,000, this underfunding will be assigned to components with the longest remaining life possible in order to give more time to "replenish" the account. If the $50,000 underfunding were to be assigned to short remaining life items, the impact would be immediately felt.

If the reserves are underfunded, the monthly contribution requirements as outlined in this report may be higher than normal depending on the calculation method that is used. In future years, as individual assets are replaced, the funding requirements will return to their normal levels. In the case of a large deficiency, a special assessment may be considered. The program can easily generate revised reports outlining how the monthly contributions would be affected by such an adjustment, or by any other changes which may be under consideration.

■ 8. Funding Reserves

Two contribution numbers are provided in the report, the "Monthly Membership Contribution" and the "Net Monthly Allocation." The association should contribute to reserves each month the "Monthly Membership Contribution" figure, when the interest earned on the reserves is left in the reserve accounts as part of the contribution. When interest is earned on the reserves, that interest must be left in reserves and only amounts set aside for taxes should be removed.

The second alternative is to allocate the "Net Monthly Allocation" to reserves (this is the member contribution plus the anticipated interest earned for the fiscal year). This method assumes that all interest earned will be assigned directly as operating income. This allocation takes into consideration the anticipated interest earned on accumulated reserves regardless of whether or not it is actually earned. When taxes are paid the amount due will be taken directly from the association's operating accounts as the reserve accounts are allocated only those moneys net of taxes.

■ 9. Users' Guide to Your Reserve Analysis Study

Part II of your RDA REPORT contains the reserve analysis study for your association. There are seven types of pages in the study as described below.

REPORT SUMMARY

The ***Report Summary*** lists all of the parameters which were used in calculating the report as well as the summary of your reserve analysis study.

INDEX REPORTS

The ***Distribution of Accumulated Reserves*** report lists all assets in remaining life order. It also identifies the ideal level of reserves which should have accumulated for the association as well as the actual reserves available.

DETAIL REPORTS

The ***Detail Report*** itemizes each asset and lists all measurements, current and future costs and calculations for that asset. Provisions for percentage replacements, salvage values and one-time replacements can also be utilized.

The numerical listings for each asset are enhanced by extensive narrative detailing factors such as design, manufacture quality, usage, exposure to elements and maintenance history.

The ***Detail Report Index*** is an alphabetical listing of all assets together with the page number of the asset's detail report and asset number.

PROJECTIONS AND CHARTS

Thirty-year Projections of projected data add to the usefulness of your reserve analysis study.

■ 10. Definitions

REPORT I.D. - Includes the REPORT DATE (ex. November 15, 1992), VERSION (ex. 001), and ACCOUNT NUMBER (ex. 9773). Please use this information when referencing your report. (Displayed on the summary page.)

BUDGET YEAR BEGINNING/ENDING - The budgetary year for which the report is prepared. For associations with fiscal years ending December 31, the monthly contribution figures indicated are for the 12 month period beginning 1/1/2X and ending 12/31/2X.

NUMBER OF UNITS/PHASES - If applicable, the number of units and/or phases included in this version of the report.

INFLATION - This figure is used to approximate the future cost to repair or replace each component in the report. The current cost for each component is compounded on an annual basis by the number of remaining years to replacement and the total is used in calculating the monthly reserve contribution which will be necessary in order to accumulate the required funds in time for replacement.

ANNUAL CONTRIBUTION INCREASE - The percentage rate at which the association will increase its contribution to reserves at the end of each year until the year in which the asset is replaced. For example, in order to accumulate $10,000 in 10 years, you could set aside $1,000 per year. As an alternative, you could set aside $795 the first year and increase that amount by 5% each year until the year of replacement. In either case you arrive at the same amount. The idea is that you start setting aside a lower amount and increase that number each year in accordance with the planned percentage. Ideally this figure should be equal to the rate of inflation. It can, however, be used to aid those associations that have not set aside appropriate reserves in the past by making the initial year's allocation less formidable.

INVESTMENT YIELD - The average interest rate anticipated by the association based upon its current investment practices.

TAXES ON YIELD - The estimated percentage of interest income which will be set aside for taxes.

ACCUMULATED RESERVE BALANCE - The anticipated reserve balance on the first day of the fiscal year for which this report has been prepared. Based upon information provided and not audited.

PERCENT FULLY FUNDED - The ratio, at the beginning of the fiscal year, of the actual (or projected) reserve balance to the calculated fully funded balance, expressed as a percentage.

PHASE INCREMENT DETAIL/AGE - Comments regarding aging of the components on the basis of construction date or date of acceptance by the association.

MONTHLY CONTRIBUTION - The contribution to reserves required by the association each month.

INTEREST CONTRIBUTION - The interest that should be earned on the reserves, net of taxes, based upon their beginning reserve balance and monthly contributions for one year. This figure is averaged for budgeting purposes.

NET MONTHLY ALLOCATION - The sum of the monthly contribution and interest contribution figures.

GROUP OR FACILITY NUMBER/CATEGORY NUMBER - The report may be prepared and sorted either by group or facility (location, building, phase, etc.) or by category (roofing, painting, etc.). Standard report printing format is by category.

PERCENTAGE OF REPLACEMENT - In some cases, an asset may not be replaced in its entirety or the cost may be shared with a second party. Examples are budgeting for a percentage of replacement of streets over a period of time, or sharing the expense to replace a common wall with a neighboring party.

PLACED-IN-SERVICE - The month and year that the asset was placed-in-service. - This may be the construction date, the first escrow closure date in a given phase, or the date of the last servicing or replacement.

ESTIMATED USEFUL LIFE - The estimated useful life of an asset based upon industry standards, manufacturer specifications, visual inspection, location, usage, association standards and prior history. All of these factors are taken into consideration when tailoring the estimated useful life to the particular asset. For example, the carpeting in a hallway or elevator (a heavy traffic area) will not have the same life as the identical carpeting in a seldom-used meeting room or office.

ADJUSTMENT TO USEFUL LIFE - Once the useful life is determined it may be adjusted +/- by this separate figure for the current cycle of replacement. This will allow for a current period adjustment without affecting the estimated replacement cycles for future replacements.

ESTIMATED REMAINING LIFE - This calculation is completed internally based upon the report's fiscal year date and the date the asset was placed-in-service.

REPLACEMENT YEAR - The year that the asset is scheduled to be replaced. The appropriate funds will be available by the first day of the fiscal year for which replacement is anticipated.

FIXED ACCUMULATED RESERVES - An optional figure which, if used, will override the normal process of allocating reserves to each asset.

FIXED MONTHLY CONTRIBUTION - An optional figure which, if used, will override all calculations and set the contribution at this amount.

SALVAGE VALUE - The salvage value of the asset at the time of replacement, if applicable.

ONE-TIME REPLACEMENT - Notation if the asset is to be replaced on a one-time basis.

CURRENT REPLACEMENT COST - The estimated replacement cost effective as of the beginning of the fiscal year for which the report is being prepared.

FUTURE REPLACEMENT COST - The estimated cost to repair or replace the asset at the end of its estimated useful life based upon the current replacement cost and inflation.

COMPONENT INVENTORY - The task of selecting and quantifying reserve components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents and discussion with appropriate association representative(s).

■ 11. A Multi-Purpose Tool

Your RDA REPORT is an important part of your association's budgetary process. Following its recommendations should ensure the association's smooth budgetary transitions from one fiscal year to the next, and either decrease or eliminate the need for "special assessments".

In addition, your RDA reserve study serves a variety of useful purposes:

- Following the recommendations of a reserve study performed by a professional consultant can protect the Board of Directors in a community from personal liability concerning reserve components and reserve funding.

- A reserve analysis study is required by your accountant during the preparation of the association's annual audit.

- A reserve study is often requested by lending institutions during the process of loan applications, both for the community and, in many cases, the individual owners.

- Your RDA REPORT is also a detailed inventory of the association's major assets and serves as a management tool for scheduling, coordinating and planning future repairs and replacements.

- Your RDA REPORT is a tool which can assist the Board in fulfilling its legal and fiduciary obligations for maintaining the community in a state of good repair. If a community is operating on a special assessment basis, it cannot guarantee that an assessment, when needed, will be passed. Therefore, it cannot guarantee its ability to perform the required repairs or replacements to those major components which the association is obligated to maintain.

- Since the RDA reserve analysis study includes precise measurements and cost estimates of the client's assets, the detail reports may be used to evaluate the accuracy and price of contractor bids when assets are due to be repaired or replaced.

- The reserve study is an annual disclosure to the membership concerning the financial condition of the association, and may be used as a "consumers' guide" by prospective purchasers.

Four Seasons Condominiums
Scottsdale, Arizona
CFS Reserve Analysis Report Summary

Report Date	August 30, 2013
Version	002
Account Number	3572
Budget Year Beginning	1/ 1/14
Ending	12/31/14
Total Units Included	12
Phase Development	1 of 1

Parameters:	
Inflation	3.00%
Annual Contribution Increase	3.00%
Investment Yield	0.25%
Taxes on Yield	0.00%
Contingency	3.00%

Reserve Fund Balance as of 1/ 1/14: $23,945.00

Project Profile & Introduction

This community is located at 6941 East 4th Street in Scottsdale, and is made up of two (2) buildings with six (6) units in each. The community was constructed in the early 1970's.

Refer to Asset ID #1000 (** Reserve Balance Calculation) for an explanation of how the projected 1/1/2014 reserve balance was determined.

Calculation Method: Modified Cash Flow
Funding Strategy: Threshold
RDA Reports: 6/2012. Updated w/out inspection 7/2013 (rev. 8/2013).

Cash Flow Specific Summary of Calculations

Monthly Contribution to Reserves Required: ($50.50 per unit per month)	$606.00
Average Net Monthly Interest Contribution This Year:	1.52
Net Monthly Allocation to Reserves 1/ 1/14 to 12/31/14: ($50.63 per unit per month)	$607.52

Four Seasons Condominiums
Distribution of Accumulated Reserves

REPORT DATE: August 30, 2013
VERSION: 002
ACCOUNT NUMBER: 3572

DESCRIPTION	REM LIFE	FULLY FUNDED RESERVES	ASSIGNED RESERVES
** Reserve Balance Calculation	0	0.00	0.00
Concrete Components (Unfunded)	0	0.00	0.00
Gutters & Downspouts (Unfunded)	0	0.00	0.00
Paint - Community Exteriors	0	12,000.00	12,000.00
Roofs - Metal, Carports (Unfunded)	0	0.00	0.00
Storage/Laundry Bldgs - Refurbish	0	8,000.00	8,000.00
Irrigation System	1	3,840.00	3,247.57
Parking Area - Repair & Seal Coat	1	1,333.33	0.00
Pool - Filter	1	1,038.89	0.00
Pool - Heater	1	2,769.23	0.00
Granite Replenishment	3	1,096.88	0.00
Pool - Deck Recoat	3	1,028.57	0.00
Pool - Deck Resurface	3	2,592.86	0.00
Pool - Pump & Motor	3	138.46	0.00
Pool - Replaster & Retile	3	4,188.75	0.00
Fencing - Wood (Rear Patios)	6	950.00	0.00
Lighting - Poles w/Lantern Fixtures	6	532.00	0.00
Pool - Furniture (Tables)	6	23.33	0.00
Pool - Furniture (Umbrellas/Chairs)	6	79.75	0.00
Mailboxes - Wall Mounted	9	448.00	0.00
Roofs - Flat, Foam (Recoat)	9	849.05	0.00
Fencing - Wrought Iron (Pool)	16	1,220.33	0.00
East & West Walkway & Patio Decks	29	169.49	0.00
Total Asset Summary:		42,298.92	23,247.57
Contingency @ 3.00%:		1,268.97	697.43
Grand Total:		43,567.89	23,945.00
Excess Reserves Not Used:			0.00

Percent Fully Funded: 55%

Four Seasons Condominiums
Cash Flow Specific Projections

REPORT DATE: August 30, 2013
VERSION: 002
ACCOUNT NUMBER: 3572

Beginning Accumulated Reserves: $23,945

YEAR	CURRENT REPLACEMENT COST	ANNUAL CONTRBTN	ANNUAL INTEREST CONTRBTN	ANNUAL EXPENDTRS	PROJECTED ENDING RESERVES	FULLY FUNDED RESERVES	PERCENT FULLY FUNDED
'14	70,003	7,272	18	20,000	11,235	29,597	38%
'15	72,103	7,490	12	9,991	8,746	26,219	33%
'16	74,266	7,715	31	0	16,492	33,529	49%
'17	76,494	7,946	15	14,085	10,368	26,296	39%
'18	78,789	8,185	35	0	18,588	33,989	55%
'19	81,152	8,430	56	0	27,074	42,120	64%
'20	83,587	8,683	64	5,564	30,257	44,794	68%
'21	86,094	8,944	86	0	39,287	53,671	73%
'22	88,677	9,212	69	15,771	32,797	46,308	71%
'23	91,338	9,488	45	19,229	23,101	35,249	66%
'24	94,078	9,773	63	2,419	30,517	41,931	73%
'25	96,900	10,066	76	4,644	36,016	46,699	77%
'26	99,807	10,368	102	0	46,486	56,789	82%
'27	102,801	10,679	123	2,291	54,997	65,013	85%
'28	105,885	11,000	150	0	66,147	76,182	87%
'29	109,062	11,330	157	8,701	68,932	78,732	88%
'30	112,334	11,669	121	26,020	54,702	63,269	86%
'31	115,704	12,020	117	13,388	53,450	61,038	88%
'32	119,175	12,380	146	766	65,210	72,432	90%
'33	122,750	12,751	117	24,361	53,718	59,448	90%
'34	126,433	13,134	144	2,005	64,992	70,112	93%
'35	130,226	13,528	171	2,976	75,714	80,396	94%
'36	134,132	13,934	205	0	89,853	94,486	95%
'37	138,156	14,352	239	888	103,556	108,407	96%
'38	142,301	14,782	206	28,053	90,492	94,288	96%
'39	146,570	15,226	228	6,281	99,665	103,213	97%
'40	150,967	15,683	237	12,077	103,508	106,641	97%
'41	155,496	16,153	231	18,770	101,122	103,466	98%
'42	160,161	16,638	270	1,030	117,000	119,422	98%
'43	164,966	17,137	188	49,577	84,749	84,757	100%

Four Seasons Condominiums
Annual Expenditure Detail

REPORT DATE: August 30, 2013
VERSION: 002
ACCOUNT NUMBER: 3572

DESCRIPTION	EXPENDITURES
REPLACEMENT YEAR 2014	
Paint - Community Exteriors	12,000.00
Storage/Laundry Bldgs - Refurbish	8,000.00
*** ANNUAL TOTAL:	20,000.00
REPLACEMENT YEAR 2015	
Irrigation System	4,120.00
Parking Area - Repair & Seal Coat	1,648.00
Pool - Filter	1,133.00
Pool - Heater	3,090.00
*** ANNUAL TOTAL:	9,991.00
REPLACEMENT YEAR 2016	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2017	
Granite Replenishment	1,917.74
Pool - Deck Recoat	1,966.91
Pool - Deck Resurface	3,606.00
Pool - Pump & Motor	491.73
Pool - Replaster & Retile	6,102.88
*** ANNUAL TOTAL:	14,085.26
REPLACEMENT YEAR 2018	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2019	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2020	
Fencing - Wood (Rear Patios)	1,492.57
Lighting - Poles w/Lantern Fixtures	835.85
Parking Area - Repair & Seal Coat	1,910.47
Pool - Furniture (Tables)	250.74
Pool - Furniture (Umbrellas/Chairs)	1,074.64

Four Seasons Condominiums
Annual Expenditure Detail

DESCRIPTION	EXPENDITURES
*** ANNUAL TOTAL:	5,564.27
REPLACEMENT YEAR 2021	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2022	
Paint - Community Exteriors	15,201.23
Pool - Pump & Motor	570.04
*** ANNUAL TOTAL:	15,771.27
REPLACEMENT YEAR 2023	
Mailboxes - Wall Mounted	913.36
Pool - Heater	3,914.32
Roofs - Flat, Foam (Recoat)	14,401.66
*** ANNUAL TOTAL:	19,229.34
REPLACEMENT YEAR 2024	
Pool - Deck Recoat	2,419.06
*** ANNUAL TOTAL:	2,419.06
REPLACEMENT YEAR 2025	
Granite Replenishment	2,429.35
Parking Area - Repair & Seal Coat	2,214.75
*** ANNUAL TOTAL:	4,644.10
REPLACEMENT YEAR 2026	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2027	
Pool - Furniture (Tables)	308.38
Pool - Furniture (Umbrellas/Chairs)	1,321.68
Pool - Pump & Motor	660.83
*** ANNUAL TOTAL:	2,290.89

Four Seasons Condominiums
Annual Expenditure Detail

DESCRIPTION	EXPENDITURES
REPLACEMENT YEAR 2028	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2029	
Pool - Replaster & Retile	8,701.26
*** ANNUAL TOTAL:	8,701.26
REPLACEMENT YEAR 2030	
Fencing - Wrought Iron (Pool)	4,196.30
Paint - Community Exteriors	19,256.46
Parking Area - Repair & Seal Coat	2,567.50
*** ANNUAL TOTAL:	26,020.26
REPLACEMENT YEAR 2031	
Pool - Deck Recoat	2,975.13
Pool - Deck Resurface	5,454.42
Pool - Heater	4,958.54
*** ANNUAL TOTAL:	13,388.09
REPLACEMENT YEAR 2032	
Pool - Pump & Motor	766.07
*** ANNUAL TOTAL:	766.07
REPLACEMENT YEAR 2033	
Granite Replenishment	3,077.43
Pool - Filter	1,928.86
Roofs - Flat, Foam (Recoat)	19,354.63
*** ANNUAL TOTAL:	24,360.92
REPLACEMENT YEAR 2034	
Pool - Furniture (Tables)	379.26
Pool - Furniture (Umbrellas/Chairs)	1,625.52
*** ANNUAL TOTAL:	2,004.78
REPLACEMENT YEAR 2035	
Parking Area - Repair & Seal Coat	2,976.45

Four Seasons Condominiums
Annual Expenditure Detail

DESCRIPTION	EXPENDITURES
*** ANNUAL TOTAL:	2,976.45
REPLACEMENT YEAR 2036	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2037	
Pool - Pump & Motor	888.08
*** ANNUAL TOTAL:	888.08
REPLACEMENT YEAR 2038	
Paint - Community Exteriors	24,393.51
Pool - Deck Recoat	3,659.03
*** ANNUAL TOTAL:	28,052.54
REPLACEMENT YEAR 2039	
Pool - Heater	6,281.34
*** ANNUAL TOTAL:	6,281.34
REPLACEMENT YEAR 2040	
Irrigation System	8,626.36
Parking Area - Repair & Seal Coat	3,450.51
*** ANNUAL TOTAL:	12,076.87
REPLACEMENT YEAR 2041	
Granite Replenishment	3,898.40
Pool - Furniture (Tables)	466.45
Pool - Furniture (Umbrellas/Chairs)	1,999.20
Pool - Replaster & Retile	12,405.90
*** ANNUAL TOTAL:	18,769.95
REPLACEMENT YEAR 2042	
Pool - Pump & Motor	1,029.52
*** ANNUAL TOTAL:	1,029.52

Four Seasons Condominiums
Annual Expenditure Detail

DESCRIPTION	EXPENDITURES
REPLACEMENT YEAR 2043	
East & West Walkway & Patio Decks	23,565.65
Roofs - Flat, Foam (Recoat)	26,011.00
*** ANNUAL TOTAL:	49,576.65

Four Seasons Condominiums
Cash Flow Detail Report by Category

REPORT DATE: August 30, 2013
VERSION: 002
ACCOUNT NUMBER: 3572

** Reserve Balance Calculation

ASSET ID 1000
GROUP/FACILITY 0
CATEGORY 5

PLACED IN SERVICE 0/ 0
0 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2014
0 YEAR REM LIFE

QUANTITY	1 comment
UNIT COST	0.000
PERCENT REPL	0.00%
CURRENT COST	0.00
FUTURE COST	0.00
SALVAGE VALUE	0.00

REMARKS:

Current Reserve Balance Per Client (6/30/13):	$	28,495
Remaining 2013 Reserve Contributions (per client):	+	3,600
Remaining 2013 Reserve Expenditures:		
Walking & Patio Deck Work, & Signage	-	8,150
Projected January 1, 2014 Reserve Balance:	$	23,945

Concrete Components (Unfunded)

ASSET ID	1001
GROUP/FACILITY	0
CATEGORY	10

QUANTITY	1 comment
UNIT COST	0.000
PERCENT REPL	0.00%
CURRENT COST	0.00
FUTURE COST	0.00
SALVAGE VALUE	0.00

PLACED IN SERVICE 0/ 0
0 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2014
0 YEAR REM LIFE

REMARKS:

We are not budgeting for repair or replacement of concrete decks, pads, sidewalks, or driveways as a reserve component. It is anticipated that any repairs required will be addressed immediately due to safety concerns. Good maintenance practice won't allow the need for repairs to accumulate to a point of major expense. We recommend that the client includes a line item in the annual operating budget for repairs and/or replacements on an "as needed" basis. However, should the client wish to include budgeting for concrete components, we will do so at their request (cost and useful life to be provided by client).

Parking Area - Repair & Seal Coat

ASSET ID	1005
GROUP/FACILITY	0
CATEGORY	10

QUANTITY	1 total
UNIT COST	1,600.000
PERCENT REPL	100.00%
CURRENT COST	1,600.00
FUTURE COST	1,648.00
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/09
5 YEAR USEFUL LIFE
+1 YEAR ADJUSTMENT
REPLACEMENT YEAR 2015
1 YEAR REM LIFE

REMARKS:

No historical information regarding the asphalt parking area underneath the carports is known. As requested by the client, we are budgeting to repair, crack seal, seal coat and restripe for a flat fee of $1,600 every five (5) years, with the next project scheduled for 2015. Assuming that this area is crack sealed and seal coated every five (5) years, we do not anticipate a need to overlay or remove and repave this asphalt.

The total measurement of this area is 2,710 sq. ft.

Roofs - Flat, Foam (Recoat)

ASSET ID	1018
GROUP/FACILITY	0
CATEGORY	20

QUANTITY	1 total
UNIT COST	11,037.670
PERCENT REPL	100.00%
CURRENT COST	11,037.67
FUTURE COST	14,401.66
SALVAGE VALUE	0.00

PLACED IN SERVICE 4/13
10 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2023
9 YEAR REM LIFE

REMARKS:

$11,037.67 was spent in 4/2013 to repair and recoat the foam roofs atop the residential buildings (2) & storage buildings (2) - 10 year manufacturer warranty. We are budgeting for similar work on a continuous 10 year cycle.

The total roof measurement including storage buildings is 7,410 sq. ft.

Roofs - Metal, Carports (Unfunded)

ASSET ID	1025
GROUP/FACILITY	0
CATEGORY	20

QUANTITY	1 comment
UNIT COST	0.000
PERCENT REPL	0.00%
CURRENT COST	0.00
FUTURE COST	0.00
SALVAGE VALUE	0.00

PLACED IN SERVICE 0/ 0
0 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2014
0 YEAR REM LIFE

REMARKS:

The total measurement of the carport roof is 2,700 sq. ft.

We are not budgeting to replace the corrugated metal carport roofs because they have an extremely long useful life. However, the condition of these roofs should be monitored over time, and if future replacements are anticipated, we will include them in a future update to this report. Should the client want a reserve planned for this asset, we will revise the report to include these roofs. We have listed for informational purposes only.

Any minor repairs should be handled on an "as needed" basis, and the expense paid for out of the operating budget, the operating contingency, or the reserve contingency.

East & West Walkway & Patio Decks			
ASSET ID	1022	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	10,000.000
CATEGORY	25	PERCENT REPL	100.00%
		CURRENT COST	10,000.00
		FUTURE COST	23,565.66
		SALVAGE VALUE	0.00

PLACED IN SERVICE 7/13
30 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2043
29 YEAR REM LIFE

REMARKS:

$7,150 will be spent in mid-2013 on the walking and patio decks (see the ONE STOP CONTRACTING, INC. bid dated June 24, 2013). This expense is reflected in the 1/1/2014 reserve balance used to calculate this report. The client has advised us that the east end walking and patio decks were replaced about a year ago. Going forward, this component includes a provision of $10,000, every 30 years, for the refurbishment/renovation of the east & west end walking & patio decks.

Storage/Laundry Bldgs - Refurbish			
ASSET ID	1019	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	8,000.000
CATEGORY	25	PERCENT REPL	100.00%
		CURRENT COST	8,000.00
		FUTURE COST	8,000.00
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/73
30 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2014
0 YEAR REM LIFE

REMARKS:

The client has advised us to budget $8,000 for the refurbishment/renovation of the exteriors of the two storage/laundry structures in 2014. We have used a 30 year useful life for this component.

Paint - Community Exteriors			
ASSET ID	1023	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	12,000.000
CATEGORY	30	PERCENT REPL	100.00%
		CURRENT COST	12,000.00
		FUTURE COST	12,000.00
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/00
8 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2014
0 YEAR REM LIFE

REMARKS:

This component includes a provision to paint the complete exterior of the community on an eight (8) year cycle:

- condo and storage building exteriors (stucco, wood, metal railings)
- site walls (pool and entrance area: 1,360 sq. ft.)
- wrought iron fencing and gates (pool area)
- carport support structures (support beams and underside of roof)
- patio fencing (wood)
- metal light poles (2)

Interim pool fence and gate painting should be handled as needed out of the annual operating budget.

Fencing - Wood (Rear Patios)

ASSET ID	1014
GROUP/FACILITY	0
CATEGORY	40

QUANTITY	1 total
UNIT COST	1,250.000
PERCENT REPL	100.00%
CURRENT COST	1,250.00
FUTURE COST	1,492.57
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/95
25 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2020
6 YEAR REM LIFE

REMARKS:

50 - lin. ft. of 5'6" fencing	@	$ 25.00	=	$ 1,250.00
		TOTAL	=	$ 1,250.00

The actual date this item was placed-in-service was not available. For budgeting purposes, we have estimated this date based upon its present condition.

Fencing - Wrought Iron (Pool)

ASSET ID	1006
GROUP/FACILITY	0
CATEGORY	40

QUANTITY	1 total
UNIT COST	2,615.000
PERCENT REPL	100.00%
CURRENT COST	2,615.00
FUTURE COST	4,196.31
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/00
30 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2030
16 YEAR REM LIFE

REMARKS:

35 - lin. ft. of 5'9" fencing	@	$ 29.00	=	$ 1,015.00
1 - 5'7" x 3'7" decorative gate	@	800.00	=	800.00
2 - 5'9" x 3'4" gates	@	400.00	=	800.00
		TOTAL	=	$ 2,615.00

The actual date this item was placed-in-service was not available. For budgeting purposes, we have estimated this date based upon its present condition.

Lighting - Poles w/Lantern Fixtures			
		QUANTITY	1 total
		UNIT COST	700.000
ASSET ID	1015	PERCENT REPL	100.00%
GROUP/FACILITY	0	CURRENT COST	700.00
CATEGORY	50	FUTURE COST	835.84
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/95
25 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2020
6 YEAR REM LIFE

REMARKS:

2 - 6' poles w/lantern fixtures	@	$ 350.00	=	$ 700.00
		TOTAL	=	$ 700.00

The actual date this item was placed-in-service was not available. For budgeting purposes, we have estimated this date based upon its present condition.

Pool - Deck Recoat

ASSET ID	1010
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1,200 sq. ft.
UNIT COST	1.500
PERCENT REPL	100.00%
CURRENT COST	1,800.00
FUTURE COST	1,966.91
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/10
7 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2017
3 YEAR REM LIFE

REMARKS:

This component includes a provision to repair and recoat (repaint) the pool deck on a continuous seven year cycle.

Pool - Deck Resurface

ASSET ID	1009
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1,200 sq. ft.
UNIT COST	2.750
PERCENT REPL	100.00%
CURRENT COST	3,300.00
FUTURE COST	3,606.00
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
14 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2017
3 YEAR REM LIFE

REMARKS:

This component includes a provision to resurface (includes scrabbling of deck and acrylic overlay) the pool deck surface. The coating/coloring of the deck following the resurfacing is accounted for in the "Deck Recoat" asset.

As requested by the client, we have scheduled this project to occur in conjunction with the pool replastering project in 2017.

Pool - Filter

ASSET ID	1007
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1 filter
UNIT COST	1,100.000
PERCENT REPL	100.00%
CURRENT COST	1,100.00
FUTURE COST	1,133.00
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/97
18 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2015
1 YEAR REM LIFE

REMARKS:

This is a Triton, 3.14 sq. ft. sand filter.

The actual date this item was placed-in-service was not available. For budgeting purposes, we have estimated this date based upon its present condition.

Pool - Furniture (Tables)

ASSET ID	1012
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1 total
UNIT COST	210.000
PERCENT REPL	100.00%
CURRENT COST	210.00
FUTURE COST	250.75
SALVAGE VALUE	0.00

PLACED IN SERVICE 4/13
7 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2020
6 YEAR REM LIFE

REMARKS:

2 - glass top tables (38" x 60")	@	$ 85.00	=	$ 170.00
2 - side tables (18")	@	20.00	=	40.00
		TOTAL	=	$ 210.00

This asset, and the information contained herein, has been provided by the client.

Pool - Furniture (Umbrellas/Chairs)

ASSET ID	1013
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1 total
UNIT COST	900.000
PERCENT REPL	100.00%
CURRENT COST	900.00
FUTURE COST	1,074.65
SALVAGE VALUE	0.00

PLACED IN SERVICE 6/13
7 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2020
6 YEAR REM LIFE

REMARKS:

4 - chaise lounges	@	$ 80.00	=	$ 320.00
4 - chase cushions	@	45.00	=	180.00
2 - fabric umbrellas	@	80.00	=	160.00
12 - plastic chairs	@	20.00	=	240.00
		TOTAL	=	$ 900.00

This asset, and the information contained herein, has been provided by the client.

Pool - Heater

ASSET ID	1011
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1 heater
UNIT COST	3,000.000
PERCENT REPL	100.00%
CURRENT COST	3,000.00
FUTURE COST	3,090.00
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/02
8 YEAR USEFUL LIFE
+5 YEAR ADJUSTMENT
REPLACEMENT YEAR 2015
1 YEAR REM LIFE

REMARKS:

This is a Teledyne Laars, Series One heater. The client has advised us to budget to replace this heater in 2015.

Pool - Pump & Motor

ASSET ID	1016
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1 total
UNIT COST	450.000
PERCENT REPL	100.00%
CURRENT COST	450.00
FUTURE COST	491.73
SALVAGE VALUE	0.00

PLACED IN SERVICE 9/12
5 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2017
3 YEAR REM LIFE

REMARKS:

The pool pump/motor was replaced in September 2012 at a cost of $429.99.

This asset, and the information contained herein, has been provided by the client.

Pool - Replaster & Retile

ASSET ID	1008
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1 total
UNIT COST	5,585.000
PERCENT REPL	100.00%
CURRENT COST	5,585.00
FUTURE COST	6,102.88
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/05
12 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2017
3 YEAR REM LIFE

REMARKS:

925 - sq. ft. (IA) of replastering	@	$ 4.75	=	$ 4,394.00
88 - lin. ft. of trim tile	@	12.00	=	1,056.00
15 - lin. ft. of bench tile	@	9.00	=	135.00
		TOTAL	=	$ 5,585.00

The client has advised us to budget to replaster the pool in 2017.

Gutters & Downspouts (Unfunded)		
ASSET ID	1020	
GROUP/FACILITY	0	
CATEGORY	90	
	QUANTITY	1 comment
	UNIT COST	0.000
	PERCENT REPL	0.00%
	CURRENT COST	0.00
	FUTURE COST	0.00
	SALVAGE VALUE	0.00

PLACED IN SERVICE 0/ 0
0 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2014
0 YEAR REM LIFE

REMARKS:

The aluminum gutters and downspouts have an indefinite life if they are maintained properly and cleaned out on a regular basis. Good maintenance practice would not allow the need for reserves to accumulate to a point of major expense. Minor repairs should be handled on an "as needed" basis, and the expense paid for out of the operating budget.

Granite Replenishment

ASSET ID	1004
GROUP/FACILITY	0
CATEGORY	100

QUANTITY	27 tons
UNIT COST	65.000
PERCENT REPL	100.00%
CURRENT COST	1,755.00
FUTURE COST	1,917.74
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/09
8 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2017
3 YEAR REM LIFE

REMARKS:

This is a provision to replenish granite landscape rock on an eight (8) year cycle by adding a 1" layer to the existing base. The cost is an estimate for purchase, delivery and spreading.

Based on the appearance/condition of the granite at the time of the 2012 field inspection, we have used 2009 as the basis for aging this component.

Mailboxes - Wall Mounted

ASSET ID	1017
GROUP/FACILITY	0
CATEGORY	100

QUANTITY	1 total
UNIT COST	700.000
PERCENT REPL	100.00%
CURRENT COST	700.00
FUTURE COST	913.34
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/98
25 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2023
9 YEAR REM LIFE

REMARKS:

2 - 6 box apartment style tumbler sets	@	$ 350.00	=	$ 700.00
		TOTAL	=	$ 700.00

Irrigation System			
ASSET ID	1003	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	4,000.000
CATEGORY	110	PERCENT REPL	100.00%
		CURRENT COST	4,000.00
		FUTURE COST	4,120.00
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/90
25 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2015
1 YEAR REM LIFE

REMARKS:

Budget the following for the Irrigation System per client:

$4,000, every 25 years, next in 2015

DETAIL REPORT INDEX

TOTAL ASSET LINES INCLUDED: 23