

Washington Office
505 South 336th St., Ste 620
Federal Way, WA 98003

TEL 253/661-5437
FAX 253/661-5430
arwa@reservestudy.com
www.reservestudy.com



Corporate Office
Calabasas, CA

Regional Offices
Phoenix, AZ
San Francisco, CA
Denver, CO
Honolulu, HI
Las Vegas, NV
Miami, FL

Update “With Site-Visit” Reserve Study



Villaggio Neighborhood Issaquah, WA

Report #: 21948-5
For Period Beginning: July 1, 2016
Expires: June 30, 2017

Date Prepared: January 12, 2016

Hello, and welcome to your Reserve Study!

We don't want you to be surprised. This Report is designed to help you anticipate, and prepare for, the major common area expenses your association will face. Inside you will find:

- 1) **The Reserve Component List** (the “Scope and Schedule” of your Reserve projects) – telling you what your association is Reserving for, what condition they are in now, and what they'll cost to replace.
- 2) **An Evaluation of your current Reserve Fund Size and Strength** (Percent Funded). This tells you your financial starting point, revealing your risk of deferred maintenance and special assessments.
- 3) **A Recommended Multi-Year Reserve Funding Plan**, answering the question... “What do we do now?”

More Questions?

Visit our website at www.ReserveStudy.com or call us at:

253/661-5437

Relax, it's from



Table of Contents

3- Minute Executive Summary	i
Reserve Study Summary	i
Reserve Component List – Table 1	ii
Introduction, Objectives, and Methodology	1
Which Physical Assets are Funded by Reserves?	2
How do we establish Useful Life and Remaining Useful Life estimates?	2
How do we establish Current Repair/Replacement Cost Estimates?	2
How much Reserves are enough?	3
How much should we contribute?	4
What is our Recommended Funding Goal?	4
Projected Expenses	6
Expense Graph – Figure 1	6
Reserve Fund Status & Recommended Funding Plan	7
Funding Plan Graph – Figure 2	7
Cash Flow Graph – Figure 3	8
% Funded Graph – Figure 4	8
Table Descriptions	9
Reserve Component List Detail – Table 2	10
Contribution & Fund Breakdown – Table 3	11
Component Significance – Table 4	12
30 Year Reserve Plan Summary – Table 5	13
30 Year Reserve Plan Year by Year Detail – Table 6	14
Accuracy, Limitations, and Disclosures	20
Terms and Definitions	21
Component Details	Appendix

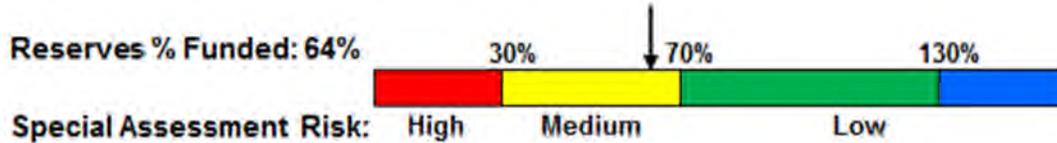
3- Minute Executive Summary

Association: Villaggio Neighborhood **#:** 21948-5
Location: Issaquah, WA **# of Units:** 50
Report Period: July 1, 2016 through June 30, 2017

Findings/Recommendations as-of 7/1/2016:

Projected Starting Reserve Balance:	\$303,914
Current Fully Funded Reserve Balance:	\$475,523
Average Reserve Deficit (Surplus) Per Unit:.....	\$3,432
100% 2016-2016 Monthly "Full Funding" Contributions:.....	\$4,900
70% 2016-2017 Monthly "Threshold Funding" Contributions:.....	\$4,290
Baseline contributions (min to keep Reserves above \$0:	\$4,170
Recommended 2016 Special Assessment:.....	\$0

Most Recent Budgeted Reserve Contribution Rate: \$4,750



Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves..... 0.15%
Annual Inflation Rate 3.00%

- This is an "Update With-Site-Visit" Reserve Study, based on our site inspection on December 29, 2015 and meets or exceeds all requirements of the RCW. This study was prepared by a credentialed Reserve Specialist (RS™).
- Your Reserve Fund is currently 64% Funded. This means the association's special assessment & deferred maintenance risk is currently medium. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of such Reserve cash flow problems.
- Based on this starting point and your anticipated future expenses, our recommendation is to maintain your Reserve contributions at the current rate (\$4,750/month) which is within the 70% to 100% level as noted above. The 100% "Full" and 70% contribution rates are designed to achieve these funding objectives *by the end* of our 30-year report scope. No assets appropriate for Reserve designation were excluded. See photo appendix for component details and the basis of our assumptions.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
Site/Grounds				
100	Conc. Driveways/Sdwlks - Repr/Replc	5	0	\$4,950
120	Asphalt - Resurface/Overlay	30	19	\$8,700
121	Asphalt - Repair/Sealcoat	5	0	\$2,050
140	Wood Trellis/Arbor - Repair/Replace	20	8	\$2,750
165	Path/Site Lights - Replace	20	8	\$1,900
175	Drain Lines - Clean/Inspect	5	4	\$6,800
180	Irrigation System - Maintain/Repair	5	1	\$4,400
500	Steep Slope Roofs - Repair/Replace	25	5	\$340,000
505	Roofs - Inspect/Clean/Repair	3	0	\$20,600
510	Gutters/Downspouts - Repair/Replace	25	13	\$47,150
520	Ext Surfaces/Siding - Repr/Replace	8	5	\$8,500
525	Full Exterior - Paint/Caulk	8	5	\$106,250
527	Partial Exterior - Paint/Caulk	8	1	\$40,950
529	Caulk, etc. - Inspect/Repair	4	3	\$4,900
545	Wood Decks/Porches - Repair/Replace	20	8	\$45,000
550	Wood Deck Rail - Repair/Replace	20	8	\$12,100
552	Metal/Alum. Rails - Repair/Replace	30	18	\$50,100
560	Bldg. Exterior Lights - Replace	24	13	\$17,550
18	Total Funded Components			

Note 1: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: Yellow highlighted line items are expected to require attention in the initial year, green highlighted items are expected to occur within the first five years.

Cross reference component numbers with photographic inventory appendix.

Introduction



A Reserve Study is the art and science of anticipating, and preparing for, an association’s major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association’s Reserve Fund Strength (reported in terms of “Percent Funded”). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.



Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology



For this [Update With-Site-Visit](#) Reserve Study, we started with a review of your prior Reserve Study, then looked into recent Reserve expenditures, evaluated how expenditures are handled (ongoing maintenance vs Reserves), and

researched any well-established association precedents. We performed an on-site inspection to evaluate your common areas, *updating and adjusting* your Reserve Component List as appropriate.

Which Physical Assets are Funded by Reserves?

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.



How do we establish Useful Life and Remaining Useful Life estimates?

- 1) Visual Inspection (observed wear and age)
- 2) Association Reserves database of experience
- 3) Client History (install dates & previous life cycle information)
- 4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

- 1) Actual client cost history, or current proposals
- 2) Comparison to Association Reserves database of work done at similar associations
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

- 1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
- 2) Compare that to the Reserve Fund Balance, and express as a percentage.



SPECIAL ASSESSMENT RISK

Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% -130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

How much should we contribute?



RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association’s Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board’s job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called “Full Funding” (100% Funded). As each asset ages and becomes “used up”, the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70-130% range *enjoy a low risk of special assessments or deferred maintenance.*



FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0-30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the “margin of safety” is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Site Inspection Notes

During our site visit on December 29, 2015, we visually inspected all visible common areas while compiling a photographic inventory, noting: current condition, make & model information where appropriate, apparent levels of care and maintenance, exposure to weather elements and other factors that may affect the components useful life. We met with Association Management and discussed past projects, current concerns and future plans. We were also informed which items are being handled from the Operational maintenance budget, not Reserves.

Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Your *first five years* of projected Reserve expenses total \$109,828. Adding the next five years, your *first ten years* of projected Reserve expenses are \$848,405. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses at your association as defined by your Reserve Component List. A summary of these expenses are shown in Table 5, while details of the projects that make up these expenses are shown in Table 6.

Annual Reserve Expenses

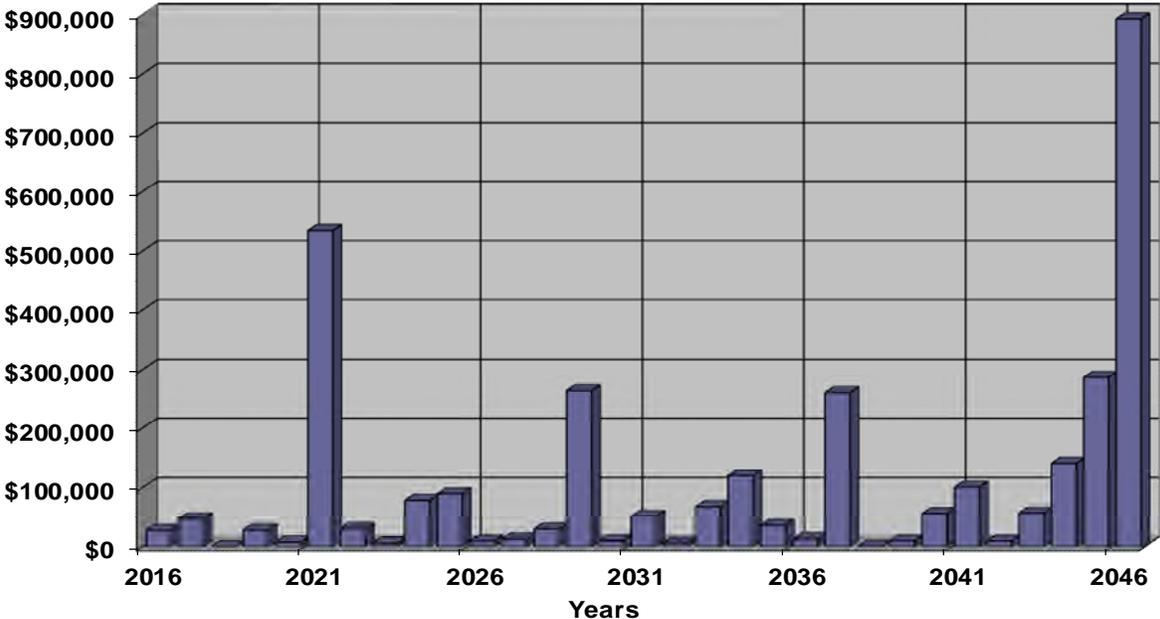


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$303,914 as-of the start of your Fiscal Year on July 1, 2016. As of July 1, 2016, your Fully Funded Balance is computed to be \$475,523 (see Table 3). This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 64% [Funded](#). Across the country approx 3% of associations in this range experience special assessments or deferred maintenance.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$4,900/month this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both Table 5 and Table 6.

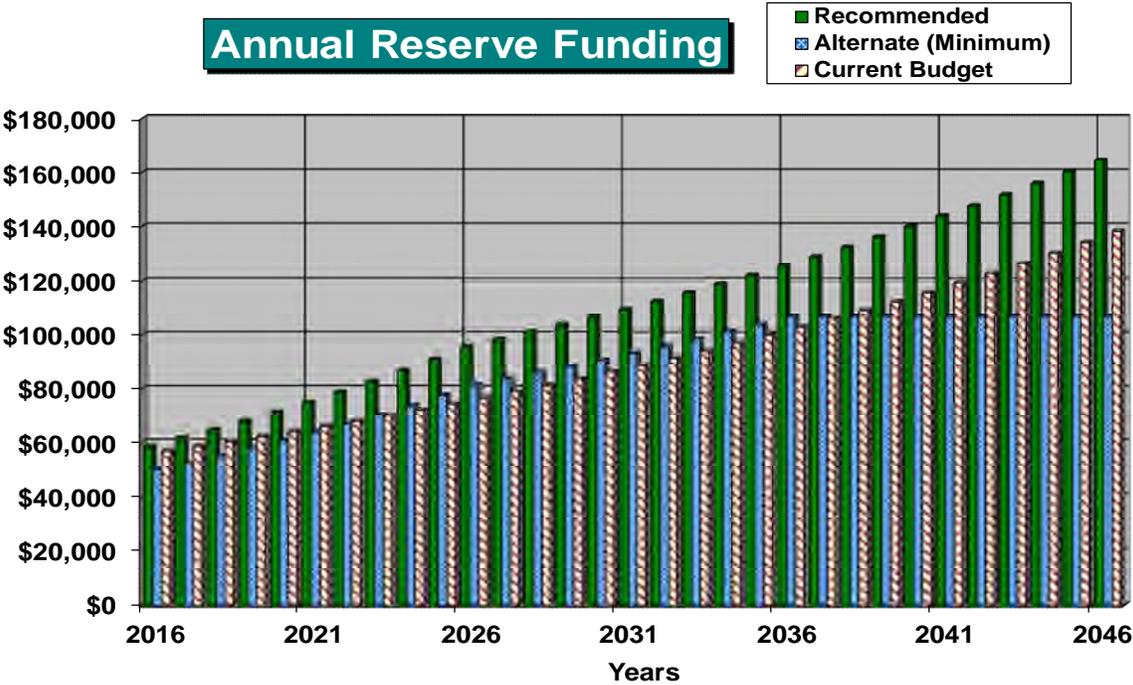


Figure 2

The following chart shows your Reserve balance under our recommended Full Funding Plan, an alternate Baseline Funding Plan, and at your current budgeted contribution rate, compared to your always-changing Fully Funded Balance target.

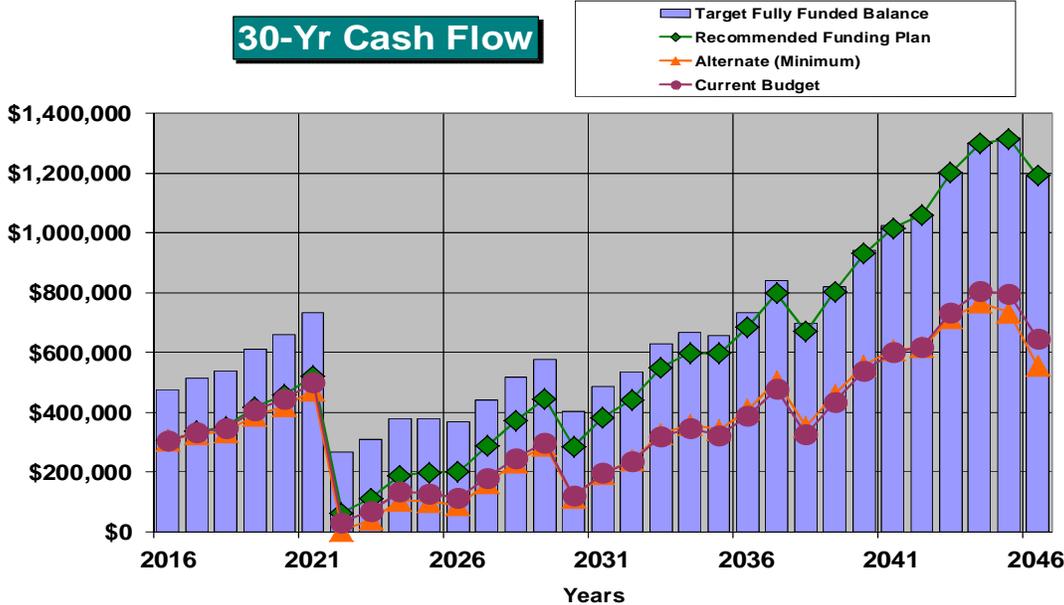


Figure 3

This figure shows this same information, plotted on a [Percent Funded](#) scale.

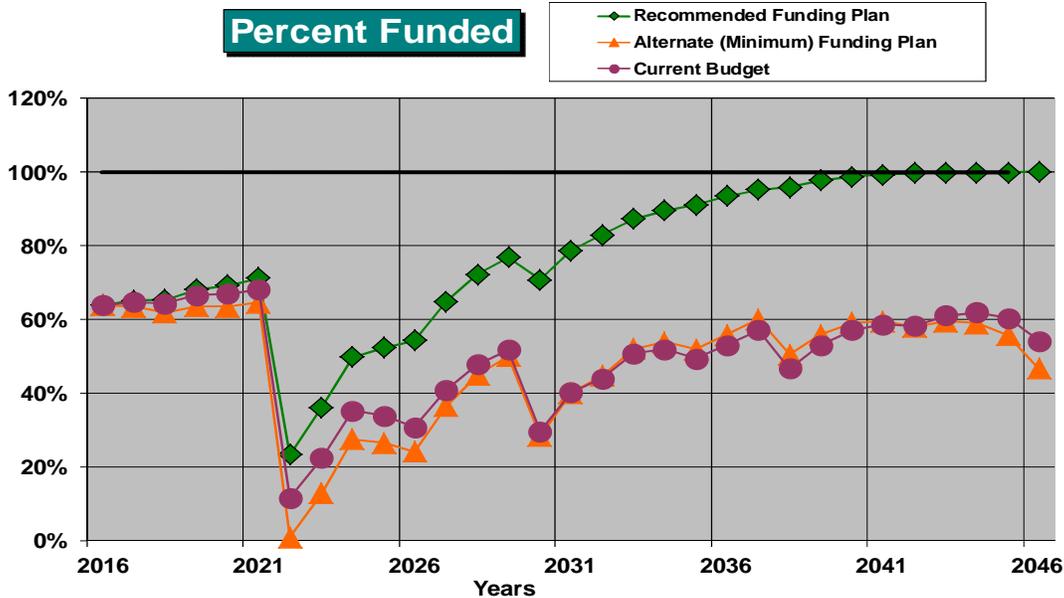


Figure 4

Table Descriptions

The tabular information in this Report is broken down into six tables.

Table 1 is a summary of your Reserve Components (your Reserve Component List), the information found in Table 2.

Table 2 is your Reserve Component List, which forms the foundation of this Reserve Study. This table represents the information from which all other tables are derived.

Table 3 shows the calculation of your Fully Funded Balance, the measure of your current Reserve component deterioration. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Table 4 shows the significance of each component to Reserve needs of the association, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by Useful Life, then that component's percentage of the total is displayed.

Table 5: This table provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk for each year.

Table 6: This table shows the cash flow detail for the next 30 years. This table makes it possible to see which components are projected to require repair or replacement each year, and the size of those individual expenses.

Table 2: Reserve Component List Detail

21948-5

#	Component	Quantity	Useful Life	Rem. Useful Life	[--- Current Cost Estimate ---]	
					Best Case	Worst Case
Site/Grounds						
100	Conc. Driveways/Sdwks - Repr/Replc	Extensive SF	5	0	\$3,800	\$6,100
120	Asphalt - Resurface/Overlay	~4,000 GSF	30	19	\$7,800	\$9,600
121	Asphalt - Repair/Sealcoat	~4,000 GSF	5	0	\$1,800	\$2,300
140	Wood Trellis/Arbor - Repair/Replace	(1) moderate size, wood	20	8	\$2,500	\$3,000
165	Path/Site Lights - Replace	(10) fixtures	20	8	\$1,600	\$2,200
175	Drain Lines - Clean/Inspect	Storm drains, etc.	5	4	\$6,500	\$7,100
180	Irrigation System - Maintain/Repair	Valves, controls, etc.	5	1	\$3,300	\$5,500
500	Steep Slope Roofs - Repair/Replace	~75,600 SF, arch shingles	25	5	\$302,000	\$378,000
505	Roofs - Inspect/Clean/Repair	~75,600 SF, arch shingles	3	0	\$18,500	\$22,700
510	Gutters/Downspouts - Repair/Replace	~7,250 LF, metal	25	13	\$39,900	\$54,400
520	Ext Surfaces/Siding - Repr/Replace	Extensive GSF	8	5	\$6,500	\$10,500
525	Full Exterior - Paint/Caulk	Extensive GSF	8	5	\$95,500	\$117,000
527	Partial Exterior - Paint/Caulk	Extensive GSF	8	1	\$32,800	\$49,100
529	Caulk, etc. - Inspect/Repair	Extensive GSF	4	3	\$3,800	\$6,000
545	Wood Decks/Porches - Repair/Replace	(12) decks, ~1,200 SF	20	8	\$40,000	\$50,000
550	Wood Deck Rail - Repair/Replace	~220 LF, wood picket	20	8	\$11,000	\$13,200
552	Metal/Alum. Rails - Repair/Replace	~770 LF, powder coated	30	18	\$42,400	\$57,800
560	Bldg. Exterior Lights - Replace	~(130) metal/glass	24	13	\$14,300	\$20,800
18	Total Funded Components					

Table 3: Fully Funded Balance

21948-5

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Site/Grounds								
100	Conc. Driveways/Sdwlks - Repr/Replc	\$4,950	X	5	/	5	=	\$4,950
120	Asphalt - Resurface/Overlay	\$8,700	X	11	/	30	=	\$3,190
121	Asphalt - Repair/Sealcoat	\$2,050	X	5	/	5	=	\$2,050
140	Wood Trellis/Arbor - Repair/Replace	\$2,750	X	12	/	20	=	\$1,650
165	Path/Site Lights - Replace	\$1,900	X	12	/	20	=	\$1,140
175	Drain Lines - Clean/Inspect	\$6,800	X	1	/	5	=	\$1,360
180	Irrigation System - Maintain/Repair	\$4,400	X	4	/	5	=	\$3,520
500	Steep Slope Roofs - Repair/Replace	\$340,000	X	20	/	25	=	\$272,000
505	Roofs - Inspect/Clean/Repair	\$20,600	X	3	/	3	=	\$20,600
510	Gutters/Downspouts - Repair/Replace	\$47,150	X	12	/	25	=	\$22,632
520	Ext Surfaces/Siding - Repr/Replace	\$8,500	X	3	/	8	=	\$3,188
525	Full Exterior - Paint/Caulk	\$106,250	X	3	/	8	=	\$39,844
527	Partial Exterior - Paint/Caulk	\$40,950	X	7	/	8	=	\$35,831
529	Caulk, etc. - Inspect/Repair	\$4,900	X	1	/	4	=	\$1,225
545	Wood Decks/Porches - Repair/Replace	\$45,000	X	12	/	20	=	\$27,000
550	Wood Deck Rail - Repair/Replace	\$12,100	X	12	/	20	=	\$7,260
552	Metal/Alum. Rails - Repair/Replace	\$50,100	X	12	/	30	=	\$20,040
560	Bldg. Exterior Lights - Replace	\$17,550	X	11	/	24	=	\$8,044
								\$475,523

Table 4: Component Significance

21948-5

#	Component	Useful Life	Current Cost Estimate	Deterioration Cost/yr	Deterioration Significance
Site/Grounds					
100	Conc. Driveways/Sdwlks - Repr/Replc	5	\$4,950	\$990	1.9%
120	Asphalt - Resurface/Overlay	30	\$8,700	\$290	0.6%
121	Asphalt - Repair/Sealcoat	5	\$2,050	\$410	0.8%
140	Wood Trellis/Arbor - Repair/Replace	20	\$2,750	\$138	0.3%
165	Path/Site Lights - Replace	20	\$1,900	\$95	0.2%
175	Drain Lines - Clean/Inspect	5	\$6,800	\$1,360	2.6%
180	Irrigation System - Maintain/Repair	5	\$4,400	\$880	1.7%
500	Steep Slope Roofs - Repair/Replace	25	\$340,000	\$13,600	25.9%
505	Roofs - Inspect/Clean/Repair	3	\$20,600	\$6,867	13.1%
510	Gutters/Downspouts - Repair/Replace	25	\$47,150	\$1,886	3.6%
520	Ext Surfaces/Siding - Repr/Replace	8	\$8,500	\$1,063	2.0%
525	Full Exterior - Paint/Caulk	8	\$106,250	\$13,281	25.3%
527	Partial Exterior - Paint/Caulk	8	\$40,950	\$5,119	9.8%
529	Caulk, etc. - Inspect/Repair	4	\$4,900	\$1,225	2.3%
545	Wood Decks/Porches - Repair/Replace	20	\$45,000	\$2,250	4.3%
550	Wood Deck Rail - Repair/Replace	20	\$12,100	\$605	1.2%
552	Metal/Alum. Rails - Repair/Replace	30	\$50,100	\$1,670	3.2%
560	Bldg. Exterior Lights - Replace	24	\$17,550	\$731	1.4%
18	Total Funded Components			\$52,459	100.0%

Table 5: 30-Year Reserve Plan Summary

21948-5

Fiscal Year Start: 07/01/16

Interest: 0.2%

Inflation: 3.0%

**Reserve Fund Strength Calculations
(All values as of Fiscal Year Start Date)**

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loans or Special Assmts	Interest Income	Reserve Expenses
2016	\$303,914	\$475,523	63.9%	Med	\$58,800	\$0	\$480	\$27,600
2017	\$335,594	\$515,394	65.1%	Med	\$61,740	\$0	\$515	\$46,711
2018	\$351,138	\$538,397	65.2%	Med	\$64,827	\$0	\$576	\$0
2019	\$416,541	\$611,872	68.1%	Med	\$68,068	\$0	\$655	\$27,865
2020	\$457,400	\$660,571	69.2%	Med	\$71,472	\$0	\$734	\$7,653
2021	\$521,953	\$733,319	71.2%	Low	\$75,045	\$0	\$438	\$535,295
2022	\$62,141	\$266,604	23.3%	High	\$78,798	\$0	\$130	\$29,851
2023	\$111,218	\$308,373	36.1%	Med	\$82,738	\$0	\$225	\$6,026
2024	\$188,153	\$377,871	49.8%	Med	\$86,874	\$0	\$289	\$78,223
2025	\$197,094	\$377,084	52.3%	Med	\$91,218	\$0	\$297	\$89,181
2026	\$199,428	\$367,040	54.3%	Med	\$95,779	\$0	\$364	\$9,407
2027	\$286,164	\$440,977	64.9%	Med	\$98,413	\$0	\$494	\$12,873
2028	\$372,197	\$515,741	72.2%	Low	\$101,119	\$0	\$613	\$29,371
2029	\$444,558	\$577,999	76.9%	Low	\$103,900	\$0	\$547	\$263,528
2030	\$285,477	\$403,254	70.8%	Low	\$106,757	\$0	\$501	\$10,286
2031	\$382,450	\$486,486	78.6%	Low	\$109,693	\$0	\$618	\$50,634
2032	\$442,127	\$533,109	82.9%	Low	\$112,710	\$0	\$743	\$7,061
2033	\$548,519	\$628,536	87.3%	Low	\$115,809	\$0	\$859	\$67,684
2034	\$597,504	\$666,986	89.6%	Low	\$118,994	\$0	\$896	\$120,362
2035	\$597,032	\$655,009	91.1%	Low	\$122,266	\$0	\$961	\$35,772
2036	\$684,488	\$732,562	93.4%	Low	\$125,629	\$0	\$1,112	\$12,643
2037	\$798,586	\$839,105	95.2%	Low	\$129,083	\$0	\$1,100	\$259,976
2038	\$668,793	\$697,020	96.0%	Low	\$132,633	\$0	\$1,103	\$0
2039	\$802,530	\$821,463	97.7%	Low	\$136,281	\$0	\$1,300	\$9,671
2040	\$930,440	\$942,784	98.7%	Low	\$140,028	\$0	\$1,460	\$55,699
2041	\$1,016,229	\$1,023,535	99.3%	Low	\$143,879	\$0	\$1,558	\$100,397
2042	\$1,061,270	\$1,063,965	99.7%	Low	\$147,836	\$0	\$1,697	\$9,489
2043	\$1,201,314	\$1,202,637	99.9%	Low	\$151,901	\$0	\$1,875	\$56,643
2044	\$1,298,447	\$1,300,396	99.9%	Low	\$156,079	\$0	\$1,960	\$141,280
2045	\$1,315,206	\$1,317,513	99.8%	Low	\$160,371	\$0	\$1,880	\$286,441

Table 6: 30-Year Income/Expense Detail (yrs 0 through 4)

21948-5

Fiscal Year	2016	2017	2018	2019	2020
Starting Reserve Balance	\$303,914	\$335,594	\$351,138	\$416,541	\$457,400
Annual Reserve Contribution	\$58,800	\$61,740	\$64,827	\$68,068	\$71,472
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$480	\$515	\$576	\$655	\$734
Total Income	\$363,194	\$397,849	\$416,541	\$485,265	\$529,606
# Component					
Site/Grounds					
100 Conc. Driveways/Sdwks - Repr/Replc	\$4,950	\$0	\$0	\$0	\$0
120 Asphalt - Resurface/Overlay	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Repair/Sealcoat	\$2,050	\$0	\$0	\$0	\$0
140 Wood Trellis/Arbor - Repair/Replace	\$0	\$0	\$0	\$0	\$0
165 Path/Site Lights - Replace	\$0	\$0	\$0	\$0	\$0
175 Drain Lines - Clean/Inspect	\$0	\$0	\$0	\$0	\$7,653
180 Irrigation System - Maintain/Repair	\$0	\$4,532	\$0	\$0	\$0
500 Steep Slope Roofs - Repair/Replace	\$0	\$0	\$0	\$0	\$0
505 Roofs - Inspect/Clean/Repair	\$20,600	\$0	\$0	\$22,510	\$0
510 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$0	\$0
520 Ext Surfaces/Siding - Repr/Replace	\$0	\$0	\$0	\$0	\$0
525 Full Exterior - Paint/Caulk	\$0	\$0	\$0	\$0	\$0
527 Partial Exterior - Paint/Caulk	\$0	\$42,179	\$0	\$0	\$0
529 Caulk, etc. - Inspect/Repair	\$0	\$0	\$0	\$5,354	\$0
545 Wood Decks/Porches - Repair/Replace	\$0	\$0	\$0	\$0	\$0
550 Wood Deck Rail - Repair/Replace	\$0	\$0	\$0	\$0	\$0
552 Metal/Alum. Rails - Repair/Replace	\$0	\$0	\$0	\$0	\$0
560 Bldg. Exterior Lights - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$27,600	\$46,711	\$0	\$27,865	\$7,653
Ending Reserve Balance:	\$335,594	\$351,138	\$416,541	\$457,400	\$521,953

Table 6: 30-Year Income/Expense Detail (yrs 5 through 9)

21948-5

Fiscal Year	2021	2022	2023	2024	2025
Starting Reserve Balance	\$521,953	\$62,141	\$111,218	\$188,153	\$197,094
Annual Reserve Contribution	\$75,045	\$78,798	\$82,738	\$86,874	\$91,218
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$438	\$130	\$225	\$289	\$297
Total Income	\$597,436	\$141,069	\$194,180	\$275,317	\$288,609
# Component					
Site/Grounds					
100 Conc. Driveways/Sdwks - Repr/Replc	\$5,738	\$0	\$0	\$0	\$0
120 Asphalt - Resurface/Overlay	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Repair/Sealcoat	\$2,377	\$0	\$0	\$0	\$0
140 Wood Trellis/Arbor - Repair/Replace	\$0	\$0	\$0	\$3,484	\$0
165 Path/Site Lights - Replace	\$0	\$0	\$0	\$2,407	\$0
175 Drain Lines - Clean/Inspect	\$0	\$0	\$0	\$0	\$8,872
180 Irrigation System - Maintain/Repair	\$0	\$5,254	\$0	\$0	\$0
500 Steep Slope Roofs - Repair/Replace	\$394,153	\$0	\$0	\$0	\$0
505 Roofs - Inspect/Clean/Repair	\$0	\$24,597	\$0	\$0	\$26,878
510 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$0	\$0
520 Ext Surfaces/Siding - Repr/Replace	\$9,854	\$0	\$0	\$0	\$0
525 Full Exterior - Paint/Caulk	\$123,173	\$0	\$0	\$0	\$0
527 Partial Exterior - Paint/Caulk	\$0	\$0	\$0	\$0	\$53,430
529 Caulk, etc. - Inspect/Repair	\$0	\$0	\$6,026	\$0	\$0
545 Wood Decks/Porches - Repair/Replace	\$0	\$0	\$0	\$57,005	\$0
550 Wood Deck Rail - Repair/Replace	\$0	\$0	\$0	\$15,328	\$0
552 Metal/Alum. Rails - Repair/Replace	\$0	\$0	\$0	\$0	\$0
560 Bldg. Exterior Lights - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$535,295	\$29,851	\$6,026	\$78,223	\$89,181
Ending Reserve Balance:	\$62,141	\$111,218	\$188,153	\$197,094	\$199,428

Table 6: 30-Year Income/Expense Detail (yrs 10 through 14)

21948-5

Fiscal Year	2026	2027	2028	2029	2030
Starting Reserve Balance	\$199,428	\$286,164	\$372,197	\$444,558	\$285,477
Annual Reserve Contribution	\$95,779	\$98,413	\$101,119	\$103,900	\$106,757
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$364	\$494	\$613	\$547	\$501
Total Income	\$295,571	\$385,070	\$473,929	\$549,006	\$392,735
# Component					
Site/Grounds					
100 Conc. Driveways/Sdwks - Repr/Replc	\$6,652	\$0	\$0	\$0	\$0
120 Asphalt - Resurface/Overlay	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Repair/Sealcoat	\$2,755	\$0	\$0	\$0	\$0
140 Wood Trellis/Arbor - Repair/Replace	\$0	\$0	\$0	\$0	\$0
165 Path/Site Lights - Replace	\$0	\$0	\$0	\$0	\$0
175 Drain Lines - Clean/Inspect	\$0	\$0	\$0	\$0	\$10,286
180 Irrigation System - Maintain/Repair	\$0	\$6,091	\$0	\$0	\$0
500 Steep Slope Roofs - Repair/Replace	\$0	\$0	\$0	\$0	\$0
505 Roofs - Inspect/Clean/Repair	\$0	\$0	\$29,371	\$0	\$0
510 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$69,241	\$0
520 Ext Surfaces/Siding - Repr/Replace	\$0	\$0	\$0	\$12,483	\$0
525 Full Exterior - Paint/Caulk	\$0	\$0	\$0	\$156,032	\$0
527 Partial Exterior - Paint/Caulk	\$0	\$0	\$0	\$0	\$0
529 Caulk, etc. - Inspect/Repair	\$0	\$6,783	\$0	\$0	\$0
545 Wood Decks/Porches - Repair/Replace	\$0	\$0	\$0	\$0	\$0
550 Wood Deck Rail - Repair/Replace	\$0	\$0	\$0	\$0	\$0
552 Metal/Alum. Rails - Repair/Replace	\$0	\$0	\$0	\$0	\$0
560 Bldg. Exterior Lights - Replace	\$0	\$0	\$0	\$25,773	\$0
Total Expenses	\$9,407	\$12,873	\$29,371	\$263,528	\$10,286
Ending Reserve Balance:	\$286,164	\$372,197	\$444,558	\$285,477	\$382,450

Table 6: 30-Year Income/Expense Detail (yrs 15 through 19)

21948-5

Fiscal Year	2031	2032	2033	2034	2035
Starting Reserve Balance	\$382,450	\$442,127	\$548,519	\$597,504	\$597,032
Annual Reserve Contribution	\$109,693	\$112,710	\$115,809	\$118,994	\$122,266
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$618	\$743	\$859	\$896	\$961
Total Income	\$492,761	\$555,580	\$665,188	\$717,394	\$720,259
# Component					
Site/Grounds					
100 Conc. Driveways/Sdwks - Repr/Replc	\$7,712	\$0	\$0	\$0	\$0
120 Asphalt - Resurface/Overlay	\$0	\$0	\$0	\$0	\$15,256
121 Asphalt - Repair/Sealcoat	\$3,194	\$0	\$0	\$0	\$0
140 Wood Trellis/Arbor - Repair/Replace	\$0	\$0	\$0	\$0	\$0
165 Path/Site Lights - Replace	\$0	\$0	\$0	\$0	\$0
175 Drain Lines - Clean/Inspect	\$0	\$0	\$0	\$0	\$11,924
180 Irrigation System - Maintain/Repair	\$0	\$7,061	\$0	\$0	\$0
500 Steep Slope Roofs - Repair/Replace	\$0	\$0	\$0	\$0	\$0
505 Roofs - Inspect/Clean/Repair	\$32,094	\$0	\$0	\$35,070	\$0
510 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$0	\$0
520 Ext Surfaces/Siding - Repr/Replace	\$0	\$0	\$0	\$0	\$0
525 Full Exterior - Paint/Caulk	\$0	\$0	\$0	\$0	\$0
527 Partial Exterior - Paint/Caulk	\$0	\$0	\$67,684	\$0	\$0
529 Caulk, etc. - Inspect/Repair	\$7,634	\$0	\$0	\$0	\$8,592
545 Wood Decks/Porches - Repair/Replace	\$0	\$0	\$0	\$0	\$0
550 Wood Deck Rail - Repair/Replace	\$0	\$0	\$0	\$0	\$0
552 Metal/Alum. Rails - Repair/Replace	\$0	\$0	\$0	\$85,292	\$0
560 Bldg. Exterior Lights - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$50,634	\$7,061	\$67,684	\$120,362	\$35,772
Ending Reserve Balance:	\$442,127	\$548,519	\$597,504	\$597,032	\$684,488

Table 6: 30-Year Income/Expense Detail (yrs 20 through 24)

21948-5

Fiscal Year	2036	2037	2038	2039	2040
Starting Reserve Balance	\$684,488	\$798,586	\$668,793	\$802,530	\$930,440
Annual Reserve Contribution	\$125,629	\$129,083	\$132,633	\$136,281	\$140,028
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,112	\$1,100	\$1,103	\$1,300	\$1,460
Total Income	\$811,228	\$928,770	\$802,530	\$940,110	\$1,071,928
# Component					
Site/Grounds					
100 Conc. Driveways/Sdwks - Repr/Replc	\$8,940	\$0	\$0	\$0	\$0
120 Asphalt - Resurface/Overlay	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Repair/Sealcoat	\$3,703	\$0	\$0	\$0	\$0
140 Wood Trellis/Arbor - Repair/Replace	\$0	\$0	\$0	\$0	\$0
165 Path/Site Lights - Replace	\$0	\$0	\$0	\$0	\$0
175 Drain Lines - Clean/Inspect	\$0	\$0	\$0	\$0	\$13,823
180 Irrigation System - Maintain/Repair	\$0	\$8,185	\$0	\$0	\$0
500 Steep Slope Roofs - Repair/Replace	\$0	\$0	\$0	\$0	\$0
505 Roofs - Inspect/Clean/Repair	\$0	\$38,322	\$0	\$0	\$41,876
510 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$0	\$0
520 Ext Surfaces/Siding - Repr/Replace	\$0	\$15,813	\$0	\$0	\$0
525 Full Exterior - Paint/Caulk	\$0	\$197,656	\$0	\$0	\$0
527 Partial Exterior - Paint/Caulk	\$0	\$0	\$0	\$0	\$0
529 Caulk, etc. - Inspect/Repair	\$0	\$0	\$0	\$9,671	\$0
545 Wood Decks/Porches - Repair/Replace	\$0	\$0	\$0	\$0	\$0
550 Wood Deck Rail - Repair/Replace	\$0	\$0	\$0	\$0	\$0
552 Metal/Alum. Rails - Repair/Replace	\$0	\$0	\$0	\$0	\$0
560 Bldg. Exterior Lights - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$12,643	\$259,976	\$0	\$9,671	\$55,699
Ending Reserve Balance:	\$798,586	\$668,793	\$802,530	\$930,440	\$1,016,229

Table 6: 30-Year Income/Expense Detail (yrs 25 through 29)

21948-5

Fiscal Year	2041	2042	2043	2044	2045
Starting Reserve Balance	\$1,016,229	\$1,061,270	\$1,201,314	\$1,298,447	\$1,315,206
Annual Reserve Contribution	\$143,879	\$147,836	\$151,901	\$156,079	\$160,371
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,558	\$1,697	\$1,875	\$1,960	\$1,880
Total Income	\$1,161,667	\$1,210,803	\$1,355,090	\$1,456,485	\$1,477,456
# Component					
Site/Grounds					
100 Conc. Driveways/Sdwks - Repr/Replc	\$10,364	\$0	\$0	\$0	\$0
120 Asphalt - Resurface/Overlay	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Repair/Sealcoat	\$4,292	\$0	\$0	\$0	\$0
140 Wood Trellis/Arbor - Repair/Replace	\$0	\$0	\$0	\$6,292	\$0
165 Path/Site Lights - Replace	\$0	\$0	\$0	\$4,347	\$0
175 Drain Lines - Clean/Inspect	\$0	\$0	\$0	\$0	\$16,025
180 Irrigation System - Maintain/Repair	\$0	\$9,489	\$0	\$0	\$0
500 Steep Slope Roofs - Repair/Replace	\$0	\$0	\$0	\$0	\$0
505 Roofs - Inspect/Clean/Repair	\$0	\$0	\$45,759	\$0	\$0
510 Gutters/Downspouts - Repair/Replace	\$0	\$0	\$0	\$0	\$0
520 Ext Surfaces/Siding - Repr/Replace	\$0	\$0	\$0	\$0	\$20,031
525 Full Exterior - Paint/Caulk	\$0	\$0	\$0	\$0	\$250,385
527 Partial Exterior - Paint/Caulk	\$85,740	\$0	\$0	\$0	\$0
529 Caulk, etc. - Inspect/Repair	\$0	\$0	\$10,884	\$0	\$0
545 Wood Decks/Porches - Repair/Replace	\$0	\$0	\$0	\$102,957	\$0
550 Wood Deck Rail - Repair/Replace	\$0	\$0	\$0	\$27,684	\$0
552 Metal/Alum. Rails - Repair/Replace	\$0	\$0	\$0	\$0	\$0
560 Bldg. Exterior Lights - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$100,397	\$9,489	\$56,643	\$141,280	\$286,441
Ending Reserve Balance:	\$1,061,270	\$1,201,314	\$1,298,447	\$1,315,206	\$1,191,016

Accuracy, Limitations, and Disclosures

Washington disclosures, per RCW:

This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special assessment your share of common expenses for the cost of major maintenance, repair or replacement of a reserve component.

Because we have no control over future events, we do not expect that all the events we anticipate will occur as planned. We expect that inflationary trends will continue, and we expect Reserve funds to continue to earn interest, so we believe that reasonable estimates for these figures are much more accurate than ignoring these economic realities. We can control measurements, which we attempt to establish within 5% accuracy through a combination of on-site measurements, drawings, and satellite imagery. The starting Reserve Balance and interest rate earned on deposited Reserve funds that you provided to us were considered reliable and were not confirmed independently. We have considered the association's representation of current and historical Reserve projects reliable, and we have considered the representations made by its vendors and suppliers to also be accurate and reliable. Component Useful Life, Remaining Useful Life, and Current Cost estimates assume a stable economic environment and lack of natural disasters.

Because the physical condition of your components, the association's Reserve balance, the economic environment, and legislative environment change each year, this Reserve Study is by nature a "one-year" document. Because a long-term perspective improves the accuracy of near-term planning, this Report projects expenses for the next 30 years. It is our recommendation and that of the Financial Accounting Standards Board (FASB) that your Reserve Study be updated each year as part of the annual budget process.

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. James D. Talaga R.S., company president, is a credentialed Reserve Specialist (#66). All work done by Association Reserves WA, LLC is performed under his Responsible Charge. There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the association's situation.

Component quantities indicated in this Report were found in prior Reserve Studies unless otherwise noted. No destructive or intrusive testing was performed. This Report and this site inspection were accomplished only for Reserve budget purposes (to help identify and address the normal deterioration of properly built and installed components with predictable life expectancies). The Funding Plan in this Report was developed using the cash-flow methodology to achieve the specified Funding Objective.

Association Reserves' liability in any matter involving this Reserve Study is limited to our Fee for services rendered.

Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)

Effective Age: The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.

Fully Funded Balance (FFB): The value of the deterioration of the Reserve Components. This is the fraction of life “used up” of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.

$$\text{FFB} = (\text{Current Cost} \times \text{Effective Age}) / \text{Useful Life}$$

Inflation: Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on Table 6.

Interest: Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.

Percent Funded: The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.

Remaining Useful Life (RUL): The estimated time, in years, that a common area component can be expected to continue to serve its intended function.

Useful Life (UL): The estimated time, in years, that a common area component can be expected to serve its intended function.

Component Details

The primary purpose of the photographic appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The photographs herein represent a wide range of elements that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding:

- 1) Common are maintenance, repair & replacement reasonability
- 2) Components must have a limited life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of annual operating expenses).

Some components are recommended for reserve funding, while others are not. The components that meet these criteria in our judgment are shown with corresponding maintenance, repair or replacement cycles to the left of the photo (UL = Useful Life or how often the project is expected to occur, RUL = Remaining Useful Life or how many years from our reporting period) and a representative market cost range termed “Best Cost” and “Worst Cost” below the photo. There are many factors that can result in a wide variety of potential cost; we are attempting to represent a market average for budget purposes. Where there is no UL, the component is expected to be a one-time expense. Where no pricing, the component deemed inappropriate for Reserve Funding.

Client: 21948A Villaggio Neighborhood

Comp # : 100 Conc. Driveways/Sdwilks - Repr/Replc Quantity: Extensive SF

Location : Driveways and sidewalks throughout community

Funded? : Yes

History : No major repairs known

Evaluation : We noted soiled surfaces and some local cracking, however no widespread or significant damage/deterioration observed. A couple small repairs anticipated out of the operating budget for the 2015-16 fiscal year but Association anticipates larger project during the 2016-17 fiscal year as shown here.

Repair any trip and fall hazards (1/2" or larger displacement) immediately to ensure safety. In our experience, larger repair/replacement expenses can emerge as the community ages. Although difficult to predict timing, cost and scope, we suggest a funding allowance to supplement the operating/maintenance budget for periodic, larger repairs. Adjust as conditions, actual expense history dictates within future reserve study updates. As routine maintenance, inspect regularly, pressure wash for appearance and repair promptly as needed to prevent water penetrating into the base and causing further damage. Monitor tree roots nearby; consult with arborist for best practice.

Useful Life:
5 years

Remaining Life:
0 years



Best Case: \$3,800

Worst Case: \$6,100

Lower allowance for partial repair

Higher allowance; more repair needs

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 120 Asphalt - Resurface/Overlay Quantity: ~4,000 GSF

Location : NE Monroe Lane (other asphalt roadways are not Association but public streets)

Funded? : Yes

History : None known

Evaluation : Similar condition as our previous site visit with no significant raveling (loss of binder), cracking or other deterioration observed. We recommend having surfaces sealed and repaired regularly as directed in component #121 for maximum design life. Even with ordinary care and maintenance, plan for eventual, large scale resurface (overlay) at roughly the time frame below. As timing draws nearer, consult with asphalt vendor/consultant for recommendations and complete scope. As routine maintenance, keep roadway clean, free of debris and well drained; fill/seal cracks (hot rubberized crack fill) to prevent water from penetrating into the sub-base and accelerating damage.

Useful Life:
30 years

Remaining Life:
19 years



Best Case: \$7,800

Worst Case: \$9,600

\$1.95/Sq Ft, Lower allowance to resurface (overlay)

\$2.40/Sq Ft, Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 121 Asphalt - Repair/Sealcoat Quantity: ~4,000 GSF

Location : NE Monroe Lane (other asphalt areas are not Association but public streets)

Funded? : Yes

History : Last sealcoat in July 2011

Evaluation : We noted some fading and inconsistency in surface sealcoating. Regular cycles of seal coating every 3-5 years (along with any needed repair) has proven to be the best program in our opinion for the long term care of lower traffic asphalt areas such as these. The State of Washington, Department of Transportation recommends regular cycles of seal coating (they use the term bituminous surface treatment, BST) for the long-term care of asphalt paving with low traffic and low speed. The primary reason to seal coat asphalt pavement is to protect the pavement from the deteriorating effects of sun and water. When asphalt pavement is exposed, the asphalt oxidizes, or hardens which causes the pavement to become more brittle. As a result, the pavement will be more likely to crack as it is unable to bend and flex when subjected to traffic and temperature changes. A seal coat combats this situation by providing a waterproof membrane, which not only slows down the oxidation process but also helps the pavement to shed water, preventing it from entering the base material. Seal coat also provides uniform appearance, concealing the inevitable patching and repairs which accumulate over time. Seal coat ultimately extends useful life of asphalt, postponing the asphalt resurfacing, which can be one of the larger cost items in the reserve study (see component #120 for asphalt resurfacing costs). Repair asphalt before seal coating as needed. Surface preparation and dry weather, during and following application, is key to lasting performance. We recommend two coats or flood application of quality asphalt emulsion. Incorporate any striping and curb repair into this project.

Useful Life:
5 years

Remaining Life:
0 years



Best Case: \$1,800

Worst Case: \$2,300

\$0.45/Sq Ft, Lower allowance to clean/sealcoat

~\$0.57/Sq Ft, Higher allowance, more repairs

Cost Source: Inflated Client Cost History/ARI Database, similar project

Client: 21948A Villaggio Neighborhood

Comp # : 140 Wood Trellis/Arbor - Repair/Replace

Quantity: (1) moderate size, wood

Location : Tract AB, between Lots 46 and 47

Funded? : Yes

History : None known

Evaluation : Although no obvious instability noted, weathered appearance. With ordinary care and maintenance, plan for replacement at roughly the interval indicated below due to deterioration that will result from constant exposure. Clean and paint/stain along with other larger projects or as general maintenance (not separate reserve item) to preserve the wood and extend the useful life. Local repairs between large scale replacements can be funded as general maintenance item.

Useful Life:
20 years

Remaining Life:
8 years



Best Case: \$2,500

Worst Case: \$3,000

Lower allowance to remove and replace

Higher allowance, upgraded design, materials, etc.

Cost Source: ARI Cost Database: Similar Project Cost History

Comp # : 165 Path/Site Lights - Replace

Quantity: (10) fixtures

Location : Adjacent to paths near Lots 46 and 47

Funded? : Yes

History : None known

Evaluation : Although some deterioration of surface finish, no instability noted and no problems reported to us. Observed during daylight hours; assumed to be in functional operating condition. Best to plan for replacement as shown here due to damage/deterioration that will result from constant exposure. As routine maintenance, inspect regularly, clean for appearance and repair/change bulbs as needed.

Useful Life:
20 years

Remaining Life:
8 years



Best Case: \$1,600

Worst Case: \$2,200

\$160/Fixture (x10), Lower allowance to replace with Community-standard fixture

\$220/Fixture (x10), Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 170 Landscape/Trees - Refurbish Quantity: Shrubs, grass, trees

Location : Scattered areas throughout site

Funded? : No Useful life not predictable, repair/replace as needed out of operating budget

History : None known

Evaluation : No obvious large scale issues with landscaping noted and no specific issues reported to us. Although typically funded as ongoing maintenance item, this component may be utilized for setting aside funds for larger expenses that do not occur on an annual basis, such as large scale plantings, residing lawn areas, bark/mulch replenishment, etc. Often times these type of projects can be handled within the annual operating budget as a separate line item from the landscape maintenance contract. At this time no specific projects anticipated and no desire by community for refurbishing. Monitor and include funding in reserve study updates if needed/desired.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp # : 175 Drain Lines - Clean/Inspect Quantity: Storm drains, etc.

Location : Scattered throughout community

Funded? : Yes

History : Last cleaned in 2011

Evaluation : Association Management reports drain cleaning will occur in the 2015-16 fiscal year subsequent to our December 2015 site visit. Previous to this, last large scale drain line cleaning was performed in 2011. Drainage facilities are typically inspected periodically by governing authority; typically storm system maintenance guidelines can be found on their website. Association management is requesting cyclical drain line cleaning be included within the reserve budget every 5 years for best performance. Local cleaning/inspections can be conducted as part of routine annual maintenance.

Useful Life:
5 years

Remaining Life:
4 years



Best Case: \$6,500

Worst Case: \$7,100

Lower estimate to inspect/clean drain lines

Higher estimate

Cost Source: Estimate Provided by Client per Bid

Client: 21948A Villaggio Neighborhood

Comp # : 180 Irrigation System - Maintain/Repair Quantity: Valves, controls, etc.

Location : Scattered throughout community

Funded? : Yes

History : None known

Evaluation : As with our previous site visit, system was winterized during our site visit therefore we did not observe functioning. No problems reported to us. If properly installed and bedded without defect, the lines themselves are expected to be long-lived with no predictable expectation for replacement. However, typically large system renovations, repairs, zone reconfiguration, etc. may become necessary and although difficult to predict cost/timing, we recommend a periodic funding allowance for these type of larger items. The timing/pricing here are to be used for planning purposes and are not for a specific project. As routine maintenance, inspect regularly, test system and repair as needed. Follow proper winterization and spring start up procedures.

Useful Life:
5 years

Remaining Life:
1 years



Best Case: \$3,300

Worst Case: \$5,500

Lower periodic allowance for repairs/replacement

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp # : 335 Site Bench - Replace Quantity: (1) metal

Location : Behind Lots 46 and 47 adjacent to wetland buffer at south portion of site

Funded? : No Cost projected to be too small for reserve funding

History : Unknown

Evaluation : Some surface deterioration, however no instability or advanced damage/deterioration observed. Although at one point will need to be replaced due to deterioration that will result form constant exposure, cost to replace this single bench best funded within annual operating budget, not long term reserve planning. Inspect regularly, clean for appearance and repair as needed from general operating funds.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Client: 21948A Villaggio Neighborhood

Comp # : 500 Steep Slope Roofs - Repair/Replace Quantity: ~75,600 SF, arch shingles

Location : Rooftops of building

Funded? : Yes

History : Some repairs, original roofing

Evaluation : No significant damage/deterioration noted of architectural, composition roofing shingles. We noted some moss on surfaces in areas that appear to be shaded and/or near roof/siding interface where step flashing clearance appears to be less than a couple inches. We noted ridge, jack and gable ,louver end vents. There is no metal flashing at crickets and barge board cut ends are mostly covered by roofing shingles.

As was discussed with us in previous reserve studies, significant roof repairs were completed in Fall 2010 during 2010-11 Fiscal Year due to deficiencies primarily with flashings and details at penetrations throughout rooftops. This was discovered during a building inspection and the association funded these repairs through reserve funds. The roofs were also cleaned/treated in 2010-11 (see component #505 for future cycles).

Plan for replacement at roughly the time frame indicated below with costs shown here for similar shingle to what is currently in place. The remaining useful life has been adjusted downward based on the roof inspection discussed above and while repairs were made, further deficiencies exist that are not feasible to correct but is anticipated to decrease the roof life. The Useful Life here is typical life expectancy. At time of re-roof we recommend that you hire a professional roof consultant such as Architect, Engineer, or building envelope consultant; to evaluate, design, specify, help bid the project, select best bidder, and observe construction to ensure proper installation. We recommend all Associations seek advice from a qualified consultant whenever they are considering having work performed on any building envelope components (roof, walls, windows, decks, exterior painting and caulking/sealant). As routine maintenance, many manufacturers recommend inspections at least twice annually (once in the fall, before the rainy season, and again in the spring) and after large storm events. Promptly replace any damaged/missing sections or any other repair needed to ensure waterproof integrity of roof. Keep roof surface, gutters and downspouts clear and free of moss or debris. Funding for moss removal/treatment shown in component #505.

Useful Life:
25 years

Remaining Life:
5 years



Best Case: \$302,000

\$4/Sq Ft, Lower allowance to tear off and reroof

Worst Case: \$378,000

\$5/Sq Ft, Higher allowance, upgrades, underlying repair needs, metal work, etc.

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 505 Roofs - Inspect/Clean/Repair

Quantity: ~75,600 SF, arch shingles

Location : Rooftops of building

Funded? : Yes

History : Cleaned and repaired June/July 2014

Evaluation : We noted some moss at areas of roofing that are shaded and or near roof to siding interfaces that appear to have less than a couple inch clearance; last cleaning and moss treatment in June/July 2014 and previous to this in the 2010-11 fiscal year. As requested by Association Management, plan for periodic inspections, repairs, cleaning and moss treatment every 3 years as shown here. Moss growth can decrease the life of the roofing shingles and should be removed as soon as possible. Liquid applied fungicide (moss killer) is recommended instead of power washing the living moss off the shingles. Moss roots grow into the shingles. Killing the moss in-place, with a fungicide, allows the roots to gradually release from the shingles where they can be swept away. Do not use high pressure wash. As routine maintenance, many manufacturers recommend inspections at least twice annually (once in the fall, before the rainy season, and again in the spring) and after large storm events. Promptly replace any damaged/missing sections or any other repair needed to ensure waterproof integrity of roof.

Useful Life:
3 years

Remaining Life:
0 years



Best Case: \$18,500

Worst Case: \$22,700

Lower allowance to inspect, clean, repair and apply moss treatment

Higher allowance

Cost Source: Inflated Cost History: Pro-Long Roof Care & Repair, Inc

Client: 21948A Villaggio Neighborhood

Comp # : 510 Gutters/Downspouts - Repair/Replace Quantity: ~7,250 LF, metal

Location : Perimeter of buildings

Funded? : Yes

History : None known

Evaluation : No obvious issues such as improper sloping, poor attachment, etc. noted at this time. We inspected on a dry day so we did not observe functioning, however no problems reported to us. Although replacement is best done along with roof replacement (#500) for cost efficiency/consistency, reduced roof life anticipated therefore replacement of gutters/downspouts recommended further out at typical life shown here. As routine maintenance, inspect regularly, keep gutters and downspouts free of debris.

Useful Life:
25 years

Remaining Life:
13 years



Best Case: \$39,900

\$5.50/Linear Ft, Lower allowance to remove and replace

Worst Case: \$54,400

\$7.50/Linear Ft, Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 520 Ext Surfaces/Siding - Repr/Replace Quantity: Extensive GSF

Location : Exterior of buildings

Funded? : Yes

History : Repairs in 2013-14 fiscal year prior to paint project

Evaluation : As we discussed with Association Management currently and in the past, according to the Association declaration, section 3.1. (c) (i), "the exterior façade of the improvements" is maintained by the Association. The word "façade" is not defined in Association documents - interpretations may vary. Building siding assumed to be fiber-cement materials of lap and bat/board style with some brick and wood shingle siding; trim, fascia, door moldings, etc. are painted wood. We noted caulking at trim/siding interfaces, metal flashing at the top of the window trim and at head of other bellyband/trim areas. A local inspection and spot caulking project is anticipated to this within the 2015-16 fiscal year subsequent to our December 2015 site visit. In the 2013-14 fiscal year, some local repairs at siding were completed.

Actual manufacturer of siding was not confirmed since we conducted only a limited visual review. The largest manufacturer of fiber-cement siding is James Hardie Company (Hardie Siding). Currently Hardie offers the choice of a 30-year non-prorated or 50-year pro-rated warranty. In our discussion with local Hardie representative, suggestion is to plan for 50 year total service life which includes the underlying waterproofing which degrade over time and may require replacement. Typically we would recommend planning for complete replacement of this type of siding and underlying waterproofing at the 50-year mark of life, however we are not including this large scale replacement funding in this study due to the vague wording as discussed above and consultation with Association Management. However, at the request of the Association Management, based on our observation and history of work, a periodic allowance is included for repairs coinciding with full (comprehensive) paint projects. We recommend the Association consult with an attorney for definitive interpretation of the documents to clarify which siding components (siding, trim, waterproofing, etc.) if any, are Association responsibility and alter this component in future reserve studies if needed.

Useful Life:
8 years

Remaining Life:
5 years



Best Case: \$6,500

Worst Case: \$10,500

Lower repair/replacement allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 525 Full Exterior - Paint/Caulk

Quantity: Extensive GSF

Location : Exterior of buildings

Funded? : Yes

History : Last painted 2013-14 fiscal year

Evaluation : According to the Association declaration Section 3.1.(c) (ii), painting (including staining) of all exterior painted portions of the improvements, including any garage, garage door, exterior doors, shutters, fascia on the improvements, etc. is the responsibility of the Neighborhood Association. For discussion of exterior repairs/replacement, see component #520. According to the Association declaration Section 3.1.(c) (iii), caulking of the exterior portions of all windows and doors is the responsibility of the Neighborhood Association. For discussion of repairs/replacements of windows and doors see #535 and #580. We noted some local fading and wear of surfaces (mostly at board/bat style siding), however no widespread issues noted. Association had a caulking/trim paint project performed Fall 2010 during the 2010-11 fiscal year. Typical Northwest paint cycles vary greatly depending upon many factors including; type of material painted, surface preparations, quality of primer/paint/stain, application methods, weather conditions during application, moisture beneath paint, and exposure to weather conditions. We recommend planning to paint entire building exterior surfaces (body/field area of siding) and caulk every 8 years as shown here. Association Management is requesting touch-up/partial paint project (#527) at the mid-way point between these cycles as well as inspection/touch-up caulk cycles (#529) between the partial and full paint projects (this is anticipated to occur during the 2015-16 fiscal year subsequent to our December 2015 site visit). As routine maintenance, inspect regularly (including sealants) repair locally and touch-up paint as needed. Additional information on painting is available through American Coatings Association at <http://www.paint.org/>.

Useful Life:
8 years

Remaining Life:
5 years



Best Case: \$95,500

\$2,000/unit (x50 units), Lower allowance to repaint all exterior building surfaces

Worst Case: \$117,000

\$2,800/unit (x50), Higher allowance, includes other things such as benches, small light posts, doors, etc.

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 527 Partial Exterior - Paint/Caulk Quantity: Extensive GSF

Location : Exterior of buildings ; trim, fascia, door moldings, etc. are painted wood

Funded? : Yes

History : Last partial paint project Fall 2010 during 2010-11 fiscal year; full paint last 2013-14 fiscal year

Evaluation : No significant or widespread fading/wear of wood trim, deck wood components, wood shingles, etc. observed at this time. There was a trim/partial paint project performed here in Fall 2010 during the 2010-11 fiscal year and comprehensive/full paint project during the 2013-14 fiscal year. Typical Northwest paint cycles vary greatly depending upon many factors including; type of material painted, surface preparations, quality of primer/paint/stain, application methods, weather conditions during application, moisture beneath paint, and exposure to weather conditions. At the request of Association Management, this component reflects partial paint projects (trim, touch-up) and caulking at the mid-way point between exhaustive paint projects (#525) hence this reflects 8 year cycles which fund 4 years following the full paint project. As routine maintenance, inspect regularly (including sealants) repair locally and touch-up paint as needed. Additional information on painting is available through American Coatings Association at <http://www.paint.org/>

Useful Life:
8 years

Remaining Life:
1 years



Best Case: \$32,800

\$600/unit (x50 units), Lower allowance to paint trim areas including decks, awnings, belly bands, etc.

Worst Case: \$49,100

\$900/unit (x50), Higher allowance, additional color schemes, doors, etc.

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 529 Caulk, etc. - Inspect/Repair

Quantity: Extensive GSF

Location : Exterior perimeters of windows

Funded? : Yes

History : Inspection and local touch-up anticipated during the 2015-16 fiscal year subsequent to our site visit

Evaluation : According to the Association declaration Section 3.1.(c) (iii), caulking of the exterior portions of all windows and doors is the responsibility of the Neighborhood Association. For discussion of repairs/replacements of windows and doors see #535 and #580. We noted some local deterioration of caulking but no major widespread failure noted. Association Management reports an inspection/touch-up caulking to occur in the 2015-16 fiscal year subsequent to our December 2015 site visit. This component is for inspections/caulking touch-up as needed between the exhaustive paint projects (#525) and the trim/partial paint projects (#527). Caulking and painting during these paint projects is assumed to be included in the costs in those separate components. Proper sealant/caulking is critical to keeping water out of the walls, and preventing water damage. Incorrect installations of sealant are common, and can greatly decrease its useful life. Inspect sealant, more frequently as it ages, to determine if it is failing. Typical sealant problems include failure of sealant to adhere to adjacent materials and tearing/splitting of the sealant itself. As sealants age and are exposure to ultra-violet sunlight, they will dry out, harden, and lose their elastic ability. Remove and replace sealant as signs of failure begin to appear. Proper cleaning, prep work, and installation are critical for a long lasting sealant/caulking - use services of specialty caulking contractor, not painter or other. Do not install sealant in locations that would block water drainage from behind the siding. Repair areas as needed prior to painting/caulking. As routine maintenance, inspect regularly (including sealants) repair locally and touch-up paint as needed.

Useful Life:
4 years

Remaining Life:
3 years



Best Case: \$3,800

Worst Case: \$6,000

Lower allowance to inspect and replace caulking

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 535 Windows, Sliders - Repair/Replace Quantity: Extensive, assorted
 Location : Exterior walls
 Funded? : No Unit owner responsibility, not Association
 History : Unknown

Evaluation : According to Governing Documents for Villaggio Neighborhood Article 3.1 (c) (iii), although the residential association is responsible for caulking of the exterior portions of all windows, "The Residential Association shall not be responsible for any maintenance or repairs to any ...window" (Article 3.1(i)). With this understanding, no funding for association repair/replacement however association should establish specific guidelines for repairs/replacements to ensure adequate waterproofing, consistent appearance, etc. throughout community. Note: funding for inspections/caulking within previous components #525, 527, and 529.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp # : 545 Wood Decks/Porches - Repair/Replace Quantity: (12) decks, ~1,200 SF
 Location : Decks at Lots 39-50
 Funded? : Yes
 History : None known

Evaluation : We noted some wear of surface finish in areas, however no obvious major deterioration or instability noted. We inspected from exterior rails as access to decktop is limited through individual owner units. Almost all exterior wood in the Puget Sound area will decay over time and require replacement. Assuming proactive maintenance, plan for large scale repair/replacement at roughly the interval shown here. Inspect regularly and adjust this component as needed. As routine maintenance, inspect decks/railings annually and repair as needed. Best to clean/stain along with building exterior projects to help extend life.

Useful Life:
20 years

Remaining Life:
8 years



Best Case: \$40,000

Worst Case: \$50,000

~\$33/GSF, Lower allowance to replace

~\$42/GSF, Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 550 Wood Deck Rail - Repair/Replace Quantity: ~220 LF, wood picket

Location : Adjacent to decks at Lots 39-50

Funded? : Yes

History : None known

Evaluation : No problems observed of wood picket rails; mostly behind the roof line of buildings away from direct exposure. Limited inspection as decks accessible through individual owner units; rails are exterior fascia mounted and are painted. We suggest reserve funding for regular intervals of total replacement as indicated below. This component coincides with other deck component (#545) for cost efficiency/consistency. As routine maintenance, inspect regularly to ensure safety and stability; repair promptly as needed using general operating/maintenance funds.

Useful Life:
20 years

Remaining Life:
8 years



Best Case: \$11,000

Worst Case: \$13,200

\$50/LF, Lower allowance to remove and replace

\$60/LF, Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp # : 551 Concrete Porch/Patio - Repr/Replace Quantity: Extensive, Concrete

Location : Scattered areas throughout Association

Funded? : No Useful life not predictable, repair/replace as needed out of operating budget

History : None known

Evaluation : We noted dirty and soiled in some areas and while some local cracking, no significant or widespread damage/deterioration noted. Although larger repair/replacement expenses can emerge as the community ages, at this time no predictable basis this may be needed therefore no reserve funding included at this time. As routine maintenance, inspect regularly, pressure wash for appearance and repair promptly as needed to prevent water penetrating into the base and causing further damage. Repair any trip and fall hazards (1/2" or larger displacement) immediately to ensure safety. Monitor tree roots nearby; consult with arborist for best practice.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Client: 21948A Villaggio Neighborhood

Comp # : 552 Metal/Alum. Rails - Repair/Replace

Quantity: ~770 LF, powder coated

Location : Adjacent to entry areas of units, site stairs, etc.

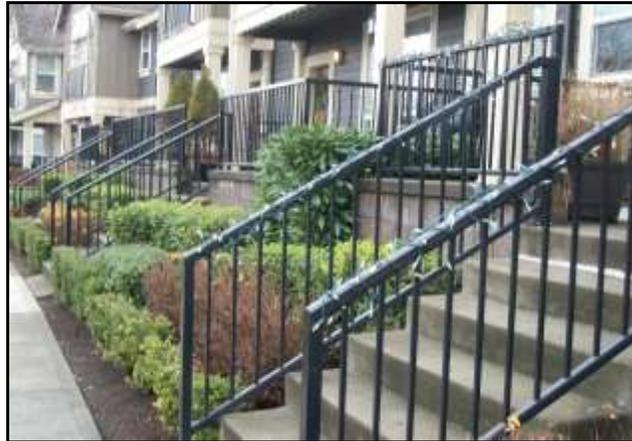
Funded? : Yes

History : None known

Evaluation : Although no obvious instability or widespread damage to rails noted, some deterioration of surface finish. Over time, these railings will deteriorate due to constant exposure and use/abuse over time. We suggest reserve funding for regular intervals of total replacement as indicated below. As routine maintenance, inspect regularly to ensure safety and stability; repair promptly as needed using general operating/maintenance funds.

Useful Life:
30 years

Remaining Life:
18 years



Best Case: \$42,400

Worst Case: \$57,800

\$55/LF, Lower allowance to replace

\$75/LF, Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp # : 560 Bldg. Exterior Lights - Replace

Quantity: ~(130) metal/glass

Location : Scattered exterior doors throughout association; entry, deck, garage, etc. doors

Funded? : Yes

History : None known

Evaluation : No major damage/deterioration of metal/glass light fixtures. We observed during daylight hours so did not observe functioning however no problems reported to us. Best to plan for large scale replacement, best timed to coincide with exterior paint cycles (#525/#527), if possible, for cost efficiency and consistent quality/appearance throughout association. A mid-range replacement allowance is factored below for planning purposes. As routine maintenance, inspect, repair/change bulbs as needed.

Useful Life:
24 years

Remaining Life:
13 years



Best Case: \$14,300

Worst Case: \$20,800

\$110/each (x130), Lower allowance to replace

\$160/each (x130), Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 21948A Villaggio Neighborhood

Comp # : 580 **Unit/Garage Doors - Replace** Quantity: Extensive, assorted

Location : Entries to units and garages

Funded? : No Unit owner responsibility, not Association

History : None known

Evaluation : Stable condition of metal/aluminum garage doors and metal/glass entry/porch doors with no significant damage or deterioration observed. We assume installed without defect of material and/or workmanship. As with windows (# 535), according to Governing Documents for Villaggio Neighborhood Article 3.1 (c) (iii), although the residential association is responsible for caulking of the exterior portions of all ...doors, "The Residential Association shall not be responsible for any maintenance or repairs to any ... door" (Article 3.1(i)). With this understanding, no funding for door repair/replacement however association should establish specific guidelines to provide to homeowners for repairs/replacements to ensure adequate waterproofing, consistent appearance, etc. throughout community. These door types should have long life.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp # : 900 **Side Sewers - Repair/Replace** Quantity: Moderate areas

Location : Throughout community

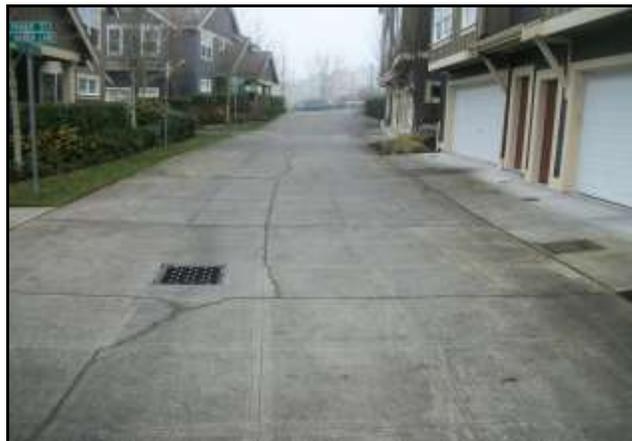
Funded? : No Useful life not predictable, repair/replace as needed out of operating budget

History : None known

Evaluation : According to the Association declaration Section 3.1.(v), maintenance, repair and replacement as necessary of all side sewers connecting Villaggio Neighborhood Units with public sewer lines are the responsibility of the Neighborhood Association. No problems reported to us. Analysis of these system(s) beyond visual inspection and is not within the scope of a reserve study. The association may want to have camera scope from time to time to look for blockages or other problems. No predictable basis for reserve funding at this time.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Client: 21948A Villaggio Neighborhood

Comp # : 905 Resd. Water Lines - Repair/Replace Quantity: Moderate areas

Location : Throughout community

Funded? : No Useful life not predictable, repair/replace as needed out of operating budget

History : None known

Evaluation : According to the Association declaration Section 3.1.(vi), maintenance, repair and replacement as necessary of all residential water lines connecting Villaggio Neighborhood Units with residential water lines are the responsibility of the Neighborhood Association. No problems reported to us. Analysis of these system(s) beyond visual inspection and is not within the scope of a reserve study. No predictable basis for reserve funding at this time.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp # : 970 Fire Sprinkler Sys - Repair/Replace Quantity: Misc.

Location : At select building locations

Funded? : No Unit owner responsibility, not Association

History : Unknown

Evaluation : Reported to us, no common area equipment with assumption that some units have fire sprinklers installed which are the responsibility of the individual unit owner to maintain, repair/replace, not association.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Client: 21948A Villaggio Neighborhood

Comp # : 997 Association Annual Inspection Quantity: Every year
Location : Common elements of association
Funded? : No Annual costs, best handled in operational budget
History : Unknown

Evaluation : Many Associations are required to have annual inspections by a qualified engineer or architect to assess the physical condition of the improvements. The inspection typically covers, at a minimum, the building envelope, including: roofs, exterior, decks, waterproofing / sealants, flashings, glazing systems and doors. Forensic evaluation, building drops, etc...are beyond the scope of a typical reserve study. Although your Associations governing documents do not appear to have such a requirement, we recommend the Board provide for periodic building envelope inspections, funded from the operating budget, to help ensure critical areas are functioning properly.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp # : 999 Reserve Study Update Quantity: Annual
Location : Common elements of association
Funded? : No Annual costs, best handled in operational budget
History : Association Reserves completed a 2015-16 fiscal year study

Evaluation : Per Washington law (RCW), reserve studies are to be updated annually, with site inspections by an independent reserve study professional to occur no less than every three years to assess changes in condition (i.e., physical, economic, governmental, etc...) and the resulting effect on the community's long-term reserve plan. Most appropriately factored within operating budget, not as reserve component.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source: