

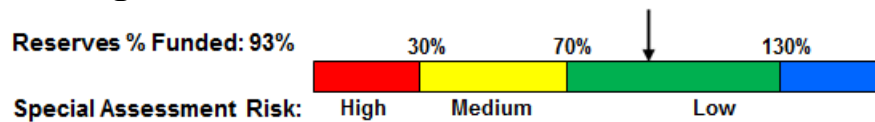
3- Minute Executive Summary

Association: The Glen of Pacific Grove HOA **#:** 7492-2
Location: Pacific Grove, CA **# of Units:** 60
Report Period: January 1, 2015 through December 31, 2015

Findings/Recommendations as-of 1/1/2015:

Projected Starting Reserve Balance:	\$425,094
Current Fully Funded Reserve Balance:	\$455,973
Average Reserve Deficit (Surplus) Per Unit:	\$515
Board’s Requested Monthly Reserve Contribution:	\$5,820
Recommended 2015 Monthly “Full Funding” Contributions:	\$6,429
Recommended Error! Reference source not found. Special Assessment for Reserves:	\$0

Most Recent Budgeted Reserve Contribution Rate:**\$6,429**



Economic Assumptions:

Net Annual “After Tax” Interest Earnings Accruing to Reserves..... 1.00%
Annual Inflation Rate 3.00%

- This is an “Update No-Site-Visit” Reserve Study, based on a prior Report prepared by Association Reserves for your 2013 Fiscal Year. No site inspection was performed as part of this Reserve Study, which was prepared by a credentialed Reserve Specialist (RS).
- Because your Reserve Fund is (above 70%) at 93% Funded, this means the association’s special assessment & deferred maintenance risk is currently low. The objective of your multi-year Funding Plan is to Fully Fund your Reserves, where associations enjoy a low risk of such Reserve cash flow problems.
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to maintain your Reserve contributions.
- No assets appropriate for Reserve designation were excluded.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
103	Concrete Surfaces - Repair	10	8	\$37,450
201	Asphalt - Resurface	30	28	\$113,000
202	Asphalt - Seal/Repair	5	3	\$9,840
320	Pole Lights - Replace	30	11	\$45,800
324	Wall Lights - Replace	25	7	\$12,000
403	Mailboxes - Replace	25	5	\$15,050
502	Chain Link Fence - Replace	30	8	\$13,500
503	Metal Fence - Replace	30	27	\$20,850
505	Wood Fence - Partial Replace	10	3	\$6,605
702	Vehicle Gates - Replace	30	11	\$15,050
704	Intercom - Replace	15	0	\$4,825
706	Gate Operators - Replace	10	8	\$9,745
1001	Backflow Device - Replace	25	5	\$7,500
1008	Trees - Remove (2015)	N/A	0	\$5,000
1009	Landscaping\Dredging	N/A	0	\$20,000
1107	Metal Fence - Repaint	5	2	\$3,750
1116	Exterior Surfaces - Repaint	10	1	\$177,500
1121	Exterior Surfaces - Repair	10	1	\$22,450
1303	Comp Shingle Roof - Replace	30	24	\$477,000
1310	Gutters/Downspouts - Replace (ph.1)	30	15	\$62,700
1311	Gutters/Downspouts - Replace (ph.2)	30	20	\$31,350
1701	Creek Bridge - Replace	25	19	\$16,700
22	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.