



Reserve Funding

Arbor Ridge P.U.D. Homeowners Association-Cottage Collection Category Detail Index

Asset ID	Description	Replacement	Page
LANDSCAPING			
1001	Bark Dust	2012	2-7
1003	Tree Pruning-Newer	2012	2-8
1002	Tree Pruning-Older	2012	2-9
Total Funded Assets		3	
Total Unfunded Assets		0	
Total Assets		3	



Arbor Ridge P.U.D. Homeowners Association-Cottage Collection

NW Laidlaw Road & NW 174th Avenue
Beaverton, Oregon
July 18, 2011

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**Arbor Ridge P.U.D. Homeowners Association-Cottage Collection
Base Line Assessment Funding Model Summary**

**Arbor Ridge P.U.D. Homeowners Association-Cottage Collection
Base Line Assessment Funding Model Summary**

Report Date	July 18, 2011
Account Number	316-TMG
Version	1.0 (2012) Level III
Budget Year Beginning	January 01, 2012
Budget Year Ending	December 31, 2012
Total Units	302

<i>Report Parameters</i>	
Inflation	2.14%
Interest Rate on Reserve Deposit	0.40%
Contingency	0.00%
2012 Beginning Balance	\$39,485.90

**Current Assessment Funding Model Summary
Cash Flow Time Value of Money With Threshold**

- This reserve study is for budget and planning purposes and identifies the status of the reserve fund and schedules the anticipated major commonly owned item replacements.

This reserve study will also estimate the expected useful life and remaining useful life of the building and site components or systems, and will provide an estimate replacement or refurbishment cost for those components or systems. Major components or systems may include, but are not limited to, painting, gutters and downspouts, mailboxes, roofing, siding, windows, doors, paving, mechanical equipment, common area furnishings and amenities and other commonly owned systems or items.

- The scope of work identified within our contract is to provide the association with an "Updated No-Site Visit" (off-site) reserve study which includes:

- Component/System Inventory
- Expected Useful Life and Remaining Useful Life Estimates
- Condition Assessment (based upon on-site visual observations if applicable).
- Component/System Replacement Schedule and Estimated Pricing
- Identify Current Reserve Account Balance
- 30 Year Funding Plan

We strongly suggest the board have a qualified, credentialed, bonded and licensed engineer or architect inspect the infrastructure for any signs of failure or potential liability of any kind to owners and provide a written report to the board for future concerns and mitigation and the estimated cost for potential repairs, maintenance or replacement including expected remaining useful life.

Tests may include ultrasound, thermographic imaging, sonar imaging and video snaking.

These infrastructure components are not considered in the reserve study as they may be out of view (hidden) or beyond the expertise of the reserve study provider.

- Funding Required - A minimum balance of \$10,000.00 has been used over the thirty years of this reserve study with an average monthly reserve assessment of \$2.15 per Lot and an annual increase of 2.14%.

The industry standards for percent funded are:

0% to 30% - Poor

30% to 70% - Fair

70% to 100% - Good

This association is 348% funded on 1/1/2012.

Base Line Funding Model Summary of Calculations

Required Monthly Contribution	\$650.47
<i>\$2.15 per unit monthly</i>	
Average Net Monthly Interest Earned	\$9.86
Total Monthly Allocation to Reserves	\$660.33
<i>\$2.19 per unit monthly</i>	

**Arbor Ridge P.U.D. Homeowners Association-Cottage Collection
Base Assessment Funding Model Projection**

Beginning Balance: \$39,486

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2012	17,717	7,806	118	17,717	29,692	8,520	348%
2013	18,097	7,973	151		37,816	17,405	217%
2014	18,484	8,143	123	15,248	30,834	11,092	277%
2015	18,879	8,318	143	3,305	35,990	17,033	211%
2016	19,283	8,496	114	15,908	28,692	10,423	275%
2017	19,696	8,677	149		37,519	20,118	186%
2018	20,118	8,863	105	20,118	26,369	9,675	272%
2019	20,548	9,053	142		35,564	19,763	179%
2020	20,988	9,246	110	17,314	27,606	12,595	219%
2021	21,437	9,444	133	3,753	33,431	19,341	172%
2022	21,896	9,646	100	18,063	25,115	11,835	212%
2023	22,364	9,853	140		35,108	22,843	153%
2024	22,843	10,064	89	22,843	22,418	10,985	204%
2025	23,332	10,279	131		32,828	22,441	146%
2026	23,831	10,499	95	19,659	23,762	14,301	166%
2027	24,341	10,724	121	4,261	30,346	21,961	138%
2028	24,862	10,953	83	20,510	20,872	13,438	155%
2029	25,394	11,188	128		32,188	25,937	124%
2030	25,937	11,427	71	25,937	17,749	12,473	142%
2031	26,492	11,672	118		29,538	25,481	115%
2032	27,059	11,921	77	22,323	19,213	16,238	118%
2033	27,639	12,177	106	4,838	26,658	24,936	106%
2034	28,230	12,437	63	23,288	15,870	15,258	104%
2035	28,834	12,703	114		28,687	29,451	97%
2036	29,451	12,975	49	29,451	12,260	14,163	86%
2037	30,081	13,253	102		25,615	28,932	88%
2038	30,725	13,536	55	25,347	13,860	18,438	75%
2039	31,383	13,826	89	5,494	22,281	28,313	78%
2040	32,054	14,122	40	26,443	10,000	17,325	57%
2041	32,740	14,424	98		24,522	33,441	73%

**Arbor Ridge P.U.D. Homeowners Association-Cottage Collection
Base Line Funding Model Assessment by Capital & Non-Capital**

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Non-Capital							
Bark Dust	2012	2	0	0	14,616	29,232	14,616
Tree Pruning-Newer	2012	3	5	0	1,700	3,401	1,700
Tree Pruning-Older	2012	3	6	0	<u>1,401</u>	<u>2,802</u>	<u>1,401</u>
Non-Capital - Total					\$17,717	\$35,435	\$17,717
Total Asset Summary					<u>\$17,717</u>	<u>\$35,435</u>	<u>\$17,717</u>
Excess Funds:						\$17,717	
Fully Funded Level						200%	

**Arbor Ridge P.U.D. Homeowners Association-Cottage Collection
Distribution by Percentage of Ideally Funded**

Description	Remaining Life	Fully Funded	Beginning Balance	Percent Funded	Assessment Distributed	Interest Distributed	Expenditures	Ending Balance
LANDSCAPING								
Bark Dust	0	14,616	14,616	100%			14,616	0
Tree Pruning-Newer	0	1,700	1,700	100%			1,700	0
Tree Pruning-Older	0	<u>1,401</u>	<u>1,401</u>	<u>100%</u>			<u>1,401</u>	0
LANDSCAPING - Total		<u>\$17,717</u>	<u>\$17,717</u>	100%			<u>\$17,717</u>	
Grand - Total		<u>\$17,717</u>	<u>\$39,486</u>		<u>\$7,806</u>	<u>\$118</u>	<u>\$17,717</u>	

**Arbor Ridge P.U.D. Homeowners Association-Cottage Collection
Asset Summary Report**

Description	Asset ID	Date In Service	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
Bark Dust	1001	07/01/10	14,616	2	0	0	14,616	69600 @	0.21
Tree Pruning-Newer	1003	01/01/03	1,700	3	5	0	1,700	179 @	9.50
Tree Pruning-Older	1002	01/01/02	1,401	3	6	0	1,401	123 @	11.39

**Arbor Ridge P.U.D. Homeowners Association-Cottage Collection
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2012	
Bark Dust	14,616
Tree Pruning-Newer	1,700
Tree Pruning-Older	1,401
Total for 2012	\$17,717
<i>No Replacement in 2013</i>	
Replacement Year 2014	
Bark Dust	15,248
Total for 2014	\$15,248
Replacement Year 2015	
Tree Pruning-Newer	1,812
Tree Pruning-Older	1,493
Total for 2015	\$3,305
Replacement Year 2016	
Bark Dust	15,908
Total for 2016	\$15,908
<i>No Replacement in 2017</i>	
Replacement Year 2018	
Bark Dust	16,596
Tree Pruning-Newer	1,931
Tree Pruning-Older	1,591
Total for 2018	\$20,118
<i>No Replacement in 2019</i>	
Replacement Year 2020	
Bark Dust	17,314
Total for 2020	\$17,314
Replacement Year 2021	
Tree Pruning-Newer	2,057
Tree Pruning-Older	1,695
Total for 2021	\$3,753

**Arbor Ridge P.U.D. Homeowners Association-Cottage Collection
Detail Report by Category**

Bark Dust

Asset ID	1001	69,600 SF	@ \$0.21
Group	Non-Capital	Asset Cost	\$14,616.00
Category	LANDSCAPING	Percent Replacement	100%
Placed in Service	July 2010	Future Cost	\$14,616.00
Useful Life	2		
Replacement Year	2012		
Remaining Life	0		



Remarks:

This item is the bark dust spread around the landscaped areas of 302 lots.

This item was scheduled for 2006; however, it has been moved back by the board to the year 2007, 2008, 2009 and now 2010.

**Arbor Ridge P.U.D. Homeowners Association-Cottage Collection
Detail Report by Category**

Tree Pruning-Newer

		179 EACH	@ \$9.50
Asset ID	1003	Asset Cost	\$1,700.50
Group	Non-Capital	Percent Replacement	100%
Category	LANDSCAPING	Future Cost	\$1,700.50
Placed in Service	January 2003		
Useful Life	3		
Adjustment	5		
Replacement Year	2012		
Remaining Life	0		



Remarks:

This item is the trimming and pruning of the trees in the yards of the newer homes (179) in the Cottage Collection.

This item was scheduled for 2006; however, it was moved back by the board to the year 2007, 2008, 2009, 2010 and now 2011.

**Arbor Ridge P.U.D. Homeowners Association-Cottage Collection
Detail Report by Category**

Tree Pruning-Older

		123 EACH	@ \$11.39
Asset ID	1002	Asset Cost	\$1,400.97
Group	Non-Capital	Percent Replacement	100%
Category	LANDSCAPING	Future Cost	\$1,400.97
Placed in Service	January 2002		
Useful Life	3		
Adjustment	6		
Replacement Year	2012		
Remaining Life	0		



Remarks:

This item is the trimming and pruning of the trees in the yards of the Arbor Ridge PUD-Cottages (older homes).

This item was scheduled for 2005; however, it has been moved back by the board to the year 2006 and now 2007, 2008, 2009, 2010 and now 2011.