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Update "No-Site-Visit" Reserve Study

The Glen of Pacific Grove HOA

Pacific Grove, CA

Report #: 7492-4
For Period Beginning: January 1, 2017
Expires: December 31, 2017

Date Prepared: July 13, 2016

DEREK ECKERT
CAI-RS
00114
DESIGNATION
RESERVE SPECIALIST

Hello, and welcome to your Reserve Study!

This Report is a valuable budget planning tool, for with it you control the future of your association. It contains all the fundamental information needed to understand your current and future Reserve obligations, the most significant expenditures your association will face.

With respect to Reserves, this Report will tell you "where you are" and "where to go from here".

In this Report, you will find…

1) A List of What you're Reserving For

2) An Evaluation of your Reserve Fund Size and Strength

3) A Recommended Multi-Year Reserve Funding Plan

More Questions?

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

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3-Minute Executive Summary

Association: The Glen of Pacific Grove HOA **Assoc. #: 7492-4**
Location: Pacific Grove, CA
# of Units: 60
Report Period: January 1, 2017 through December 31, 2017

Results as-of 1/1/2017:

Projected Starting Reserve Balance:	**$391,175**
Fully Funded Reserve Balance:	**$394,947**
Average Reserve Deficit (Surplus) Per Unit:	**$63**
Percent Funded:	**99.0%**
Recommended 2017 monthly Reserve Contribution:	**$6,125**
Recommended 2017 Special Assessment for Reserves:	**$0**

Most Recent Reserve Contribution Rate: $5,820

Economic Assumptions:
Net Annual "After Tax" Interest Earnings Accruing to Reserves..... 1.00%
Annual Inflation Rate 3.00%

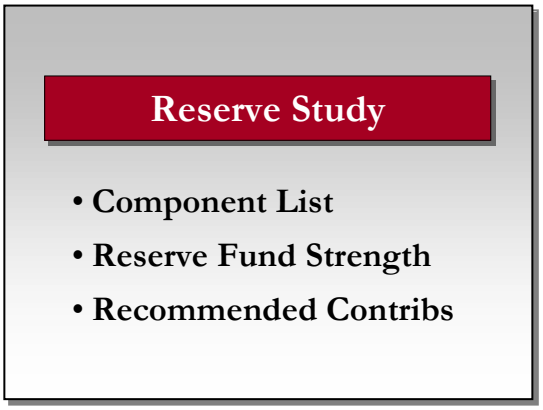
- **This is an "Update No-Site-Visit" Reserve Study, based on a prior Report prepared by Association Reserves for your 2016 Fiscal Year. No site inspection was performed as part of this Reserve Study.**
- **This Reserve Study was prepared by, or under the supervision of, a credentialed Reserve Specialist (RS).**
- **Because your Reserve Fund is at 99.0% 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 increase your Reserve contributions.**
- **No assets appropriate for Reserve designation were excluded.**

Table 1: Executive Summary					7492-4
#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
103	Concrete Surfaces - Repair	10	7	$38,500	$47,350
201	Asphalt - Resurface	30	26	$150,000	$323,489
202	Asphalt - Seal/Repair	5	1	$15,000	$15,450
320	Pole Lights - Replace	30	9	$49,500	$64,586
324	Wall Lights - Replace	25	24	$12,600	$25,613
403	Mailboxes - Replace	25	3	$16,500	$18,030
502	Chain Link Fence - Replace	30	6	$14,500	$17,314
503	Metal Fence - Replace	30	25	$22,500	$47,110
505	Wood Fence - Partial Replace	10	1	$7,150	$7,365
702	Vehicle Gates - Replace	30	9	$16,500	$21,529
704	Intercom - Replace	15	0	$5,200	$8,101
706	Gate Operators - Replace	10	6	$10,750	$12,836
1001	Backflow Device - Replace	25	3	$8,100	$8,851
1008	Trees - Removal & Replacement	N/A	7	$50,000	$61,494
1009	Lake - Dredge/Repair	7	5	$52,500	$60,862
1107	Metal Fence - Repaint	5	0	$4,100	$4,753
1116	Exterior Surfaces - Repaint	10	8	$155,000	$196,349
1121	Exterior Surfaces - Repair	10	8	$25,000	$31,669
1303	Comp Shingle Roof - Replace	30	22	$480,000	$919,730
1310	Gutters/Downspouts - Replace (ph.1)	30	13	$67,500	$99,126
1311	Gutters/Downspouts - Replace (ph.2)	30	18	$34,000	$57,883
1603	Tennis Court - Refurbish	10	4	$8,000	$9,004
1701	Creek Bridge - Replace	25	17	$18,000	$29,751
23	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

Introduction

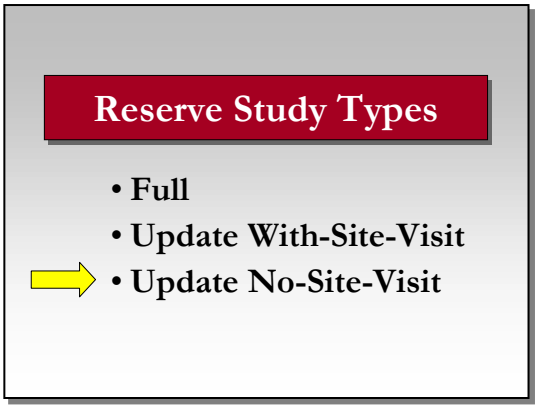
A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a process of research and analysis along well defined methodologies.



In this Report you will find the Reserve Component List (what you are reserving for). It contains our estimates for Useful Life, Remaining Useful Life, and the current repair or replacement cost for each major component the association is obligated to maintain. Based on that List and your starting balance we computed the association's Reserve Fund Strength (measured as "Percent Funded"), and created a recommended multi-year Reserve Funding Plan to offset future Reserve expenses.

As the physical assets age and deteriorate, it is important to accumulate financial assets to keep the two "in balance". A stable Reserve Funding Plan that offsets the irregular Reserve expenses will ensure that each owner pays their own "fair share" of ongoing common area deterioration.

Methodology



First we establish what the projected expenses are, then we determine the association's financial status and create a Funding Plan. For this "Update No-Site-Visit" Reserve Study, we started with a review of your prior Reserve Study, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents. We adjusted life and cost factors based on time since the last Reserve Study and interviews with association representatives.

Which Physical Assets are Covered by Reserves?

There is a national-standard four-part test to determine which expenses should be funded through Reserves. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the limited 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. 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 are Useful Life and Remaining Useful Life established?

1) Reported Condition (wear and age since last report)
2) Association Reserves database of experience
3) Client Component History
4) Vendor Evaluation and Recommendation

How are Cost Estimates Established?

Financial projections are based on the average of our Best Case and Worst Case estimates, which are established in this order…

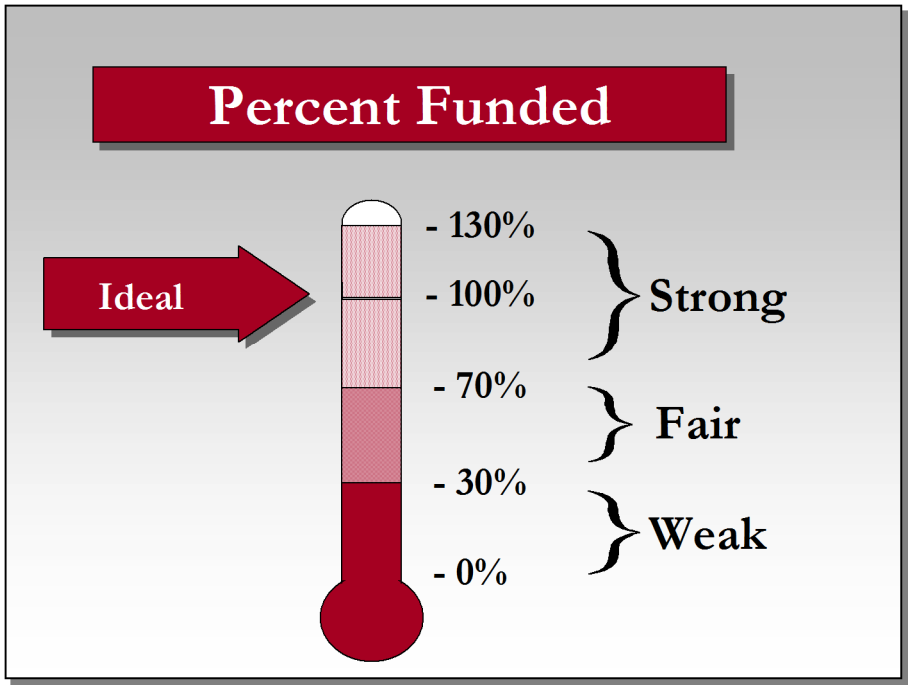
1) Client Cost History
2) Comparison to Association Reserves database or work done at similar associations
3) Vendor Recommendations
4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Your Reserve cash Balance can measure reserves, but the true measure is whether the funds are adequate. Adequacy is measured in a two-step process:

1) Calculate the association's Fully Funded Balance (FFB)
2) Compare to the Reserve Fund Balance, and express as a percentage.

The FFB grows as assets age and the Reserve needs of the association increase, but shrinks when projects are accomplished and the Reserve needs of the association decrease. The Fully Funded Balance changes each year, and is a moving but predictable target.



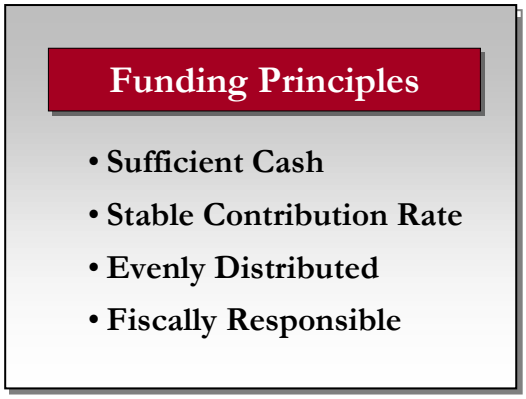
Special assessments and deferred maintenance are common when the Percent Funded is below 30%. While the 100% point is Ideal, a Reserve Fund in the 70% - 130% range is considered "strong" because in this range cash flow problems are rare.

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?

There are four Funding Principles that we 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. A stable contribution rate is desirable because it is a hallmark of a proactive plan.

Reserve contributions that are evenly distributed over the owners, over the years, enable each owner to pay their "fair share" of the association's Reserve expenses (this means we recommend special assessments only when all other options have been exhausted). And finally, we develop a plan that is fiscally responsible and "safe" for Boardmembers to recommend to their association.

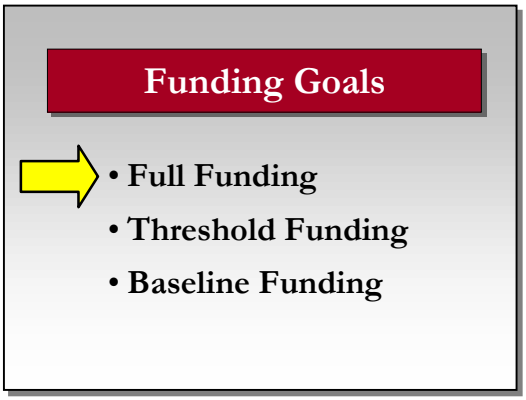


What is our Funding Goal?

Maintaining the Reserve Fund at a level equal to the physical deterioration that has occurred is called "Full Funding" the Reserves (100% Funded). As each asset ages and becomes "used up", the Reserve Fund grows proportionally. This is simple, responsible, and our recommendation. As stated previously, associations in the 100% range rarely experience special assessments or deferred maintenance.

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. In these associations, deterioration occurs without matching Reserve contributions. With a low Percent Funded, special assessments and deferred maintenance are common.

Threshold Funding is the title of all other objectives randomly selected between Baseline Funding and Full Funding.



Projected Expenses

The figure below shows the array of the projected future expenses at your association. This figure clearly shows the near term and future expenses that your association will face.

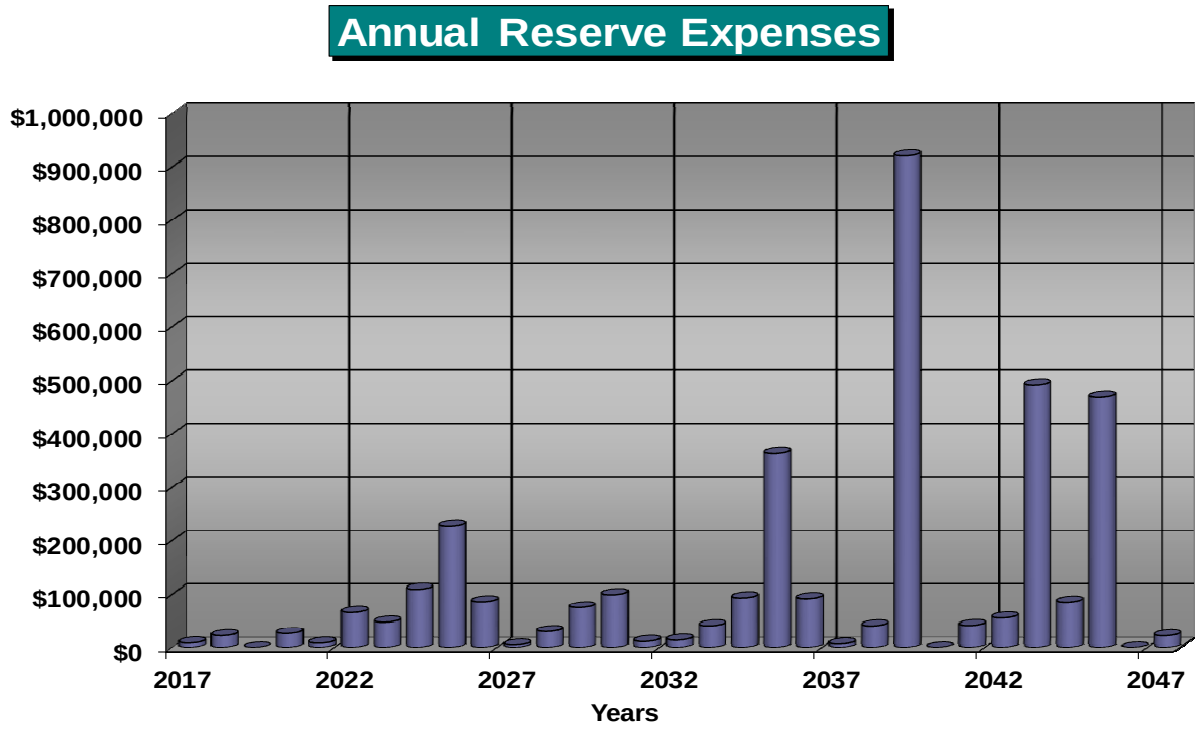


Figure 1

A summary of this information is shown in Table 4, while details of the projects that make up this information are shown in Table 5. Since this is a projection about future events that may or may not take place as anticipated, we feel more certain about "near-term" projects than those many years away. While this Reserve Study is a one-year document, it is based on 30 years worth of looking forward into the future.

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be $391,175 as-of the start of your Fiscal Year on January 1, 2017. This is based on your actual balance on 04/30/2016 of $385,615 and anticipated Reserve contributions and expenses projected through the end of your Fiscal Year. As of January 1, 2017, your Fully Funded Balance is computed to be $394,947 (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 99% Funded. As indicated earlier in the Executive Summary, this represents a strong status.

Recommended Funding Plan

Based on your current Percent Funded and your projected cash flow requirements, we are recommending Reserve contributions of $6,125/month this Fiscal Year. This represents the first year of a 30-year Funding Plan. This same information is shown numerically in both Table 4 and Table 5.

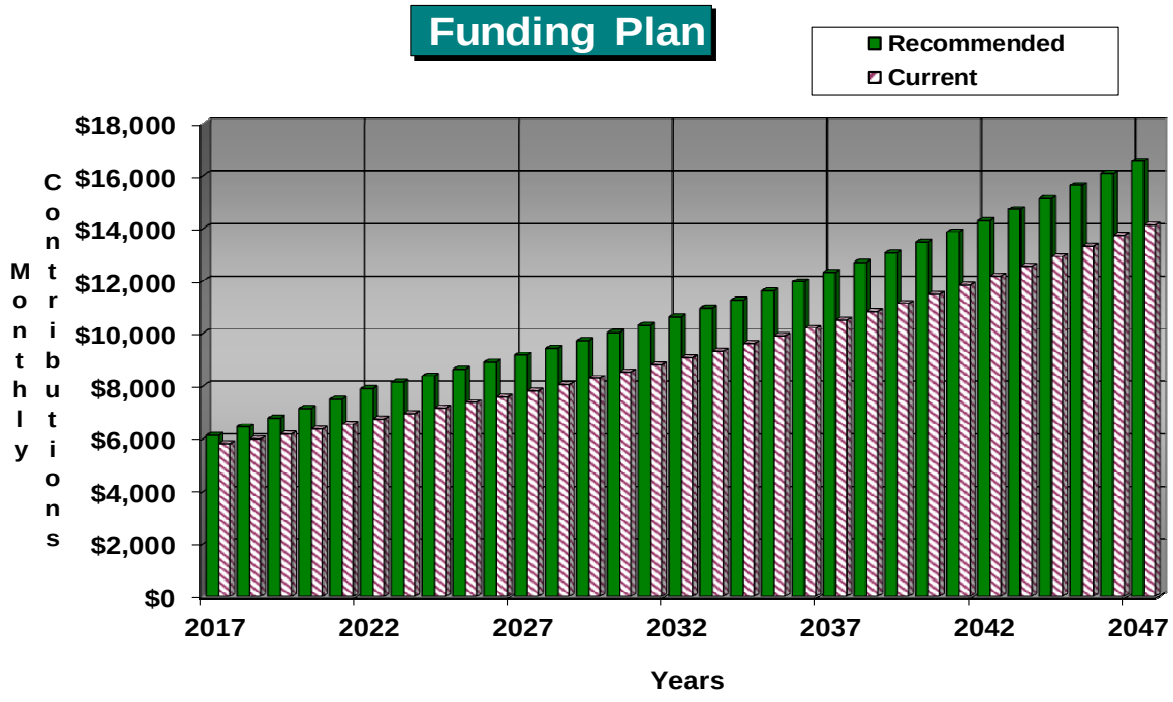


Figure 2

The following chart shows your Reserve Balance under our recommended Funding Plan and your current Funding Plan, and your always-changing Fully Funded Balance target.

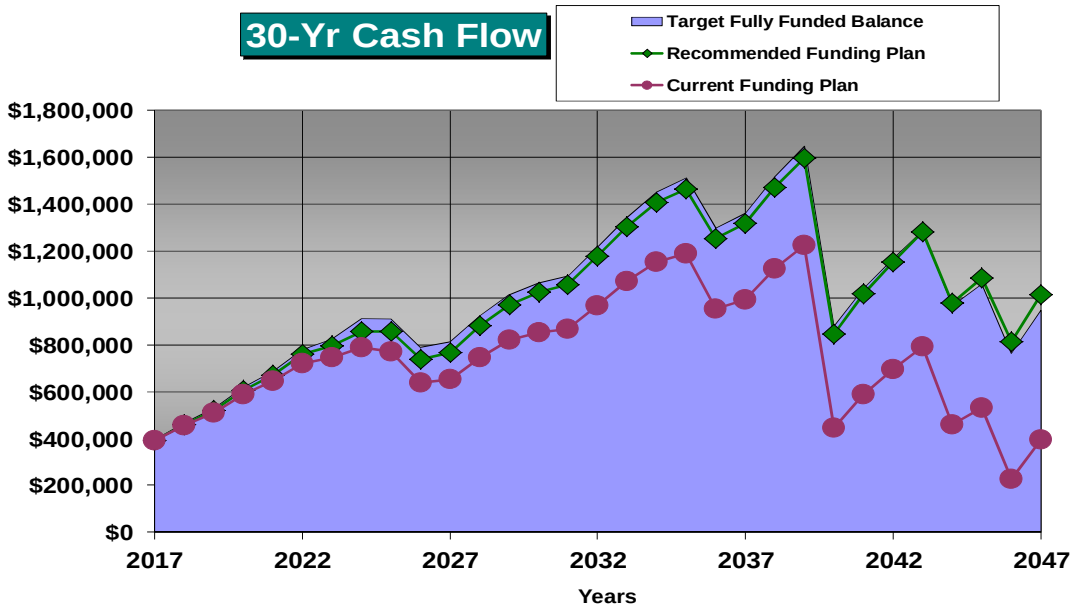


Figure 3

In this figure it is easy to see how your Reserve Fund gradually draws closer to the Fully Funded (100%) level.

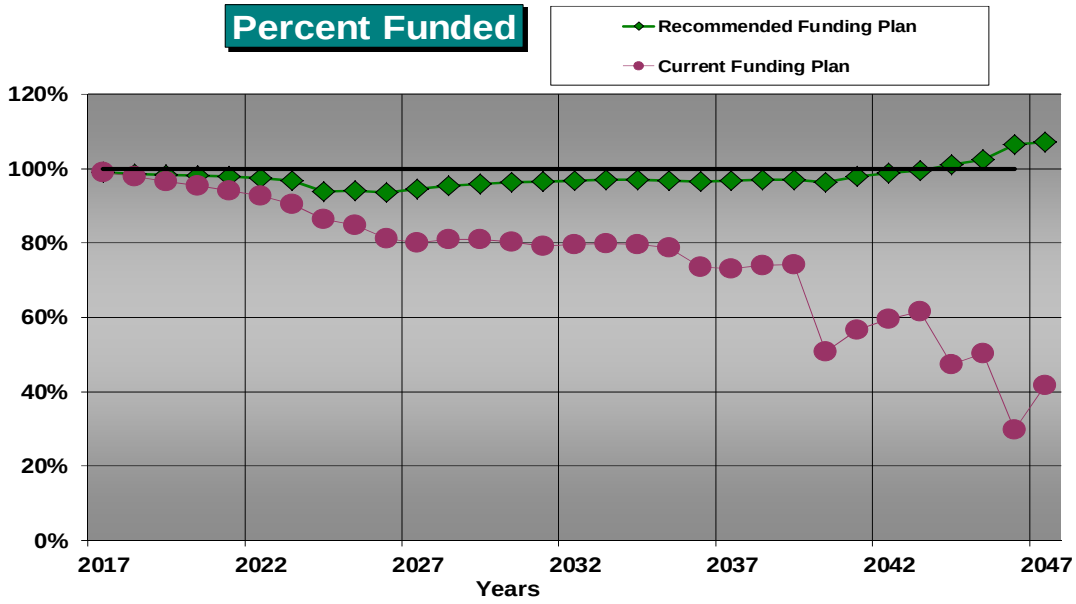


Figure 4

Table Descriptions

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

Table 1 summarizes your funded Reserve Components, and is part of the Executive Report summary that appeared earlier in this Report.

Table 2 provides the main component description, life, and cost factors for all components determined to be appropriate for Reserve designation. This table represents the core information from which all other tables are derived.

Table 3 is presented primarily as an accounting summary page. The results of the individual line item Fully Funded Balance computations are shown. These individual quantities are summed to arrive at the Fully Funded Balance for the association as of the start date of the Report. The figures in the Current Fund Balance column and the Monthly Reserve Contribution column show our distribution throughout the line items. If the association is underfunded, Reserve Funds are distributed first to components with a short Remaining Useful Life. If the association's Reserve Balance is above 100% Funded, funds are distributed evenly for all components. Contribution rates for each component are a proportionate distribution of the total contribution on the basis of the component's significance to the association (current cost divided by useful life). This presentation is not meant to cause clients to redistribute association funds, it simply presents one way to evenly distribute the total among all the different line items.

Table 4: This table provides a one-page 30-year summary of the cash flowing into and out of the association, compared to the Fully Funded Balance for each year.

Table 5: This table shows the cash flow detail for the next 30 years. This table makes it possible to see what components are projected to require repair or replacement each year, and the size of those individual expenses.

Table 2: Reserve Component List Detail 7492-4

#	Component	Quantity	Useful Life	Rem. Useful Life	Best Cost	Current Worst Cost
103	Concrete Surfaces - Repair	Extensive LF	10	7	$34,000	$43,000
201	Asphalt - Resurface	Approx 40,960 GSF	30	26	$125,000	$175,000
202	Asphalt - Seal/Repair	Approx 40,960 GSF	5	1	$13,000	$17,000
320	Pole Lights - Replace	(19) Fixtures	30	9	$44,000	$55,000
324	Wall Lights - Replace	(64) Fixtures	25	24	$10,600	$14,600
403	Mailboxes - Replace	(4) Kiosks	25	3	$14,000	$19,000
502	Chain Link Fence - Replace	Approx 560 LF	30	6	$13,000	$16,000
503	Metal Fence - Replace	Approx 355 LF	30	25	$20,000	$25,000
505	Wood Fence - Partial Replace	Approx 370 LF x 33%	10	1	$6,400	$7,900
702	Vehicle Gates - Replace	(2) Gates	30	9	$14,000	$19,000
704	Intercom - Replace	(1) Intercom	15	0	$4,600	$5,800
706	Gate Operators - Replace	(2) Operators	10	6	$9,500	$12,000
1001	Backflow Device - Replace	(4) Backflows	25	3	$6,900	$9,300
1008	Trees - Removal & Replacement	Numerous Trees	N/A	7	$45,000	$55,000
1009	Lake - Dredge/Repair	Approx. 12,500 GSF	7	5	$47,000	$58,000
1107	Metal Fence - Repaint	Approx 355 LF	5	0	$3,700	$4,500
1116	Exterior Surfaces - Repaint	Approx 110,880 GSF	10	8	$140,000	$170,000
1121	Exterior Surfaces - Repair	(60) Units	10	8	$22,000	$28,000
1303	Comp Shingle Roof - Replace	Approx 99,000 GSF	30	22	$430,000	$530,000
1310	Gutters/Downspouts - Replace (ph.1)	Approx 6,500 LF	30	13	$60,000	$75,000
1311	Gutters/Downspouts - Replace (ph.2)	Approx 3,250 LF	30	18	$30,000	$38,000
1603	Tennis Court - Refurbish	Approx 7,800 GSF	10	4	$7,500	$8,500
1701	Creek Bridge - Replace	Approx 120 GSF	25	17	$17,000	$19,000
23	Total Funded Components					

Table 3: Contribution and Fund Breakdown 7492-4

#	Component	Useful Life	Rem. Useful Life	Current (Avg) Cost	Fully Funded Balance	Current Fund Balance	Reserve Contributions
103	Concrete Surfaces - Repair	10	7	$38,500	$11,550	$11,550.00	$356.58
201	Asphalt - Resurface	30	26	$150,000	$20,000	$16,228.00	$463.09
202	Asphalt - Seal/Repair	5	1	$15,000	$12,000	$12,000.00	$277.86
320	Pole Lights - Replace	30	9	$49,500	$34,650	$34,650.00	$152.82
324	Wall Lights - Replace	25	24	$12,600	$504	$504.00	$46.68
403	Mailboxes - Replace	25	3	$16,500	$14,520	$14,520.00	$61.13
502	Chain Link Fence - Replace	30	6	$14,500	$11,600	$11,600.00	$44.77
503	Metal Fence - Replace	30	25	$22,500	$3,750	$3,750.00	$69.46
505	Wood Fence - Partial Replace	10	1	$7,150	$6,435	$6,435.00	$66.22
702	Vehicle Gates - Replace	30	9	$16,500	$11,550	$11,550.00	$50.94
704	Intercom - Replace	15	0	$5,200	$5,200	$5,200.00	$32.11
706	Gate Operators - Replace	10	6	$10,750	$4,300	$4,300.00	$99.57
1001	Backflow Device - Replace	25	3	$8,100	$7,128	$7,128.00	$30.01
1008	Trees - Removal & Replacement	N/A	7	$50,000	$6,250	$6,250.00	$0.00
1009	Lake - Dredge/Repair	7	5	$52,500	$15,000	$15,000.00	$694.64
1107	Metal Fence - Repaint	5	0	$4,100	$4,100	$4,100.00	$75.95
1116	Exterior Surfaces - Repaint	10	8	$155,000	$31,000	$31,000.00	$1,435.59
1121	Exterior Surfaces - Repair	10	8	$25,000	$5,000	$5,000.00	$231.55
1303	Comp Shingle Roof - Replace	30	22	$480,000	$128,000	$128,000.00	$1,481.90
1310	Gutters/Downspouts - Replace (ph.1)	30	13	$67,500	$38,250	$38,250.00	$208.39
1311	Gutters/Downspouts - Replace (ph.2)	30	18	$34,000	$13,600	$13,600.00	$104.97
1603	Tennis Court - Refurbish	10	4	$8,000	$4,800	$4,800.00	$74.09
1701	Creek Bridge - Replace	25	17	$18,000	$5,760	$5,760.00	$66.69
23	Total Funded Components				$394,947	$391,175	$6,125

Table 4: 30-Year Reserve Plan Summary Recommended by Association Reserves

7492-4

Fiscal Year Beginning: **01/01/17**

Interest:	**1.00%**	**Inflation:**	**3.0%**

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded		Rating	% Increase In Annual Reserve Contribs.	Annual Reserve Contribs.	Loans or Special Assmts	Interest Income	Projected Reserve Expenses
2017	$391,175	$394,947	99.0%		Strong	5.24%	$73,500	$0	$4,252	$9,300
2018	$459,627	$466,251	98.6%		Strong	5.25%	$77,359	$0	$4,891	$22,815
2019	$519,063	$528,162	98.3%		Strong	5.25%	$81,420	$0	$5,623	$0
2020	$606,106	$618,091	98.1%		Strong	5.25%	$85,695	$0	$6,384	$26,881
2021	$671,304	$686,192	97.8%		Strong	5.25%	$90,194	$0	$7,152	$9,004
2022	$759,646	$778,998	97.5%		Strong	5.25%	$94,929	$0	$7,779	$65,615
2023	$796,738	$823,699	96.7%		Strong	3.00%	$97,777	$0	$8,254	$48,061
2024	$854,708	$910,988	93.8%		Strong	3.00%	$100,710	$0	$8,546	$108,844
2025	$855,119	$909,981	94.0%		Strong	3.00%	$103,731	$0	$7,966	$228,019
2026	$738,798	$788,708	93.7%		Strong	3.00%	$106,843	$0	$7,526	$86,115
2027	$767,052	$812,546	94.4%		Strong	3.00%	$110,048	$0	$8,231	$5,510
2028	$879,822	$922,788	95.3%		Strong	3.00%	$113,350	$0	$9,254	$30,661
2029	$971,765	$1,013,178	95.9%		Strong	3.00%	$116,750	$0	$9,973	$74,852
2030	$1,023,635	$1,063,592	96.2%		Strong	3.00%	$120,253	$0	$10,390	$99,126
2031	$1,055,152	$1,093,429	96.5%		Strong	3.00%	$123,861	$0	$11,161	$12,101
2032	$1,178,073	$1,216,799	96.8%		Strong	3.00%	$127,576	$0	$12,403	$14,489
2033	$1,303,563	$1,344,501	97.0%		Strong	3.00%	$131,404	$0	$13,548	$41,321
2034	$1,407,194	$1,451,580	96.9%		Strong	3.00%	$135,346	$0	$14,347	$93,386
2035	$1,463,501	$1,511,524	96.8%		Strong	3.00%	$139,406	$0	$13,573	$364,321
2036	$1,252,159	$1,297,581	96.5%		Strong	3.00%	$143,588	$0	$12,838	$92,059
2037	$1,316,526	$1,361,128	96.7%		Strong	3.00%	$147,896	$0	$13,931	$7,405
2038	$1,470,948	$1,517,359	96.9%		Strong	3.00%	$152,333	$0	$15,335	$41,206
2039	$1,597,411	$1,647,152	97.0%		Strong	3.00%	$156,903	$0	$12,216	$919,730
2040	$846,800	$879,761	96.3%		Strong	3.00%	$161,610	$0	$9,319	$0
2041	$1,017,729	$1,040,585	97.8%		Strong	3.00%	$166,458	$0	$10,850	$41,876
2042	$1,153,161	$1,167,135	98.8%		Strong	3.00%	$171,452	$0	$12,166	$55,694
2043	$1,281,084	$1,287,402	99.5%		Strong	3.00%	$176,595	$0	$11,284	$492,242
2044	$976,722	$965,912	101.1%		Strong	3.00%	$181,893	$0	$10,296	$85,520
2045	$1,083,392	$1,058,108	102.4%		Strong	3.00%	$187,350	$0	$9,473	$468,110
2046	$812,106	$763,541	106.4%		Strong	3.00%	$192,971	$0	$9,128	$0

Table 5: 30-Year Income/Expense Detail (yrs 0 through 4) 7492-4

	Fiscal Year	2017	2018	2019	2020	2021
	Starting Reserve Balance	$391,175	$459,627	$519,063	$606,106	$671,304
	Annual Reserve Contribution	$73,500	$77,359	$81,420	$85,695	$90,194
	Planned Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$4,252	$4,891	$5,623	$6,384	$7,152
	Total Income	$468,927	$541,877	$606,106	$698,185	$768,650
#	Component					
103	Concrete Surfaces - Repair	$0	$0	$0	$0	$0
201	Asphalt - Resurface	$0	$0	$0	$0	$0
202	Asphalt - Seal/Repair	$0	$15,450	$0	$0	$0
320	Pole Lights - Replace	$0	$0	$0	$0	$0
324	Wall Lights - Replace	$0	$0	$0	$0	$0
403	Mailboxes - Replace	$0	$0	$0	$18,030	$0
502	Chain Link Fence - Replace	$0	$0	$0	$0	$0
503	Metal Fence - Replace	$0	$0	$0	$0	$0
505	Wood Fence - Partial Replace	$0	$7,365	$0	$0	$0
702	Vehicle Gates - Replace	$0	$0	$0	$0	$0
704	Intercom - Replace	$5,200	$0	$0	$0	$0
706	Gate Operators - Replace	$0	$0	$0	$0	$0
1001	Backflow Device - Replace	$0	$0	$0	$8,851	$0
1008	Trees - Removal & Replacement	$0	$0	$0	$0	$0
1009	Lake - Dredge/Repair	$0	$0	$0	$0	$0
1107	Metal Fence - Repaint	$4,100	$0	$0	$0	$0
1116	Exterior Surfaces - Repaint	$0	$0	$0	$0	$0
1121	Exterior Surfaces - Repair	$0	$0	$0	$0	$0
1303	Comp Shingle Roof - Replace	$0	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace (ph.1)	$0	$0	$0	$0	$0
1311	Gutters/Downspouts - Replace (ph.2)	$0	$0	$0	$0	$0
1603	Tennis Court - Refurbish	$0	$0	$0	$0	$9,004
1701	Creek Bridge - Replace	$0	$0	$0	$0	$0
	Total Expenses	$9,300	$22,815	$0	$26,881	$9,004
	Ending Reserve Balance:	$459,627	$519,063	$606,106	$671,304	$759,646

Table 5: 30-Year Income/Expense Detail (yrs 5 through 9) 7492-4

	Fiscal Year	2022	2023	2024	2025	2026
	Starting Reserve Balance	$759,646	$796,738	$854,708	$855,119	$738,798
	Annual Reserve Contribution	$94,929	$97,777	$100,710	$103,731	$106,843
	Planned Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$7,779	$8,254	$8,546	$7,966	$7,526
	Total Income	$862,353	$902,768	$963,963	$966,817	$853,167
#	Component					
103	Concrete Surfaces - Repair	$0	$0	$47,350	$0	$0
201	Asphalt - Resurface	$0	$0	$0	$0	$0
202	Asphalt - Seal/Repair	$0	$17,911	$0	$0	$0
320	Pole Lights - Replace	$0	$0	$0	$0	$64,586
324	Wall Lights - Replace	$0	$0	$0	$0	$0
403	Mailboxes - Replace	$0	$0	$0	$0	$0
502	Chain Link Fence - Replace	$0	$17,314	$0	$0	$0
503	Metal Fence - Replace	$0	$0	$0	$0	$0
505	Wood Fence - Partial Replace	$0	$0	$0	$0	$0
702	Vehicle Gates - Replace	$0	$0	$0	$0	$21,529
704	Intercom - Replace	$0	$0	$0	$0	$0
706	Gate Operators - Replace	$0	$12,836	$0	$0	$0
1001	Backflow Device - Replace	$0	$0	$0	$0	$0
1008	Trees - Removal & Replacement	$0	$0	$61,494	$0	$0
1009	Lake - Dredge/Repair	$60,862	$0	$0	$0	$0
1107	Metal Fence - Repaint	$4,753	$0	$0	$0	$0
1116	Exterior Surfaces - Repaint	$0	$0	$0	$196,349	$0
1121	Exterior Surfaces - Repair	$0	$0	$0	$31,669	$0
1303	Comp Shingle Roof - Replace	$0	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace (ph.1)	$0	$0	$0	$0	$0
1311	Gutters/Downspouts - Replace (ph.2)	$0	$0	$0	$0	$0
1603	Tennis Court - Refurbish	$0	$0	$0	$0	$0
1701	Creek Bridge - Replace	$0	$0	$0	$0	$0
	Total Expenses	$65,615	$48,061	$108,844	$228,019	$86,115
	Ending Reserve Balance:	$796,738	$854,708	$855,119	$738,798	$767,052

Table 5: 30-Year Income/Expense Detail (yrs 10 through 14) 7492-4

	Fiscal Year	2027	2028	2029	2030	2031
	Starting Reserve Balance	$767,052	$879,822	$971,765	$1,023,635	$1,055,152
	Annual Reserve Contribution	$110,048	$113,350	$116,750	$120,253	$123,861
	Planned Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$8,231	$9,254	$9,973	$10,390	$11,161
	Total Income	$885,332	$1,002,426	$1,098,488	$1,154,278	$1,190,174
#	Component					
103	Concrete Surfaces - Repair	$0	$0	$0	$0	$0
201	Asphalt - Resurface	$0	$0	$0	$0	$0
202	Asphalt - Seal/Repair	$0	$20,764	$0	$0	$0
320	Pole Lights - Replace	$0	$0	$0	$0	$0
324	Wall Lights - Replace	$0	$0	$0	$0	$0
403	Mailboxes - Replace	$0	$0	$0	$0	$0
502	Chain Link Fence - Replace	$0	$0	$0	$0	$0
503	Metal Fence - Replace	$0	$0	$0	$0	$0
505	Wood Fence - Partial Replace	$0	$9,897	$0	$0	$0
702	Vehicle Gates - Replace	$0	$0	$0	$0	$0
704	Intercom - Replace	$0	$0	$0	$0	$0
706	Gate Operators - Replace	$0	$0	$0	$0	$0
1001	Backflow Device - Replace	$0	$0	$0	$0	$0
1008	Trees - Removal & Replacement	$0	$0	$0	$0	$0
1009	Lake - Dredge/Repair	$0	$0	$74,852	$0	$0
1107	Metal Fence - Repaint	$5,510	$0	$0	$0	$0
1116	Exterior Surfaces - Repaint	$0	$0	$0	$0	$0
1121	Exterior Surfaces - Repair	$0	$0	$0	$0	$0
1303	Comp Shingle Roof - Replace	$0	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace (ph.1)	$0	$0	$0	$99,126	$0
1311	Gutters/Downspouts - Replace (ph.2)	$0	$0	$0	$0	$0
1603	Tennis Court - Refurbish	$0	$0	$0	$0	$12,101
1701	Creek Bridge - Replace	$0	$0	$0	$0	$0
	Total Expenses	$5,510	$30,661	$74,852	$99,126	$12,101
	Ending Reserve Balance:	$879,822	$971,765	$1,023,635	$1,055,152	$1,178,073

Table 5: 30-Year Income/Expense Detail (yrs 15 through 19) 7492-4

	Fiscal Year	2032	2033	2034	2035	2036
	Starting Reserve Balance	$1,178,073	$1,303,563	$1,407,194	$1,463,501	$1,252,159
	Annual Reserve Contribution	$127,576	$131,404	$135,346	$139,406	$143,588
	Planned Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$12,403	$13,548	$14,347	$13,573	$12,838
	Total Income	$1,318,052	$1,448,515	$1,556,887	$1,616,480	$1,408,585
#	Component					
103	Concrete Surfaces - Repair	$0	$0	$63,635	$0	$0
201	Asphalt - Resurface	$0	$0	$0	$0	$0
202	Asphalt - Seal/Repair	$0	$24,071	$0	$0	$0
320	Pole Lights - Replace	$0	$0	$0	$0	$0
324	Wall Lights - Replace	$0	$0	$0	$0	$0
403	Mailboxes - Replace	$0	$0	$0	$0	$0
502	Chain Link Fence - Replace	$0	$0	$0	$0	$0
503	Metal Fence - Replace	$0	$0	$0	$0	$0
505	Wood Fence - Partial Replace	$0	$0	$0	$0	$0
702	Vehicle Gates - Replace	$0	$0	$0	$0	$0
704	Intercom - Replace	$8,101	$0	$0	$0	$0
706	Gate Operators - Replace	$0	$17,251	$0	$0	$0
1001	Backflow Device - Replace	$0	$0	$0	$0	$0
1008	Trees - Removal & Replacement	$0	$0	$0	$0	$0
1009	Lake - Dredge/Repair	$0	$0	$0	$0	$92,059
1107	Metal Fence - Repaint	$6,388	$0	$0	$0	$0
1116	Exterior Surfaces - Repaint	$0	$0	$0	$263,877	$0
1121	Exterior Surfaces - Repair	$0	$0	$0	$42,561	$0
1303	Comp Shingle Roof - Replace	$0	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace (ph.1)	$0	$0	$0	$0	$0
1311	Gutters/Downspouts - Replace (ph.2)	$0	$0	$0	$57,883	$0
1603	Tennis Court - Refurbish	$0	$0	$0	$0	$0
1701	Creek Bridge - Replace	$0	$0	$29,751	$0	$0
	Total Expenses	$14,489	$41,321	$93,386	$364,321	$92,059
	Ending Reserve Balance:	$1,303,563	$1,407,194	$1,463,501	$1,252,159	$1,316,526

Table 5: 30-Year Income/Expense Detail (yrs 20 through 24) 7492-4

	Fiscal Year	2037	2038	2039	2040	2041
	Starting Reserve Balance	$1,316,526	$1,470,948	$1,597,411	$846,800	$1,017,729
	Annual Reserve Contribution	$147,896	$152,333	$156,903	$161,610	$166,458
	Planned Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$13,931	$15,335	$12,216	$9,319	$10,850
	Total Income	$1,478,353	$1,638,616	$1,766,530	$1,017,729	$1,195,037
#	Component					
103	Concrete Surfaces - Repair	$0	$0	$0	$0	$0
201	Asphalt - Resurface	$0	$0	$0	$0	$0
202	Asphalt - Seal/Repair	$0	$27,904	$0	$0	$0
320	Pole Lights - Replace	$0	$0	$0	$0	$0
324	Wall Lights - Replace	$0	$0	$0	$0	$25,613
403	Mailboxes - Replace	$0	$0	$0	$0	$0
502	Chain Link Fence - Replace	$0	$0	$0	$0	$0
503	Metal Fence - Replace	$0	$0	$0	$0	$0
505	Wood Fence - Partial Replace	$0	$13,301	$0	$0	$0
702	Vehicle Gates - Replace	$0	$0	$0	$0	$0
704	Intercom - Replace	$0	$0	$0	$0	$0
706	Gate Operators - Replace	$0	$0	$0	$0	$0
1001	Backflow Device - Replace	$0	$0	$0	$0	$0
1008	Trees - Removal & Replacement	$0	$0	$0	$0	$0
1009	Lake - Dredge/Repair	$0	$0	$0	$0	$0
1107	Metal Fence - Repaint	$7,405	$0	$0	$0	$0
1116	Exterior Surfaces - Repaint	$0	$0	$0	$0	$0
1121	Exterior Surfaces - Repair	$0	$0	$0	$0	$0
1303	Comp Shingle Roof - Replace	$0	$0	$919,730	$0	$0
1310	Gutters/Downspouts - Replace (ph.1)	$0	$0	$0	$0	$0
1311	Gutters/Downspouts - Replace (ph.2)	$0	$0	$0	$0	$0
1603	Tennis Court - Refurbish	$0	$0	$0	$0	$16,262
1701	Creek Bridge - Replace	$0	$0	$0	$0	$0
	Total Expenses	$7,405	$41,206	$919,730	$0	$41,876
	Ending Reserve Balance:	$1,470,948	$1,597,411	$846,800	$1,017,729	$1,153,161

Table 5: 30-Year Income/Expense Detail (yrs 25 through 29) 7492-4

	Fiscal Year	2042	2043	2044	2045	2046
	Starting Reserve Balance	$1,153,161	$1,281,084	$976,722	$1,083,392	$812,106
	Annual Reserve Contribution	$171,452	$176,595	$181,893	$187,350	$192,971
	Planned Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$12,166	$11,284	$10,296	$9,473	$9,128
	Total Income	$1,336,779	$1,468,964	$1,168,912	$1,280,216	$1,014,204
#	Component					
103	Concrete Surfaces - Repair	$0	$0	$85,520	$0	$0
201	Asphalt - Resurface	$0	$323,489	$0	$0	$0
202	Asphalt - Seal/Repair	$0	$32,349	$0	$0	$0
320	Pole Lights - Replace	$0	$0	$0	$0	$0
324	Wall Lights - Replace	$0	$0	$0	$0	$0
403	Mailboxes - Replace	$0	$0	$0	$37,751	$0
502	Chain Link Fence - Replace	$0	$0	$0	$0	$0
503	Metal Fence - Replace	$47,110	$0	$0	$0	$0
505	Wood Fence - Partial Replace	$0	$0	$0	$0	$0
702	Vehicle Gates - Replace	$0	$0	$0	$0	$0
704	Intercom - Replace	$0	$0	$0	$0	$0
706	Gate Operators - Replace	$0	$23,183	$0	$0	$0
1001	Backflow Device - Replace	$0	$0	$0	$18,532	$0
1008	Trees - Removal & Replacement	$0	$0	$0	$0	$0
1009	Lake - Dredge/Repair	$0	$113,221	$0	$0	$0
1107	Metal Fence - Repaint	$8,584	$0	$0	$0	$0
1116	Exterior Surfaces - Repaint	$0	$0	$0	$354,629	$0
1121	Exterior Surfaces - Repair	$0	$0	$0	$57,198	$0
1303	Comp Shingle Roof - Replace	$0	$0	$0	$0	$0
1310	Gutters/Downspouts - Replace (ph.1)	$0	$0	$0	$0	$0
1311	Gutters/Downspouts - Replace (ph.2)	$0	$0	$0	$0	$0
1603	Tennis Court - Refurbish	$0	$0	$0	$0	$0
1701	Creek Bridge - Replace	$0	$0	$0	$0	$0
	Total Expenses	$55,694	$492,242	$85,520	$468,110	$0
	Ending Reserve Balance:	$1,281,084	$976,722	$1,083,392	$812,106	$1,014,204

Accuracy, Limitations, and Disclosures

Because we have no control over future events, we cannot claim that all the events we anticipate will occur as planned. We expect that inflationary trends will continue and we expect that financial institutions will provide interest earnings on funds on-deposit. We believe that reasonable estimates for these figures are much more accurate than ignoring these economic realities. The things we can control are measurements, which we attempt to establish within 5% accuracy. Your starting Reserve Balance and current Reserve interest earnings are also numbers that can be identified with a high degree of certainty. These figures have been provided to us, and were not confirmed by our independent research. Our projections assume a stable economic environment and lack of natural disasters.

Because both the physical status and financial status of the association change each year, this Reserve Study is by nature a "one-year" document. This information can and should be adjusted annually as part of the Reserve Study Update process so that more accurate estimates can be reflected in the Reserve plan. Reality often differs from even the best assumptions due to changing economic factors, physical factors, and ownership expectations. Because many years of financial preparation help prepare for large expenses, this Report shows expenses for the next 30 years. We fully expect a number of adjustments will be necessary through the interim years to both the cost and timing of distant expense projections. It is our recommendation and that of the American Institute of Certified Public Accountants (AICPA) that your Reserve Study be updated annually.

Association Reserves – SF, LLC, and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Derek Eckert, R.S., company president, is a credentialed Reserve Specialist (#114). All work done by Association Reserves 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.

We have relied upon the client to provide the current (or projected) Reserve Balance, the estimated net-after-tax current rate of interest earnings, and to indicate if those earnings accrue to the Reserve Fund. In addition, 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 quantities indicated in this Report were derived from the prior Reserve Study, unless otherwise noted in our "Site Inspection Notes". No destructive or intrusive testing was performed, nor should the site inspection be assumed to be anything other than for budgeting purposes.

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

Where any uncertainties exist, we urge the association to obtain a legal review and written opinion of the legitimacy of the funding policies, as stipulated or permitted under your Declaration and local statutes. As these are legal questions, we highly recommend use of an experienced real property attorney specializing in association law.

Re-use of reserve study, figures or calculations in any other format absolves ARSF of all responsibility.

Terms and Definitions

BTU British Thermal Unit (a standard unit of energy)
DIA Diameter
GSF Gross Square Feet (area)
GSY Gross Square Yards (area)
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 Reserve Balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost. This benchmark balance represents the value of the deterioration of the Reserve Components. This number is calculated for each component, then summed together for an association total.

FFB = (Current Cost X Effective Age) / 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 5.

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, page ii.

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

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

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

Client: 7492 The Glen of Pacific Grove

Common Area Components

Comp #: 103 Concrete Surfaces - Repair **Quantity:** Extensive LF
Location: Walkways and driveways throughout the association
Funded?: Yes
History: 2016 repairs $6,000.
Comments: This component provides funding to repair the concrete driveways.
Useful Life: 10 years Remaining Life: 7 years
Best Case: $34,000 Worst Case: $43,000
Lower allowance to repair Higher allowance to repair
Cost Source: Cost History, plus Inflation

Comp #: 201 Asphalt - Resurface **Quantity:** Approx 40,960 GSF
Location: Association streets
Funded?: Yes
History: Last resurfaced in 2012/13.
Comments:
Useful Life: 30 years Remaining Life: 26 years
Best Case: $125,000 Worst Case: $175,000
Lower allowance to resurface Higher allowance to resurface
Cost Source: ARSF Cost Database

Comp #: 202 Asphalt - Seal/Repair **Quantity:** Approx 40,960 GSF
Location: Association streets
Funded?: Yes
History:
Comments: We recommend sealing every 4-5 years to maximize the useful life of the surface.
Useful Life: 5 years Remaining Life: 1 years
Best Case: $13,000 Worst Case: $17,000
Lower allowance to seal/repair Higher allowance to seal/repair
Cost Source: ARSF Cost Database

Comp #: 203 Asphalt Path - Resurface/Repair **Quantity:** Approx 2,300 GSF
Location: Eastern perimeter of the property
Funded?: No Handle repairs as an Operating expense as needed. No Reserve funding allocated.
History:
Comments: The HOA is responsible for approximately 50% of the pathway. Funding will need to be adjusted when major replacement becomes necessary. No Reserve funding necessary at this time.
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Client: 7492 The Glen of Pacific Grove

Comp #: 320 Pole Lights - Replace **Quantity:** (19) Fixtures
Location: Perimeter of streeets
Funded?: Yes
History:
Comments: Continue to paint to maintain a positive appearance, we anticipate replacement in the interval outlined below.
Useful Life: 30 years Remaining Life: 9 years
Best Case: $44,000 Worst Case: $55,000
Lower allowance to replace Higher allowance to replace
Cost Source: ARSF Cost Database

Comp #: 324 Wall Lights - Replace **Quantity:** (64) Fixtures
Location: Front entry to units
Funded?: Yes
History: Replacement projects $12,000.
Comments:
Useful Life: 25 years Remaining Life: 24 years
Best Case: $10,600 Worst Case: $14,600
Lower allowance to replace Higher allowance to replace
Cost Source: Client Cost History

Comp #: 403 Mailboxes - Replace **Quantity:** (4) Kiosks
Location: Throughout common area
Funded?: Yes
History:
Comments: We recommend periodic cleaning and painting to protect against rust. This component provides funding for replacement in the interval outlined below.
Useful Life: 25 years Remaining Life: 3 years
Best Case: $14,000 Worst Case: $19,000
Lower allowance to replace Higher allowance to replace
Cost Source: ARSF Cost Database

Comp #: 502 Chain Link Fence - Replace **Quantity:** Approx 560 LF
Location: Perimeter of property, tennis court
Funded?: Yes
History:
Comments: This component provides funding to replace all chain link fencing as outlined below.
Useful Life: 30 years Remaining Life: 6 years
Best Case: $13,000 Worst Case: $16,000
Lower allowance to replace Higher allowance to replace
Cost Source: ARSF Cost Database

Client: 7492 The Glen of Pacific Grove

Comp #:	**503 Metal Fence - Replace**	**Quantity:**	**Approx 355 LF**
Location:	Perimeter of the Association near the main entrance		
Funded?:	Yes		
History:	Last replaced in the 2011/12 fiscal year.		
Comments:	We recommend periodic painting to maximize the useful life of the metal.		
Useful Life:	30 years	Remaining Life:	25 years
Best Case:	$20,000	Worst Case:	$25,000
	Lower allowance to replace		Higher allowance to replace
Cost Source:	ARSF Cost Database		

Comp #:	**505 Wood Fence - Partial Replace**	**Quantity:**	**Approx 370 LF x 33%**
Location:	Perimeter of property in select locations		
Funded?:	Yes		
History:			
Comments:	No expectation to replace all areas at one time. This component provides funding for partial replacement in the interval outlined below.		
Useful Life:	10 years	Remaining Life:	1 years
Best Case:	$6,400	Worst Case:	$7,900
	Lower allowance to replace (partial)		Higher allowance to replace (partial)
Cost Source:	ARSF Cost Database		

Comp #:	**506 Lattice Fence - Repair**	**Quantity:**	**Approx 150 GSF**
Location:	Around mailboxes		
Funded?:	No According to the Board, the Association is handling repairs as an Operating expense. No Reserve funding necessary at this time.		
History:			
Comments:	No Reserve funding necessary at this time.		
Useful Life:	0 years	Remaining Life:	
Best Case:		Worst Case:	
Cost Source:			

Comp #:	**702 Vehicle Gates - Replace**	**Quantity:**	**(2) Gates**
Location:	Entry to the Association		
Funded?:	Yes		
History:			
Comments:			
Useful Life:	30 years	Remaining Life:	9 years
Best Case:	$14,000	Worst Case:	$19,000
	Lower allowance to replace		Higher allowance to replace
Cost Source:	ARSF Cost Database		

Client: 7492 The Glen of Pacific Grove

Comp #: 704 Intercom - Replace **Quantity:** (1) Intercom
Location: At entrance to the association
Funded?: Yes
History:
Comments:
Useful Life: 15 years Remaining Life: 0 years
Best Case: $4,600 Worst Case: $5,800
Lower allowance to replace Higher allowance to replace
Cost Source: ARSF Cost Database

Comp #: 706 Gate Operators - Replace **Quantity:** (2) Operators
Location: Entry to the association
Funded?: Yes
History: Last replaced in 2012/13.
Comments:
Useful Life: 10 years Remaining Life: 6 years
Best Case: $9,500 Worst Case: $12,000
Lower allowance to replace Higher allowance to replace
Cost Source: ARSF Cost Database

Comp #: 708 Pedestrian Gate - Replace **Quantity:** (1) Gate
Location: Entry to the association
Funded?: No Funding to replace the pedestrian gate is included in component #503. No separate Reserve funding necessary at this time.
History:
Comments: No separate Reserve funding necessary at this time.
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Comp #: 1001 Backflow Device - Replace **Quantity:** (4) Backflows
Location: Throughout the association
Funded?: Yes
History:
Comments: We recommend periodic inspections by a licensed professional to ensure the devices continue to function properly. This component provides funding for replacement in the interval outlined below.
Useful Life: 25 years Remaining Life: 3 years
Best Case: $6,900 Worst Case: $9,300
Lower allowance to replace Higher allowance to replace
Cost Source: ARSF Cost Database

Client: 7492 The Glen of Pacific Grove

Comp #: 1003 Irrigation Controllers - Replace **Quantity:** Controllers
Location: Common area
Funded?: No Replacement is handled as an Operating expense. Reserve funding not allocated at this time.
History:
Comments: No Reserve funding necessary at this time. Adjust Reserve funding in future years if the operating budget is not able to support periodic replacement.
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Comp #: 1005 Irrigation Valves - Replace **Quantity:** Irrigation Valves
Location: Common area
Funded?: No Replacement is handled as an Operating expense. No Reserve funding required at this time.
History:
Comments: No Reserve funding necessary at this time.
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Comp #: 1008 Trees - Removal & Replacement **Quantity:** Numerous Trees
Location: Common area
Funded?: Yes
History: Significant tree removal & replacement in 2015, additional work planned for 2016, $17K and another $50K over 2017-2023
Comments: Due to drought and warm weather significant damage to trees has occurred. Expecting to remove and replace trees over 5 years. This is an annual funding for 5 year project.
Useful Life: 0 years Remaining Life: 7 years
Best Case: $45,000 Worst Case: $55,000
Allowance for tree remove and replacement — Higher allowance
Cost Source: Estimate Provided by Client

Comp #: 1009 Lake - Dredge/Repair **Quantity:** Approx. 12,500 GSF
Location: Center of the association
Funded?: Yes
History: Dredge & repair 2015 $3,500, anticipating additional work in 2016, $6,000
Comments:
Useful Life: 7 years Remaining Life: 5 years
Best Case: $47,000 Worst Case: $58,000
Lower allowance to dredge/repair — Higher allowance to dredge/repair
Cost Source: Estimate Provided by Client

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Comp #: 1010 Landscaping - Replenishment **Quantity:** Extensive GSF

Location: Adjacent to Association entrance
Funded?: No The Association handles landscaping as an Operating expense. No Reserve funding allocated at this time.
History: Replenishment project completed in 2015 as a one-time expense.
Comments:
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Comp #: 1107 Metal Fence - Repaint **Quantity:** Approx 355 LF

Location: Front perimeter of the association
Funded?: Yes
History: Replacement of the iron fencing was completed in the 2011/12 fiscal year.
Comments: We recommend painting metal fencing every 4-5 years to protect against corrosion and other factors that accelerate deterioration.
Useful Life: 5 years Remaining Life: 0 years
Best Case: $3,700 Worst Case: $4,500
Lower allowance to repaint Higher allowance to repaint
Cost Source: ARSF Cost Database

Comp #: 1116 Exterior Surfaces - Repaint **Quantity:** Approx 110,880 GSF

Location: Exterior building and garage surfaces
Funded?: Yes
History: Repainted in 2015.
Comments: The useful life estimate was provided by the BOD. We recommend periodic inspections to ensure proper paint coverage. Adjust the timing of the next painting project as needed, the surfaces may require painting more frequently.
Useful Life: 10 years Remaining Life: 8 years
Best Case: $140,000 Worst Case: $170,000
Lower allowance to repaint Higher allowance to repaint
Cost Source: Estimate Provided by Client

Comp #: 1117 Garages - Repaint **Quantity:** (9) Garages

Location: Unit garages
Funded?: No Cost to repaint the garages is included in component #1116 Exterior Surfaces - Repaint. No Reserve funding allocated.
History:
Comments: No separate Reserve funding needed at this time.
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

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Comp #: 1121 Exterior Surfaces - Repair **Quantity:** (60) Units

Location: Exterior building and garage surfaces
Funded?: Yes
History: Repairs completed in 2015, $20,000.
Comments: Funding recommended for partial replacement of wood and hard board siding in the future due to potential for termite damage, wood rot and natural deterioration. Coordinate with future painting.
Useful Life: 10 years Remaining Life: 8 years
Best Case: $22,000 Worst Case: $28,000
Lower allowance to repair Higher allowance to repair
Cost Source: ARSF Cost Database

Comp #: 1130 Wood Bridge - Repaint **Quantity:** (1) Bridge

Location: Central common area
Funded?: No Painting is handled as an Operating expense when needed. Reserve funding not allocated.
History:
Comments: No Reserve funding needed at this time.
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Comp #: 1303 Comp Shingle Roof - Replace **Quantity:** Approx 99,000 GSF

Location: Rooftop of buildings
Funded?: Yes
History: Last replaced in 2008.
Comments: We recommend periodic inspections by a licensed professional to ensure the roof continues to age properly. Avoid debris buildup to maximize the useful life of the surface.
Useful Life: 30 years Remaining Life: 22 years
Best Case: $430,000 Worst Case: $530,000
Lower allowance to replace Higher allowance to replace
Cost Source: Estimate Provided by Client

Comp #: 1310 Gutters/Downspouts - Replace (ph.1) **Quantity:** Approx 6,500 LF

Location: Perimeter of roofs
Funded?: Yes
History:
Comments: Inspect regularly, keep gutters and downspouts free of debris to ensure water evacuating from rooftops as designed and repair as needed from general operating funds. Best to plan for replacement at the same intervals as roof replacement cost efficiency.
Useful Life: 30 years Remaining Life: 13 years
Best Case: $60,000 Worst Case: $75,000
Lower allowance to replace Higher allowance to replace
Cost Source: ARSF Cost Database

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Comp #: 1311 Gutters/Downspouts - Replace (ph.2) **Quantity:** Approx 3,250 LF

Location: Perimeter of roofs
Funded?: Yes
History:
Comments: Inspect regularly, keep gutters and downspouts free of debris to ensure water evacuating from rooftops as designed and repair as needed from general operating funds. Best to plan for replacement at the same intervals as roof replacement cost efficiency.
Useful Life: 30 years Remaining Life: 18 years
Best Case: $30,000 Worst Case: $38,000
Lower allowance to replace Higher allowance to replace
Cost Source: ARSF Cost Database

Comp #: 1402 Signage - Replace **Quantity:** Signage

Location: Common area
Funded?: No The cost of individual sign replacement does not meet the minimum threshold to qualify as a Reserve component. No Reserve funding allocated at this time.
History:
Comments: No expectation to replace all signs at one time. Adjust funding in the future is large scale replacement becomes necessary. No Reserve funding necessary at this time.
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Comp #: 1603 Tennis Court - Refurbish **Quantity:** Approx 7,800 GSF

Location: South western perimeter of the property
Funded?: Yes
History:
Comments:
Useful Life: 10 years Remaining Life: 4 years
Best Case: $7,500 Worst Case: $8,500
Lower allowance to refurbish Higher allowance to refurbish
Cost Source: Estimate Provided by Client

Comp #: 1701 Creek Bridge - Replace **Quantity:** Approx 120 GSF

Location: Central common area
Funded?: Yes
History:
Comments:
Useful Life: 25 years Remaining Life: 17 years
Best Case: $17,000 Worst Case: $19,000
Lower allowance to replace Higher allowance to replace
Cost Source: ARSF Cost Database

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Comp #: 1703 Drainage - Repair **Quantity:** Extensive LF
Location: Common area
Funded?: No According to the BOD, drainage has not been an issue and repairs are handled as Operating expenses when needed. Reserve funding not allocated at this time.
History:
Comments: Continue to monitor the common area drainage and adjust funding as repairs are too much for the operating budget to absorb. No Reserve funding necessary at this time.
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Comp #: 1710 Gate Valves/Pumps - Replace **Quantity:** (2) Valves
Location: Pond area
Funded?: No According to the BOD, repair/replacement of the gate valves and pumps is handled as an Operating expense when needed. No Reserve funding allocated.
History:
Comments: Continue to monitor the conditions of the pumps and valve and adjust funding if the operating budget is unable to absorb future maintenance costs.
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Comp #: 1812 Electrical System- Repair **Quantity:** Electrical Systems
Location: Common area
Funded?: No According to the BOD, electrical repairs are handled as an Operating expense when needed.
History:
Comments: No Reserve funding necessary at this time.
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Comp #: 1925 Reserve Study - Update **Quantity:** Flat Fee Annual Update
Location: Association Reserves (415) 694-8931
Funded?: No The Association is on a three year annual Reserve Study update plan. Handle annual cost as an operating expense, no separate Reserve Funding necessary at this time.
History:
Comments:
Useful Life: 0 years Remaining Life:
Best Case: Worst Case:
Cost Source:

Client: 7492 The Glen of Pacific Grove