RDA REPORT

La Quinta
Yuma, Arizona
Account 3077 - Version 001
February 23, 2009

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RDA Reserve Management Software

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

Services:

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

Administrative:

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

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:

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

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.

La Quinta
Yuma, Arizona
CFS Reserve Analysis Report Summary

Report Date	February 23, 2009
Version	001
Account Number	3077
Budget Year Beginning	1/ 1/09
Ending	12/31/09
Total Units Included	103
Phase Development	1 of 1

Parameters:

Inflation	3.00%
Annual Contribution Increase	3.00%
Investment Yield	2.00%
Taxes on Yield	0.00%
Contingency	3.00%

Reserve Fund Balance as of 1/ 1/09: [redacted]

Project Profile & Introduction

For budgeting purposes we have used January 2003 as the basis for aging the Phase 1 components and January 2007 for the Phase 2 components.

This is a 2009 budget year report. The client has advised us to assume that the reserve account is fully funded as of January 1, 2009. Please see the asset titled "RESERVE BALANCE INFORMATION" for details.

Calculation Method: Modified Cash Flow
Funding Strategy: Threshold
RDA Reports: May 2008. Revised February 2009.

Cash Flow Specific Summary of Calculations

Monthly Contribution to Reserves Required:	$2,085.00
($20.24 per unit per month)	
Average Net Monthly Interest Contribution This Year:	176.37
Net Monthly Allocation to Reserves	[redacted]
([redacted]	

La Quinta
Distribution of Accumulated Reserves

REPORT DATE: February 23, 2009
VERSION: 001
ACCOUNT NUMBER: 3077

DESCRIPTION	REM LIFE	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Concrete Components - Unfunded	0	0.00	0.00
Granite Replenishment - Unfunded	0	0.00	0.00
Irrigation System - Unfunded	0	0.00	0.00
Lighting - Poles/Lanterns, Unfunded	0	0.00	0.00
Paint - Wrought Iron Fencing	0	4,100.00	4,100.00
Paint - Wrought Iron Gates	0	1,250.00	1,250.00
RESERVE BALANCE INFORMATION	0	0.00	0.00
Streets - Seal Coat (Ph 1) (2009)	0	5,500.00	5,500.00
Streets - Seal Coat (Ph 2)	0	5,820.00	5,820.00
Tree Trimming - Unfunded	0	0.00	0.00
Pool - Deck Recoat	1	2,940.00	2,940.00
Pool/Spa - Pumps & Motors	1	1,285.71	1,285.71
Paint - Clubhouse/Ramadas	2	2,175.00	2,175.00
Spa - Heater	2	1,875.00	1,875.00
Paint - Metal Light Poles (Phase 1)	4	1,200.00	1,200.00
Pool - Furniture	4	1,800.00	1,800.00
Streets - Seal Coat (Ph 1)(Ongoing)	4	0.00	0.00
Pool - Replaster & Retile	6	3,677.00	3,677.00
Spa - Replaster & Retile	6	1,073.50	1,073.50
Paint - Metal Light Poles (Phase 2)	7	237.50	237.50
Pool - Deck Resurface	8	3,360.00	3,360.00
Streets - Repairs (Ph 1)	8	5,221.07	5,221.07
Access Phone	9	1,000.00	1,000.00
Clubhouse - Carpet	9	492.00	492.00
Clubhouse - HVAC	9	1,600.00	1,600.00
Fencing - Wrought Iron (Pool)	9	921.60	921.60
Gate Operators - Main Entrance	9	5,200.00	5,200.00
Irrigation Controllers (Phase 1)	9	1,092.00	1,092.00
Pool - Filter	12	430.00	430.00
Spa - Filter	12	430.00	430.00
Streets - Repairs (Ph 2)	12	762.14	762.14
Irrigation Controllers (Phase 2)	13	94.67	94.67
Monument Sign - Letters	14	150.00	150.00

La Quinta

Distribution of Accumulated Reserves

DESCRIPTION	REM LIFE	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Roofs - Flat, Built-Up, Replace	14	324.00	324.00
Fencing - Wrought Iron (Perimeter)	19	4,560.00	4,560.00
Gates - Wrought Iron (Pool)	19	205.20	205.20
Mailboxes - Pedestal Sets (Phase 1)	19	1,411.20	1,411.20
Walls - Block, Repairs	19	1,067.64	1,067.64
Streets - Overlay (Ph 1)	20	33,225.00	33,225.00
Mailboxes - Pedestal Sets (Phase 2)	23	190.64	190.64
Clubhouse - Interior Remodel	24	4,000.00	4,000.00
Gates - Wrought Iron (Main Ent.)	24	1,745.00	1,745.00
Gates - Wrought Iron (Southeast)	24	505.00	505.00
Roofs - Tile, Underlayment	24	1,120.00	1,120.00
Streets - Overlay (Ph 2)	24	4,850.00	4,850.00
Total Asset Summary:		106,890.87	106,890.87
Contingency @ 3.00%:		3,206.73	3,206.73
Grand Total:		110,097.60	110,097.60
Excess Reserves Not Used:			0.00

Percent Fully Funded: 100%

La Quinta
Funding Status Report

REPORT DATE: February 23, 2009
VERSION: 001
ACCOUNT NUMBER: 3077

DESCRIPTION	USE LIFE	+/-	REM LIFE	CURRENT COST	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Concrete Components - Unfunded	0	0	0	0	0	0
RESERVE BALANCE INFORMATION	0	0	0	0	0	0
Streets - Overlay (Ph 1)	25	+1	20	143,975	33,225	33,225
Streets - Repairs (Ph 1)	12	+2	8	12,183	5,221	5,221
Streets - Seal Coat (Ph 1) (2009)	4	0	0	5,500	5,500	5,500
Streets - Seal Coat (Ph 1)(Ongoing)	4	0	4	13,290	0	0
*** CATEGORY SUMMARY:				174,948	43,946	43,946
Streets - Overlay (Ph 2)	25	+1	24	63,050	4,850	4,850
Streets - Repairs (Ph 2)	12	+2	12	5,335	762	762
Streets - Seal Coat (Ph 2)	4	-2	0	5,820	5,820	5,820
*** CATEGORY SUMMARY:				74,205	11,432	11,432
Roofs - Flat, Built-Up, Replace	20	0	14	1,080	324	324
Roofs - Tile, Underlayment	30	0	24	5,600	1,120	1,120
*** CATEGORY SUMMARY:				6,680	1,444	1,444
Paint - Clubhouse/Ramadas	8	0	2	2,900	2,175	2,175
Paint - Metal Light Poles (Phase 1)	10	0	4	2,000	1,200	1,200
Paint - Metal Light Poles (Phase 2)	8	0	7	1,900	238	238
Paint - Wrought Iron Fencing	5	0	0	4,100	4,100	4,100
Paint - Wrought Iron Gates	5	0	0	1,250	1,250	1,250
*** CATEGORY SUMMARY:				12,150	8,963	8,963
Fencing - Wrought Iron (Perimeter)	25	0	19	19,000	4,560	4,560
Fencing - Wrought Iron (Pool)	15	0	9	2,304	922	922
Gates - Wrought Iron (Main Ent.)	30	0	24	8,725	1,745	1,745
Gates - Wrought Iron (Pool)	25	0	19	855	205	205
Gates - Wrought Iron (Southeast)	30	0	24	2,525	505	505
Walls - Block, Repairs	25	0	19	4,449	1,068	1,068
*** CATEGORY SUMMARY:				37,858	9,004	9,004
Lighting - Poles/Lanterns, Unfunded	0	0	0	0	0	0
*** CATEGORY SUMMARY:				0	0	0
Pool - Deck Recoat	14	-7	1	3,430	2,940	2,940
Pool - Deck Resurface	14	0	8	7,840	3,360	3,360
Pool - Filter	18	0	12	1,290	430	430
Pool - Furniture	10	0	4	3,000	1,800	1,800
Pool - Replaster & Retile	12	0	6	7,354	3,677	3,677
Pool/Spa - Pumps & Motors	7	0	1	1,500	1,286	1,286
Spa - Filter	18	0	12	1,290	430	430
Spa - Heater	8	0	2	2,500	1,875	1,875

La Quinta
Funding Status Report

DESCRIPTION	USE LIFE	+/-	REM LIFE	CURRENT COST	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Spa - Replaster & Retile	12	0	6	2,147	1,074	1,074
*** CATEGORY SUMMARY:				30,351	16,871	16,871
Clubhouse - Carpet	15	0	9	1,230	492	492
Clubhouse - HVAC	15	0	9	4,000	1,600	1,600
Clubhouse - Interior Remodel	30	0	24	20,000	4,000	4,000
*** CATEGORY SUMMARY:				25,230	6,092	6,092
Access Phone	15	0	9	2,500	1,000	1,000
Gate Operators - Main Entrance	15	0	9	13,000	5,200	5,200
*** CATEGORY SUMMARY:				15,500	6,200	6,200
Granite Replenishment - Unfunded	0	0	0	0	0	0
Irrigation Controllers (Phase 1)	15	0	9	2,730	1,092	1,092
Irrigation Controllers (Phase 2)	15	0	13	710	95	95
Irrigation System - Unfunded	0	0	0	0	0	0
Mailboxes - Pedestal Sets (Phase 1)	25	0	19	5,880	1,411	1,411
Mailboxes - Pedestal Sets (Phase 2)	25	0	23	2,960	191	191
Monument Sign - Letters	20	0	14	500	150	150
Tree Trimming - Unfunded	0	0	0	0	0	0
*** CATEGORY SUMMARY:				12,780	2,939	2,939
TOTAL ASSET SUMMARY:				389,701	106,891	106,891
CONTINGENCY @ 3.00%:					3,207	3,207
GRAND TOTAL:					110,098	110,098

Percent Fully Funded: 100%

La Quinta
Cash Flow Specific Projections

REPORT DATE: February 23, 2009
VERSION: 001
ACCOUNT NUMBER: 3077

Beginning Accumulated Reserves: $110,098

YEAR	CURRENT REPLACEMENT COST	ANNUAL CONTRBTN	ANNUAL INTEREST CONTRBTN	ANNUAL EXPENDTRS	PROJECTED ENDING RESERVES	FULLY FUNDED RESERVES	PERCENT FULLY FUNDED
'09	389,701	25,020	2,116	16,670	120,564	120,194	100%
'10	395,727	25,771	2,569	5,078	143,825	143,357	100%
'11	407,599	26,544	3,032	5,729	167,672	167,273	100%
'12	419,827	27,340	3,636	0	198,649	198,756	100%
'13	432,422	28,160	3,721	27,136	203,394	203,188	100%
'14	445,394	29,005	4,248	6,202	230,445	230,779	100%
'15	458,756	29,875	4,698	11,345	253,673	254,585	100%
'16	472,519	30,771	5,357	2,337	287,464	289,529	99%
'17	486,694	31,695	5,056	51,472	272,742	274,482	99%
'18	501,295	32,645	5,128	33,616	276,899	278,854	99%
'19	516,334	33,625	5,607	14,447	301,684	304,647	99%
'20	531,824	34,634	6,409	0	342,726	347,523	99%
'21	547,779	35,673	6,469	38,531	346,337	351,916	98%
'22	564,212	36,743	7,308	1,043	389,345	397,257	98%
'23	581,138	37,845	8,007	9,953	425,244	435,583	98%
'24	598,573	38,980	8,560	18,976	453,807	466,595	97%
'25	616,530	40,150	8,911	30,666	472,202	487,278	97%
'26	635,026	41,354	9,912	0	523,469	542,291	97%
'27	654,077	42,595	10,446	25,368	551,142	573,254	96%
'28	673,699	43,873	10,461	52,927	552,548	575,743	96%
'29	659,594	45,189	4,985	326,215	276,507	290,042	95%
'30	679,381	46,545	6,010	0	329,062	343,145	96%
'31	699,763	47,941	6,723	17,896	365,829	380,187	96%
'32	720,756	49,379	7,646	9,592	413,262	428,519	96%
'33	742,378	50,861	2,446	315,305	151,264	155,592	97%
'34	764,650	52,386	3,310	11,202	195,758	198,562	99%
'35	787,589	53,958	4,214	11,646	242,284	243,856	99%
'36	811,217	55,577	5,403	0	303,263	304,414	100%
'37	835,553	57,244	5,734	45,347	320,894	320,277	100%
'38	860,620	58,961	6,786	11,618	375,024	374,045	100%

La Quinta
Annual Expenditure Detail

REPORT DATE: February 23, 2009
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ACCOUNT NUMBER: 3077

DESCRIPTION	EXPENDITURES
REPLACEMENT YEAR 2009	
Paint - Wrought Iron Fencing	4,100.00
Paint - Wrought Iron Gates	1,250.00
Streets - Seal Coat (Ph 1) (2009)	5,500.00
Streets - Seal Coat (Ph 2)	5,820.00
*** ANNUAL TOTAL:	16,670.00
REPLACEMENT YEAR 2010	
Pool - Deck Recoat	3,532.90
Pool/Spa - Pumps & Motors	1,545.00
*** ANNUAL TOTAL:	5,077.90
REPLACEMENT YEAR 2011	
Paint - Clubhouse/Ramadas	3,076.61
Spa - Heater	2,652.25
*** ANNUAL TOTAL:	5,728.86
REPLACEMENT YEAR 2012	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2013	
Paint - Metal Light Poles (Phase 1)	2,251.01
Pool - Furniture	3,376.53
Streets - Seal Coat (Ph 1)(Ongoing)	14,958.01
Streets - Seal Coat (Ph 2)	6,550.46
*** ANNUAL TOTAL:	27,136.01
REPLACEMENT YEAR 2014	
Paint - Wrought Iron Fencing	4,753.03
Paint - Wrought Iron Gates	1,449.10
*** ANNUAL TOTAL:	6,202.13

La Quinta
Annual Expenditure Detail

DESCRIPTION	EXPENDITURES
REPLACEMENT YEAR 2015	
Pool - Replaster & Retile	8,781.07
Spa - Replaster & Retile	2,563.62
*** ANNUAL TOTAL:	11,344.69
REPLACEMENT YEAR 2016	
Paint - Metal Light Poles (Phase 2)	2,336.76
*** ANNUAL TOTAL:	2,336.76
REPLACEMENT YEAR 2017	
Pool - Deck Resurface	9,931.48
Pool/Spa - Pumps & Motors	1,900.15
Streets - Repairs (Ph 1)	15,432.44
Streets - Seal Coat (Ph 1)(Ongoing)	16,835.37
Streets - Seal Coat (Ph 2)	7,372.60
*** ANNUAL TOTAL:	51,472.04
REPLACEMENT YEAR 2018	
Access Phone	3,261.93
Clubhouse - Carpet	1,604.87
Clubhouse - HVAC	5,219.10
Fencing - Wrought Iron (Pool)	3,006.20
Gate Operators - Main Entrance	16,962.05
Irrigation Controllers (Phase 1)	3,562.03
*** ANNUAL TOTAL:	33,616.18
REPLACEMENT YEAR 2019	
Paint - Clubhouse/Ramadas	3,897.37
Paint - Wrought Iron Fencing	5,510.06
Paint - Wrought Iron Gates	1,679.90
Spa - Heater	3,359.79
*** ANNUAL TOTAL:	14,447.12
REPLACEMENT YEAR 2020	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2021	
Pool - Filter	1,839.23

La Quinta
Annual Expenditure Detail

DESCRIPTION	EXPENDITURES
Spa - Filter	1,839.23
Streets - Repairs (Ph 2)	7,606.44
Streets - Seal Coat (Ph 1)(Ongoing)	18,948.35
Streets - Seal Coat (Ph 2)	8,297.93
*** ANNUAL TOTAL:	38,531.18
REPLACEMENT YEAR 2022	
Irrigation Controllers (Phase 2)	1,042.66
*** ANNUAL TOTAL:	1,042.66
REPLACEMENT YEAR 2023	
Monument Sign - Letters	756.29
Paint - Metal Light Poles (Phase 1)	3,025.17
Pool - Furniture	4,537.77
Roofs - Flat, Built-Up, Replace	1,633.58
*** ANNUAL TOTAL:	9,952.81
REPLACEMENT YEAR 2024	
Paint - Metal Light Poles (Phase 2)	2,960.14
Paint - Wrought Iron Fencing	6,387.67
Paint - Wrought Iron Gates	1,947.47
Pool - Deck Recoat	5,343.84
Pool/Spa - Pumps & Motors	2,336.94
*** ANNUAL TOTAL:	18,976.06
REPLACEMENT YEAR 2025	
Streets - Seal Coat (Ph 1)(Ongoing)	21,326.53
Streets - Seal Coat (Ph 2)	9,339.40
*** ANNUAL TOTAL:	30,665.93
REPLACEMENT YEAR 2026	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2027	
Paint - Clubhouse/Ramadas	4,937.07
Pool - Replaster & Retile	12,519.72
Spa - Heater	4,256.07
Spa - Replaster & Retile	3,655.12

DESCRIPTION	EXPENDITURES
*** ANNUAL TOTAL:	25,367.98
REPLACEMENT YEAR 2028	
Fencing - Wrought Iron (Perimeter)	33,316.60
Gates - Wrought Iron (Pool)	1,499.27
Mailboxes - Pedestal Sets (Phase 1)	10,310.62
Walls - Block, Repairs	7,800.46
*** ANNUAL TOTAL:	52,926.95
REPLACEMENT YEAR 2029	
Paint - Wrought Iron Fencing	7,405.06
Paint - Wrought Iron Gates	2,257.65
Streets - Overlay (Ph 1)	260,034.84
Streets - Repairs (Ph 1)	22,002.95
Streets - Seal Coat (Ph 1)(Ongoing)	24,003.20
Streets - Seal Coat (Ph 2)	10,511.58
*** ANNUAL TOTAL:	326,215.28
REPLACEMENT YEAR 2030	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2031	
Pool - Deck Resurface	15,022.24
Pool/Spa - Pumps & Motors	2,874.14
*** ANNUAL TOTAL:	17,896.38
REPLACEMENT YEAR 2032	
Mailboxes - Pedestal Sets (Phase 2)	5,841.81
Paint - Metal Light Poles (Phase 2)	3,749.82
*** ANNUAL TOTAL:	9,591.63
REPLACEMENT YEAR 2033	
Access Phone	5,081.97
Clubhouse - Carpet	2,500.33
Clubhouse - HVAC	8,131.17
Clubhouse - Interior Remodel	40,655.87
Fencing - Wrought Iron (Pool)	4,683.57
Gate Operators - Main Entrance	26,426.34

La Quinta
Annual Expenditure Detail

DESCRIPTION	EXPENDITURES
Gates - Wrought Iron (Main Ent.)	17,736.11
Gates - Wrought Iron (Southeast)	5,132.80
Irrigation Controllers (Phase 1)	5,549.54
Paint - Metal Light Poles (Phase 1)	4,065.60
Pool - Furniture	6,098.39
Roofs - Tile, Underlayment	11,383.67
Streets - Overlay (Ph 2)	128,167.69
Streets - Repairs (Ph 2)	10,844.95
Streets - Seal Coat (Ph 1)(Ongoing)	27,015.82
Streets - Seal Coat (Ph 2)	11,830.88
*** ANNUAL TOTAL:	315,304.70
REPLACEMENT YEAR 2034	
Paint - Wrought Iron Fencing	8,584.49
Paint - Wrought Iron Gates	2,617.23
*** ANNUAL TOTAL:	11,201.72
REPLACEMENT YEAR 2035	
Paint - Clubhouse/Ramadas	6,254.13
Spa - Heater	5,391.46
*** ANNUAL TOTAL:	11,645.59
REPLACEMENT YEAR 2036	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2037	
Irrigation Controllers (Phase 2)	1,624.43
Streets - Seal Coat (Ph 1)(Ongoing)	30,406.54
Streets - Seal Coat (Ph 2)	13,315.76
*** ANNUAL TOTAL:	45,346.73
REPLACEMENT YEAR 2038	
Pool - Deck Recoat	8,083.04
Pool/Spa - Pumps & Motors	3,534.84
*** ANNUAL TOTAL:	11,617.88

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Concrete Components - Unfunded			
ASSET ID	1001	QUANTITY	1 comment
GROUP/FACILITY	0	UNIT COST	0.000
CATEGORY	10	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 2009
0 YEAR REM LIFE

REMARKS:

The following comments also apply to the concrete fountain located in front of the clubhouse:

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).

RESERVE BALANCE INFORMATION			
ASSET ID	1047	QUANTITY	1 comment
GROUP/FACILITY	0	UNIT COST	0.000
CATEGORY	10	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 2009
0 YEAR REM LIFE

RESERVE BALANCE INFORMATION, Continued ...

REMARKS:

The client has advised us that the 1/1/09 reserve balance was $11,657. Additionally, another $9,100 is being repaid to the reserve account by the homeowners after this amount was withdrawn from reserves to cover a lighting project. The developer has advised us that they plan to fully fund the reserve account, making up the difference between the fully funded amount of $110,097.60 as of 1/1/09 and $20,757 ($11,657 + $9,100). This report has been calculated under these assumptions.

Streets - Overlay (Ph 1)

ASSET ID	1022
GROUP/FACILITY	0
CATEGORY	10

QUANTITY	1 total
UNIT COST	143,975.000
PERCENT REPL	100.00%
CURRENT COST	143,975.00
FUTURE COST	260,034.87
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
25 YEAR USEFUL LIFE
+1 YEAR ADJUSTMENT
REPLACEMENT YEAR 2029
20 YEAR REM LIFE

REMARKS:

110,750 - sq. ft. of 1.5" overlay	@	$ 1.30	=	$ 143,975.00
		TOTAL	=	$ 143,975.00

Most asphalt areas can be expected to last between 20 - 30 years before it will become necessary for an overlay to be applied. This can double the life of the surface upon application. It will be necessary to adjust manhole and valve covers at the time the overlay is applied. Deflection testing should be conducted by an independent consultant near the end of the estimated useful life to determine the condition of the asphalt and estimated remaining life before the overlay is required.

The useful life has been adjusted to align with the future seal coating and repair cycles.

Streets - Repairs (Ph 1)			
ASSET ID	1023	QUANTITY	110,750 sq. ft.
GROUP/FACILITY	0	UNIT COST	2.750
CATEGORY	10	PERCENT REPL	4.00%
		CURRENT COST	12,182.50
		FUTURE COST	15,432.43
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
12 YEAR USEFUL LIFE
+2 YEAR ADJUSTMENT
REPLACEMENT YEAR 2017
8 YEAR REM LIFE

REMARKS:

This component includes a provision for asphalt repairs. The accumulated funds should be used as needed for repairs in conjunction with the street sealing applications.

The useful life of the asphalt repairs has been adjusted to align with the future seal coating cycle.

Streets - Seal Coat (Ph 1) (2009)			
ASSET ID	1024	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	5,500.000
CATEGORY	10	PERCENT REPL	100.00%
		CURRENT COST	5,500.00
		FUTURE COST	5,500.00
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
4 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2009
0 YEAR REM LIFE (One Time Repl)

REMARKS:

This is a one time expense to seal coat the Phase 1 streets in 2009 for $5,500. This is a special price from a contractor with materials left over from another job. Future seal coats area accounted for in Asset ID #1046.

Streets - Seal Coat (Ph 1)(Ongoing)			
		QUANTITY	110,750 sq. ft.
		UNIT COST	0.120
ASSET ID	1046	PERCENT REPL	100.00%
GROUP/FACILITY	0	CURRENT COST	13,290.00
CATEGORY	10	FUTURE COST	14,958.01
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/09
4 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2013
4 YEAR REM LIFE

REMARKS:

This component budgets for all seal coats that occur after the 2009 seal coat with special pricing. This cost is based on estimates provided by Western Asphalt and All Seal Benz over the phone at $.12 per sq. ft.

It should be noted that the seal coat, repairs and rehabilitation assets are budgeted to occur simultaneously in 2029. We acknowledge that the seal coat won't be needed in the same year as the rehabilitation. However, in an effort to properly budget for a continuous seal coat cycle, this can't be avoided. The funds available for the seal coat can be used to help offset additional expenses that may be associated with the rehabilitation.

Streets - Overlay (Ph 2)			
ASSET ID	1043	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	63,050.000
CATEGORY	11	PERCENT REPL	100.00%
		CURRENT COST	63,050.00
		FUTURE COST	128,167.67
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/07
25 YEAR USEFUL LIFE
+1 YEAR ADJUSTMENT
REPLACEMENT YEAR 2033
24 YEAR REM LIFE

REMARKS:

48,500 - sq. ft. of 1.5" overlay @ $ 1.30 = $ 63,050.00

TOTAL = $ 63,050.00

Most asphalt areas can be expected to last between 20 - 30 years before it will become necessary for an overlay to be applied. This can double the life of the surface upon application. It will be necessary to adjust manhole and valve covers at the time the overlay is applied. Deflection testing should be conducted by an independent consultant near the end of the estimated useful life to determine the condition of the asphalt and estimated remaining life before the overlay is required.

The useful life has been adjusted to align with the future seal coating and repair cycles.

Streets - Repairs (Ph 2)			
ASSET ID	1044	QUANTITY	48,500 sq. ft.
GROUP/FACILITY	0	UNIT COST	2.750
CATEGORY	11	PERCENT REPL	4.00%
		CURRENT COST	5,335.00
		FUTURE COST	7,606.43
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/07
12 YEAR USEFUL LIFE
+2 YEAR ADJUSTMENT
REPLACEMENT YEAR 2021
12 YEAR REM LIFE

REMARKS:

This component includes a provision for asphalt repairs. The accumulated funds should be used as needed for repairs in conjunction with the street sealing applications.

The useful life of the asphalt repairs has been adjusted to align with the future seal coating cycle.

Streets - Seal Coat (Ph 2)			
		QUANTITY	48,500 sq. ft.
		UNIT COST	0.120
ASSET ID	1045	PERCENT REPL	100.00%
GROUP/FACILITY	0	CURRENT COST	5,820.00
CATEGORY	11	FUTURE COST	5,820.00
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/07
4 YEAR USEFUL LIFE
-2 YEAR ADJUSTMENT
REPLACEMENT YEAR 2009
0 YEAR REM LIFE

REMARKS:

This component is for a continuous four year seal coating cycle starting in 2009. The client has advised us that the Phase 2 asphalt was not part of the special pricing project.

It should be noted that the seal coat, repairs and rehabilitation assets are budgeted to occur simultaneously in 2033. We acknowledge that the seal coat won't be needed in the same year as the rehabilitation. However, in an effort to properly budget for a continuous seal coat cycle, this can't be avoided. The funds available for the seal coat can be used to help offset additional expenses that may be associated with the rehabilitation.

Roofs - Flat, Built-Up, Replace			
ASSET ID	1017	QUANTITY	270 sq. ft.
GROUP/FACILITY	0	UNIT COST	4.000
CATEGORY	20	PERCENT REPL	100.00%
		CURRENT COST	1,080.00
		FUTURE COST	1,633.60
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
20 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2023
14 YEAR REM LIFE

REMARKS:

This component budgets to replace the flat, built-up roof atop the clubhouse.

Roofs - Tile, Underlayment			
ASSET ID	1016	QUANTITY	2,800 sq. ft.
GROUP/FACILITY	0	UNIT COST	2.000
CATEGORY	20	PERCENT REPL	100.00%
		CURRENT COST	5,600.00
		FUTURE COST	11,383.65
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
30 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2033
24 YEAR REM LIFE

REMARKS:

The following comments apply to the concrete tile roofs atop the poolside ramada, clubhouse and clubhouse entrance ramada. The cost per sq. ft. was provided by the client.

Tile roof systems are designed to last for the life of the project. However, the integrity of a tile roof is totally dependent on the roof underlayment. The tile can last forever, but will not keep the building watertight unless the underlayment is intact.

The condition of a tile roof can be deceiving. The tile may appear to be in good condition, but must be removed in order to determine the condition of the underlayment. Should it be discovered that the underlayment has deteriorated, the only solution is to remove the existing tile, replace the underlayment and reinstall the tile.

Flashing defects, attachment problems and broken/displaced/missing tiles are common factors affecting the condition of the underlayment by allowing exposure to sun and rain. Therefore, in order to protect your investment,

Roofs - Tile, Underlayment, Continued ...

prevent potential problems and extend the life of the underlayment, it is necessary to have a qualified roofer inspect the tile roofs on a regular basis. We recommend including a line item in the operating budget for periodic inspections.

Given the many factors listed above, we have included a provision for tile roof underlayment replacement. After several discussions with local roofing contractors and inspectors, we have come to the conclusion that the underlayment has a life expectancy of 20 - 40 years. Therefore, in order to account for this significant future liability, we are budgeting to replace the underlayment on a 30 year cycle. Should the client wish to budget for this component in a different manner we will do so at their request.

Paint - Clubhouse/Ramadas			
ASSET ID	1018	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	2,900.000
CATEGORY	30	PERCENT REPL	100.00%
		CURRENT COST	2,900.00
		FUTURE COST	3,076.61
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
8 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2011
2 YEAR REM LIFE

REMARKS:

This component includes a provision to paint the following components every eight (8) years:

- clubhouse exterior (stucco, wood)
- poolside ramada (wood)
- clubhouse entrance ramada (wood)

The cost of $2,900 ($1,400 for all wood, $1,500 for stucco) was provided by Poncho, the association's painter (RDA did not speak with Poncho. This information was relayed to us by Jackie at Kammann Development).

Paint - Metal Light Poles (Phase 1)			
ASSET ID	1037	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	2,000.000
CATEGORY	30	PERCENT REPL	100.00%
		CURRENT COST	2,000.00
		FUTURE COST	2,251.02
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
10 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2013
4 YEAR REM LIFE

REMARKS:

This component is to paint the metal light poles in Phase 1.

The useful life was provided by the client.

Paint - Metal Light Poles (Phase 2)			
ASSET ID	1038	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	1,900.000
CATEGORY	30	PERCENT REPL	100.00%
		CURRENT COST	1,900.00
		FUTURE COST	2,336.76
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/08
8 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2016
7 YEAR REM LIFE

REMARKS:

This component is to paint the metal light poles in Phase 2.

The useful life was provided by the client.

Paint - Wrought Iron Fencing			
ASSET ID	1040	QUANTITY	4,100 sq. ft.
GROUP/FACILITY	0	UNIT COST	1.000
CATEGORY	30	PERCENT REPL	100.00%
		CURRENT COST	4,100.00
		FUTURE COST	4,100.00
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
5 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2009
0 YEAR REM LIFE

REMARKS:

This is a provision to paint the wrought iron fencing at the following locations:

- south perimeter (3,800 sq. ft.)
- pool area (300 sq. ft.)

The useful life was provided by the client.

Paint - Wrought Iron Gates			
		QUANTITY	1 total
		UNIT COST	1,250.000
ASSET ID	1039	PERCENT REPL	100.00%
GROUP/FACILITY	0	CURRENT COST	1,250.00
CATEGORY	30	FUTURE COST	1,250.00
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
5 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2009
0 YEAR REM LIFE

REMARKS:

This is a provision to paint the wrought iron gates at the following locations:

- main entrance
- southeast emergency entrance/exit
- pool area

Fencing - Wrought Iron (Perimeter)			
ASSET ID	1026	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	19,000.000
CATEGORY	40	PERCENT REPL	100.00%
		CURRENT COST	19,000.00
		FUTURE COST	33,316.62
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
25 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2028
19 YEAR REM LIFE (One Time Repl)

REMARKS:

1,035 lin. ft. of 3'6" existing wrought iron fencing

This fencing sits atop a block wall along the southern perimeter of the community. There are areas where this fencing is being hit by sprinkler water on a daily basis, causing premature rusting/deterioration. The client has requested that we budget $19,000 to replace this fence with block instead of wrought iron after 25 years.

This is a one time expense. Once replaced, this wall will require minor repairs over time only.

Fencing - Wrought Iron (Pool)			
ASSET ID	1014	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	2,304.000
CATEGORY	40	PERCENT REPL	100.00%
		CURRENT COST	2,304.00
		FUTURE COST	3,006.20
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
15 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2018
9 YEAR REM LIFE

REMARKS:

64 - lin. ft. of 4'6" fencing	@	$ 36.00	=	$ 2,304.00
		TOTAL	=	$ 2,304.00

We have used a 15 year useful life for this fencing because it is being hit by sprinkler water on a daily basis.

Gates - Wrought Iron (Main Ent.)

ASSET ID	1028
GROUP/FACILITY	0
CATEGORY	40

QUANTITY	1 total
UNIT COST	8,725.000
PERCENT REPL	100.00%
CURRENT COST	8,725.00
FUTURE COST	17,736.13
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
30 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2033
24 YEAR REM LIFE

REMARKS:

1 - 6'8" x 2'5" pedestrian gate	@	$ 325.00	=	$ 325.00
4 - 8'1" x 8'7" vehicle gates	@	2,100.00	=	8,400.00
		TOTAL	=	$ 8,725.00

These are wrought iron gates.

Gates - Wrought Iron (Pool)

ASSET ID	1015
GROUP/FACILITY	0
CATEGORY	40

QUANTITY	1 total
UNIT COST	855.000
PERCENT REPL	100.00%
CURRENT COST	855.00
FUTURE COST	1,499.25
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
25 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2028
19 YEAR REM LIFE

REMARKS:

3 - 5'4" x 2'8" gates	@	$ 285.00	=	$ 855.00
		TOTAL	=	$ 855.00

Gates - Wrought Iron (Southeast)

ASSET ID	1027
GROUP/FACILITY	0
CATEGORY	40

QUANTITY	1 total
UNIT COST	2,525.000
PERCENT REPL	100.00%
CURRENT COST	2,525.00
FUTURE COST	5,132.81
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
30 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2033
24 YEAR REM LIFE

REMARKS:

1 - 5'0" x 3'3" pedestrian gate	@	$ 325.00	=	$ 325.00
2 - 5'4" x 8'2" vehicle gates	@	1,100.00	=	2,200.00
		TOTAL	=	$ 2,525.00

Location: Sun Up Drive cul de sac

Walls - Block, Repairs

ASSET ID	1025
GROUP/FACILITY	0
CATEGORY	40

QUANTITY	27,125 sq. ft.
UNIT COST	8.200
PERCENT REPL	2.00%
CURRENT COST	4,448.50
FUTURE COST	7,800.47
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
25 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2028
19 YEAR REM LIFE

REMARKS:

This component is for repairs to the perimeter and interior common area unpainted (integral color) block walls.

It is estimated that a percentage of the block walls will require repair or replacement. The actual condition of the block walls should be monitored through time and the estimates adjusted accordingly.

Lighting - Poles/Lanterns, Unfunded			
		QUANTITY	1 comment
		UNIT COST	0.000
ASSET ID	1035	PERCENT REPL	0.00%
GROUP/FACILITY	0	CURRENT COST	0.00
CATEGORY	50	FUTURE COST	0.00
		SALVAGE VALUE	0.00

PLACED IN SERVICE 0/ 0
0 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2009
0 YEAR REM LIFE

REMARKS:

41 - 8' poles w/lantern fixtures (Phase 1)
38 - 8' poles w/lantern fixtures (Phase 2)

The client has advised us that all repairs and replacements will be handled on an as needed basis out of the operating budget.

Pool - Deck Recoat			
ASSET ID	1011	QUANTITY	1,960 sq. ft.
GROUP/FACILITY	0	UNIT COST	1.750
CATEGORY	60	PERCENT REPL	100.00%
		CURRENT COST	3,430.00
		FUTURE COST	3,532.90
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
14 YEAR USEFUL LIFE
-7 YEAR ADJUSTMENT
REPLACEMENT YEAR 2010
1 YEAR REM LIFE

REMARKS:

This component includes a provision to repair and recoat (repaint) the pool deck in between resurfacing cycles.

Pool - Deck Resurface			
ASSET ID	1012	QUANTITY	1,960 sq. ft.
GROUP/FACILITY	0	UNIT COST	4.000
CATEGORY	60	PERCENT REPL	100.00%
		CURRENT COST	7,840.00
		FUTURE COST	9,931.48
		SALVAGE VALUE	0.00

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

REMARKS:

This component is for a normal resurfacing of the pool deck, and does not include a provision for any concrete crack repairs that may be required. Once a licensed contractor has determined the extent, corrective measures, and costs associated with such repairs, if any, we will incorporate the recommendations into this report.

Pool - Filter			
ASSET ID	1007	QUANTITY	1 filter
GROUP/FACILITY	0	UNIT COST	1,290.000
CATEGORY	60	PERCENT REPL	100.00%
		CURRENT COST	1,290.00
		FUTURE COST	1,839.23
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
18 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2021
12 YEAR REM LIFE

REMARKS:

This is a Triton II, 7.07 sq. ft. sand filter.

Pool - Furniture			
ASSET ID	1013	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	3,000.000
CATEGORY	60	PERCENT REPL	100.00%
		CURRENT COST	3,000.00
		FUTURE COST	3,376.53
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
10 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2013
4 YEAR REM LIFE

REMARKS:

This component will accumulate funds for the replacement of pool furniture as needed on a continuous 10 year cycle. The inventory at the time of the field inspection included:

6 - chaise lounges (sling)
10 - chairs (sling)
2 - brunch tables
2 - tea tables

Pool - Replaster & Retile

ASSET ID	1005
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1 total
UNIT COST	7,354.000
PERCENT REPL	100.00%
CURRENT COST	7,354.00
FUTURE COST	8,781.06
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
12 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2015
6 YEAR REM LIFE

REMARKS:

1,630 - sq. ft. (internal area) of replastering	@	$ 3.50	=	$ 5,705.00
133 - lin. ft. of trim tile	@	12.40	=	1,649.00
		TOTAL	=	$ 7,354.00

Pool/Spa - Pumps & Motors

ASSET ID	1010
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	3 pumps
UNIT COST	500.000
PERCENT REPL	100.00%
CURRENT COST	1,500.00
FUTURE COST	1,545.00
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
7 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2010
1 YEAR REM LIFE

REMARKS:

This component will accumulate funds for the major repair/replacement of the pool and spa pumps and motors.

Spa - Filter

ASSET ID	1008
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1 filter
UNIT COST	1,290.000
PERCENT REPL	100.00%
CURRENT COST	1,290.00
FUTURE COST	1,839.23
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
18 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2021
12 YEAR REM LIFE

Spa - Filter, Continued ...

REMARKS:

This is a Triton II, 7.07 sq. ft. sand filter.

Spa - Heater

ASSET ID	1009
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1 heater
UNIT COST	2,500.000
PERCENT REPL	100.00%
CURRENT COST	2,500.00
FUTURE COST	2,652.25
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
8 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2011
2 YEAR REM LIFE

REMARKS:

This is a Pentair Minimax NT, 400,000 BTU input spa heater.

Spa - Replaster & Retile

ASSET ID	1006
GROUP/FACILITY	0
CATEGORY	60

QUANTITY	1 total
UNIT COST	2,147.000
PERCENT REPL	100.00%
CURRENT COST	2,147.00
FUTURE COST	2,563.63
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
12 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2015
6 YEAR REM LIFE

REMARKS:

1 - spa replastering	@	$ 1,750.00	=	$ 1,750.00
32 - lin. ft. of trim tile	@	12.40	=	397.00
		TOTAL	=	$ 2,147.00

Clubhouse - Carpet

ASSET ID	1020
GROUP/FACILITY	0
CATEGORY	70

QUANTITY	41 sq. yds.
UNIT COST	30.000
PERCENT REPL	100.00%
CURRENT COST	1,230.00
FUTURE COST	1,604.87
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
15 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2018
9 YEAR REM LIFE

REMARKS: NONE

Clubhouse - HVAC

ASSET ID	1021
GROUP/FACILITY	0
CATEGORY	70

QUANTITY	1 total
UNIT COST	4,000.000
PERCENT REPL	100.00%
CURRENT COST	4,000.00
FUTURE COST	5,219.09
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
15 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2018
9 YEAR REM LIFE

REMARKS:

2 - Trane, 3.5 ton split system units @ $ 2,000.00 = $ 4,000.00

TOTAL = $ 4,000.00

Clubhouse - Interior Remodel

ASSET ID	1019
GROUP/FACILITY	0
CATEGORY	70

QUANTITY	1 total
UNIT COST	20,000.000
PERCENT REPL	100.00%
CURRENT COST	20,000.00
FUTURE COST	40,655.88
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
30 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2033
24 YEAR REM LIFE

Clubhouse - Interior Remodel, Continued ...

REMARKS:

This component is for the remodeling of the clubhouse interior on a 30 year cycle, and will allow funding to be available for the replacement of the following components on an "as needed" basis: tile flooring, furniture, window coverings, appliances, counter tops, cabinets, plumbing fixtures and interior paint.

Access Phone			
ASSET ID	1033	QUANTITY	1 phone
GROUP/FACILITY	0	UNIT COST	2,500.000
CATEGORY	80	PERCENT REPL	100.00%
		CURRENT COST	2,500.00
		FUTURE COST	3,261.93
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
15 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2018
9 YEAR REM LIFE

REMARKS:

This is a Door King, "hands-free", entry access phone.

Gate Operators - Main Entrance			
ASSET ID	1032	QUANTITY	4 operators
GROUP/FACILITY	0	UNIT COST	3,250.000
CATEGORY	80	PERCENT REPL	100.00%
		CURRENT COST	13,000.00
		FUTURE COST	16,962.05
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
15 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2018
9 YEAR REM LIFE

REMARKS:

These are Elite, model #CSW-200-UL, swing gate operators.

The useful life was provided by the client.

Granite Replenishment - Unfunded

ASSET ID	1004
GROUP/FACILITY	0
CATEGORY	100

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 2009
0 YEAR REM LIFE

REMARKS:

There are substantial quantities of granite located throughout the community. We are not budgeting to replenish this granite because the cost to do so is most often considered an operating expense. We recommend that a line item be set up in the operating budget to account for this asset, that it be monitored over time, and adjusted as experience dictates.

Should the client wish to have granite replenishment included in the reserve study, we will do so at their request. However, the client will need to provide the sq. ft. of the common area granite. Otherwise, there would be an additional charge to have Reserve Data Analysis, Inc. provide the measurement.

Irrigation Controllers (Phase 1)

ASSET ID	1041
GROUP/FACILITY	0
CATEGORY	100

QUANTITY	1 total
UNIT COST	2,730.000
PERCENT REPL	100.00%
CURRENT COST	2,730.00
FUTURE COST	3,562.03
SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
15 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2018
9 YEAR REM LIFE

REMARKS:

2 - Hunter Pro C, 6 station controllers	@	$	190.00	=	$ 380.00
1 - Hunter Pro C, 12 station controller	@		260.00	=	260.00
2 - Hunter ICC, 16 station controllers	@		350.00	=	700.00
1 - Rainbird ESP-24 MC, 24 station controller	@		1,390.00	=	1,390.00
			TOTAL	=	$ 2,730.00

The costs include an estimate for installation.

Irrigation Controllers (Phase 2)			
ASSET ID	1042	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	710.000
CATEGORY	100	PERCENT REPL	100.00%
		CURRENT COST	710.00
		FUTURE COST	1,042.66
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/07
15 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2022
13 YEAR REM LIFE

REMARKS:

1 - Hunter ICC, 48 station controller @ $ 710.00 = $ 710.00

TOTAL = $ 710.00

The costs include an estimate for installation.

Irrigation System - Unfunded			
ASSET ID	1003	QUANTITY	1 comment
GROUP/FACILITY	0	UNIT COST	0.000
CATEGORY	100	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 2009
0 YEAR REM LIFE

REMARKS:

We have been advised that irrigation systems (pvc piping, sprinkler heads, valves, etc.) have a useful life of approximately 20 years, and should be included as a reserve component. However, budgeting for the replacement of the irrigation system requires evaluating the present condition (remaining useful life) and replacement cost - both of which call for expert evaluation, but fall outside the scope of a reserve study. Therefore, we recommend that the client have the system evaluated to determine these two factors so that budgeting can be included in a revision or future update of this report.

Mailboxes - Pedestal Sets (Phase 1)			
ASSET ID	1030	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	5,880.000
CATEGORY	100	PERCENT REPL	100.00%
		CURRENT COST	5,880.00
		FUTURE COST	10,310.62
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
25 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2028
19 YEAR REM LIFE

REMARKS:

6 - 12 box sets w/1 parcel locker	@	$ 980.00	=	$ 5,880.00
		TOTAL	=	$ 5,880.00

The useful life and cost were provided by the client. We have included a provision for removal and disposal.

Mailboxes - Pedestal Sets (Phase 2)			
ASSET ID	1031	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	2,960.000
CATEGORY	100	PERCENT REPL	100.00%
		CURRENT COST	2,960.00
		FUTURE COST	5,841.82
		SALVAGE VALUE	0.00

PLACED IN SERVICE 6/07
25 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2032
23 YEAR REM LIFE

REMARKS:

2 - 12 box sets w/1 parcel locker	@	$ 980.00	=	$ 1,960.00
1 - 16 box set w/2 parcel lockers	@	1,000.00	=	1,000.00
		TOTAL	=	$ 2,960.00

The useful life and cost were provided by the client. We have included a provision for removal and disposal.

Monument Sign - Letters			
ASSET ID	1034	QUANTITY	1 total
GROUP/FACILITY	0	UNIT COST	500.000
CATEGORY	100	PERCENT REPL	100.00%
		CURRENT COST	500.00
		FUTURE COST	756.29
		SALVAGE VALUE	0.00

PLACED IN SERVICE 1/03
20 YEAR USEFUL LIFE
+0 YEAR ADJUSTMENT
REPLACEMENT YEAR 2023
14 YEAR REM LIFE

REMARKS:

This is a provision to replace the plastic monument sign letters that indicate "LA QUINTA" on a 20 year cycle.

Tree Trimming - Unfunded			
ASSET ID	1002	QUANTITY	1 comment
GROUP/FACILITY	0	UNIT COST	0.000
CATEGORY	100	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 2009
0 YEAR REM LIFE

REMARKS:

We have been advised that major tree trimming is usually required every 3 - 5 years and should be included as a reserve component. However, the cost for such a project depends on the size, type, maturity, and number of trees at the community - all of which call for expert evaluation, but fall outside the scope of a reserve study. Once the client obtains a cost and schedule we will include budgeting for this component in a revision or future update of this report.

DETAIL REPORT INDEX

TOTAL ASSET LINES INCLUDED: 45