

**PROPERTY EVALUATION AND
RESERVE FUND STUDY**

LAKE TOWER CONDOMINIUMS

SOMEWHERE, USA

Prepared for:

LAKE TOWER

CONDOMINIUM ASSOCIATION, INC.

Somewhere, USA 75203

Date of Investigation: March 2, 2010

Investigators: Tim Freeman & David H. Dotson, P.E.

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1.0 SUMMARY

The LAKE TOWER CONDOMINIUM ASSOCIATION authorized Criterium Engineers to conduct a Property Evaluation and Reserve Fund Study for the property located the corner of XXXX in Somewhere, USA. Studies of this nature are important to ensure a community has sufficient funds for long-term, periodic capital expenditure requirements. Anticipating large expenditures over an extended period of time through a structured analysis and scheduling process assists the Association in meeting financial requirements without increasing the service fees above permitted maximums, borrowing the funds, or levying special financial assessments to the home owners.

Typically, a Community Association has two broad cash requirements: the general operating reserves and the capital repair and replacement reserves. In this report, we will focus on those items falling under the capital repair and replacement reserve criteria.

This report is structured to analyze components of the community for which the Association is responsible and to assess a useful expected life and useful remaining life for those components. The anticipated scheduled repair or replacement of the component and the anticipated expense for the activity are then analyzed in conjunction with the current capital reserves funding program for the community. Funding program recommendations are made with the objective of limiting substantial cash excesses while minimizing financial burdens that can result from significant cash inadequacies.

This report is intended to be used as a tool to determine reserve fund allocation requirements for the community, to manage future Association obligations, and to inform the community of future financial needs in general.

The report that follows has been prepared from the perspective of what an owner or manager of this property would benefit from knowing. Some items, beyond those of immediate concern, may be discussed. Therefore, the report needs to be read in its entirety in order to fully understand all of the information that has been obtained. This investigation was performed on March 2, 2010 by Tim Freeman and David H. Dotson, P.E. of Criterium Engineers on behalf of the LAKE TOWER CONDOMINIUM ASSOCIATION. The report that follows is based on that investigation.

1.1 Property Profile

City & State:	Somewhere, USA
Location:	XXXX
Lot Size:	1.125 Acres
Area of Building (Typical):	Unknown
Number of Stories:	12
Number of Tenant Spaces:	54
Number of Buildings:	1
Year Built:	Unknown / Renovated in 2006
Building Code:	IBC
Zoned:	Multi-family
Exterior:	Brick Veneer / Stucco / Cast-stone Accents

Roof:
Criterium Engineers

Built-up-roofing (modified)

Plumbing:

bitumen) / Sloped Clay Barrel Tile

HVAC:

City water and sewage service.
PVC waste and copper water supply piping.
Split System HVAC Units at Lobby / Central Chiller & Boiler System for Corridors & Units
120/240 Volt Service

Electric:

Vertical Transportation:

Three (3) A/C Geared Machine Elevators (2 - 25hp / 1 -35hp)

Fire Protection:

Full coverage fire sprinkler system / Fire Extinguishers / Strobes / Alarms / Smoke Detectors

ADA Compliance:

Generally compliant

Regulatory Compliance:

No Issues Noted

Budget:

\$12,113 Balance; \$1,000 Monthly Contribution

1.2 General Condition

The property is in good condition. In this section of the report, we will address those issues that, in our opinion, will require immediate repair or replacement. For a more detailed discussion of all of our findings and any other material deficiencies that will require repair or replacement, refer to the appropriate section of this report.

Based on our observations, immediate material deficiencies include storm water drainage along the southeast corner of the building washing out soils around railroad tie retaining walls in the area.

There are, of course, other anticipated capital expenditures to be expected over the next twenty years. Those items that will require attention are discussed in detail in this report and can be found in their appropriate sections.

2.0 PURPOSE & SCOPE

2.1 Purpose

The purpose of this study is to determine a capital needs plan and a reserve fund analysis. It is intended to be used as a tool for the Condominium Association in determining the allocation requirements into the reserve fund in order to meet future anticipated capital expenditures for the community.

This report forecasts obligations for the community twenty years into the future. It should be noted that events may occur that could have an effect on the underlying component or system useful life assumptions used in this study. Likewise, inevitable market fluctuations can have an impact on component or system replacement and repair costs. As a result, a study such as this should be updated from time to time, usually on a three to five year cycle, in order to reflect the most accurate needs and obligations of the community.

2.2 Scope & Methodology

This study has been performed according to the scope as generally defined by the LAKE TOWER CONDOMINIUM ASSOCIATION. The findings and recommendations are based on interviews with the community's management personnel, a review of available documents, and an investigation of the property and site. The investigation involved, in particular, a visual inspection of the buildings, roofing, mechanical systems, interior corridors, pool area, and other common amenities.

The report contains the following:

- A description of the overall condition of building components and systems and common areas that are the responsibility of the association, and conditions that may limit the expected useful life of the buildings, facilities, and their components.
- Information about significant deficiencies, deferred maintenance items, and material code violations based on a visual survey of the buildings, facilities and grounds.
- A reserve fund analysis including a component inventory, anticipated remaining component useful life, anticipated component repair or replacement costs, and forecasted fund levels as a result of those anticipated costs.

The statements in this report are opinions about the present condition of the subject community. They are based on visual evidence available during a diligent investigation of all reasonably accessible areas falling under the responsibility of the association. We did not remove any surface materials, perform any destructive testing, or move any furnishings. This study is not an exhaustive technical evaluation. Such an evaluation would entail a significantly larger scope than this effort. For additional limitations, see Section 11.0.

2.3 Sources of Information

The following people were interviewed during our study:

- Mr. Patrick XXXXXX, XYZ Management

The following documents were made available to us and reviewed:

- Current reserve balance and monthly contribution
- Construction As-built Drawings and Documents

2.4 Standards of Reference

For your reference, the following definitions may be helpful:

Excellent: Component or system is in "as new" condition, requiring no rehabilitation and should perform in accordance with expected performance.

Good: Component or system is sound and performing its function, although it may show signs of normal wear and tear. Some minor rehabilitation work may be required.

Fair: Component or system falls into one or more of the following categories: a) Evidence of previous repairs not in compliance with commonly accepted practice, b) Workmanship not in compliance with commonly accepted standards, c) Component or system is obsolete, d) Component or system approaching end of expected performance. Repair or replacement is required to prevent further deterioration or to prolong expected life.

Poor: Component or system has either failed or cannot be relied upon to continue performing its original function as a result of having exceeded its expected performance, excessive deferred maintenance, or state of disrepair. Present condition could contribute to or cause the deterioration of other adjoining elements or systems. Repair or replacement is required.

Adequate: A component or system is of a capacity that is defined as enough for what is required, sufficient, suitable, and/or conforms to standard construction practices.

All ratings are determined by comparison to other buildings of similar age and construction type. Further, some details of workmanship and materials will be examined more closely in higher quality buildings where such details typically become more relevant.

All directions (left, right, rear, etc.), when used, are taken from the viewpoint of an observer standing in front of a building, or component, and facing it.

Repair/Replacement Reserves - Non-routine maintenance items that will require significant expenditure over the life of the property. Included are items that will reach the end of their estimated useful life during the course of this forecast, or, in the opinion of the investigator, will require attention during that time.

3.0 DESCRIPTION

A Property Evaluation and Reserve Fund Study for LAKE TOWER located at XXXXX in Somewhere, USA was requested and authorized by Mr. Patrick Muscanere of Worth Ross Management Company on behalf of the LAKE TOWER CONDOMINIUM ASSOCIATION. Tim Freeman and David Dotson, P.E. of Criterium Engineers performed the site investigation on multiple dates starting on March 2, 2010. The study that follows is based on that investigation and has been prepared from the perspective of what a property owner and a community association would benefit from knowing regarding those components of the community that fall under the responsibility of the association.

This study needs to be read in its entirety to understand fully all of the information that we have obtained.

The property included in this study consists of 54 luxury condominium units in a twelve (12) story high-rise tower with penthouse levels at the basement level and 11th floor. A designated parking area for residents is located at the north side of the property with carport structures at parking spaces; no parking garage is present at the property. The property also includes a common pool area and outdoor patio, and a basement level with a theatre, wine room, pool table and kitchen. The building was originally constructed in the 1930's for use as a hotel/residences; it was, at some

point, converted to a nursing facility until it was renovated for its current use as condominium residences in 2006.

The property is served by the following utilities and providers:

COMMUNITY UTILITY PROVIDERS	
Potable Water	Municipal
Sewer	Municipal
Storm Sewer	Municipal
Electricity	Con Edison
Gas	Atmos Energy
Phone	CBeyond Communication
Cable / Internet	Time Warner
Trash	Allied Waste

Table 3: Utility Providers

4.0 SITE IMPROVEMENTS

4.1 Topography Description

Topography is generally sloped slightly from south to north and more distinctively from west to east.

Observations & Comments

No Issues Observed.

4.2 Storm Drainage Description

Site storm water drainage is handled over the surface to adjacent streets and property to the east.

Storm water drainage pumps are located underground to help convey drainage.

Storm water drainage at the flat roofs on the high-rise tower and adjacent to the outdoor patio along with drainage at the outdoor patio is handled with interior roof and deck drains that are connected to the municipal storm water sewer system.

Surface catch basins are located at landscaped areas that convey storm water drainage to the municipal system also.

A sump pump in a catch basin pit is located at the bottom of the ramp to the LL level (mechanical basement) to discharge any water that may pass the overhead doors at entry to the ramp from the resident parking.

Observations & Comments

All drainage on the property appeared adequate with no issues noted.

Overhaul / replacement of the sump pump in the LL basement should be expected in approximately sixteen (16) years.

4.3 Paving & Curbing

Description

Observations & Comments

COMMUNITY PAVING & CURBING	
Type of Paving	Concrete Cast-in -place / Pavestone Pavers
Type of Curbing	Concrete Cast-in -place
Parking Spaces/Unit	1.167 covered spaces per unit – 63 restricted and covered total (includes 2 handicap)

Table 4: Parking Area

Entry drives at the front and west of the building are primarily constructed of cast-in-place concrete with pavestone pavers at the entries off of Colorado Blvd and Zang Blvd.

Designated resident parking at the north side of the property is also constructed of cast-in-place concrete. The southeast portion of this parking area consists of an elevated reinforced concrete slab supported by steel grid beams and round concrete columns that allows for the extension of the parking area over a significant drop in grade towards the east/southeast.

There are two (2) entrances to guest / visitor parking spaces off of XXXX Blvd and one entrance off of YYYY Blvd. A gated entrance to the designated resident parking is accessed from the west drive near the entrance off of Zang Blvd. The entry gate consists of a rolling wrought iron gate with Elite, ½ hp chain pull equipment.

Sixty-three (63) parking spaces (including 2 handicap spaces) are designated for resident use inside the gated parking area at the north side of the property, and all spaces are covered with light gauge steel carport structures. Twenty-five (25) parking spaces (including 2 handicap spaces) for visitor / guest parking and overflow resident parking are located at the front and west drives.

Access to resident elevators is provided via the service elevator at the SB level from the resident parking lot.

Striped spaces will require periodic re-striping on an approximate four (4) year cycle. The striping is in good condition with some signs of wear at this time and will likely require re-striping in about two (2) years.

Pavement and curbing is in good condition at this time. Periodic repairs and sectional replacement should be anticipated. Expansion and control joints in the concrete pavement have been sealed to prevent excess storm water penetration below the surface which could cause differential movement in the soils below and lead to premature failure to sections of pavement. We recommend that re-sealing of these joints and sealing of any cracks in the concrete pavement be planned for every four (4) to five (5) years.

Gate equipment is in good condition at this time. Periodic maintenance repairs will be required and likely covered under the operating budget; replacement will be required in approximately four (4) years as part of an eight (8) year frequency.

4.4 Flatwork

Description

Sidewalks run along the front and west perimeter of building and at the rear adjacent to the resident parking as well as along visitor parking at the front entry drive. All flatwork is cast-in-place concrete.

Observations & Comments

Walkways are in good condition with no issues noted.

Joints between the sidewalks and building and/or curbs have been sealed to prevent excess storm water penetration which could lead to differential settlement/heaving of concrete sidewalk sections in relation to their adjacent materials. These joints should be planned for re-sealing approximately every five (5) to six (6) years.

Walkways will require periodic repairs and sectional replacement over time due to the expansive nature of soils in this area; however, with proper maintenance and repairs over time, full replacement should not be realized within the next thirty (30) years.

4.5 Landscaping & Appurtenances

Description

The property front entrance and front perimeter of the building are extensively and attractively landscaped.

An irrigation system is present at all landscaped areas.

There is a common area with grass at the east/southeast portion of the property.

Stone retaining walls (2 – 3' tall) are located at the west side of the building and at the common area next to the visitor parking at the south side of the property. Railroad tie retaining walls are located in tiers at the southeast corner of the building to control the grade along the building exterior. There is also a concrete retaining wall (original with skim coat) under the wrought iron fencing along the east side of the entry drive off of Colorado Blvd.

Wrought iron fencing is located at the north and east perimeters of the property and encloses the common area at the southeast. Wrought iron fencing at the north perimeter along Zang Blvd. is spaced between brick pilasters. The entry /exit gate for resident parking is wrought iron spaced between stone pilasters. Wrought iron fencing is also located around the pool area and at the east side of the outdoor patio.

Custom wrought iron guard rail with plexi-glass inserts is located along the top of concrete walls at the pool area and outdoor patio area.

Eight (8) foot tall cedar fencing encloses the cooling tower and emergency generator located in the middle of the resident parking lot.

Site lighting consists of ornamental pole mounted lights along the drives and a combination of high pressure sodium and commercial grade fluorescent flood lights at carport structures. Stone pilasters at the entry/exit gate to resident parking has ornamental fluorescent fixtures, the same light fixtures are located on each side of the building front entrance. There are five (5) commercial grade fluorescent flood lights at the north wall of the building lighting the pool and outdoor patio area.

Observations & Comments

Landscaping is in good condition - Routine maintenance and replacement always required. It is typically assumed that this routine maintenance is covered under a property's Operating Budget.

Irrigation system appears to be in good condition; however, it was not tested at the time of inspection.

Stone retaining walls are in good condition with no issues noted. Periodic repairs will likely be required.

The concrete retaining wall under the fencing at the east side of the entry drive off of Colorado Blvd. appears to be older than the renovation date of 2006; it appears that a skim coat was applied to the surface to cover any visible cracking. Due to the visible indications of older aged concrete retaining walls, we recommend planning for an accelerated frequency of repairs to the wall.

Wrought iron fencing and guardrails will require periodic cleaning, priming and painting approximately every six (6) years. Painting of the wrought iron guardrails at the pool and outdoor patio area will likely cost more per linear foot than painting the wrought iron fencing due to the plexi-glass inserts that need to be worked around. Brick and stone pilasters will require periodic repairs over time.

Replacement of floodlights at carports and north building exterior wall should be anticipated in approximately eight (8) years.

5.0 BUILDINGS

5.1 Substructure

Description

We were not able to gather information regarding the main building substructure from the renovation construction drawings. We suspect that, given the age of the building and construction of the superstructure, the substructure likely consists of reinforced concrete piers beneath concrete column locations and elevator shafts and a reinforced concrete slab-on-grade at the LL basement level.

Concrete columns at the elevated parking lot section are supported by individual straight shaft concrete piers.

The reinforced concrete stem wall below the pool area was constructed as part of the renovation and is supported by concrete piers.

Observations & Comments

No issues observed

5.2 Superstructure Description

Details of the existing superstructure were not available in the renovation structural drawings; however, we were able to determine, through visual observation, that the main superstructure of the building consists of elevated reinforced cast-in-place concrete slabs and beams supported by cast-in-place reinforced concrete columns.

Construction of the exterior walls could not be determined from the renovation construction drawings or visual observations. Given the age of the building, exterior wall construction could consist of unit masonry.

Construction of sloped roof framing at penthouses could not be determined from the construction drawings either.

The superstructure of the elevated parking lot section consists of exterior grade steel beams and girders supported by reinforced concrete columns.

Carport structures consist of light gauge steel framing with corrugated metal roofs.

Observations & Comments

No visible indications of structural issues.

We noted some concrete repairs to underside of elevated concrete slabs were done at the time of renovation and a repair made to a cracked concrete beam at Unit PV1 using a steel beam and columns.

5.3 Ventilation Description

Stairwell pressurization fans are located at stairwells and an exhaust fan is present at the LL basement level.

Observations & Comments

No issues noted with the system.

5.4 Roofing System Description

There are portions of flat roofs at the top of the structure that are covered by penthouse patio tiles and are the responsibility of the penthouse owners. The remaining flat roofs are the responsibility of the Condominium Association. Flat roofs consist of built-up-roofing with a modified bitumen cap sheet. Parapet walls are typically capped with cast-stone.

A section of flat roof next to the outdoor patio consists of built-up-roofing with stone ballast.

Roofing at portions of top of the building and at penthouses consists of Spanish clay barrel tile.

Roof drainage and drainage at penthouse patios is typically handled with interior roof drains that are connected to the municipal storm water drainage system.

Observations & Comments

Roofing is in good condition overall. The roof at the top of the building is accessed from the east side stairwell.

5.5 Façade Elements

Description

The condominium is only responsible for flat roofs that are outside of penthouse patio areas. Replacement costs for flat roofs at the top of the building will be higher than that of the flat roof next to the outdoor patio due to the height of the roof and transfer of materials to that area.

Replacement of flat roofs should be planned for approximately eighteen (18) to twenty (20) years from now.

Spanish clay tile roofs will require periodic repairs and isolated tile replacements but should be expected to last for the next forty (40) years without replacement.

Drainage of storm water over roof surface appears to be adequate.

Exterior façade consists of brick veneer and cementitious stucco with some cast-stone accents. Most of the exterior façade is original to the structure.

There is a small amount of EIFS (Exterior Insulated Finishing System) located at the rear entry of the building from the resident parking lot.

Windows typically consist of double hung vinyl framed insulated windows. There are still original wood windows at the west side stairwell that were not replaced during the renovation.

Entry doors to the lobby at the front and rear and at the SB level from the resident parking lot are aluminum storefront doors. Four (4) glazed solid core wood French doors are located at the south wall of the lobby – these doors are not functional.

There are two (2) metal overhead roll-up doors that provide access to the LL basement level ramp from the resident parking lot. Hollow core metal doors are located at the roof access from the stairwell and elevator equipment room from the roof.

Observations & Comments

The exterior façade is generally in good condition – no issues were noted.

The EIFS at the rear entry to the SB level from the resident parking lot may require repainting approximately every eighteen (18) years and should be planned for.

Caulking repairs / touch-ups at exterior façade joints will be required periodically and should be planned for approximately every twelve (12) years.

Window sealants will likely require some general repairs and touch-ups towards the end of the twenty (20) year period.

Replacement of the original wood windows at the west side stairwell should be planned for approximately ten (10) years with similar vinyl windows to match the others.

Storefront doors are of good quality and are in good condition.

5.6 Interior Elements

Replacement of the wood French doors at the south wall of the lobby should be anticipated for approximately ten (10) years.

Metal overhead roll-up doors should last approximately eighteen (18) years depending on amount of use.

We recommend planning for replacement of hollow core metal doors at roof access and elevator equipment room in approximately four (4) years.

TYPICAL INTERIOR FINISHES

Walls	Flat Finish Painted Drywall
Floors	Concrete / Carpet / Tile
Ceilings	Flat Finish Painted Drywall / Exposed Underside of Conc. Slabs
Doors	Solid-core wood / Solid Core Metal

Table 7: Interior Finish Summary Table

Description

The lobby located at the 1st floor is finished with high quality finishes and includes a reception area, management office, unisex restroom, lounge area and resident mailboxes. Lobby is equipped with high quality furniture and paintings supplied during development of the property. There is also a unisex restroom at the rear entry from the resident parking lot at the SB level.

Lobby finishes include: marble tile flooring and flat finish painted drywall at the walls and ceilings. Architectural grade accent lights are present at lobby art work along with architectural grade fluorescent fixtures at the walls and track lighting at the ceilings. The reception area consists of built-in wood cabinetry / desk with marble counter tops.

Corridors are typically finished with flat finish painted drywall at the walls and small portions of drop down ceilings; the other portions of the corridors do not have ceilings and are open to the underside of concrete slabs with exposed plumbing and fire sprinkler pipes. Each corridor has a near full length rug on top of the exposed concrete slab. Unit entry doors are solid core wood and are finished around with high quality wood finishes. Each entry is equipped with an architectural grade wall sconce. Lighting at corridors typically consists of recessed can lights at drop-down ceilings, suspended architectural grade fluorescent fixtures and two (2) wall sconces at resident elevators.

The common area basement is typically finished with carpet flooring and flat finish painted drywall at the walls; there are no ceilings (open to underside of slab).

Doors to electrical closet and trash chutes at each floor are solid core wood – doors to stairwells at each floor are solid core metal. Doors to common area spaces are typically solid core wood.

Observations & Comments

Finishes were in good to excellent condition at the time of inspection.

Painting of common area walls and ceilings can be expected periodically and should be planned for accordingly.

Carpet replacement at the common area basement will likely be required every sixteen years.

Replacement of rugs at corridors should be planned for approximately every fifteen (15) years.

Solid core wood and metal doors are of good quality and should last at least twenty-five (25) years on average. Some doors may accidentally become damaged by residents and will likely be covered out of the operating budget.

Common area light fixtures should be planned for replacement / upgrade approximately every eighteen (18) to twenty (20) years.

5.7 HVAC

HVAC SYSTEMS

Manufacturer	Baltimore Aircoil Company
Type of A/C System	Central Chiller System – Hydronic 2-pipe
Capacity	Unknown
Type of Heat	Central Boiler System – Hydronic 2-pipe
Distribution	Ductwork

Table 5: HVAC System Summary

Description

The main heating and cooling system for the building common areas and resident units is a central chiller system accompanied by a central boiler system. A cooling tower manufactured by the Baltimore Aircoil Company is located in a fenced area at the resident parking lot, it delivers chilled water from there to the LL basement level where two (2) booster pumps are located to supply the water to fan coil units at each of the twelve floors – hot water boilers are connected to the system to provide hot water for the heating system. Corridors and each unit are equipped with fan coil units that distribute conditioned air to the spaces.

The wine room at the common area basement is equipped with a 3-ton split-system with the compressor unit located at the east perimeter of the building.

An exhaust fan is located at the LL basement level.

Observations & Comments

The overall HVAC system seemed to be functioning adequately at the time of our inspection.

The chill water booster pumps should be planned for replacement in approximately fourteen (14) years.

Replacement of the lobby HVAC systems and the wine room split-system can be expected approximately every twelve (12) years.

Replacement of fan coil units each corridor should be planned for replacement approximately every ten (10) years.

5.8 Electrical Systems

Periodic repairs to the cooling tower will be required.

BUILDING ELECTRICAL SYSTEMS

Amperage	2500A
Voltage/Phase	277/480V
Service Entrance	Underground
Branch Wiring	Copper

Table 6: Electrical System Summary

Description

Electrical power is supplied underground to this building by TXU Electric.

The underground supply serves the building through a pad-mounted transformer that feeds 2500 Amp switchgear located in the LL basement level mechanical room. Power is then distributed from this point to various common area electrical panels and electrical panels at each unit. There are electrical closets located on the east end of each floor. Units appear to not be individually metered.

Site lighting and common area lighting has been described in previous sections of this report.

The building is equipped with three (3) elevators that are powered by A/C Geared Machines (25hp & 35hp). Equipment is located above elevators at roof access area – each set of elevator equipment is accompanied with designated electrical panels and step down transformers.

An emergency diesel generator is located next to the cooling tower inside the fenced area in the middle of the resident parking lot.

Observations & Comments

The visible portions of the electrical system are generally in good condition. Periodic repairs and replacement should be planned.

Elevators and equipment are in good condition overall. An overhaul of elevator equipment may be required near the end of the twenty year period.

5.9 Plumbing Systems Description

Water and sewer service is provided by the City of Dallas. Water distribution piping is copper. Sewage collection piping is PVC.

Hot water for common areas is supplied by central hot water boiler.

Domestic water is supplied throughout the buildings by a Tiger Flow, two (2) pump system (15 hp pump motors). Domestic water pump system is accompanied by an expansion tank located in the same mechanical room at the LL basement level.

Unisex restrooms are located at the lobby and common area at the rear entry from the resident parking lot. Each restroom contains a toilet, floating vanity with marble top and mirror.

Observations & Comments

A full coverage fire sprinkler system services the building. Two (2) 6" risers are located in the mechanical room at the LL basement level. The system is equipped with a 40 hp jockey pump – the fire pump controller and power transfer switch is located on the east wall of the same mechanical room. The system also contains a pipe that supplies water to hose connections at each corridor. The system was installed in 2006 as part of the renovation.

The building is also equipped with a fire alarm system with audible local alarms and strobes, fire extinguishers at corridors and common areas, and illuminated exit signs at corridors and common areas. The Silent Knight fire alarm control panel is located in a closet behind the reception desk.

Hot water was adequate at restrooms.

Replacement of domestic water pump system should be planned for in approximately sixteen (16) to eighteen (18) years. Expansion tank can be expected to last approximately six (6) more years.

Fire pump will require periodic repairs to ensure proper operation if needed – overhaul / replacement of the pump should be expected in approximately twenty (20) years.

The fire sprinkler system, fire extinguishers and fire alarm system are all current on their annual inspections – no issues have been reported with the system.

5.10 Pool Description

A 525 square foot pool at the north side of the building is surfaced with gunite pool surfacing and has stone coping at the edge. A water feature is present over the east end of the pool. Pool apron/decking is cast-in-place stained concrete. Coping joints are sealed with Seal-O-Deck.

Pool equipment is located in a mechanical room below the pool, accessed from the resident parking lot and consists of one (pump) and one filter.

Pool furniture consists of three (3) chaises, one (1) round table and four (4) chairs all of good quality materials.

Also present at the north side of the building, adjacent to the pool area, is an outdoor patio area with furnishings that consists of a wicker lounge set, wrought iron lounge set and stone fire pit with gas coals. The surface of the outdoor patio consists of pavestone tiles on pedestals to allow for storm water drainage beneath. The outdoor patio is landscaped with potted plants and small trees. A barbeque pit is present at the outdoor patio area.

The pool and outdoor patio area is accessible from the resident parking lot, the lobby or by mechanical combo lock at a pedestrian gate from the west side drive.

Observations & Comments

Re-surfacing of the pool will be required approximately every eight (8) years (4 years of useful life remaining).

The coping joint is sealed with Seal-O-Deck that generally requires re-sealing every four (4) years and will likely require re-sealing in 2011.

6.0 MISCELLANEOUS AMENITIES

Description

Pool furnishings are of good quality and can be expected to last another three (3) to four (4) years.

The pool equipment was in good functioning condition at the time of our inspection. Periodic repairs to the pool pump may be required – replacement can be expected approximately every eight (8) years. Replacement of this type of filter is typically required every ten (10) years.

The stained concrete apron around the pool will require re-staining approximately every ten (10) years. Decking is in good condition overall. .

Outdoor patio furniture is of high quality and in good condition. The barbeque grill will require replacement periodically.

A theatre is located in the common area basement that is equipped with eight (8) leather theatre chairs, a high definition screen and projector, and surround-sound system.

Also present at the common area basement is a pool table area with a high quality pool table and wall sofa, kitchen area, and round lounge table. Two (2) wall mounted flat panel televisions are present at this area.

A wine room is present at the common area basement that is kept cooled at a constant temperature and is equipped with a wine cabinet for each unit and high quality table for wine tasting in the room.

All access doors throughout the building are equipped with an electronic Card Access System and a phone-link keypad entry controller limits access to lobby entrance to residences only.

Observations & Comments

Theatre furnishings and equipment are of high quality and were noted in good condition. Replacement / upgrade of the furnishings and system will likely be required within the twenty (20) year study period.

Pool table and other furnishings are also of high quality and will also likely require replacement / upgrade within the twenty year study period.

Access systems similar to the one installed in this building typically require upgrade every fifteen years.

7.0 RESERVE FUND PROJECTIONS

See Appendix A.

8.0 CONCLUSION

In Summary, we consider these facilities to be in good condition when compared to others of similar age and construction type. While some components will need a regular repair and replacement program, the program can be prioritized and planned in conjunction with reserve strategies.

We feel that the reserve financials included with this report outline possible strategies for your community to adopt given the current condition of the facilities as a whole. As time passes, it may become

9.0 LIMITATIONS

necessary to re-establish financial priorities and capital expenditure schedules given any unforeseen circumstances. We recommend and encourage this activity.

The observations described in this study are valid on the date of the investigation and have been made under the conditions noted in the report. We prepared this study for the exclusive use of the LAKE TOWER CONDOMINIUM ASSOCIATION and their successors and assignees. Criterium Engineers does not intend any other individual or party to rely upon this study without our express written consent. If another individual or party relies on this study, they shall indemnify and hold Criterium-Dotson Engineers harmless for any damages, losses, or expenses they may incur as a result of its use.

This study is limited to the visual observations made during our inspection. We did not remove surface materials, conduct any destructive or invasive testing, move furnishings or equipment, or undertake any digging or excavation. Accordingly, we cannot comment on the condition of systems that we could not see, such as buried structures and utilities, nor are we responsible for conditions that could not be seen or were not within the scope of our services at the time of the investigation. We did not undertake to completely assess the stability of the buildings or the underlying foundation soil since this effort would require excavation and destructive testing. Likewise, this is not a seismic assessment.

We do not render an opinion on uninvestigated portions of the community.

We did not perform any computations or other engineering analysis as part of this evaluation, nor did we conduct a comprehensive code compliance investigation. This study is not to be considered a warranty of condition, and no warranty is implied. The appendices are an integral part of this report and must be included in any review.

If probable costs are presented, they are probable only. The costs are based on our general knowledge of building systems and the contracting and construction industry. When appropriate, we have relied on standard sources, such as Means Building Construction Cost Data, to develop probable costs. However, for items that we have developed costs (e.g.: structural repairs), no standard guide for developing such costs exists.

We have performed no design work as part of this study, nor have we obtained competitive quotations or estimates from contractors as this also is beyond the scope of the project. The actual cost to remedy deficiencies and deferred maintenance items that we have identified may vary significantly from estimates and competitive quotations from contractors.

If you have any questions about this study or the reserve fund analysis, please feel free to contact us. Thank you for the opportunity to be of assistance to you.

CRITERIUM ENGINEERS

INTRODUCTION

The following is a projected reserve fund analysis for non-annual items as discussed in the report. This projection takes into consideration a reasonable return on invested moneys and inflation. Please review this thoroughly and let us know of any changes that may be desired.

The intent of this reserve fund projection is to help the association develop a reserve fund to provide for anticipated repair or replacements of various system components during the next twenty years.

The capital items listed are those that are typically the responsibility of the Association and are derived from a list developed by Criterium Engineers. A copy of this list is provided in this Appendix. However, association by-laws vary and, therefore, which components are the responsibility of the individual owners and which are the responsibility of the association can vary. The association should confirm that the items listed should be financed by the association reserve fund.

This projection provides the following:

- An input sheet that defines all the criteria used for the financial alternatives, including the assumed inflation rate and rate of return on deposited reserve funds.
- A table that lists anticipated replacement and/or repair items complete with estimated remaining life expectancies, projected costs of replacement and/or repair, a frequency in years of when these items require replacement and/or repair, and a projection based on this frequency.
- A table and graph that represent end of year balances versus capital expenditures based on your current funding program and reserve balances, and alternatives to your current program. The provided graphs illustrate what effects the funding methods will have over the presented twenty-year period versus the anticipated capital expenditures. Care should be taken in analyzing the graphs due to varying graphic scales that occur within each graph and between graphs.
- **Note that based on our developed list of capital items and, taking inflation into account, the current funding is NOT adequate to meet the long-term needs of the community.**
- The association should bear in mind that unanticipated expenditures can always arise and maintenance of a significant reserve fund balance can be viewed as a way to avoid special assessments.

We have analyzed several alternatives to your current funding program and are presenting three alternatives that we believe best addresses the needs of the Association.

Our objective is to maintain positive funding levels over 20 years without building up huge reserves. At the end of 20 years, we look to maintain a balance at least equal to the average annual reserve requirement unless we are anticipating additional major expenditures following quickly after 20 years. To achieve this goal we have projected anticipated maintenance/replacement costs, interest earned on investments, an assumed inflation factor and the current September 2008 fund balance to determine that the required level of funding for capital needs. Please remember this does not include any allowance for routine maintenance and operations costs. Only capital costs are included.

With regard to the funding levels and future projected items beyond the 20-year period. There are large capital expenditures that fall outside the 20-year reserve analysis period. A Reserve Study is a working tool and a fluid document over time. In addition to changing conditions, one of the primary reasons that we recommend a reserve study be updated every 3 to 4 years is so that items that fall outside the 20-year analysis today will be pulled into the calculations and required reserve funding when they are still 20 years out, thus allowing sufficient time to accumulate funds without placing unnecessary burden on current residents.

Because of these requirements, even as we project today, we recommend planning towards the future with a healthy reserve balance as indicated in the Alternatives.

- **EXISTING FUNDING LEVEL:**

We have assessed current Reserve as the amount funds currently designated as Reserves together with current contribution being made into the Reserve Fund account. Assuming that operating costs offset all revenues collected during the twenty-year planning period, the Associations current Capital Fund Balance is not adequate to meet the long-term Associations needs.

The following Alternatives show required funding levels over the duration based on the current balance.

- **ALTERNATIVE # 1:**

Alternative 1 proposes a required initial increase in funding together with an increase in capital reserve contribution every 3 years. This alternative creates an adequate fund balance throughout the period and represents a good, solid approach.

- **ALTERNATIVE # 2:**

Alternative 2 also proposes an initial increase in contribution together with an annual escalation in dues for capital reserves over the duration. This alternative creates an adequate fund balance throughout the period and also represents a solid approach.

- **ALTERNATIVE # 3:**

Alternative 3 reviews maintaining minimum level funding at the current level over the duration of the funding period. This alternative requires three (3) special assessments at year 5, year 12 and year 17, but holds annual dues for capital reserve to a minimum. **This alternative is not recommended but shows what the financial requirements will be without long-term planning.**

Please note that the reserve fund study does not include typical annual maintenance items. Our assumption is that you already have an annual operating budget that provides for these typical, repetitive items. This includes miscellaneous repairs, lawn and grounds maintenance, routine minor painting, etc. We have focused on those significant, non-annual items where careful financial planning is important.

Finally, please note that the estimates we have developed are based on 2010 dollars. Our reserve fund study does adjust for an estimated annual inflation and a given return on investment assuming that the indicated fund balances are maintained.

CRITERIUM ENGINEERS

Reserve Study Worksheet

General Information:

1 Organization: **Lake Arrow Tower Condominium Association**
2 Address: **2000 Lake Arrow Drive, Suite 100, Lake Arrow, CA 94550**

3	Number of Units	54	
4	Age of Building (in years)	4	(Since Renovation)
5a	Study Period (in years)	20	
5b	Normal Fiscal Year starts:	January 1, 2010	
5c	Partial Fiscal Year starts:	March 1, 2010	
5d	Partial Year Length:	10 months	
6	Site Inspection Date	March 2, 2010	
7	Reserve Funds at start	\$12,113	
8	Rate of Return on invested Reserve Funds (%)	3.0%	
9	Inflation Rate (%)	4.0%	

10 Current Funding Levels

Existing Funding Levels				
	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Reserve Fund Contribution.....	\$1,000	\$10,000	\$18.52	\$222.22
	Years Out	Total Annual	Per Unit	
Planned Special Assessment.....	0	\$0	\$0	
Balance Computed.....	(\$860,590)			

11 Alternative Reserve Fund Contribution

Alternative 1 Level Funding with Steps				
	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Monthly Amount, (First Year).....	\$2,700	\$32,400	\$50.00	\$600.00
Monthly Amount, (Last Year).....	\$7,020	\$84,240	\$130.00	\$1,560.00
Balance Required Final Year.....	\$53,708			
Special Assessments:	Years Out	Total/Year	Per Unit	
First Assessment.....	0	\$0	\$0	
Second Assessment.....	0	\$0	\$0	
Balance Computed.....	\$141,489			

Alternative 2 Escalating Funding at 5.25% per Year				
	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Monthly Amount, (First Year).....	\$2,813	\$33,750	\$52.08	\$625.00
Monthly Amount, (Last Year).....	\$7,436	\$89,226	\$137.70	\$1,652.34
Balance Required Final Year.....	\$53,708			
Base Escalation %.....	5.25%			
Special Assessments:	Years Out	Total/Year	Per Unit	
First Assessment.....	0	\$0	\$0	
Second Assessment.....	0	\$0	\$0	
Balance Computed.....	\$148,812			

Alternative 3 Existing Level Funding with Special Assessments				
	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Monthly Amount, (First Year).....	\$1,000	\$12,000	\$18.52	\$222.22
Monthly Amount, (Last Year).....	\$1,000	\$12,000	\$18.52	\$222.22
Balance Required Final Year.....	\$53,708			
Base Escalation %.....	0.00%			
Special Assessments:	Years Out	Total/Year	Per Unit	
First Assessment.....	5	Jan 2014 \$200,000	\$3,704	
Second Assessment.....	12	Jan 2021 \$275,000	\$5,093	
Third Assessment.....	17	Jan 2026 \$315,000	\$5,833	
Balance Computed.....	\$1,835			

Itemized Worksheet

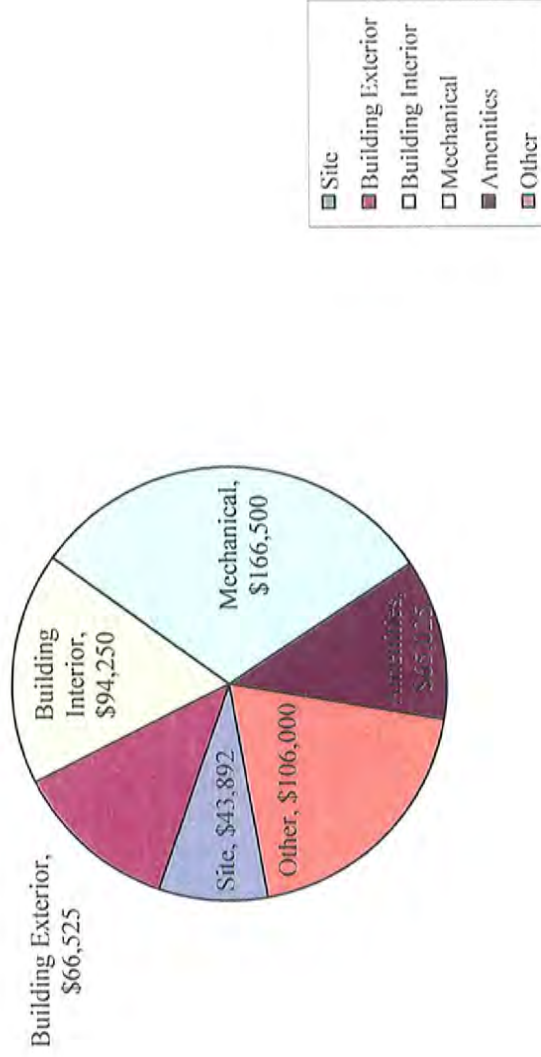
Site	Capital Item To Be Replaced	Quantity	Unit cost	Reserve Requirement (*)	Beginning Balance	Frequency (yrs)**	Remaining ave Funding Life (yrs)	Monthly Required	Annual	Full Funding Balance	Information Source
Site	Concrete Pavement Repairs (Periodic)	1 lot	\$3,000.00	\$3,000.00	\$86.45	10	6	\$40.47	\$485.59	\$1,200.00	
	Seal Joints & Cracks in Concrete Pavement (Periodic)	1 lot	\$2,000.00	\$2,000.00	\$86.45	5	2	\$79.73	\$956.78	\$1,200.00	
	Re-strip Parking Spaces	88 ea	\$12.00	\$1,056.00	\$57.06	4	1	\$83.25	\$988.94	\$792.00	
	Concrete Sidewalk Repairs (Periodic)	1 lot	\$1,000.00	\$1,000.00	\$14.41	5	4	\$20.53	\$246.40	\$200.00	
	Seal Joints Between Sidewalk & Curb / Bldg.	550 lin ft	\$4.50	\$2,475.00	\$118.87	6	2	\$89.17	\$1,178.07	\$1,650.00	
	Paint Light Gauge Steel Frame @ Carports	630 lin ft	\$9.50	\$5,985.00	\$246.38	7	3	\$159.41	\$1,912.87	\$3,420.00	
	Periodic Repairs to Carport Roofs	1 lot	\$3,000.00	\$3,000.00	\$108.06	8	4	\$60.25	\$722.98	\$1,500.00	
	Replace Corrugated Metal Roofs @ Carports	11,350 sq ft	\$1.50	\$17,025.00	\$196.24	25	21	\$66.78	\$801.37	\$2,724.00	
	Paint & Repair Wrought Iron Fencing (Perimeter)	860 lin ft	\$7.20	\$6,192.00	\$297.39	6	2	\$245.61	\$2,947.31	\$4,128.00	
	Replace Wrought Iron Fencing (Perimeter)	860 lin ft	\$55.00	\$47,300.00	\$454.34	30	26	\$150.15	\$1,801.76	\$6,306.67	
	Brick & Stone Plaster Repairs (Along Zang Blvd)	9 ea	\$125.00	\$1,125.00	\$40.52	8	4	\$22.59	\$271.12	\$562.50	
	Paint & Repair Wrought Iron Fencing @ Pool/Patio Area	135 lin ft	\$7.20	\$972.00	\$46.68	6	2	\$36.55	\$462.66	\$648.00	
	Replace Wrought Iron Fencing @ Pool/Patio Area	135 lin ft	\$50.00	\$6,750.00	\$81.05	24	20	\$27.79	\$333.45	\$1,125.00	
	Paint & Repair Wrought Iron / Plex-Glass Guardrail @ Patio Per	150 lin ft	\$8.25	\$1,237.50	\$59.43	6	2	\$49.09	\$589.03	\$825.00	
	Replace Wrought Iron / Plex-Glass Guardrail @ Patio Per	150 lin ft	\$45.00	\$6,750.00	\$81.05	24	20	\$27.79	\$333.45	\$1,125.00	
	Drainage & RR Tie Ret. Wall Repair @ SE Cor. of Bldg.	1 lot	\$2,000.00	\$2,000.00	\$144.08	99	0	\$0.00	\$0.00	\$2,000.00	1-time item
	Stone Retaining Wall Repairs (Periodic)	80 lin ft	\$110.00	\$8,800.00	\$211.32	12	8	\$89.47	\$1,073.58	\$2,833.33	
	Concrete Retaining Wall Repairs Below Fence East of Entry Drive	95 lin ft	\$12.00	\$1,140.00	\$27.38	12	8	\$11.59	\$139.08	\$380.00	
	Stain & Repair Cedar Fencing Around Cooling Tower	70 lin ft	\$15.00	\$1,050.00	\$43.22	7	3	\$27.97	\$335.59	\$500.00	
	Replace Cedar Fencing Around Cooling Tower	125 lin ft	\$4.30	\$537.50	\$20.26	4	2	\$22.59	\$271.12	\$281.25	
	Replace HPS Floodlights @ Carports	13 ea	\$350.00	\$4,550.00	\$48.83	20	16	\$16.68	\$200.20	\$650.00	
	Replace Scones @ Entry Gate Plasters	2 ea	\$200.00	\$400.00	\$9.61	12	8	\$4.07	\$48.80	\$133.33	
	Building Exterior										
	Caulking Repairs Around Windows (278 sq., 136 small, 40 dbl, 20 triple)	1 lot	\$33,000.00	\$33,000.00	\$475.47	20	16	\$169.40	\$2,032.78	\$6,600.00	
	Replace Wood Windows @ West Stairwell	10 ea	\$850.00	\$8,500.00	\$560.50	99	10	\$66.25	\$794.95	\$7,841.41	1-time item
	Periodic Exterior Facade Sealant Repairs/Touch-ups	1 lot	\$10,000.00	\$10,000.00	\$240.14	12	8	\$101.67	\$1,219.98	\$3,333.33	
	Paint EIFS @ Rear Entry From Resident Parking Area	1 lot	\$1,500.00	\$1,500.00	\$24.01	18	14	\$8.79	\$105.43	\$333.33	
	Replace Wood French Doors @ South Wall of Lobby	4 ea	\$1,000.00	\$4,000.00	\$172.90	25	10	\$31.89	\$382.71	\$2,400.00	
	Replace Metal Roll-up Doors @ Storage Access	2 ea	\$2,400.00	\$2,400.00	\$38.42	18	14	\$14.05	\$168.68	\$533.33	
	Replace Wall Sconce Lights	2 ea	\$200.00	\$400.00	\$9.61	12	8	\$4.07	\$48.80	\$133.33	
	Replace Fluorescent Floodlights @ N. Ext. Wall	3 ea	\$350.00	\$1,050.00	\$42.02	12	8	\$17.79	\$213.50	\$583.33	
	Spanish Clay Barrel Tile Roof Repairs (Periodic)	1 lot	\$5,000.00	\$5,000.00	\$180.10	8	4	\$100.41	\$1,204.97	\$2,500.00	
	Flat Roof Repairs (Periodic)	1 lot	\$1,000.00	\$1,000.00	\$28.82	5	3	\$26.98	\$333.73	\$400.00	
	Replace Common Flat Roofs @ 12th Level (Modified Trussman)	1,000 sq ft	\$15.00	\$15,000.00	\$196.48	22	18	\$68.53	\$822.42	\$2,727.27	
	Replace Flat Roof East of Outdoor Patio (More Easily Accessible)	1,025 sq ft	\$9.00	\$9,225.00	\$313.81	25	21	\$105.79	\$1,281.49	\$4,356.00	
	Replace IIC Metal Door @ Stair Access to Roof & Elev. Equip. Rooms	2 ea	\$800.00	\$1,600.00	\$92.21	20	4	\$31.41	\$376.95	\$1,280.00	
	Replace Hollow Core Metal Doors @ East Side of LL	2 ea	\$800.00	\$1,600.00	\$80.69	20	0	\$21.10	\$253.22	\$1,120.00	
	Building Interior										
	Paint Walls & Ceiling @ Lobby / Reception Area	1 lot	\$3,000.00	\$3,000.00	\$86.45	10	6	\$40.47	\$485.59	\$1,200.00	
	Paint Walls @ Basement Amenity Area	1 lot	\$3,000.00	\$3,000.00	\$57.53	10	6	\$26.98	\$323.73	\$800.00	
	Paint Walls & Ceilings @ Corridors	10 ea	\$1,200.00	\$12,000.00	\$45.80	10	6	\$161.85	\$1,942.37	\$4,800.00	
	Replace Rugs @ Corridors	1,700 sq ft	\$4.00	\$6,800.00	\$768.44	15	11	\$297.21	\$3,566.51	\$10,666.67	
	Replace Carpet @ Basement Amenity Area & Mueg's Office	43 ea	\$5.00	\$215.00	\$168.40	16	12	\$63.76	\$765.13	\$2,337.50	
	Replace SC Wood Doors @ Elec. Closets & Trash Chutes	22 ea	\$800.00	\$17,600.00	\$202.87	25	21	\$69.04	\$828.43	\$2,816.00	
	Replace SC Metal Doors @ Stairwells to Ea. Corridor/Space	54 ea	\$250.00	\$13,500.00	\$216.12	18	14	\$79.07	\$948.85	\$3,000.00	
	Replace Wall Scones @ Each Unit Entry & Corridors	36 ea	\$125.00	\$4,500.00	\$64.84	20	16	\$23.10	\$277.20	\$900.00	
	Replace Can Lights @ Corridors	30 ea	\$600.00	\$18,000.00	\$259.35	20	16	\$92.40	\$1,108.79	\$3,600.00	
	Replace Arch. Fluorescent Suspended Lights @ Corridors	160 sq ft	\$5.00	\$800.00	\$12.81	18	14	\$4.69	\$56.23	\$177.78	
	Replace Acoustical Ceiling @ Mueg's Office	7 ea	\$100.00	\$700.00	\$40.34	15	11	\$15.60	\$187.24	\$560.00	
	Replace Track Lighting @ Lobby & Basement Amenity Area	1 lot	\$5,000.00	\$5,000.00	\$30.05	18	14	\$29.29	\$351.43	\$1,111.11	
	Replace Lighting @ Lobby	1 lot	\$4,500.00	\$4,500.00	\$108.06	12	8	\$45.75	\$548.99	\$1,500.00	
	Replace Furniture @ Lobby	2 ea	\$800.00	\$1,600.00	\$23.05	20	16	\$8.21	\$98.56	\$320.00	

* Costs are typically 10%.

Itemized Graph

Categories	Totals
Site	\$43,892
Building Exterior	\$66,525
Building Interior	\$94,250
Mechanical	\$166,500
Amenities	\$65,025
Other	\$106,000
Total	\$542,192

Itemized Graph



Itemized Funding

Categories	Reserve Requirement	Beginning Balance	Balance Requiring Funding	Monthly Reserve Funding Required	Annual Reserve Funding Required	Full Funding Balance	Percent Funded
Site	\$43,892	\$2,586	\$41,306	\$1,389	\$16,665	\$35,901	
Building Exterior	\$66,525	\$2,445	\$64,080	\$769	\$9,230	\$33,941	
Building Interior	\$94,250	\$2,682	\$91,568	\$1,042	\$12,501	\$37,229	
Mechanical	\$166,500	\$2,992	\$163,508	\$1,243	\$14,919	\$41,538	
Amenities	\$65,025	\$1,076	\$63,949	\$555	\$6,664	\$14,930	
Other	\$106,000	\$331	\$105,669	\$73	\$875	\$4,600	
Totals	\$542,192	\$12,113	\$530,079	\$5,071	\$60,854	\$168,139	7.2%

Existing Funding Levels

Year	Year Number	Beginning Reserve Fund		Fee Revenue	Special Assessments	Investment Earnings	Capital Expenditures	Ending Balance
		Balance	Balance					
2010	1	\$12,113	\$10,000	\$0	\$0	\$465	\$6,600	\$15,978
2011	2	\$15,978	\$10,000	\$0	\$0	\$562	\$7,234	\$19,306
2012	3	\$19,306	\$10,000	\$0	\$0	\$294	\$19,511	\$10,089
2013	4	\$10,089	\$10,000	\$0	\$0	\$136	\$15,562	\$4,663
2014	5	\$4,663	\$10,000	\$0	\$0	\$0	\$42,495	(\$27,832)
2015	6	(\$27,832)	\$10,000	\$0	\$0	\$0	\$7,551	(\$25,383)
2016	7	(\$25,383)	\$10,000	\$0	\$0	\$0	\$94,108	(\$109,491)
2017	8	(\$109,491)	\$10,000	\$0	\$0	\$0	\$8,685	(\$108,176)
2018	9	(\$108,176)	\$10,000	\$0	\$0	\$0	\$84,190	(\$182,366)
2019	10	(\$182,366)	\$10,000	\$0	\$0	\$0	\$10,256	(\$182,622)
2020	11	(\$182,622)	\$10,000	\$0	\$0	\$0	\$43,515	(\$216,138)
2021	12	(\$216,138)	\$10,000	\$0	\$0	\$0	\$89,981	(\$296,119)
2022	13	(\$296,119)	\$10,000	\$0	\$0	\$0	\$83,774	(\$369,893)
2023	14	(\$369,893)	\$10,000	\$0	\$0	\$0	\$38,640	(\$398,532)
2024	15	(\$398,532)	\$10,000	\$0	\$0	\$0	\$125,095	(\$513,627)
2025	16	(\$513,627)	\$10,000	\$0	\$0	\$0	\$8,284	(\$511,911)
2026	17	(\$511,911)	\$10,000	\$0	\$0	\$0	\$265,519	(\$767,430)
2027	18	(\$767,430)	\$10,000	\$0	\$0	\$0	\$32,025	(\$789,455)
2028	19	(\$789,455)	\$10,000	\$0	\$0	\$0	\$79,336	(\$858,791)
2029	20	(\$858,791)	\$10,000	\$0	\$0	\$0	\$11,798	(\$860,590)

Existing Funding Levels

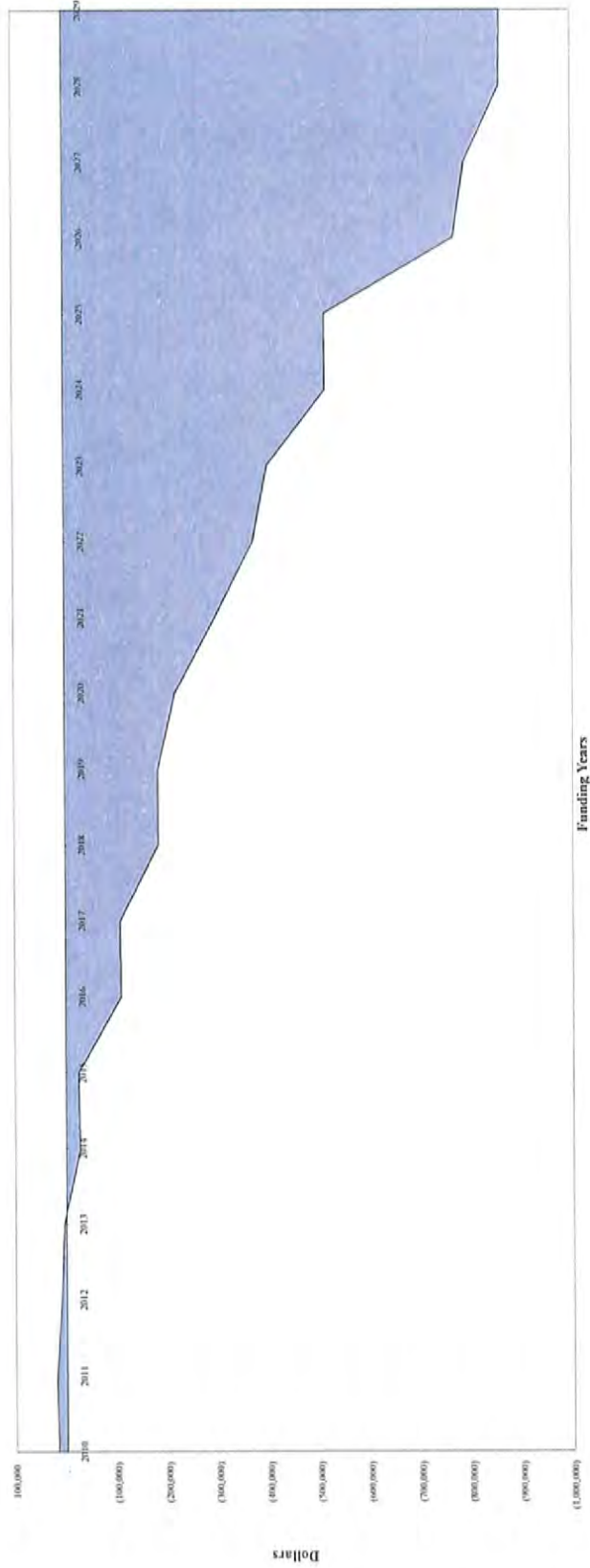
Beginning Balance as of start of year beginning Jan 2010: \$12,113

CONTRIBUTIONS	
AMOUNT	
\$10,000.00	per year
\$222.22	per unit per year
\$1,000.00	per month
\$18.52	per unit per month

SPECIAL ASSESSMENTS			
Totals			
Per Year	\$0	Per Unit	\$0

Projected Annual Funding and Expenditures:		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Year:		2025	2026	2027	2028	2029										
Year Number:		16	17	18	19	20										
End of Year Reserve Fund Balance		(511,911)	(767,430)	(789,455)	(858,791)	(860,590)		(109,491)	(108,176)	(182,366)	(182,622)	(216,138)	(296,119)	(369,893)	(398,532)	(513,627)
Capital Expenditures:		8,284	265,519	32,025	79,336	11,798		94,108	8,685	84,190	10,256	43,515	89,981	83,774	38,640	125,095
Total Revenue (all sources)		(503,627)	(501,911)	(757,430)	(779,455)	(848,791)		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000

Existing Funding Levels



Alternative 1: Level Funding with Steps

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2010	1	\$12,113	\$27,000	\$0	\$0	\$975	\$6,600	\$33,488
2011	2	\$33,488	\$32,400	\$0	\$0	\$1,760	\$7,234	\$60,414
2012	3	\$60,414	\$32,400	\$0	\$0	\$2,199	\$19,511	\$75,502
2013	4	\$75,502	\$41,040	\$0	\$0	\$3,029	\$15,562	\$104,009
2014	5	\$104,009	\$41,040	\$0	\$0	\$3,077	\$42,495	\$105,630
2015	6	\$105,630	\$41,040	\$0	\$0	\$4,174	\$7,551	\$143,293
2016	7	\$143,293	\$49,680	\$0	\$0	\$2,966	\$94,108	\$101,831
2017	8	\$101,831	\$49,680	\$0	\$0	\$4,285	\$8,685	\$147,111
2018	9	\$147,111	\$49,680	\$0	\$0	\$3,378	\$84,190	\$115,979
2019	10	\$115,979	\$58,320	\$0	\$0	\$4,921	\$10,256	\$168,964
2020	11	\$168,964	\$58,320	\$0	\$0	\$5,513	\$43,515	\$189,282
2021	12	\$189,282	\$58,320	\$0	\$0	\$4,729	\$89,981	\$162,349
2022	13	\$162,349	\$66,960	\$0	\$0	\$4,366	\$83,774	\$149,901
2023	14	\$149,901	\$66,960	\$0	\$0	\$5,347	\$38,640	\$183,568
2024	15	\$183,568	\$66,960	\$0	\$0	\$3,763	\$125,095	\$129,197
2025	16	\$129,197	\$75,600	\$0	\$0	\$5,895	\$8,284	\$202,408
2026	17	\$202,408	\$75,600	\$0	\$0	\$375	\$265,519	\$12,864
2027	18	\$12,864	\$75,600	\$0	\$0	\$1,693	\$32,025	\$58,132
2028	19	\$58,132	\$84,240	\$0	\$0	\$1,891	\$79,336	\$64,927
2029	20	\$64,927	\$84,240	\$0	\$0	\$4,121	\$11,798	\$141,489

Alternative 1: Level Funding with Steps

Beginning Balance as of start of year beginning Jan 2010: \$12,113

CONTRIBUTIONS	
FIRST YR	LAST YR
\$32,400.00	\$84,240.00 per year
\$600.00	\$1,560.00 per unit per year
\$2,700.00	\$7,020.00 per month
\$50.00	\$130.00 per unit per month

SPECIAL ASSESSMENTS	
First	Totals
Second	Per Year
	Per Year
	\$0
	\$0
	\$0

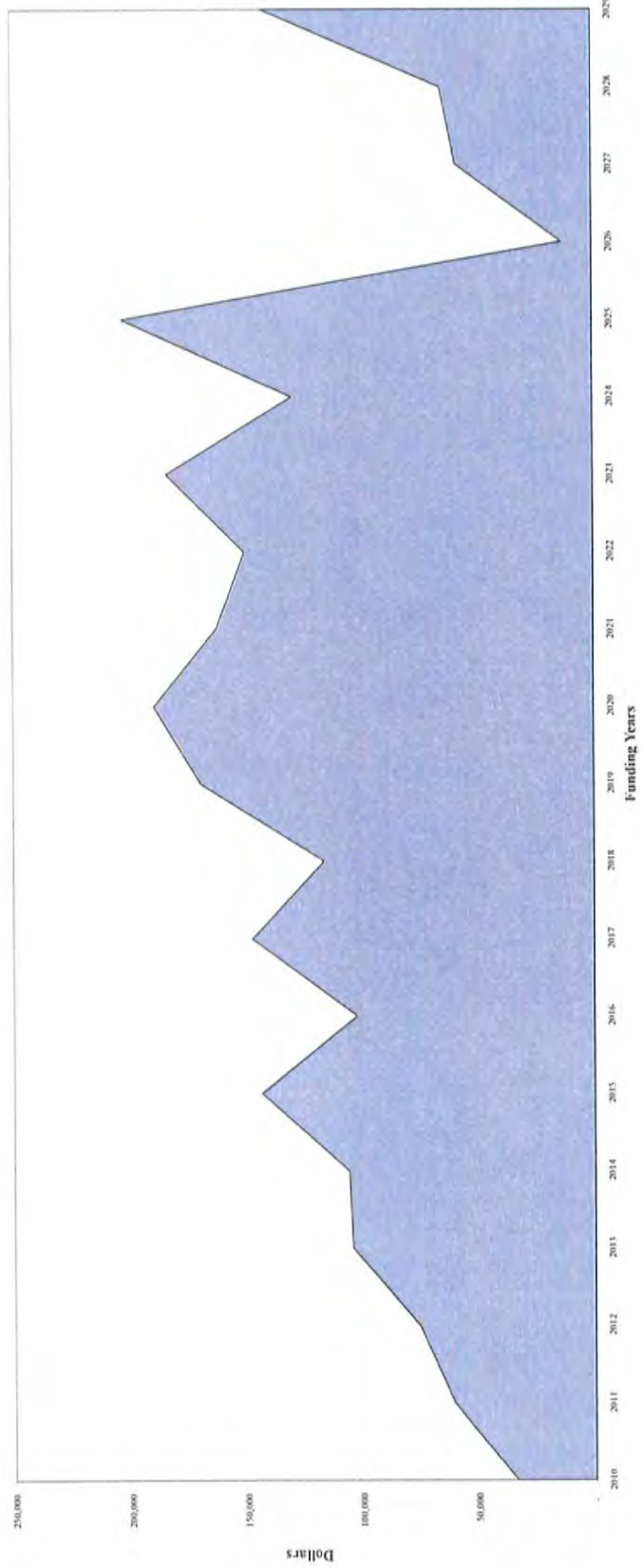
SETTINGS (analyzed by unit/year)	
Starting amount (\$):	600
Increment by (\$):	160
Every	3 year
Frequency:	6 time

Projected Annual Funding and Expenditures:

Year:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	33,488	60,414	75,502	104,009	105,630	143,293	101,831	147,111	115,979	168,964	189,282	162,349	149,901	183,568	129,197
Capital Expenditures:	6,600	7,234	19,511	15,562	42,495	7,551	94,108	8,685	84,190	10,256	43,515	80,981	83,774	38,640	125,095
Total Revenue (all sources)	27,975	34,160	34,599	44,069	44,117	45,214	52,646	53,965	53,058	63,241	63,833	63,049	71,326	72,307	70,723

Year:	2025	2026	2027	2028	2029
Year Number:	16	17	18	19	20
End of Year Reserve Fund Balance	202,408	12,864	58,132	64,927	141,489
Capital Expenditures:	8,284	265,519	32,025	79,336	11,798
Total Revenue (all sources)	81,495	75,975	77,293	86,131	88,361

Alternative 1: Level Funding with Steps



Alternative 2: Escalating Funding at 5.25% per Year

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2010	1	\$12,113	\$28,125	\$0	\$0	\$1,009	\$6,600	\$34,647
2011	2	\$34,647	\$35,522	\$0	\$0	\$1,888	\$7,234	\$64,823
2012	3	\$64,823	\$37,387	\$0	\$0	\$2,481	\$19,511	\$85,180
2013	4	\$85,180	\$39,350	\$0	\$0	\$3,269	\$15,562	\$112,236
2014	5	\$112,236	\$41,415	\$0	\$0	\$3,335	\$42,495	\$114,491
2015	6	\$114,491	\$43,590	\$0	\$0	\$4,516	\$7,551	\$155,046
2016	7	\$155,046	\$45,878	\$0	\$0	\$3,204	\$94,108	\$110,020
2017	8	\$110,020	\$48,287	\$0	\$0	\$4,489	\$8,685	\$154,111
2018	9	\$154,111	\$50,822	\$0	\$0	\$3,622	\$84,190	\$124,365
2019	10	\$124,365	\$53,490	\$0	\$0	\$5,028	\$10,256	\$172,627
2020	11	\$172,627	\$56,298	\$0	\$0	\$5,562	\$43,515	\$190,972
2021	12	\$190,972	\$59,254	\$0	\$0	\$4,807	\$89,981	\$165,052
2022	13	\$165,052	\$62,365	\$0	\$0	\$4,309	\$83,774	\$147,952
2023	14	\$147,952	\$65,639	\$0	\$0	\$5,249	\$38,640	\$180,200
2024	15	\$180,200	\$69,085	\$0	\$0	\$3,726	\$125,095	\$127,916
2025	16	\$127,916	\$72,712	\$0	\$0	\$5,770	\$8,284	\$198,114
2026	17	\$198,114	\$76,529	\$0	\$0	\$274	\$265,519	\$9,398
2027	18	\$9,398	\$80,547	\$0	\$0	\$1,738	\$32,025	\$59,657
2028	19	\$59,657	\$84,776	\$0	\$0	\$1,953	\$79,336	\$67,050
2029	20	\$67,050	\$89,226	\$0	\$0	\$4,334	\$11,798	\$148,812

Alternative 2: Escalating Funding at 5.25% per Year

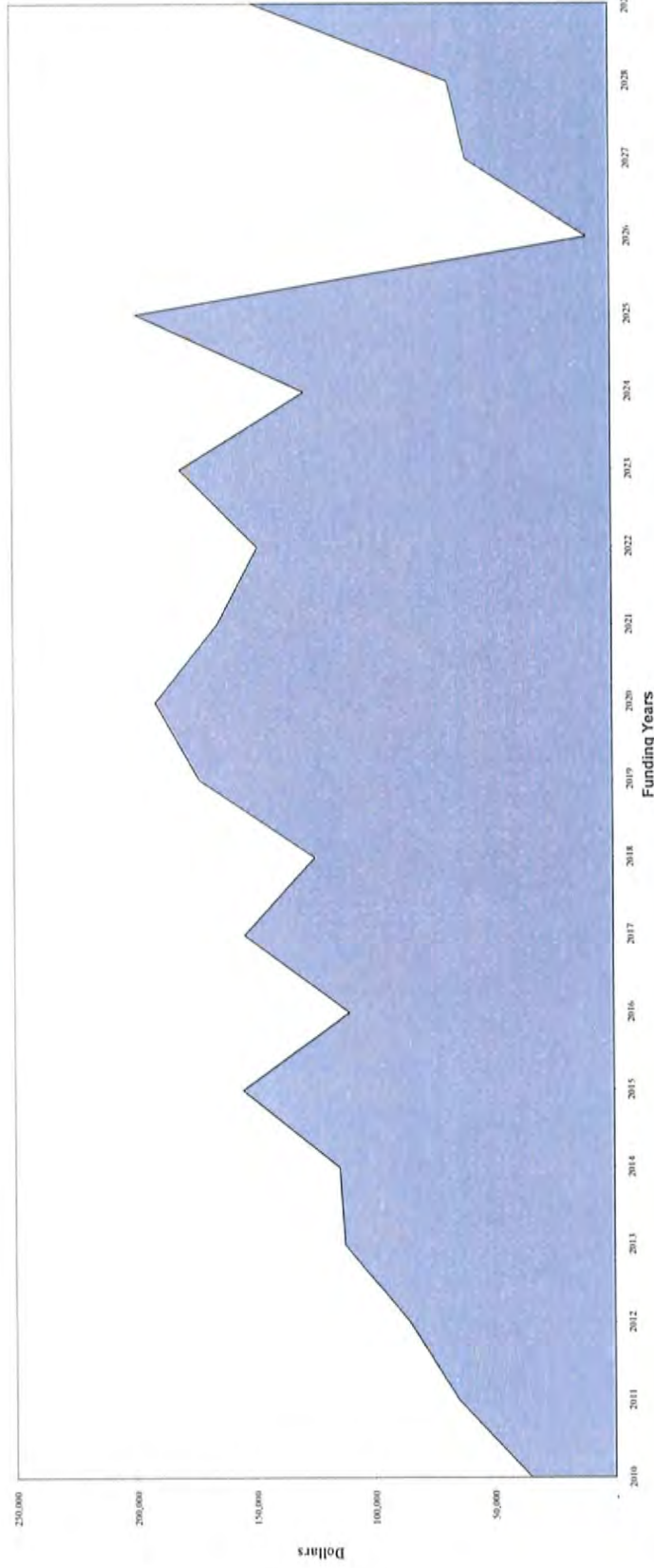
Beginning Balance as of start of year beginning Jan 2010: \$12,113

CONTRIBUTIONS				SPECIAL ASSESSMENTS				SETTINGS (analyzed by unit/year)									
FIRST YR	LAST YR			First	Second	Totals		Starting amount (\$):	Increment by (%):	Step (%):	Every	1	year	20	time		
\$33,750.00	\$89,226.48	per year				Per Year	\$0	\$0									
\$625.00	\$1,652.34	per unit per year				Per Unit	\$0	\$0									
\$2,812.50	\$7,435.54	per month															
\$52.08	\$137.70	per unit per month															

Projected Annual Funding and Expenditures:																	
Year:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		
End of Year Reserve Fund Balance	34,647	64,823	85,180	112,236	114,491	155,046	110,020	154,111	124,365	172,627	190,972	165,052	147,952	180,200	127,916		
Capital Expenditures:	6,600	7,234	19,511	15,562	42,495	7,551	94,108	8,685	84,190	10,256	43,515	89,981	83,774	38,640	125,095		
Total Revenue (all sources)	29,134	37,410	39,868	42,619	44,750	48,106	49,083	52,775	54,444	58,518	61,861	64,061	66,674	70,887	72,811		

Projected Annual Funding and Expenditures:																	
Year:	2025	2026	2027	2028	2029												
Year Number:	16	17	18	19	20												
End of Year Reserve Fund Balance	198,114	9,398	59,657	67,050	148,812												
Capital Expenditures:	8,284	265,519	32,025	79,336	11,798												
Total Revenue (all sources)	78,482	76,803	82,285	86,729	93,561												

Alternative 2: Escalating Funding at 5.25% per Year



Alternative 3: Existing Level Funding with Special Assessments

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2010	1	\$12,113	\$10,000	\$0	\$0	\$465	\$6,600	\$15,978
2011	2	\$15,978	\$12,000	\$0	\$0	\$622	\$7,234	\$21,366
2012	3	\$21,366	\$12,000	\$0	\$0	\$416	\$19,511	\$14,271
2013	4	\$14,271	\$12,000	\$0	\$0	\$321	\$15,562	\$11,029
2014	5	\$11,029	\$12,000	\$200,000	\$0	\$5,416	\$42,495	\$185,950
2015	6	\$185,950	\$12,000	\$0	\$0	\$5,712	\$7,551	\$196,112
2016	7	\$196,112	\$12,000	\$0	\$0	\$3,420	\$94,108	\$117,423
2017	8	\$117,423	\$12,000	\$0	\$0	\$3,622	\$8,685	\$124,360
2018	9	\$124,360	\$12,000	\$0	\$0	\$1,565	\$84,190	\$53,736
2019	10	\$53,736	\$12,000	\$0	\$0	\$1,664	\$10,256	\$57,144
2020	11	\$57,144	\$12,000	\$0	\$0	\$769	\$43,515	\$26,397
2021	12	\$26,397	\$12,000	\$0	\$275,000	\$0	\$89,981	\$223,416
2022	13	\$223,416	\$12,000	\$0	\$0	\$4,549	\$83,774	\$156,191
2023	14	\$156,191	\$12,000	\$0	\$0	\$3,887	\$38,640	\$133,437
2024	15	\$133,437	\$12,000	\$0	\$0	\$610	\$125,095	\$20,953
2025	16	\$20,953	\$12,000	\$0	\$0	\$740	\$8,284	\$25,409
2026	17	\$25,409	\$12,000	\$0	\$315,000	\$0	\$265,519	\$86,890
2027	18	\$86,890	\$12,000	\$0	\$0	\$2,006	\$32,025	\$68,870
2028	19	\$68,870	\$12,000	\$0	\$0	\$46	\$79,336	\$1,580
2029	20	\$1,580	\$12,000	\$0	\$0	\$53	\$11,798	\$1,835

Alternative 3: Existing Level Funding with Special Assessments

Beginning Balance as of start of year beginning Jan 2010: \$12,113

CONTRIBUTIONS	
FIRST YR	LAST YR
\$11,999.88	\$11,999.88
\$222.22	\$222.22
\$999.99	\$999.99
\$18.52	\$18.52

SPECIAL ASSESSMENTS	
First Jan 2014	Second Jan 2021
Per Year	Per Year
\$200,000	\$275,000
Per Unit	Per Unit
\$3,704	\$5,093

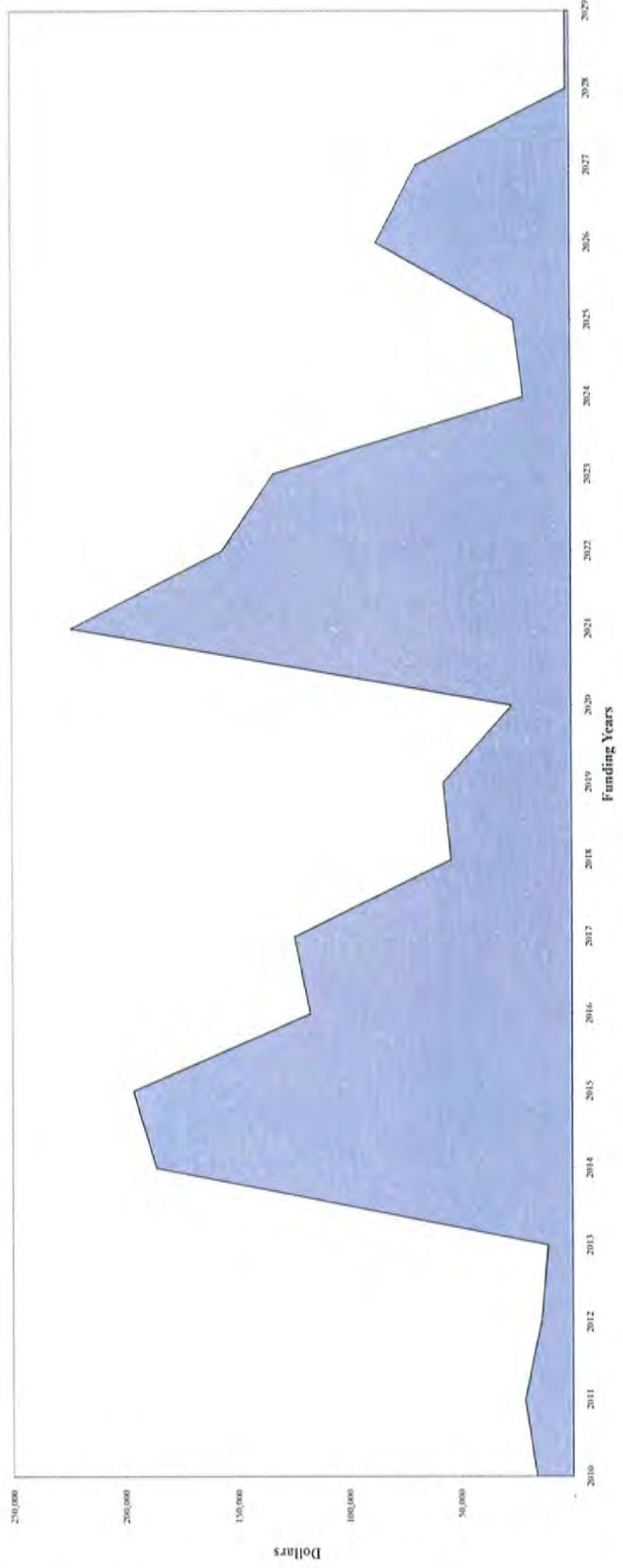
SETTINGS (analyzed by unit/year)	
Starting amount (\$):	222.22
Increment by (%):	0
Step (%):	0
Every	1
Frequency:	20
	year
	time

Projected Annual Funding and Expenditures:

Year:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	15,978	21,366	14,271	11,029	185,950	196,112	117,423	124,360	53,736	57,144	26,397	223,416	156,191	133,437	20,953
Capital Expenditures:	6,600	7,234	19,511	15,562	42,495	7,551	94,108	8,685	84,190	10,256	43,515	89,981	83,774	38,640	125,095
Total Revenue (all sources)	10,465	12,622	12,416	12,321	217,416	17,712	15,420	15,622	13,565	13,664	12,769	287,000	16,549	15,886	12,610

Year:	2025	2026	2027	2028	2029
Year Number:	16	17	18	19	20
End of Year Reserve Fund Balance	25,409	86,890	68,870	1,580	1,835
Capital Expenditures:	8,284	265,519	32,025	79,336	11,798
Total Revenue (all sources)	12,740	327,000	14,006	12,046	12,053

Alternative 3: Existing Level Funding with Special Assessments



Annual Expense By Year

Year:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Site																				
Concrete Pavement Repairs (Periodic)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Seal Joints & Cracks in Concrete Pavement (Periodic)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Re-strip Parking Spaces	0	1,056	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Concrete Sidewalk Repairs (Periodic)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Seal Joints in Sidewalk & Curb / Bldg	0	0	2,475	0	0	0	0	0	2,475	0	0	0	0	0	0	0	0	0	0	0
Paint Light Gauge Steel Frame @ Carpets	0	0	0	5,985	0	0	0	0	0	0	5,985	0	0	0	0	0	0	5,985	0	0
Periodic Repairs to Carpet Roads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Corrugated Metal Roofs @ Carpets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Corrugated Metal Roofs @ Carpets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paint & Repair Wrought Iron Fencing (Perimeter)	0	0	6,192	0	0	0	0	0	6,192	0	0	0	0	0	0	0	0	0	0	0
Replace Wrought Iron Fencing (Perimeter)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Drill & Shore Plaster Repairs (Along Gang Road)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paint & Repair Wrought Iron Fencing @ Pool/Patio Area	0	0	972	0	0	0	0	0	972	0	0	0	0	0	0	0	0	0	0	0
Replace Wrought Iron Fencing @ Pool/Patio Area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paint & Repair Wrought Iron / Plexi-Glass Guardrail @ Pat	0	0	1,238	0	0	0	0	0	1,238	0	0	0	0	0	0	0	0	0	0	0
Replace Wrought Iron/Plexi-Glass Guardrail @ Patio Per	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Drainage & R/R Tie Rod Wall Repair @ SE Cor. Bldg.	2,000	0	0	0	0	0	0	0	8,800	0	0	0	0	0	0	0	0	0	0	0
Replace R/R Tie Rods @ SE Cor. of Bldg.	0	0	0	0	0	0	0	0	1,140	0	0	0	0	0	0	0	0	0	0	0
Stone Retaining Wall Repairs (Periodic)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Concrete Retaining Wall Repairs Below Fence East of Entry D	0	0	0	1,050	0	0	0	0	0	0	1,050	0	0	0	0	0	0	1,050	0	0
Stair & Repair Cedar Fencing Around Cooling Tower	0	0	563	0	0	0	0	0	0	0	563	0	0	0	0	0	0	0	563	0
Replace Cedar Fencing Around Cooling Tower	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace HYS Floodlights @ Carpets	0	0	0	0	0	0	0	0	4,500	0	0	0	0	0	0	0	0	0	0	0
Replace HYS Floodlights @ Carpets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Sources @ Entry Gate Pilasters	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Building Exterior																				
Caulking Repairs Around Windows (278 rns, 136 small, 4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Wood Windows @ West Stairwell	0	0	0	0	0	0	0	0	0	0	8,500	0	0	0	0	0	0	0	0	0
Periodic Exterior Facade Sealant Reprime/Touchups	0	0	0	0	0	0	0	0	10,000	0	0	0	0	0	0	0	0	0	0	0
Paint Entry @ Rear Entry From Resident Parking Area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Wood French Doors @ South Wall of Lobby	0	0	0	0	0	0	0	0	0	0	4,000	0	0	0	0	0	0	0	0	0
Replace Metal Roll-up Doors @ Storage Access	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Wall Source Lights	0	0	0	0	0	0	0	0	400	0	0	0	0	0	0	0	0	0	0	0
Replace Fluorescent Floodlights @ N. Ext. Wall	0	0	0	0	0	0	0	0	1,750	0	0	0	0	0	0	0	0	0	0	0
Spanish Clay Barrel Tile Road Repairs (Periodic)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flat Roof Repairs (Periodic)	0	0	0	1,000	0	0	0	0	1,000	0	0	0	0	0	0	0	0	0	0	0
Replace Common Flat Roofs @ 12th Level (Modified Blum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Flat Roof East of Outdoor Patio (More Easily Acce	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Flat Roof @ Stair Access to Roof & Elec. En	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Hollow Core Metal Doors @ East Side of J.	0	0	0	0	0	0	1,600	0	0	0	0	0	0	0	0	0	0	0	0	0
Building Interior																				
Paint Walls & Ceiling @ Lobby / Reception Area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paint Walls @ Basement Amenity Area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paint Walls & Ceilings @ Corridors	0	0	0	0	0	0	12,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Rugs @ Corridors	0	0	0	0	0	0	0	0	0	0	0	40,000	0	0	0	0	0	0	0	0
Replace Carpet @ Basement Amenity Area & Ming's Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace SC Wood Doors @ Elec. Closets & Trash Chutes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace SC Metal Doors @ Stairwells to Fin. Corridor/Stair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Wall Sources @ Each Unit Entry & Corridors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Can Lights @ Corridors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Arch. Fluorescent Suspended Lights @ Corridors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Acoustical Ceiling @ Manager's Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Track Lighting @ Lobby & Basement Amenity An	0	0	0	0	0	0	0	0	0	0	0	2,100	0	0	0	0	0	0	0	0
Replace Lighting @ Lobby	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Furniture @ Lobby	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Plumbing Fixtures @ Common Restrooms	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mechanical																				
Replace Rolling Gate Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Hot Water Heaters	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Domestic Water Expansion Tank	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Domestic Water Booster Pumps	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Chill Water Booster Pumps	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Circulation Pumps for Boilers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Lobby / Front Desk HVAC Systems	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Wine Cooler HVAC Split System	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cooling Tower Repairs (Periodic)	0	0	0	0	0	0	0	0	10,000	0	0	0	0	0	0	0	0	0	0	0
Replace Fan Coil Units @ Corridors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fire Sprinkler System Jockey Pump Repairs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Fire Sprinkler System Jockey Pump	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Fire Sprinkler System Jockey Pump	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Service Elevator A.C. Host Motor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Annual Expense By Year

Year:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Replace Residential Elevator A.C. Motor Motors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,000	0	0	0	0	0
Replace Pool Filter	0	0	0	0	0	0	1,100	0	0	0	0	0	1,800	0	0	0	1,100	0	0	0
Replace Pool Equipment Pump	0	0	0	0	1,800	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace L.L. Sump Pump	0	0	0	0	0	0	0	0	0	0	0	3,500	0	0	0	0	1,200	0	0	0
Replace Phone-Ink Entry Access System	0	0	0	0	0	0	0	0	0	0	0	4,500	0	0	0	0	0	0	0	0
Replace Fash Controlled Access Software System	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amelities																				
Re-surface Pool	0	0	0	0	3,150	0	0	0	0	0	0	0	3,150	0	0	0	0	0	0	0
Re-surf Pool Coping Joint (Deck-Over-Seal)	0	550	0	0	0	550	0	0	0	550	0	0	0	550	0	0	0	550	0	0
Re-stain Concrete Apron Around Pool	0	0	0	0	0	0	5,063	0	0	0	1,200	0	0	0	0	0	5,063	0	0	0
Replace Pool Furniture	0	0	0	1,200	0	0	0	0	0	0	0	0	0	0	0	0	0	1,200	0	0
Replace Patio Wicker Furniture	0	0	0	0	0	0	1,800	0	0	0	0	1,500	0	0	0	0	1,800	0	0	0
Replace Patio Iron Furniture	0	0	0	0	0	0	0	0	0	0	0	0	750	0	0	0	0	0	0	0
Replace Gas Grill @ Patio	0	0	0	0	750	0	0	0	0	0	0	1,500	0	0	0	0	0	0	0	0
Replace Outdoor Speakers @ Pool / Patio	0	0	0	0	0	0	0	0	0	0	0	1,500	0	0	0	0	0	0	0	0
Replace Theatre Chairs	0	0	0	0	8,000	0	0	0	0	0	0	0	0	0	2,000	0	0	0	0	0
Replace HD Propagator @ Theatre	0	0	0	0	0	0	0	0	0	0	1,500	0	0	0	0	0	0	0	0	0
Replace Pool Table	0	0	0	0	0	0	0	0	0	0	2,000	0	0	0	0	0	0	0	0	0
Replace Couches @ Pool Table Area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Table & Chairs Next to Kitchen	0	0	0	0	0	0	1,500	0	0	0	0	0	0	0	0	0	1,500	0	0	0
Replace Table & Chairs @ Wine Room	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Refrigerator @ Kitchen	0	0	0	0	0	0	1,200	0	0	0	0	0	0	0	0	0	1,200	0	0	0
Replace Refrigerator @ Closet Behind Front Desk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Flat Panel TVs @ Basement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other																				
Reserve Study Updates	0	0	0	0	3,500	0	0	0	3,500	0	0	0	3,500	0	0	0	3,500	0	0	0
Contingency	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Total Costs	6,600	6,956	18,039	11,835	36,325	6,206	74,325	6,600	61,517	7,206	29,398	58,450	52,325	21,206	72,239	4,600	141,763	16,441	29,163	5,600
Total Costs Adjusted For 4% Inflation	6,600	7,234	19,511	15,562	42,495	7,551	94,108	8,685	84,190	10,256	43,515	89,981	83,174	38,640	125,995	8,284	265,519	32,025	79,436	11,798

Summary of Reserve Balances

<u>Year</u>	<u>Year Number</u>	<u>Yearly Expenditures</u>	<u>Alt. 1</u>	<u>Alt. 2</u>	<u>Alt. 3</u>
2010	1	\$6,600	\$33,488	\$34,647	\$15,978
2011	2	\$7,234	\$60,414	\$64,823	\$21,366
2012	3	\$19,511	\$75,502	\$85,180	\$14,271
2013	4	\$15,562	\$104,009	\$112,236	\$11,029
2014	5	\$42,495	\$105,630	\$114,491	\$185,950
2015	6	\$7,551	\$143,293	\$155,046	\$196,112
2016	7	\$94,108	\$101,831	\$110,020	\$117,423
2017	8	\$8,685	\$147,111	\$154,111	\$124,360
2018	9	\$84,190	\$115,979	\$124,365	\$53,736
2019	10	\$10,256	\$168,964	\$172,627	\$57,144
2020	11	\$43,515	\$189,282	\$190,972	\$26,397
2021	12	\$89,981	\$162,349	\$165,052	\$223,416
2022	13	\$83,774	\$149,901	\$147,952	\$156,191
2023	14	\$38,640	\$183,568	\$180,200	\$133,437
2024	15	\$125,095	\$129,197	\$127,916	\$20,953
2025	16	\$8,284	\$202,408	\$198,114	\$25,409
2026	17	\$265,519	\$12,864	\$9,398	\$86,890
2027	18	\$32,025	\$58,132	\$59,657	\$68,870
2028	19	\$79,336	\$64,927	\$67,050	\$1,580
2029	20	\$11,798	\$141,489	\$148,812	\$1,835

Summary of Reserve Balances



NOTE: PHOTO PAGES DELETED TO SAVE SPACE

