



RESERVE STUDY UPDATE WITH SITE VISIT - MAY 25, 2017

COTTONWOOD SQUARE AND COMMONS HOMEOWNERS ASSOCIATION

COTTONWOOD, ARIZONA


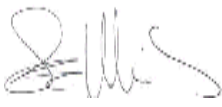
REVIEWED BY:		
Les Weinberg, MBA, RS DATE: May 25, 2017		



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OVERVIEW

This "Reserve Study Update with Site Visit" has been prepared for "Cottonwood Square and Commons Homeowners Association" in Cottonwood, Arizona. It consists of three main divisions:

The **Summary** is a brief synopsis of the results of the Reserve Study for compliance with the Civil Code.

The **Financial Analysis** utilizes the data gathered from the Condition Assessment. Future expenditures by year over a 30-year period are then projected. Specific information regarding methods and assumptions are delineated in that section.

The **Condition Assessment** is both an inventory and re-examination of the major association components that are subject to deterioration within the 30-year scope of this study. Specific information regarding survey methods and assumptions are delineated in that section.

Information contained in this report will assist in compliance with the provisions of California Civil Code, Sections 5300, 5570, and 5550 which require, among other items, that a pro forma operating budget (which should include a summary of the Reserve Study) be distributed between 30 and 90 days prior to the beginning of the association's fiscal year. The code requires that the association perform a Reserve Study at least every 3 years, which must be updated annually. The summary of the Reserve Study must include:

- 1) An estimation of remaining life expectancy of those components.
- 2) A statement of annual contributions necessary to defray such costs.
- 3) Identification of common area components with less than a 30 year life.
- 4) A statement showing the current reserves available to defray such costs.
- 5) "Percent Funded" (i.e. item #4 above divided by item #3).
- 6) A statement as to whether the board has determined or anticipates any special assessments.
- 7) A statement regarding the procedures used for calculation and establishment of the reserves.

As the complete report contains details that may not be of interest to many homeowners, **it is suggested that this "Overview" page, the "Component Inventory" and the "Summary"** (along with other information at the option of the Association) **be distributed with the Association's pro-forma operating budget.** Copies of the full Reserve Study should be made available upon request.

In addition to the legal objectives, the information contained in the study will provide a perpetual inventory of all common area components which can be expanded should the project undergo any future physical changes. Also, the detailed schedules will serve as an advance warning system with respect to major repair or replacement of the components. This will allow time for obtaining competitive bids, ultimately resulting in cost savings to the individual homeowners. As a planning tool, the study can be utilized as a "maintenance monitor", thus obtaining maximum life potential from the components and avoiding the "quick-fix" option that can occur due to a lack of funds.

One of the most important aspects of this report is that it will provide an educated estimate as to what the monthly reserve contribution realistically needs to be. This will ensure the physical well-being of the project and ultimately enhance each owner's investment while helping to avoid unexpected and costly special assessments.

It is important to note that the information contained herein includes estimates and assumptions based on various sources of information. While every effort has been made to insure accurate results, this report reflects the judgment of Reserve Studies Inc. based on conditions present at the time of the study and should not be construed as a guarantee or assurance of future events. This study has been undertaken by an independent third party. RSI (Reserve Studies Inc.) has no involvement with the client (association) outside of the scope of the services provided herein.

SUMMARY: COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

The following is a summary of the results of the Financial Analysis portion of the Reserve Study for the period indicated below. The recommended monthly reserve contribution is based on **Funding Plan #3** (also see "Comparison of Funding Plans" schedule). However, this funding plan, while being the most equitable, reflects minimum funding and may only marginally cover the total annual expenditures in some years. The "Per Unit" amounts reflect the "Total" amounts divided by the number of units - no adjustments have been made for any variable rate assessments.

ASSUMPTIONS:

(A) FISCAL (12 MONTH) PERIOD RESERVE STUDY IS TO COVER:	1/1/2018	through	12/31/2018
(B) INFLATION FACTOR (10 year running average CPI per Bureau of Labor Statistics - calculated annually):			1.76%
(C) INTEREST % ON RESERVE FUNDS (unless provided by the association, assumed to be 2%):			2.0000%
(D) BEGINNING RESERVE BALANCE (per association, estimated as of	1/1/2018) :	\$135,439
(E) NUMBER OF UNITS:			175

ANALYSIS OF RESERVE CONTRIBUTION

		TOTAL	PER UNIT
(F) AMOUNT BUDGETED MONTHLY (PER ASSOCIATION) AS OF	12/31/2017 :	\$1,500.00	\$8.57
(G) RECOMMENDED MONTHLY FOR PERIOD	1/1/2018 through 12/31/2018 :	\$2,196.00	\$12.55
(see Funding Plan #3 for specific details)			
(H) <u>DOLLAR</u> INCREASE / (DECREASE) (item "G" less item "F"):		\$696.00	\$3.98
(I) <u>PERCENTAGE</u> INCREASE / (DECREASE) (item "H" divided by item "F"):		46.40%	46.40%
(J) SPECIAL ASSESSMENT FOR PERIOD	1/1/2018 through 12/31/2018 :	\$0.00	\$0.00
(in addition to "AMOUNT RECOMMENDED" from above [item "G"])			
(K) FUTURE <u>ANNUAL</u> PERCENTAGE INCREASES / (DECREASES)	2019-2024	46.40%	46.40%
	2025	(70.29%)	(70.29%)

ANALYSIS OF TOTAL BUDGETED ASSESSMENT FROM ALL OWNERS:

		TOTAL	PER UNIT
(L) AMOUNT BUDGETED MONTHLY (PER ASSOCIATION) AS OF	12/31/2017 :	22,000.00	125.71
(M) RESERVE CONTRIBUTION % OF TOTAL ASSESSMENT (item "F" divided by "L")		6.82%	6.82%
(N) % INCREASE/(DECREASE) IN TOTAL MONTHLY ASSESSMENT ("h" divided by "L")		3.16%	3.16%
(if recommended monthly reserve allocation implemented)			

OVERAGE / (DEFICIT) (between "actual" and "required" reserve balance): (380,725) (2,176)

FUNDS TO COVER THE COST OF COMPONENTS THAT NEED TO BE REPLACED WITHIN 5 YEARS **\$187,480.65**

PERCENT FUNDED AS OF: 1/1/2018 (excluding "unknown" amounts from Component Inventory) **26.24%**

actual reserve balance (item "D" above): 135,439
divided by
required reserve balance (see Component Inventory): 516,164

PERCENT FUNDED AS OF: 12/31/2018 (if Funding Plan #3 recommended above is followed) **11.17%**

FINANCIAL ANALYSIS

ASSOCIATION:

Cottonwood Square and Commons Homeowners Association

First & 16th Street

Cottonwood, Arizona

PROJECTION PERIOD:

01/01/2018 - 12/31/2047

TYPE OF STUDY:

Reserve Study Update With Site Visit

PREPARER:

Les Weinberg, MBA, RS
Reserve Studies Incorporated

DATE:

May 25, 2017

INTRODUCTION

This **Financial Analysis** is essentially the illustration of the financial impact over a 30 year projection resulting from the Condition Assessment (see next section), and consists of the following sections:

COMPONENT INVENTORY - an abstract of all the components compiled in the Condition Assessment. For each component the typical useful life, estimated remaining life and average cost is shown. Also, the actual reserves (total reserves as of the beginning of the fiscal year allocated pro-rata to each component) versus the required reserves for each component (amounts from the Component Liability Analysis) is illustrated. The ratio of these totals (actual reserves divided by required reserves) is the Percent Funded, which is indicated at the bottom of this schedule. The present monthly contribution to reserves is allocated to each component as well.

FUNDING PLANS - Four funding plans are provided to illustrate the effects of various levels of income/ assessments versus anticipated reserve expenditures. They are shown on an **annual** basis and include interest income earned on reserve funds (net of taxes), which can offset the amount of assessments required from the homeowners. Should your association desire, additional funding plans can be prepared showing other funding levels.

FUNDING PLAN #1 - This plan assumes that the current assessment will remain the same throughout the 30-year projection. For most associations it is illustrated that serious cash shortages will occur almost immediately due to the amount of future reserve expenditures they are responsible for.

FUNDING PLAN #2 - This plan also assumes that the current assessment will remain the same throughout the 30-year projection. However, the cash shortages resulting in any year will be covered by special assessments as necessary. While this plan will ensure that there are enough funds in reserves to cover the reserve expenditures in any given year, it may impose a significant burden on the homeowners at the time of assessment. It also unfairly penalizes future owners for usage/depreciation of the components by previous owners.

FUNDING PLAN #3 - This plan provides for the current assessment to be increased as necessary to cover all future expenditures. It most fairly matches the depreciation of the common components and the enjoyment of the benefits.

FUNDING PLAN #4 - This plan reveals what the assessment would need to be to achieve a constant 100% funding. While this is ideally the level that an association should be at, it may not be easily achieved nor desirable depending on the level at which the association is currently funded.

COMPARISON OF FUNDING PLANS - This schedule allows for comparison of the 4 funding plans (described above) on an annual basis. It shows the assessments as to what they would be **monthly** and the percent funded for each year as well.

FUNDING PLAN GRAPHS - Two graphical illustrations of the four funding plans are provided: one emphasizing the anticipated reserve expenditures and the other highlighting the estimated liability.

FUNDING PLANS 1-4 vs. RESERVE EXPENDITURES - This graph shows the cash receipts (homeowner assessments plus interest income earned on reserve funds) resulting from each of the 4 funding plans versus the anticipated total reserve expenditures on an annual basis.

FUNDING PLANS 1-4 vs. ESTIMATED LIABILITY - This graph shows the cash receipts versus the estimated liability on an annual basis. The estimated liability is the amount that ideally (but not necessarily practical or desirable) should be in reserves at any given point in time and is effectively "100% funding".

RESERVE EXPENDITURES BY YEAR - This schedule itemizes each component expenditure for every year in the projection. It also shows the total anticipated expenditures at the end of the 30-year projection.

COMPONENT LIABILITY ANALYSIS - This schedule shows the calculation of the liability for each component (amount of component depreciated at year-end). Useful life and remaining life (in years) as well as the replacement cost (increased annually by a current inflation factor) is itemized for each component. The total liability per year is ideally the amount that should be in reserves (100% funded). For example, if a component replacement cost is \$1,000, has a useful life of 10 years and 4 years remaining, then \$600 should be in reserves: $\$1,000 \div 10 \text{ years} = \$100 \text{ per year} \times 6 \text{ years of depreciation (10 year useful life less 4 years remaining)} = \600 .

COMPONENT INVENTORY threshold = \$500
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS AS OF: 1/1/2018

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS USEFUL REMAIN	CURRENT COST	ANNUAL DEPRE	RESERVES		MONTHLY CONTRIBUTION			
						ACTUAL	REQUIRED		SURPLUS/ (DEFICIT)	CURRENT RECOMMEND	
ROOF/DECKS											
cap sheet roof-rec building	0101	180 sq ft	12	3	750 ¹	63	148	563	(415)	1.64	2.40
tile roof-rec building	0102	1,250 sq ft	35	16	8,400 ¹	240	1,197	4,560	(3,363)	13.25	19.40
standing seam roof-rec building	0103	400 sq ft	30+	30+	0	0	0	0	0	0.00	0.00
membrane decks-resurface	0104	unit owner	n/a	n/a	0	0	0	0	0	0.00	0.00
membrane decks-coating	0105	unit owner	n/a	n/a	0	0	0	0	0	0.00	0.00
gutters & downspouts	0106	unit owner	n/a	n/a	0	0	0	0	0	0.00	0.00
STRUCTURE											
foundations/structural frame-rec	0201	1 building	30+	30+	0	0	0	0	0	0.00	0.00
structural pest control-rec bldg	0202	14,570 cu ft	n/a	n/a	0	0	0	0	0	0.00	0.00
wood decking-rec building	0203	350 sq ft	20	6	3,200 ⁴	160	588	2,240	(1,652)	6.51	9.53
PAINT											
stucco-rec building	0301	1,750 sq ft	10	3	1,400 ¹	140	257	980	(723)	2.85	4.17
trim-rec building	0302	150 sq ft	4	0	500 ¹	125	131	500	(369)	1.45	2.13
doors-rec building	0303	28 sides	5	0	1,500 ¹	300	394	1,500	(1,106)	4.36	6.38
interior flatwork-rec building	0304	3,150 sq ft	10	3	2,850 ¹	285	523	1,995	(1,472)	5.80	8.49
ironwork	0305	12,100 sq ft	5	0	21,200 ¹	4,240	5,563	21,200	(15,637)	61.61	90.19
concrete block walls	0306	17,400 sq ft	8	3	8,700 ¹	1,088	1,427	5,438	(4,011)	15.80	23.14
curbs	0307	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
MECHANICAL											
hvac-evaporative coil & furnace	0401	1 coil/furnace	20	1	3,850 ⁴	193	960	3,658	(2,698)	10.63	15.56
hvac-condenser	0402	1 condenser	10	0	5,050 ⁴	505	1,325	5,050	(3,725)	14.68	21.49
PLUMBING											
distribution piping-rec building	0501	recreation bldg	40	21	6,550 ¹	164	816	3,111	(2,295)	9.04	13.24
drainage/sewer piping-rec bldg	0502	operating budget	30+	30+	0	0	0	0	0	0.00	0.00
water heater-rec building	0503	1 @ 30 gallons	10	0	700 ⁴	70	184	700	(516)	2.03	2.98
fire sprinklers-rec building	0504	lifetime	30+	30+	0	0	0	0	0	0.00	0.00
ELECTRICAL											
surveillance camera system	0601	1 system	12	6	7,350 ⁴	613	964	3,675	(2,711)	10.68	15.64
lighting-exit signs (rec building)	0602	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
lighting-exterior (rec building)	0603	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
lighting-interior (rec building)	0604	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
lighting-landscape	0605	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00

COMPONENT INVENTORY

threshold = \$500

COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

AS OF: 1/1/2018

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION		
			USEFUL	REMAIN			ACTUAL	REQUIRED	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND	
FLOORING												
carpeting-rec building	0701	70 sq yds	10	0	2,400 ⁴	240	630	2,400	(1,770)	6.97	10.21	
tile-rec building	0702	800 sq ft	20	6	9,200 ⁴	460	1,690	6,440	(4,750)	18.72	27.40	
POOL/SPA												
plaster-pool	0801	1,750 sq ft	10	3	8,900 ⁴	890	1,635	6,230	(4,595)	18.10	26.51	
tile-spa	0802	200 sq ft	20	17	4,000 ¹	200	157	600	(443)	1.74	2.55	
tile & coping	0803	150 lin ft	20	17	6,000 ¹	300	236	900	(664)	2.62	3.83	
heaters	0804	2 heaters	12	0	7,950 ⁴	663	2,086	7,950	(5,864)	23.10	33.82	
filters	0805	2 filters	10	0	2,050 ⁴	205	538	2,050	(1,512)	5.96	8.72	
motors	0806	4 motors	5	0	1,500 ⁴	300	394	1,500	(1,106)	4.36	6.38	
pumps	0807	4 pumps	15	0	1,500 ⁴	100	394	1,500	(1,106)	4.36	6.38	
chlorinators	0808	3 chlorinators	5	0	600 ⁴	120	157	600	(443)	1.74	2.55	
furniture-replace	0809	28 pieces	10	3	5,450 ⁴	545	1,001	3,815	(2,814)	11.09	16.23	
furniture-refurbish	0810	28 pieces	10	8	2,150 ¹	215	113	430	(317)	1.25	1.83	
acrylic modified cement-rsrf	0811	2,800 sq ft	15	12	10,500 ¹	700	551	2,100	(1,549)	6.10	8.93	
acrylic modified cement-coat	0812	2,800 sq ft	10	7	4,200 ¹	420	331	1,260	(929)	3.66	5.36	
LANDSCAPE/HARDSCAPE												
asphalt seal coat	0901	272,450 sq ft	5	0	48,900 ¹	9,780	12,831	48,900	(36,069)	142.11	208.04	
asphalt overlay	0902	272,450 sq ft	20	6	442,400 ¹	22,120	81,259	309,680	(228,421)	899.95	1,317.52	
concrete block walls	0903	2,900 lin ft	1	0	450 ⁴	450	118	450	(332)	1.31	1.91	
concrete flatwork	0904	lifetime	30+	30+	0	0	0	0	0	0.00	0.00	
concrete pavers	0905	operating budget	30+	30+	0	0	0	0	0	0.00	0.00	
irrigation controllers	0906	13 controllers	10	0	10,800 ⁴	1,080	2,834	10,800	(7,966)	31.39	45.95	
back flow preventers	0907	9 preventers	15	1	6,300 ⁴	420	1,543	5,880	(4,337)	17.09	25.02	
wrought iron	0908	20% of 480 lf @ 5'	25	6	22,950 ⁴	918	4,577	17,442	(12,865)	50.69	74.21	
retention basins	0909	lifetime	30+	30+	0	0	0	0	0	0.00	0.00	

COMPONENT INVENTORY

threshold = \$500

COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

AS OF: 1/1/2018

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS USEFUL REMAIN	CURRENT COST	ANNUAL DEPRE	RESERVES		MONTHLY CONTRIBUTION		
						ACTUAL	REQUIRED		SURPLUS/ (DEFICIT)	
RECREATION FACILITIES										
furnishings-recreation building	1001	65 items	15	10,000 ²	667	2,099	8,000	(5,901)	23.25	34.04
restrooms	1002	2 restrooms	20	3,650 ⁴	183	814	3,103	(2,289)	9.02	13.20
kitchen	1003	operating budget	n/a	0	0	0	0	0	0.00	0.00
ramadas	1004	lifetime	30+	0	0	0	0	0	0.00	0.00
picnic tables	1005	2 picnic tables	20	2,100 ⁴	105	468	1,785	(1,317)	5.19	7.59
benches	1006	10 benches	20	5,750 ¹	288	1,283	4,888	(3,605)	14.20	20.80
barbecue	1007	2 barbecues	10	750 ⁴	75	197	750	(553)	2.18	3.19
MISCELLANEOUS										
mailboxes	1101	u.s.p.s.	n/a	0	0	0	0	0	0.00	0.00
monuments	1102	4 monuments	20	7,350 ⁴	368	1,639	6,248	(4,609)	18.16	26.58
CONTINGENCY RESERVE	1201	5% of total annual expenditures - see "Reserve Expenditures by Year" schedule for details		5,293	5,293	1,389	5,293	(3,904)	15.38	22.52
TOTALS				705,093	55,286	135,439	516,164	(380,725)	1,500.00	2,196.00

COST SOURCES

- 1) In-house database. Developed from experience of costs for recent repairs, replacements, or restoration of components in similar properties.
- 2) Based on contractor proposal provided by association and/or information from association's vendors.
- 3) Based on actual cost of recent repair, replacement, or restoration of component - information provided by association.
- 4) National cost guide (National Construction Estimator, R.S. Means, LSI, etc.)
- 5) Per Mechanical Engineering Evaluation

Percent Funded (the ratio of the "actual" to the "required" reserve balance - excluding any unknown amounts above): 26.24%

**COMPARISON OF FUNDING PLANS
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS**

YEAR	FUNDING PLAN #1			FUNDING PLAN #2			FUNDING PLAN #3			FUNDING PLAN #4				
	Monthly Assess	Percent Funded	Monthly Assess (\$)	Annual % Change	Percent Funded	Monthly Assess	Annual % Change	Percent Funded	Monthly Assess	Annual % Change	Percent Funded	Monthly Assess	Annual % Change	Percent Funded
1/1/2018	1,500	26.24%	1,500	0.00%	26.24%	2,196	46.40%	26.24%	36,302	2320.16%	26.24%	36,302	2320.16%	26.24%
1/1/2019	1,500	9.36%	1,500	0.00%	9.36%	3,215	46.40%	11.17%	4,486	-87.64%	100.00%	4,486	-87.64%	100.00%
1/1/2020	1,500	9.89%	1,500	0.00%	9.89%	4,707	46.40%	15.59%	4,842	7.93%	100.00%	4,842	7.93%	100.00%
1/1/2021	1,500	11.95%	1,500	0.00%	11.95%	6,891	46.40%	23.80%	4,641	-4.14%	100.00%	4,641	-4.14%	100.00%
1/1/2022	1,500	4.16%	1,500	0.00%	4.16%	10,088	46.40%	27.48%	5,109	10.08%	100.00%	5,109	10.08%	100.00%
1/1/2023	1,500	6.42%	3,625	141.67%	6.42%	14,769	46.40%	43.66%	7,037	37.74%	100.00%	7,037	37.74%	100.00%
1/1/2024	1,500	-3.93%	47,175	1201.38%	0.01%	21,621	46.40%	57.97%	4,452	-36.74%	100.00%	4,452	-36.74%	100.00%
1/1/2025	1,500	-402.46%	1,500	-96.82%	0.06%	6,424	-70.29%	51.28%	4,834	8.60%	100.00%	4,834	8.60%	100.00%
1/1/2026	1,500	-284.73%	1,500	0.00%	6.42%	6,424	0.00%	74.07%	4,931	2.00%	100.00%	4,931	2.00%	100.00%
1/1/2027	1,500	-214.25%	1,500	0.00%	10.63%	6,424	0.00%	86.79%	5,516	11.88%	100.00%	5,516	11.88%	100.00%
1/1/2028	1,500	-163.20%	6,217	314.44%	13.88%	6,424	0.00%	92.85%	5,093	-7.68%	100.00%	5,093	-7.68%	100.00%
1/1/2029	1,500	-234.47%	1,500	-75.87%	0.01%	6,424	0.00%	97.24%	5,313	4.32%	100.00%	5,313	4.32%	100.00%
1/1/2030	1,500	-192.31%	1,558	3.89%	1.97%	6,424	0.00%	101.81%	5,415	1.92%	100.00%	5,415	1.92%	100.00%
1/1/2031	1,500	-171.27%	2,092	34.22%	0.01%	6,424	0.00%	104.91%	5,429	0.26%	100.00%	5,429	0.26%	100.00%
1/1/2032	1,500	-154.44%	1,500	-28.29%	0.01%	6,424	0.00%	107.32%	5,975	10.05%	100.00%	5,975	10.05%	100.00%
1/1/2033	1,500	-126.78%	7,217	381.11%	3.58%	6,424	0.00%	107.35%	5,679	-4.95%	100.00%	5,679	-4.95%	100.00%
1/1/2034	1,500	-153.86%	1,808	-74.94%	0.01%	6,424	0.00%	109.88%	5,837	2.77%	100.00%	5,837	2.77%	100.00%
1/1/2035	1,500	-138.36%	1,725	-4.61%	0.00%	6,424	0.00%	110.32%	5,992	2.66%	100.00%	5,992	2.66%	100.00%
1/1/2036	1,500	-124.85%	2,392	38.65%	0.00%	6,424	0.00%	110.30%	6,049	0.96%	100.00%	6,049	0.96%	100.00%
1/1/2037	1,500	-116.32%	1,500	-37.28%	0.01%	6,424	0.00%	110.28%	6,701	10.77%	100.00%	6,701	10.77%	100.00%
1/1/2038	1,500	-103.16%	11,567	671.11%	0.67%	6,424	0.00%	108.81%	6,213	-7.29%	100.00%	6,213	-7.29%	100.00%
1/1/2039	1,500	-132.68%	1,500	-87.03%	0.01%	6,424	0.00%	110.15%	6,350	2.21%	100.00%	6,350	2.21%	100.00%
1/1/2040	1,500	-119.68%	1,500	0.00%	0.23%	6,424	0.00%	109.41%	6,733	6.04%	100.00%	6,733	6.04%	100.00%
1/1/2041	1,500	-104.07%	3,358	123.89%	2.40%	6,424	0.00%	107.98%	6,648	-1.27%	100.00%	6,648	-1.27%	100.00%
1/1/2042	1,500	-105.29%	1,500	-55.33%	0.00%	6,424	0.00%	107.44%	7,234	8.81%	100.00%	7,234	8.81%	100.00%
1/1/2043	1,500	-95.23%	9,717	547.78%	0.42%	6,424	0.00%	105.76%	9,776	35.13%	100.00%	9,776	35.13%	100.00%
1/1/2044	1,500	-105.59%	62,700	545.28%	0.01%	6,424	0.00%	101.36%	6,488	-33.63%	100.00%	6,488	-33.63%	100.00%
1/1/2045	1,500	-684.64%	3,450	-94.50%	0.02%	6,424	0.00%	104.73%	6,842	5.46%	100.00%	6,842	5.46%	100.00%
1/1/2046	1,500	-589.62%	1,500	-56.52%	0.03%	6,424	0.00%	102.34%	6,996	2.25%	100.00%	6,996	2.25%	100.00%
1/1/2047	1,500	-456.30%	1,500	0.00%	3.42%	6,424	0.00%	100.00%	7,159	2.32%	100.00%	7,159	2.32%	100.00%

AVERAGE: 100.00%

86.28%

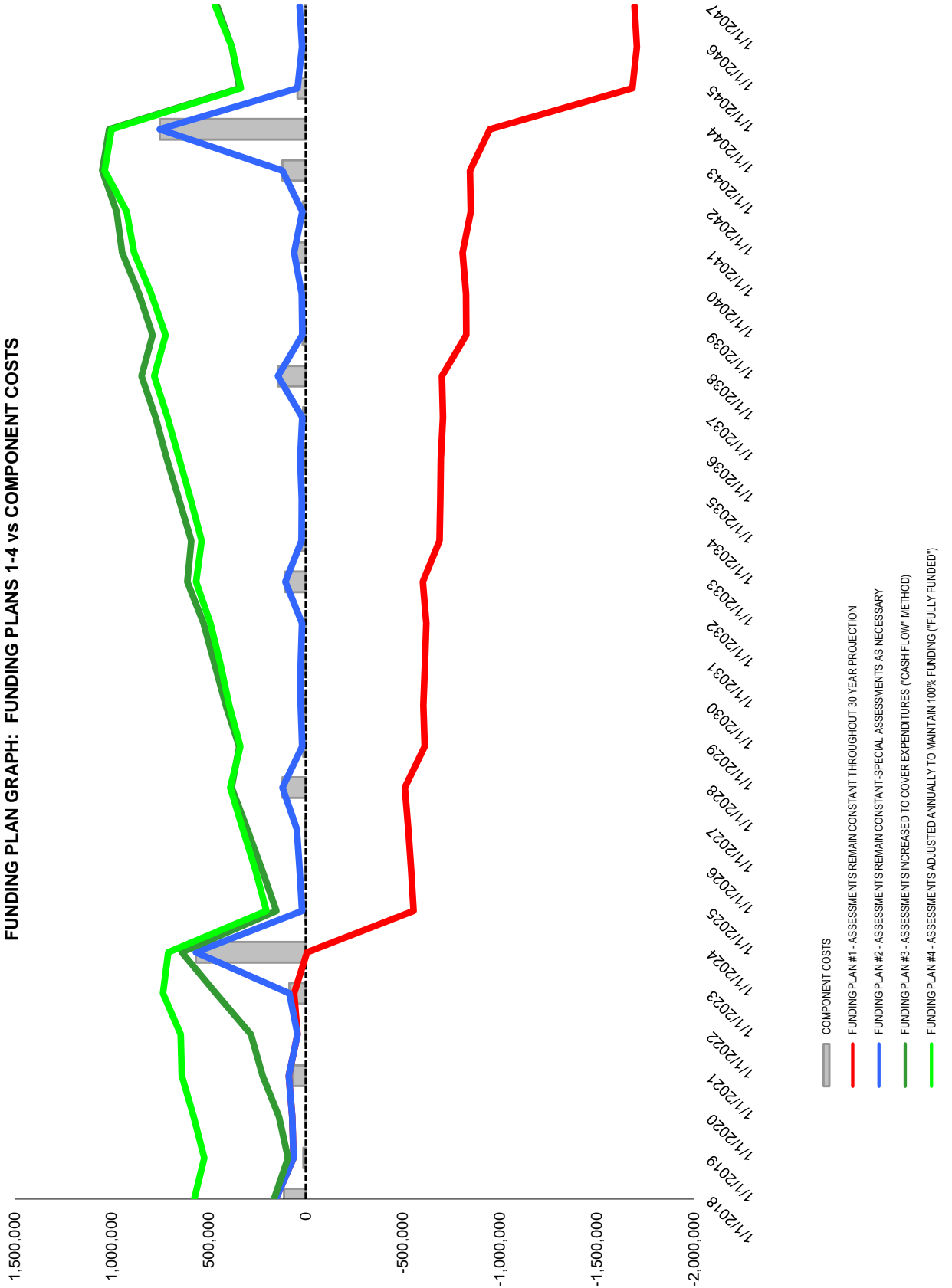
2.95%

-170.20%

FOOTNOTES: (1) Includes special assessments prorated on a monthly basis

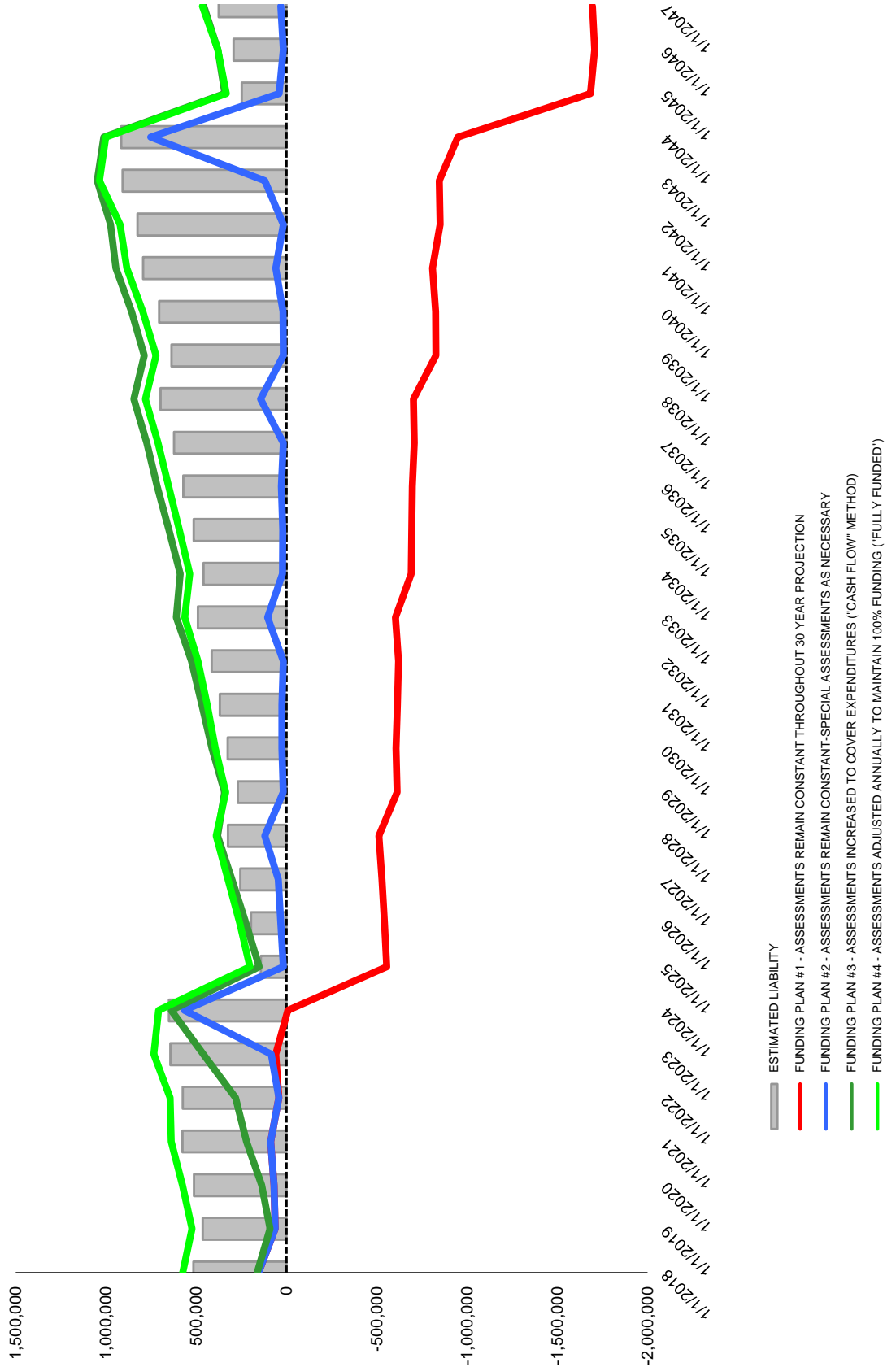
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

FUNDING PLAN GRAPH: FUNDING PLANS 1-4 vs COMPONENT COSTS



COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

FUNDING PLAN GRAPH: FUNDING PLANS 1-4 vs ESTIMATED LIABILITY



FUNDING PLAN #1 (assumption: current assessment remains constant throughout 30 year projection)
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

DESCRIPTION	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
ASSESSMENTS-regular	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
ASSESSMENTS-special	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	1,079	567	721	560	394	95	0	0	0	0	0	0	0	0	0
COMPONENT COSTS (b)	(111,143)	(11,326)	(489)	(63,454)	(1,069)	(84,952)	(566,090)	(5,517)	(3,743)	(552)	(119,885)	(11,638)	(25,113)	(25,095)	(603)
NET RCPTS/(DISBURSE)	(92,064)	7,241	18,231	(44,894)	17,325	(66,858)	(548,090)	12,483	14,257	17,448	(101,885)	6,362	(7,113)	(7,095)	17,397
CASH BALANCE: begin yr	135,439	43,375	50,616	68,848	23,954	41,279	(25,579)	(573,669)	(561,185)	(546,929)	(529,481)	(631,366)	(625,004)	(632,117)	(639,212)
CASH BALANCE: end of yr	43,375	50,616	68,848	23,954	41,279	(25,579)	(573,669)	(561,185)	(546,929)	(529,481)	(631,366)	(625,004)	(632,117)	(639,212)	(621,815)
ESTIMATED LIABILITY (c)	516,164	463,560	511,984	576,199	575,426	643,059	650,399	142,541	197,097	255,270	324,435	269,270	324,999	369,081	413,891
less: beginning cash bal	135,439	43,375	50,616	68,848	23,954	41,279	(25,579)	(573,669)	(561,185)	(546,929)	(529,481)	(631,366)	(625,004)	(632,117)	(639,212)
over/(under) funded-total	(380,725)	(420,185)	(461,368)	(507,351)	(551,472)	(601,781)	(675,978)	(716,209)	(758,283)	(802,199)	(853,916)	(900,636)	(950,003)	(1,001,198)	(1,053,103)
" " " per unit	(2,176)	(2,401)	(2,636)	(2,899)	(3,151)	(3,439)	(3,863)	(4,093)	(4,333)	(4,584)	(4,880)	(5,146)	(5,429)	(5,721)	(6,018)

DESCRIPTION	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
ASSESSMENTS-regular	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
ASSESSMENTS-special	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
COMPONENT COSTS (b)	(104,216)	(21,721)	(20,691)	(28,677)	(13,382)	(143,480)	(16,434)	(692)	(59,441)	(14,204)	(120,426)	(752,396)	(41,370)	(5,309)	(782)
NET RCPTS/(DISBURSE)	(86,216)	(3,721)	(2,691)	(10,677)	4,618	(125,480)	1,566	17,308	(41,441)	3,796	(102,426)	(734,396)	(23,370)	12,691	17,218
CASH BALANCE: begin yr	(621,815)	(708,030)	(711,752)	(714,443)	(725,119)	(720,502)	(845,982)	(844,416)	(827,108)	(868,548)	(864,752)	(967,178)	(1,701,574)	(1,724,944)	(1,712,253)
CASH BALANCE: end of yr	(708,030)	(711,752)	(714,443)	(725,119)	(720,502)	(845,982)	(844,416)	(827,108)	(868,548)	(864,752)	(967,178)	(1,701,574)	(1,724,944)	(1,712,253)	(1,695,035)
ESTIMATED LIABILITY (c)	490,476	460,181	514,414	572,219	623,391	698,443	637,626	705,544	794,761	824,930	908,057	916,010	248,534	292,551	375,248
less: beginning cash bal	(621,815)	(708,030)	(711,752)	(714,443)	(725,119)	(720,502)	(845,982)	(844,416)	(827,108)	(868,548)	(864,752)	(967,178)	(1,701,574)	(1,724,944)	(1,712,253)
over/(under) funded-total	(1,112,290)	(1,168,212)	(1,226,166)	(1,286,661)	(1,348,511)	(1,418,945)	(1,483,608)	(1,549,960)	(1,621,868)	(1,693,478)	(1,772,809)	(1,863,188)	(1,950,108)	(2,017,495)	(2,087,501)
" " " per unit	(6,356)	(6,675)	(7,007)	(7,352)	(7,706)	(8,108)	(8,478)	(8,857)	(9,268)	(9,677)	(10,130)	(10,761)	(11,143)	(11,529)	(11,929)

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.464% Rate: 2.0000%
(b) See "Reserve Expenditures By Year Schedule"
(c) See "Component Liability Analysis"

FUNDING PLAN #2 (assumption: current assessment constant - special assessments as necessary)
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

DESCRIPTION	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
ASSESSMENTS-regular	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
ASSESSMENTS-special	0	0	0	0	0	25,500	548,100	0	0	0	56,600	0	700	7,100	18,000
INTEREST INCOME (a)	1,079	567	721	560	394	250	1	77	240	435	272	39	39	1	106
COMPONENT COSTS (b)	(111,143)	(11,326)	(489)	(63,454)	(1,069)	(84,952)	(566,090)	(5,517)	(3,743)	(552)	(119,885)	(11,638)	(25,113)	(25,095)	(603)
NET RCPTS/(DISBURSE)	(92,064)	7,241	18,231	(44,894)	17,325	(41,203)	11	12,560	14,497	17,883	(45,013)	6,401	(6,374)	6	17,503
CASH BALANCE: begin yr	135,439	43,375	50,616	68,848	23,954	41,279	76	87	12,647	27,144	45,027	14	6,415	41	46
CASH BALANCE: end of yr	43,375	50,616	68,848	23,954	41,279	76	87	12,647	27,144	45,027	14	6,415	41	46	17,550
ESTIMATED LIABILITY (c)	516,164	463,560	511,984	576,199	575,426	643,059	650,399	142,541	197,097	255,270	324,435	269,270	324,999	369,081	413,891
less: beginning cash bal	135,439	43,375	50,616	68,848	23,954	41,279	76	87	12,647	27,144	45,027	14	6,415	41	46
over/(under) funded-total	(380,725)	(420,185)	(461,368)	(507,351)	(551,472)	(601,781)	(650,323)	(142,454)	(184,450)	(228,126)	(279,408)	(269,256)	(318,584)	(369,040)	(413,844)
" " " per unit	(2,176)	(2,401)	(2,636)	(2,899)	(3,151)	(3,439)	(3,716)	(814)	(1,054)	(1,304)	(1,597)	(1,539)	(1,820)	(2,109)	(2,365)

DESCRIPTION	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
ASSESSMENTS-regular	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
ASSESSMENTS-special	68,600	3,700	2,700	10,700	0	120,800	0	0	22,300	0	98,600	734,400	23,400	0	0
INTEREST INCOME (a)	106	0	0	0	29	29	10	125	115	23	24	1	1	78	261
COMPONENT COSTS (b)	(104,216)	(21,721)	(20,691)	(28,677)	(13,382)	(143,480)	(16,434)	(692)	(59,441)	(14,204)	(120,426)	(752,396)	(41,370)	(5,309)	(782)
NET RCPTS/(DISBURSE)	(17,510)	(21)	9	24	4,646	(4,652)	1,577	17,433	(19,025)	3,819	(3,802)	4	31	12,769	17,478
CASH BALANCE: begin yr	17,550	40	19	28	52	4,699	47	1,623	19,056	31	3,850	48	52	83	12,852
CASH BALANCE: end of yr	40	19	28	52	4,699	47	1,623	19,056	31	3,850	48	52	83	12,852	30,330
ESTIMATED LIABILITY (c)	490,476	460,181	514,414	572,219	623,391	698,443	637,626	705,544	794,761	824,930	908,057	916,010	248,534	292,551	375,248
less: beginning cash bal	17,550	40	19	28	52	4,699	47	1,623	19,056	31	3,850	48	52	83	12,852
over/(under) funded-total	(472,926)	(460,141)	(514,395)	(572,190)	(623,339)	(693,745)	(637,579)	(703,921)	(775,704)	(824,900)	(904,207)	(915,963)	(248,482)	(292,468)	(362,396)
" " " per unit	(2,702)	(2,629)	(2,939)	(3,270)	(3,562)	(3,964)	(3,643)	(4,022)	(4,433)	(4,714)	(5,167)	(5,234)	(1,420)	(1,671)	(2,071)

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.464% Rate: 2.0000%
(b) See "Reserve Expenditures By Year Schedule"
(c) See "Component Liability Analysis"

FUNDING PLAN #3 (assumption: current assessment increased as necessary to cover all expenditures)
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

DESCRIPTION	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
ASSESSMENTS-regular	26,352	38,579	56,480	82,687	121,054	177,223	259,454	77,091	77,091	77,091	77,091	77,091	77,091	77,091	77,091
ASSESSMENTS-special	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	1,130	794	1,309	1,781	2,648	3,969	2,716	1,322	2,218	3,154	3,397	3,576	4,332	5,016	5,857
COMPONENT COSTS (b)	(111,143)	(11,326)	(489)	(63,454)	(1,069)	(84,952)	(566,090)	(5,517)	(3,743)	(552)	(119,885)	(11,638)	(25,113)	(25,095)	(603)
NET RCPTS/(DISBURSE)	(83,661)	28,047	57,300	21,015	122,633	96,239	(303,920)	72,897	75,566	79,693	(39,396)	69,029	56,311	57,013	82,346
CASH BALANCE: begin yr	135,439	51,778	79,825	137,125	158,140	280,772	377,011	73,091	145,988	221,553	301,247	261,851	330,880	387,191	444,204
CASH BALANCE: end of yr	51,778	79,825	137,125	158,140	280,772	377,011	73,091	145,988	221,553	301,247	261,851	330,880	387,191	444,204	526,549
ESTIMATED LIABILITY (c)	516,164	463,560	511,984	576,199	575,426	643,059	650,399	142,541	197,097	255,270	324,435	269,270	324,999	369,081	413,891
less: beginning cash bal	135,439	51,778	79,825	137,125	158,140	280,772	377,011	73,091	145,988	221,553	301,247	261,851	330,880	387,191	444,204
over/(under) funded-total	(380,725)	(411,782)	(432,159)	(439,074)	(417,286)	(362,287)	(273,387)	(69,450)	(51,110)	(33,717)	(23,188)	(7,420)	5,881	18,110	30,313
" " " per unit	(2,176)	(2,353)	(2,469)	(2,509)	(2,384)	(2,070)	(1,562)	(397)	(292)	(193)	(133)	(42)	34	103	173

DESCRIPTION	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
ASSESSMENTS-regular	77,091	77,091	77,091	77,091	77,091	77,091	77,091	77,091	77,091	77,091	77,091	77,091	77,091	77,091	77,091
ASSESSMENTS-special	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	6,228	6,475	7,232	7,956	8,733	8,823	8,895	9,835	10,525	11,142	11,396	7,172	3,377	4,070	5,019
COMPONENT COSTS (b)	(104,216)	(21,721)	(20,691)	(28,677)	(13,382)	(143,480)	(16,434)	(692)	(59,441)	(14,204)	(120,426)	(752,396)	(41,370)	(5,309)	(782)
NET RCPTS/(DISBURSE)	(20,897)	61,845	63,632	56,371	72,442	(57,566)	69,553	86,234	28,176	74,029	(31,938)	(668,133)	39,098	75,853	81,328
CASH BALANCE: begin yr	526,549	505,653	567,497	631,129	687,500	759,942	702,376	771,929	858,163	886,339	960,368	928,430	260,297	299,395	375,248
CASH BALANCE: end of yr	505,653	567,497	631,129	687,500	759,942	702,376	771,929	858,163	886,339	960,368	928,430	260,297	299,395	375,248	456,576
ESTIMATED LIABILITY (c)	490,476	460,181	514,414	572,219	623,391	698,443	637,626	705,544	794,761	824,930	908,057	916,010	248,534	292,551	375,248
less: beginning cash bal	526,549	505,653	567,497	631,129	687,500	759,942	702,376	771,929	858,163	886,339	960,368	928,430	260,297	299,395	375,248
over/(under) funded-total	36,074	45,471	53,083	58,911	64,109	61,499	64,750	66,385	63,403	61,409	52,312	12,420	11,763	6,844	0
" " " per unit	206	260	303	337	366	351	370	379	362	351	299	71	67	39	0

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.464% Rate: 2.00000%
(b) See "Reserve Expenditures By Year Schedule"
(c) See "Component Liability Analysis"

FUNDING PLAN #4 (assumption: assessments as necessary for 100% funding annually)
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

DESCRIPTION	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
ASSESSMENTS-regular	435,628	53,829	58,098	55,691	61,306	84,440	53,419	58,012	59,170	66,198	61,116	63,760	64,982	65,152	71,898
ASSESSMENTS-special	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	3,636	5,922	6,605	6,990	7,396	7,851	4,813	2,062	2,746	3,519	3,604	3,607	4,213	4,763	5,490
COMPONENT COSTS (b)	(111,143)	(11,326)	(489)	(63,454)	(1,069)	(84,952)	(566,090)	(5,517)	(3,743)	(552)	(119,885)	(11,638)	(25,113)	(25,095)	(603)
NET RCPTS/(DISBURSE)	328,121	48,424	64,214	(773)	67,633	7,339	(507,858)	54,557	58,173	69,165	(55,165)	55,729	44,082	44,810	76,585
CASH BALANCE: begin yr	135,439	463,560	511,984	576,199	575,426	643,059	650,399	142,541	197,097	255,270	324,435	269,270	324,999	369,081	413,891
CASH BALANCE: end of yr	463,560	511,984	576,199	575,426	643,059	650,399	142,541	197,097	255,270	324,435	269,270	324,999	369,081	413,891	490,476
ESTIMATED LIABILITY (c)	516,164	463,560	511,984	576,199	575,426	643,059	650,399	142,541	197,097	255,270	324,435	269,270	324,999	369,081	413,891
less: beginning cash bal	135,439	463,560	511,984	576,199	575,426	643,059	650,399	142,541	197,097	255,270	324,435	269,270	324,999	369,081	413,891
over/(under) funded-total	(380,725)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
" " " per unit	(2,176)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

DESCRIPTION	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
ASSESSMENTS-regular	68,151	70,039	71,900	72,592	80,411	74,553	76,199	80,802	79,779	86,811	117,307	77,851	82,102	83,953	85,904
ASSESSMENTS-special	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	5,770	5,916	6,596	7,257	8,024	8,110	8,153	9,107	9,832	10,519	11,072	7,069	3,284	4,054	5,103
COMPONENT COSTS (b)	(104,216)	(21,721)	(20,691)	(28,677)	(13,382)	(143,480)	(16,434)	(692)	(59,441)	(14,204)	(120,426)	(752,396)	(41,370)	(5,309)	(782)
NET RCPTS/(DISBURSE)	(30,294)	54,233	57,804	51,173	75,052	(60,818)	67,918	89,217	30,170	83,126	7,954	(667,476)	44,017	82,697	90,225
CASH BALANCE: begin yr	490,476	460,181	514,414	572,219	623,391	698,443	637,626	705,544	794,761	824,930	908,057	916,010	248,534	292,551	375,248
CASH BALANCE: end of yr	460,181	514,414	572,219	623,391	698,443	637,626	705,544	794,761	824,930	908,057	916,010	248,534	292,551	375,248	465,473
ESTIMATED LIABILITY (c)	490,476	460,181	514,414	572,219	623,391	698,443	637,626	705,544	794,761	824,930	908,057	916,010	248,534	292,551	375,248
less: beginning cash bal	490,476	460,181	514,414	572,219	623,391	698,443	637,626	705,544	794,761	824,930	908,057	916,010	248,534	292,551	375,248
over/(under) funded-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
" " " per unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.464% Rate: 2.00000%
(b) See "Reserve Expenditures By Year Schedule"
(c) See "Component Liability Analysis"

RESERVE EXPENDITURES BY YEAR
 COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS
 1/1/2018 through 1/1/2032

EXPENDITURES	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
ROOF/DECKS															
cap sheet roof-rec building	0	0	0	790	0	0	0	0	0	0	0	0	0	0	0
tile roof-rec building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
standing seam roof-rec building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-resurface	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-coating	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
gutters & downspouts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
STRUCTURE															
foundations/structural frame-rec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
structural pest control-rec bldg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
wood decking-rec building	0	0	0	0	0	0	3,551	0	0	0	0	0	0	0	0
PAINT															
stucco-rec building	0	0	0	1,476	0	0	0	0	0	0	0	0	0	1,756	0
trim-rec building	500	0	0	0	536	0	0	0	575	0	0	0	616	0	0
doors-rec building	1,500	0	0	0	0	1,636	0	0	0	0	1,785	0	0	0	0
interior flatwork-rec building	0	0	0	3,003	0	0	0	0	0	0	0	0	0	3,578	0
ironwork	21,200	0	0	0	0	23,132	0	0	0	0	25,241	0	0	0	0
concrete block walls	0	0	0	9,168	0	0	0	0	0	0	0	10,540	0	0	0
curbs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MECHANICAL															
hvac- evaporative coil & furnace	0	3,918	0	0	0	0	0	0	0	0	0	0	0	0	0
hvac-condenser	5,050	0	0	0	0	0	0	0	0	0	6,012	0	0	0	0
PLUMBING															
distribution piping-rec building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
drainage/sewer piping-rec bldg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
water heater-rec building	700	0	0	0	0	0	0	0	0	0	833	0	0	0	0
fire sprinklers-rec building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ELECTRICAL															
surveillance camera system	0	0	0	0	0	0	8,161	0	0	0	0	0	0	0	0
lighting-exit signs (rec building)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-exterior (rec building)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-interior (rec building)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-landscape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FLOORING															
carpeting-rec building	2,400	0	0	0	0	0	0	0	0	0	2,858	0	0	0	0
tile-rec building	0	0	0	0	0	0	10,217	0	0	0	0	0	0	0	0

RESERVE EXPENDITURES BY YEAR
 COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS
 1/1/2018 through 1/1/2032

EXPENDITURES	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
POOL/SPA															
plaster-pool	0	0	0	9,378	0	0	0	0	0	0	0	0	0	11,165	0
tile-spa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
tile & coping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
heaters	7,950	0	0	0	0	0	0	0	0	0	0	0	9,802	0	0
filters	2,050	0	0	0	0	0	0	0	0	0	2,440	0	0	0	0
motors	1,500	0	0	0	0	1,636	0	0	0	0	1,785	0	0	0	0
pumps	1,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0
chlorinators	600	0	0	0	0	655	0	0	0	0	715	0	0	0	0
furniture-replace	0	0	0	5,743	0	0	0	0	0	0	0	0	0	6,837	0
furniture-refurbish	0	0	0	0	0	0	0	0	2,473	0	0	0	0	0	0
acrylic modified cement-rsrf	0	0	0	0	0	0	0	0	0	0	0	0	12,945	0	0
acrylic modified cement-coat	0	0	0	0	0	0	0	4,746	0	0	0	0	0	0	0
LANDSCAPE/HARDSCAPE															
asphalt seal coat	48,900	0	0	0	0	53,358	0	0	0	0	56,222	0	0	0	0
asphalt overlay	0	0	0	0	0	0	491,222	0	0	0	0	0	0	0	0
concrete block walls	450	458	466	474	482	490	499	508	517	526	535	544	554	564	574
concrete flatwork	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete pavers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
irrigation controllers	10,800	0	0	0	0	0	0	0	0	0	12,858	0	0	0	0
back flow preventers	0	6,411	0	0	0	0	0	0	0	0	0	0	0	0	0
wrought iron	0	0	0	0	0	0	25,483	0	0	0	0	0	0	0	0
retention basins	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RECREATION FACILITIES															
furnishings-recreation building	0	0	0	10,537	0	0	0	0	0	0	0	0	0	0	0
restrooms	0	0	0	3,846	0	0	0	0	0	0	0	0	0	0	0
kitchen	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ramadas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
picnic tables	0	0	0	2,213	0	0	0	0	0	0	0	0	0	0	0
benches	0	0	0	6,059	0	0	0	0	0	0	0	0	0	0	0
barbecue	750	0	0	0	0	0	0	0	0	0	892	0	0	0	0
MISCELLANEOUS															
mailboxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
monuments	0	0	0	7,745	0	0	0	0	0	0	0	0	0	0	0
CONTINGENCY RESERVE	5,293	539	23	3,022	51	4,045	26,957	263	178	26	5,709	554	1,196	1,195	29
(5% / year of annual expenditures)															
TOTAL	111,143	11,326	489	63,454	1,069	84,952	566,090	5,517	3,743	552	119,885	11,638	25,113	25,095	603

RESERVE EXPENDITURES BY YEAR
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

1/1/2033 through 1/1/2047

EXPENDITURES	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	TOTAL
ROOF/DECKS																
cap sheet roof-rec building	974	0	0	0	0	0	0	0	0	0	0	0	1,200	0	0	2,964
tile roof-rec building	0	11,104	0	0	0	0	0	0	0	0	0	0	0	0	0	11,104
standing seam roof-rec building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-resurface	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-coating	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
gutters & downspouts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
STRUCTURE																
foundations/structural frame-rec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
structural pest control-rec bldg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
wood decking-rec building	0	0	0	0	0	0	0	0	0	0	0	5,034	0	0	0	8,585
PAINT																
stucco-rec building	0	0	0	0	0	0	0	0	2,091	0	0	0	0	0	0	5,323
trim-rec building	0	660	0	0	0	708	0	0	0	759	0	0	0	0	814	5,168
doors-rec building	1,948	0	0	0	0	2,125	0	0	0	0	2,318	0	0	0	0	11,312
interior flatwork-rec building	0	0	0	0	0	0	0	0	4,260	0	0	0	0	0	0	10,841
ironwork	27,541	0	0	0	0	30,052	0	0	0	0	32,791	0	0	0	0	159,957
concrete block walls	0	0	0	0	12,119	0	0	0	0	0	0	0	13,935	0	0	45,762
curbs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MECHANICAL																
hvac- evaporative coil & furnace	0	0	0	0	0	0	5,555	0	0	0	0	0	0	0	0	9,473
hvac-condenser	0	0	0	0	0	7,159	0	0	0	0	0	0	0	0	0	18,221
PLUMBING																
distribution piping-rec building	0	0	0	0	0	0	9,448	0	0	0	0	0	0	0	0	9,448
drainage/sewer piping-rec bldg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
water heater-rec building	0	0	0	0	0	992	0	0	0	0	0	0	0	0	0	2,525
fire sprinklers-rec building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ELECTRICAL																
surveillance camera system	0	0	0	10,061	0	0	0	0	0	0	0	0	0	0	0	18,222
lighting-exit signs (rec building)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-exterior (rec building)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-interior (rec building)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-landscape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FLOORING																
carpeting-rec building	0	0	0	0	0	3,403	0	0	0	0	0	0	0	0	0	8,661
tile-rec building	0	0	0	0	0	0	0	0	0	0	0	14,485	0	0	0	24,702

RESERVE EXPENDITURES BY YEAR
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

1/1/2033 through 1/1/2047

EXPENDITURES	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	TOTAL
POOL/SPA																
plaster-pool	0	0	0	0	0	0	0	0	13,293	0	0	0	0	0	0	33,836
tile-spa	0	0	5,380	0	0	0	0	0	0	0	0	0	0	0	0	5,380
tile & coping	0	0	8,070	0	0	0	0	0	0	0	0	0	0	0	0	8,070
heaters	0	0	0	0	0	0	0	0	12,086	0	0	0	0	0	0	29,838
filters	0	0	0	0	0	2,905	0	0	0	0	0	0	0	0	0	7,395
motors	1,948	0	0	0	0	2,125	0	0	0	0	2,318	0	0	0	0	11,312
pumps	1,948	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,448
chlorinators	780	0	0	0	0	851	0	0	0	0	929	0	0	0	0	4,530
furniture-replace	0	0	0	0	0	0	0	8,140	0	0	0	0	0	0	0	20,720
furniture-refurbish	0	0	2,945	0	0	0	0	0	0	0	0	0	0	3,510	0	8,928
acrylic modified cement-rsrf	0	0	0	0	0	0	0	0	0	0	0	16,818	0	0	0	29,763
acrylic modified cement-coat	0	0	5,652	0	0	0	0	0	0	0	0	6,728	0	0	0	17,126
LANDSCAPE/HARDSCAPE																
asphalt seal coat	63,530	0	0	0	0	69,321	0	0	0	0	75,640	0	0	0	0	368,971
asphalt overlay	0	0	0	0	0	0	0	0	0	0	696,342	0	0	0	0	1,187,564
concrete block walls	584	594	604	615	626	637	648	659	671	683	695	707	719	732	745	17,560
concrete flatwork	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete pavers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
irrigation controllers	0	0	0	0	0	15,308	0	0	0	0	0	0	0	0	0	38,966
back flow preventers	0	8,329	0	0	0	0	0	0	0	0	0	0	0	0	0	14,740
wrought iron	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	25,483
retention basins	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RECREATION FACILITIES																
furnishings-recreation building	0	0	13,690	0	0	0	0	0	0	0	0	0	0	0	0	24,227
restrooms	0	0	0	0	0	0	0	0	5,451	0	0	0	0	0	0	9,297
kitchen	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ramadas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
picnic tables	0	0	0	0	0	0	0	0	3,138	0	0	0	0	0	0	5,351
benches	0	0	0	0	0	0	0	0	8,588	0	0	0	0	0	0	14,647
barbecue	0	0	0	0	0	1,062	0	0	0	0	0	0	0	0	0	2,704
MISCELLANEOUS																
mailboxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
monuments	0	0	0	0	0	0	0	0	10,978	0	0	0	0	0	0	18,723
CONTINGENCY RESERVE	4,963	1,034	985	1,366	637	6,832	783	33	2,831	676	5,735	35,828	1,970	253	37	113,042
(5% / year of annual expenditures)																
TOTAL	104,216	21,721	20,691	28,677	13,382	143,480	16,434	692	59,441	14,204	120,426	752,396	41,370	5,309	782	2,373,889

COMPONENT LIABILITY ANALYSIS
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

EXPENDITURES	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
cap sheet roof-rec building	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Useful life	3	2	1	0	11	10	9	8	7	6	5	4	3	2	1
Replacement cost	750	763	776	790	804	818	832	847	862	877	892	908	924	940	957
Liability	563	636	711	790	867	136	208	282	359	439	520	605	693	783	877
tile roof-rec building	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Useful life	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2
Replacement cost	8,400	8,548	8,698	8,851	9,007	9,166	9,327	9,491	9,658	9,828	10,001	10,177	10,356	10,538	10,723
Liability	4,560	4,885	5,219	5,563	5,919	6,285	6,662	7,050	7,450	7,862	8,287	8,723	9,172	9,635	10,110
standing seam roof-rec building	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-resurface	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-coating	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
gutters & downspouts	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
foundations/structural frame-rec	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
structural pest control-rec bldg	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
wood decking-rec building	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Useful life	6	5	4	3	2	1	0	19	18	17	16	15	14	13	12
Replacement cost	3,200	3,256	3,313	3,371	3,430	3,490	3,551	3,613	3,677	3,742	3,808	3,875	3,943	4,012	4,083
Liability	2,240	2,442	2,650	2,865	3,087	3,316	3,551	3,811	4,088	4,381	4,681	4,988	5,303	5,626	5,957
stucco-rec building	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Useful life	3	2	1	0	9	8	7	6	5	4	3	2	1	0	9
Replacement cost	1,400	1,425	1,450	1,476	1,502	1,528	1,555	1,582	1,610	1,638	1,667	1,696	1,726	1,756	1,787
Liability	980	1,140	1,305	1,476	1,502	1,528	1,555	1,582	1,610	1,638	1,667	1,696	1,726	1,756	1,787

COMPONENT LIABILITY ANALYSIS
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

EXPENDITURES	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
trim-rec building															
Useful life	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Remaining life	0	3	2	1	0	3	2	1	0	3	2	1	0	3	2
Replacement cost	500	509	518	527	536	545	555	565	575	585	595	605	616	627	638
Liability	500	127	259	395	536	136	278	424	575	146	298	454	616	157	319
doors-rec building															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	1,500	1,526	1,553	1,580	1,608	1,636	1,665	1,694	1,724	1,754	1,785	1,816	1,848	1,881	1,914
Liability	1,500	305	621	948	1,286	1,636	333	678	1,034	1,403	1,785	363	739	1,129	1,531
interior flatwork-rec building															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	3	2	1	0	9	8	7	6	5	4	3	2	1	0	9
Replacement cost	2,850	2,900	2,951	3,003	3,056	3,110	3,165	3,221	3,278	3,336	3,395	3,455	3,516	3,578	3,641
Liability	1,995	2,320	2,656	3,003	306	622	950	1,288	1,639	2,002	2,377	2,764	3,164	3,578	364
ironwork															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	21,200	21,573	21,953	22,339	22,732	23,132	23,539	23,953	24,375	24,804	25,241	25,685	26,137	26,597	27,065
Liability	21,200	4,315	8,781	13,403	18,186	23,132	4,708	9,581	14,625	19,843	25,241	5,137	10,455	15,958	21,652
concrete block walls															
Useful life	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Remaining life	3	2	1	0	7	6	5	4	3	2	1	0	7	6	5
Replacement cost	8,700	8,853	9,009	9,168	9,329	9,493	9,660	9,830	10,003	10,179	10,358	10,540	10,726	10,915	11,107
Liability	5,438	6,640	7,883	9,168	1,166	2,373	3,623	4,915	6,252	7,634	9,063	10,540	1,341	2,729	4,165
curbs															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
hvac-evaporative coil & furnace															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	1	0	19	18	17	16	15	14	13	12	11	10	9	8	7
Replacement cost	3,850	3,918	3,987	4,057	4,128	4,201	4,275	4,350	4,427	4,505	4,584	4,665	4,747	4,831	4,916
Liability	3,658	3,918	199	406	619	840	1,069	1,305	1,549	1,802	2,063	2,333	2,611	2,899	3,195
hvac-condenser															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6
Replacement cost	5,050	5,139	5,229	5,321	5,415	5,510	5,607	5,706	5,806	5,908	6,012	6,118	6,226	6,336	6,448
Liability	5,050	514	1,046	1,596	2,166	2,755	3,364	3,994	4,645	5,317	6,012	6,712	7,445	8,217	9,029
distribution piping-rec building															
Useful life	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Remaining life	21	20	19	18	17	16	15	14	13	12	11	10	9	8	7
Replacement cost	6,550	6,665	6,782	6,901	7,022	7,146	7,272	7,400	7,530	7,663	7,798	7,935	8,075	8,217	8,362
Liability	3,111	3,333	3,561	3,796	4,038	4,288	4,545	4,810	5,083	5,364	5,654	5,951	6,258	6,574	6,899
drainage/sewer piping-rec bldg															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

EXPENDITURES	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
water heater-rec building															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6
Replacement cost	700	712	725	738	751	764	777	791	805	819	833	848	863	878	893
Liability	700	712	715	721	730	738	746	754	764	773	783	793	803	813	823
fire sprinklers-rec building															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
surveillance camera system															
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	6	5	4	3	2	1	0	11	10	9	8	7	6	5	4
Replacement cost	7,350	7,479	7,611	7,745	7,881	8,020	8,161	8,305	8,451	8,600	8,751	8,905	9,062	9,221	9,383
Liability	3,675	4,363	5,074	5,809	6,568	7,352	8,161	8,992	9,847	10,728	11,647	12,605	13,605	14,649	15,739
lighting-exit signs (rec building)															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-exterior (rec building)															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-interior (rec building)															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-landscape															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
carpeting-rec building															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6
Replacement cost	2,400	2,442	2,485	2,529	2,574	2,619	2,665	2,712	2,760	2,809	2,858	2,908	2,959	3,011	3,064
Liability	2,400	2,444	2,487	2,531	2,576	2,622	2,669	2,717	2,766	2,816	2,867	2,918	2,970	3,023	3,076
tile-rec building															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	6	5	4	3	2	1	0	19	18	17	16	15	14	13	12
Replacement cost	9,200	9,362	9,527	9,695	9,866	10,040	10,217	10,397	10,580	10,766	10,955	11,148	11,344	11,544	11,747
Liability	6,440	7,022	7,622	8,241	8,879	9,538	10,217	10,928	11,672	12,451	13,266	14,118	15,009	15,944	16,925
plaster-pool															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	3	2	1	0	9	8	7	6	5	4	3	2	1	0	9
Replacement cost	8,900	9,057	9,216	9,378	9,543	9,711	9,882	10,056	10,233	10,413	10,596	10,782	10,972	11,165	11,362
Liability	6,230	7,246	8,294	9,378	9,543	9,711	9,882	10,056	10,233	10,413	10,596	10,782	10,972	11,165	11,362

COMPONENT LIABILITY ANALYSIS
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

EXPENDITURES	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
tile-spa															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3
Replacement cost	4,000	4,070	4,142	4,215	4,289	4,364	4,441	4,519	4,599	4,680	4,762	4,846	4,931	5,018	5,106
Liability	600	814	1,036	1,265	1,501	1,746	1,998	2,260	2,529	2,808	3,095	3,392	3,698	4,014	4,340
tile & coping															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3
Replacement cost	6,000	6,106	6,213	6,322	6,433	6,546	6,661	6,778	6,897	7,018	7,142	7,268	7,396	7,526	7,658
Liability	900	1,221	1,553	1,897	2,252	2,618	2,997	3,389	3,793	4,211	4,642	5,088	5,547	6,021	6,509
heaters															
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	0	11	10	9	8	7	6	5	4	3	2	1	0	11	10
Replacement cost	7,950	8,090	8,232	8,377	8,524	8,674	8,827	8,982	9,140	9,301	9,465	9,632	9,802	9,975	10,151
Liability	7,950	674	1,372	2,094	2,841	3,614	4,414	5,240	6,093	6,976	7,888	8,829	9,802	831	1,692
filters															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6
Replacement cost	2,050	2,086	2,123	2,160	2,198	2,237	2,276	2,316	2,357	2,398	2,440	2,483	2,527	2,571	2,616
Liability	2,050	209	425	648	879	1,119	1,366	1,621	1,886	2,158	2,440	2,48	505	771	1,046
motors															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	1,500	1,526	1,553	1,580	1,608	1,636	1,665	1,694	1,724	1,754	1,785	1,816	1,848	1,881	1,914
Liability	1,500	305	621	948	1,286	1,636	333	678	1,034	1,403	1,785	363	739	1,129	1,531
pumps															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	0	14	13	12	11	10	9	8	7	6	5	4	3	2	1
Replacement cost	1,500	1,526	1,553	1,580	1,608	1,636	1,665	1,694	1,724	1,754	1,785	1,816	1,848	1,881	1,914
Liability	1,500	102	207	316	429	545	666	791	919	1,052	1,190	1,332	1,478	1,630	1,786
chlorinators															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	600	611	622	633	644	655	667	679	691	703	715	728	741	754	767
Liability	600	122	249	380	515	655	133	272	415	562	715	146	296	452	614
furniture-replace															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	3	2	1	0	9	8	7	6	5	4	3	2	1	0	9
Replacement cost	5,450	5,546	5,644	5,743	5,844	5,947	6,052	6,159	6,267	6,377	6,489	6,603	6,719	6,837	6,957
Liability	3,815	4,437	5,080	5,743	584	1,189	1,816	2,464	3,134	3,826	4,542	5,282	6,047	6,837	696
furniture-refurbish															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	8	7	6	5	4	3	2	1	0	9	8	7	6	5	4
Replacement cost	2,150	2,188	2,227	2,266	2,306	2,347	2,388	2,430	2,473	2,517	2,561	2,606	2,652	2,699	2,747
Liability	430	656	891	1,133	1,384	1,643	1,910	2,187	2,473	2,822	3,122	3,422	3,722	4,021	4,321
acrylic modified cement-rsrf															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	12	11	10	9	8	7	6	5	4	3	2	1	0	14	13
Replacement cost	10,500	10,685	10,873	11,064	11,259	11,457	11,659	11,864	12,073	12,285	12,501	12,721	12,945	13,173	13,405
Liability	2,100	2,849	3,624	4,426	5,254	6,110	6,995	7,909	8,854	9,828	10,834	11,873	12,945	878	1,787

COMPONENT LIABILITY ANALYSIS
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EXPENDITURES	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
acrylic modified cement-coat															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	7	6	5	4	3	2	1	0	9	8	7	6	5	4	3
Replacement cost	4,200	4,274	4,349	4,426	4,504	4,583	4,664	4,746	4,830	4,915	5,002	5,090	5,180	5,271	5,364
Liability	1,260	1,710	2,175	2,656	3,153	3,666	4,198	4,746	483	993	1,501	2,036	2,590	3,163	3,755
asphalt seal coat															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	48,900	49,761	50,637	51,528	52,435	53,358	54,297	55,253	56,225	57,215	58,222	59,247	60,290	61,351	62,431
Liability	48,900	9,952	20,255	30,917	41,948	53,358	10,859	22,101	33,735	45,772	58,222	11,849	24,116	36,811	49,945
asphalt overlay															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	6	5	4	3	2	1	0	19	18	17	16	15	14	13	12
Replacement cost	442,400	450,186	458,109	466,172	474,377	482,726	491,222	499,868	508,666	517,619	526,729	535,999	545,433	555,033	564,802
Liability	309,680	337,640	366,487	396,246	426,939	458,590	491,222	24,993	50,867	77,643	105,346	134,000	163,630	194,262	225,921
concrete block walls															
Useful life	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Remaining life	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement cost	450	458	466	474	482	490	499	508	517	526	535	544	554	564	574
Liability	450	458	466	474	482	490	499	508	517	526	535	544	554	564	574
concrete flatwork															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete pavers															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
irrigation controllers															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6
Replacement cost	10,800	10,990	11,183	11,380	11,580	11,784	11,991	12,202	12,417	12,636	12,858	13,084	13,314	13,548	13,786
Liability	10,800	1,099	2,237	3,414	4,632	5,892	7,195	8,541	9,934	11,372	12,858	1,308	2,663	4,064	5,514
back flow preventers															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	1	0	14	13	12	11	10	9	8	7	6	5	4	3	2
Replacement cost	6,300	6,411	6,524	6,639	6,756	6,875	6,996	7,119	7,244	7,371	7,501	7,633	7,767	7,904	8,043
Liability	5,880	6,411	435	885	1,351	1,833	2,332	2,848	3,381	3,931	4,501	5,089	5,696	6,323	6,971
wrought iron															
Useful life	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Remaining life	6	5	4	3	2	1	0	24	23	22	21	20	19	18	17
Replacement cost	22,950	23,354	23,765	24,183	24,609	25,042	25,483	25,932	26,388	26,852	27,325	27,806	28,295	28,793	29,300
Liability	17,442	18,683	19,963	21,281	22,640	24,040	25,483	1,037	2,111	3,222	4,372	5,561	6,791	8,062	9,376
retention basins															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

COMPONENT LIABILITY ANALYSIS
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

EXPENDITURES	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032
furnishings-recreation building															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	3	2	1	0	14	13	12	11	10	9	8	7	6	5	4
Replacement cost	10,000	10,176	10,355	10,537	10,722	10,911	11,103	11,298	11,497	11,699	11,905	12,115	12,328	12,545	12,766
Liability	8,000	8,819	9,665	10,537	715	1,455	2,221	3,013	3,832	4,660	5,556	6,461	7,397	8,363	9,362
restrooms															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	3	2	1	0	19	18	17	16	15	14	13	12	11	10	9
Replacement cost	3,650	3,714	3,779	3,846	3,914	3,983	4,053	4,124	4,197	4,271	4,346	4,422	4,500	4,579	4,660
Liability	3,103	3,343	3,590	3,846	196	398	608	825	1,049	1,281	1,521	1,769	2,025	2,290	2,563
kitchen															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ramadas															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
picnic tables															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	3	2	1	0	19	18	17	16	15	14	13	12	11	10	9
Replacement cost	2,100	2,137	2,175	2,213	2,252	2,292	2,332	2,373	2,415	2,458	2,501	2,545	2,590	2,636	2,682
Liability	1,785	1,923	2,066	2,213	113	229	350	475	604	737	875	1,018	1,166	1,318	1,475
benches															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	3	2	1	0	19	18	17	16	15	14	13	12	11	10	9
Replacement cost	5,750	5,851	5,954	6,059	6,166	6,275	6,385	6,497	6,611	6,727	6,845	6,965	7,088	7,213	7,340
Liability	4,888	5,266	5,656	6,059	308	628	958	1,299	1,653	2,018	2,396	2,786	3,190	3,607	4,037
barbecue															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6
Replacement cost	750	763	776	790	804	818	832	847	862	877	892	908	924	940	957
Liability	750	76	155	237	322	409	499	593	690	789	892	91	185	282	383
mailboxes															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
monuments															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	3	2	1	0	19	18	17	16	15	14	13	12	11	10	9
Replacement cost	7,350	7,479	7,611	7,745	7,881	8,020	8,161	8,305	8,451	8,600	8,751	8,905	9,062	9,221	9,383
Liability	6,248	6,731	7,230	7,745	394	802	1,224	1,661	2,113	2,580	3,063	3,562	4,078	4,611	5,161
Contingency - 5%	5,293	539	23	3,022	51	4,045	26,957	263	178	26	5,709	554	1,196	1,195	29
TOTAL LIABILITY	516,164	463,560	511,984	576,199	575,426	643,059	650,399	142,541	197,097	255,270	324,435	269,270	324,999	369,081	413,891

COMPONENT LIABILITY ANALYSIS
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

EXPENDITURES	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
cap sheet roof-rec building															
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	0	11	10	9	8	7	6	5	4	3	2	1	0	11	10
Replacement cost	974	991	1,008	1,026	1,044	1,062	1,081	1,100	1,119	1,139	1,159	1,179	1,200	1,221	1,242
Liability	974	83	168	257	348	443	541	642	746	854	966	1,081	1,200	1,202	207
tile roof-rec building															
Useful life	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Remaining life	1	0	34	33	32	31	30	29	28	27	26	25	24	23	22
Replacement cost	10,912	11,104	11,299	11,498	11,700	11,906	12,116	12,329	12,546	12,767	12,992	13,221	13,454	13,691	13,932
Liability	10,600	11,104	323	657	1,003	1,361	1,731	2,114	2,509	2,918	3,341	3,777	4,228	4,694	5,175
standing seam roof-rec building															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-resurface															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
membrane decks-coating															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
gutters & downspouts															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
foundations/structural frame-rec															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
structural pest control-rec bldg															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
wood decking-rec building															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	11	10	9	8	7	6	5	4	3	2	1	0	19	18	17
Replacement cost	4,155	4,228	4,302	4,378	4,455	4,533	4,613	4,694	4,777	4,861	4,947	5,034	5,123	5,213	5,305
Liability	1,870	2,114	2,366	2,627	2,896	3,173	3,460	3,755	4,060	4,375	4,700	5,034	5,366	5,711	6,066
stucco-rec building															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	8	7	6	5	4	3	2	1	0	9	8	7	6	5	4
Replacement cost	1,818	1,850	1,883	1,916	1,950	1,984	2,019	2,055	2,091	2,128	2,165	2,203	2,242	2,281	2,321
Liability	364	555	753	958	1,170	1,389	1,615	1,850	2,091	2,339	2,594	2,856	3,124	3,397	3,675

COMPONENT LIABILITY ANALYSIS
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

EXPENDITURES	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
trim-rec building															
Useful life	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Remaining life	1	0	3	2	1	0	3	2	1	0	3	2	1	0	3
Replacement cost	649	660	672	684	696	708	720	733	746	759	772	786	800	814	828
Liability	487	660	168	342	522	708	180	367	560	759	193	393	600	814	207
doors-rec building															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	1,948	1,982	2,017	2,052	2,088	2,125	2,162	2,200	2,239	2,278	2,318	2,359	2,401	2,443	2,486
Liability	1,948	396	807	1,231	1,670	2,125	432	880	1,343	1,822	2,318	472	960	1,466	1,989
interior flatwork-rec building															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	8	7	6	5	4	3	2	1	0	9	8	7	6	5	4
Replacement cost	3,705	3,770	3,836	3,904	3,973	4,043	4,114	4,186	4,260	4,335	4,411	4,489	4,568	4,648	4,730
Liability	741	1,131	1,534	1,952	2,384	2,830	3,291	3,767	4,260	4,743	5,218	5,697	6,182	6,674	7,166
ironwork															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	27,541	28,026	28,519	29,021	29,532	30,052	30,581	31,119	31,667	32,224	32,791	33,368	33,955	34,553	35,161
Liability	27,541	5,605	11,408	17,413	23,626	30,052	6,116	12,448	19,000	25,779	32,791	6,674	13,582	20,732	28,129
concrete block walls															
Useful life	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Remaining life	4	3	2	1	0	7	6	5	4	3	2	1	0	7	6
Replacement cost	11,302	11,501	11,703	11,909	12,119	12,332	12,549	12,770	12,995	13,224	13,457	13,694	13,935	14,180	14,430
Liability	5,651	7,188	8,777	10,420	12,119	1,542	3,137	4,789	6,498	8,265	10,093	11,982	13,935	1,773	3,608
curbs															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
hvac-evaporative coil & furnace															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	6	5	4	3	2	1	0	19	18	17	16	15	14	13	12
Replacement cost	5,003	5,091	5,181	5,272	5,365	5,459	5,555	5,653	5,752	5,853	5,956	6,061	6,168	6,277	6,387
Liability	3,502	3,818	4,145	4,481	4,829	5,186	5,555	1,283	575	878	1,191	1,515	1,850	2,197	2,555
hvac-condenser															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	5	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	6,561	6,676	6,793	6,913	7,035	7,159	7,285	7,413	7,543	7,676	7,811	7,948	8,088	8,230	8,375
Liability	3,281	4,006	4,755	5,530	6,332	7,159	7,29	1,483	2,263	3,070	3,906	4,769	5,662	6,584	7,538
distribution piping-rec building															
Useful life	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Remaining life	6	5	4	3	2	1	0	39	38	37	36	35	34	33	32
Replacement cost	8,509	8,659	8,811	8,966	9,124	9,285	9,448	9,614	9,783	9,955	10,130	10,308	10,489	10,674	10,862
Liability	7,233	7,577	7,930	8,294	8,668	9,053	9,448	240	489	747	1,013	1,289	1,573	1,868	2,172
drainage/sewer piping-rec bldg															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

COMPONENT LIABILITY ANALYSIS
COTTONWOOD SQUARE & COMMONS HOMEOWNERS ASSOCIATION, INC. - 175 UNITS

EXPENDITURES	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
water heater-rec building															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	5	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	909	925	941	958	975	992	1,009	1,027	1,045	1,063	1,082	1,101	1,120	1,140	1,160
Liability	455	555	659	766	878	992	1,011	205	314	425	541	661	784	912	1,044
fire sprinklers-rec building															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
surveillance camera system															
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	3	2	1	0	11	10	9	8	7	6	5	4	3	2	1
Replacement cost	9,548	9,746	9,887	10,061	10,238	10,418	10,601	10,788	10,978	11,171	11,368	11,568	11,772	11,979	12,190
Liability	7,161	8,097	9,063	10,061	853	1,736	2,650	3,596	4,574	5,586	6,631	7,712	8,829	9,983	11,174
lighting-exit signs (rec building)															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-exterior (rec building)															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-interior (rec building)															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
lighting-landscape															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
carpeting-rec building															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	5	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	3,118	3,173	3,229	3,286	3,344	3,403	3,463	3,524	3,586	3,649	3,713	3,778	3,844	3,912	3,981
Liability	1,559	1,904	2,260	2,629	3,010	3,403	346	705	1,076	1,460	1,857	2,267	2,691	3,130	3,583
tile-rec building															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	11	10	9	8	7	6	5	4	3	2	1	0	19	18	17
Replacement cost	11,954	12,164	12,378	12,596	12,818	13,044	13,274	13,508	13,746	13,988	14,234	14,485	14,740	14,999	15,263
Liability	5,379	6,082	6,808	7,558	8,332	9,131	9,956	10,806	11,684	12,589	13,522	14,485	15,477	16,500	17,553
plaster-pool															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	8	7	6	5	4	3	2	1	0	9	8	7	6	5	4
Replacement cost	11,562	11,765	11,972	12,183	12,397	12,615	12,837	13,063	13,293	13,527	13,765	14,007	14,254	14,505	14,760
Liability	2,312	3,530	4,789	6,092	7,438	8,831	10,270	11,757	13,293	1,353	2,753	4,202	5,702	7,253	8,856

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EXPENDITURES	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
tile-spa															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	2	1	0	19	18	17	16	15	14	13	12	11	10	9	8
Replacement cost	5,196	5,287	5,380	5,475	5,571	5,669	5,769	5,871	5,974	6,079	6,186	6,295	6,406	6,519	6,634
Liability	4,676	5,023	5,380	274	557	850	1,154	1,468	1,792	2,128	2,474	2,833	3,203	3,585	3,980
tile & coping															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	2	1	0	19	18	17	16	15	14	13	12	11	10	9	8
Replacement cost	7,793	7,930	8,070	8,212	8,357	8,504	8,654	8,806	8,961	9,119	9,279	9,442	9,608	9,777	9,949
Liability	7,014	7,534	8,070	411	836	1,276	1,731	2,202	2,688	3,192	3,712	4,249	4,804	5,377	5,969
heaters															
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	9	8	7	6	5	4	3	2	1	0	11	10	9	8	7
Replacement cost	10,330	10,512	10,697	10,885	11,077	11,272	11,470	11,672	11,877	12,086	12,299	12,515	12,735	12,959	13,187
Liability	2,583	3,504	4,457	5,443	6,462	7,515	8,603	9,727	10,887	12,086	1,025	2,086	3,184	4,320	5,495
filters															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	5	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	2,662	2,709	2,757	2,806	2,855	2,905	2,956	3,008	3,061	3,115	3,170	3,226	3,283	3,341	3,400
Liability	1,331	1,625	1,930	2,245	2,570	2,905	296	602	918	1,246	1,585	1,936	2,298	2,673	3,060
motors															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	1,948	1,982	2,017	2,052	2,088	2,125	2,162	2,200	2,239	2,278	2,318	2,359	2,401	2,443	2,486
Liability	1,948	396	807	1,231	1,670	2,125	432	880	1,343	1,822	2,318	472	960	1,466	1,989
pumps															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	0	14	13	12	11	10	9	8	7	6	5	4	3	2	1
Replacement cost	1,948	1,982	2,017	2,052	2,088	2,125	2,162	2,200	2,239	2,278	2,318	2,359	2,401	2,443	2,486
Liability	1,948	132	269	410	557	708	865	1,027	1,194	1,367	1,545	1,730	1,921	2,117	2,320
chlorinators															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	780	794	808	822	836	851	866	881	897	913	929	945	962	979	996
Liability	780	159	323	493	669	851	173	352	538	730	929	189	385	587	797
furniture-replace															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	8	7	6	5	4	3	2	1	0	9	8	7	6	5	4
Replacement cost	7,079	7,204	7,331	7,460	7,591	7,725	7,861	7,999	8,140	8,283	8,429	8,577	8,728	8,882	9,038
Liability	1,416	2,161	2,932	3,730	4,555	5,408	6,289	7,199	8,140	828	1,686	2,573	3,491	4,441	5,423
furniture-refurbish															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	3	2	1	0	9	8	7	6	5	4	3	2	1	0	9
Replacement cost	2,795	2,844	2,894	2,945	2,997	3,050	3,104	3,159	3,215	3,272	3,330	3,389	3,449	3,510	3,572
Liability	1,957	2,275	2,605	2,945	300	610	931	1,284	1,608	1,963	2,331	2,711	3,104	3,510	3,927
acrylic modified cement-rsrf															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	12	11	10	9	8	7	6	5	4	3	2	1	0	14	13
Replacement cost	13,641	13,881	14,125	14,374	14,627	14,884	15,146	15,413	15,684	15,960	16,241	16,527	16,818	17,114	17,415
Liability	2,728	3,702	4,708	5,750	6,826	7,938	9,088	10,275	11,502	12,768	14,076	15,425	16,818	1,141	2,322

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EXPENDITURES	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
acrylic modified cement-coat															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	2	1	0	9	8	7	6	5	4	3	2	1	0	9	8
Replacement cost	5,458	5,554	5,652	5,751	5,852	5,955	6,060	6,167	6,276	6,386	6,498	6,612	6,728	6,846	6,966
Liability	4,366	4,999	5,652	575	1,170	1,787	2,424	3,084	3,766	4,470	5,198	5,951	6,728	7,585	8,433
asphalt seal coat															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	63,530	64,648	65,786	66,944	68,122	69,321	70,541	71,783	73,046	74,332	75,640	76,971	78,326	79,705	81,108
Liability	63,530	12,930	26,314	40,166	54,498	69,321	14,108	28,713	43,828	59,466	75,640	15,394	31,330	47,823	64,886
asphalt overlay															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	11	10	9	8	7	6	5	4	3	2	1	0	19	18	17
Replacement cost	574,743	584,858	595,152	605,627	616,286	627,133	638,171	649,403	660,832	672,463	684,298	696,342	708,598	721,069	733,760
Liability	258,634	292,429	327,334	363,376	400,586	438,993	478,628	519,522	561,707	605,217	650,083	696,342	743,979	793,107	843,824
concrete block walls															
Useful life	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Remaining life	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement cost	584	594	604	615	626	637	648	659	671	683	695	707	719	732	745
Liability	584	594	604	615	626	637	648	659	671	683	695	707	719	732	745
concrete flatwork															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
concrete pavers															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
irrigation controllers															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	5	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	14,029	14,276	14,527	14,783	15,043	15,308	15,577	15,851	16,130	16,414	16,703	16,997	17,296	17,600	17,910
Liability	7,015	8,566	10,169	11,826	13,539	15,308	1,558	3,170	4,839	6,566	8,352	10,198	12,107	14,080	16,119
back flow preventers															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	1	0	14	13	12	11	10	9	8	7	6	5	4	3	2
Replacement cost	8,185	8,329	8,476	8,625	8,775	8,931	9,088	9,248	9,411	9,577	9,746	9,918	10,093	10,271	10,452
Liability	7,639	8,329	565	1,150	1,755	2,382	3,029	3,699	4,392	5,108	5,848	6,612	7,402	8,217	9,058
wrought iron															
Useful life	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Remaining life	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2
Replacement cost	29,816	30,341	30,875	31,418	31,971	32,534	33,107	33,690	34,283	34,886	35,500	36,125	36,761	37,408	38,066
Liability	10,734	12,136	13,585	15,081	16,625	18,219	19,864	21,562	23,312	25,118	26,980	28,900	30,879	32,919	35,021
retention basins															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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EXPENDITURES	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
furnishings-recreation building															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	3	2	1	0	14	13	12	11	10	9	8	7	6	5	4
Replacement cost	12,991	13,220	13,453	13,690	13,931	14,176	14,425	14,679	14,937	15,200	15,468	15,740	16,017	16,299	16,586
Liability	10,393	11,457	12,556	13,690	929	1,890	2,885	3,914	4,979	6,080	7,218	8,395	9,610	10,866	12,163
restrooms															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	8	7	6	5	4	3	2	1	0	19	18	17	16	15	14
Replacement cost	4,742	4,825	4,910	4,996	5,084	5,173	5,264	5,357	5,451	5,547	5,645	5,744	5,845	5,948	6,053
Liability	2,845	3,136	3,437	3,747	4,067	4,397	4,738	5,089	5,451	5,822	6,199	6,582	6,965	7,354	7,747
kitchen															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ramadas															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
picnic tables															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	8	7	6	5	4	3	2	1	0	19	18	17	16	15	14
Replacement cost	2,729	2,777	2,826	2,876	2,927	2,979	3,031	3,084	3,138	3,193	3,249	3,306	3,364	3,423	3,483
Liability	1,637	1,805	1,978	2,157	2,342	2,532	2,728	2,930	3,138	3,351	3,564	3,786	4,014	4,247	4,484
benches															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	8	7	6	5	4	3	2	1	0	19	18	17	16	15	14
Replacement cost	7,469	7,600	7,734	7,870	8,009	8,150	8,293	8,439	8,588	8,739	8,893	9,050	9,209	9,371	9,536
Liability	4,481	4,940	5,414	5,903	6,407	6,928	7,464	8,017	8,588	9,179	9,784	10,404	11,039	11,694	12,369
barbecue															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	5	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	974	991	1,008	1,026	1,044	1,062	1,081	1,100	1,119	1,139	1,159	1,179	1,200	1,221	1,242
Liability	487	595	706	821	940	1,062	1,188	1,319	1,456	1,599	1,747	1,900	2,058	2,221	2,389
mailboxes															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
monuments															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	8	7	6	5	4	3	2	1	0	19	18	17	16	15	14
Replacement cost	9,548	9,716	9,887	10,061	10,238	10,418	10,601	10,788	10,978	11,171	11,368	11,568	11,772	11,979	12,190
Liability	5,729	6,315	6,921	7,546	8,190	8,855	9,541	10,249	10,978	11,735	12,518	13,328	14,164	15,027	15,919
Contingency - 5%	4,963	1,034	985	1,366	637	6,832	783	33	2,831	676	5,735	35,828	1,970	253	37
TOTAL LIABILITY	490,476	460,181	514,414	572,219	623,391	698,443	637,626	705,544	794,761	824,930	908,057	916,010	248,534	292,551	375,248

CONDITION ASSESSMENT

ASSOCIATION:

Cottonwood Square and Commons Homeowners Association

First & 16th Street

Cottonwood, Arizona

DATE OF SURVEY:

February 28, 2017

INSPECTOR(S):

Tom Wilson

WEATHER CONDITIONS:

Some Rain and Mild

OTHER PERSONS PRESENT:

David Steinke, Kinney Management

INTRODUCTION

This **Condition Assessment** is a re-evaluation of those major association maintained components that are subject to deterioration at a predictable rate and within a thirty (30) year projection of the study. A threshold of \$500 has been utilized in this report, and therefore any component with an average cost of less than that would be presumed to be funded from the operating account. Those elements with anticipated life expectancies of more than thirty (30) years (i.e. concrete surfaces, building superstructures, sewers, main electrical systems etc.) have, for the purposes of this study been defined as "lifetime components".

Estimated life expectancies and life cycles are based upon conditions that were readily visible and accessible at the time of the survey (which involved no destructive or intrusive methods of examination). RSI's field personnel access as many common areas as practicable. However, some random evaluation procedures were inevitable (i.e. not every square foot of roofing was inspected, and in the case of multiplicity of components, at least 25% were randomly observed). Only limited evaluations (i.e. less than 10% were made of exclusive use common areas, as these could only be properly accessed via the "separate interests". All quantities, types, and descriptions of components, where practical, were verified by field observation. Although the survey may identify design and/or installation deficiencies with certain components, this is done so in a limited manner. It is not the intent of this report to provide a comprehensive listing of construction deficiencies. If the association has concerns with regards to such matters, the advice of appropriately qualified specialists should be sought. The survey also relies upon the Association's CC & R's and information supplied by other parties, which may have included one or more of the following: the association's community manager; the board of directors; owners/occupants; contractors; and specialist consultants. The results are based upon the experience of the inspector, contractor bids and published cost estimating information (with local adjustment factors).

Invariably some assumptions have to be made in the compilation of this type of report. Anticipated events may not materialize and unpredictable circumstances could well occur. This report should only be considered as a tool for assistance in compilation of the association's budget and not as an all-encompassing prediction of future events. Rates of deterioration and repair/replacement costs frequently vary and such variations could significantly affect the content of the study. It is therefore imperative that the study be updated on a yearly basis and that a Condition Assessment be performed at least every 3 years (recommended every 2 years).

DESCRIPTION

The inspected property is a condominium association with 175 units (91 single family homes and 84 townhouse-style units) in 135 buildings, and a recreation room. Improvements include a large landscaped street frontage, walkways, a pool, a spa, a kitchen, and 2 restrooms. We were informed that the project is approximately 19 years old.

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	CAP SHEET ROOF – REC BUILDING	ID#(S) 0101



CAP SHEET ROOF – REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the cap-sheet roofing (flat) roofing on the recreation center building. It appeared to be in average condition for its age. On this type of structure, 2 layers are generally permitted. However, if the association should decide to re-roof over the existing roofing, experience dictates that the typical useful life of the new materials would be reduced by approximately one third (33%). The average component cost and typical useful life reflects removal of the existing roofing prior to the installation of the new roofing.*

TYPICAL USEFUL LIFE:	12 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 750

TO PROTECT YOUR INVESTMENT: *Periodic maintenance should include an examination for, and resealing of any separated laps and seams. All flashings should also be regularly examined and resealed as necessary. Any roof drains should be maintained in a clean and operational condition at all times to prevent damming, water retention and associated leakage. A maintenance contract with a licensed roofing contractor is strongly recommended.*

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	TILE ROOF -REC BUILDING	ID#(S) 0102



TILE ROOF -REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the concrete tile roofing (sloped) on the recreation center building. It appeared to be in average condition. Although the tile itself has a life expectancy of more than 35 years, replacement typically becomes necessary because of degradation of the underlayment. The remaining life expectancy is based upon the estimated age of the roofing, as the underlayment was not visible.*

TYPICAL USEFUL LIFE:	35 YEAR(S)
ESTIMATED REMAINING LIFE:	16 YEAR(S)
AVERAGE COMPONENT COST:	\$ 8,400

TO PROTECT YOUR INVESTMENT: *Periodic maintenance should include an examination for any broken tiles, which should be replaced as necessary. All flashings should also be regularly examined and re-sealed as necessary. In addition, any valley flashings should be cleared of debris, which can cause damming and associated leakage. A maintenance contract with a licensed roofing contractor is strongly recommended.*

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	STANDING SEAM ROOF -REC BUILDING	ID#(S) 0103



STANDING SEAM ROOF -REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the standing seam roofing (sloped/metal) on the recreation building. It would typically have a life expectancy in excess of 30 years and therefore no amount has been budgeted for its replacement at this time. However, it was observed to need painting.*

TYPICAL USEFUL LIFE:	30+ YEAR(S)
ESTIMATED REMAINING LIFE:	30+ YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component other than eventual painting. As the painting cycle would be somewhat unpredictable, it is recommended that the situation be monitored and funds for painting (when necessary) be supplied from the Contingency Reserve.*

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	MEMBRANE DECKS-RESURFACE	ID#(S) 0104



MEMBRANE DECKS-RESURFACE (TYPICAL)

OBSERVATIONS: *This component includes the membrane deck surfaces of the individual balconies. We were informed that maintenance and repairs are the responsibility of the individual homeowners. However, the lack of attention to these surfaces could cause damage to the building structure, and it is recommended that the association retain responsibility for same.*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: N/A.

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	MEMBRANE DECKS-COATING	ID#(S) 0105



MEMBRANE DECKS-COATING (TYPICAL)

OBSERVATIONS: *This component includes the coating for the membrane deck surfaces. We were informed that maintenance and repairs are the responsibility of the individual homeowners. However, the lack of attention to these surfaces could cause damage to the building structure, and it is recommended that the association retain responsibility for same.*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: N/A.

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	GUTTERS & DOWNSPOUTS	ID#(S) 0106



GUTTERS & DOWNSPOUTS (TYPICAL)

OBSERVATIONS: *The aluminum gutters and downspouts on some of the buildings appeared to be homeowner installed. We were informed that maintenance and repairs were the responsibility of the individual homeowners.*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: N/A.

CATEGORY:	STRUCTURE	
COMPONENT(S):	FOUNDATIONS/STRUCTURAL FRAME--REC	ID#(S) 0201



FOUNDATIONS/STRUCTURAL FRAME--REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the foundations and structural frame, along with the exterior surfaces of the recreation building. Provided there are no major catastrophes, the proper drainage principles are maintained, and that structural pest control procedures are adhered to (see component ID #0202), this would normally be a lifetime component for which no reserve budget would be called for.*

TYPICAL USEFUL LIFE:	30+ YEAR(S)
ESTIMATED REMAINING LIFE:	30+ YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *It is important that all grade levels be maintained 4-6 inches below the lowest edge of the structural frame. In addition, all grading should be properly sloped away from the structures for drainage and all downspouts should discharge onto hardscape areas or splash blocks such that rainwater is directed away from the structures.*

CATEGORY:	STRUCTURE	
COMPONENT(S):	STRUCTURAL PEST CONTROL--REC BUILDING	ID#(S) 0202



STRUCTURAL PEST CONTROL--REC BUILDING (TYPICAL)

OBSERVATIONS: *This component addresses the potential fumigation of the recreation building. When and where an infestation of wood destroying pests or organisms occurs, and how severe the infestation will be, is difficult to predict. The frequency for fumigation tends to be greater in ocean environments, while decreasing further inland, especially in desert environments. No funding for complete fumigation has been provided and it is recommended that any necessary treatments be funded on an as-needed basis from the operating account. It is suggested that the association seek the services of a licensed pest control operator for further evaluation and recommendations.*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *It is suggested that a regular and on-going maintenance program be established with a reputable licensed pest control operator. Such a program can minimize the necessity for fumigation. In addition, loose or cracked siding or stucco, peeling paint and gaps at trim around windows and doors should be repaired accordingly as to prevent moisture from making its way into the framing and providing an environment for termite infestation, fungus, and/or mold. It is recommended that planned inspection(s) be performed prior to repainting being done in order to identify & correct/repair these situations. Other situations that should be monitored with respect to termite infestation include low foundation walls, cracks in foundation walls, leaking pipes, over-watered landscape surrounding the structure, and damaged or nonexistent gutters and downspouts that discharge near the perimeter of the structures.*

CATEGORY:	STRUCTURE	
COMPONENT(S):	WOOD DECKING -REC BUILDING	ID#(S) 0203



WOOD DECKING -REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the wood decking at the recreation building. It appeared to be in average condition for its age.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	6 YEAR(S)
AVERAGE COMPONENT COST:	\$ 3,200

TO PROTECT YOUR INVESTMENT: *The wood decking should be regularly examined for potential decay, which should be incorporated as part of the regular pest control maintenance program. All damaged areas and loose boards should be repaired as necessary. Re-painting/staining is advocated at 4-year intervals for longevity of this component.*

CATEGORY:	<i>PAIN</i>	
COMPONENT(S):	<i>STUCCO -REC BUILDING</i>	ID#(S) 0301



STUCCO -REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the stucco at the recreation center building. They appeared to be in varying condition and performing better than expected.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 1,400

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component as well as prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.*

CATEGORY:	<i>PAIN</i>	
COMPONENT(S):	<i>TRIM - REC BUILDING</i>	ID#(S) 0302



TRIM - REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the wood trim at the recreation center building. They appeared to be in varying condition, however the majority appeared to be in aged condition.*

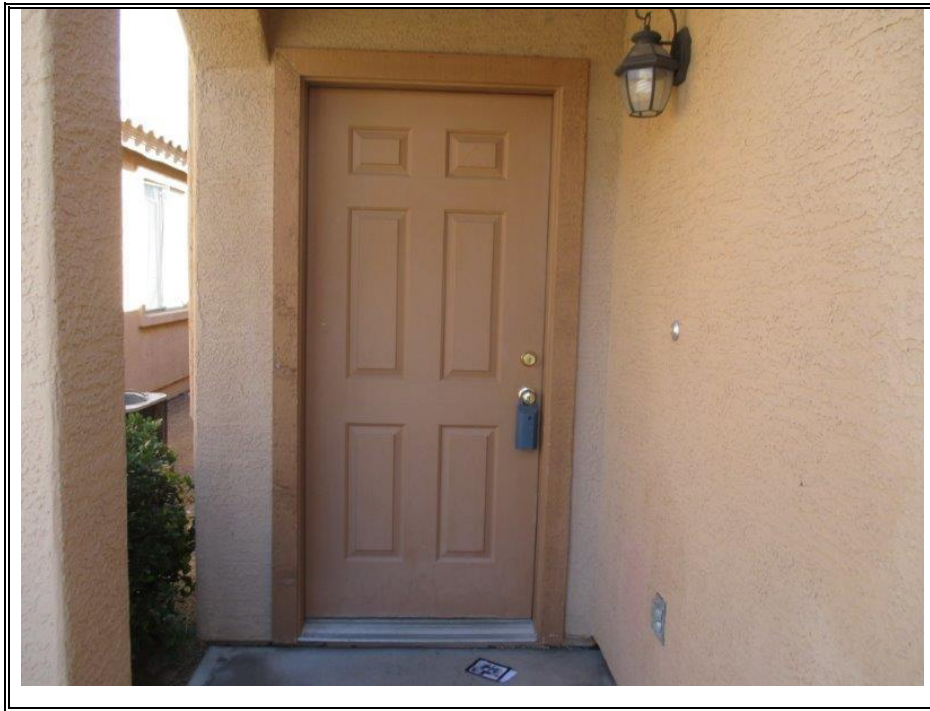
TYPICAL USEFUL LIFE:	4 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 500

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.*

CATEGORY: PAINT

COMPONENT(S): DOORS - REC BUILDING

ID#(S) 0303



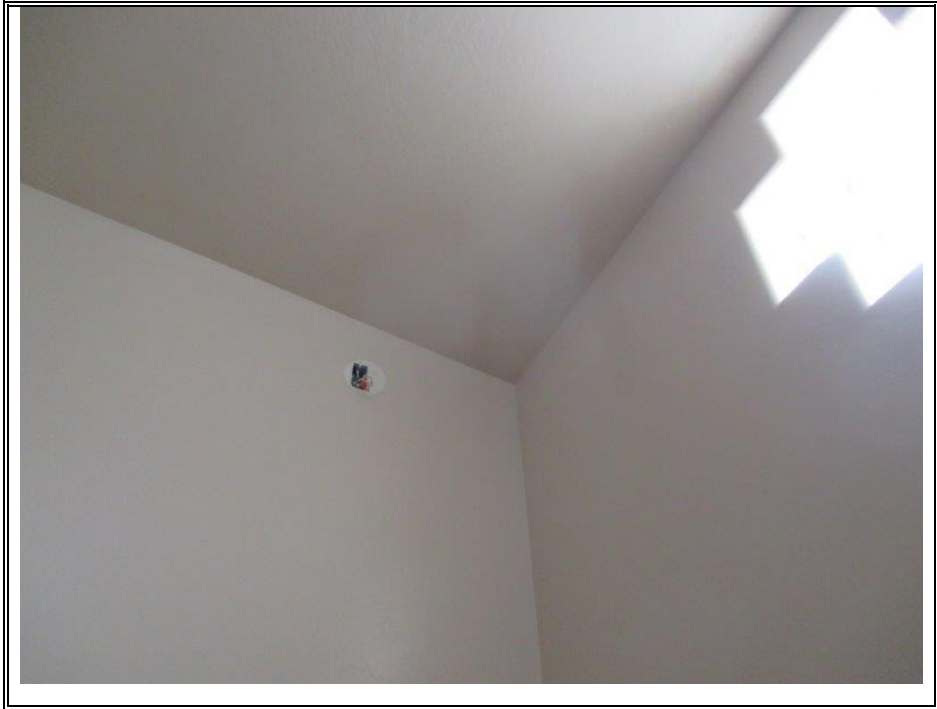
DOORS - REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the exteriors of both sides of the doors at the recreation center building. They appeared to be in varying condition, however the majority appeared to be in aged condition.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 1,500

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of doors should be examined prior to painting and re-caulked if required.*

CATEGORY:	PAINT	
COMPONENT(S):	INTERIOR FLATWORK- REC BUILDING	ID#(S) 0304



INTERIOR FLATWORK- REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the recreation room, kitchen, common area restrooms, meeting room, card room, and other miscellaneous areas in the recreation building. They appeared to be in average condition for their age.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,850

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.*

CATEGORY:	<i>PAINT</i>	
COMPONENT(S):	<i>IRONWORK</i>	ID#(S) 0305



IRONWORK (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the wrought iron fencing, gates, and rails located throughout the development. They appeared to be in aged condition.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 21,200

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, and for protection of the underlying component. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.*

CATEGORY:	PAINT	
COMPONENT(S):	CONCRETE BLOCK WALLS	ID#(S) 0306



CONCRETE BLOCK WALLS (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the concrete block walls at the perimeter and bounding the common areas. They appeared to be in average condition for their age.*

TYPICAL USEFUL LIFE:	8 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 8,700

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.*

CATEGORY: PAINT

COMPONENT(S): CURBS

ID#(S) 0307



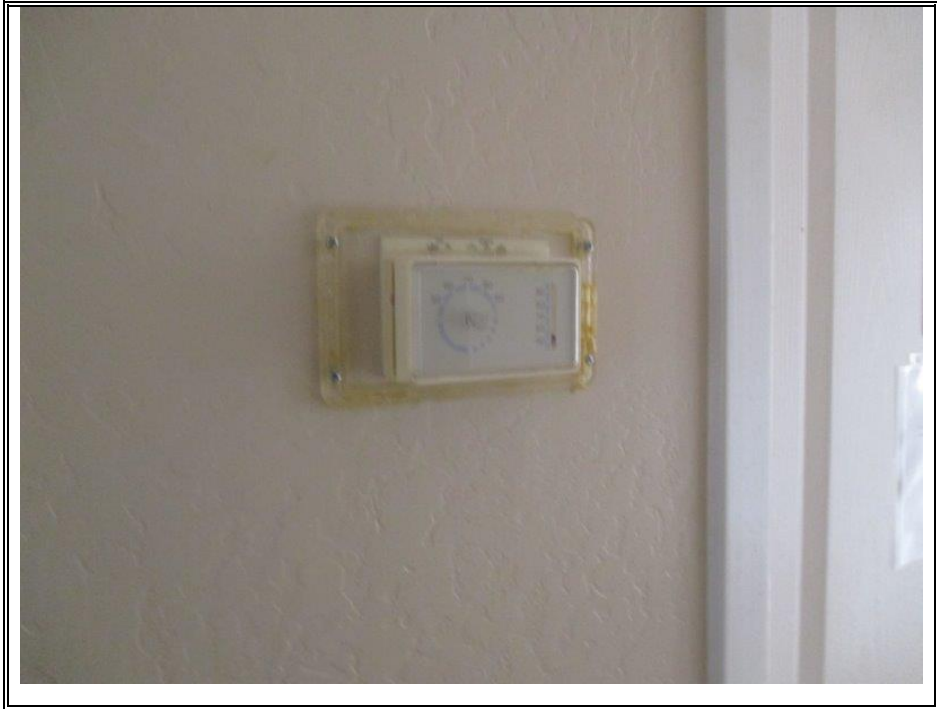
CURBS (TYPICAL)

OBSERVATIONS: *This component includes the painted red curbs throughout the development. They appeared to be in average condition. It is recommended that repainting be performed on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance. All peeling paint should be sanded / scraped prior to any finish paint.*

CATEGORY:	MECHANICAL	
COMPONENT(S):	HVAC-EVAPORATIVE COIL & FURNACE	ID#(S) 0401



HVAC-EVAPORATIVE COIL & FURNACE (TYPICAL)

OBSERVATIONS: *This component includes a forced air furnace, estimated @ 120,000 BTU, and evaporative coil for the heating / air conditioning system at the recreation building. It was inaccessible for inspection and for purposes of reporting the condition and remaining life has been assumed.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	1 YEAR(S)
AVERAGE COMPONENT COST:	\$ 3,850

TO PROTECT YOUR INVESTMENT: *The furnace and evaporative coil should be serviced twice a year. We recommend obtaining a maintenance contract with a reputable licensed heating/air conditioning company.*

CATEGORY: MECHANICAL

COMPONENT(S): HVAC-CONDENSER

ID#(S) 0402



HVAC-CONDENSER (TYPICAL)

OBSERVATIONS: *This component includes the condenser, estimated @ 5 tons, for the air conditioning system at the recreation building. It appeared to be in aged condition.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 5,050

TO PROTECT YOUR INVESTMENT: *The condenser should be serviced twice a year. We recommend obtaining a maintenance contract with a reputable licensed heating/air conditioning company.*

CATEGORY:	PLUMBING	
COMPONENT(S):	DISTRIBUTION PIPING-- REC BUILDING	ID#(S) 0501



DISTRIBUTION PIPING-- REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the copper distribution piping that provides potable water to the recreation building. It appeared to be in average condition and no problems were observed. Although previously considered to be a lifetime component, copper piping has more recently been found to fail as early as 15 years after installation. This is suspected to be primarily caused by changes in the chemical makeup of potable water due to the U.S. Environmental Protection Agency's (EPA) Safe Water Drinking Act and the Lead and Copper Rule (LCR). For purposes of reporting, an approximate time frame of 40 years has been assumed for future replacement. It is recommended that further evaluation be obtained from a licensed plumbing consultant / contractor, as well as consideration of an epoxy pipe lining system, and adjustments can be included in a future Reserve Study Update.*

TYPICAL USEFUL LIFE:	40 YEAR(S)
ESTIMATED REMAINING LIFE:	21 YEAR(S)
AVERAGE COMPONENT COST:	\$ 6,550

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance is needed for the piping other than periodic examination for leaking, especially in the garage area. Any leaks should be promptly repaired upon discovery, as any wood or soil that is kept constantly moist provides ideal conditions for termites. The association may consider professionally installing a water treatment system and / or an epoxy pipe lining system, which would serve to enhance the longevity of the piping.*

CATEGORY:	PLUMBING	
COMPONENT(S):	DRAINAGE/SEWER PIPING-- REC BUILDING	ID#(S) 0502



DRAINAGE/SEWER PIPING-- REC BUILDING (TYPICAL)

OBSERVATIONS: *This component addresses the sewer and drainage piping at the recreation building. It is recommended that repairs be performed on an as-needed basis and funded from the operating account. No amount has been provided for complete replacement as the piping would typically have a life well in excess of the scope of this projection and would therefore be considered a lifetime component.*

TYPICAL USEFUL LIFE:	30+ YEAR(S)
ESTIMATED REMAINING LIFE:	30+ YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Occasional routing should be performed to ensure that the drainage system is free flowing.*

CATEGORY:	PLUMBING	
COMPONENT(S):	WATER HEATER- REC BUILDING	ID#(S) 0503



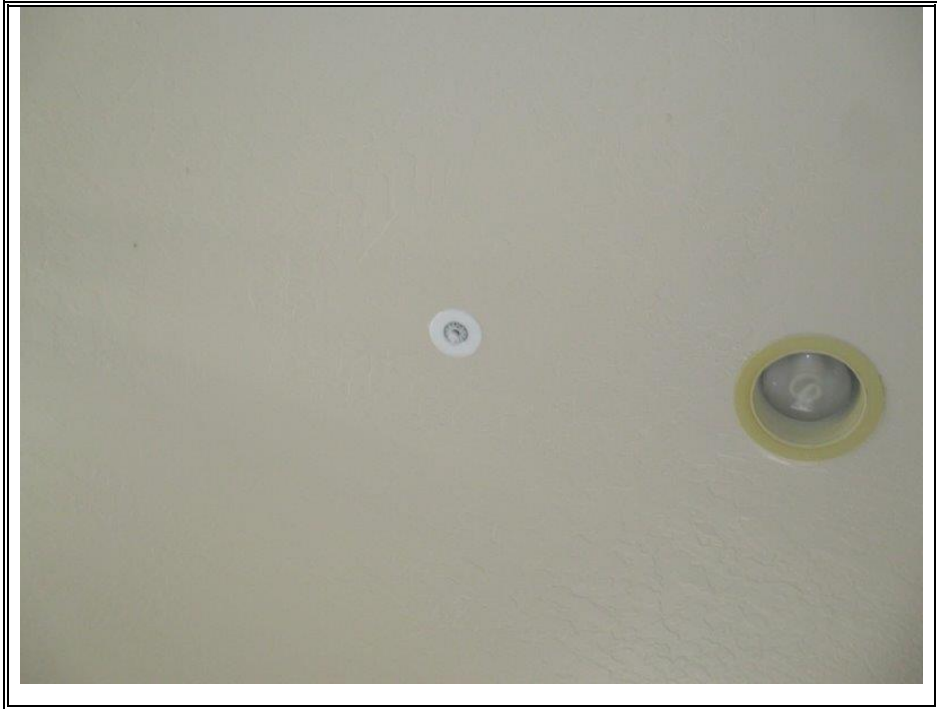
WATER HEATER- REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes a 30 gallon, gas water heater that provides hot water for the recreation building. It was inaccessible for inspection (locked) and for purposes of reporting the condition and remaining life has been assumed. It should be noted that a visual examination cannot make predictions as to future performance (i.e. even with correct maintenance, this unit can fail without warning).*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 700

TO PROTECT YOUR INVESTMENT: *Maintenance should include periodic draining of a few gallons of water from the drain cock to relieve sediment build-up. A regular safety check-up by the local utility company (if available) or licensed plumbing contractor is also suggested.*

CATEGORY:	PLUMBING	
COMPONENT(S):	FIRE SPRINKLERS- REC BUILDING	ID#(S) 0504



FIRE SPRINKLERS- REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the fire sprinklers at the recreation building. They appeared to be in average condition, and for purposes of reporting would be a lifetime component.*

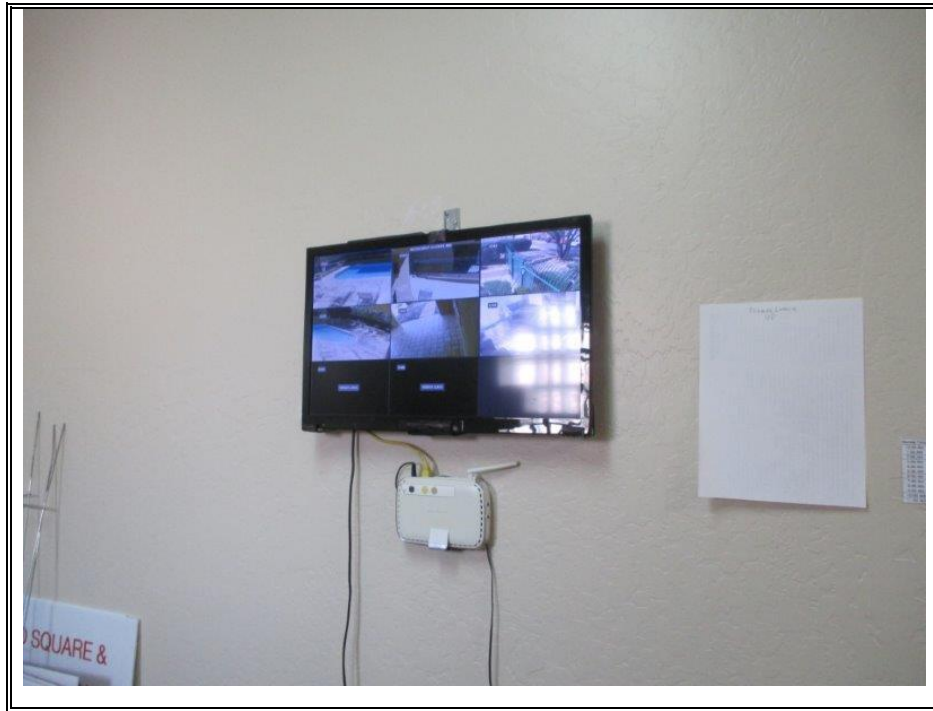
TYPICAL USEFUL LIFE:	30+ YEAR(S)
ESTIMATED REMAINING LIFE:	30+ YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Periodic inspection and maintenance should be performed by a State Fire Marshall approved company.*

CATEGORY: ELECTRICAL

COMPONENT(S): SURVEILLANCE CAMERA SYSTEM

ID#(S) 0601



SURVEILLANCE CAMERA SYSTEM (TYPICAL)

OBSERVATIONS: *This component includes the cameras, monitor, and recorder for the surveillance camera system. As conditions varied, for reporting purposes their remaining lives have been averaged.*

TYPICAL USEFUL LIFE:	12 YEAR(S)
ESTIMATED REMAINING LIFE:	6 YEAR(S)
AVERAGE COMPONENT COST:	\$ 7,350

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component, although minor operational issues are typically encountered.*

CATEGORY:	ELECTRICAL	
COMPONENT(S):	LIGHTING-EXIT SIGNS - REC BUILDING	ID#(S) 0602



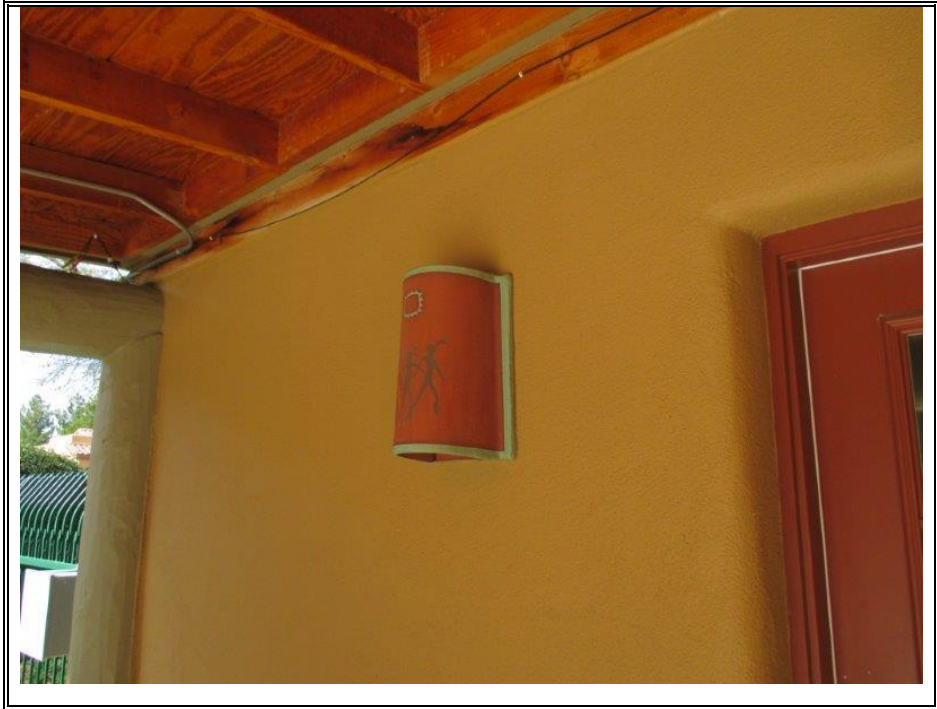
LIGHTING-EXIT SIGNS - REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the lighted exit sign at the recreation building. They appeared to be in average condition. It is recommended that repair/replacement be performed on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Maintenance would entail periodically checking the fixture to make sure that it is secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixture is recommended on an as-needed basis.*

CATEGORY:	ELECTRICAL	
COMPONENT(S):	LIGHTING-EXTERIOR - REC BUILDING	ID#(S) 0603



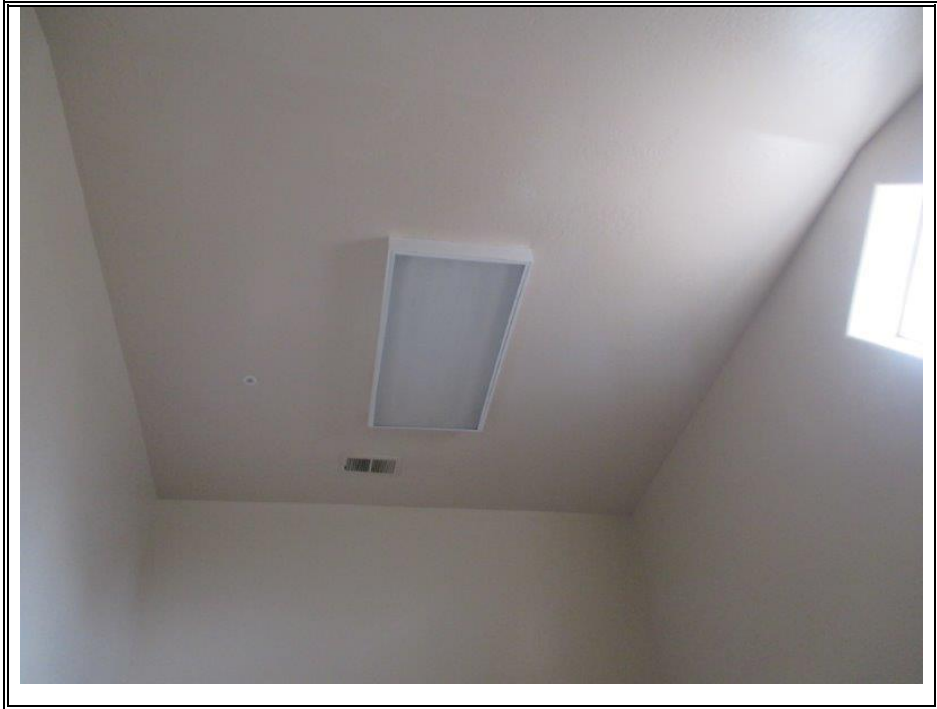
LIGHTING-EXTERIOR - REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the coach and flood type light fixtures at the exterior of the recreation building. They appeared to be of varying ages and conditions. We were informed that repair/replacement are performed on an as-needed basis and funded from the operating account. Also, it is often desirable to replace these fixtures as they eventually become dated and/or more energy efficient options become available.*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.*

CATEGORY:	<i>ELECTRICAL</i>	
COMPONENT(S):	<i>LIGHTING-INTERIOR - REC BUILDING</i>	ID#(S) 0604



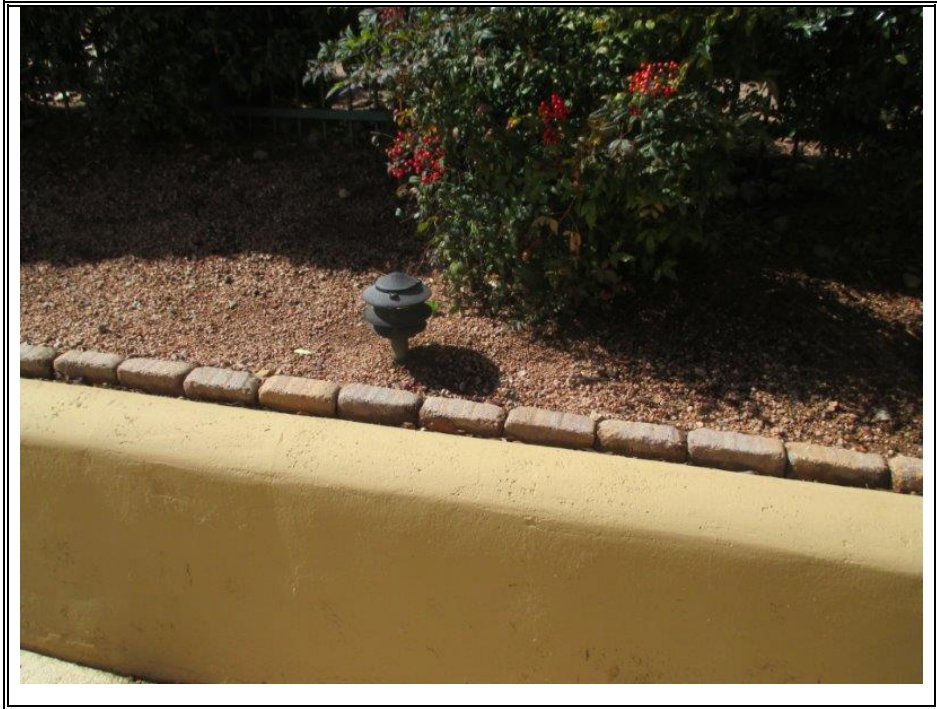
LIGHTING-INTERIOR - REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the light fixtures in the recreation building. They appeared to be in average condition. It is recommended that repair/replacement be performed on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	<i>N/A YEAR(S)</i>
ESTIMATED REMAINING LIFE:	<i>N/A YEAR(S)</i>
AVERAGE COMPONENT COST:	<i>\$ 0</i>

TO PROTECT YOUR INVESTMENT: *Maintenance would entail periodically checking the fixture to make sure that it is secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixture is recommended on an as-needed basis.*

CATEGORY:	<i>ELECTRICAL</i>	
COMPONENT(S):	<i>LIGHTING-LANDSCAPE</i>	ID#(S) 0605



LIGHTING-LANDSCAPE (TYPICAL)

OBSERVATIONS: *This component includes the low voltage light fixtures in the landscaped areas. They appeared to be in average condition. It is recommended they be replaced on an as-needed basis and funded from the operating account. These types of fixtures are typically subject to a greater level of deterioration from the elements as well as abuse from gardening services.*

TYPICAL USEFUL LIFE:	<i>N/A YEAR(S)</i>
ESTIMATED REMAINING LIFE:	<i>N/A YEAR(S)</i>
AVERAGE COMPONENT COST:	<i>\$ 0</i>

TO PROTECT YOUR INVESTMENT: *Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.*

CATEGORY:	FLOORING	
COMPONENT(S):	CARPETING- REC BUILDING	ID#(S) 0701



CARPETING- REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the carpeting in the recreation room, office, card room at the recreation building. It appeared to be in aged condition.*

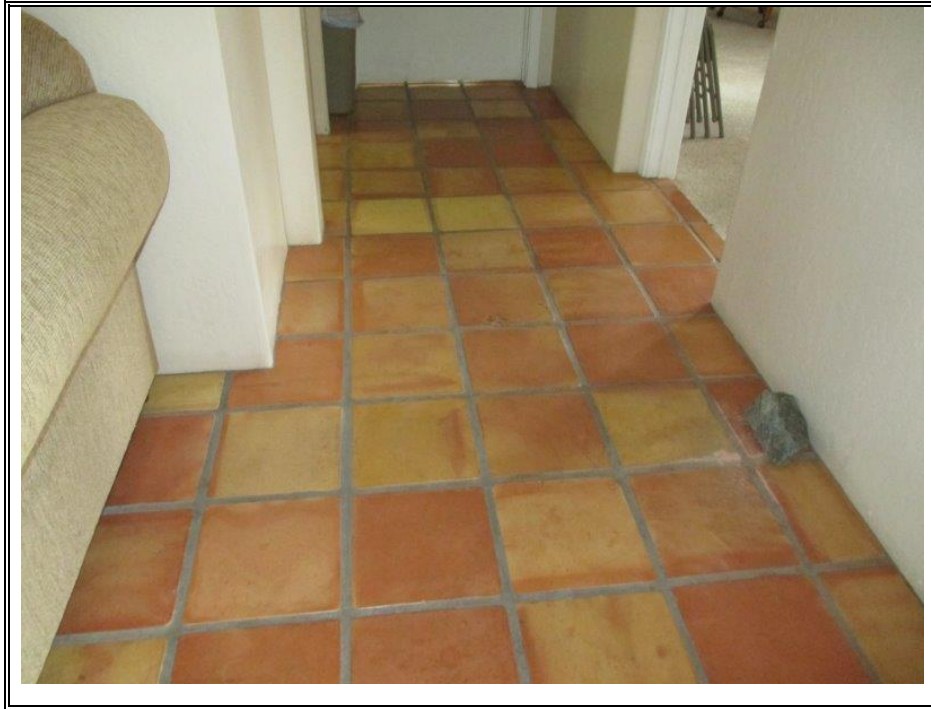
TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,550

TO PROTECT YOUR INVESTMENT: *Maintenance should entail regular vacuum cleaning (from once weekly to as often as daily for high traffic areas). Power pile lifting is recommended at least once a month for high traffic areas. Mats are suggested to remove dirt from shoes before it can be tracked onto carpeted areas (should be cleaned and rotated regularly to prevent soil build-up that may spread to the carpet). Spots and spills should be removed as soon as possible to prevent permanent staining. Deep cleaning should be performed on an as-needed basis (before soil is noticeable – usually not more than once every one or two years) and fluorochemical treatment applied immediately after. It is recommended that before applying any topical treatments, the carpet manufacturer be contacted to prevent voiding of the warranty. Damaged areas should be repaired as they can create a trip hazard resulting in association liability.*

CATEGORY: FLOORING

COMPONENT(S): TILE- REC BUILDING

ID#(S) 0702



TILE- REC BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the Saltillo-type tile flooring in the kitchen, common area restrooms, office, card room and restrooms of the recreation building. It appeared to be in average condition for its age.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	6 YEAR(S)
AVERAGE COMPONENT COST:	\$ 9,200

TO PROTECT YOUR INVESTMENT: *Maintenance would entail occasional cleaning and periodic grout re-sealing.*

CATEGORY: POOL/SPA

COMPONENT(S): PLASTER-POOL

ID#(S) 0801



PLASTER-POOL (TYPICAL)

OBSERVATIONS: *This component includes the plaster lining of the pool. It appeared to be in average condition for its age. Coarseness of the plaster, which occurs over time, is conducive to algae growth and can be injurious to users of the pool (potential association liability).*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 8,900

TO PROTECT YOUR INVESTMENT: *Maintenance of a clean surface and proper chemical balance is essential for the longevity of the plaster lining.*

CATEGORY:	POOL/SPA	
COMPONENT(S):	TILE-SPA	ID#(S) 0802



TILE-SPA (TYPICAL)

OBSERVATIONS: *This component includes the tile lining of the spa. We were informed it was installed in 2015 and it appeared to be in good condition. Coarseness of the plaster, which occurs over time, is conducive to algae growth and can be injurious to users of the spa (potential association liability).*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	17 YEAR(S)
AVERAGE COMPONENT COST:	\$ 4,000

TO PROTECT YOUR INVESTMENT: *Maintenance of a clean surface and proper chemical balance is essential for the longevity of the plaster lining.*

CATEGORY:	POOL/SPA	
COMPONENT(S):	TILE & COPING	ID#(S) 0803



TILE & COPING (TYPICAL)

OBSERVATIONS: *This component includes the coping and tile around the perimeter of the pool and spa. We were informed it was replaced in 2015 and it appeared to be in good condition. It is suggested that replacement be coordinated with alternate re-plastering cycles.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	17 YEAR(S)
AVERAGE COMPONENT COST:	\$ 6,000

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for the coping and tile other than regular cleaning.*

CATEGORY: POOL/SPA

COMPONENT(S): HEATERS

ID#(S) 0804



HEATERS (TYPICAL)

OBSERVATIONS: *This component includes 2 heaters for the pool and spa, comprised of 1 @ 399,000 BTU and 1 @ 325,000 BTU, in the pool/spa equipment room. They were inaccessible for inspection (locked) and for purposes of reporting the condition and remaining life has been assumed.*

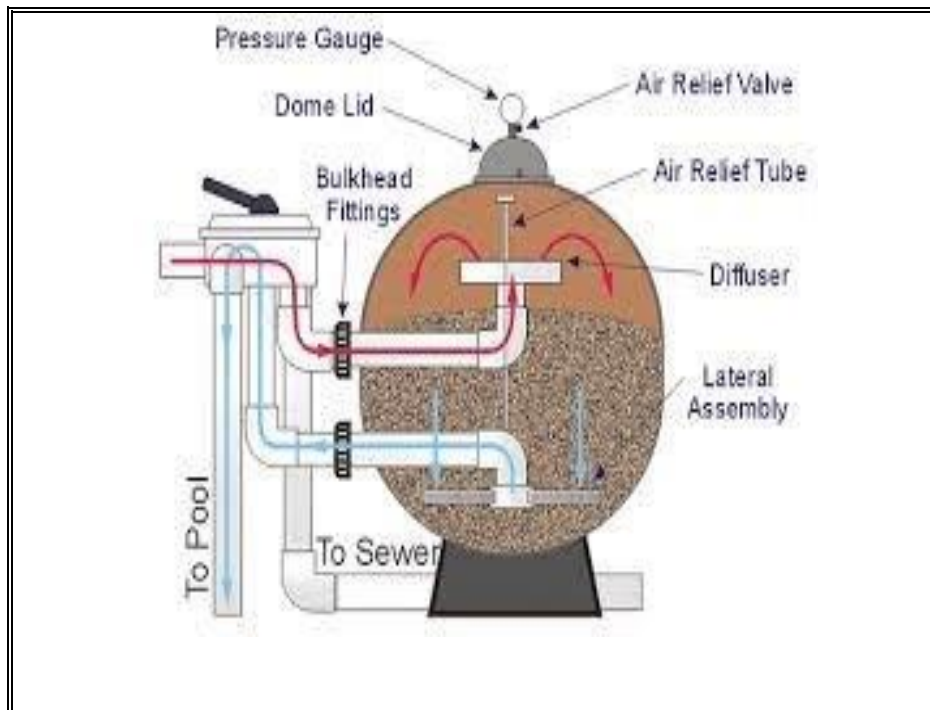
TYPICAL USEFUL LIFE:	12 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 7,950

TO PROTECT YOUR INVESTMENT: *The heaters should be professionally cleaned and serviced on an annual basis.*

CATEGORY: POOL/SPA

COMPONENT(S): FILTERS

ID#(S) 0805



FILTERS (TYPICAL)

OBSERVATIONS: This component includes the sand filters for the pool and spa, comprised of 1 @ 7.06 square feet and 1 @ 3.14 square feet, in the pool/spa equipment room. They were inaccessible for inspection (locked) and for purposes of reporting the condition and remaining life has been assumed.

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,050

TO PROTECT YOUR INVESTMENT: The filters should be regularly cleaned and the media re-charged or replaced (back-washed).

CATEGORY: POOL/SPA

COMPONENT(S): MOTORS

ID#(S) 0806



MOTORS (TYPICAL)

OBSERVATIONS: *This component includes the motors for the pool and spa, comprised of 1 @ ½ horsepower, 1 @ 1 horsepower, and 2 @ 2 horsepower, in the pool/spa equipment room. They were inaccessible for inspection (locked) and for purposes of reporting the condition and remaining life has been assumed.*

TYPICAL USEFUL LIFE:

5 YEAR(S)

ESTIMATED REMAINING LIFE:

0 YEAR(S)

AVERAGE COMPONENT COST:

\$ 1,500

TO PROTECT YOUR INVESTMENT: *The motors should be regularly examined, lubricated and serviced as necessary.*

CATEGORY: POOL/SPA

COMPONENT(S): PUMPS

ID#(S) 0807



PUMPS (TYPICAL)

OBSERVATIONS: This component includes the pumps for the pool and spa, comprised of 1 @ ½ horsepower, 1 @ 1 horsepower, and 2 @ 2 horsepower in the pool/spa equipment room. They were inaccessible for inspection (locked) and for purposes of reporting the condition and remaining life has been assumed.

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 1,500

TO PROTECT YOUR INVESTMENT: The pumps should be regularly examined, lubricated and serviced as necessary.

CATEGORY: POOL/SPA

COMPONENT(S): CHLORINATORS

ID#(S) 0808



CHLORINATORS (TYPICAL)

OBSERVATIONS: *This component includes the tablet erosion type chlorinators, which automatically add chlorine to the pool and spa water on a continuous basis. They were inaccessible for inspection (locked) and for purposes of reporting the condition and remaining life has been assumed.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 600

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component.*

CATEGORY: POOL/SPA

COMPONENT(S): FURNITURE-REPLACE

ID#(S) 0809



FURNITURE-REPLACE (TYPICAL)

OBSERVATIONS: This component provides for the replacement of the outdoor furniture around the pool/ spa and recreation building, comprised of large and small tables, vinyl strapped chairs, bar stools, and vinyl strapped chaises. It appeared to be in average condition for its age. Exposure to dirt, dust, suntan oils, tree sap, pool chemicals, insecticide sprays, and environmental factors (especially ultraviolet light); contribute significantly to the deterioration of this type of furniture. Proper maintenance can significantly enhance its longevity.

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 5,450

TO PROTECT YOUR INVESTMENT: Vinyl strapped furniture should be hosed down on a weekly basis and a vinyl protection product applied regularly (cleansers, undiluted bleach, scouring agents, solvents, and gasoline should never be used). The painted metal frames should occasionally be cleaned with a mild soap and water solution, and an automotive wax applied seasonally. Acrylic/plastic tabletops can be protected / restored with automotive wax as well. Umbrella fabrics can be cleaned with a solution of 1cup of bleach mixed with 1cup of dish detergent in 3 gallons of water. Corrosion on aluminum umbrella poles can be removed with an aluminum brightener. If possible the furniture should be covered/put in storage when not in use (especially during off-season).

CATEGORY:	POOL/SPA	
COMPONENT(S):	FURNITURE-REFURBISH	ID#(S) 0810



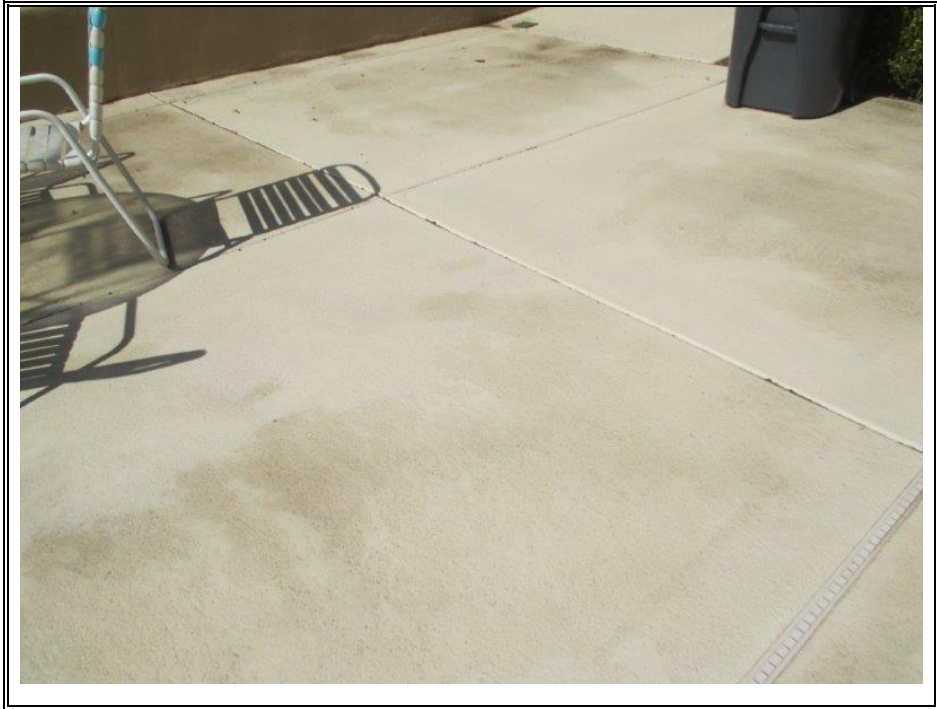
FURNITURE-REFURBISH (TYPICAL)

OBSERVATIONS: *This component provides for the refurbishment of the furniture identified in component ID #0809. As this furniture is of an average quality, it would lend itself towards refurbishment, usually at 5 year intervals, prior to complete replacement becoming necessary.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	8 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,150

TO PROTECT YOUR INVESTMENT: *Vinyl strapped furniture should be hosed down on a weekly basis and a vinyl protection product applied regularly (cleansers, undiluted bleach, scouring agents, solvents, and gasoline should never be used). The painted metal frames should occasionally be cleaned with a mild soap and water solution, and an automotive wax applied seasonally. Acrylic/plastic tabletops can be protected / restored with automotive wax as well. Umbrella fabrics can be cleaned with a solution of 1cup of bleach mixed with 1cup of dish detergent in 3 gallons of water. Corrosion on aluminum umbrella poles can be removed with an aluminum brightener. If possible, the furniture should be covered/put in storage when not in use (especially during off-season).*

CATEGORY:	POOL/SPA	
COMPONENT(S):	ACRYLIC MODIFIED CEMENT-RESURFACE	ID#(S) 0811



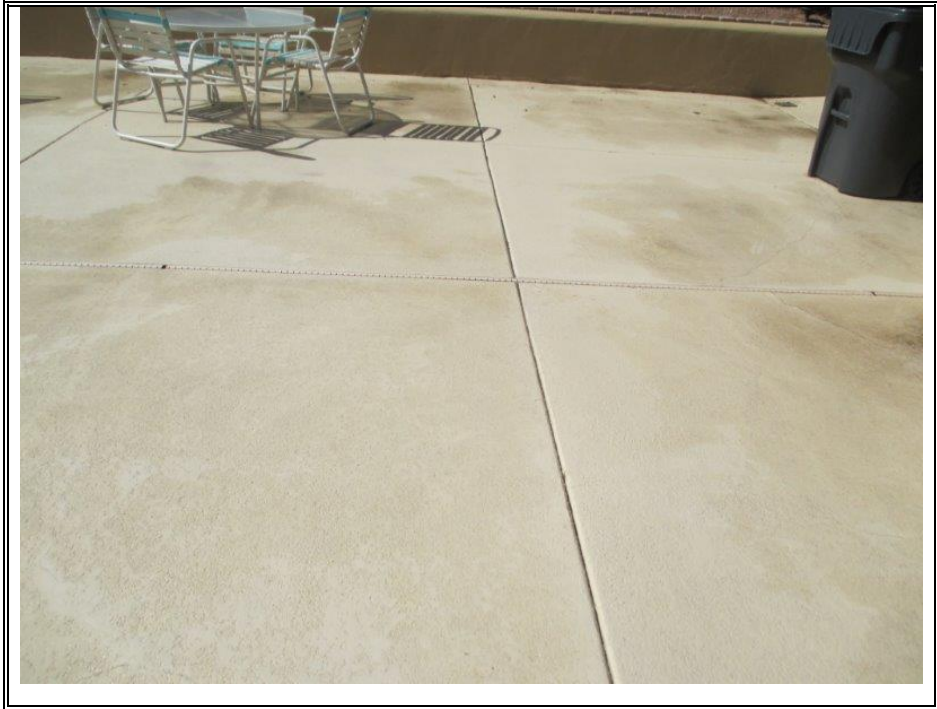
ACRYLIC MODIFIED CEMENT-RESURFACE (TYPICAL)

OBSERVATIONS: *This component includes the acrylic modified cement “Kool Deck” deck surfaces for the pool area. We were informed they were installed in 2015 and they appeared to be in good condition. Resurfacing of these areas will eventually be needed to prevent slip and trip hazards around the pool, to maintain a cooler walking surface, and to maintain appearance.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	12 YEAR(S)
AVERAGE COMPONENT COST:	\$ 10,500

TO PROTECT YOUR INVESTMENT: *Maintenance of acrylic modified cement surfaces entails cleaning, periodic examination for, and repairs of, any cracks or deterioration. Washing down with a garden hose is recommended when dirt, leaves, pool chemicals, and lawn fertilizers are present on the surfaces. Any spills should be rinsed off immediately, and if necessary, scrubbed with cleanser, water and a nylon scrub brush. Build-up of oil-type stains as well as heavier stains can be cleaned with a diluted electric dishwasher detergent. Gray mineral deposits that collect over a period of time in heavily used areas may be removed with a commercial floor buffing machine. Ideally, re-sealing of the surface with a pigmented sealer should be performed every 8-10 years to obtain the greatest life expectancy from this component.*

CATEGORY:	POOL/SPA	
COMPONENT(S):	ACRYLIC MODIFIED CEMENT -COATING	ID#(S) 0812



ACRYLIC MODIFIED CEMENT -COATING (TYPICAL)

OBSERVATIONS: *This component includes the pigmented sealer “coating” for the deck surfaces described in component ID #0811. These surfaces may need periodic re-coating to maintain appearance (typically become stained with sunscreen oils, dirt, etc.).*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	7 YEAR(S)
AVERAGE COMPONENT COST:	\$ 4,200

TO PROTECT YOUR INVESTMENT: *Maintenance of acrylic modified cement surfaces entails cleaning, periodic examination for, and repairs of, any cracks or deterioration. Washing down with a garden hose is recommended when dirt, leaves, pool chemicals, and lawn fertilizers are present on the surfaces. Any spills should be rinsed off immediately, and if necessary, scrubbed with cleanser, water and a nylon scrub brush. Build-up of oil-type stains as well as heavier stains can be cleaned with a diluted electric dishwasher detergent. Gray mineral deposits that collect over a period of time in heavily used areas may be removed with a commercial floor buffing machine. Ideally, re-sealing of the surface with a pigmented sealer should be performed every 8-10 years to obtain the greatest life expectancy from this component.*

CATEGORY: LANDSCAPE/HARDSCAPE

COMPONENT(S): ASPHALT SEAL COAT

ID#(S) 0901



ASPHALT SEAL COAT (TYPICAL)

OBSERVATIONS: *This component includes the seal coat for the asphalt streets. It appeared to be in aged condition. While a relatively inexpensive procedure, the seal coat serves to enhance the longevity of the underlying asphalt as well as its appearance by replenishing the oil and fine aggregates of the underlying asphalt. It is important that this procedure always be undertaken within 6 months of any overlay or resurfacing, and performed thereafter on a 3 – 5 year cycle (typically a warranty requirement). See component ID # 0902 for further comments.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 48,900

TO PROTECT YOUR INVESTMENT: *All asphalt areas should be examined at least annually and any cracks exceeding ¼ inch should be repaired with a rubberized sealant compound. Irrigation run-off can accelerate degradation, and should be prevented / diverted.*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	ASPHALT OVERLAY	ID#(S) 0902



ASPHALT OVERLAY (TYPICAL)

OBSERVATIONS: *This component provides for resurfacing (overlay) of the asphalt surfaces described in component ID #0901. As conditions varied, for reporting purposes their remaining lives have been averaged. Aging, oxidation, erosion, and vehicle traffic eventually cause cracking, surface wear, and delamination of the seal coat. Such surface irregularities may result in improper drainage, poor aesthetic quality, and compromised driving surfaces. Resurfacing entails grinding down the asphalt to concrete transitions, and overlaying the prepared pavement with new asphalt (typically 1½ inches). Overlays must take into consideration existing concrete swale, curb, gutter, and parking pad elevations, in relation to the proposed overlay. In some cases, complete removal and replacement of the pavement may be required. Installation of paving fabric should also be considered in conjunction with the overlay, to retard reflection of cracks through the new pavement and for provision of a water retardant barrier. In conjunction with resurfacing, seal coat should be performed within 6 months and then at 3 – 5 year intervals thereafter (see component ID #0901).*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	6 YEAR(S)
AVERAGE COMPONENT COST:	\$ 442,400

TO PROTECT YOUR INVESTMENT: *All asphalt areas should be examined at least annually and any cracks exceeding ¼ inch should be repaired with a rubberized sealant compound. Irrigation run-off can accelerate degradation, and should be prevented / diverted.*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	CONCRETE BLOCK WALLS	ID#(S) 0903



CONCRETE BLOCK WALLS (TYPICAL)

OBSERVATIONS: *This component provides an allowance for the inevitable repairs that typically will become necessary to the concrete block walls around the development. They appeared to be in average condition. No amount has been provided for complete replacement as they would typically have a life well in excess of the scope of this projection and would therefore be considered lifetime components.*

TYPICAL USEFUL LIFE:	1 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 450

TO PROTECT YOUR INVESTMENT: *Maintenance would entail monitoring for cracks on a periodic basis. Any necessary repairs should be made accordingly.*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	CONCRETE FLATWORK	ID#(S) 0904



CONCRETE FLATWORK (TYPICAL)

OBSERVATIONS: *This component includes the concrete walkways and paths throughout the development. Although they appeared to be in average condition, they should be regularly monitored for cracking and vertical displacement, which can create potential trip hazards (and liability for the association). Otherwise, concrete areas are generally considered a lifetime component and therefore no amount has been budgeted for replacement. Occasional repairs would typically be funded from the operating account.*

TYPICAL USEFUL LIFE:	30+ YEAR(S)
ESTIMATED REMAINING LIFE:	30+ YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Any sections observed to be vertically displaced should be repaired immediately upon discovery. Emphasis should be placed on areas adjacent to trees, as their roots are often the culprits of such damage. As the need for such repairs is difficult to predict, the associated costs should be disbursed either from the association's operating account or the contingency reserve (see "Component Replacement Schedule" in the Reserve Funding section of this report as well as the Glossary for more on the contingency reserve).*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	CONCRETE PAVERS	ID#(S) 0905



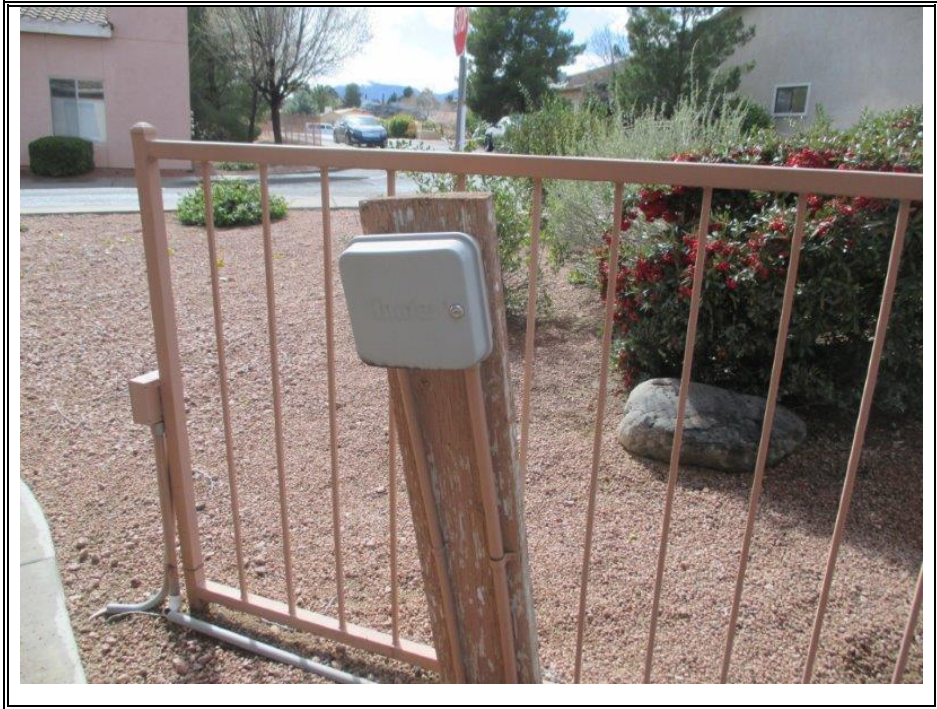
CONCRETE PAVERS (TYPICAL)

OBSERVATIONS: *This component includes the concrete pavers at the walkway path near the pool. Although they appeared to be in average condition, they should be regularly monitored for cracking and vertical displacement, which can create potential trip hazards (and liability for the association). It is recommended they be replaced on an as-needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	30+ YEAR(S)
ESTIMATED REMAINING LIFE:	30+ YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Any sections observed to be vertically displaced should be repaired immediately upon discovery. Emphasis should be placed on areas adjacent to trees, as their roots are often the culprits of such damage.*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	IRRIGATION CONTROLLERS	ID#(S) 0906



IRRIGATION CONTROLLERS (TYPICAL)

OBSERVATIONS: *This component includes the irrigation controllers (including 3 battery operated units) of varying number of stations. They were inaccessible for inspection (locked) and for purposes of reporting the condition and remaining life has been assumed. They tend to have more predictable life expectancies, and the average component cost provides for their replacement. However, average life expectancies cannot be predicted for the other sprinkler components or automatic valve actuation systems. Repairs/replacements of such systems usually occur on an ongoing basis and should be covered under the operating account.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 10,800

TO PROTECT YOUR INVESTMENT: *The irrigation system should be maintained in such a manner so as to prevent overspray onto, and water accumulations adjacent to the structures. Occasional removal and cleaning of sprinkler heads that become clogged with debris may be performed by the gardening service in order to prevent premature death of shrubbery/ground cover.*

CATEGORY: LANDSCAPE/HARDSCAPE

COMPONENT(S): BACK FLOW PREVENTERS

ID#(S) 0907



BACK FLOW PREVENTERS (TYPICAL)

OBSERVATIONS: *This component includes the back-flow preventers, which are part of the irrigation system. The actual performance life would be difficult to determine. However, a rough time frame has been provided for budgeting purposes.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	1 YEAR(S)
AVERAGE COMPONENT COST:	\$ 6,300

TO PROTECT YOUR INVESTMENT: N/A.

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	WROUGHT IRON	ID#(S) 0908



WROUGHT IRON (TYPICAL)

OBSERVATIONS: *This component includes the wrought iron fencing at the perimeter of the development and bounding the common areas. It appeared to be in average condition. If it is regularly painted and exposure to moisture kept to a minimum, most of the wrought iron should have a life well in excess of 30 years. However, based upon our opinion and prior experience, repair and replacement of approximately 20% of the wrought iron should be anticipated due to inevitable corrosion from exposure of some sections to constant sprinkler spray as well as proximity to the ground.*

TYPICAL USEFUL LIFE:	25 YEAR(S)
ESTIMATED REMAINING LIFE:	6 YEAR(S)
AVERAGE COMPONENT COST:	\$ 22,950

TO PROTECT YOUR INVESTMENT: *It is imperative that the wrought iron be regularly painted in order to obtain the maximum life potential from this component. It should be inspected in its entirety at least once per year, with emphasis being placed on places where it has been welded, such as where it meets the spacers or walls. As it can deteriorate from the inside out, the inspection should include trying to bend or squeeze the metal (if it gives at all, repair or replacement of those sections should be performed). Where possible, direct exposure to the ground and sprinkler spray should be minimized.*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	RETENTION BASINS	ID#(S) 0909



RETENTION BASINS (TYPICAL)

OBSERVATIONS: *This component includes the retention basins throughout the development. They serve to alleviate flooding in the event of severe precipitation by absorbing excessive run-off. Provided they are properly constructed, they should act as buffers to trap any soil being carried by the run-off. The water entering the basins will eventually be assimilated back into the earth. There are numerous variables involved and failure could occur at any time, or possibly never. However, the likelihood of failure is remote at best, other than due to improper installation. This would be considered a lifetime component. Therefore, no reserve funding has been provided for their complete replacement at this time.*

TYPICAL USEFUL LIFE:	30+ YEAR(S)
ESTIMATED REMAINING LIFE:	30+ YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *The basins should be monitored and maintained on a regular basis (operating cost) to ensure their ability to continue the assimilation of water from future rainstorms.*

CATEGORY: RECREATION FACILITIES

COMPONENT(S): FURNISHINGS- RECREATION BUILDING

ID#(S) 1001



FURNISHINGS- RECREATION BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the furnishings in the recreation room, meeting room, and lounge, comprised of love seats, oversized chairs, folding chairs, dining chairs, a coffee table, card tables, ottomans and cushions, window treatments, artwork, cabinet and a fax machine. They appeared to be of varying ages and conditions and, for reporting purposes their remaining lives have been averaged. We were informed the Association intends to change the style and type of the furniture in the recreation building and has requested an allowance of \$ 10,000 for future replacement of the furnishings.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 10,000

TO PROTECT YOUR INVESTMENT: *General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap solution or professionally steam cleaned simultaneously with carpeted areas.*

CATEGORY: RECREATION FACILITIES

COMPONENT(S): RESTROOMS

ID#(S) 1002



RESTROOMS (TYPICAL)

OBSERVATIONS: *This component includes the remodeling of the common area restrooms, comprised of sinks, countertops, toilets, a urinal, mirrors, and towel dispensers. They appeared to be in average condition for their age.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 3,650

TO PROTECT YOUR INVESTMENT: *The restroom should be maintained in a sanitized condition.*

CATEGORY:	RECREATION FACILITIES	
COMPONENT(S):	KITCHEN	ID#(S) 1003



KITCHEN (TYPICAL)

OBSERVATIONS: *This component includes the remodeling of the kitchen at the recreation building, comprised of a stainless-steel sink, countertops, cabinets, a backsplash, a garbage disposal, a microwave oven, a convection oven, a cook top, a dishwasher, and a refrigerator. They appeared to be average condition. We were informed the Association intends to fund replacements from the operating budget.*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/ YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *The recreation room kitchen should be maintained in a sanitized condition. Occasional cleaning and verification of operation is generally the extent of any maintenance necessary for the appliances. It is recommended that the respective operating manuals be consulted with respect to more specific types of maintenance suggested for these appliances.*

CATEGORY: RECREATION FACILITIES

COMPONENT(S): RAMADAS

ID#(S) 1004



RAMADAS (TYPICAL)

OBSERVATIONS: *This component includes the metal Ramada's at the parks. They appeared to be in average condition but in need of painting. Otherwise, the Ramada's are generally considered a lifetime component and therefore no amount has been budgeted for replacement. Occasional repairs would typically be funded from the operating account.*

TYPICAL USEFUL LIFE:	30+ YEAR(S)
ESTIMATED REMAINING LIFE:	30+ YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component.*

CATEGORY: RECREATION FACILITIES

COMPONENT(S): PICNIC TABLES

ID#(S) 1005



PICNIC TABLES (TYPICAL)

OBSERVATIONS: *This component includes the coated metal picnic tables at the park areas. They appeared to be in average condition for their age.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,100

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component.*

CATEGORY: RECREATION FACILITIES

COMPONENT(S): BENCHES

ID#(S) 1006



BENCHES (TYPICAL)

OBSERVATIONS: *This component includes the coated metal benches at the park areas. They appeared to be in average condition for their age.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 5,750

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component.*

CATEGORY: RECREATION FACILITIES

COMPONENT(S): BARBECUE

ID#(S) 1007



BARBECUE (TYPICAL)

OBSERVATIONS: *This component includes the charcoal type barbecues at the park areas They appeared to be in aged condition.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 750

TO PROTECT YOUR INVESTMENT: *Maintenance should include regular cleaning of the internal grill as well as the exterior.*

CATEGORY:	MISCELLANEOUS	
COMPONENT(S):	MAILBOXES	ID#(S) 1101



MAILBOXES (TYPICAL)

OBSERVATIONS: *This component includes the clusters totaling individual mailboxes throughout the development. They appeared to be in average condition for their age. We were informed they are the responsibility of the United States Postal Service.*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Other than occasional lubrication of the locks, little can be performed by way of maintenance for this type of equipment.*

CATEGORY: MISCELLANEOUS

COMPONENT(S): MONUMENTS

ID#(S) 1102



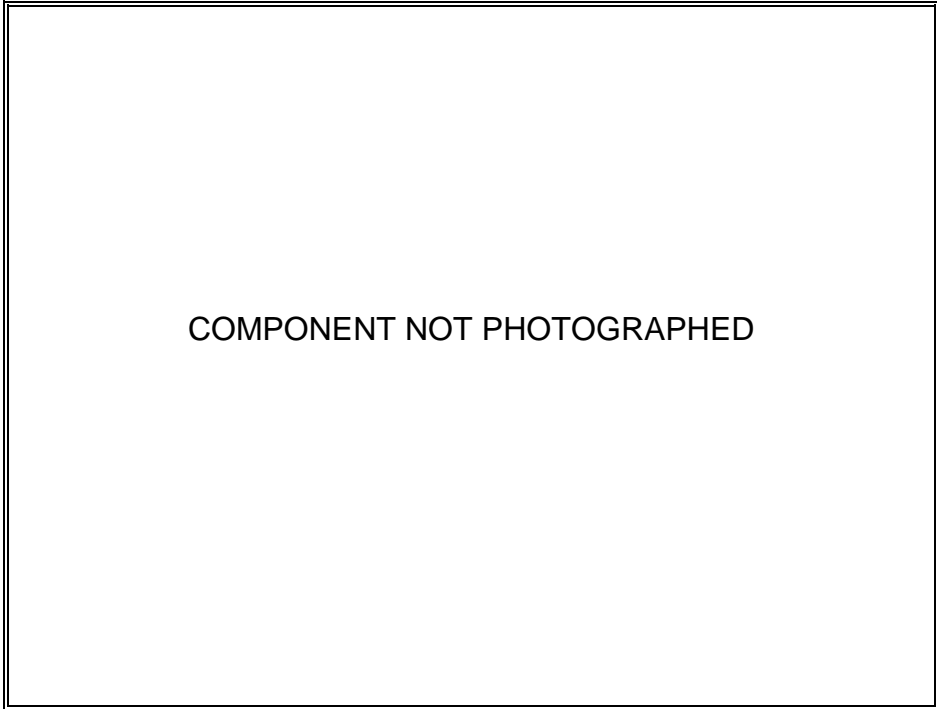
MONUMENTS (TYPICAL)

OBSERVATIONS: *This component includes the masonry monuments with various sized letters at the vehicle entries to the development. They appeared to be in average condition for their age. The average component cost provides for future replacement of the lettering only.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	3 YEAR(S)
AVERAGE COMPONENT COST:	\$ 7,350

TO PROTECT YOUR INVESTMENT: *Little can be performed by way of maintenance for this type of component.*

CATEGORY:	CONTINGENCY RESERVE	
COMPONENT(S):	GENERAL - 5%	ID#(S) 1201



GENERAL - 5% (TYPICAL)

OBSERVATIONS: *While efforts have been made to ensure a reasonable level of precision, it is seldom possible to anticipate every expense/replacement that will be incurred by an association during an operating year. Also, it is difficult to accurately predict the cost of some items that are anticipated, due to unforeseen circumstances with respect to removal/installation, replacement with a different material than originally budgeted for, economic factors, etc. Therefore, it is prudent to include a contingency amount in the reserve budget. It is our opinion that a 5% contingency factor should be included in the reserve budget, and therefore a provision for this has been included (see Component Inventory page for dollar amount).*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ SEE PG 4

TO PROTECT YOUR INVESTMENT: N/A.

GLOSSARY – PART 1

ACCRUED DEPRECIATION	Amount of reserves necessary to fund current component replacements as well as the accrued liability portion of those that have not yet come due. The total accrued depreciation would equate to a “fully funded balance”. “Fully Funded Balance” – Per CAI Standards definition.
ANNUAL DEPRECIATION	The current cost of a component divided by its typical life expectancy. Does not include any allowance for inflation.
CASH FLOW METHOD	A method of developing a Reserve Funding Plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the Reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.
CASH RESERVES	Those funds available for future major repair or replacement of common components.
CC&R's	The covenants, conditions and restrictions, which primarily govern the day to day operations of a facility.
COMPONENT	The individual line items in the Reserve Study developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association responsibility, 2) with limited Useful Life expectancies, 3) predictable Remaining Useful Life expectancies, 4) above a minimum threshold cost, and 5) as required by local codes.
COMPONENT INVENTORY	A list of those common components, which are subject to degradation at a somewhat predictable rate within the projection period.
CONDITION ASSESSMENT	The task of evaluating the current condition of the component based on observed or reported characteristics.
CONTINGENCY RESERVE ALLOWANCE	Additional funds set aside to allow for unforeseeable situations or variations. It is a percentage based on total expenditures anticipated each year.
CU. FT.	Measured in cubic feet.
CURRENT COST	Average cost for major repair or replacement of a component based upon prevailing rates at the time of the study.
CURRENT RESERVE BALANCE	Amount of reserve balance allocated to components requiring most immediate funding as of end of current fiscal year.
DEFICIT	An actual (or projected) Reserve Balance less than the Fully Funded Balance. The opposite would be a Surplus.
ESTIMATED REPLACEMENT COST	Projected cost for major repair or replacement of a component at the time such repair or replacement is anticipated (includes built-in inflation factor).
EXCLUSIVE USE COMMON AREA	That part of a common area that has been designated for the individual use by a single interest.
FINANCIAL ANALYSIS	The portion of a Reserve Study (one of two parts) where current status of the Reserves (measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived, and the projected Reserve income and expenditures over time are presented. It should illustrate the financial ability to fund future major repair or replacement of those common components that are subject to degradation within a specified period.

GLOSSARY – PART 2

FISCAL YEAR	The twelve-month financial reporting period, which may not necessarily be a calendar year. Example: July 1, 2014 through June 30, 2015.
INFLATION FACTOR	An allowance for anticipated price increases based upon a 10 year average of the Consumer Price Index published by the U.S. Department of Labor. It is set at the beginning of each year.
INTEREST RATE ASSUMPTIONS	Average interest rate currently being earned from financial institutions where reserve funds are being held.
LIABILITY	A monetary accrual portion of future obligations to repair or replace major components.
LIFE CYCLE	The normal lifetime of a component under typical circumstances, assuming it is installed or constructed and maintained in the correct manner.
LIFETIME COMPONENT	An element with a life expectancy that extends beyond the projection period of the study.
LIN. FT.	Measured in linear feet.
PERCENT FUNDED	The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the "Required Amount" (i.e. amount that ideally should be in reserves), expressed as a percentage.
PHYSICAL INSPECTION	A visual examination of those accessible common components subject to degradation within the projection period.
PRO FORMA OPERATING BUDGET	A projection of operating expenditures for the year.
PROJECTION PERIOD	The span (in years) over which the study forecasts potential reserve expenditures and liabilities.
REGULAR ASSESSMENT	Budgeted amounts assessed to all owners (oftentimes referred to as "Dues"), including the reserve contribution – typically assessed monthly, quarterly, or annually.
REMAINING LIFE	The number of remaining years of a components' anticipated life expectancy based upon current actual condition and degradation factors.
REPLACEMENT CYCLE	See "Life Cycle" (i.e. frequency of repair/replacement within forecast).
RESERVE CONTRIBUTION	That portion of the "regular" assessment allocated to the reserve fund.
RESERVE STATUS	The present ability to fund future major repair or replacement of its common components.
SPECIAL ASSESSMENT	An assessment levied in addition to regular assessments. Special Assessments are often regulated by governing documents or local statutes.
SQ. FT.	Measured in square feet.
SURPLUS	An actual (or projected) Reserve Balance greater than the Fully Funded Balance.
USEFUL LIFE (UL)	Total Useful Life or Depreciable Life. The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed in its present application or installation.