

COPY

The Glen of Pacific Grove

Homeowner Association

Located in Pacific Grove, California

July 6, 2001

July 6, 2001

The Glen of Pacific Grove
C/O Management Cost Controls
6940 Santa Teresa Blvd., #3
San Jose, CA 95119-1345

Attn: Joseph Chaffers, Association Manager

RE: RESERVE COMPONENT STUDY

Dear Mr. Chaffers and members of the Board:

In accordance with our Proposal, we have performed a Reserve Component Study of all major common area building and site components specified by the Association to determine their estimated remaining useful life and replacement costs, assuming the materials used were properly manufactured and installed.

The observations and conclusions presented are based upon the visual inspection of the exterior of the dwellings, accessory structures and site components, and upon information furnished by the Homeowners Association representatives. We have detailed the results of the inspection in the attached Study.

It has been a pleasure serving The Glen of Pacific Grove HOA and we look forward to working with you again in the future.

Sincerely,

SUNSTONE CONSULTING, INC.
RESERVE ANALYSIS DIVISION

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I.
LIMITATIONS AND
ASSUMPTIONS
TO THE STUDY

Limitations and Assumptions to the Study

- A. Upon your request, this study has been prepared to determine the estimated remaining useful life of the common area components that are capable of being visually inspected. This study is not to be construed as a guarantee or warranty, nor as an opinion on the advisability of purchase.
- B. The estimated remaining useful life "does not" have a variance factor for unusual weather conditions or natural disasters, including but not limited to seismic activity. This report "does not" address the question of Reserve Funding for earthquake damages. Although studies have been completed by various agencies which disclose both the "likely" locations and projected degrees of damage which may be expected from a major seismic event, Sunstone Consulting, Inc. feels that it is the responsibility of the individual HOA to address such a question either in the form of additional insurance (which includes budgeting for the deductible) or by other funding methods. The entire topic, however, remains beyond the Scope of this Report and remains in this section for discussion purposes only. Furthermore, it is assumed that a regular program of proper component maintenance will be in place and followed.
- C. No reliance on this report will be made by anyone other than the clients named herein, or for any other purpose than establishing reserve funding needs.
- D. We have made reasonable efforts to assure that this report is accurate. However, we cannot assume any liability for damages, which may result from it or for any conditions that this report might fail to disclose.
- E. The information contained herein is deemed reliable as of the date of this study, but is not guaranteed. This report does not preclude errors resulting from unforeseen conditions or circumstances, unreliable information or unpredictable inflationary/deflationary conditions. The scope of this report is expressly limited to the components described herein.
- F. This report is limited to a visual inspection, which does not disturb the major components. The interior of furnished rooms, floors under coverings, interior of hollow walls, space between floors and ceilings or soffits below and structural elements to which there is no access without defacing or tearing out lumber, masonry work or finished cabinetry are specifically omitted in this investigation except as noted.

Limitations and Assumptions to the Study

It is assumed that the components inspected have been constructed properly and comply with all applicable building codes, and have been constructed according to the originally approved construction documents.

- G. This report should not be deemed to be an existing condition report designed to uncover latent or patent construction defects. Cost estimates reflect the replacement of an item with similar or "like" materials only. Local building codes have not been researched to determine whether current ordinances will permit the replacement of any component with components of like material. The estimates do not necessarily take into consideration the abbreviated useful life a component might experience as a result of its original construction, installation, or design.
- H. Sunstone Consulting, Inc. is not responsible for any claims, demands, or damages arising out of the discovery of any asbestos or lead paint coatings at the complex during any replacement work. The Homeowners Association, by accepting this study, agrees to release Sunstone Consulting, Inc. from any such claims, demands or damages.

The Homeowners Association, in consideration of Sunstone Consulting, Inc. performing the work in this contract, hereby agrees to indemnify, defend and hold harmless Sunstone Consulting, Inc. from and against any and all liability, damages, losses, claims, demands, or lawsuits arising out of or relating to the presence of lead coating, asbestos or asbestos-containing material at the complex site.

Limitations and Assumptions to the Study

- I. Both the funding plan and the notions of adequate funding presented in this report are based on assumptions concerning what times should be included in the component list, the estimated lives and costs of those components, and interest and inflation rates. If changes are made concerning these assumptions, the resulting calculations will be changes and those changes may be material. The Homeowners Association, in consideration of Sunstone Consulting, Inc. performing the work in this contract, hereby agrees to indemnify, defend and hold harmless Sunstone Consulting Inc. from and against any and all liability, damages, losses, claims, demands, or lawsuits arising out of or relating to conclusions based on modifications to the assumptions identified above.

NOTE:

This report pertains only to a random visual inspection and observation of the components listed and is to be used for "Reserve Funding Needs" only.

II.

EXECUTIVE SUMMARY

GENERAL DESCRIPTION

METHODOLOGY

The intent of this study is to provide information relating to, but not limited to, the following:

1. Identify the major common area components and their quantities.
2. Establish the estimated replacement cost.
3. Establish reasonable remaining life and replacement schedule.
4. Prepare a financial analysis spreadsheet.
5. Prepare a Funding Study spreadsheet.

The above information can be used to comply with the requirements established by the State of California, Civil Code 1365. The purpose of this legislation is to insure that Homeowners Associations disclose their current funding plan to meet present and future repair and/or replacement costs to owners and prospective buyers. In addition, we have performed a 30-year reserve component study cash-flow chart (see spreadsheet).

CASH FLOW CHART

The 30 year cash flow chart has fluctuating peak and valley trends, typically occurring every five (5) years based on expenditures in painting, asphalt seal coating, and concrete and fence replacement. However, major peak expenditures also occur during roof replacement and asphalt resurfacing (see spreadsheet).

Executive Summary

FUNDING STUDY

Our computation of the estimated replacement costs as shown in the component study are in today's dollars, however, the 30 year funding study (cash-flow chart) currently factors in a four (4) percent inflation factor. The beginning reserve balance was reported by the Homeowners Association to be \$223,009 as of September 2001 and the monthly reserve dues per unit are \$61.36 (see funding spreadsheet).

Executive Summary

BASIS OF SURVEY

The conclusions presented in this report are based on information provided by the Homeowners Association representatives and the following other sources:

1. Background questionnaire provided by HOA.
2. Relevant information provided on behalf of HOA.
3. Previous Study provided by John D. Beatty & Company

PROPERTY DESCRIPTION

The Glen of Pacific Grove Homeowners Association is a Common Interest Development located in Pacific Grove, California

MANAGEMENT ASSOCIATION

Management Cost Controls
6940 Santa Teresa Blvd., #3
San Jose, CA 95119

Joseph Chaffers, Association Manager

BOARD MEMBER

Jack Rutherford

CASH FLOW CHART

DEFINITION OF TERMS

ESTIMATED USEFUL LIFE represents the total number of years that a major component, when new, is expected to serve its intended purpose, given proper original installation and proper ongoing maintenance. Useful life estimates are based on discussions with manufacturers or their representatives and resource reference material contained in technical journals.

ESTIMATED REMAINING LIFE represents the presently-expected number of years that a major component will continue to serve its intended purpose prior to replacement, assuming proper manufacturing, installation and an on-going maintenance schedule is performed.

TOTAL VALUE OF COMPONENT represents the cost, in today's dollars, to replace a major component. Current replacement cost refers to replacing the existing component with one of like kind and quality, including cost, if any, of removing the existing component. It should be understood that under competitive bidding, there may be bids both above and below this amount.

* * * * *

THE FOLLOWING REPLACEMENT SCHEDULE CONSTITUTES AN ATTEMPT TO MAINTAIN ALL MAJOR COMPONENTS AT A LEVEL EQUAL TO THEIR ORIGINAL CONDITION, ASSUMING THE EXISTING COMPONENTS WERE PROPERLY MANUFACTURED, INSTALLED, AND MAINTAINED.

CASH FLOW CHART ANALYSIS

Components in the cash flow chart have been divided into two categories: FULL REPLACEMENT AND PARTIAL REPLACEMENT. This is to differentiate between components that wear out or deteriorate evenly and those that require continuing repair due to exposure and deterioration.

FULL REPLACEMENT COMPONENTS

Components that wear out evenly, such as roofing, painting, asphalt, etc., deteriorate at a relatively constant rate until the end of their useful life. At this point, the expense to replace the entire component must be allocated.

PARTIAL REPLACEMENT COMPONENTS

Other components, such as hardboard siding, wood products, and concrete tend to wear out in various degrees. These components typically have 30 to 50 year useful lives. Partial replacement becomes necessary due to a number of factors including, but not limited to, installation defects, manufacturing or natural defects, exposure variances and natural causes. Therefore, the total replacement expense is rarely incurred. However, it is reasonable to estimate that an unspecified percentage of these components will have to be replaced on a regular basis. This estimation is indicated in the partial replacement component section of the "Replacement Cash Flow" chart.

RESERVE STUDY CASH FLOW CHART (REVISED JULY 2001)

[illegible]

RESERVE STUDY CASH FLOW CHART (REVISED JULY 2001)

COMPONENT DESCRIPTION		ESTIMATED USEFUL LIFE	ESTIMATED REMAINING LIFE	TOTAL COST OF COMPONENT	0	1	2	3	4	5	6	7	8	9	10
B.	PARTIAL REPLACEMENT														
	SIDING / TRIM														
13	HARDBOARD SIDING & WINDOW SILLS	15-20+	0-15+	469,671	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	DECKS														
14	WOOD DECK AT TENNIS COURT	15-20+	10	2,016											2,016
	FENCE/BRIDGE REPLACE														
15	WOOD BRIDGE	20-25+	3	550				550							
16	WROUGHT IRON FENCE	20-25+	9	5,840										5,840	
17	FENCE WIND SCREEN	7	5	660				660							
18	PATIO FENCE	20-25+		11,904											
19	CHAIN LINK	20-25+	7	5,900								5,900			
20	AREA LIGHTING REPLACE	20+	3-20+	7,200				1,800					1,800		
	LANDSCAPE/IRRIGATION														
21	VALVES	15	0-4	4,800	1,200				3,600						
22	CONTROLLERS	15	0-4	2,000	800				1,200						
23	SOFTSCAPE	5	3	2,750				2,750					2,750		
24	TREE TRIMMING/REMOVAL	5	3	5,500				5,500					5,500		
25	PUMP MOTOR FOR WATER FEATURE	6	0	550	550						550				
	TOTAL:				12,550	10,000	10,000	20,600	14,800	558,941	12,750	15,900	20,050	15,840	137,846
ITALICIZED LINE ITEMS REPRESENT CHANGES REQUESTED BY THE HOA															

RESERVE STUDY CASH FLOW CHART (REVISED JULY 2001)

[illegible]

RESERVE STUDY CASH FLOW CHART (REVISED JULY 2001)													
THE GLEN OF PACIFIC GROVE HOA., PACIFIC GROVE, CALIFORNIA													
COMPONENT DESCRIPTION	ESTIMATED USEFUL LIFE	ESTIMATED REMAINING LIFE	TOTAL COST OF COMPONENT	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
B. PARTIAL REPLACEMENT													
13 SIDING / TRIM	15-20+	0-15+	469,671	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
14 HARDBOARD SIDING & WINDOW SILLS													
DECK													
14 WOOD DECK AT TENNIS COURT	15-20+	10	2,016										
FENCE/BRIDGE REPLACE													
15 WOOD BRIDGE	20-25+	3	550										
16 WROUGHT IRON FENCE	20-25+	9	5,840										
17 FENCE WIND SCREEN	7	5	660		660								660
18 PATIO FENCE	20-25+	7	11,904										
19 CHAIN LINK	20-25+	7	5,900										
20 AREA LIGHTING REPLACE	20+	3-20+	7,200			1,800					1,800		
LANDSCAPE/IRRIGATION								1,200				3,600	
21 VALVES	15	0-4	4,800					800				1,200	
22 CONTROLLERS	15	0-4	2,000										
23 SOFTSCAPE	5	3	2,750			2,750					2,750		
24 TREE TRIMMING/REMOVAL	5	3	5,500			5,500					5,500		
25 PUMP MOTOR FOR WATER FEATURE	6	0	550		550						550		
TOTAL				10,000	11,485	20,050	10,000	142,790	12,200	10,000	20,600	15,735	187,805
ITALICIZED LINE ITEMS REPRESENT CHANGES REQUESTED BY THE HOA													

RESERVE STUDY CASH FLOW CHART (REVISED JULY 2001)															
THE GLEN OF PACIFIC GROVE HOA., PACIFIC GROVE, CALIFORNIA															
COMPONENT DESCRIPTION	ESTIMATED USEFUL LIFE	ESTIMATED REMAINING LIFE	TOTAL COST OF COMPONENT	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		
B. PARTIAL REPLACEMENT SIDING / TRIM															
13 HARDBOARD SIDING & WINDOW SILLS	15-20+	0-15+	469,671	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000		
DECKS															
14 WOOD DECK AT TENNIS COURT	15-20+	10	2,016												
FENCE/BRIDGE REPLACE															
15 WOOD BRIDGE	20-25+	3	550												
16 WROUGHT IRON FENCE	20-25+	9	5,840												
17 FENCE WIND SCREEN	7	5	660		660							660			
18 PATIO FENCE	20-25+	7	11,904												
19 CHAIN LINK	20-25+	7	5,900								1,800				
20 AREA LIGHTING REPLACE	20+	3-20+	7,200			1,800									
LANDSCAPE/IRRIGATION								1,200				3,600			
21 VALVES	15	0-4	4,800					800				1,200			
22 CONTROLLERS	15	0-4	2,000												
23 SOFTSCAPE	5	3	2,750			2,750					2,750				
24 TREE TRIMMING/REMOVAL	5	3	5,500			5,500					5,500				
25 PUMP MOTOR FOR WATER FEATURE	6	0	550		550						550				
TOTAL				10,000	11,485	20,050	10,000	142,790	12,200	10,000	20,600	15,735	187,805		
ITALICIZED LINE ITEMS REPRESENT CHANGES REQUESTED BY THE HOA															

RESERVE STUDY CASH FLOW CHART (REVISED JULY 2001)

COMPONENT DESCRIPTION	ESTIMATED USEFUL LIFE	ESTIMATED REMAINING LIFE	TOTAL COST OF COMPONENT	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
A. TOTAL REPLACEMENT													
ROOF													
1 COMPOSITION SHINGLE	25	5	390,807										390,807
2 GUTTERS AND DOWNSPOUTS	25	20	51,975										
EXTERIOR PAINT COMPONENTS													
3 WOOD DECK AT TENNIS COURT	5	5	202					202					202
4 HARDBOARD SIDING	5	5	115,881					115,881					115,881
5 MAILBOXES	5	5	400					400					400
TOTAL			124,778										
ASPHALT DRIVEWAYS													
6 SEAL COAT	5	5	4,307										4,307
7 RESURFACE	20	5	40,716					40,716					
TENNIS/SPORTS COURT													
8 RESURFACE	10	10	5,040						275				5,040
9 TENNIS NET	7	5	275										
MISCELLANEOUS													
10 ENTRY SYSTEM	20	15	4,500										
11 GATE DOOR	10	6	2,200						2,200				
12 OPENERS	20	15	5,500										
SUB-TOTAL				0	0	0	0	157,199	2,475	0	0	0	516,637
ITALICIZED LINE ITEMS REPRESENT CHANGES REQUESTED BY THE HOA													

COMPONENT DESCRIPTION		TOTAL COST OF COMPONENT	ESTIMATED USEFUL LIFE	ESTIMATED REMAINING LIFE	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
B.	PARTIAL REPLACEMENT															
	SIDING / TRIM															
	13 HARDBOARD SIDING & WINDOW SILLS		15-20+	0-15+	469,671	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
	DECKS															
	14 WOOD DECK AT TENNIS COURT		15-20+	10	2,016					2,016						
	FENCE/BRIDGE REPLACE															
	15 WOOD BRIDGE		20-25+	3	550			550								
	16 WROUGHT IRON FENCE		20-25+	9	5,840							660			5,840	
	17 FENCE WIND SCREEN		7	5	660											
	18 PATIO FENCE		20-25+		11,904											
	19 CHAIN LINK		20-25+	7	5,900								5,900			
	20 AREA LIGHTING REPLACE		20+	3-20+	7,200			1,800						1,800		
	LANDSCAPE/IRRIGATION															
	21 VALVES		15	0-4	4,800											1,200
	22 CONTROLLERS		15	0-4	2,000											800
	23 SOFTSCAPE		5	3	2,750			2,750						2,750		
	24 TREE TRIMMING/REMOVAL		5	3	5,500			5,500						5,500		
	25 PUMP MOTOR FOR WATER FEATURE		6	0	550				550							550
	TOTAL					10,000	10,000	20,600	10,550	169,215	13,135	15,900	20,050	15,840	529,187	
	ITALICIZED LINE ITEMS REPRESENT CHANGES REQUESTED BY THE HOA															

[illegible]

FUNDING STUDY ANALYSIS

METHOD

The following funding study utilizes the cash flow method. This method allocates collected reserve dollars for each component that are disbursed on an "as needed" basis as dictated by the component study.

EXPENSES

Column 3 contains annual total expense figures taken directly from the "bottom line" of the reserve study spreadsheet. The figures in column 5 are the same figures multiplied by a four (4) percent inflation factor.

RESERVE DOLLARS COLLECTED

The first entry of column 10 contains the current monthly reserve dollars collected per unit. Assessment increases are recommendations necessary to pay inflated expenses and maintain an adequate cash balance. The annual reserve dues for the entire complex are contained in column 6. The interest collected on these dues per year is in column 7.

CASH BALANCE

The cash flow balance is the guideline of the funding study. A quick scan of this column quickly indicates where major expenditures occur and if any special assessments are necessary.

Figures in this column are the sum of the previous year's balance (column 9) plus the annual reserve dues (column 6) plus interest income (column 7) plus any special assessment (column 8) minus the actual expense multiplied by an inflation factor. As a general rule, the total reserve balance should not drop below 10 percent of the inflated expense.

FUNDING STUDY

30 YEAR FUNDING STUDY CASH FLOW CHART (REVISED JULY 2001)
THE GLEN OF PACIFIC GROVE HOA., PACIFIC GROVE, CALIFORNIA

FISCAL YEAR		TOTAL EXPENSE	INFLATION FACTOR 4 %	INFLATED EXPENSE \$	RESERVE DUES	INTEREST INCOME 4.0 %	SPECIAL ASSESSMENT	CASH BALANCE \$	MONTHLY RESERVE DUES PER UNIT
1	2	3	4	5	6	7	8	9	10
	BEGINNING BALANCE SEPTEMBER 2001								
0	2001	12,550	1.0000	12,550	14,726	8,964	0	223,009	
1	2002	10,000	1.0400	10,400	53,015	10,218	0	234,149	61.36
2	2003	10,000	1.0816	10,816	63,618	12,535	0	286,982	73.63
3	2004	20,600	1.1249	23,172	68,071	14,991	0	352,320	88.36
4	2005	14,800	1.1699	17,314	71,475	17,572	0	412,209	94.54
5	2006	558,941	1.2167	680,037	75,048	7,258	182,000	483,941	99.27
6	2007	12,750	1.2653	16,133	78,801	3,982	0	68,210	357.01
7	2008	15,900	1.3159	20,923	82,741	6,631	0	134,860	109.45
8	2009	20,050	1.3686	27,440	86,878	9,321	0	203,308	114.92
9	2010	15,840	1.4233	22,545	91,222	12,256	0	272,067	120.66
10	2011	137,846	1.4802	204,046	95,783	11,955	0	353,000	126.70
11	2012	10,000	1.5395	15,395	100,572	11,971	0	256,691	133.03
12	2013	11,485	1.6010	18,388	103,589	15,858	0	353,840	139.68
13	2014	20,050	1.6651	33,385	106,697	19,662	0	454,899	143.87
14	2015	10,000	1.7317	17,317	109,898	23,767	0	547,873	148.19
15	2016	142,790	1.8009	257,157	113,195	23,690	0	664,220	152.64
16	2017	12,200	1.8730	22,850	116,590	23,633	0	543,948	157.21
17	2018	10,000	1.9479	19,479	120,088	28,465	0	661,320	161.93
18	2019	20,600	2.0258	41,732	123,691	33,255	0	790,394	166.79
19	2020	15,735	2.1068	33,151	127,401	38,109	0	905,608	171.79
20	2021	187,805	2.1911	411,504	131,223	35,913	0	1,037,968	176.95
21	2022	10,000	2.2788	22,788	135,160	33,991	0	793,601	182.25
22	2023	10,000	2.3699	23,699	139,215	39,909	0	939,965	187.72
23	2024	20,600	2.4647	50,773	139,354	45,587	0	1,095,389	193.35
24	2025	10,550	2.5633	27,043	139,494	51,431	0	1,229,557	193.55
25	2026	169,215	2.6658	451,099	139,633	49,508	0	1,393,439	193.74
26	2027	13,135	2.7725	36,416	139,773	47,326	0	1,131,481	193.93
27	2028	15,900	2.8834	45,846	139,912	53,168	0	1,282,164	194.13
28	2029	20,050	2.9987	60,124	140,052	58,775	0	1,429,399	194.32
29	2030	15,840	3.1187	49,399	140,192	64,540	0	1,568,102	194.52
30	2031	529,187	3.2434	1,716,364	140,333	37,417	0	1,723,435	194.71
		2,084,419		4,399,285	3,327,439	851,657	182,000	184,820	194.91

ASSUMPTIONS

- 1 Inflation rate is assumed to be 4 %.
- 2 Interest income, net of tax is assumed to be 4 %.

NOTE

The Reserve Study Cashflow Chart (June 2001) provides the "Total Expenditures In Current \$" figures that appear in the second column above.

III.

UNIT PRICE
COST INFORMATION

GENERAL OVERVIEW

Sunstone Consulting, Inc. primarily utilizes the services of R.S. Means Company in assisting with the formation of unit price cost data for replacement of common area components. The following is a general overview of how that data is formatted and then utilized.

Since 1942, R.S. Means Company, Inc. has been actively engaged in construction cost publishing and consulting throughout North America. The primary objective of the company is to provide the construction industry professionals with current and comprehensive construction cost data.

A thoroughly experienced and highly qualified staff of professionals at R.S. Means works daily at collecting, analyzing and disseminating reliable cost information. Each editor contributing to his or her publication is a full-time Means employee. These staff members have years of practical construction experience and engineering training prior to joining the firm. Each contributes to the maintenance of a complete, continually updated construction cost data system.

With the constant flow of new construction methods and materials, the construction professional can rarely find time to examine and evaluate all the diverse construction cost possibilities. R.S. Means performs this function by analyzing all facets of the industry. Data is collected and organized into a format that is instantly accessible. The data is useful for all phases of construction cost determination - from the preliminary budget to the detailed unit price estimate.

ARRANGEMENT OF THE CONSOLIDATED ESTIMATES

SOURCE: Most unit prices have been assigned a three-segment, 9-digit code preceded by a description of the item. Subitems are indented beneath appropriate line items. The first line or two of the main (bold face) items often contain descriptive information that pertains to all line items beneath this bold face listing.

QUANTITY: Describes the number of units upon which the price is based.

UNIT: The abbreviated unit designations listed under this heading describe the unit upon which the price is based.

UNIT COST: This is the cost per unit of all factors that comprise the cost. "Material", "Labor", "Equipment", "Overhead", and "Profit."

TOTAL: The figure in this column is the multiplication of "Quantity" times "Unit Cost."

FACTORS AFFECTING UNIT COSTS

QUALITY: The prices for materials and the workmanship upon which productivity is based are in line with United States Government specifications and represent standard construction practice.

OVERTIME: No allowance has been made for overtime. If overtime or premium time is anticipated, labor costs must be factored accordingly.

PRODUCTIVITY: The productivity, daily output and man-hour calculations for each construction phase are based upon working an eight-hour day in daylight hours.

SIZE OF PROJECT: The size and type of project can have a significant impact on cost. Sometimes economy of scale can reduce costs for large projects.

Other factors affecting costs are season of year, construction management, weather, local union restrictions, building code requirements and the availability of adequate energy, skilled labor and building materials. General business conditions influence the "in-place" cost of all items. Substitute materials and construction methods may have to be employed and these may increase the installed cost and/or life cycle.

LOCAL SOURCE COSTS **("LS")**

When certain job-activities are not included in the R.S. Means software, Sunstone Consulting, Inc. develops specific information as to the unit costs for these activities by contacting local building contractors. These costs are preceded by the digits "LS" in the consolidated estimates.

IV.

COMPONENT
REPLACEMENT COSTS

DESCRIPTION	SOURCE	UNIT	COST	TOTAL
A. TOTAL REPLACEMENT				
ROOFS				
COMPOSITION SHINGLE	LS	1,117 SQ	350.00	390,807
GUTTERS / DOWNSPOUTS				
GUTTERS AND DOWNSPOUTS	LS	6,930 LF	7.50	51,975
PAINT / CAULKING COMPONENTS				
WOOD DECK AT TENNIS COURT	LS	336 SF	0.60	202
HARDBOARD SIDING	LS	87,789 SF	1.32	115,881
MAILBOX	LS	4 EA	100.00	400
TOTAL				116,483
ASPHALT DRIVEWAYS				
SEAL COAT	LS	39,150 SF	0.11	4,307
RESURFACE	LS	39,150 SF	1.04	40,716
TENNIS / SPORTS COURT				
RESURFACE	LS	8,400 SF	0.60	5,040
TENNIS NET	LS	1 EA	275.00	275
MISCELLANEOUS ITEMS				
ENTRY SYSTEM	LS	1 EA	4,500.00	4,500
GATES / OPENERS				
GATE DOOR	LS	2 EA	1,100.00	2,200
OPENERS	LS	2 EA	2,750.00	5,500

DESCRIPTION	SOURCE	UNIT	COST	TOTAL
B. PARTIAL REPLACEMENT				
SIDING / TRIM				
HARDBOARD SIDING	LS	87,789 SF	5.35	469,671
DECKS				
WOOD DECK AT TENNIS COURT	LS	336 SF	6.00	2,016
FENCE / BRIDGE REPLACE				
WOOD BRIDGE	LS	1 EA	550.00	550
WROUGHT IRON FENCE	LS	292 LF	20.00	5,840
FENCE WIND SCREEN	LS	120 LF	5.50	660
PATIO FENCE (WOOD)	LS	744 LF	16.00	11,904
CHAIN LINK	LS	295 LF	20.00	5,900
AREA LIGHTING REPLACE				
POLE MOUNTED LIGHTS	LS	24 EA	300.00	7,200
LANDSCAPE/IRRIGATION				
VALVES				
CONTROLLERS	LS	24 EA	200.00	4,800
SOFTSCAPE	LS	2 EA	1,000.00	2,000
TREE TRIMMING/REMOVAL			2,500.00	2,750
PUMP MOTOR FOR WATER FEATURE	LS	1 EA	5,000.00	5,500
DRAINAGE RENOVATION			550.00	550
			3,300.00	3,300

V.

SUMMARY OF MEASUREMENTS

COMPOSITION SHINGLE	1,117	SQ
GUTTERS AND DOWNSPOUTS	6,930	LF
WOOD DECK AT TENNIS COURT	336	SF
HARDBOARD SIDING	87,789	SF
WROUGHT IRON FENCE	292	LF
PATIO FENCE	744	LF
MAILBOX	4	EA
ASPHALT DRIVEWAYS	39,150	SF
TENNIS COURT	8,400	SF
WOOD BRIDGE	1	EA
CHAIN LINK FENCE	295	LF