

Reserve Study Report

Demo Association

2025 Annual Reserve Study

April 1, 2025

Association:

Demo Association, Inc.

Address:

3359 Birch Road, San Diego, CA 92101

Total Units:

320

Study Type:

Update With Site Visit

Prepared On:

April 1, 2025

Prepared By:

Sarah Mitchell, RS #1001

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Introduction / Purpose and Scope

Study Authorization

This Update With Site Visit reserve study was prepared for Demo Association, Inc., an HOA located in San Diego, CA. The study was prepared on April 1, 2025 by Sarah Mitchell, RS #1001.

Purpose of a Reserve Study

A reserve study is a budget planning tool that identifies the current status of the reserve fund and develops a stable, equitable funding plan to offset anticipated future common area repair and replacement expenses. The study helps the board of directors fulfill their fiduciary responsibility to maintain and preserve the common elements of the association.

This report provides three key deliverables: (1) a Component Inventory detailing the scope and schedule of all anticipated major repairs and replacements, (2) a Reserve Fund Strength assessment measuring how well the current fund balance has kept pace with the deterioration of common area components, and (3) a Funding Plan designed to provide sufficient resources for timely execution of all projected reserve expenditures while minimizing the risk of special assessments.

Scope of This Study

This is an Update With Site Visit, which updates the prior reserve study based on new on-site observations and current financial data over a 30-year projection period.

Methodology

This study uses the Cash Flow Method of analysis, which projects the association's reserve income and expenses on a year-by-year basis over the 30-year study period. Annual contributions are adjusted for planned increases, reserve earnings are projected at 1.8% annually, and component replacement costs are adjusted for inflation at 3% annually.

Component conditions, useful life estimates, and remaining useful life were established by the preparer from the on-site visual inspection and the cost and life information recorded for each component in this study.

Standards and References

This reserve study was prepared following the National Reserve Study Standards published by the Community Associations Institute (CAI). Components were evaluated for inclusion based on the four-part test: (1) the association has maintenance, repair, or replacement responsibility, (2) the component has a limited useful life, (3) the remaining useful life is predictable, and (4) the replacement cost is above a minimum threshold that justifies reserve funding rather than operational budgeting.

What Is Included

This study covers 44 reserve components across 12 categories with a total current replacement cost of \$2,562,649. All components meeting the four-part inclusion test described above are included in this analysis. Components that are the responsibility of individual unit owners, items with unlimited useful lives, and minor maintenance items typically funded through the operating budget are excluded.

Executive Summary

Overview

The 2025 Annual Reserve Study for Demo Association evaluates the funding status of 44 reserve components across 12 categories, with a combined current replacement cost of \$2,562,649. As of the study date of April 1, 2025, the association holds a reserve balance of \$425,000 against a Fully Funded Balance of \$1,075,734, resulting in a percent funded level of 39.5%. Under the widely used industry risk classifications, where funding below 30% is considered Weak, between 30% and 70% is Fair, and above 70% is Strong, Demo Association falls within the Fair range. While this indicates the association is not in immediate distress, it also signals that reserves are materially below full funding and remain exposed to the risk of special assessments if contributions are not maintained and increased over time.

The funding plan models a starting annual contribution of \$170,000 with a 3.0% annual increase. Under this plan, the reserve balance is projected to reach a low point of \$579,743 in 2026 before recovering, and the fund does not go negative at any point during the 30 year projection. By the end of the projection period, the balance is projected to reach \$3,266,143, equal to a percent funded level of 87.5%, which places the association solidly in the Strong range over the long term. This steady improvement reflects a disciplined contribution strategy that gradually closes the gap between current reserves and the Fully Funded Balance.

Several components warrant near-term attention. The HVAC System for the Clubhouse is in poor condition with only 4 years of remaining life, the Digital Information Displays have just 1 year remaining, and the Wi-Fi Network has 2 years remaining. Exterior Painting, Water Heaters, and Cardio Equipment each have 3 years remaining. The board should ensure adequate funding is available for these obligations and continue the recommended contribution increases to protect the long-term trajectory of the fund.

STARTING RESERVE BALANCE	ANNUAL CONTRIBUTION
\$425,000	\$170,000
PERCENT FUNDED	TARGET
39.5% (Fair)	70%

Projection: 2026-2055 (30 yrs after the 2025 study year) | **Ending:** \$3,266,143 (87.5%) | **Lowest projected:** \$579,743 (2026) | **Peak Expense:** \$1,039,537 (2037) | **Per Unit Monthly:** \$44.27

Cash Flow Projection

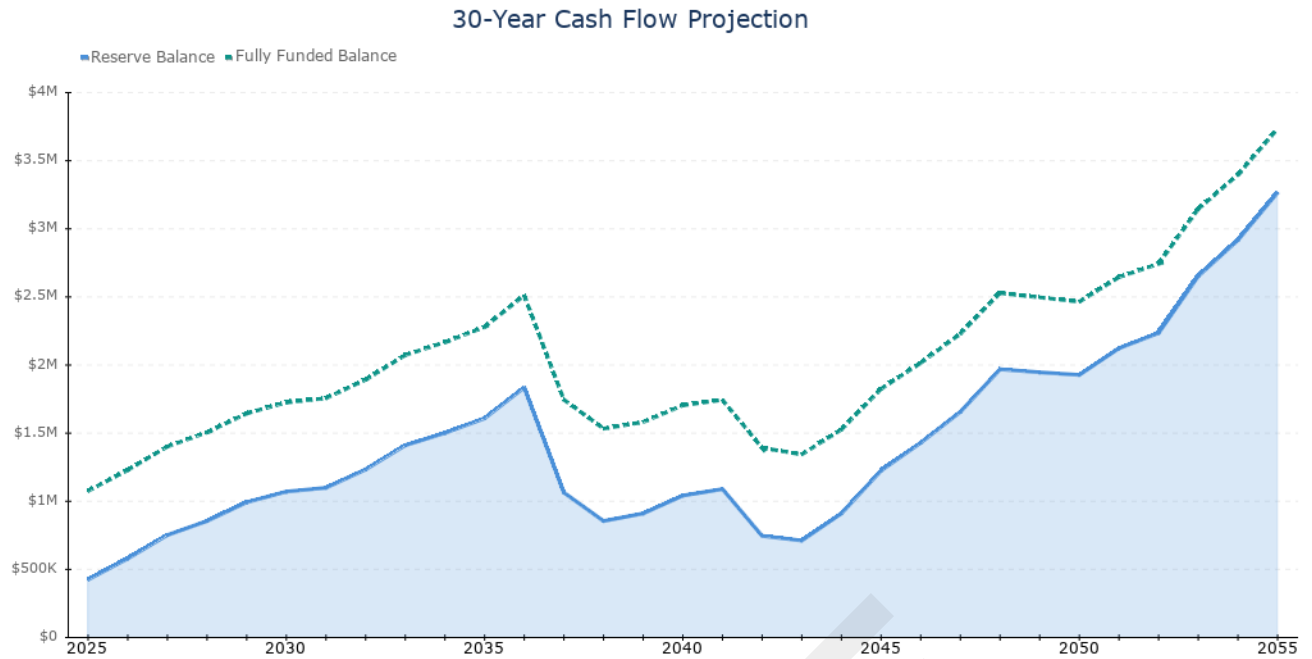


Figure 1 - Cash Flow Projection

Percent Funded Projection

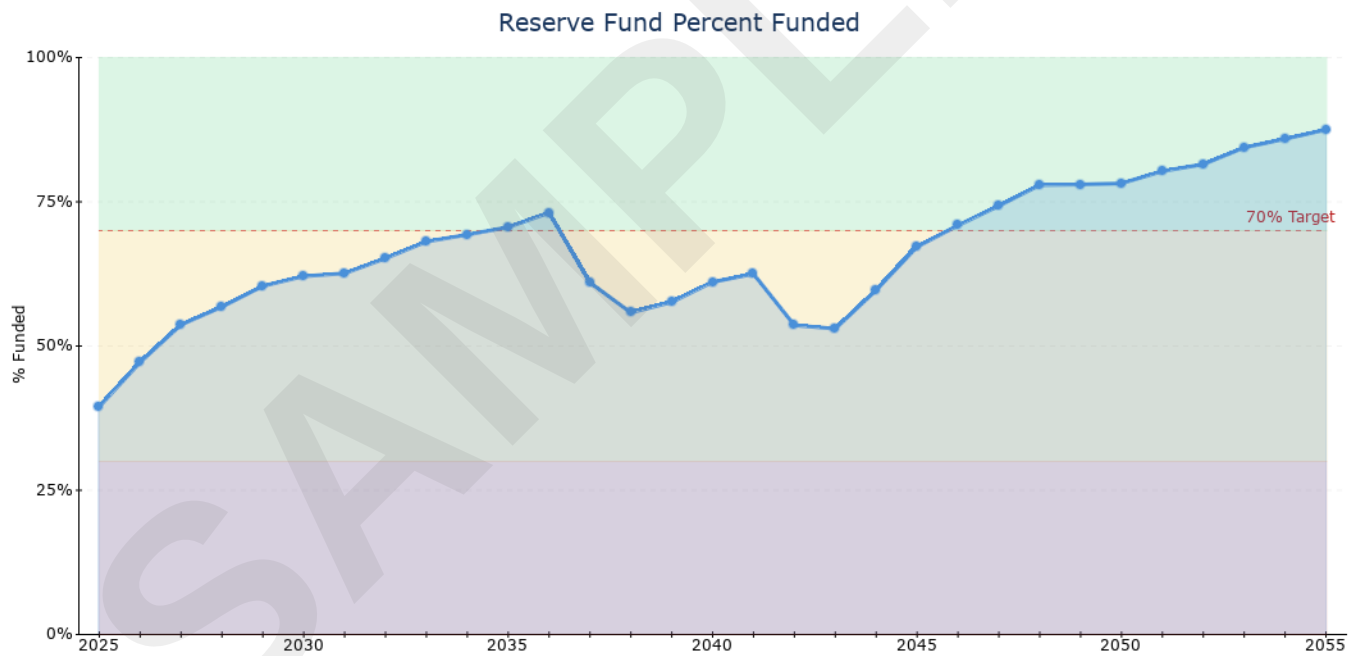


Figure 2 - Percent Funded

Balance and Contribution Trend

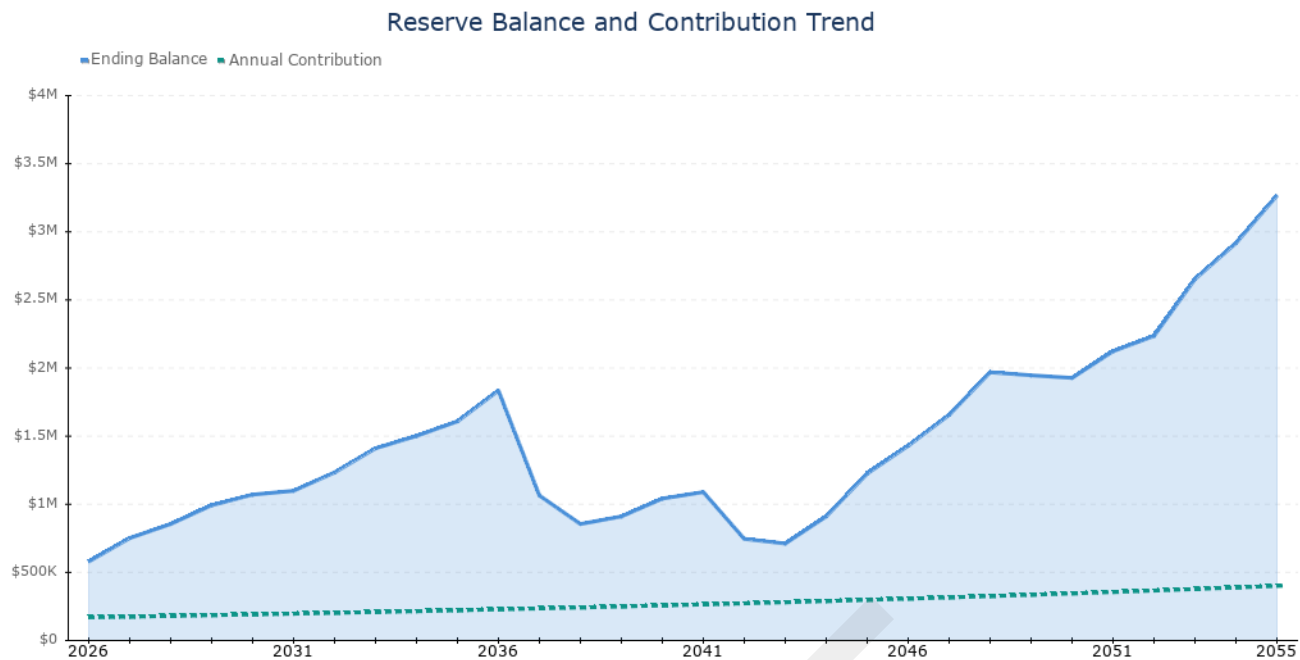


Figure 3 - Balance and Contribution Trend

Executive Dashboard

39.5%

Fair

Percent funded: the reserve balance compared with the fully funded balance

Reserve Fund Strength



Reserve Fund Strength - 39.5% Funded (Fair)

Area	Status	Key Metric	What It Means
Funding Level	Fair	39.5% funded	Strong is 70% or more, Fair 30% to 70%, Weak under 30%
Funding Target	Not met	39.5% against a 70% target	Contributions need to rise to reach the target
Special Assessment Risk	Medium	Balance positive in every year	Based on the funding level and on whether the balance ever goes negative
Near-Term Replacements	12 due	\$287,197 at today's cost	Due within 5 years; the expenditure schedule adds inflation to each year's cost
Component Inventory	44 components	\$2,562,649 replacement cost	Every component the association is responsible for reserving

Alerts

Priority	Alert	Action	Timeline
High	12 components need replacement within 5 years	Get bids and budget for the replacements	From 2026
Medium	Reserve fund below the 70% target	Increase contributions	Next budget

Key Performance Indicators

Funding Level: 39.5% Target: 70% Below Target
Per Unit Annual: \$531 Per Unit Monthly: \$44.27
Reserve Balance: \$425,000 Portfolio Value: \$2,562,649 Avg Remaining Life: 11 yrs

Risk Dashboard

FACTOR	CURRENT	THRESHOLD	STATUS	WHAT IT MEASURES
Negative Balance	0 yrs	0 yrs	No risk	Projected years in which the reserve balance falls below zero
Funding Swing	40.3 pts	under 15 pts	Moderate	Gap between the highest and lowest percent funded over the projection; large swings mean the plan relies on catching up later
Spending Peaks	80.8%	under 50%	Uneven	How far the most expensive year sits above an average year, as a share of that peak; uneven spending needs a larger cushion before peak years

Strategic Summary

- Fair:** The reserve fund is below the 70% level; contributions should rise to reduce the risk of special assessments.
- Below 70% target
 - 12 components need near-term replacement
 - Balance remains positive throughout

Component Inventory

44 components across 12 categories. Total replacement cost: \$2,562,649.

Cost Distribution

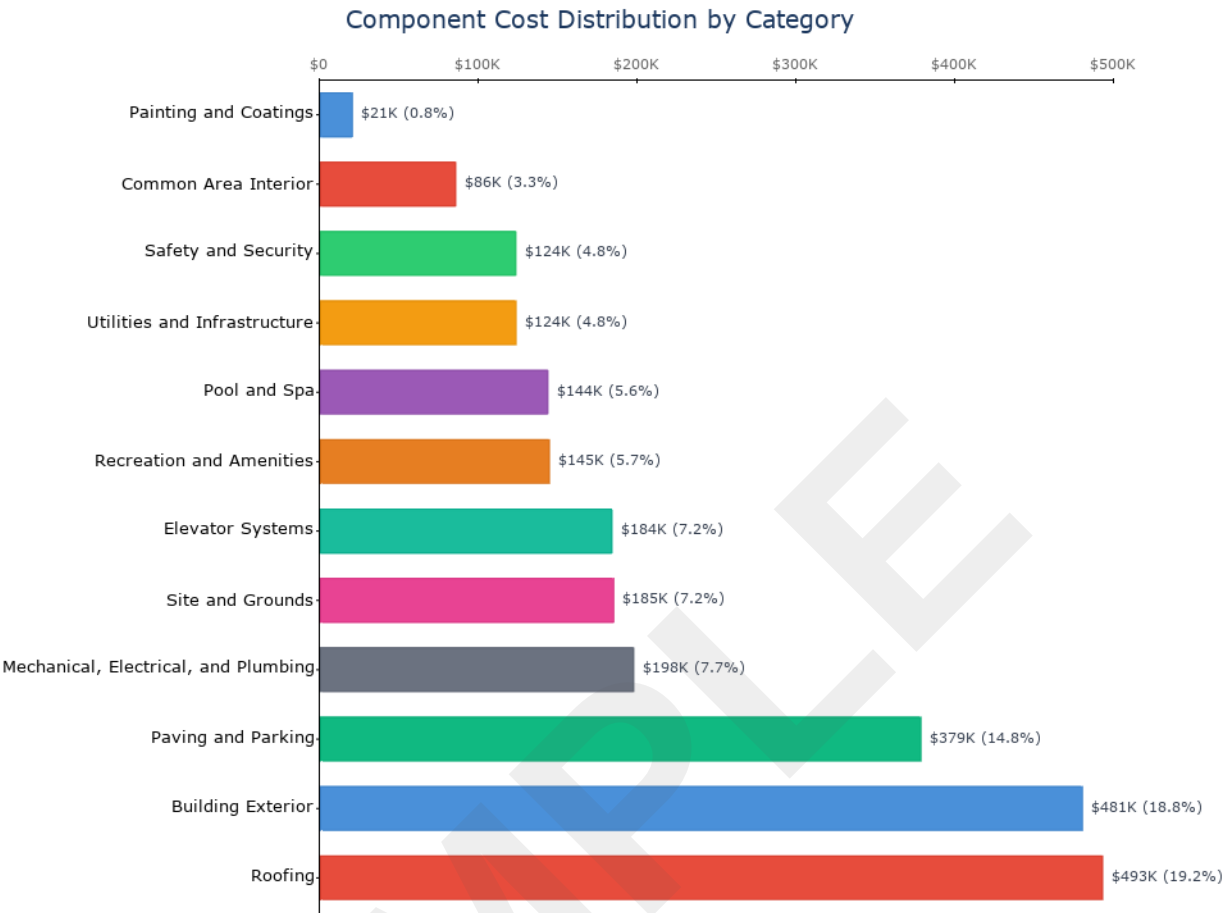


Figure 4 - Cost Distribution

CATEGORY	TOTAL COST	%
Roofing	\$493,175.00	19.2%
Building Exterior	\$480,596.00	18.8%
Paving and Parking	\$378,891.00	14.8%
Mechanical, Electrical, and Plumbing	\$197,877.00	7.7%
Site and Grounds	\$185,474.00	7.2%
Elevator Systems	\$183,888.00	7.2%
Recreation and Amenities	\$144,869.00	5.7%
Pool and Spa	\$143,700.00	5.6%
Utilities and Infrastructure	\$123,939.00	4.8%

CATEGORY	TOTAL COST	%
Safety and Security	\$123,626.00	4.8%
Common Area Interior	\$85,794.00	3.3%
Painting and Coatings	\$20,820.00	0.8%
Total	\$2,562,649.00	100.0%

Condition and Remaining Life

Component Condition Distribution

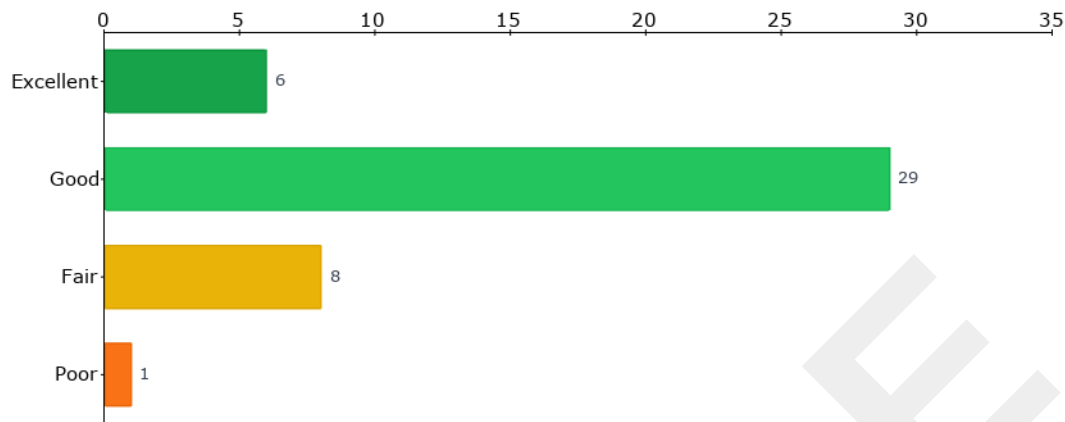


Figure 5 - Condition Distribution

Component Remaining Life Distribution

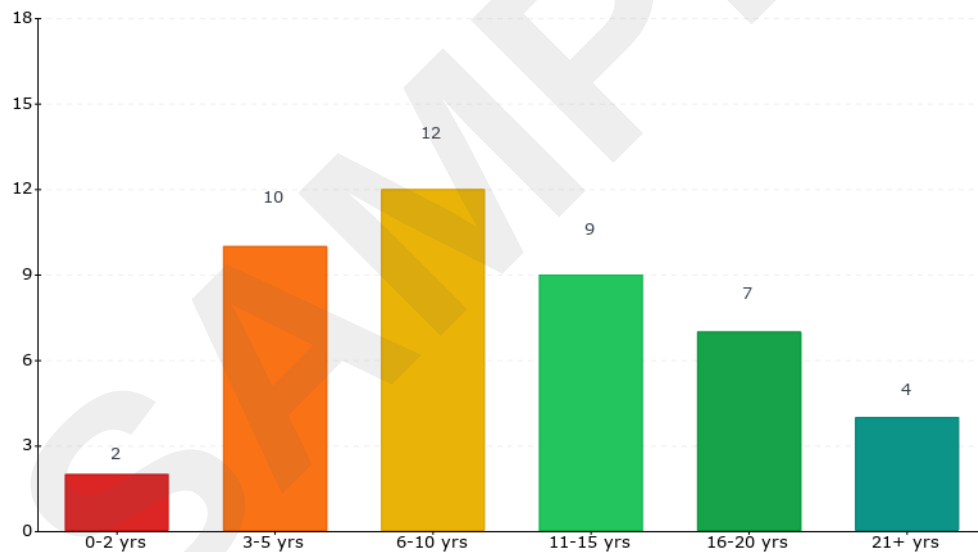


Figure 6 - Remaining Life Distribution

Building Exterior

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Balconies and Railings	25	13	1,809	\$172.00	\$311,148.00
Exterior Doors	20	14	25	\$1,805.00	\$45,125.00
Exterior Siding	30	25	10,849	\$9.00	\$97,641.00
Mailbox Panels	25	17	8	\$1,875.00	\$15,000.00
Windows - Common Areas	25	12	22	\$531.00	\$11,682.00
Category Total:					\$480,596.00

Common Area Interior

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Clubhouse Furnishings	10	6	1	\$23,214.00	\$23,214.00
Common Area Flooring	15	10	2,444	\$13.00	\$31,772.00
Digital Information Displays	5	1	5	\$4,448.00	\$22,240.00
Restroom Fixtures	20	16	12	\$714.00	\$8,568.00
Category Total:					\$85,794.00

Elevator Systems

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Elevator	25	12	2	\$91,944.00	\$183,888.00
Category Total:					\$183,888.00

Mechanical, Electrical, and Plumbing

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Building Automation System	10	4	1	\$29,588.00	\$29,588.00
Electrical Distribution	40	27	1	\$63,603.00	\$63,603.00
Fire Sprinkler System	40	27	1	\$54,923.00	\$54,923.00
HVAC System - Clubhouse	15	4	1	\$9,111.00	\$9,111.00
Intercom System	12	5	1	\$18,750.00	\$18,750.00
Water Heater - Common	10	3	2	\$4,709.00	\$9,418.00
Wi-Fi Network	7	2	1	\$12,484.00	\$12,484.00
Category Total:					\$197,877.00

Painting and Coatings

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Exterior Painting	7	3	6,263	\$2.00	\$12,526.00
Interior Painting	7	5	8,294	\$1.00	\$8,294.00
Category Total:					\$20,820.00

Paving and Parking

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Asphalt Parking Lot	20	12	35,101	\$6.00	\$210,606.00
Concrete Sidewalks	30	17	12,945	\$13.00	\$168,285.00
Category Total:					\$378,891.00

Pool and Spa

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Pool Deck	20	12	4,800	\$12.00	\$57,600.00
Pool Equipment	12	5	1	\$24,500.00	\$24,500.00
Swimming Pool - Resurfacing	10	5	2,200	\$28.00	\$61,600.00
Category Total:					\$143,700.00

Recreation and Amenities

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Cardio Equipment	7	3	11	\$5,551.00	\$61,061.00
Fitness Flooring	14	8	2,840	\$15.00	\$42,600.00
Strength Training Equipment	12	7	12	\$3,434.00	\$41,208.00
Category Total:					\$144,869.00

Roofing

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Asphalt Shingle Roof	25	18	16,967	\$9.00	\$152,703.00
Gutters and Downspouts	20	15	3,310	\$9.00	\$29,790.00
Roof Flashing	20	16	1,904	\$23.00	\$43,792.00
Roof Ventilation System	25	18	50	\$197.00	\$9,850.00
TPO Membrane Roof	20	12	16,065	\$16.00	\$257,040.00
Category Total:					\$493,175.00

Safety and Security

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Access Control System	12	6	1	\$30,591.00	\$30,591.00
Emergency Lighting	10	4	47	\$375.00	\$17,625.00
Fire Alarm System	15	9	1	\$38,776.00	\$38,776.00
Security Cameras	10	6	26	\$1,409.00	\$36,634.00
Category Total:					\$123,626.00

Site and Grounds

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Irrigation System	15	7	1	\$17,298.00	\$17,298.00
Landscaping - Major	15	9	1	\$33,835.00	\$33,835.00
Monument Sign	20	7	1	\$13,187.00	\$13,187.00
Perimeter Fencing	20	9	2,500	\$12.00	\$30,000.00
Playground Equipment	15	6	1	\$45,000.00	\$45,000.00
Site Lighting	20	14	47	\$982.00	\$46,154.00
Category Total:					\$185,474.00

Utilities and Infrastructure

COMPONENT	USEFUL LIFE	REM. LIFE	QTY	UNIT COST	TOTAL COST
Foundation Waterproofing	30	17	5,644	\$15.00	\$84,660.00
Storm Drainage System	50	37	1	\$39,279.00	\$39,279.00
Category Total:					\$123,939.00

Total Components: 44 | Total Replacement Cost: \$2,562,649.00

Site Inspection

As part of this Update With Site Visit, the association's common area components were observed on site to verify quantities and assess current condition. The inspection confirmed that the majority of the 44 components remain in good or excellent condition, including the fire sprinkler system, electrical distribution, storm drainage system, and restroom fixtures, all of which show substantial remaining useful life. Several components were noted in fair condition, including the TPO membrane roof, asphalt parking lot, monument sign, playground equipment, perimeter fencing, pool equipment, and digital information displays.

One component, the clubhouse HVAC system, was observed to be in poor condition with limited remaining life and should be prioritized for replacement planning. No separate written inspection notes or a distinct inspection date were recorded in the underlying data for this study, so the condition assessments reflected throughout this report are based on the observations and component data captured during the site visit. The board is encouraged to monitor the fair and poor condition components closely and to confirm their status during future study updates.

SAMPLE

Funding Plan

The recommended funding plan begins with an annual reserve contribution of \$170,000, increasing at a rate of 3.0% each year. Over the full 30 year projection, total contributions are expected to reach \$8,087,821, supplemented by \$734,073 in interest earnings, while total projected expenditures amount to \$5,980,751. Under this plan, the reserve fund never falls below zero, reaching its lowest projected balance of \$579,743 in 2026 before steadily building over time.

Because the plan maintains a positive balance throughout the projection and moves the association from 39.5% funded toward 87.5% funded, the board is encouraged to continue the current contribution strategy and the annual 3.0% increase. Sustaining this discipline is essential to absorbing large expenditure years without resorting to special assessments. The board should review this plan annually, adjust contributions as conditions and costs change, and confirm that reserve funds are available in advance of the near-term component replacements identified in this study.

Starting Balance: \$425,000 | **Annual Contribution:** \$170,000 | **Increase:** 3% | **Per Unit Monthly:** \$44.27

Funding Projection (30 Years)

YEAR	STARTING BAL.	CONTRIBUTION	INTEREST	EXPENSES	ENDING BAL.	% FUND
2025 (start)	\$425,000	\$0	\$0	\$0	\$425,000	40%
2026	\$425,000	\$170,000	\$7,650	\$22,907	\$579,743	47%
2027	\$579,743	\$175,100	\$10,435	\$13,244	\$752,034	54%
2028	\$752,034	\$180,353	\$13,537	\$90,702	\$855,222	57%
2029	\$855,222	\$185,764	\$15,394	\$63,393	\$992,986	60%
2030	\$992,986	\$191,337	\$17,874	\$131,165	\$1,071,031	62%
2031	\$1,071,031	\$197,077	\$19,279	\$188,277	\$1,099,110	63%
2032	\$1,099,110	\$202,989	\$19,784	\$88,173	\$1,233,709	65%
2033	\$1,233,709	\$209,079	\$22,207	\$53,964	\$1,411,030	68%
2034	\$1,411,030	\$215,351	\$25,399	\$150,173	\$1,501,607	69%
2035	\$1,501,607	\$221,811	\$27,029	\$141,594	\$1,608,853	71%
2036	\$1,608,853	\$228,466	\$28,959	\$30,785	\$1,835,493	73%
2037	\$1,835,493	\$235,320	\$33,039	\$1,039,537	\$1,064,315	61%
2038	\$1,064,315	\$242,379	\$19,158	\$470,762	\$855,090	56%
2039	\$855,090	\$249,651	\$15,392	\$209,482	\$910,651	58%
2040	\$910,651	\$257,140	\$16,392	\$142,383	\$1,041,800	61%
2041	\$1,041,800	\$264,854	\$18,752	\$235,783	\$1,089,625	62%
2042	\$1,089,625	\$272,800	\$19,613	\$635,986	\$746,052	54%
2043	\$746,052	\$280,984	\$13,429	\$328,815	\$711,650	53%
2044	\$711,650	\$289,414	\$12,810	\$102,778	\$911,095	60%
2045	\$911,095	\$298,096	\$16,400	\$0	\$1,225,591	67%
2046	\$1,225,591	\$307,039	\$22,061	\$125,086	\$1,429,604	71%
2047	\$1,429,604	\$316,250	\$25,733	\$114,771	\$1,656,817	74%
2048	\$1,656,817	\$325,738	\$29,823	\$43,225	\$1,969,151	78%

YEAR	STARTING BAL.	CONTRIBUTION	INTEREST	EXPENSES	ENDING BAL.	% FUND
2049	\$1,969,151	\$335,510	\$35,445	\$393,165	\$1,946,941	78%
2050	\$1,946,941	\$345,575	\$35,045	\$399,939	\$1,927,622	78%
2051	\$1,927,622	\$355,942	\$34,697	\$194,917	\$2,123,345	80%
2052	\$2,123,345	\$366,621	\$38,220	\$292,573	\$2,235,613	82%
2053	\$2,235,613	\$377,619	\$40,241	\$0	\$2,653,473	84%
2054	\$2,653,473	\$388,948	\$47,763	\$172,618	\$2,917,565	86%
2055	\$2,917,565	\$400,616	\$52,516	\$104,554	\$3,266,143	87%

The first row, marked (start), is the position on the study date: the current reserve balance, with no contribution, interest or expenses. Replacements due now are scheduled in the first projected year.

Projected Expenditures

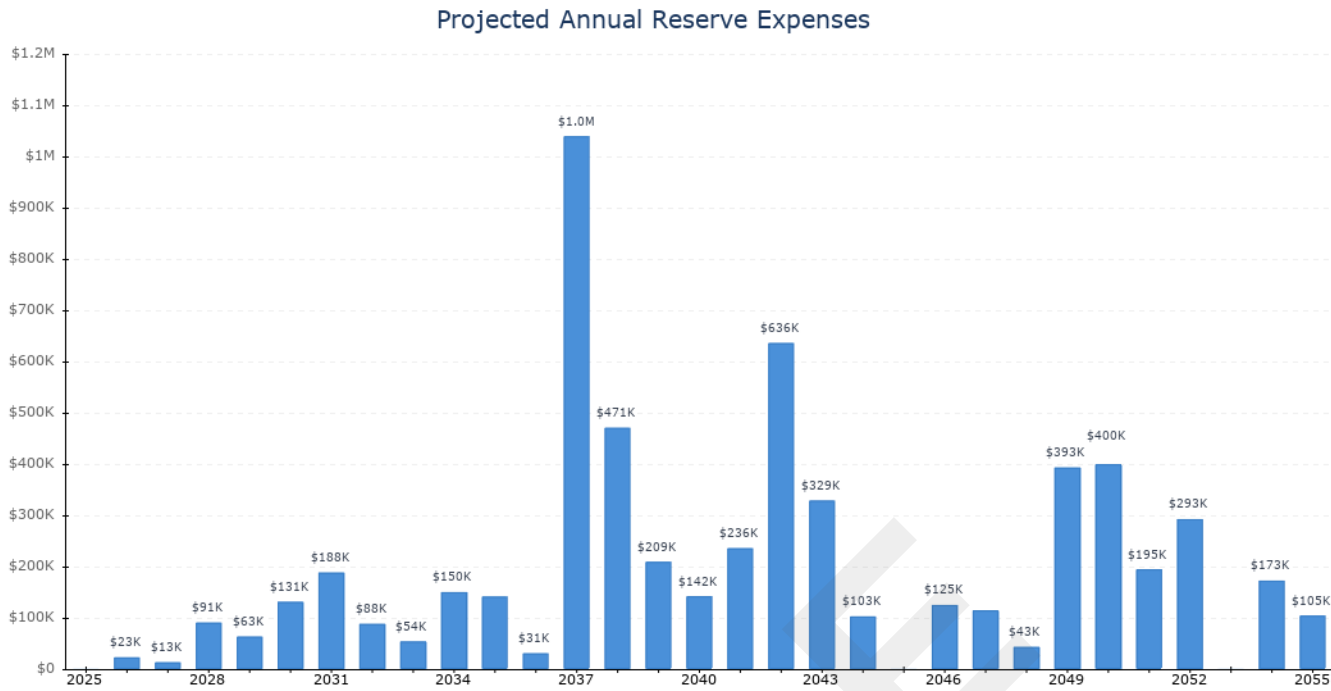


Figure 7 - Annual Expenditures

Major Expenditures by Year

YEAR	TOTAL	MAJOR COMPONENTS
2037	\$1,039,536.52	TPO Membrane Roof (\$366,478), Asphalt Parking Lot (\$300,274), Elevator (\$262,180)
2042	\$635,986.02	Concrete Sidewalks (\$278,149), Foundation Waterproofing (\$139,930), Cardio Equipment (\$100,925)
2038	\$470,761.98	Balconies and Railings (\$456,931), Water Heater - Common (\$13,831)
2050	\$399,938.80	Exterior Siding (\$204,439), Swimming Pool - Resurfacing (\$128,977), Common Area Flooring (\$66,524)
2049	\$393,164.74	Cardio Equipment (\$124,124), Fire Alarm System (\$78,824), Landscaping - Major (\$68,780)

Top 3 components shown per year. Year totals include all scheduled component expenditures. See Component Expenditures by Year below for complete detail.

Component Expenditures by Year

2026	COMPONENT	COST
	Digital Information Displays	\$22,907.20
Year 2026 Total:		\$22,907.20
2027	COMPONENT	COST
	Wi-Fi Network	\$13,244.28
Year 2027 Total:		\$13,244.28

2028	COMPONENT	COST
	Cardio Equipment	\$66,723.00
	Exterior Painting	\$13,687.50
	Water Heater - Common	\$10,291.30
Year 2028 Total:		\$90,701.80
2029	COMPONENT	COST
	Building Automation System	\$33,301.55
	Emergency Lighting	\$19,837.09
	HVAC System - Clubhouse	\$10,254.51
Year 2029 Total:		\$63,393.16
2030	COMPONENT	COST
	Swimming Pool - Resurfacing	\$71,411.28
	Pool Equipment	\$28,402.21
	Intercom System	\$21,736.39
	Interior Painting	\$9,615.02
Year 2030 Total:		\$131,164.91
2031	COMPONENT	COST
	Playground Equipment	\$53,732.35
	Security Cameras	\$43,742.91
	Access Control System	\$36,527.25
	Clubhouse Furnishings	\$27,718.73
	Digital Information Displays	\$26,555.72
Year 2031 Total:		\$188,276.97
2032	COMPONENT	COST
	Strength Training Equipment	\$50,680.64
	Irrigation System	\$21,274.36
	Monument Sign	\$16,218.35
Year 2032 Total:		\$88,173.35
2033	COMPONENT	COST
	Fitness Flooring	\$53,964.41
Year 2033 Total:		\$53,964.41

2034	COMPONENT	COST
	Fire Alarm System	\$50,593.88
	Landscaping - Major	\$44,147.00
	Perimeter Fencing	\$39,143.20
	Wi-Fi Network	\$16,288.79
Year 2034 Total:		\$150,172.87
2035	COMPONENT	COST
	Cardio Equipment	\$82,060.88
	Common Area Flooring	\$42,698.91
	Exterior Painting	\$16,833.90
Year 2035 Total:		\$141,593.69
2036	COMPONENT	COST
	Digital Information Displays	\$30,785.36
Year 2036 Total:		\$30,785.36
2037	COMPONENT	COST
	TPO Membrane Roof	\$366,477.58
	Asphalt Parking Lot	\$300,273.80
	Elevator	\$262,180.32
	Pool Deck	\$82,123.83
	Windows - Common Areas	\$16,655.74
	Interior Painting	\$11,825.26
Year 2037 Total:		\$1,039,536.52
2038	COMPONENT	COST
	Balconies and Railings	\$456,931.33
	Water Heater - Common	\$13,830.65
Year 2038 Total:		\$470,761.98
2039	COMPONENT	COST
	Site Lighting	\$69,812.07
	Exterior Doors	\$68,255.61
	Building Automation System	\$44,754.50
	Emergency Lighting	\$26,659.39
Year 2039 Total:		\$209,481.58
2040	COMPONENT	COST
	Swimming Pool - Resurfacing	\$95,970.79
	Gutters and Downspouts	\$46,411.85
Year 2040 Total:		\$142,382.64

2041	COMPONENT	COST
	Roof Flashing	\$70,273.30
	Security Cameras	\$58,786.82
	Clubhouse Furnishings	\$37,251.66
	Digital Information Displays	\$35,688.67
	Wi-Fi Network	\$20,033.16
	Restroom Fixtures	\$13,749.12
Year 2041 Total:		\$235,782.73
2042	COMPONENT	COST
	Concrete Sidewalks	\$278,149.46
	Foundation Waterproofing	\$139,930.08
	Cardio Equipment	\$100,924.53
	Pool Equipment	\$40,494.77
	Intercom System	\$30,990.89
	Mailbox Panels	\$24,792.71
	Exterior Painting	\$20,703.57
Year 2042 Total:		\$635,986.02
2043	COMPONENT	COST
	Asphalt Shingle Roof	\$259,966.64
	Access Control System	\$52,079.13
	Roof Ventilation System	\$16,768.97
Year 2043 Total:		\$328,814.73
2044	COMPONENT	COST
	Strength Training Equipment	\$72,258.48
	HVAC System - Clubhouse	\$15,976.19
	Interior Painting	\$14,543.58
Year 2044 Total:		\$102,778.25
2046	COMPONENT	COST
	Playground Equipment	\$83,713.26
	Digital Information Displays	\$41,372.95
Year 2046 Total:		\$125,086.21
2047	COMPONENT	COST
	Fitness Flooring	\$81,626.01
	Irrigation System	\$33,144.76
Year 2047 Total:		\$114,770.76

2048	COMPONENT	COST
	Wi-Fi Network	\$24,638.25
	Water Heater - Common	\$18,587.24
Year 2048 Total:		\$43,225.49
2049	COMPONENT	COST
	Cardio Equipment	\$124,124.44
	Fire Alarm System	\$78,823.62
	Landscaping - Major	\$68,779.59
	Building Automation System	\$60,146.31
	Emergency Lighting	\$35,828.00
	Exterior Painting	\$25,462.78
Year 2049 Total:		\$393,164.74
2050	COMPONENT	COST
	Exterior Siding	\$204,438.57
	Swimming Pool - Resurfacing	\$128,976.72
	Common Area Flooring	\$66,523.51
Year 2050 Total:		\$399,938.80
2051	COMPONENT	COST
	Security Cameras	\$79,004.56
	Clubhouse Furnishings	\$50,063.11
	Digital Information Displays	\$47,962.59
	Interior Painting	\$17,886.77
Year 2051 Total:		\$194,917.03
2052	COMPONENT	COST
	Electrical Distribution	\$141,280.64
	Fire Sprinkler System	\$121,999.86
	Monument Sign	\$29,292.14
Year 2052 Total:		\$292,572.64
2054	COMPONENT	COST
	Perimeter Fencing	\$70,696.97
	Pool Equipment	\$57,735.85
	Intercom System	\$44,185.60
Year 2054 Total:		\$172,618.42

2055	COMPONENT	COST
	Access Control System	\$74,252.39
	Wi-Fi Network	\$30,301.94
Year 2055 Total:		\$104,554.33

Total Expenditures: \$5,980,750.87 | **Avg Annual:** \$199,358.36 | **Years w/ Expenses:** 28/30

Funding Adequacy Timeline

Study year (2025): 39.5% | **Next 30 years:** average 67.3%, range 47.2%-87.5% | **Strong:** 12 yrs | **Fair:** 18 yrs | **Weak:** 0 yrs

2025-2030

YEAR	% FUNDED	LEVEL	ENDING BAL.	CHANGE IN % FUNDED
2025 (start)	39.5%	Fair	\$425,000	-
2026	47.2%	Fair	\$579,743	+7.7 pts
2027	53.7%	Fair	\$752,034	+6.5 pts
2028	56.8%	Fair	\$855,222	+3.1 pts
2029	60.4%	Fair	\$992,986	+3.6 pts
2030	62.1%	Fair	\$1,071,031	+1.7 pts

2031-2035

YEAR	% FUNDED	LEVEL	ENDING BAL.	CHANGE IN % FUNDED
2031	62.6%	Fair	\$1,099,110	+0.5 pts
2032	65.2%	Fair	\$1,233,709	+2.6 pts
2033	68.1%	Fair	\$1,411,030	+2.9 pts
2034	69.3%	Fair	\$1,501,607	+1.2 pts
2035	70.6%	Strong	\$1,608,853	+1.3 pts

2036-2040

YEAR	% FUNDED	LEVEL	ENDING BAL.	CHANGE IN % FUNDED
2036	73.1%	Strong	\$1,835,493	+2.5 pts
2037	61.0%	Fair	\$1,064,315	-12.2 pts
2038	55.8%	Fair	\$855,090	-5.2 pts
2039	57.6%	Fair	\$910,651	+1.8 pts
2040	61.1%	Fair	\$1,041,800	+3.5 pts

2041-2045

YEAR	% FUNDED	LEVEL	ENDING BAL.	CHANGE IN % FUNDED
2041	62.5%	Fair	\$1,089,625	+1.3 pts
2042	53.6%	Fair	\$746,052	-8.9 pts
2043	53.0%	Fair	\$711,650	-0.6 pts
2044	59.7%	Fair	\$911,095	+6.7 pts
2045	67.2%	Fair	\$1,225,591	+7.5 pts

2046-2050

YEAR	% FUNDED	LEVEL	ENDING BAL.	CHANGE IN % FUNDED
2046	70.9%	Strong	\$1,429,604	+3.8 pts
2047	74.3%	Strong	\$1,656,817	+3.4 pts
2048	77.9%	Strong	\$1,969,151	+3.5 pts
2049	78.0%	Strong	\$1,946,941	+0.1 pts
2050	78.2%	Strong	\$1,927,622	+0.2 pts

2051-2055

YEAR	% FUNDED	LEVEL	ENDING BAL.	CHANGE IN % FUNDED
2051	80.3%	Strong	\$2,123,345	+2.1 pts
2052	81.5%	Strong	\$2,235,613	+1.2 pts
2053	84.4%	Strong	\$2,653,473	+2.9 pts
2054	85.9%	Strong	\$2,917,565	+1.5 pts
2055	87.5%	Strong	\$3,266,143	+1.6 pts

Change in % Funded is in percentage points from the year before (for example, 50% to 62% is +12 pts). The first row, marked (start), is the position on the study date: the current reserve balance, with no contribution, interest or expenses. Replacements due now are scheduled in the first projected year.

Fully Funded Balance

#	COMPONENT	COST	X	AGE	/	LIFE	=	FFB
Building Exterior								
1	Balconies and Railings	\$311,148	x	12	/	25	=	\$149,351
2	Exterior Doors	\$45,125	x	6	/	20	=	\$13,538
3	Exterior Siding	\$97,641	x	5	/	30	=	\$16,274
4	Mailbox Panels	\$15,000	x	8	/	25	=	\$4,800
5	Windows - Common Areas	\$11,682	x	13	/	25	=	\$6,075
Common Area Interior								
6	Clubhouse Furnishings	\$23,214	x	4	/	10	=	\$9,286
7	Common Area Flooring	\$31,772	x	5	/	15	=	\$10,591
8	Digital Information Displays	\$22,240	x	4	/	5	=	\$17,792
9	Restroom Fixtures	\$8,568	x	4	/	20	=	\$1,714
Elevator Systems								
10	Elevator	\$183,888	x	13	/	25	=	\$95,622
Mechanical, Electrical, and Plumbing								
11	Building Automation System	\$29,588	x	6	/	10	=	\$17,753
12	Electrical Distribution	\$63,603	x	13	/	40	=	\$20,671
13	Fire Sprinkler System	\$54,923	x	13	/	40	=	\$17,850
14	HVAC System - Clubhouse	\$9,111	x	11	/	15	=	\$6,681
15	Intercom System	\$18,750	x	7	/	12	=	\$10,938
16	Water Heater - Common	\$9,418	x	7	/	10	=	\$6,593
17	Wi-Fi Network	\$12,484	x	5	/	7	=	\$8,917
Painting and Coatings								
18	Exterior Painting	\$12,526	x	4	/	7	=	\$7,158
19	Interior Painting	\$8,294	x	2	/	7	=	\$2,370
Paving and Parking								
20	Asphalt Parking Lot	\$210,606	x	8	/	20	=	\$84,242
21	Concrete Sidewalks	\$168,285	x	13	/	30	=	\$72,924
Pool and Spa								
22	Pool Deck	\$57,600	x	8	/	20	=	\$23,040
23	Pool Equipment	\$24,500	x	7	/	12	=	\$14,292
24	Swimming Pool - Resurfacing	\$61,600	x	5	/	10	=	\$30,800
Recreation and Amenities								
25	Cardio Equipment	\$61,061	x	4	/	7	=	\$34,892

#	COMPONENT	COST	X	AGE	/	LIFE	=	FFB
26	Fitness Flooring	\$42,600	x	6	/	14	=	\$18,257
27	Strength Training Equipment	\$41,208	x	5	/	12	=	\$17,170
Roofing								
28	Asphalt Shingle Roof	\$152,703	x	7	/	25	=	\$42,757
29	Gutters and Downspouts	\$29,790	x	5	/	20	=	\$7,448
30	Roof Flashing	\$43,792	x	4	/	20	=	\$8,758
31	Roof Ventilation System	\$9,850	x	7	/	25	=	\$2,758
32	TPO Membrane Roof	\$257,040	x	8	/	20	=	\$102,816
Safety and Security								
33	Access Control System	\$30,591	x	6	/	12	=	\$15,296
34	Emergency Lighting	\$17,625	x	6	/	10	=	\$10,575
35	Fire Alarm System	\$38,776	x	6	/	15	=	\$15,510
36	Security Cameras	\$36,634	x	4	/	10	=	\$14,654
Site and Grounds								
37	Irrigation System	\$17,298	x	8	/	15	=	\$9,226
38	Landscaping - Major	\$33,835	x	6	/	15	=	\$13,534
39	Monument Sign	\$13,187	x	13	/	20	=	\$8,572
40	Perimeter Fencing	\$30,000	x	11	/	20	=	\$16,500
41	Playground Equipment	\$45,000	x	9	/	15	=	\$27,000
42	Site Lighting	\$46,154	x	6	/	20	=	\$13,846
Utilities and Infrastructure								
43	Foundation Waterproofing	\$84,660	x	13	/	30	=	\$36,686
44	Storm Drainage System	\$39,279	x	13	/	50	=	\$10,213
Total FFB								\$1,075,734

Component Significance

#	COMPONENT	LIFE	COST	DETERIORATION/YR	SIGNIFICANCE
Building Exterior					
1	Balconies and Railings	25	\$311,148	\$12,446	8.89%
2	Exterior Doors	20	\$45,125	\$2,256	1.61%
3	Exterior Siding	30	\$97,641	\$3,255	2.33%
4	Mailbox Panels	25	\$15,000	\$600	0.43%
5	Windows - Common Areas	25	\$11,682	\$467	0.33%
Common Area Interior					
6	Clubhouse Furnishings	10	\$23,214	\$2,321	1.66%
7	Common Area Flooring	15	\$31,772	\$2,118	1.51%
8	Digital Information Displays	5	\$22,240	\$4,448	3.18%
9	Restroom Fixtures	20	\$8,568	\$428	0.31%
Elevator Systems					
10	Elevator	25	\$183,888	\$7,356	5.25%
Mechanical, Electrical, and Plumbing					
11	Building Automation System	10	\$29,588	\$2,959	2.11%
12	Electrical Distribution	40	\$63,603	\$1,590	1.14%
13	Fire Sprinkler System	40	\$54,923	\$1,373	0.98%
14	HVAC System - Clubhouse	15	\$9,111	\$607	0.43%
15	Intercom System	12	\$18,750	\$1,563	1.12%
16	Water Heater - Common	10	\$9,418	\$942	0.67%
17	Wi-Fi Network	7	\$12,484	\$1,783	1.27%
Painting and Coatings					
18	Exterior Painting	7	\$12,526	\$1,789	1.28%
19	Interior Painting	7	\$8,294	\$1,185	0.85%
Paving and Parking					
20	Asphalt Parking Lot	20	\$210,606	\$10,530	7.52%
21	Concrete Sidewalks	30	\$168,285	\$5,610	4.01%
Pool and Spa					
22	Pool Deck	20	\$57,600	\$2,880	2.06%
23	Pool Equipment	12	\$24,500	\$2,042	1.46%
24	Swimming Pool - Resurfacing	10	\$61,600	\$6,160	4.40%
Recreation and Amenities					
25	Cardio Equipment	7	\$61,061	\$8,723	6.23%

#	COMPONENT	LIFE	COST	DETERIORATION/YR	SIGNIFICANCE
26	Fitness Flooring	14	\$42,600	\$3,043	2.17%
27	Strength Training Equipment	12	\$41,208	\$3,434	2.45%
Roofing					
28	Asphalt Shingle Roof	25	\$152,703	\$6,108	4.36%
29	Gutters and Downspouts	20	\$29,790	\$1,490	1.06%
30	Roof Flashing	20	\$43,792	\$2,190	1.56%
31	Roof Ventilation System	25	\$9,850	\$394	0.28%
32	TPO Membrane Roof	20	\$257,040	\$12,852	9.18%
Safety and Security					
33	Access Control System	12	\$30,591	\$2,549	1.82%
34	Emergency Lighting	10	\$17,625	\$1,763	1.26%
35	Fire Alarm System	15	\$38,776	\$2,585	1.85%
36	Security Cameras	10	\$36,634	\$3,663	2.62%
Site and Grounds					
37	Irrigation System	15	\$17,298	\$1,153	0.82%
38	Landscaping - Major	15	\$33,835	\$2,256	1.61%
39	Monument Sign	20	\$13,187	\$659	0.47%
40	Perimeter Fencing	20	\$30,000	\$1,500	1.07%
41	Playground Equipment	15	\$45,000	\$3,000	2.14%
42	Site Lighting	20	\$46,154	\$2,308	1.65%
Utilities and Infrastructure					
43	Foundation Waterproofing	30	\$84,660	\$2,822	2.02%
44	Storm Drainage System	50	\$39,279	\$786	0.56%
Total				\$139,985	100.00%

Component Details

Detailed assessment of each reserve component, grouped by category, with condition ratings and cost estimates.

Building Exterior					
Balconies and Railings					GOOD
Location: Unit exteriors					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
25 yrs	13 yrs	1,809	\$172	\$311,148	
Exterior Doors					GOOD
Location: Building entrances					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
20 yrs	14 yrs	25	\$1,805	\$45,125	
Exterior Siding					GOOD
Location: Exterior walls					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
30 yrs	25 yrs	10,849	\$9	\$97,641	
Mailbox Panels					GOOD
Location: Building entrances					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
25 yrs	17 yrs	8	\$1,875	\$15,000	
Windows - Common Areas					GOOD
Location: Common areas					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
25 yrs	12 yrs	22	\$531	\$11,682	

Common Area Interior

Clubhouse Furnishings					GOOD
Location: Clubhouse					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
10 yrs	6 yrs	1	\$23,214	\$23,214	

Common Area Flooring					GOOD
Location: Lobbies and corridors					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
15 yrs	10 yrs	2,444	\$13	\$31,772	

Digital Information Displays					FAIR
Location: Lobbies and common areas					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
5 yrs	1 yr	5	\$4,448	\$22,240	

Restroom Fixtures					EXCELLENT
Location: Common restrooms					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
20 yrs	16 yrs	12	\$714	\$8,568	

Elevator Systems

Elevator					GOOD
Location: Main building					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
25 yrs	12 yrs	2	\$91,944	\$183,888	

Mechanical, Electrical, and Plumbing

Building Automation System					GOOD
Location: Mechanical room					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
10 yrs	4 yrs	1	\$29,588	\$29,588	

Electrical Distribution Location: Electrical rooms <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>40 yrs</td><td>27 yrs</td><td>1</td><td>\$63,603</td><td>\$63,603</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	40 yrs	27 yrs	1	\$63,603	\$63,603	GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
40 yrs	27 yrs	1	\$63,603	\$63,603											
Fire Sprinkler System Location: Throughout buildings <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>40 yrs</td><td>27 yrs</td><td>1</td><td>\$54,923</td><td>\$54,923</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	40 yrs	27 yrs	1	\$54,923	\$54,923	EXCELLENT
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
40 yrs	27 yrs	1	\$54,923	\$54,923											
HVAC System - Clubhouse Location: Clubhouse <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>15 yrs</td><td>4 yrs</td><td>1</td><td>\$9,111</td><td>\$9,111</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	15 yrs	4 yrs	1	\$9,111	\$9,111	POOR
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
15 yrs	4 yrs	1	\$9,111	\$9,111											
Intercom System Location: Building entries <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>12 yrs</td><td>5 yrs</td><td>1</td><td>\$18,750</td><td>\$18,750</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	12 yrs	5 yrs	1	\$18,750	\$18,750	GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
12 yrs	5 yrs	1	\$18,750	\$18,750											
Water Heater - Common Location: Utility room <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>10 yrs</td><td>3 yrs</td><td>2</td><td>\$4,709</td><td>\$9,418</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	10 yrs	3 yrs	2	\$4,709	\$9,418	GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
10 yrs	3 yrs	2	\$4,709	\$9,418											
Wi-Fi Network Location: Throughout buildings <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>7 yrs</td><td>2 yrs</td><td>1</td><td>\$12,484</td><td>\$12,484</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	7 yrs	2 yrs	1	\$12,484	\$12,484	GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
7 yrs	2 yrs	1	\$12,484	\$12,484											

Painting and Coatings															
Exterior Painting Location: Exterior surfaces <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>7 yrs</td><td>3 yrs</td><td>6,263</td><td>\$2</td><td>\$12,526</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	7 yrs	3 yrs	6,263	\$2	\$12,526	FAIR
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
7 yrs	3 yrs	6,263	\$2	\$12,526											
Interior Painting Location: Common areas <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>7 yrs</td><td>5 yrs</td><td>8,294</td><td>\$1</td><td>\$8,294</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	7 yrs	5 yrs	8,294	\$1	\$8,294	EXCELLENT
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
7 yrs	5 yrs	8,294	\$1	\$8,294											
Paving and Parking															
Asphalt Parking Lot Location: Parking areas <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>20 yrs</td><td>12 yrs</td><td>35,101</td><td>\$6</td><td>\$210,606</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	20 yrs	12 yrs	35,101	\$6	\$210,606	FAIR
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
20 yrs	12 yrs	35,101	\$6	\$210,606											
Concrete Sidewalks Location: Throughout community <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>30 yrs</td><td>17 yrs</td><td>12,945</td><td>\$13</td><td>\$168,285</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	30 yrs	17 yrs	12,945	\$13	\$168,285	GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
30 yrs	17 yrs	12,945	\$13	\$168,285											
Pool and Spa															
Pool Deck Location: Pool area <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>20 yrs</td><td>12 yrs</td><td>4,800</td><td>\$12</td><td>\$57,600</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	20 yrs	12 yrs	4,800	\$12	\$57,600	GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
20 yrs	12 yrs	4,800	\$12	\$57,600											
Pool Equipment Location: Pool equipment room <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>12 yrs</td><td>5 yrs</td><td>1</td><td>\$24,500</td><td>\$24,500</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	12 yrs	5 yrs	1	\$24,500	\$24,500	FAIR
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
12 yrs	5 yrs	1	\$24,500	\$24,500											

Swimming Pool - Resurfacing					GOOD
Location: Community pool					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
10 yrs	5 yrs	2,200	\$28	\$61,600	

Recreation and Amenities

Cardio Equipment					GOOD
Location: Fitness center					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
7 yrs	3 yrs	11	\$5,551	\$61,061	

Fitness Flooring					GOOD
Location: Fitness center					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
14 yrs	8 yrs	2,840	\$15	\$42,600	

Strength Training Equipment					GOOD
Location: Fitness center					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
12 yrs	7 yrs	12	\$3,434	\$41,208	

Roofing

Asphalt Shingle Roof					EXCELLENT
Location: Building roofs					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
25 yrs	18 yrs	16,967	\$9	\$152,703	

Gutters and Downspouts					GOOD
Location: Building perimeters					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
20 yrs	15 yrs	3,310	\$9	\$29,790	

Roof Flashing Location: Roof penetrations <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>20 yrs</td><td>16 yrs</td><td>1,904</td><td>\$23</td><td>\$43,792</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	20 yrs	16 yrs	1,904	\$23	\$43,792	GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
20 yrs	16 yrs	1,904	\$23	\$43,792											
Roof Ventilation System Location: All buildings <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>25 yrs</td><td>18 yrs</td><td>50</td><td>\$197</td><td>\$9,850</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	25 yrs	18 yrs	50	\$197	\$9,850	GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
25 yrs	18 yrs	50	\$197	\$9,850											
TPO Membrane Roof Location: Clubhouse flat roof <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>20 yrs</td><td>12 yrs</td><td>16,065</td><td>\$16</td><td>\$257,040</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	20 yrs	12 yrs	16,065	\$16	\$257,040	FAIR
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
20 yrs	12 yrs	16,065	\$16	\$257,040											
Safety and Security															
Access Control System Location: Building entries <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>12 yrs</td><td>6 yrs</td><td>1</td><td>\$30,591</td><td>\$30,591</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	12 yrs	6 yrs	1	\$30,591	\$30,591	GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
12 yrs	6 yrs	1	\$30,591	\$30,591											
Emergency Lighting Location: Throughout buildings <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>10 yrs</td><td>4 yrs</td><td>47</td><td>\$375</td><td>\$17,625</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	10 yrs	4 yrs	47	\$375	\$17,625	GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
10 yrs	4 yrs	47	\$375	\$17,625											
Fire Alarm System Location: Throughout buildings <table><tr><td>USEFUL LIFE</td><td>REMAINING</td><td>QTY</td><td>UNIT COST</td><td>TOTAL COST</td></tr><tr><td>15 yrs</td><td>9 yrs</td><td>1</td><td>\$38,776</td><td>\$38,776</td></tr></table>					USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	15 yrs	9 yrs	1	\$38,776	\$38,776	EXCELLENT
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST											
15 yrs	9 yrs	1	\$38,776	\$38,776											

Security Cameras Location: Entrances and amenities					GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
10 yrs	6 yrs	26	\$1,409	\$36,634	

Site and Grounds

Irrigation System Location: Common area landscaping					GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
15 yrs	7 yrs	1	\$17,298	\$17,298	

Landscaping - Major Location: Throughout community					GOOD
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
15 yrs	9 yrs	1	\$33,835	\$33,835	

Monument Sign Location: Community entrance					FAIR
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
20 yrs	7 yrs	1	\$13,187	\$13,187	

Perimeter Fencing Location: Property boundary					FAIR
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
20 yrs	9 yrs	2,500	\$12	\$30,000	

Playground Equipment Location: Children play area					FAIR
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
15 yrs	6 yrs	1	\$45,000	\$45,000	

Site Lighting					GOOD
Location: Parking and walkways					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
20 yrs	14 yrs	47	\$982	\$46,154	

Utilities and Infrastructure

Foundation Waterproofing					GOOD
Location: Below-grade walls					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
30 yrs	17 yrs	5,644	\$15	\$84,660	

Storm Drainage System					EXCELLENT
Location: Throughout property					
USEFUL LIFE	REMAINING	QTY	UNIT COST	TOTAL COST	
50 yrs	37 yrs	1	\$39,279	\$39,279	

30-Year Reserve Plan Summary

YEAR	STARTING BAL.	CONTRIBUTION	INTEREST	EXPENSES	ENDING BAL.	FULLY FUNDED	% FUND	RISK
2025 (start)	\$425,000	\$0	\$0	\$0	\$425,000	\$1,075,734	39.5%	Medium
2026	\$425,000	\$170,000	\$7,650	\$22,907	\$579,743	\$1,229,284	47.2%	Medium
2027	\$579,743	\$175,100	\$10,435	\$13,244	\$752,034	\$1,401,428	53.7%	Medium
2028	\$752,034	\$180,353	\$13,537	\$90,702	\$855,222	\$1,505,735	56.8%	Medium
2029	\$855,222	\$185,764	\$15,394	\$63,393	\$992,986	\$1,645,068	60.4%	Medium
2030	\$992,986	\$191,337	\$17,874	\$131,165	\$1,071,031	\$1,725,537	62.1%	Medium
2031	\$1,071,031	\$197,077	\$19,279	\$188,277	\$1,099,110	\$1,756,175	62.6%	Medium
2032	\$1,099,110	\$202,989	\$19,784	\$88,173	\$1,233,709	\$1,892,852	65.2%	Medium
2033	\$1,233,709	\$209,079	\$22,207	\$53,964	\$1,411,030	\$2,073,002	68.1%	Medium
2034	\$1,411,030	\$215,351	\$25,399	\$150,173	\$1,501,607	\$2,167,668	69.3%	Medium
2035	\$1,501,607	\$221,811	\$27,029	\$141,594	\$1,608,853	\$2,279,233	70.6%	Low
2036	\$1,608,853	\$228,466	\$28,959	\$30,785	\$1,835,493	\$2,510,597	73.1%	Low
2037	\$1,835,493	\$235,320	\$33,039	\$1,039,537	\$1,064,315	\$1,745,963	61.0%	Medium
2038	\$1,064,315	\$242,379	\$19,158	\$470,762	\$855,090	\$1,533,153	55.8%	Medium
2039	\$855,090	\$249,651	\$15,392	\$209,482	\$910,651	\$1,581,407	57.6%	Medium
2040	\$910,651	\$257,140	\$16,392	\$142,383	\$1,041,800	\$1,704,559	61.1%	Medium
2041	\$1,041,800	\$264,854	\$18,752	\$235,783	\$1,089,625	\$1,744,548	62.5%	Medium
2042	\$1,089,625	\$272,800	\$19,613	\$635,986	\$746,052	\$1,392,273	53.6%	Medium
2043	\$746,052	\$280,984	\$13,429	\$328,815	\$711,650	\$1,343,541	53.0%	Medium
2044	\$711,650	\$289,414	\$12,810	\$102,778	\$911,095	\$1,526,534	59.7%	Medium
2045	\$911,095	\$298,096	\$16,400	\$0	\$1,225,591	\$1,825,159	67.2%	Medium
2046	\$1,225,591	\$307,039	\$22,061	\$125,086	\$1,429,604	\$2,015,242	70.9%	Low
2047	\$1,429,604	\$316,250	\$25,733	\$114,771	\$1,656,817	\$2,229,154	74.3%	Low
2048	\$1,656,817	\$325,738	\$29,823	\$43,225	\$1,969,151	\$2,529,076	77.9%	Low
2049	\$1,969,151	\$335,510	\$35,445	\$393,165	\$1,946,941	\$2,496,345	78.0%	Low
2050	\$1,946,941	\$345,575	\$35,045	\$399,939	\$1,927,622	\$2,464,395	78.2%	Low
2051	\$1,927,622	\$355,942	\$34,697	\$194,917	\$2,123,345	\$2,645,300	80.3%	Low
2052	\$2,123,345	\$366,621	\$38,220	\$292,573	\$2,235,613	\$2,743,034	81.5%	Low
2053	\$2,235,613	\$377,619	\$40,241	\$0	\$2,653,473	\$3,145,601	84.4%	Low
2054	\$2,653,473	\$388,948	\$47,763	\$172,618	\$2,917,565	\$3,397,235	85.9%	Low
2055	\$2,917,565	\$400,616	\$52,516	\$104,554	\$3,266,143	\$3,734,379	87.5%	Low

% Fund is the ending balance divided by the fully funded balance. The first row, marked (start), is the position on the study date: the current reserve balance, with no contribution, interest or expenses. Replacements due now are scheduled in the first projected year.

Income/Expense Detail

Year-by-year breakdown of income sources and individual component expenditures. The first row, marked (start), is the position on the study date: the current reserve balance, with no contribution, interest or expenses. Replacements due now are scheduled in the first projected year.

2025 (START)	
Starting Balance	\$425,000
+ Annual Contribution	\$0
+ Interest Earned	\$0
Ending Balance	\$425,000
Percent Funded	39.5%
2026	
Starting Balance	\$425,000
+ Annual Contribution	\$170,000
+ Interest Earned	\$7,650
- Digital Information Displays	(\$22,907)
Ending Balance	\$579,743
Percent Funded	47.2%
2027	
Starting Balance	\$579,743
+ Annual Contribution	\$175,100
+ Interest Earned	\$10,435
- Wi-Fi Network	(\$13,244)
Ending Balance	\$752,034
Percent Funded	53.7%
2028	
Starting Balance	\$752,034
+ Annual Contribution	\$180,353
+ Interest Earned	\$13,537
- Cardio Equipment	(\$66,723)
- Exterior Painting	(\$13,688)
- Water Heater - Common	(\$10,291)
Ending Balance	\$855,222
Percent Funded	56.8%

2029	
Starting Balance	\$855,222
+ Annual Contribution	\$185,764
+ Interest Earned	\$15,394
- Building Automation System	(\$33,302)
- Emergency Lighting	(\$19,837)
- HVAC System - Clubhouse	(\$10,255)
Ending Balance	\$992,986
Percent Funded	60.4%
2030	
Starting Balance	\$992,986
+ Annual Contribution	\$191,337
+ Interest Earned	\$17,874
- Swimming Pool - Resurfacing	(\$71,411)
- Pool Equipment	(\$28,402)
- Intercom System	(\$21,736)
- Interior Painting	(\$9,615)
Ending Balance	\$1,071,031
Percent Funded	62.1%
2031	
Starting Balance	\$1,071,031
+ Annual Contribution	\$197,077
+ Interest Earned	\$19,279
- Playground Equipment	(\$53,732)
- Security Cameras	(\$43,743)
- Access Control System	(\$36,527)
- Clubhouse Furnishings	(\$27,719)
- Digital Information Displays	(\$26,556)
Ending Balance	\$1,099,110
Percent Funded	62.6%

2032	
Starting Balance	\$1,099,110
+ Annual Contribution	\$202,989
+ Interest Earned	\$19,784
- Strength Training Equipment	(\$50,681)
- Irrigation System	(\$21,274)
- Monument Sign	(\$16,218)
Ending Balance	\$1,233,709
Percent Funded	65.2%
2033	
Starting Balance	\$1,233,709
+ Annual Contribution	\$209,079
+ Interest Earned	\$22,207
- Fitness Flooring	(\$53,964)
Ending Balance	\$1,411,030
Percent Funded	68.1%
2034	
Starting Balance	\$1,411,030
+ Annual Contribution	\$215,351
+ Interest Earned	\$25,399
- Fire Alarm System	(\$50,594)
- Landscaping - Major	(\$44,147)
- Perimeter Fencing	(\$39,143)
- Wi-Fi Network	(\$16,289)
Ending Balance	\$1,501,607
Percent Funded	69.3%
2035	
Starting Balance	\$1,501,607
+ Annual Contribution	\$221,811
+ Interest Earned	\$27,029
- Cardio Equipment	(\$82,061)
- Common Area Flooring	(\$42,699)
- Exterior Painting	(\$16,834)
Ending Balance	\$1,608,853
Percent Funded	70.6%

2036

Starting Balance	\$1,608,853
+ Annual Contribution	\$228,466
+ Interest Earned	\$28,959
- Digital Information Displays	(\$30,785)
Ending Balance	\$1,835,493
Percent Funded	73.1%

2037

Starting Balance	\$1,835,493
+ Annual Contribution	\$235,320
+ Interest Earned	\$33,039
- TPO Membrane Roof	(\$366,478)
- Asphalt Parking Lot	(\$300,274)
- Elevator	(\$262,180)
- Pool Deck	(\$82,124)
- Windows - Common Areas	(\$16,656)
- Interior Painting	(\$11,825)
Ending Balance	\$1,064,315
Percent Funded	61.0%

2038

Starting Balance	\$1,064,315
+ Annual Contribution	\$242,379
+ Interest Earned	\$19,158
- Balconies and Railings	(\$456,931)
- Water Heater - Common	(\$13,831)
Ending Balance	\$855,090
Percent Funded	55.8%

2039

Starting Balance	\$855,090
+ Annual Contribution	\$249,651
+ Interest Earned	\$15,392
- Site Lighting	(\$69,812)
- Exterior Doors	(\$68,256)
- Building Automation System	(\$44,755)
- Emergency Lighting	(\$26,659)
Ending Balance	\$910,651
Percent Funded	57.6%

2040

Starting Balance	\$910,651
+ Annual Contribution	\$257,140
+ Interest Earned	\$16,392
- Swimming Pool - Resurfacing	(\$95,971)
- Gutters and Downspouts	(\$46,412)
Ending Balance	\$1,041,800
Percent Funded	61.1%

2041

Starting Balance	\$1,041,800
+ Annual Contribution	\$264,854
+ Interest Earned	\$18,752
- Roof Flashing	(\$70,273)
- Security Cameras	(\$58,787)
- Clubhouse Furnishings	(\$37,252)
- Digital Information Displays	(\$35,689)
- Wi-Fi Network	(\$20,033)
- Restroom Fixtures	(\$13,749)
Ending Balance	\$1,089,625
Percent Funded	62.5%

2042

Starting Balance	\$1,089,625
+ Annual Contribution	\$272,800
+ Interest Earned	\$19,613
- Concrete Sidewalks	(\$278,149)
- Foundation Waterproofing	(\$139,930)
- Cardio Equipment	(\$100,925)
- Pool Equipment	(\$40,495)
- Intercom System	(\$30,991)
- Mailbox Panels	(\$24,793)
- Exterior Painting	(\$20,704)
Ending Balance	\$746,052
Percent Funded	53.6%

2043	
Starting Balance	\$746,052
+ Annual Contribution	\$280,984
+ Interest Earned	\$13,429
- Asphalt Shingle Roof	(\$259,967)
- Access Control System	(\$52,079)
- Roof Ventilation System	(\$16,769)
Ending Balance	\$711,650
Percent Funded	53.0%
2044	
Starting Balance	\$711,650
+ Annual Contribution	\$289,414
+ Interest Earned	\$12,810
- Strength Training Equipment	(\$72,258)
- HVAC System - Clubhouse	(\$15,976)
- Interior Painting	(\$14,544)
Ending Balance	\$911,095
Percent Funded	59.7%
2045	
Starting Balance	\$911,095
+ Annual Contribution	\$298,096
+ Interest Earned	\$16,400
Ending Balance	\$1,225,591
Percent Funded	67.2%
2046	
Starting Balance	\$1,225,591
+ Annual Contribution	\$307,039
+ Interest Earned	\$22,061
- Playground Equipment	(\$83,713)
- Digital Information Displays	(\$41,373)
Ending Balance	\$1,429,604
Percent Funded	70.9%

2047

Starting Balance	\$1,429,604
+ Annual Contribution	\$316,250
+ Interest Earned	\$25,733
- Fitness Flooring	(\$81,626)
- Irrigation System	(\$33,145)
Ending Balance	\$1,656,817
Percent Funded	74.3%

2048

Starting Balance	\$1,656,817
+ Annual Contribution	\$325,738
+ Interest Earned	\$29,823
- Wi-Fi Network	(\$24,638)
- Water Heater - Common	(\$18,587)
Ending Balance	\$1,969,151
Percent Funded	77.9%

2049

Starting Balance	\$1,969,151
+ Annual Contribution	\$335,510
+ Interest Earned	\$35,445
- Cardio Equipment	(\$124,124)
- Fire Alarm System	(\$78,824)
- Landscaping - Major	(\$68,780)
- Building Automation System	(\$60,146)
- Emergency Lighting	(\$35,828)
- Exterior Painting	(\$25,463)
Ending Balance	\$1,946,941
Percent Funded	78.0%

2050

Starting Balance	\$1,946,941
+ Annual Contribution	\$345,575
+ Interest Earned	\$35,045
- Exterior Siding	(\$204,439)
- Swimming Pool - Resurfacing	(\$128,977)
- Common Area Flooring	(\$66,524)
Ending Balance	\$1,927,622
Percent Funded	78.2%

2051	
Starting Balance	\$1,927,622
+ Annual Contribution	\$355,942
+ Interest Earned	\$34,697
- Security Cameras	(\$79,005)
- Clubhouse Furnishings	(\$50,063)
- Digital Information Displays	(\$47,963)
- Interior Painting	(\$17,887)
Ending Balance	\$2,123,345
Percent Funded	80.3%
2052	
Starting Balance	\$2,123,345
+ Annual Contribution	\$366,621
+ Interest Earned	\$38,220
- Electrical Distribution	(\$141,281)
- Fire Sprinkler System	(\$122,000)
- Monument Sign	(\$29,292)
Ending Balance	\$2,235,613
Percent Funded	81.5%
2053	
Starting Balance	\$2,235,613
+ Annual Contribution	\$377,619
+ Interest Earned	\$40,241
Ending Balance	\$2,653,473
Percent Funded	84.4%
2054	
Starting Balance	\$2,653,473
+ Annual Contribution	\$388,948
+ Interest Earned	\$47,763
- Perimeter Fencing	(\$70,697)
- Pool Equipment	(\$57,736)
- Intercom System	(\$44,186)
Ending Balance	\$2,917,565
Percent Funded	85.9%

2055	
Starting Balance	\$2,917,565
+ Annual Contribution	\$400,616
+ Interest Earned	\$52,516
- Access Control System	(\$74,252)
- Wi-Fi Network	(\$30,302)
Ending Balance	\$3,266,143
Percent Funded	87.5%

Notes, Disclaimers, and Definitions

Study Parameters

Economic assumptions: Inflation 3%, Interest 1.8%, Contribution Increase 3%.

Limitations

This reserve study has been prepared based on information available at the time of the analysis, including component quantities, observed conditions, useful life estimates, and cost figures. The projections contained in this report are estimates and are inherently subject to change. Actual future costs, component lifespans, inflation, and interest earnings may differ from the assumptions used, and unforeseen events such as accelerated deterioration, natural disasters, or changes in regulatory requirements can materially affect the results. This study is not an engineering report, a construction specification, or an audit of the association's financial statements.

The useful life and remaining useful life estimates represent professional judgments based on observed conditions and typical service durations, not guarantees of component performance. The association should update this reserve study periodically, and no less than as required by applicable state law, to reflect changing conditions, completed projects, and revised cost information. This report is intended solely for the use of Demo Association and its board in planning for the funding of reserve components and should not be relied upon for any other purpose. Prepared by Sarah Mitchell, RS #1001.

This reserve study is based on visual observations and information provided by the association. Actual costs may vary. This study should be updated every 3 years or when significant changes occur.

Definitions

Reserve Study

A long-range budget planning tool that identifies an association's major common area components, evaluates their condition and remaining life, and recommends a funding plan to pay for their future repair and replacement.

Component

An individual common area asset, such as a roof, elevator, or pool, that the association is responsible for maintaining and that has a measurable useful life and replacement cost.

Useful Life

The total estimated number of years a component is expected to serve its intended function from the time of installation until replacement is required.

Remaining Useful Life

The estimated number of years remaining before a component will need to be repaired or replaced, based on its current age and observed condition.

Fully Funded Balance

The ideal reserve balance that would exist if funds were accumulated in exact proportion to the used-up life of each component; the target against which actual reserves are compared.

Percent Funded

The ratio of actual reserves to the Fully Funded Balance, expressed as a percentage, used to gauge the financial strength of the reserve fund.

Special Assessment

A charge levied on association members in addition to regular dues, typically to cover unexpected or underfunded reserve expenditures.

Threshold Funding

A funding strategy that keeps the reserve balance above a predetermined minimum dollar amount or percentage rather than targeting full funding.

Baseline Funding

A funding strategy that keeps the reserve balance above zero throughout the projection period without necessarily reaching full funding.

Full Funding

A funding strategy that seeks to maintain reserves at or near 100% of the Fully Funded Balance.

Cash Flow Method

A method of developing a funding plan that models reserve income and expenditures over time to keep the fund adequately funded across the projection period.

Component Method

A method of calculating reserve contributions by summing the individual funding requirements of each component based on its cost and remaining life.

SAMPLE