



Reserve Study Update.com, LLC

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Northwest Laidlaw Road & Northwest 174th Avenue
Bethany, Oregon 97006
Account 1215b - Draft 1.02 (2 of 2)

Fiscal Year: January 1, 2027 to December 31, 2027



OFF-SITE RESERVE STUDY & MAINTENANCE PLAN

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Important Information

This document has been provided pursuant to an agreement containing restrictions on its use. The client shall have the right to reproduce and distribute copies of this report, or the information contained within, as may be required for compliance with all applicable regulations.

This reserve analysis study and the parameters under which it has been completed are based upon information provided to us in part by representatives of the association, its contractors, assorted vendors, specialist and independent contractors, the Community Association Institute, and various construction pricing and scheduling manuals including, but not limited to: Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, RS Means Repair & Remodeling Cost Data, National Construction Estimator, National Repair & Remodel Estimator, Dodge Cost Manual and McGraw-Hill Professional. Additionally, costs are obtained from numerous vendor catalogues, actual quotations or historical costs, and our own experience in the field of property management and reserve study preparation.

It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and that each estimated useful life will approximate that of the norm per industry standards and/or manufacturer's specifications. In some cases, estimates may have been used on assets, which have an indeterminable but potential liability to the association. The decision for the inclusion of these as well as all assets considered is left to the client.

We recommend that your reserve analysis study be updated on an annual basis due to fluctuating interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and computations made subsequently in preparing this reserve analysis study are retained in our computer files. Therefore, annual updates may be completed quickly and inexpensively each year.

ReserveStudyUpdate.com, LLC would like to thank you for using our services. We invite you to call us at any time, should you have questions, comments or need assistance. In addition, any of the parameters and estimates used in this study may be changed at your request, after which we will provide a revised study.

This reserve analysis study is provided as an aid for planning purposes and not as an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described. Conditions reported by the reserve study are applicable to the immediate time frame of the report and these conditions, over time, may change. Is impossible to envisage thirty years into the future to establish the cost of repair or replacement of any of the components, let alone the value of money, fluctuation in the cost of fuel, delivery/installation costs, changing building code requirements and other potential unknowns. The probability that it may project in its reserve study, or that the Board could project in its disclosures, future costs or actual future remaining useful lives of components having useful lives extended beyond one year with precision is the functional equivalent of winning a national sweepstake; while it may happen in atypical instances by chance, one may not reasonably expect it to happen. The reserve study shall not be used as health and safety concerns, evidence of construction defects, damage, potential damage, water intrusion inspection, or as a construction-quality inspection. This reserve study specifically exclude issues having to do with unpredictable natural events and environmental hazards; including but not limited to lead paint, asbestos, mold, mildew, radon, etc.

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Part I

Introduction

Preparing the annual budget and overseeing the association's finances are perhaps the most important responsibilities of board members. The annual operating and reserve budgets reflect the planning and goals of the association and set the level and quality of service for all of the association's activities.

Funding Options

When a major repair or replacement is required in a community, an association has essentially four options available to address the expenditure:

The first, and only logical means that the Board of Directors has to ensure its ability to maintain the assets for which it is obligated, is by **assessing an adequate level of reserves** as part of the regular membership assessment, thereby distributing the cost of the replacements uniformly over the entire membership. The community is not only comprised of present members, but also future members. Any decision by the Board of Directors to adopt a calculation method or funding plan which would disproportionately burden future members in order to make up for past reserve deficits, would be a breach of its fiduciary responsibility to those future members. Unlike individuals determining their own course of action, the board is responsible to the "community" as a whole.

Whereas, if the association was setting aside reserves for this purpose, using the vehicle of the regularly assessed membership dues, it would have had the full term of the life of the roof, for example, to accumulate the necessary moneys. Additionally, those contributions would have been evenly distributed over the entire membership and would have earned interest as part of that contribution.

The second option is for the association to **acquire a loan** from a lending institution in order to effect the required repairs. In many cases, banks will lend to an association using "future homeowner assessments" as collateral for the loan. With this method, the current board is pledging the future assets of an association. They are also incurring the additional expense of interest fees along with the original principal amount. In the case of a \$150,000 roofing replacement, the association may be required to pay back the loan over a three to five year period, with interest.

The third option, too often used, is simply to **defer the required repair or replacement**. This option, which is not recommended, can create an environment of declining property values due to expanding lists of deferred maintenance items and the association's financial inability to keep pace with the normal aging process of the common area components. This, in turn, can have a seriously negative impact on sellers in the association by making it difficult, or even impossible, for potential buyers to obtain financing from lenders. Increasingly, lending institutions are requesting copies of the association's most recent reserve study before granting loans, either for the association itself, a prospective purchaser, or for an individual within such an association.

The fourth option is to pass a "**special assessment**" to the membership in an amount required to cover the expenditure. When a special assessment is passed, the association has the authority and responsibility to collect the assessments, even by means of foreclosure, if necessary. However, an association considering a special assessment cannot guarantee that an assessment, when needed, will be passed. Consequently, the association cannot guarantee its ability to perform the required repairs or replacements to those major components for which it is obligated when the need arises. Additionally, while relatively new communities require very little in the way of major "reserve" expenditures, associations reaching 12 to 15 years of age and older, find many components reaching the end of their effective useful lives. These required expenditures, all accruing at the same time, could be devastating to an association's overall budget.

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Types of Reserve Studies

Most reserve studies fit into one of three categories:

Full Reserve Study;

Update with site inspection; and

Update without site inspection.

In a **Full Reserve Study**, the reserve provider conducts a component inventory, a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both a “fund status” and “funding plan”.

In an **Update with site inspection**, the reserve provider conducts a component inventory (verification only, not quantification unless new components have been added to the inventory), a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both the “fund status and “funding plan.”

In an **Update without site inspection**, the reserve provider conducts life and valuation estimates to determine the “fund status” and “funding plan.”

The Reserve Study: A Physical and a Financial Analysis

There are two components of a reserve study: a physical analysis and a financial analysis.

Physical Analysis

During the physical analysis, a reserve study provider evaluates information regarding the physical status and repair/replacement cost of the association’s major common area components. To do so, the provider conducts a component inventory, a condition assessment, and life and valuation estimates.

Developing a Component List

The budget process begins with full inventory of all the major components for which the association is responsible. The determination of whether an expense should be labeled as operational, reserve, or excluded altogether is sometimes subjective. Since this labeling may have a major impact on the financial plans of the association, subjective determinations should be minimized. We suggest the following considerations when labeling an expense.

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Operational Expenses

Occur at least annually, no matter how large the expense, and can be budgeted for effectively each year. They are characterized as being reasonably predictable, both in terms of frequency and cost. Operational expenses include all minor expenses, which would not otherwise adversely affect an operational budget from one year to the next. Examples of *operational expenses* include:

Utilities:	Bank Service Charges	Accounting
Electricity	Dues & Publications	Reserve Study
Gas	Licenses, Permits & Fees	Repair Expenses:
Water	Insurance(s)	Tile Roof Repairs
Telephone	Services:	Equipment Repairs
Cable TV	Landscaping	Minor Concrete Repairs
Administrative:	Pool Maintenance	Operating Contingency
Supplies	Street Sweeping	

Reserve Expenses

These are major expenses that occur other than annually, and which must be budgeted for in advance in order to ensure the availability of the necessary funds in time for their use. Reserve expenses are reasonably predictable both in terms of frequency and cost. However, they may include significant assets that have an indeterminable but potential liability that may be demonstrated as a likely occurrence. They are expenses that, when incurred, would have a significant effect on the smooth operation of the budgetary process from one year to the next, if they were not reserved for in advance. Examples of reserve expenses include:

Roof Replacements	Park/Play Equipment
Painting	Pool/Spa Re-plastering
Deck Resurfacing	Pool Equipment Replacement
Fencing Replacement	Pool Furniture Replacement
Asphalt Seal Coating	Tennis Court Resurfacing
Asphalt Repairs	Lighting Replacement
Asphalt Overlays	Landscape Renovation
Equipment Replacement	Property Signage
Interior Furnishings	

Budgeting is Normally Excluded for:

Repairs or replacements of assets which are deemed to have an estimated useful life equal to or exceeding the estimated useful life of the facility or community itself, or exceeding the legal life of the community as defined in an association's governing documents. Examples include the complete replacement of elevators, tile roofs, wiring and plumbing. Also excluded are insignificant expenses that may be covered either by an operating or reserve contingency, or otherwise in a general maintenance fund. Expenses that are necessitated by acts of nature, accidents or other occurrences that are more properly insured for, rather than reserved for, are also excluded.

Financial Analysis

The financial analysis assesses the association's reserve balance or "fund status" (measured in cash or as percent fully

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funded) to determine a recommendation for the appropriate reserve contribution rate in the future, known as the “funding plan”.

Preparing the Reserve Study

Once the reserve assets have been identified and quantified, their respective replacement costs, useful lives and remaining lives must be assigned so that a funding schedule can be constructed. Replacement costs and useful lives can be found in published manuals such as construction estimators, appraisal handbooks, and valuation guides. Remaining lives are calculated from the useful lives and ages of assets and adjusted according to conditions such as design, manufactured quality, usage, exposure to the elements and maintenance history.

By following the recommendations of an effective reserve study, the association should avoid any major shortfalls. However, to remain accurate, the report should be updated on an annual basis to reflect such changes as shifts in economic parameters, additions of phases or assets, or expenditures of reserve funds. The association can assist in simplifying the reserve analysis update process by keeping accurate records of these changes throughout the year.

Funding Methods

From the simplest to the most complex, reserve analysis providers use many different computational processes to calculate reserve requirements. However, there are two basic processes identified as industry standards: the cash flow method and the component method.

The cash flow method develops a reserve-funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the actual anticipated schedule of reserve expenses until the desired funding goal is achieved. This method sets up a “window” in which all future anticipated replacement costs are computed, based upon the individual lives of the components under consideration. The ReserveStudyUpdate.com, LLC Threshold and the ReserveStudyUpdate.com, LLC Current Assessment funding models are based upon the cash flow method.

The component method develops a reserve-funding plan where the total contribution is based upon the sum of contributions for individual components. The component method is the more conservative of the two funding options, and assures that the association will achieve and maintain an ideal level of reserve over time. This method also allows for computations on individual components in the analysis. The ReserveStudyUpdate.com, LLC Component Funding model is based upon the component methodology.

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Funding Strategies

Once an association has established its funding goals, the association can select an appropriate funding plan. There are four basic strategies from which most associations select. It is recommended that associations consult professionals to determine the best strategy or combination of plans that best suit the association's need. Additionally, associations should consult with their financial advisor to determine the tax implications of selecting a particular plan. Further, consultation with the American Institute of Certified Public Accountants (AICPA) for their reporting requirements is advisable. The four funding plans and descriptions of each are detailed below. Associations will have to update their reserve studies more or less frequently depending on the funding strategy they select.

Full Funding---Given that the basis of funding for reserves is to distribute the costs of the replacements over the lives of the components in question, it follows that the ideal level of reserves would be proportionately related to those lives and costs. If an association has a component with an expected estimated useful life of ten years, it would set aside approximately one-tenth of the replacement cost each year. At the end of three years, one would expect three-tenths of the replacement cost to have accumulated, and if so, that component would be "fully-funded." This model is important in that it is a measure of the adequacy of an association's reserves at any one point of time, and is independent of any particular method which may have been used for past funding or may be under consideration for future funding. This formula represents a snapshot in time and is based upon current replacement cost, independent of future inflationary or investment factors:

Fully Funded Reserves = Age divided by Useful Life the results multiplied by Current Replacement Cost

When an association's total accumulated reserves for all components meet this criterion, its reserves are considered "fully-funded."

The ReserveStudyUpdate.com, LLC **Baseline Funding Model (Minimum Funding)**. The goal of this funding method is to keep the reserve cash balance above zero. This method describes the objective to have sufficient reserves on hand to never completely run out of money. This means that while each individual component may not be fully funded, the reserve balance overall does not drop below zero during the projected period. An association using this funding method must understand that even a minor reduction in a component's remaining useful life can result in a deficit in the reserve cash balance. This is sometimes described as a "cash-positive" plan. With less cash in reserves on-deposit, associations with a baseline funding objective have higher instances of special assessments and/or deferred maintenance. This funding approach is the most riskiest out of all of the funding models and is never recommended.

The ReserveStudyUpdate.com, LLC **Threshold Funding Model**. This method is based upon the cash flow funding concept. The minimum reserve cash balance in threshold funding, however, is set at a predetermined dollar amount (other than \$0). Threshold funding describes an objective chosen by the board other than the 100% (full funding) level or just staying cash-positive (baseline funding). This may be a specific percent funded target or a cash balance target. Threshold funding is often a value chosen in between full funding (Component Funding Model) and the Baseline Funding Model.

The ReserveStudyUpdate.com, LLC **Current Assessment Funding Model**. This method is also based upon the cash flow funding concept. The initial reserve assessment is set at the association's current fiscal year funding level and a 30-year projection is calculated to illustrate the adequacy of the current funding over time. The "Current Funding Model" is often used as a user defined model. This model allows the Board of Directors to experiment and contemplate alternative funding approaches and scrutinize and consider the ramifications of these funding approaches.

The ReserveStudyUpdate.com, LLC **Percentage Distribution Funding Model**. This funding method is based loosely upon the PRA System™ software objectives of reserve funding. Some property management firms which have legacy accounting software systems continue to utilize this funding approach. One of the key reasons why this funding approach has been since superseded by more modern funding approaches is due to the GAAP and ECHO reporting requirements in most states.

The ReserveStudyUpdate.com, LLC **Component Funding Model**. This is a straight-line funding model. It distributes the cash reserves to individual reserve components and then calculates what the reserve assessment and interest

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contribution (minus taxes) should be, again by each reserve component. The current annual assessment is then determined by summing all the individual component assessments, hence the name “Component Funding Model”. This is the most conservative funding model. It leads to or maintains the fully funded reserve position. The following details this calculation process.

Component Funding Model Distribution of Accumulated Reserves

The “Distribution of Accumulated Reserves Report” is a “Component Funding Model” calculation. This distribution **does not** apply to the cash flow funding models.

When calculating reserves based upon the component methodology, a beginning reserve balance must be allocated for each of the individual components considered in the analysis, before the individual calculations can be completed. When this distribution is not available, or of sufficient detail, the following method is suggested for allocating reserves:

The first step the program performs in this process is subtracting, from the total accumulated reserves, any amounts for assets that have predetermined (fixed) reserve balances. The user can “fix” the accumulated reserve balance within the program on the individual asset’s detail page. If, by error, these amounts total more than the amount of funds available, then the remaining assets are adjusted accordingly. A provision for a contingency reserve is then deducted by the determined percentage used, and if there are sufficient remaining funds available.

The second step is to identify the ideal level of reserves for each asset. As indicated in the prior section, this is accomplished by evaluating the component’s age proportionate to its estimated useful life and current replacement cost. Again, the equation used is as follows:

$$\text{Fully Funded Reserves} = (\text{Age/Useful Life}) \times \text{Current Replacement Cost}$$

The  Reserve Analyst® software program performs the above calculations to the actual month the component was placed-in-service. The program projects that the accumulation of necessary reserves for repairs or replacements will be available on the first day of the fiscal year in which they are scheduled to occur.

The next step the program performs is to arrange all of the assets used in the study in ascending order by remaining life, and alphabetically within each grouping of remaining life items. These assets are then assigned their respective ideal level of reserves until the amount of funds available is depleted, or until all assets are appropriately funded. If any assets are assigned a zero remaining life (scheduled for replacement in the current fiscal year), then the amount assigned equals the current replacement cost and funding begins for the next cycle of replacement. If there are insufficient funds available to accomplish this, then the software automatically adjusts the zero remaining life items to one year, and that asset assumes its new grouping position alphabetically in the final printed report. If, at the completion of this task, there are additional moneys that have not been distributed, the remaining reserves are then assigned, in ascending order, to a level equal to, but not exceeding, the current replacement cost for each component. If there are sufficient moneys available to fund all assets at their current replacement cost levels, then any excess funds are designated as such and are not factored into any of the report computations. If, at the end of this assignment process there are designated excess funds, they can be used to offset the monthly contribution requirements recommended, or used in any other manner the client may desire.

Assigning the reserves in this manner defers the make-up period for any under-funding over the longest remaining life of all assets under consideration, thereby minimizing the impact of any deficiency. For example, if the report indicates an under funding of \$50,000, this under-funding will be assigned to components with the longest remaining lives in order to give more time to “replenish” the account. If the \$50,000 under-funding were to be assigned to short remaining life items, the impact would be felt immediately.

If the reserves are under-funded, the monthly contribution requirements, as outlined in this report, can be expected to be higher than normal. In future years, as individual assets are replaced, the funding requirements will return to their normal levels. In the case of a large deficiency, a special assessment may be considered. The program can easily generate revised reports outlining how the monthly contributions would be affected by such an adjustment, or by any other changes that may be under consideration.

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Funding Reserves

Three assessment and contribution figures are provided in the report, the “Monthly Reserve Assessment Required”, the “Average Net Monthly Interest Earned” contribution and the “Total Monthly Allocation to Reserves.” The association should allocate the “Monthly Reserve Assessment Required” amount to reserves each month when the interest earned on the reserves is left in the reserve accounts as part of the contribution. Any interest earned on reserve deposits, must be left in reserves and only amounts set aside for taxes should be removed.

The second alternative is to allocate the “Total Monthly Allocation” to reserves (this is the member assessment plus the anticipated interest earned for the fiscal year). This method assumes that all interest earned will be assigned directly as operating income. This allocation takes into consideration the anticipated interest earned on accumulated reserves regardless of whether or not it is actually earned. When taxes are paid, the amount due will be taken directly from the association’s operating accounts as the reserve accounts are allocated only those moneys net of taxes.

Users’ Guide to your Reserve Analysis Study

Part II of your ReserveStudyUpdate.com, LLC Report contains the reserve analysis study for your association. There are seven types of reports in the study as described below.

Report Summaries

The Report Summary for all funding models lists all of the parameters that were used in calculating the report as well as the summary of your reserve analysis study.

Index Reports

The **Distribution of Accumulated Reserves** report lists all assets in remaining life order. It also identifies the ideal level of reserves that should have accumulated for the association as well as the actual reserves available. This information is valid only for the “Component Funding Model” calculation.

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The **Component Listing/Summary** lists all assets by category (i.e. roofing, painting, lighting, etc.) together with their remaining life, current cost, monthly reserve contribution, and net monthly allocation.

Detail Reports

The Detail Report itemizes each asset and lists all measurements, current and future costs, and calculations for that asset. Provisions for percentage replacements, salvage values, and one-time replacements can also be utilized. These reports can be sorted by category or group.

The numerical listings for each asset are enhanced by extensive narrative detailing factors such as design, manufactured quality, usage, exposure to elements and maintenance history.

The ReserveStudyUpdate.com, LLC Detail Index is an alphabetical listing of all assets, together with the page number of the asset's detail report, the projected replacement year, and the asset number.

Projections

Thirty-year projections add to the usefulness of your reserve analysis study.

Definitions

Report I.D.

Includes the Report Date (example: November 15, 1992), Account Number (example: 9773), and Version (example: 1.0). Please use this information (displayed on the summary page) when referencing your report.

Budget Year Beginning/Ending

The budgetary year for which the report is prepared. For associations with fiscal years ending December 31st, the monthly contribution figures indicated are for the 12-month period beginning 1/1/20xx and ending 12/31/20xx.

Number of Units and/or Phases

If applicable, the number of units and/or phases included in this version of the report.

Inflation

This figure is used to approximate the future cost to repair or replace each component in the report. The current cost for each component is compounded on an annual basis by the number of remaining years to replacement, and the total is used in calculating the monthly reserve contribution that will be necessary to accumulate the required funds in time for replacement.

Annual Assessment Increase

This represents the percentage rate at which the association will increase its assessment to reserves at the end of each year. For example, in order to accumulate \$10,000 in 10 years, you could set aside \$1,000 per year. As an alternative, you could set aside \$795 the first year and increase that amount by 5% each year until the year of replacement. In either case you arrive at the same amount. The idea is that you start setting aside a lower amount and increase that number each year in accordance with the planned percentage. Ideally this figure should be equal to the rate of inflation. It can, however, be used to aide those associations that have not set aside appropriate reserves in the past, by making the initial year's allocation less formidable.

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Investment Yield Before Taxes

The average interest rate anticipated by the association based upon its current investment practices.

Taxes on Interest Yield

The estimated percentage of interest income that will be set aside to pay income taxes on the interest earned.

Projected Reserve Balance

The anticipated reserve balance on the first day of the fiscal year for which this report has been prepared. This is based upon information provided and not audited.

Percent Fully Funded

The ratio, at the beginning of the fiscal year, of the actual (or projected) reserve balance to the calculated fully funded balance, expressed as a percentage.

Phase Increment Detail and/or Age

Comments regarding aging of the components on the basis of construction date or date of acceptance by the association.

Monthly Assessment

The assessment to reserves required by the association each month.

Interest Contribution (After Taxes)

The interest that should be earned on the reserves, net of taxes, based upon their beginning reserve balance and monthly contributions for one year. This figure is averaged for budgeting purposes.

Total Monthly Allocation

The sum of the monthly assessment and interest contribution figures.

Group and Category

The report may be prepared and sorted either by group (location, building, phase, etc.) or by category (roofing, painting, etc.). The standard report printing format is by category.

Percentage of Replacement or Repairs

In some cases, an asset may not be replaced in its entirety or the cost may be shared with a second party. Examples are budgeting for a percentage of replacement of streets over a period of time, or sharing the expense to replace a common wall with a neighboring party.

Placed-In-Service Date

The month and year that the asset was placed-in-service. This may be the construction date, the first escrow closure date in a given phase, or the date of the last servicing or replacement.

Estimated Useful Life

The estimated useful life of an asset based upon industry standards, manufacturer specifications, visual inspection, location, usage, association standards and prior history. All of these factors are taken into consideration when tailoring the estimated useful life to the particular asset. For example, the carpeting in a hallway or elevator (a heavy traffic area) will not have the same life as the identical carpeting in a seldom-used meeting room or office.

Adjustment to Useful Life

Once the useful life is determined, it may be adjusted, up or down, by this separate figure for the current cycle of replacement. This will allow for a current period adjustment without affecting the estimated replacement cycles for future replacements.

Estimated Remaining Life

This calculation is completed internally based upon the report's fiscal year date and the date the asset was placed-in-service.

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Replacement Year

The year that the asset is scheduled to be replaced. The appropriate funds will be available by the first day of the fiscal year for which replacement is anticipated.

Annual Fixed Reserves

An optional figure which, if used, will override the normal process of allocating reserves to each asset.

Fixed Assessment

An optional figure which, if used, will override all calculations and set the assessment at this amount. This assessment can be set for monthly, quarterly or annually as necessary.

Salvage Value

The salvage value of the asset at the time of replacement, if applicable.

One-Time Replacement

Notation if the asset is to be replaced on a one-time basis.

Current Replacement Cost

The estimated replacement cost effective at the beginning of the fiscal year for which the report is being prepared

Future Replacement Cost

The estimated cost to repair or replace the asset at the end of its estimated useful life based upon the current replacement cost and inflation.

Component Inventory

The task of selecting and qualifying reserve components. This task can be accomplished through on-site visual, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s).

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A Multi-Purpose Tool

- Your ReserveStudyUpdate.com, LLC Report is an important part of your association's budgetary process. Following its recommendations should ensure the association's smooth budgetary transitions from one fiscal year to the next, and either decrease or eliminate the need for "special assessments".
- In addition, your ReserveStudyUpdate.com, LLC reserve study serves a variety of useful purposes:
- Following the recommendations of a reserve study performed by a professional consultant can protect the Board of Directors in a community from personal liability concerning reserve components and reserve funding.
- A reserve analysis study is required by your accountant during the preparation of the association's annual audit.
- The ReserveStudyUpdate.com, LLC reserve study is often requested by lending institutions during the process of loan applications, both for the community and, in many cases, the individual owners.
- Your ReserveStudyUpdate.com, LLC Report is also a detailed inventory of the association's major assets and serves as a management tool for scheduling, coordinating and planning future repairs and replacements.
- Your ReserveStudyUpdate.com, LLC Report is a tool that can assist the Board in fulfilling its legal and fiduciary obligations for maintaining the community in a state of good repair. If a community is operating on a special assessment basis, it cannot guarantee that an assessment, when needed, will be passed. Therefore, it cannot guarantee its ability to perform the required repairs or replacements to those major components for which the association is obligated.
- The ReserveStudyUpdate.com, LLC reserve study is an annual disclosure to the membership concerning the financial condition of the association, and may be used as a "consumers' guide" by prospective purchasers.
- The ReserveStudyUpdate.com, LLC Owners' Summary meets the disclosure requirements of the California Civil Code and also the recently adopted ECHO standards.
- Your ReserveStudyUpdate.com, LLC Report provides a record of the time, cost, and quantities of past reserve replacements. At times the association's management company and board of directors are transitory which may result in the loss of these important records.

Sincerely,

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Level III Update Off-Site: Six Minute Full Report Summary

LEVEL THREE UPDATE OFF-SITE: 6 MINUTE FULL REPORT SUMMARY

- A reserve component list: Please see refer to "Detail Report by Category" section of the reserve study.
- Date of reserve study: Prepared on July 13, 2025 for fiscal year starting January 1, 2027.
- This is a Level III: Off-Site Reserve Study Update.
- Reserve account balance as of January 1, 2027: \$199,559
- Estimated percent funded as of January 1, 2027: 205.57%
- Estimated "Fully Funded Reserves" as of the beginning of fiscal year 2027: \$97,077*
**Please note, this figure represents the estimated "Fully Funded Reserves" in order to be considered 100% funded as of January 1, 2027 and does not represent the amount of money on-hand.*
- Projected percent funded as of the end of 2027: (contingent on which funding model is implemented)
Component Funding Model: 172.17% (does not include contingency of 5.00%)
Baseline Funding Model: 161.84%
- Special assessments implemented or planned:

Please note, assuming a continued annual reserve contribution of \$24,216, it is forecasted that a special assessment will occur by the year 2035. Please see the Appendix section of this document for more details.
- Interest rate: 0.00%, Inflation rate: 3.23%.
- 2027 reserve account contribution rate:**
Component Funding Model: \$28,536
Baseline Funding Model: \$8,836
***Please note, we have removed the "Threshold Funding Model" from this reserve study as calculating a threshold contribution rate in communities which are projected and/or estimated to be over 100% funded is impractical and generates contribution scenarios which are not logical.*
- 2027 Component Funding Model (Fully Funded Plan) contribution:
\$28,536 (recommended model)
2027 Baseline Funding Model contribution: \$8,836
- Projected account balance for thirty years: Please see refer to the following sections in the report as these fluctuate according to which funding model is implemented:
"Component Funding Model Projection"
"Baseline Funding Model Projection"
- This reserve study was prepared by a reserve study professional.
- 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,

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Level III Update Off-Site: Six Minute Full Report Summary

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.

Report Version 1.02 (2 of 2).

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

Report Date July 13, 2025
Beginning Fiscal Year January 01, 2027
Account Number 1215b

Version Number 1.02 (2 of 2)

Description	Expenditures
Replacement Year 2027	
Bark Dust: Replenish	19,110
Landscape Renovation / Enhancement	21,000
Total for 2027	\$40,110
Replacement Year 2028	
Irrigation Controllers & Valves: Phase 1	17,885
Total for 2028	\$17,885
Replacement Year 2029	
Bark Dust: Replenish	20,364
Irrigation Controllers & Valves: Phase 2	18,462
Landscape Renovation / Enhancement	22,379
Total for 2029	\$61,205
Replacement Year 2030	
Backflow Device: Common Area - Replacement	2,310
Landscape: Plant Replacements - Miscellaneous	4,620
Total for 2030	\$6,930
Replacement Year 2031	
Arborist / Tree Work: Tree Removal - Trimming "B"	18,482
Bark Dust: Replenish	21,701
Irrigation: Miscellaneous Repairs	16,466
Landscape Renovation / Enhancement	23,848
Landscaping: Power Box - Cottages - Replace	715
Total for 2031	\$81,212
Replacement Year 2032	
Arborist / Tree Work: Tree Removal - Trimming "A"	18,816
Irrigation Controllers & Valves: Phase 1	20,310
Total for 2032	\$39,126

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

Description	Expenditures
Replacement Year 2033	
Arborist / Tree Work: Tree Removal - Trimming "C"	19,695
Bark Dust: Replenish	23,126
Irrigation Controllers & Valves: Phase 2	20,966
Landscape Renovation / Enhancement	25,413
Total for 2033	\$89,199
Replacement Year 2034	
Arborist / Tree Work: Tree Removal - Trimming "D"	20,331
Irrigation Controllers & Valves: Phase 3	21,643
Total for 2034	\$41,974
Replacement Year 2035	
Arborist / Tree Work: Tree Removal - Trimming "E"	20,988
Bark Dust: Replenish	24,644
Landscape Renovation / Enhancement	27,081
Landscape: Plant Replacements - Miscellaneous	5,416
Total for 2035	\$78,129
Replacement Year 2036	
Irrigation Controllers & Valves: Phase 1	23,064
Irrigation: Miscellaneous Repairs	19,303
Total for 2036	\$42,366
Replacement Year 2037	
Arborist / Tree Work: Tree Removal - Trimming "B"	22,366
Bark Dust: Replenish	26,262
Irrigation Controllers & Valves: Phase 2	23,809
Landscape Renovation / Enhancement	28,859
Total for 2037	\$101,294
Replacement Year 2038	
Arborist / Tree Work: Tree Removal - Trimming "A"	22,770
Irrigation Controllers & Valves: Phase 3	24,578
Total for 2038	\$47,348
Replacement Year 2039	
Arborist / Tree Work: Tree Removal - Trimming "C"	23,834

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

Description	Expenditures
<i>Replacement Year 2039 continued...</i>	
Bark Dust: Replenish	27,985
Landscape Renovation / Enhancement	30,753
Total for 2039	<u>\$82,572</u>
Replacement Year 2040	
Arborist / Tree Work: Tree Removal - Trimming "D"	24,604
Irrigation Controllers & Valves: Phase 1	26,191
Landscape: Plant Replacements - Miscellaneous	6,349
Total for 2040	<u>\$57,144</u>
Replacement Year 2041	
Arborist / Tree Work: Tree Removal - Trimming "E"	25,398
Bark Dust: Replenish	29,822
Irrigation Controllers & Valves: Phase 2	27,037
Irrigation: Miscellaneous Repairs	22,628
Landscape Renovation / Enhancement	32,772
Total for 2041	<u>\$137,658</u>
Replacement Year 2042	
Irrigation Controllers & Valves: Phase 3	27,910
Total for 2042	<u>\$27,910</u>
Replacement Year 2043	
Arborist / Tree Work: Tree Removal - Trimming "B"	27,065
Bark Dust: Replenish	31,780
Landscape Renovation / Enhancement	34,923
Total for 2043	<u>\$93,769</u>
Replacement Year 2044	
Arborist / Tree Work: Tree Removal - Trimming "A"	27,555
Irrigation Controllers & Valves: Phase 1	29,742
Total for 2044	<u>\$57,297</u>
Replacement Year 2045	
Arborist / Tree Work: Tree Removal - Trimming "C"	28,842
Bark Dust: Replenish	33,866

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

Description	Expenditures
<i>Replacement Year 2045 continued...</i>	
Irrigation Controllers & Valves: Phase 2	30,703
Landscape Renovation / Enhancement	37,216
Landscape: Plant Replacements - Miscellaneous	7,443
Total for 2045	\$138,070
Replacement Year 2046	
Arborist / Tree Work: Tree Removal - Trimming "D"	29,774
Irrigation Controllers & Valves: Phase 3	31,695
Irrigation: Miscellaneous Repairs	26,527
Total for 2046	\$87,995
Replacement Year 2047	
Arborist / Tree Work: Tree Removal - Trimming "E"	30,735
Bark Dust: Replenish	36,089
Landscape Renovation / Enhancement	39,659
Total for 2047	\$106,483
Replacement Year 2048	
Irrigation Controllers & Valves: Phase 1	33,775
Total for 2048	\$33,775
Replacement Year 2049	
Arborist / Tree Work: Tree Removal - Trimming "B"	32,753
Bark Dust: Replenish	38,458
Irrigation Controllers & Valves: Phase 2	34,866
Landscape Renovation / Enhancement	42,262
Total for 2049	\$148,339
Replacement Year 2050	
Arborist / Tree Work: Tree Removal - Trimming "A"	33,346
Irrigation Controllers & Valves: Phase 3	35,992
Landscape: Plant Replacements - Miscellaneous	8,725
Total for 2050	\$78,063
Replacement Year 2051	
Arborist / Tree Work: Tree Removal - Trimming "C"	34,903

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

Description	Expenditures
<i>Replacement Year 2051 continued...</i>	
Bark Dust: Replenish	40,983
Irrigation: Miscellaneous Repairs	31,096
Landscape Renovation / Enhancement	45,036
Total for 2051	\$152,019
Replacement Year 2052	
Arborist / Tree Work: Tree Removal - Trimming "D"	36,030
Irrigation Controllers & Valves: Phase 1	38,355
Total for 2052	\$74,385
Replacement Year 2053	
Arborist / Tree Work: Tree Removal - Trimming "E"	37,194
Bark Dust: Replenish	43,673
Irrigation Controllers & Valves: Phase 2	39,594
Landscape Renovation / Enhancement	47,993
Total for 2053	\$168,454
Replacement Year 2054	
Irrigation Controllers & Valves: Phase 3	40,873
Total for 2054	\$40,873
Replacement Year 2055	
Arborist / Tree Work: Tree Removal - Trimming "B"	39,636
Bark Dust: Replenish	46,540
Landscape Renovation / Enhancement	51,143
Landscape: Plant Replacements - Miscellaneous	10,229
Total for 2055	\$147,547
Replacement Year 2056	
Arborist / Tree Work: Tree Removal - Trimming "A"	40,353
Irrigation Controllers & Valves: Phase 1	43,556
Irrigation: Miscellaneous Repairs	36,454
Total for 2056	\$120,362

EXECUTIVE SUMMARY- COMPONENT FUNDING MODEL

COMPONENT FUNDING MODEL OVERVIEW

The "Component Funding Model" is a straight-line funding model, also known by the "Full Funding Model". The objective of the model is to have on hand an amount of cash in the reserve account equal to the amount of depreciation that has occurred for each of the assets. It distributes the cash reserves to individual reserve components and then calculates what the reserve assessment and interest contribution (minus taxes) should be, again by each reserve component. The current annual assessment is then determined by summing all the individual component assessments, hence the name "Component Funding Model". This is the most conservative funding model. It leads to or maintains the fully funded reserve position.

"Full funding" describes the objective to have reserves on hand equivalent to the value of the deterioration of the each component in the reserve study. For example, for a \$10,000 (current cost) pool resurface project with a useful life of ten years, after three years, when the pool's surface has deteriorated 3/10 of \$10,000, to be fully funded the association should have \$3000 set aside for this component (and on and on again for each component). "Full funding" describes an objective where ongoing deterioration is offset by the proportional accumulation of cash.

One of the selling points that may be beneficial to Arbor Ridge P.U.D. Homeowners Association - Cottage Collection is that the "Component Funding Model" compared to the other funding models is that the objective is to have an equal amount of cash on hand compared to the amount of depreciation that has occurred for each funded asset in the report. Funding models lacking a "Full Funding" criterion often result in funding strategies that shifts the burden of funding assets to future homeowners. Although the Association may be able to fund reserves perpetually employing such strategies, the Board of Directors should carefully consider the degree of risk that is acceptable to everyone. Multiple components which experience premature failure rates will likely result in special assessments which will ultimately burden current owners who have the misfortune of having a current ownership interest; while previous owners have avoided their financial responsibility. The "Component Funding Model" is recommended for Board of Directors who wish to mitigate this type of risk.

PROPERTY INFORMATION

ORIGINAL STARTING DATE OF RESERVE STUDY: This reserve study was prepared for the fiscal year January 1, 2027 and ending December 31, 2027. Unless otherwise indicated, we have used January 25, 2000 to begin aging the original components in this reserve study.

NUMBER OF UNITS/LOTS & LOCATION: This reserve study is a total of 316 units located in Bethany, Oregon.

DATE OF LAST ON-SITE RESERVE STUDY: (if applicable) The last on-site physical analysis done by ReserveStudyUpdate.com, LLC was completed on November 4, 2024.

NOTE: All interest accrued from reserve savings account(s) must remain in the reserve savings account(s) and not used as an off-set for operating expenses. Income tax factors were not considered due to variables effecting net taxable income and the election of tax form to be filed.

RESERVE FUNDS ON HAND: For the purpose of this reserve study, it is anticipated that the association will have a projected beginning reserve balance of \$199,559 as of January 1, 2027. The actual or projected (estimated) total presented in this reserve study is based upon information provided to ReserveStudyUpdate.com, LLC and

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Component Funding Model: Executive Summary**

was not audited.

FUNDING REQUIRED: The reserve study funding model has an annual contribution increase of 3.00% per year.

INFLATION RATE: An inflation rate of 3.23% was used for all thirty years of the reserve study report. This is based on an equally weighted ten-year historical inflation rate average.

THE NATIONAL PERCENT FUNDED RATING IN THE RESERVE STUDY INDUSTRY IS:

0% to 29.99% - Poor

30% to 69.99% - Fair

70% to 100% - Good

This association is estimated to be 172.17% funded the end of the first fiscal year contingent that the funding model described in this section is implemented.

DISCLOSURES

GENERAL: Arbor Ridge P.U.D. Homeowners Association - Cottage Collection and ReserveStudyUpdate.com, LLC have no professional or personal involvements with each other, other than the scope of work identified in the reserve study contract. This relationship cannot be perceived as a conflict of interest.

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 in accordance with Oregon State Law(s). This reserve study will 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.

PHYSICAL ANALYSIS: If an on-site reserve study was performed observations were limited to visual observations only. Destructive testing (invasive testing) was not performed. Any items that were not clearly visible at the time of the site observation were not viewed, and therefore were not included in the drafting of this reserve study.

A grand total of 14 assets were included in this reserve study report; of these considered, 14 were funded and 0 components were unfunded. Often times components not funded are estimated to be outside the scope of the thirty year scope of the reserve study; while other components are sometimes omitted by property management, association representative, and/or Declarant.

MEASUREMENTS: Measuring and inventory (+/- 10%) were identified via a combination of onsite physical measurements (if a Level 1 reserve study was contracted by client), previous reserve study and/or drawing take-offs. Drawing sets (if used) were provided by the property manager, Board of Directors or Declarant for our use relating only to the reserve study scope of work.

RELIANCE ON CLIENT DATA: Data received from property management including previous reserve study report(s) , information from Association Representatives and/or Declarant is deemed reliable by ReserveStudyUpdate.com, LLC unless explicitly noted otherwise. Such data may include financial information, physical deficiencies or physical conditions, quantity of physical assets, or historical issues. Financial information received from property management, Association Representative, Declarant was not audited for accuracy.

The Association needs to carefully review each line item in the reports to be certain corrections are made from information you may possess that we are not aware of. It is assumed in our reserve study, no work, or expenditures from the reserve funds will occurred for the balance of the fiscal year. If this is not correct, you need to let

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Component Funding Model: Executive Summary

ReserveStudyUpdate.com, LLC know what extra work was done and how much money will be spent.

SCOPE OF RESERVE STUDY: The Reserve Study is a reflection of information provided to the Consultant and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records. Continued use of this reserve study beyond December 31, 2027 is misuse of the product and potentially a violation of applicable law(s).

The author(s) of this reserve study have absolutely no control over whether a special assessment will occur at any time during the thirty year horizon of this reserve study. The writer further submits that it is impossible to envision thirty years into the future costs or actual future remaining useful lives of components having useful lives extended beyond one year with precision is the functional equivalent of winning the lottery, while it may happen in extraordinary instances by chance, one may not reasonably expect it to happen. As a result, ReserveStudyUpdate.com, LLC makes absolutely no guarantee, express or implied, that a special assessment will not occur during the time period covered by this reserve study. Assumptions on future costs and life expectancy's should be reviewed and adjusted on an annualized basis, as current and future cost projections, building code requirements, and life expectancy's become more uncertain.

Report Version 1.02 (2 of 2).

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Component Funding Model: Summary

		<i>Report Parameters</i>	
Report Date	July 13, 2025	Inflation	3.23%
Account Number	1215b	Interest Rate on Reserve Deposit	0.00%
Version	1.02 (2 of 2)	Contingency	5.00%
Budget Year Beginning	January 1, 2027	2027 Beginning Balance	\$199,559
Budget Year Ending	December 31, 2027		
Total Units	316		

<i>Component Funding Model Summary of Calculations</i>	
Required Monthly Contribution	\$2,378.02
<i>\$7.53 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$0.00</u>
Total Monthly Allocation to Reserves	\$2,378.02
<i>\$7.53 per unit monthly</i>	

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Component Funding Model: Projection

Report Date July 13, 2025
 Beginning Fiscal Year January 01, 2027
 Account Number 1215b

Version Number 1.02 (2 of 2)

Beginning Balance: \$199,559

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2027	194,666	28,536		40,110	187,985	109,183	172%
2028	200,954	17,003		17,885	187,104	142,292	131%
2029	207,445	37,775		61,205	163,674	132,097	124%
2030	214,145	28,588		6,930	185,331	182,067	102%
2031	221,062	50,594		81,212	154,714	155,332	100%
2032	228,202	58,263		39,126	173,850	175,141	99%
2033	235,573	58,620		89,199	143,271	144,348	99%
2034	243,182	67,399		41,974	168,696	170,096	99%
2035	251,037	68,167		78,129	158,734	161,360	98%
2036	259,145	75,601		42,366	191,969	193,382	99%
2037	267,516	71,454		101,294	162,129	164,914	98%
2038	276,157	79,803		47,348	194,585	196,426	99%
2039	285,076	78,265		82,572	190,277	193,278	98%
2040	294,284	85,947		57,144	219,081	220,175	100%
2041	303,790	80,189		137,658	161,612	163,339	99%
2042	313,602	90,307		27,910	224,008	226,377	99%
2043	323,731	88,813		93,769	219,052	222,910	98%
2044	334,188	98,183		57,297	259,938	261,797	99%
2045	344,982	92,496		138,070	214,363	217,419	99%
2046	356,125	100,760		87,995	227,128	229,012	99%
2047	367,628	99,603		106,483	220,248	224,168	98%
2048	379,502	112,131		33,775	298,604	301,309	99%
2049	391,760	105,562		148,339	255,827	260,205	98%
2050	404,414	117,390		78,063	295,154	297,498	99%
2051	417,477	112,177		152,019	255,312	259,500	98%
2052	430,961	125,099		74,385	306,026	308,208	99%
2053	444,881	118,966		168,454	256,538	260,433	99%
2054	459,251	133,971		40,873	349,637	353,435	99%
2055	474,085	130,682		147,547	332,772	337,978	98%
2056	489,398	140,938		120,362	353,348	355,786	99%

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Component Funding Model: Assessment & Category Summary

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Cottages							
Arborist / Tree Work: Tree Removal - Trimming "A"							
2032	6	0	5		16,051	16,051	2,675
Arborist / Tree Work: Tree Removal - Trimming "B"							
2031	6	1	4		16,275	16,275	6,975
Arborist / Tree Work: Tree Removal - Trimming "C"							
2033	6	3	6		16,275	16,275	5,425
Arborist / Tree Work: Tree Removal - Trimming "D"							
2034	6	4	7		16,275	16,275	4,882
Arborist / Tree Work: Tree Removal - Trimming "E"							
2035	6	5	8		16,275	11,665	4,439
Backflow Device: Common Area - Replacement							
2030	30	0	3		2,100	2,100	1,890
Bark Dust: Replenish							
2027	2	0	0		19,110	19,110	19,110
Irrigation Controllers & Valves: Phase 1							
2028	4	0	1		17,325	17,325	12,994
Irrigation Controllers & Valves: Phase 2							
2029	4	1	2		17,325	17,325	10,395
Irrigation Controllers & Valves: Phase 3							
2034	4	4	7		17,325	17,325	2,166
Irrigation: Miscellaneous Repairs							
2031	5	0	4		14,500	14,500	2,900
Landscape Renovation / Enhancement							
2027	2	0	0		21,000	21,000	21,000
Landscape: Plant Replacements - Miscellaneous							
2030	5	0	3		4,200	4,200	1,680
Landscaping: Power Box - Cottages - Replace							
2031	30	0	4		630	630	546
Cottages - Total					\$194,666	\$190,056	\$97,077
Total Asset Summary					\$194,666	\$190,056	\$97,077
Contingency at 5.00%						\$9,503	\$4,854
Summary Total						\$199,559	\$101,931
Excess Funds:							

Percent Fully Funded	196%
Current Average Equity per Unit (Total Units: 316)	\$309

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Component Funding Model: Component Summary by Category

Report Date July 13, 2025
 Beginning Fiscal Year January 01, 2027
 Account Number 1215b

Version Number 1.02 (2 of 2)

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Cottages							
Arborist / Tree Work: Tree Removal - Trimming "A"	18,816	6	5		16,051	51.88	2,675
Arborist / Tree Work: Tree Removal - Trimming "B"	18,482	6	4	1	16,275	55.28	6,975
Arborist / Tree Work: Tree Removal - Trimming "C"	19,695	6	6	3	16,275	51.08	5,425
Arborist / Tree Work: Tree Removal - Trimming "D"	20,331	6	7	4	16,275	50.21	4,882
Arborist / Tree Work: Tree Removal - Trimming "E"	20,988	6	8	5	11,665	89.53	4,439
Backflow Device: Common Area - Replacement	2,310	30	3		2,100	7.78	1,890
Bark Dust: Replenish	19,110	2	0		19,110	784.88	19,110
Irrigation Controllers & Valves: Phase 1	17,885	4	1		17,325	115.38	12,994
Irrigation Controllers & Valves: Phase 2	18,462	4	2	1	17,325	75.87	10,395
Irrigation Controllers & Valves: Phase 3	21,643	4	7	4	17,325	53.45	2,166
Irrigation: Miscellaneous Repairs	16,466	5	4		14,500	49.25	2,900
Landscape Renovation / Enhancement	21,000	2	0		21,000	862.50	21,000
Landscape: Plant Replacements - Miscellaneous	4,620	5	3		4,200	15.55	1,680
Landscaping: Power Box - Cottages - Replace	715	30	4		630	2.14	546
Cottages - Total	\$220,524				\$190,056	\$2,265	\$97,077
Asset Summary Total:	\$220,524				\$190,056	\$2,265	\$97,077
Contingency at 5.00%					\$9,503	\$113	\$4,854
Grand Total:					\$199,559	\$2,378	\$101,931

Excess Funds:

Percent Fully Funded	196%
Current Average Equity per Unit (Total Units: 316)	\$309

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Component Funding Model: Distribution of Accumulated Reserves

Report Date July 13, 2025
Beginning Fiscal Year January 01, 2027
Account Number 1215b

Version Number 1.02 (2 of 2)

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Arborist / Tree Work: Tree Removal - Trimming "C"	6	2033	16,275	5,425
Irrigation Controllers & Valves: Phase 2	2	2029	17,325	10,395
Bark Dust: Replenish	0	2027	19,110	19,110
Landscape Renovation / Enhancement	0	2027	21,000	21,000
Arborist / Tree Work: Tree Removal - Trimming "D"	7	2034	16,275	4,882
Irrigation Controllers & Valves: Phase 3	7	2034	17,325	2,166
Arborist / Tree Work: Tree Removal - Trimming "E"	8	2035	11,665	4,439
Backflow Device: Common Area - Replacement	3	2030	2,100	1,890
Landscape: Plant Replacements - Miscellaneous	3	2030	4,200	1,680
Irrigation Controllers & Valves: Phase 1	1	2028	17,325	12,994
Landscaping: Power Box - Cottages - Replace	4	2031	630	546
Irrigation: Miscellaneous Repairs	4	2031	14,500	2,900
Arborist / Tree Work: Tree Removal - Trimming "B"	4	2031	16,275	6,975
Arborist / Tree Work: Tree Removal - Trimming "A"	5	2032	16,051	2,675
Total Asset Summary			<u>\$190,056</u>	<u>\$97,077</u>
Contingency at 5.00%			<u>\$9,503</u>	<u>\$4,854</u>
Summary Total			\$199,559	\$101,931

Excess Funds:

Percent Fully Funded	196%
Current Average Equity per Unit (Total Units: 316)	\$309

EXECUTIVE SUMMARY - BASELINE FUNDING MODEL

BASELINE FUNDING MODEL OVERVIEW

The goal of the "Baseline Funding Model" is to keep the reserve cash balance above zero at all times without special assessments. This method describes the objective to have sufficient reserves on hand to never completely run out of money. This means that while each individual component may not be fully funded, the reserve balance overall does not drop below zero during the projected period.

An association using this funding method must understand that even a minor reduction in a component's remaining useful life, or component cost overrun can result in a serious deficit in the reserve cash balance. This is sometimes described as a "cash-positive" plan. With less cash in reserves on-deposit, associations with a baseline funding objective have higher instances of special assessments and/or deferred maintenance as compared with other more conservative funding models.

It is our position that the Association should only utilize the "Baseline Funding Model" for the express purpose of evaluating and comparing other proposed funding methods. Previous clients have reported utilizing the "Baseline Funding Model" as a functional equivalent of a financial stress test of the possible outcome of a series of reserve contributions over the course of time.

We have therefore included the "Baseline Funding Model" in this reserve study for "informational purpose only" and we do not consider the model as a bonafide funding strategy with the exception of state statutory disclosure requirements to disclose this specific model.

PROPERTY INFORMATION

ORIGINAL STARTING DATE OF RESERVE STUDY: This reserve study was prepared for the fiscal year January 1, 2027 and ending December 31, 2027. Unless otherwise indicated, we have used January 25, 2000 to begin aging the original components in this reserve study.

NUMBER OF UNITS/LOTS & LOCATION: This reserve study is a total of 316 units located in Bethany, Oregon.

DATE OF LAST ON-SITE RESERVE STUDY: (if applicable) The last on-site physical analysis done by ReserveStudyUpdate.com, LLC was completed on November 4, 2024.

NOTE: All interest accrued from reserve savings account(s) must remain in the reserve savings account(s) and not used as an off-set for operating expenses. Income tax factors were not considered due to variables effecting net taxable income and the election of tax form to be filed.

RESERVE FUNDS ON HAND: For the purpose of this reserve study, it is anticipated that the association will have a projected beginning reserve balance of \$199,559 as of January 1, 2027. The actual or projected (estimated) total presented in this reserve study is based upon information provided to ReserveStudyUpdate.com, LLC and was not audited.

FUNDING REQUIRED: A minimum balance threshold of \$0 has been used over the thirty years of this reserve study. The reserve study has an annual contribution increase of 3.00% per year.

INFLATION RATE: An inflation rate of 3.23% was used for all thirty years of the reserve study report. This is

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Baseline Funding Model: Executive Summary**

based on an equally weighted ten-year historical inflation rate average.

THE NATIONAL PERCENT FUNDED RATING IN THE RESERVE STUDY INDUSTRY IS:

0% to 29.99% - Poor

30% to 69.99% - Fair

70% to 100% - Good

This association is estimated to be 161.84% funded the end of the first fiscal year contingent that the funding model described in this section is implemented.

DISCLOSURES

GENERAL: Arbor Ridge P.U.D. Homeowners Association - Cottage Collection and ReserveStudyUpdate.com, LLC have no professional or personal involvements with each other, other than the scope of work identified in the reserve study contract. This relationship cannot be perceived as a conflict of interest.

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 in accordance with Oregon State Law(s). This reserve study will 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.

PHYSICAL ANALYSIS: If an on-site reserve study was performed observations were limited to visual observations only. Destructive testing (invasive testing) was not performed. Any items that were not clearly visible at the time of the site observation were not viewed, and therefore were not included in the drafting of this reserve study.

A grand total of 14 assets were included in this reserve study report; of these considered, 14 were funded and 0 components were unfunded. Often times components not funded are estimated to be outside the scope of the thirty year scope of the reserve study; while other components are sometimes omitted by property management, association representative, and/or Declarant.

MEASUREMENTS: Measuring and inventory (+/- 10%) were identified via a combination of onsite physical measurements (if a Level 1 reserve study was contracted by client), previous reserve study and/or drawing take-offs. Drawing sets (if used) were provided by the property manager, Board of Directors or Declarant for our use relating only to the reserve study scope of work.

RELIANCE ON CLIENT DATA: Data received from property management including previous reserve study report(s) , information from Association Representatives and/or Declarant is deemed reliable by ReserveStudyUpdate.com, LLC unless explicitly noted otherwise. Such data may include financial information, physical deficiencies or physical conditions, quantity of physical assets, or historical issues. Financial information received from property management, Association Representative, Declarant was not audited for accuracy.

The Association needs to carefully review each line item in the reports to be certain corrections are made from information you may possess that we are not aware of. It is assumed in our reserve study, no work, or expenditures from the reserve funds will occurred for the balance of the fiscal year. If this is not correct, you need to let ReserveStudyUpdate.com, LLC know what extra work was done and how much money will be spent.

SCOPE OF RESERVE STUDY: The Reserve Study is a reflection of information provided to the Consultant and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records. Continued use of this reserve study beyond December 31, 2027 is misuse

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Baseline Funding Model: Executive Summary

of the product and potentially a violation of applicable law(s).

The author(s) of this reserve study have absolutely no control over whether a special assessment will occur at any time during the thirty year horizon of this reserve study. The writer further submits that it is impossible to envision thirty years into the future costs or actual future remaining useful lives of components having useful lives extended beyond one year with precision is the functional equivalent of winning the lottery, while it may happen in extraordinary instances by chance, one may not reasonably expect it to happen. As a result, ReserveStudyUpdate.com, LLC makes absolutely no guarantee, express or implied, that a special assessment will not occur during the time period covered by this reserve study. Assumptions on future costs and life expectancy's should be reviewed and adjusted on an annualized basis, as current and future cost projections, building code requirements, and life expectancy's become more uncertain.

Report Version 1.02 (2 of 2).

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Baseline Funding Model: Summary

		<i>Report Parameters</i>	
Report Date	July 13, 2025	Inflation	3.23%
Account Number	1215b	Annual Assessment Increase	3.00%
Version	1.02 (2 of 2)	Interest Rate on Reserve Deposit	0.00%
Budget Year Beginning	January 1, 2027		
Budget Year Ending	December 31, 2027		
Total Units	316	2027 Beginning Balance	\$199,559

<i>Baseline Funding Model Summary of Calculations</i>	
Required Monthly Contribution	\$736.30
<i>\$2.33 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$0.00</u>
Total Monthly Allocation to Reserves	\$736.30
<i>\$2.33 per unit monthly</i>	

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Baseline Funding Model: Projection

Report Date July 13, 2025
Beginning Fiscal Year January 01, 2027
Account Number 1215b

Version Number 1.02 (2 of 2)

Beginning Balance: \$199,559

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2027	194,666	8,836		40,110	168,285	103,984	162%
2028	200,954	9,101		17,885	159,501	135,516	118%
2029	207,445	9,374		61,205	107,669	125,807	86%
2030	214,145	9,655		6,930	110,394	173,397	64%
2031	221,062	63,924		81,212	93,106	147,935	63%
2032	228,202	65,842		39,126	119,822	166,801	72%
2033	235,573	67,817		89,199	98,440	137,474	72%
2034	243,182	69,852		41,974	126,318	161,996	78%
2035	251,037	71,948		78,129	120,137	153,676	78%
2036	259,145	74,106		42,366	151,876	184,173	82%
2037	267,516	76,329		101,294	126,911	157,061	81%
2038	276,157	78,619		47,348	158,182	187,072	85%
2039	285,076	80,978		82,572	156,587	184,074	85%
2040	294,284	83,407		57,144	182,851	209,691	87%
2041	303,790	85,909		137,658	131,102	155,560	84%
2042	313,602	88,486		27,910	191,678	215,597	89%
2043	323,731	91,141		93,769	189,050	212,295	89%
2044	334,188	93,875		57,297	225,628	249,330	90%
2045	344,982	96,691		138,070	184,249	207,065	89%
2046	356,125	99,592		87,995	195,847	218,106	90%
2047	367,628	102,580		106,483	191,943	213,493	90%
2048	379,502	105,657		33,775	263,825	286,961	92%
2049	391,760	108,827		148,339	224,313	247,814	91%
2050	404,414	112,092		78,063	258,342	283,332	91%
2051	417,477	115,455		152,019	221,778	247,143	90%
2052	430,961	118,918		74,385	266,311	293,531	91%
2053	444,881	122,486		168,454	220,343	248,032	89%
2054	459,251	126,160		40,873	305,631	336,605	91%
2055	474,085	129,945		147,547	288,029	321,884	89%
2056	489,398	133,844		120,362	301,510	338,844	89%

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Baseline Funding Model: Component Summary by Category

Report Date July 13, 2025
Beginning Fiscal Year January 01, 2027
Account Number 1215b

Version Number 1.02 (2 of 2)

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Cottages							
Arborist / Tree Work: Tree Removal - Trimming "A"	18,816	6	5		16,051	16.80	2,675
Arborist / Tree Work: Tree Removal - Trimming "B"	18,482	6	4	1	16,275	16.76	6,975
Arborist / Tree Work: Tree Removal - Trimming "C"	19,695	6	6	3	16,275	17.32	5,425
Arborist / Tree Work: Tree Removal - Trimming "D"	20,331	6	7	4	16,275	17.60	4,882
Arborist / Tree Work: Tree Removal - Trimming "E"	20,988	6	8	5	16,275	17.90	4,439
Backflow Device: Common Area - Replacement	2,310	30	3		2,100	2.13	1,890
Bark Dust: Replenish	19,110	2	0		24,003	235.01	19,110
Irrigation Controllers & Valves: Phase 1	17,885	4	1		17,325	17.00	12,994
Irrigation Controllers & Valves: Phase 2	18,462	4	2	1	17,325	17.27	10,395
Irrigation Controllers & Valves: Phase 3	21,643	4	7	4	17,325	18.74	2,166
Irrigation: Miscellaneous Repairs	16,466	5	4		14,500	14.93	2,900
Landscape Renovation / Enhancement	21,000	2	0		21,000	339.93	21,000
Landscape: Plant Replacements - Miscellaneous	4,620	5	3		4,200	4.26	1,680
Landscaping: Power Box - Cottages - Replace	715	30	4		630	0.65	546
Cottages - Total	\$220,524				\$199,559	\$736	\$97,077
Grand Total:	\$220,524				\$199,559	\$736	\$97,077

Excess Funds:

Percent Fully Funded	206%
Current Average Equity per Unit (Total Units: 316)	\$324

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Baseline Funding Model: Distribution of Accumulated Reserves

Report Date July 13, 2025
Beginning Fiscal Year January 01, 2027
Account Number 1215b

Version Number 1.02 (2 of 2)

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Bark Dust: Replenish	0	2027	24,003	19,110
Landscape Renovation / Enhancement	0	2027	21,000	21,000
Irrigation Controllers & Valves: Phase 1	1	2028	17,325	12,994
Irrigation Controllers & Valves: Phase 2	2	2029	17,325	10,395
Landscape: Plant Replacements - Miscellaneous	3	2030	4,200	1,680
Backflow Device: Common Area - Replacement	3	2030	2,100	1,890
Landscaping: Power Box - Cottages - Replace	4	2031	630	546
Irrigation: Miscellaneous Repairs	4	2031	14,500	2,900
Arborist / Tree Work: Tree Removal - Trimming "B"	4	2031	16,275	6,975
Arborist / Tree Work: Tree Removal - Trimming "A"	5	2032	16,051	2,675
Arborist / Tree Work: Tree Removal - Trimming "C"	6	2033	16,275	5,425
Irrigation Controllers & Valves: Phase 3	7	2034	17,325	2,166
Arborist / Tree Work: Tree Removal - Trimming "D"	7	2034	16,275	4,882
Arborist / Tree Work: Tree Removal - Trimming "E"	8	2035	16,275	4,439
Total Asset Summary			<u>\$199,559</u>	<u>\$97,077</u>

Excess Funds:

Percent Fully Funded	206%
Current Average Equity per Unit (Total Units: 316)	\$324

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Report Date July 13, 2025
Beginning Fiscal Year January 01, 2027
Account Number 1215b

Version Number 1.02 (2 of 2)

Arborist / Tree Work: Tree Removal - Trimming "A"

		1 Total	@ \$16,051.00
Asset ID	1046	Asset Actual Cost	\$16,051.00
	Non-Capital	Percent Replacement	100%
Category	Cottages	Future Cost	\$18,816.19
Placed in Service	June 2026	Assigned Reserves	\$16,051.00
Useful Life	6		
Replacement Year	2032	Monthly Assessment	<u>\$20.38</u>
Remaining Life	5	Reserve Allocation	\$20.38

Notes for 2027 Off-Site Reserve Study Update:

Client reports recent expenses as follows:

Arborist/Tree - Savatree	12/2025	\$2590
Arborist/Tree - Savatree	11/2025	\$4387
Arborist/Tree - Legacy Tree	06/2026	\$4000
Arborist/Tree - Arbor Pro	04/2025	\$3490
Arborist/Tree - Barlett	08/2025	\$1584
		\$16,051

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2025 On-Site Reserve Study Update:

Recent Expenditure History:

Work Done: Tree Pruning (2024, date unspecified)

Vendor: Sav-a-tree

Cost: \$25,901

Work Done: Landscaping/Plant Replacements (2024, date unspecified)

Vendor: Pacific Landscape

Cost: \$112,412

Analyst has reset the life of this line item to reflect work done. This cost is used as the basis for future instances of this line item. We have increased the frequency of this project from "every 10 years" to "every 6 years" due to

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Arborist / Tree Work: Tree Removal - Trimming "A" continued...

the expense patterns.

Asset Condition: Varies; analyst is not a certified arborist and lacks the qualifications to present a detailed accounting of the conditions of the trees. It is recommended that the Board consult with a local certified arborist.

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Analyst notes that the condition of the trees may or may not be in an acceptable enough condition not to require an arborist at this time. The Board is also encouraged to reach out and seek an properly qualified arborist for a more detailed analysis. This is an offsite update.

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2020 on-site reserve study.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2019 on-site reserve study.

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016. A Tree Inventory Management Plan by Davey Resource Group has described the scope of work for this line item as described in the 2017 reserve study. We have not received a copy of this document. The prior reserve study indicated that this line item was for trees the Cottage Collection. The line item was defined as "Trees: Removal-Trimming-A" in the previous reserve study. We have adjusted this number for inflation.

Typically this line item is for any major tree work that is beyond the scope of the landscaping contract. Labor associated with the removal and replacement of diseased and/or falling trees which may require the services of a certified arborist and necessary permits & approval by the City of Beaverton. Cost include but not limited to; tree replacements, stump grinding, tree replacements, and major pruning. Scope of work will likely increase along with the cost as trees mature. Tree work appears in good to fair condition. Care should be exercised in order to maintain a safe perimeter with the trees, plants, and shrubs from the buildings. For an accurate condition assessment, the Association may wish to consult with the arborist.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Arborist / Tree Work: Tree Removal - Trimming "A" continued...

Recent expenditure history: Unknown.

The Association should obtain a bid from a local certified, licensed, and bonded arborist in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees.

It has been reported to us that the costs to obtain permits and elaborate tree studies often involve costs which may approach (if not exceed) the cost for the removal labor itself. The Board is hereby encouraged to review this cost carefully to determine if this amount is sufficient for the community. Reported in this line item are the median costs that have been reported to us based on the approximate number of trees under jurisdiction of the association. This cost may vary greatly according to vendor, time of year, previous maintenance, and the scope of work involved.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projections need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Arborist / Tree Work: Tree Removal - Trimming "B"

Asset ID	1047	1 Total	@ \$16,275.00
Category	Non-Capital	Asset Actual Cost	\$16,275.00
Placed in Service	Cottages	Percent Replacement	100%
Useful Life	January 2024	Future Cost	\$18,481.82
Adjustment	6	Assigned Reserves	\$16,275.00
Replacement Year	1	Monthly Assessment	\$20.33
Remaining Life	2031	Reserve Allocation	\$20.33
	4		

Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2025 On-Site Reserve Study Update:

Recent Expenditure History:

Work Done: Tree Pruning (2024, date unspecified)

Vendor: Sav-a-tree

Cost: \$25,901

Work Done: Landscaping/Plant Replacements (2024, date unspecified)

Vendor: Pacific Landscape

Cost: \$112,412

Analyst has reset the life of this line item to reflect work done. This cost is used as the basis for future instances of this line item. We have increased the frequency of this project from "every 10 years" to "every 6 years" due to the expense patterns.

Asset Condition: Varies; analyst is not a certified arborist and lacks the qualifications to present a detailed accounting of the conditions of the trees. It is recommended that the Board consult with a local certified arborist.

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Analyst notes that the condition of the trees may or may not be in an acceptable enough condition not to require

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Arborist / Tree Work: Tree Removal - Trimming "B" continued...

an arborist at this time. The Board is also encouraged to reach out and seek an properly qualified arborist for a more detailed analysis. This is an offsite update.

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2020 on-site reserve study.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

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We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016. A Tree Inventory Management Plan by Davey Resource Group has described the scope of work for this line item as described in the 2017 reserve study. We have not received a copy of this document. The prior reserve study indicated that this line item was for trees the Cottage Collection. The line item was defined as "Trees: Removal-Trimming-B" in the previous reserve study. We have adjusted this number for inflation.

Typically this line item is for any major tree work that is beyond the scope of the landscaping contract. Labor associated with the removal and replacement of diseased and/or falling trees which may require the services of a certified arborist and necessary permits & approval by the City of Beaverton. Cost include but not limited to; tree replacements, stump grinding, tree replacements, and major pruning. Scope of work will likely increase along with the cost as trees mature. Tree work appears in good to fair condition. Care should be exercised in order to maintain a safe perimeter with the trees, plants, and shrubs from the buildings. For an accurate condition assessment, the Association may wish to consult with the arborist.

Recent expenditure history: Unknown.

The Association should obtain a bid from a local certified, licensed, and bonded arborist in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees.

It has been reported to us that the costs to obtain permits and elaborate tree studies often involve costs which may approach (if not exceed) the cost for the removal labor itself. The Board is hereby encouraged to review this cost carefully to determine if this amount is sufficient for the community. Reported in this line item are the median costs that have been reported to us based on the approximate number of trees under jurisdiction of the association.

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Arborist / Tree Work: Tree Removal - Trimming "B" continued...

This cost may vary greatly according to vendor, time of year, previous maintenance, and the scope of work involved.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projections need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Arborist / Tree Work: Tree Removal - Trimming "C"

Asset ID	1048	1 Total	@ \$16,275.00
Category	Non-Capital	Asset Actual Cost	\$16,275.00
Placed in Service	Cottages	Percent Replacement	100%
Useful Life	January 2024	Future Cost	\$19,695.03
Adjustment	6	Assigned Reserves	\$16,275.00
Replacement Year	3	Monthly Assessment	<u>\$21.01</u>
Remaining Life	2033	Reserve Allocation	\$21.01
	6		

Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2025 On-Site Reserve Study Update:

Recent Expenditure History:

Work Done: Tree Pruning (2024, date unspecified)

Vendor: Sav-a-tree

Cost: \$25,901

Work Done: Landscaping/Plant Replacements (2024, date unspecified)

Vendor: Pacific Landscape

Cost: \$112,412

Analyst has reset the life of this line item to reflect work done. This cost is used as the basis for future instances of this line item. We have increased the frequency of this project from "every 10 years" to "every 6 years" due to the expense patterns.

Asset Condition: Varies; analyst is not a certified arborist and lacks the qualifications to present a detailed accounting of the conditions of the trees. It is recommended that the Board consult with a local certified arborist.

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Arborist / Tree Work: Tree Removal - Trimming "C" continued...

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2020 on-site reserve study.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2019 on-site reserve study.

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016. A Tree Inventory Management Plan by Davey Resource Group has described the scope of work for this line item as described in the 2017 reserve study. We have not received a copy of this document. The prior reserve study indicated that this line item was for trees the Cottage Collection. The line item was defined as "Trees: Removal-Trimming-C" in the previous reserve study. We have adjusted this number for inflation.

Typically this line item is for any major tree work that is beyond the scope of the landscaping contract. Labor associated with the removal and replacement of diseased and/or falling trees which may require the services of a certified arborist and necessary permits & approval by the City of Beaverton. Cost include but not limited to; tree replacements, stump grinding, tree replacements, and major pruning. Scope of work will likely increase along with the cost as trees mature. Tree work appears in good to fair condition. Care should be exercised in order to maintain a safe perimeter with the trees, plants, and shrubs from the buildings. For an accurate condition assessment, the Association may wish to consult with the arborist.

Recent expenditure history: 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016, ^6,010 was spent in 2014 for tree enhancements.

The Association should obtain a bid from a local certified, licensed, and bonded arborist in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees.

It has been reported to us that the costs to obtain permits and elaborate tree studies often involve costs which may approach (if not exceed) the cost for the removal labor itself. The Board is hereby encouraged to review this cost carefully to determine if this amount is sufficient for the community. Reported in this line item are the median costs that have been reported to us based on the approximate number of trees under jurisdiction of the association. This cost may vary greatly according to vendor, time of year, previous maintenance, and the scope of work involved.

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Arborist / Tree Work: Tree Removal - Trimming "C" continued...

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projections need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Arborist / Tree Work: Tree Removal - Trimming "D"

Asset ID	1049	1 Total	@ \$16,275.00
Category	Non-Capital	Asset Actual Cost	\$16,275.00
Placed in Service	Cottages	Percent Replacement	100%
Useful Life	January 2024	Future Cost	\$20,331.18
Adjustment	6	Assigned Reserves	\$16,275.00
Replacement Year	4	Monthly Assessment	\$21.36
Remaining Life	2034	Reserve Allocation	\$21.36
	7		

Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2025 On-Site Reserve Study Update:

Recent Expenditure History:

Work Done: Tree Pruning (2024, date unspecified)

Vendor: Sav-a-tree

Cost: \$25,901

Work Done: Landscaping/Plant Replacements (2024, date unspecified)

Vendor: Pacific Landscape

Cost: \$112,412

Analyst has reset the life of this line item to reflect work done. This cost is used as the basis for future instances of this line item. We have increased the frequency of this project from "every 10 years" to "every 6 years" due to the expense patterns.

Asset Condition: Varies; analyst is not a certified arborist and lacks the qualifications to present a detailed accounting of the conditions of the trees. It is recommended that the Board consult with a local certified arborist.

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Analyst notes that the condition of the trees may or may not be in an acceptable enough condition not to require

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Arborist / Tree Work: Tree Removal - Trimming "D" continued...

an arborist at this time. The Board is also encouraged to reach out and seek an properly qualified arborist for a more detailed analysis. This is an offsite update.

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2020 on-site reserve study.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2019 on-site reserve study.

Analyst notes that the condition of this asset may or may not be in an acceptable enough condition not to require a replacement, rebuild, and/or repair at this time. The Board is also encouraged to reach out and seek an properly qualified vendor proficient in this specific service and/or craft for a more detailed analysis.

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016. A Tree Inventory Management Plan by Davey Resource Group has described the scope of work for this line item as described in the 2017 reserve study. We have not received a copy of this document. The prior reserve study indicated that this line item was for trees the Cottage Collection. The line item was defined as "Trees: Removal-Trimming-D" in the previous reserve study. We have adjusted this number for inflation.

Typically this line item is for any major tree work that is beyond the scope of the landscaping contract. Labor associated with the removal and replacement of diseased and/or falling trees which may require the services of a certified arborist and necessary permits & approval by the City of Beaverton. Cost include but not limited to; tree replacements, stump grinding, tree replacements, and major pruning. Scope of work will likely increase along with the cost as trees mature. Tree work appears in good to fair condition. Care should be exercised in order to maintain a safe perimeter with the trees, plants, and shrubs from the buildings. For an accurate condition assessment, the Association may wish to consult with the arborist.

Recent expenditure history: Unknown.

The Association should obtain a bid from a local certified, licensed, and bonded arborist in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Arborist / Tree Work: Tree Removal - Trimming "D" continued...

It has been reported to us that the costs to obtain permits and elaborate tree studies often involve costs which may approach (if not exceed) the cost for the removal labor itself. The Board is hereby encouraged to review this cost carefully to determine if this amount is sufficient for the community. Reported in this line item are the median costs that have been reported to us based on the approximate number of trees under jurisdiction of the association. This cost may vary greatly according to vendor, time of year, previous maintenance, and the scope of work involved.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projections need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Arborist / Tree Work: Tree Removal - Trimming "E"

Asset ID	1050	1 Total	@ \$16,275.00
	Non-Capital	Asset Actual Cost	\$16,275.00
Category	Cottages	Percent Replacement	100%
Placed in Service	January 2024	Future Cost	\$20,987.87
Useful Life	6	Assigned Reserves	\$16,275.00
Adjustment	5	Monthly Assessment	<u>\$21.71</u>
Replacement Year	2035	Reserve Allocation	\$21.71
Remaining Life	8		

Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2025 On-Site Reserve Study Update:

Recent Expenditure History:

Work Done: Tree Pruning (2024, date unspecified)

Vendor: Sav-a-tree

Cost: \$25,901

Work Done: Landscaping/Plant Replacements (2024, date unspecified)

Vendor: Pacific Landscape

Cost: \$112,412

Analyst has reset the life of this line item to reflect work done. This cost is used as the basis for future instances of this line item. We have increased the frequency of this project from "every 10 years" to "every 6 years" due to the expense patterns.

Asset Condition: Varies; analyst is not a certified arborist and lacks the qualifications to present a detailed accounting of the conditions of the trees. It is recommended that the Board consult with a local certified arborist.

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Arborist / Tree Work: Tree Removal - Trimming "E" continued...

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

Management reports that \$10,350 worth of tree removal has occurred in October 2020. We have reset this line item.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2019 on-site reserve study.

Analyst notes that the condition of this asset may or may not be in an acceptable enough condition not to require a replacement, rebuild, and/or repair at this time. The Board is also encouraged to reach out and seek an properly qualified vendor proficient in this specific service and/or craft for a more detailed analysis.

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016. A Tree Inventory Management Plan by Davey Resource Group has described the scope of work for this line item as described in the 2017 reserve study. We have not received a copy of this document. The prior reserve study indicated that this line item was for trees the Cottage Collection. The line item was defined as "Trees: Removal-Trimming-E" in the previous reserve study. We have adjusted this number for inflation.

Typically this line item is for any major tree work that is beyond the scope of the landscaping contract. Labor associated with the removal and replacement of diseased and/or falling trees which may require the services of a certified arborist and necessary permits & approval by the City of Beaverton. Cost include but not limited to; tree replacements, stump grinding, tree replacements, and major pruning. Scope of work will likely increase along with the cost as trees mature. Tree work appears in good to fair condition. Care should be exercised in order to maintain a safe perimeter with the trees, plants, and shrubs from the buildings. For an accurate condition assessment, the Association may wish to consult with the arborist.

Recent expenditure history: Unknown.

The Association should obtain a bid from a local certified, licensed, and bonded arborist in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees.

It has been reported to us that the costs to obtain permits and elaborate tree studies often involve costs which may approach (if not exceed) the cost for the removal labor itself. The Board is hereby encouraged to review this cost

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Arborist / Tree Work: Tree Removal - Trimming "E" continued...

carefully to determine if this amount is sufficient for the community. Reported in this line item are the median costs that have been reported to us based on the approximate number of trees under jurisdiction of the association. This cost may vary greatly according to vendor, time of year, previous maintenance, and the scope of work involved.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projections need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Backflow Device: Common Area - Replacement

Asset ID	1051	Asset Actual Cost	1 Each @ \$2,100.00
Category	Capital	Percent Replacement	100%
Placed in Service	Cottages	Future Cost	\$2,310.13
Useful Life	January 2000	Assigned Reserves	\$2,100.00
Replacement Year	30	Monthly Assessment	\$2.58
Remaining Life	2030	Reserve Allocation	\$2.58
	3		

Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Notes for 2026 Off-Site Reserve Study Update:

Due to a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2025 On-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Recent Expenditure History: Unknown

Asset Condition: Assumed good. Per code, backflow devices are tested annually. Analyst has not received report that the backflow is anything other than functional.

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2020 on-site reserve study.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Backflow Device: Common Area - Replacement continued...

life as presented 2019 on-site reserve study.

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

This line item is for the replacement of the backflow device in the common area. Base price is per recent information (not site specific) from BWE Backflow. State statutes require an annual test of the backflow device. Therefore, the asset is assumed to be in good condition.

Note: ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection(s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Bark Dust: Replenish

Asset ID	1013	52 Units	@ \$367.50
Category	Non-Capital	Asset Actual Cost	\$19,110.00
Placed in Service	Cottages	Percent Replacement	100%
Useful Life	May 2015	Future Cost	\$19,110.00
Replacement Year	2	Assigned Reserves	\$24,003.00
Remaining Life	2027	Monthly Assessment	<u>\$285.11</u>
	0	Reserve Allocation	\$285.11



Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Analyst notes that the condition of the existing bark may or may not be in an acceptable enough condition not to require replenishment at this time. The Board is also encouraged to reach out and seek an opinion from the contracted landscaper for a more detailed opinion.

Analyst notes that the most recent bark expense reported was from FY 2015. Board and/or Management should verify the last expenditure of this activity.

Notes for 2025 On-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset. Analyst recommends funding bark dust from the association's operating budget due to the regular frequency of applications.

Recent Expenditure History: Unknown

Asset condition based on street level visual observation: Fair; bark dust is in-place, but partially washed away or otherwise worn in areas.

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Bark Dust: Replenish continued...

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2020 on-site reserve study.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2019 on-site reserve study.

Analyst notes that the condition of this asset may or may not be in an acceptable enough condition not to require a replacement, rebuild, and/or repair at this time. The Board is also encouraged to reach out and seek an properly qualified vendor proficient in this specific service and/or craft for a more detailed analysis.

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016. Quantity presented in the 2017 reserve study by Reserve Studies by Reserve Funding appears to be accurate +/- 10% based on our visual observation. Our analyst estimates approximately 46 to 54 units of bark dust in the Cottage Collection portions areas of the community.

No deficiencies have been reported to our office about this component. Proper ongoing maintenance will likely extend the lifespan of this component in accordance with manufacturer's specifications.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Fair to Inferior, should be re-applied in the next 12 months.

Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Bark Dust: Replenish continued...

reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Irrigation Controllers & Valves: Phase 1

Asset ID	1041	1 Provision	@ \$17,325.00
Category	Capital	Asset Actual Cost	\$17,325.00
Placed in Service	Cottages	Percent Replacement	100%
Useful Life	January 2024	Future Cost	\$17,884.60
Replacement Year	4	Assigned Reserves	\$17,325.00
Remaining Life	2028	Monthly Assessment	<u>\$20.62</u>
	1	Reserve Allocation	\$20.62



Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2025 On-Site Reserve Study Update:

Analyst has reset the life of this item to reflect recent work done.

Recent Expenditure History:

Work Done: Irrigation (2024, date unspecified, scope of work unclear)

Vendor: Pacific Landscape

Cost: \$11,445

Work Done: Irrigation (2024, date unspecified, scope of work unclear)

Vendor: Pacific Landscape

Cost: \$36,026

Asset Condition: Good; Analyst was informed by board chair that new irrigation systems are intact and functional.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Irrigation Controllers & Valves: Phase 1 continued...

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Recent Expenditure History:

Work Done: Irrigation (2024, date unspecified, scope of work unclear)

Vendor: Pacific Landscape

Cost: \$11,445

Work Done: Irrigation (2024, date unspecified, scope of work unclear)

Vendor: Pacific Landscape

Cost: \$36,026

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2020 on-site reserve study.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2019 on-site reserve study.

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

This line item is for the ongoing replacement of irrigation controllers and associated valves on Phase One Lots. Irrigation controllers should be replaced upon failure. Battery operated controllers typically have a life expectancy between 2-5 years. Electric operated controllers typically have a life expectancy between 5-8 years or longer. Component appears to be in fair condition, however should be tested by the contracted landscape company for an accurate assessment. The 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016 disbursed \$24,538 every ten years. We have taken a similar approach, however have structured a smaller disbursement on a more frequent basis. This is because the nature of these replacements require than monies are spent on an as-needed basis due to the sporadic nature of these components.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Irrigation Controllers & Valves: Phase 2

Asset ID	1042	1 Provision	@ \$17,325.00
Category	Capital	Asset Actual Cost	\$17,325.00
Placed in Service	Cottages	Percent Replacement	100%
Useful Life	January 2024	Future Cost	\$18,462.27
Adjustment	4	Assigned Reserves	\$17,325.00
Replacement Year	1	Monthly Assessment	<u>\$20.96</u>
Remaining Life	2029	Reserve Allocation	<u>\$20.96</u>
	2		



Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2025 On-Site Reserve Study Update:

Analyst has reset the life of this item to reflect recent work done.

Recent Expenditure History:

Work Done: Irrigation (2024, date unspecified, scope of work unclear)

Vendor: Pacific Landscape

Cost: \$11,445

Work Done: Irrigation (2024, date unspecified, scope of work unclear)

Vendor: Pacific Landscape

Cost: \$36,026

Asset Condition: Good; Analyst was informed by board chair that new irrigation systems are intact and

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Irrigation Controllers & Valves: Phase 2 continued...

functional.

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2020 on-site reserve study.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2019 on-site reserve study.

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

This line item is for the ongoing replacement of irrigation controllers and associated valves on Phase Two Lots. Irrigation controllers should be replaced upon failure. Battery operated controllers typically have a life expectancy between 2-5 years. Electric operated controllers typically have a life expectancy between 5-8 years or longer. Component appears to be in fair condition, however should be tested by the contracted landscape company for an accurate assessment.

The 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016 disbursed \$24,538 every ten years. We have taken a similar approach, however have structured a smaller disbursement on a more frequent basis. This is because the nature of these replacements require than monies are spent on an as-needed basis due to the sporadic nature of these components.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Irrigation Controllers & Valves: Phase 3

Asset ID	1043	1 Provision	@ \$17,325.00
Category	Capital	Asset Actual Cost	\$17,325.00
Placed in Service	Cottages	Percent Replacement	100%
Useful Life	June 2026	Future Cost	\$21,642.86
Adjustment	4	Assigned Reserves	\$17,325.00
Replacement Year	4	Monthly Assessment	<u>\$22.73</u>
Remaining Life	2034	Reserve Allocation	<u>\$22.73</u>
	7		



Notes for 2027 Off-Site Reserve Study Update:

Analyst has reset the life of this item to reflect recent work done.

Recent Expenditure History:

Work Done: Irrigation (6/2026)

Vendor: Pacific Landscape

Cost: \$6460

Work Done: Irrigation (6/2026)

Vendor: Pacific Landscape

Cost: \$951.16

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2025 On-Site Reserve Study Update:

Analyst has reset the life of this item to reflect recent work done.

Recent Expenditure History:

Work Done: Irrigation (2024, date unspecified, scope of work unclear)

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Irrigation Controllers & Valves: Phase 3 continued...

Vendor: Pacific Landscape

Cost: \$11,445

Work Done: Irrigation (2024, date unspecified, scope of work unclear)

Vendor: Pacific Landscape

Cost: \$36,026

Asset Condition: Good; Analyst was informed by board chair that new irrigation systems are intact and functional.

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

Management reports that \$19872.76 worth of irrigation components were replaced in September 2020. We have increased this provision and reset this line item and increased the cost.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2019 on-site reserve study.

Analyst notes that the condition of this asset may or may not be in an acceptable enough condition not to require a replacement, rebuild, and/or repair at this time. The Board is also encouraged to reach out and seek an properly qualified vendor proficient in this specific service and/or craft for a more detailed analysis.

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

This line item is for the ongoing replacement of irrigation controllers and associated valves on Phase Three Lots. Irrigation controllers should be replaced upon failure. Battery operated controllers typically have a life expectancy between 2-5 years. Electric operated controllers typically have a life expectancy between 5-8 years or longer. Component appears to be in fair condition, however should be tested by the contracted landscape company for an accurate assessment.

The 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016 disbursed

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Irrigation Controllers & Valves: Phase 3 continued...

\$24,538 every ten years. We have taken a similar approach, however have structured a smaller disbursement on a more frequent basis. This is because the nature of these replacements require than monies are spent on an as-needed basis due to the sporadic nature of these components.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Irrigation: Miscellaneous Repairs

Asset ID	1053	1 Provision	@ \$14,500.00
Capital		Asset Actual Cost	\$14,500.00
Category	Cottages	Percent Replacement	100%
Placed in Service	June 2026	Future Cost	\$16,466.14
Useful Life	5	Assigned Reserves	\$14,500.00
Replacement Year	2031	Monthly Assessment	<u>\$18.12</u>
Remaining Life	4	Reserve Allocation	\$18.12



Notes for 2027 Off-Site Reserve Study Update:

Miscellaneous repairs occurred in June 2026 for \$997 by Showplace.

Notes for 2026 Off-Site Reserve Study Update:

Association reports expenditures for irrigation repairs occurring in May 2025 which addresses significant repairs to the irrigation system at various locations. Although it has been reported that some repairs were necessary due a construction project, we assume that due to the nature of construction repairs, this may be characterized as cyclical expense moving forward.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Landscape Renovation / Enhancement

Asset ID	1040	1 Project	@ \$21,000.00
Category	Non-Capital	Asset Actual Cost	\$21,000.00
Placed in Service	Cottages	Percent Replacement	100%
Useful Life	January 2024	Future Cost	\$21,000.00
Replacement Year	2	Assigned Reserves	\$21,000.00
Remaining Life	2027	Monthly Assessment	\$412.39
	0	Reserve Allocation	\$412.39



Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Revised (11/04/2025) Notes for 2026 Off-Site Reserve Study Update:

Cost and timing per information provided by the Board of Directors. (email 10/31/2005 L.P.)

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2025 On-Site Reserve Study Update:

Analyst has reset the life of this item to reflect recent work done. However, based on the cost of previous work done, analyst is uncertain if the allowance for this asset is sufficient for future phases of this project. In the event that quotes/estimates are obtained for any arborvitae replacements in the near future, this study should be updated.

Recent Expenditure History:

Work Done: Landscaping/Plant Replacements (2024, date unspecified)

Vendor: Pacific Landscape

Cost: \$112,412

Work Done: Landscaping/Plant Replacements (2024, date unspecified)

Vendor: Pacific Landscape

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Landscape Renovation / Enhancement continued...

Cost: \$12,942

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

Management reports that \$1,761.08 worth of landscape renovations in September 2020. We have reset this line item.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2019 on-site reserve study.

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

This line item is a provision for the possible re-work of the landscaping in the community including the replacement of bushes & shrubs, and alleviating any drainage issues. Depending on how close the trees and shrubs were originally spaced, and what varieties of plants were used, overcrowding can become an issue, sometimes as early as 7 to 10 years after initial planting, especially if pruning has been minimal. Current landscaping appears to be in good to fair condition. Commencement of life cycle could not be established by analyst; however the analyst based the in-service date based on the current visual appearance. Emphasis should be placed on identifying and correcting any possible drainage problems as they occur which can be mitigated by regrading the surface.

The Board should monitor this situation carefully and adjust the timing and report to the reserve analyst as necessary. Analyst encourages the Board of Directors to review this information with the current landscape contractor and provide us with any revisions or additional information as warranted in order to insure proper funding.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Landscape: Plant Replacements - Miscellaneous

Asset ID	1052	1 Project	@ \$4,200.00
		Asset Actual Cost	\$4,200.00
Category	Non-Capital	Percent Replacement	100%
	Cottages	Future Cost	\$4,620.27
Placed in Service	January 2025	Assigned Reserves	\$4,200.00
Useful Life	5		
Replacement Year	2030	Monthly Assessment	<u>\$5.16</u>
Remaining Life	3	Reserve Allocation	\$5.16

Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Notes for 2026 Off-Site Reserve Study Update:

Association reports expenditures for plant replacements occurring in January 2025 which addresses plants at various locations. We assume that this will be a cyclical expense moving forward.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Landscaping: Power Box - Cottages - Replace

Asset ID	1044	1 Total	@ \$630.00
Category	Capital	Asset Actual Cost	\$630.00
Placed in Service	Cottages	Percent Replacement	100%
Useful Life	January 2001	Future Cost	\$715.42
Replacement Year	30	Assigned Reserves	\$630.00
Remaining Life	2031	Monthly Assessment	<u>\$0.79</u>
	4	Reserve Allocation	<u>\$0.79</u>



Notes for 2027 Off-Site Reserve Study Update:

We have adjusted this base price to reflect inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Notes for 2026 Off-Site Reserve Study Update:

Due to of a significant increase in inflation and the aging of the asset, we have raised the base price and reduced its projected useful life by one year.

Notes for 2023 Off-Site Reserve Study Update:

We have adjusted this base price to reflect the dramatic uptick in inflation since the previous reserve study and one year has been subtracted from the useful remaining life of this asset.

Fiscal Year 2022 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the previous reserve study.

Fiscal Year 2021 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2020 on-site reserve study.

Fiscal Year 2020 Off-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented 2019 on-site reserve study.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Landscaping: Power Box - Cottages - Replace continued...

Fiscal Year 2019 On-Site Reserve Study Notes by ReserveStudyUpdate.com, LLC:

We have increased the component base cost for inflation. We have subtracted one year from the remaining useful life as presented in the 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016. Quantity presented in the 2017 reserve study by Reserve Studies by Reserve Funding appears to be accurate +/- 10% based on our visual observation. Component appears to be wearing as expected based on the assets chronological age.

No deficiencies have been reported to our office about this component. Proper ongoing maintenance will likely extend the lifespan of this component in accordance with manufacturer's specifications.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair.

Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Detail Report by Category (Dollar Defined Threshold Funding Model)

Cottages - Total Current Cost	\$194,666
Assigned Reserves	\$199,559
Fully Funded Reserves	\$97,077

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

Asset ID	Description	Replacement	Page
1046	Arborist / Tree Work: Tree Removal - Trimming "A"	2032	2-23
1047	Arborist / Tree Work: Tree Removal - Trimming "B"	2031	2-26
1048	Arborist / Tree Work: Tree Removal - Trimming "C"	2033	2-29
1049	Arborist / Tree Work: Tree Removal - Trimming "D"	2034	2-32
1050	Arborist / Tree Work: Tree Removal - Trimming "E"	2035	2-35
1051	Backflow Device: Common Area - Replacement	2030	2-38
1013	Bark Dust: Replenish	2027	2-40
1041	Irrigation Controllers & Valves: Phase 1	2028	2-43
1042	Irrigation Controllers & Valves: Phase 2	2029	2-45
1043	Irrigation Controllers & Valves: Phase 3	2034	2-47
1053	Irrigation: Miscellaneous Repairs	2031	2-50
1040	Landscape Renovation / Enhancement	2027	2-51
1052	Landscape: Plant Replacements - Miscellaneous	2030	2-53
1044	Landscaping: Power Box - Cottages - Replace	2031	2-54
	Total Funded Assets	14	
	Total Unfunded Assets	<u>0</u>	
	Total Assets	14	

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Spread Sheet**

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Arborist / Tree Work: Tree Removal - Trimming "A"						18,816				
Arborist / Tree Work: Tree Removal - Trimming "B"				18,482						
Arborist / Tree Work: Tree Removal - Trimming "C"						19,695				
Arborist / Tree Work: Tree Removal - Trimming "D"							20,331			
Arborist / Tree Work: Tree Removal - Trimming "E"									20,988	
Backflow Device: Common Area - Replacement				2,310						
Bark Dust: Replenish	19,110		20,364		21,701	20,310	23,126		24,644	23,064
Irrigation Controllers & Valves: Phase 1		17,885								
Irrigation Controllers & Valves: Phase 2			18,462				20,966			
Irrigation Controllers & Valves: Phase 3								21,643		
Irrigation: Miscellaneous Repairs					16,466					19,303
Landscape Renovation / Enhancement	21,000		22,379		23,848		25,413		27,081	
Landscape: Plant Replacements - Miscellaneous				4,620					5,416	
Landscaping: Power Box - Cottages - Replace					715					
Year Total:	40,110	17,885	61,205	6,930	81,212	39,126	89,199	41,974	78,129	42,366

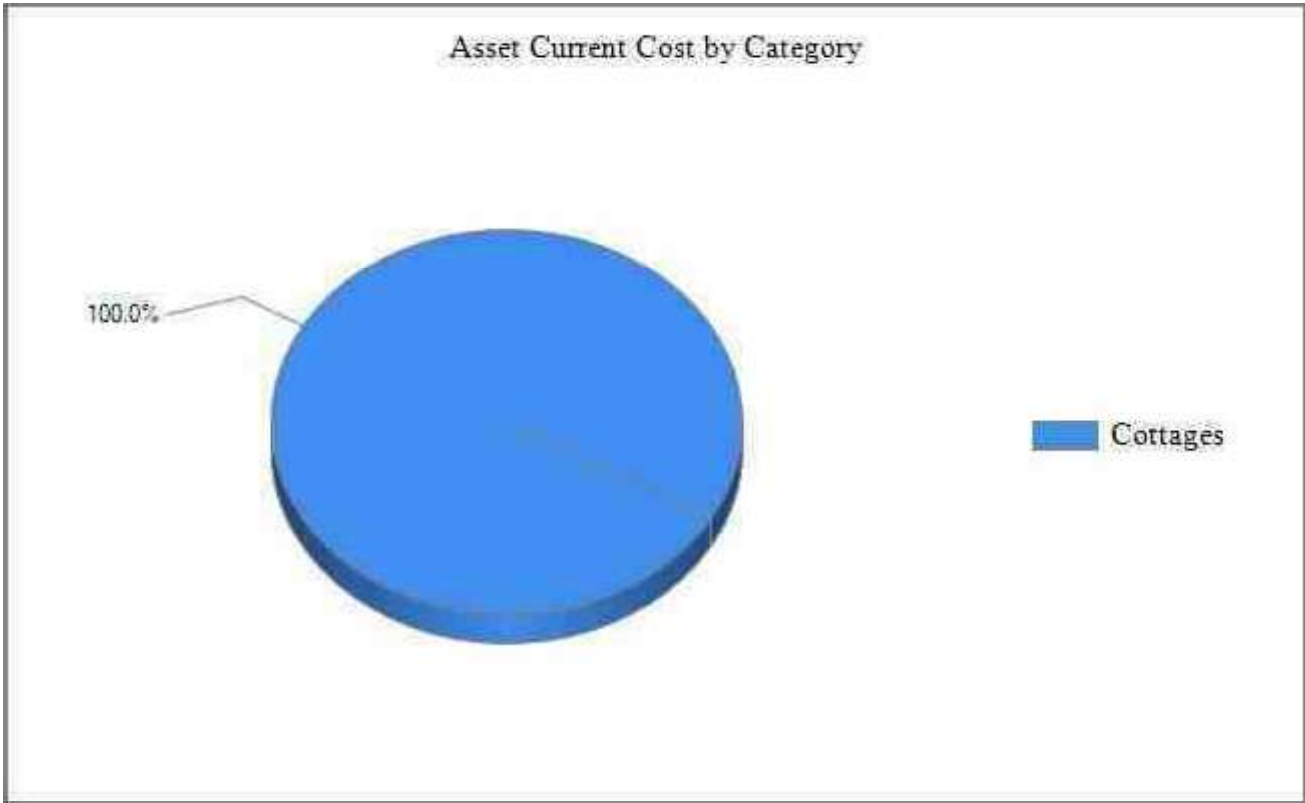
**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Spread Sheet**

Description	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046
Arborist / Tree Work: Tree Removal - Trimming "A"		22,770					27,065	27,555		
Arborist / Tree Work: Tree Removal - Trimming "B"	22,366								28,842	
Arborist / Tree Work: Tree Removal - Trimming "C"			23,834	24,604	25,398					29,774
Arborist / Tree Work: Tree Removal - Trimming "D"										
Arborist / Tree Work: Tree Removal - Trimming "E"										
Backflow Device: Common Area - Replacement										
Bark Dust: Replenish	26,262		27,985	26,191	29,822		31,780	29,742	33,866	
Irrigation Controllers & Valves: Phase 1										
Irrigation Controllers & Valves: Phase 2	23,809				27,037	27,910			30,703	31,695
Irrigation Controllers & Valves: Phase 3		24,578			22,628					26,527
Irrigation: Miscellaneous Repairs					32,772		34,923		37,216	
Landscape Renovation / Enhancement	28,859		30,753	6,349					7,443	
Landscape: Plant Replacements - Miscellaneous										
Landscaping: Power Box - Cottages - Replace										
Year Total:	101,294	47,348	82,572	57,144	137,658	27,910	93,769	57,297	138,070	87,995

**Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Spread Sheet**

Description	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Arborist / Tree Work: Tree Removal - Trimming "A"				33,346						40,353
Arborist / Tree Work: Tree Removal - Trimming "B"			32,753						39,636	
Arborist / Tree Work: Tree Removal - Trimming "C"				34,903						
Arborist / Tree Work: Tree Removal - Trimming "D"					36,030					
Arborist / Tree Work: Tree Removal - Trimming "E"	30,735					37,194				
Backflow Device: Common Area - Replacement										
Bark Dust: Replenish	36,089		38,458		40,983		43,673		46,540	43,556
Irrigation Controllers & Valves: Phase 1		33,775								
Irrigation Controllers & Valves: Phase 2			34,866							
Irrigation Controllers & Valves: Phase 3				35,992			39,594	40,873		
Irrigation: Miscellaneous Repairs					31,096					36,454
Landscape Renovation / Enhancement	39,659		42,262		45,036		47,993		51,143	
Landscape: Plant Replacements - Miscellaneous				8,725					10,229	
Landscaping: Power Box - Cottages - Replace										
Year Total:	106,483	33,775	148,339	78,063	152,019	74,385	168,454	40,873	147,547	120,362

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Asset Current Cost by Category



This is the distribution of reserves by category

APPENDIX - PRESENT DAY CONTRIBUTION SCENARIO WITH ANNUAL INFLATION ADJUSTMENT: EXECUTIVE SUMMARY

SCENARIO OVERVIEW

The following page presents an exploratory scenario where the reported present-day annual contribution is simply applied and adjusted each year to compensate for 3.23% inflation over the course of thirty (30) years and no other variables are explored. This approach utilizes the same expenditure timetable as presented in the earlier sections of the body of this reserve study.

This scenario is not considered to be a bonafide funding model and is simply presented here for comparison purposes with the actual funding models (e.g. Threshold Funding Model, Component Funding Model) in order to aid in developing an alternate and effective funding strategy.

The scenario presented here may or may not result in a negative ending balance which trigger a special assessment and/or deferring of preventive or required replacements and repairs. It is assumed that all interest accrued from reserve savings account is assumed remain in the reserve savings account(s) and not used as an off-set for operating expenses. Income tax factors were not considered in this funding scenario due to variables effecting net taxable income and the election of tax form to be filed.

This report is a reflection of information provided to the Consultant and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records. Continued use of this reserve study beyond December 31, 2027 is misuse of the product and potentially a violation of applicable law(s).

The author(s) of this report has absolutely no control over whether a special assessment will occur at any time during the thirty year horizon of this reserve study. However, it should be noted that any scenario where the association theoretically operates with a negative bank balance, the situation would have to be cured by implementing a special assessment, or other strategy. The writer further submits that it is impossible to envision thirty years into the future costs or actual future remaining useful lives of components having useful lives extended beyond one year with precision is the functional equivalent of winning the lottery, while it may happen in extraordinary instances by chance, one may not reasonably expect it to happen. As a result, ReserveStudyUpdate.com, LLC makes absolutely no guarantee, express or implied, that a special assessment will not occur during the time period covered by this reserve study. Assumptions on future costs and life expectancy's should be reviewed and adjusted on an annualized basis, as current and future cost projections, building code requirements, and life expectancy's become more uncertain.

Report Version 1.02 (2 of 2).

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Appendix - Contribution Scenario with Inflation: Projection

Report Date July 13, 2025
Beginning Fiscal Year January 01, 2027
Account Number 1215b

Version Number 1.02 (2 of 2)

Beginning Balance: \$199,559

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2027	194,666	24,216		40,110	183,665	103,984	177%
2028	200,954	24,998		17,885	190,779	135,516	141%
2029	207,445	25,806		61,205	155,379	125,807	124%
2030	214,145	26,639		6,930	175,088	173,397	101%
2031	221,062	27,500		81,212	121,375	147,935	82%
2032	228,202	28,388		39,126	110,637	166,801	66%
2033	235,573	29,305		89,199	50,742	137,474	37%
2034	243,182	30,251		41,974	39,020	161,996	24%
2035	251,037	31,228		78,129	-7,881	153,676	
2036	259,145	32,237		42,366	-18,010	184,173	
2037	267,516	33,278		101,294	-86,026	157,061	
2038	276,157	34,353		47,348	-99,021	187,072	
2039	285,076	35,463		82,572	-146,130	184,074	
2040	294,284	36,608		57,144	-166,666	209,691	
2041	303,790	37,791		137,658	-266,533	155,560	
2042	313,602	39,011		27,910	-255,432	215,597	
2043	323,731	40,271		93,769	-308,929	212,295	
2044	334,188	41,572		57,297	-324,654	249,330	
2045	344,982	42,915		138,070	-419,809	207,065	
2046	356,125	44,301		87,995	-463,503	218,106	
2047	367,628	45,732		106,483	-524,255	213,493	
2048	379,502	47,209		33,775	-510,821	286,961	
2049	391,760	48,734		148,339	-610,426	247,814	
2050	404,414	50,308		78,063	-638,181	283,332	
2051	417,477	51,933		152,019	-738,266	247,143	
2052	430,961	53,611		74,385	-759,041	293,531	
2053	444,881	55,342		168,454	-872,153	248,032	
2054	459,251	57,130		40,873	-855,896	336,605	
2055	474,085	58,975		147,547	-944,468	321,884	
2056	489,398	60,880		120,362	-1,003,950	338,844	

APPENDIX - PRESENT DAY CONTRIBUTION SCENARIO WITHOUT ANNUAL INFLATION ADJUSTMENT: EXECUTIVE SUMMARY

SCENARIO OVERVIEW

The following page presents an exploratory scenario where the reported present-day annual contribution is simply applied without inflation over the course of thirty (30) years and no other variables are explored. This approach utilizes the same expenditure timetable as presented in the earlier sections of the body of this reserve study.

This scenario is not considered to be a bonafide funding model and is simply presented here for comparison purposes with the actual funding models (e.g. Threshold Funding Model, Component Funding Model) in order to aid in developing an alternate and effective funding strategy.

The scenario presented here may or may not result in a negative ending balance which trigger a special assessment and/or deferring of preventive or required replacements and repairs. It is assumed that all interest accrued from reserve savings account is assumed remain in the reserve savings account(s) and not used as an off-set for operating expenses. Income tax factors were not considered in this funding scenario due to variables effecting net taxable income and the election of tax form to be filed.

This report is a reflection of information provided to the Consultant and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records. Continued use of this reserve study beyond December 31, 2027 is misuse of the product and potentially a violation of applicable law(s).

The author(s) of this report has absolutely no control over whether a special assessment will occur at any time during the thirty year horizon of this reserve study. However, it should be noted that any scenario where the association theoretically operates with a negative bank balance, the situation would have to be cured by implementing a special assessment, or other strategy. The writer further submits that it is impossible to envision thirty years into the future costs or actual future remaining useful lives of components having useful lives extended beyond one year with precision is the functional equivalent of winning the lottery, while it may happen in extraordinary instances by chance, one may not reasonably expect it to happen. As a result, ReserveStudyUpdate.com, LLC makes absolutely no guarantee, express or implied, that a special assessment will not occur during the time period covered by this reserve study. Assumptions on future costs and life expectancy's should be reviewed and adjusted on an annualized basis, as current and future cost projections, building code requirements, and life expectancy's become more uncertain.

Report Version 1.02 (2 of 2).

Arbor Ridge P.U.D. Homeowners Association - Cottage Collection
Appendix - Contribution Scenario without Inflation: Projection

Report Date July 13, 2025
Beginning Fiscal Year January 01, 2027
Account Number 1215b

Version Number 1.02 (2 of 2)

Beginning Balance: \$199,559

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2027	194,666	24,216		40,110	183,665	103,984	177%
2028	200,954	24,216		17,885	189,996	135,516	140%
2029	207,445	24,216		61,205	153,007	125,807	122%
2030	214,145	24,216		6,930	170,293	173,397	98%
2031	221,062	24,216		81,212	113,297	147,935	77%
2032	228,202	24,216		39,126	98,387	166,801	59%
2033	235,573	24,216		89,199	33,403	137,474	24%
2034	243,182	24,216		41,974	15,645	161,996	10%
2035	251,037	24,216		78,129	-38,268	153,676	
2036	259,145	24,216		42,366	-56,418	184,173	
2037	267,516	24,216		101,294	-133,497	157,061	
2038	276,157	24,216		47,348	-156,628	187,072	
2039	285,076	24,216		82,572	-214,985	184,074	
2040	294,284	24,216		57,144	-247,912	209,691	
2041	303,790	24,216		137,658	-361,354	155,560	
2042	313,602	24,216		27,910	-365,048	215,597	
2043	323,731	24,216		93,769	-434,601	212,295	
2044	334,188	24,216		57,297	-467,683	249,330	
2045	344,982	24,216		138,070	-581,537	207,065	
2046	356,125	24,216		87,995	-645,316	218,106	
2047	367,628	24,216		106,483	-727,583	213,493	
2048	379,502	24,216		33,775	-737,142	286,961	
2049	391,760	24,216		148,339	-861,266	247,814	
2050	404,414	24,216		78,063	-915,113	283,332	
2051	417,477	24,216		152,019	-1,042,916	247,143	
2052	430,961	24,216		74,385	-1,093,085	293,531	
2053	444,881	24,216		168,454	-1,237,323	248,032	
2054	459,251	24,216		40,873	-1,253,979	336,605	
2055	474,085	24,216		147,547	-1,377,311	321,884	
2056	489,398	24,216		120,362	-1,473,457	338,844	

Part III - Maintenance Plan Item Inventory - Arbor Ridge P.U.D. Homeowners Association

#1 - Asphalt - Overlay *Frequency: 30-40 Months*

Upon replacing the asphalt surface, the surface preparation, materials, and thickness of the overlay should be designed for the climate and traffic anticipated. The surface preparation should be dictated by the distresses that are prevalent in the existing pavement, the degree of roughness, or considerations for curb reveal or surface drainage. A tack coat should always be applied in preparation of a thin overlay on an un-milled surface, although it may not be essential on a milled surface. It may be either modified or unmodified, and the rate of application will be dictated by existing surface requirements. Materials for the overlay should be selected carefully the mixture should be dictated by the planned thickness. Planned seal coat per the manufactures specification may result in an overlay which is viable for thirty years or longer.



#2 - Asphalt Repairs - Walkways *Frequency: 3-5 Years*

Upon repairing the asphalt surface, the surface preparation, materials, and thickness of the overlay should be designed for the climate and traffic anticipated. The surface preparation should be dictated by the distresses that are prevalent in the existing pavement, the degree of roughness, or considerations for curb reveal or surface drainage. A tack coat should always be applied in preparation of a thin overlay on an un-milled surface, although it may not be essential on a milled surface. It may be either modified or unmodified, and the rate of application will be dictated by existing surface requirements. Materials for the overlay should be selected carefully the mixture should be dictated by the planned thickness. Planned seal coat per the manufactures specification may result in an overlay which is viable for thirty years or longer.



#3 - Asphalt Seal Coat & Repairs *Frequency: 4-6 Years*

Maintenance of asphalt paving includes the periodic application of an asphalt emulsion sealer or seal coat. Seal coating typically maximizes the life expectancy of the underlying overlay. This process is characteristically performed every 4 to 7 years depending on a variety of factors that can affect the useful life of the sealer. Vehicle traffic is one such variable that carries considerable vehicle traffic should consider a maintenance program that calls for seal coating of asphalt driving surfaces as frequently as every 4 years. This maintenance procedure involves thoroughly cleaning all pavements, filling of any surface cracks, and patching of any locally damaged pavement surfaces. The emulsion sealer is then applied. Parking area demarcation lines will need to be renewed each time a seal coat is applied. The component expense includes the cost of this work as well as the seal coating cost. This work should be performed by a licensed and bonded paving contractor.



#4 - Backflow Device - Irrigation

Frequency: 30-45 Months

The backflow preventer is the single most expensive part of your irrigation system. It is also the first item to be damaged if a system is not properly winterized. A certified professional backflow inspector should examine and provide necessary documentation of the test results as required by many municipal jurisdictions. Typically a properly inspected and maintained backflow device has a life expectancy exceeding 30 years.

#5 - Backflow Device - Testing

Frequency: 12 Months

The law requires that the community association notify the local water provider before removing a backflow assembly. A water provider inspector will need to inspect the plumbing to verify the cross connection has been eliminated. A plumbing permit may be required to perform this type of work. All backflow assembly testing should be performed annually and by a certified contractor.

#6 - Bark Dust

Frequency: 2-3 Years

For weed control and aesthetic purposes, it is recommended to refresh the bark dust beds in the common areas every 2 years or so. Immediately adjacent homeowners should be notified in advance because some people may have an adverse reaction to any bark particles which may fly in the air.



#7 - Bollards - Common Area

Frequency: 25-35 Years

Expect replacement of the various bollards in the common areas every 12-18 years or as needed. Illuminated bollards should have light bulbs replaced as needed by a representative from the community. This individual should be empowered to report and/or replace light bulbs as a safety measure. Upon bollard replacement, a style should be selected that does not allow people to use these assets as t-ball stands as this is a common cause of premature failure/damage to these items.



Repointing is the process of removing deteriorated mortar from the joints of a masonry wall and replacing it with new mortar. Repointing restores the visual and physical integrity of the masonry. Disintegrating mortar, cracks in mortar joints, loose bricks or stones, damp walls, and/or damaged plasterwork may prompt the decision to repoint. Facing these obvious signs of deterioration it is important not to assume that repointing alone will solve. The source cause of the deterioration such as leaking roofs or gutters, differential settlement of the building, capillary action causing rising damp, or extreme weather exposure should always be dealt with prior to the commencement work.

It is essential to ensure that the proposed repointing work is both physically and visually appropriate to the building. Analysis of un-weathered sections of the historic mortar to which the new mortar will be matched can suggest appropriate mixes for the repointing mortar. This measure is critical as to avoid damage to the building because it is excessively strong or vapor impermeable.

The relationship of repointing to other labors proposed on the building must be recognized. For example, if paint removal or cleaning is anticipated, and if the mortar joints are basically sound and need only selective repointing, it is generally better to postpone repointing until after completion of these projects. However, if the mortar has eroded significantly, allowing moisture to penetrate deeply into the wall, repointing should be accomplished before cleaning. Anticipated work, such as roof repairs or structural, should be scheduled so that they do not interfere with repointing. It is important to optimize projects planning in order take maximum advantage of erected scaffolding.

All brickwork and other repairs and maintenance to the brick surface should be performed by a licensed and certified professional.



#9 - Bridge - Wood - Pressure Treated

Frequency: 25-30 Years

A wood bridge provides a warm connection with the outdoors, adding to natural area beauty and providing a pathway for transit. But wooden bridges take a lot of abuse, from ongoing use, through continued exposure to weather and possible vandalism. After a few years, without proper care, they become weathered and uninviting.

Fortunately, most wooden bridge surface problems are cosmetic in nature; not structural, because decking is built of durable woods; usually cedar, redwood, or pressure-treated pine. Redwood and cedar heartwoods have a natural resistance to decay and termites; pine is pressure-treated with a pesticide to give it a resilient barrier. Ultraviolet radiation from the sun breaks down surface fibers and lignin, causing surface erosion and graying. Moisture encourages surface mildew and causes stains, particularly in damp or humid climates where surfaces never completely dry. And natural extractives in redwood and cedar can discolor the surface.

The initial steps of restoring a bridge involve cleaning the bridge followed by a diagnostic and treating the discoloration, and then you diagnose and treat any discoloration. Examine the bolts and fastening components carefully and tighten and secure as needed for safety. Finally treat the bridge with a durable finish. If the bridge is crossing a creek or other depression in the earth's surface, beginning be sure to protect the area below it with plastic sheeting or drop cloths.



#10 - Concrete Maintenance

Frequency: TBD Years

Concrete is used as a building material in several areas throughout the association including but not limited to; driveway aprons, sidewalks, entry walks, and trash enclosures. Concrete is very durable and is usually very low maintenance as long as it is protected from misuse including but not limited to repeated hosing, radiator overflow, fertilizers or pesticides, and ice-melting agents.

Only use products designed to be used with concrete to melt snow and ice. Avoid using salt or other chemicals not approved for this purpose to melt ice on concrete surfaces. Salt or other chemicals may damage the concrete and shorten its useful life. If the association elects to use such products, the association needs to plan accordingly for possible earlier repairs or replacement.

Schedule and perform concrete surface inspections every season to determine if cracking, fissures, or settlement have occurred. Check for lifting and tripping hazards. Cordon off safety hazards until appropriate repairs have been made. Correct sources of cracking problems such as tree roots and drainage situations. A certified contractor should grind down and replace sections as needed.



#11 - Fence & Gates-Chain Link

Frequency: 40-60 Years

Unlike other types of fencing, chain link fencing requires very little maintenance and upkeep. No staining, painting, or sealing is required to keep a chain link fence looking great. With chain link, a little hosing down or a simple soap and water mix is all you'll need to clean the fence. In addition to requiring little funds and minimal maintenance, chain link fences are very durable. Not only can they withstand blows from flying baseballs and Frisbees, but they are also highly weather-resistant, ensuring that your fencing investment will return many years of increased security and protection.



#12 - Irrigation Controllers & Valves

Frequency: 5-10 Years

When an electrical impulse is transmitted to the solenoid, an electromagnetic field causes a small metal plunger in the solenoid to move upward. When the plunger moves upward, a small hole in the valve is uncovered which allows the water in the chamber above the closing mechanism to flow through the port and out of the valve, relieving water pressure needed to hold the valve closed. The pressure of the incoming flow of water is greater than the pressure in the chamber above the piston, and the force of the water pushing up underneath the piston opens the valve. When the solenoid is de-energized, the plunger moves down, closing the small port. Water flowing through a small hole in the closing mechanism refills the chamber above the piston and builds up pressure. The increased pressure forces the piston downward, thus closing the valve. All valves have a range of pressure and water flow that must be maintained in order to work properly.



#13 - Irrigation System Startup & Testing

Frequency: 12 Months

It is always best to hire a qualified professional contractor when performing tasks like spring start-up. Irrigation contractors are experts in hydraulics, proper sprinkler system layout, plant watering requirements and soil types. Their skills will ensure a water-efficient system and years of trouble-free operation. During spring startup cycle the batteries should be replaced in battery operated controllers.



#14 - Lights-Entry

Frequency: 10-20 Years

Outdoor lighting maintenance involves much more than simply replacing burnt out light bulbs. Lighting maintenance involves optimizing existing equipment configurations so that homeowners can receive the best return on their financial investment possible and maintain the highest value that outdoor lighting brings to their property.

Start by replacing bulbs that have burned out. An easy, fairly low-cost solution is to replace any medium-base incandescent lamps with screw-base CFLs. However, in cold climates CFLs may be less effective as these bulbs require a higher operating temperature.

Consider replacing the fixture with long-lasting HID or LED lamps as their long lifetimes mean they require less frequent replacement, and the ensuing labor savings and lower energy consumption justify the slightly higher initial investment.



#15 - Lights-Street-Acorn Style

Frequency: 25-35 Years

Outdoor lighting maintenance involves much more than simply replacing burnt out light bulbs. Lighting maintenance involves optimizing existing equipment configurations so that homeowners can receive the best return on their financial investment possible and maintain the highest value that outdoor lighting brings to their property.

Start by replacing bulbs that have burned out. An easy, fairly low-cost solution is to replace any medium-base incandescent lamps with screw-base CFLs. However, in cold climates CFLs may be less effective as these bulbs require a higher operating temperature.

Consider replacing the fixture with long-lasting HID or LED lamps as their long lifetimes mean they require less frequent replacement, and the ensuing labor savings and lower energy consumption justify the slightly higher initial investment.



#16 - Mailbox - Maintenance

Frequency: 4-6 Years

Assess overall condition and function of locks, proper lubrication of moving components, cleanliness and appearance of face plates, security of housing, in compliance with current postal regulations, accuracy and visibility of signage/accessibility of lettering, where required, and condition and proper function of slots and depositories for outgoing mail and packages. Evaluate paint on the gang-style cluster mailbox along with the supporting pedestal. Many times the paint is removed on one quadrant of cluster style mailbox pedestals because of dogs urinating on these specific sections.

If replacement is necessary, check with postmaster for proper placement as many times older mailboxes are grandfathered in terms of sidewalk placement but may have stipulations which require movement upon mailbox replacement. All replacements should be coordinated with residents and the postmaster.



#17 - Mailbox - Replace

Frequency: 30-50 Years

Properly maintained mailboxes typically have a life expectancy exceeding thirty years, however if replacement is necessary check with postmaster for proper placement as many times older mailboxes are grandfathered in terms of sidewalk placement but may have stipulations which require movement upon mailbox replacement. All replacements should be coordinated with residents and the postmaster. A clear plan should be in place for key replacement and/or locksmith services in the event that keys are not interchangeable with the new mailbox units. Homeowners should be notified in writing far in advance in order to avoid any confusion.



#18 - Monument Maintenance

Frequency: 8-12 Years

Even though one of the chief advantages of masonry construction is durability; intermittent inspections and maintenance can extend the life of mason work in structures. Generally, if masonry is properly designed, detailed and constructed, it is extremely durable and requires little maintenance. However, many of the other components incorporated in the mason work such as caps, copings, sills, lintels and sealant joints may require periodic examination and repair. Neglecting maintenance of these components may lead to deterioration of other elements in the wall. Maintenance of buildings may be broken into two general categories; general inspection to identify potential problems with the performance of exterior walls; and maintenance to correct problems which may develop.



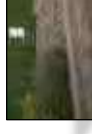
Timely inspections should be conducted to determine the condition of the various materials used on a structure.. Yearly inspection periods are recommended so that the behavior of building materials in various weather conditions can be noted. Inspection records, including conditions and comments, should be kept to identify changes in materials, potential problems and needed repair. If the structure is painted, the mason work should be examined carefully prior to the paint cycle. It is not all-inclusive; however, it may establish a guideline for use during inspections. Conditions that may necessitate maintenance or repair actions include: efflorescence, spalling, deteriorating mortar joints, interior moisture damage and mold. Once one more of these conditions becomes evident, the origin of the problem should be determined and action taken to correct both the cause and visible effect of the condition. All labor should be performed by licensed and certified contractors. Replace monument lettering and remove graffiti as needed.



#19 - Retaining Wall Maintenance

Frequency: TBD Years

Bricks typically have a life expectancy exceeding thirty years. However bricks tend to "move" over time and require periodic work and cleaning. Bricks may be pushed up by tree roots or just shifted thanks to water runoff and erosion. Bricks should ideally be cleaned carefully with a power washer or a cleaning agent such as 30 Second Cleaner to avoid buildup of moss and algae.



#20 - Signs - Various

Frequency: 10-20 Years

Most of the outdoor street signs will require replacement within 12 – 18 years depending on a variety of factors including but not limited to; theft, graffiti, sun fade, and other considerations. Signs and support poles may become bent by moving vehicles and trash haulers and should be addressed in a timely manner. Replacements should be of a comparable sign and meet DOT specifications and local codes.



#21 - String Trimming - Pathway

Frequency: 6-8 Months

Carefully string trimming in and around the water quality pond should be done as needed to maintain a consistent appearance with the surrounding turf. Debris from such trimming will be removed from pathways and any parking lots and roadways immediately. String trimming shall be completed with adequate care, so as to not damage trees, fencing or other objects.



This line item is for any major work required in maintaining the open spaces in the community.

#22 - Tree-Maintenance

Frequency: 6-10 Years

The first pruning of young trees and shrubs always consists of removing broken, crossing, and weak-structured branches. The recommendation to remove one-third of the top to compensate for root loss of balled and bur lapped material at transplanting has been revised. Prune these plants for structural integrity and cosmetic reasons only. Plenty of water during establishment will take care of the root loss problem. Trees with a central leader, such as cedar, sweet gum, or pin oak, may need little or no pruning except to eliminate branches competing with the central leader; these should be shortened. Some pruning may be necessary to maintain desired shape and shorten extra-vigorous shoots on trees that spread. Depending on the species and the desired impact, the height of the lowest branch can be a few inches above the ground.



#23 - Vinyl Fence

Frequency: 30-40 Years

As an alternative to wood, vinyl fence requires no painting or staining. Vinyl fence will keep its superior look for years longer than wood fence with minimal maintenance required. The prices generally are higher than wood fences, however, the concept that it does not need stained, painted or treated in any way will reduce the maintenance and replacement costs over the long term. Vinyl fence is increasingly becoming the preferred choice for homeowners looking for a maintenance-free fence solution. A long-lasting, easy-care alternative to wood, vinyl fence won't rot, warp, peel or splinter. In addition, time won't be wasted or money on sanding, staining or painting every few years. Vinyl also offers excellent weather-ability and is impervious to termites and wood-boring insects that can wreak havoc on a wood fence. Simply spray it with a hose from time to time to maintain its original beauty.



#24 - Winterize Irrigation System

Frequency: 12 Months

As winter approaches it is important to take care to prepare your irrigation system for the coming of cold weather. Water left in an irrigation system can freeze and damage pipes. Compressed air to remove all water from the irrigation system will eliminate risk of damaged pipes. Leave backflow valve in place for the upcoming year.

