



Reserve Study Update.com, LLC

Arbor Ridge P.U.D. Homeowners Association - Master
Northwest Laidlaw Road & Northwest 174th Avenue
Bethany, Oregon 97006
Account 1215a - Version 1.01

Fiscal Year: January 1, 2020 to December 31, 2020



OFF-SITE RESERVE STUDY & MAINTENANCE PLAN

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Part One**

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	Insurance(s)
Equipment Replacement	Reserve Study
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.

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Financial Analysis

The financial analysis assesses the association's reserve balance or "fund status" (measured in cash or as percent fully 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 and baseline funding. ReserveStudyUpdate.com, LLC recommends the Threshold 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.

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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 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.

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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.

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,

Brian A. Owens

Brian A. Owens, RSS, PRA, RS
Reserve Analyst
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**Arbor Ridge P.U.D. Homeowners Association - Master
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 June 22, 2019 for fiscal year starting January, 1 2020.**
- **This is a Level III: Off-Site Reserve Study Update.**
- **Reserve account balance as of January, 1 2020: \$315,983**
- **Estimated percent funded as of January, 1 2020: 78.81%**
- **Estimated "Fully Funded Reserves" as of the beginning of fiscal year 2020: \$400,941***
**Please note, this figure represents the estimated "Fully Funded Reserves" in order to be considered 100% funded as of January, 1 2020 and does not represent the amount of money on-hand.*
- **Projected percent funded as of the end of 2020: (contingent on which funding model is implemented)**
Component Funding Model: 79.35% (does not include contingency of 3.00%)
"Current" Funding Model: 80.57%
Threshold Funding Model - Dollar Defined (\$238,648) Minimum: 81.00%
Threshold Funding Model - 70% Minimum (70% Floor): 79.21%
Threshold Funding Model - 85% Minimum (85% Floor): 85.00%
Baseline Funding Model: 78.44%
- **Special assessments implemented or planned: Please refer to the following sections in the report:**

See Appendix section of this report.
- **Interest rate: 0.70%, Inflation rate: 1.56%.**
- **2020 reserve account contribution rate:**
Component Funding Model: \$41,835
"Current" Funding Model: \$36,624
Threshold Funding Model - Dollar Defined (\$238,648) Minimum: \$38,423
Threshold Funding Model - 70% Minimum: \$30,858
Threshold Funding Model - 85% Minimum: \$55,327
Baseline Funding Model: \$27,619
- **2020 Component Funding Model (Fully Funded Plan) contribution: \$41,835**
2020 "Current" Funding Model reserve contribution: \$36,624
2020 Threshold Funding Model - (Dollar Defined Funding Floor) contribution: \$38,423 (recommended model)
2020 Threshold Funding Model - (70% Minimum Funding Floor) contribution: \$30,858
2020 Threshold Funding Model - (85% Minimum Funding Floor) contribution: \$55,327
2020 Baseline Funding Model contribution: \$27,619
- **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:**

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

"Component Funding Model Projection"
"Current Funding Model Projection"
"Threshold Funding Model - Dollar Defined Minimum Projection"
"Threshold Funding Model - 70% Defined Minimum Projection"
"Threshold Funding Model - 85% Defined Minimum 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, 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 1.01.

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

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Description	Expenditures
Replacement Year 2020	
Asphalt: Repairs - Moon Valley Terrace	555
Asphalt: Repairs - Pedestrian Pathway	879
Asphalt: Repairs - Silver Creek Place	861
Asphalt: Repairs - Tatum Ranch Place	217
Asphalt: Sealcoat - Moon Valley Terrace	936
Asphalt: Sealcoat - Pedestrian Pathway	888
Asphalt: Sealcoat - Silver Creek Place	1,062
Asphalt: Sealcoat - Tatum Ranch Place	274
Bark Dust: Replenish - Common Area	4,738
Mailboxes: Clean / Paint / Maintain	1,683
Total for 2020	\$12,092
Replacement Year 2021	
Brick: Masonry / Repointing & Repairs	7,914
Concrete: Flatwork - Sidewalks - Common Area	5,890
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	2,664
Concrete: Flatwork - Sidewalks - Silver Creek Place	3,292
Signs: Common Area	528
Signs: Monument - Clean & Maintain	6,704
Walls: Retaining - Inspection	2,638
Total for 2021	\$29,629
Replacement Year 2022	
Bark Dust: Replenish - Common Area	4,887
Concrete: Curbs & Gutters: Silver Creek Place	432
Concrete: Curbs & Gutters: Tatum Ranch Place	301
Fence: Vinyl - Wash - 3 Rail Horse Fence	5,651
Total for 2022	\$11,270
Replacement Year 2023	
Concrete: Curbs & Gutters: Moon Valley Terrace	355
Walls: Retaining - Inspection	2,721
Total for 2023	\$3,076

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

Description	Expenditures
Replacement Year 2024	
Bark Dust: Replenish - Common Area	5,040
Lighting: Fixtures - Monuments - Renovation	1,227
Total for 2024	\$6,267
Replacement Year 2025	
Asphalt: Repairs - Moon Valley Terrace	600
Asphalt: Repairs - Pedestrian Pathway	949
Asphalt: Repairs - Silver Creek Place	930
Asphalt: Repairs - Tatum Ranch Place	234
Asphalt: Sealcoat - Moon Valley Terrace	1,011
Asphalt: Sealcoat - Pedestrian Pathway	960
Asphalt: Sealcoat - Silver Creek Place	1,147
Asphalt: Sealcoat - Tatum Ranch Place	296
Fence: Vinyl - Wash - 3 Rail Horse Fence	5,920
Mailboxes: Clean / Paint / Maintain	1,819
Walls: Retaining - Inspection	2,806
Total for 2025	\$16,672
Replacement Year 2026	
Arborist / Tree Work	18,500
Bark Dust: Replenish - Common Area	5,199
Bridge: Wood - Replacement	19,951
Landscaping: Plants & Arborvitae - Phased Replacements	6,840
Lighting: Fixture - Silver Creek Place - Street Light	1,019
Total for 2026	\$51,510
Replacement Year 2027	
Walls: Retaining - Inspection	2,895
Total for 2027	\$2,895
Replacement Year 2028	
Bark Dust: Replenish - Common Area	5,362
Fence: Vinyl - Wash - 3 Rail Horse Fence	6,201
Total for 2028	\$11,563

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

Description	Expenditures
Replacement Year 2029	
Walls: Retaining	11,943
Walls: Retaining - Inspection	2,986
Total for 2029	\$14,928
Replacement Year 2030	
Asphalt: Overlay - Pedestrian Pathway	11,536
Asphalt: Repairs - Moon Valley Terrace	648
Asphalt: Repairs - Silver Creek Place	1,005
Asphalt: Repairs - Tatum Ranch Place	253
Asphalt: Sealcoat - Moon Valley Terrace	1,092
Asphalt: Sealcoat - Pedestrian Pathway	1,037
Asphalt: Sealcoat - Silver Creek Place	1,240
Asphalt: Sealcoat - Tatum Ranch Place	320
Backflow Device: Common Area - Replacement	2,305
Bark Dust: Replenish - Common Area	5,531
Mailboxes: Clean / Paint / Maintain	1,965
Total for 2030	\$26,931
Replacement Year 2031	
Concrete: Flatwork - Sidewalks - Common Area	6,876
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	3,110
Concrete: Flatwork - Sidewalks - Silver Creek Place	3,843
Fence: Vinyl - 3 Rail Horse Fence - Replace	287,117
Fence: Vinyl - Wash - 3 Rail Horse Fence	6,496
Landscaping: Power Box - Monument - Replace	554
Lighting: Power Box - Silver Creek Place - Replace	554
Signs: Common Area	616
Signs: Monument - Clean & Maintain	7,827
Storm Drains / Underground Inspection: Moon Valley Terrace	3,080
Storm Drains / Underground Inspection: Silver Creek Place	3,080
Storm Drains / Underground Inspection: Tatum Ranch Place	3,080
Walls: Retaining - Inspection	3,080
Total for 2031	\$329,311
Replacement Year 2032	
Bark Dust: Replenish - Common Area	5,705

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

Description	Expenditures
<i>Replacement Year 2032 continued...</i>	
Lighting: Fixtures - Monuments - Renovation	1,389
Total for 2032	\$7,093
Replacement Year 2033	
Walls: Retaining - Inspection	3,176
Total for 2033	\$3,176
Replacement Year 2034	
Asphalt: Overlay - Moon Valley Terrace	12,926
Bark Dust: Replenish - Common Area	5,884
Concrete: Curbs & Gutters: Silver Creek Place	520
Concrete: Curbs & Gutters: Tatum Ranch Place	362
Fence: Vinyl - Wash - 3 Rail Horse Fence	6,805
Total for 2034	\$26,497
Replacement Year 2035	
Asphalt: Overlay - Silver Creek Place	14,164
Asphalt: Overlay - Tatum Ranch Place	3,844
Asphalt: Repairs - Moon Valley Terrace	700
Asphalt: Repairs - Pedestrian Pathway	1,108
Asphalt: Sealcoat - Moon Valley Terrace	1,180
Asphalt: Sealcoat - Pedestrian Pathway	1,121
Asphalt: Sealcoat - Silver Creek Place	1,339
Asphalt: Sealcoat - Tatum Ranch Place	346
Concrete: Curbs & Gutters: Moon Valley Terrace	428
Mailboxes: Clean / Paint / Maintain	2,123
Walls: Retaining - Inspection	3,276
Total for 2035	\$29,629
Replacement Year 2036	
Arborist / Tree Work	21,597
Bark Dust: Replenish - Common Area	6,069
Bollards - Replace	2,807
Brick: Masonry / Repointing & Repairs	9,982
Landscaping: Plants & Arborvitae - Phased Replacements	7,986
Total for 2036	\$48,441

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

Description	Expenditures
Replacement Year 2037	
Fence: Vinyl - Wash - 3 Rail Horse Fence	7,128
Walls: Retaining - Inspection	3,379
Total for 2037	\$10,507
Replacement Year 2038	
Bark Dust: Replenish - Common Area	6,260
Total for 2038	\$6,260
Replacement Year 2039	
Walls: Retaining	13,942
Walls: Retaining - Inspection	3,486
Total for 2039	\$17,428
Replacement Year 2040	
Asphalt: Repairs - Moon Valley Terrace	757
Asphalt: Repairs - Pedestrian Pathway	1,197
Asphalt: Repairs - Silver Creek Place	1,173
Asphalt: Repairs - Tatum Ranch Place	295
Asphalt: Sealcoat - Moon Valley Terrace	1,275
Asphalt: Sealcoat - Pedestrian Pathway	1,211
Asphalt: Sealcoat - Silver Creek Place	1,447
Asphalt: Sealcoat - Tatum Ranch Place	373
Bark Dust: Replenish - Common Area	6,457
Fence: Vinyl - Wash - 3 Rail Horse Fence	7,467
Lighting: Fixtures - Monuments - Renovation	1,572
Mailboxes: Clean / Paint / Maintain	2,294
Total for 2040	\$25,519
Replacement Year 2041	
Concrete: Flatwork - Sidewalks - Common Area	8,027
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	3,630
Concrete: Flatwork - Sidewalks - Silver Creek Place	4,486
Fence: Chain Link - Power Coat - Replace	364,799
Mailboxes: 12 Letter / 1 Package - Replace	11,648
Mailboxes: 16 Letter / 2 Package - Replace	67,387

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

Description	Expenditures
<i>Replacement Year 2041 continued...</i>	
Signs: Common Area	719
Signs: Monument - Clean & Maintain	9,137
Walls: Retaining - Inspection	3,595
Total for 2041	\$473,429
Replacement Year 2042	
Bark Dust: Replenish - Common Area	6,660
Total for 2042	\$6,660
Replacement Year 2043	
Fence: Vinyl - Wash - 3 Rail Horse Fence	7,822
Walls: Retaining - Inspection	3,708
Total for 2043	\$11,530
Replacement Year 2044	
Bark Dust: Replenish - Common Area	6,869
Total for 2044	\$6,869
Replacement Year 2045	
Asphalt: Repairs - Moon Valley Terrace	817
Asphalt: Repairs - Pedestrian Pathway	1,294
Asphalt: Repairs - Silver Creek Place	1,268
Asphalt: Repairs - Tatum Ranch Place	319
Asphalt: Sealcoat - Moon Valley Terrace	1,378
Asphalt: Sealcoat - Pedestrian Pathway	1,308
Asphalt: Sealcoat - Silver Creek Place	1,564
Asphalt: Sealcoat - Tatum Ranch Place	404
Mailboxes: Clean / Paint / Maintain	2,478
Walls: Retaining - Inspection	3,825
Total for 2045	\$14,655
Replacement Year 2046	
Arborist / Tree Work	25,213
Bark Dust: Replenish - Common Area	7,085
Concrete: Curbs & Gutters: Silver Creek Place	627

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

Description	Expenditures
<i>Replacement Year 2046 continued...</i>	
Concrete: Curbs & Gutters: Tatum Ranch Place	436
Fence: Vinyl - Wash - 3 Rail Horse Fence	8,193
Landscaping: Plants & Arborvitae - Phased Replacements	9,323
Total for 2046	\$50,877
Replacement Year 2047	
Concrete: Curbs & Gutters: Moon Valley Terrace	515
Walls: Retaining - Inspection	3,945
Total for 2047	\$4,460
Replacement Year 2048	
Bark Dust: Replenish - Common Area	7,308
Lighting: Fixtures - Monuments - Renovation	1,779
Total for 2048	\$9,087
Replacement Year 2049	
Fence: Vinyl - Wash - 3 Rail Horse Fence	8,583
Walls: Retaining	16,276
Walls: Retaining - Inspection	4,069
Total for 2049	\$28,928

EXECUTIVE SUMMARY - CURRENT FUNDING MODEL

CURRENT FUNDING MODEL OVERVIEW

The "Current Funding Model" 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.

PROPERTY INFORMATION

ORIGINAL STARTING DATE OF RESERVE STUDY: This reserve study was prepared for the fiscal year January 1, 2020 and ending December 31, 2020. 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 570 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 August 18, 2018.

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 \$315,983 as of January 1, 2020. 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: The reserve study has an annual contribution increase of 1.90% per year.

INFLATION RATE: An inflation rate of 1.56% 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 80.57% funded the end of the first fiscal year contingent that the funding model described in this section is implemented.

**Arbor Ridge P.U.D. Homeowners Association - Master
Current Assessment Funding Model: Executive Summary**

DISCLOSURES

GENERAL: Arbor Ridge P.U.D. Homeowners Association - Master 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 43 assets were included in this reserve study report; of these considered, 42 were funded and 1 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) Fiscal Year 2017 On-Site Reserve Study by Reserve Studies by Reserve Funding published June 29, 2016, 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, 2020 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,

**Arbor Ridge P.U.D. Homeowners Association - Master
Current Assessment Funding Model: Executive Summary**

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 1.01.

Arbor Ridge P.U.D. Homeowners Association - Master
 Bethany, Oregon
Current Assessment Funding Model: Summary

Report Date	June 22, 2019
Account Number	1215a
Version	1.01
Budget Year Beginning	January 1, 2020
Budget Year Ending	December 31, 2020
Total Units	570

<i>Report Parameters</i>	
Inflation	1.56%
Annual Assessment Increase	1.90%
Interest Rate on Reserve Deposit	0.70%
2020 Beginning Balance	\$315,983

<i>Current Assessment Funding Model Summary of Calculations</i>	
Required Annual Contribution	\$36,624.00
<i>\$64.25 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$2,383.60</u>
Total Annual Allocation to Reserves	<u>\$39,007.60</u>
<i>\$68.43 per unit annually</i>	

**Arbor Ridge P.U.D. Homeowners Association - Master
Current Assessment Funding Model: Projection**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Beginning Balance: \$315,983

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2020	711,822	36,624	2,384	12,092	342,898	425,568	81%
2021	722,926	37,320	2,454	29,629	353,043	434,349	81%
2022	734,204	38,029	2,659	11,270	382,460	462,443	83%
2023	745,658	38,751	2,927	3,076	421,063	499,823	84%
2024	757,290	39,488	3,180	6,267	457,463	535,064	85%
2025	769,104	40,238	3,367	16,672	484,396	560,815	86%
2026	781,102	41,003	3,317	51,510	477,206	551,926	86%
2027	793,287	41,782	3,613	2,895	519,706	592,913	88%
2028	805,662	42,575	3,855	11,563	554,573	626,286	89%
2029	818,230	43,384	4,081	14,928	587,110	657,322	89%
2030	830,995	44,209	4,231	26,931	608,618	677,207	90%
2031	843,958	45,049	2,270	329,311	326,627	390,622	84%
2032	857,124	45,905	2,558	7,093	367,996	427,524	86%
2033	870,495	46,777	2,881	3,176	414,477	469,574	88%
2034	884,075	47,666	3,050	26,497	438,696	489,237	90%
2035	897,866	48,571	3,203	29,629	460,841	506,822	91%
2036	911,873	49,494	3,233	48,441	465,127	506,200	92%
2037	926,098	50,434	3,535	10,507	508,590	544,729	93%
2038	940,545	51,393	3,876	6,260	557,599	588,817	95%
2039	955,218	52,369	4,148	17,428	596,688	622,906	96%
2040	970,119	53,364	4,372	25,519	628,905	650,122	97%
2041	985,253	54,378	1,469	473,429	211,323	223,542	95%
2042	1,000,623	55,411	1,821	6,660	261,895	265,047	99%
2043	1,016,233	56,464	2,148	11,530	308,977	302,952	102%
2044	1,032,086	57,537	2,518	6,869	362,162	346,891	104%
2045	1,048,187	58,630	2,843	14,655	408,980	384,328	106%
2046	1,064,538	59,744	2,925	50,877	420,772	386,295	109%
2047	1,081,145	60,879	3,340	4,460	480,532	436,176	110%
2048	1,098,011	62,036	3,734	9,087	537,215	482,891	111%
2049	1,115,140	63,215	4,001	28,928	575,502	510,951	113%

**Arbor Ridge P.U.D. Homeowners Association - Master
Current Funding Model: Component Summary by Category**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Contingency							
Insurance Deductible Contingency (Unfunded)							
	<i>unfunded</i>						
Master Association							
Arborist / Tree Work	18,500	10	6		6,744	1,614.04	6,744
Asphalt: Overlay - Pedestrian Pathway	11,536	30	10	-1	6,474	382.51	6,474
Asphalt: Repairs - Pedestrian Pathway	879	5	0	-2	879	160.87	879
Asphalt: Sealcoat - Pedestrian Pathway	888	5	0		888	162.70	888
Backflow Device: Common Area - Replacement	2,305	30	10		1,316	74.39	1,316
Bark Dust: Replenish - Common Area	4,738	2	0		4,738	2,092.36	4,738
Bollards - Replace	2,807	35	16		1,189	75.25	1,189
Brick: Masonry / Repointing & Repairs	7,914	15	1	5	7,403	394.75	7,403
Bridge: Wood - Replacement	19,951	25	6		13,818	780.07	13,818
Concrete: Flatwork - Sidewalks - Common Area	5,890	10	1	10	5,509	293.79	5,509
Fence: Chain Link - Power Coat - Replace	364,799	40	21		40,232	12,133.95	125,190
Fence: Vinyl - 3 Rail Horse Fence - Replace	287,117	30	11		153,370	9,165.59	153,370
Fence: Vinyl - Wash - 3 Rail Horse Fence	5,651	3	2		1,826	1,626.71	1,826
Landscaping: Plants & Arborvitae - Phased Replacements	6,840	10	6		2,494	596.80	2,494
Landscaping: Power Box - Monument - Replace	554	30	11		296	17.70	296
Lighting: Fixtures - Monuments - Renovation	1,227	8	4		577	134.78	577
Mailboxes: 12 Letter / 1 Package - Replace	11,648	40	21		3,997	267.68	3,997
Mailboxes: 16 Letter / 2 Package - Replace	67,387	40	21		23,126	1,548.61	23,126
Mailboxes: Clean / Paint / Maintain	1,683	5	0		1,683	308.21	1,683
Signs: Common Area	528	10	1	10	494	26.32	494

**Arbor Ridge P.U.D. Homeowners Association - Master
Current Funding Model: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
<i>Master Association continued...</i>							
Signs: Monument - Clean & Maintain	6,704	10	1	10	6,271	334.42	6,271
Walls: Retaining	11,943	10	9		1,039	1,006.08	1,039
Walls: Retaining - Inspection	<u>2,638</u>	2	1		<u>1,299</u>	<u>1,143.06</u>	<u>1,299</u>
Master Association - Total	\$844,126				\$285,662	\$34,341	\$370,620
Moon Valley Terrace							
Asphalt: Overlay - Moon Valley Terrace	12,926	30	14	3	5,992	370.53	5,992
Asphalt: Repairs - Moon Valley Terrace	555	5	0		555	101.66	555
Asphalt: Sealcoat - Moon Valley Terrace	936	5	0		936	171.36	936
Concrete: Curbs & Gutters: Moon Valley Terrace	355	12	3	10	293	15.98	293
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	2,664	10	1	10	2,492	132.88	2,492
Storm Drains / Underground Inspection: Moon Valley Terrace	<u>3,080</u>	30	11		<u>1,645</u>	<u>98.31</u>	<u>1,645</u>
Moon Valley Terrace - Total	\$20,515				\$11,913	\$891	\$11,913
Silver Creek Place							
Asphalt: Overlay - Silver Creek Place	14,164	30	15	4	6,275	392.47	6,275
Asphalt: Repairs - Silver Creek Place	861	5	0		861	157.66	861
Asphalt: Sealcoat - Silver Creek Place	1,062	5	0		1,062	194.44	1,062
Concrete: Curbs & Gutters: Silver Creek Place	432	12	2	10	381	19.66	381
Concrete: Flatwork - Sidewalks - Silver Creek Place	3,292	10	1	10	3,079	164.20	3,079
Lighting: Fixture - Silver Creek Place - Street Light	1,019	25	6		706	39.85	706
Lighting: Power Box - Silver Creek Place - Replace	554	30	11		296	17.70	296
Storm Drains / Underground Inspection: Silver Creek Place	<u>3,080</u>	30	11		<u>1,645</u>	<u>98.31</u>	<u>1,645</u>
Silver Creek Place - Total	\$24,464				\$14,305	\$1,084	\$14,305
Tatum Ranch Place							
Asphalt: Overlay - Tatum Ranch Place	3,844	30	15	4	1,703	106.52	1,703
Asphalt: Repairs - Tatum Ranch Place	217	5	0		217	39.69	217
Asphalt: Sealcoat - Tatum Ranch Place	274	5	0		274	50.18	274

**Arbor Ridge P.U.D. Homeowners Association - Master
Current Funding Model: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
<i>Tatum Ranch Place continued...</i>							
Concrete: Curbs & Gutters: Tatum Ranch Place	301	12	2	10	265	13.67	265
Storm Drains / Underground Inspection: Tatum Ranch Place	3,080	30	11		1,645	98.31	1,645
Tatum Ranch Place - Total	<u>\$7,715</u>				<u>\$4,104</u>	<u>\$308</u>	<u>\$4,104</u>
Grand Total:	<u><u>\$896,820</u></u>				<u><u>\$315,983</u></u>	<u><u>\$36,624</u></u>	<u><u>\$400,941</u></u>

Percent Fully Funded	79%
Current Average Liability per Unit (Total Units: 570)	-\$149

**Arbor Ridge P.U.D. Homeowners Association - Master
Current Funding Model: Capital vs Non-Capital Summary**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Capital							
Asphalt: Overlay - Moon Valley Terrace	12,926	30	14	3	5,992	370.53	5,992
Asphalt: Overlay - Pedestrian Pathway	11,536	30	10	-1	6,474	382.51	6,474
Asphalt: Overlay - Silver Creek Place	14,164	30	15	4	6,275	392.47	6,275
Asphalt: Overlay - Tatum Ranch Place	3,844	30	15	4	1,703	106.52	1,703
Asphalt: Repairs - Moon Valley Terrace	555	5	0		555	101.66	555
Asphalt: Repairs - Pedestrian Pathway	879	5	0	-2	879	160.87	879
Asphalt: Repairs - Silver Creek Place	861	5	0		861	157.66	861
Asphalt: Repairs - Tatum Ranch Place	217	5	0		217	39.69	217
Backflow Device: Common Area - Replacement	2,305	30	10		1,316	74.39	1,316
Bollards - Replace	2,807	35	16		1,189	75.25	1,189
Bridge: Wood - Replacement	19,951	25	6		13,818	780.07	13,818
Concrete: Curbs & Gutters: Moon Valley Terrace	355	12	3	10	293	15.98	293
Concrete: Curbs & Gutters: Tatum Ranch Place	301	12	2	10	265	13.67	265
Concrete: Flatwork - Sidewalks - Common Area	5,890	10	1	10	5,509	293.79	5,509
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	2,664	10	1	10	2,492	132.88	2,492
Concrete: Flatwork - Sidewalks - Silver Creek Place	3,292	10	1	10	3,079	164.20	3,079
Fence: Chain Link - Power Coat - Replace	364,799	40	21		40,232	12,133.95	125,190
Fence: Vinyl - 3 Rail Horse Fence - Replace	287,117	30	11		153,370	9,165.59	153,370
Fence: Vinyl - Wash - 3 Rail Horse Fence	5,651	3	2		1,826	1,626.71	1,826
Landscaping: Power Box - Monument - Replace	554	30	11		296	17.70	296
Lighting: Fixture - Silver Creek Place - Street Light	1,019	25	6		706	39.85	706
Lighting: Fixtures - Monuments - Renovation	1,227	8	4		577	134.78	577

**Arbor Ridge P.U.D. Homeowners Association - Master
Current Funding Model: Capital vs Non-Capital Summary**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
<i>Capital continued...</i>							
Lighting: Power Box - Silver Creek Place - Replace	554	30	11		296	17.70	296
Mailboxes: 12 Letter / 1 Package - Replace	11,648	40	21		3,997	267.68	3,997
Mailboxes: 16 Letter / 2 Package - Replace	67,387	40	21		23,126	1,548.61	23,126
Mailboxes: Clean / Paint / Maintain	1,683	5	0		1,683	308.21	1,683
Signs: Common Area	528	10	1	10	494	26.32	494
Signs: Monument - Clean & Maintain	6,704	10	1	10	6,271	334.42	6,271
Storm Drains / Underground Inspection: Moon Valley Terrace	3,080	30	11		1,645	98.31	1,645
Storm Drains / Underground Inspection: Silver Creek Place	3,080	30	11		1,645	98.31	1,645
Storm Drains / Underground Inspection: Tatum Ranch Place	3,080	30	11		1,645	98.31	1,645
Walls: Retaining	11,943	10	9		1,039	1,006.08	1,039
Capital - Total	<u>\$852,598</u>				<u>\$289,766</u>	<u>\$30,185</u>	<u>\$374,724</u>
Non-Capital							
Arborist / Tree Work	18,500	10	6		6,744	1,614.04	6,744
Asphalt: Sealcoat - Moon Valley Terrace	936	5	0		936	171.36	936
Asphalt: Sealcoat - Pedestrian Pathway	888	5	0		888	162.70	888
Asphalt: Sealcoat - Silver Creek Place	1,062	5	0		1,062	194.44	1,062
Asphalt: Sealcoat - Tatum Ranch Place	274	5	0		274	50.18	274
Bark Dust: Replenish - Common Area	4,738	2	0		4,738	2,092.36	4,738
Brick: Masonry / Repointing & Repairs	7,914	15	1	5	7,403	394.75	7,403
Concrete: Curbs & Gutters: Silver Creek Place	432	12	2	10	381	19.66	381
Insurance Deductible Contingency (Unfunded)	<i>unfunded</i>						
Landscaping: Plants & Arborvitae - Phased Replacements	6,840	10	6		2,494	596.80	2,494
Walls: Retaining - Inspection	2,638	2	1		1,299	1,143.06	1,299
Non-Capital - Total	<u>\$44,222</u>				<u>\$26,217</u>	<u>\$6,439</u>	<u>\$26,217</u>

**Arbor Ridge P.U.D. Homeowners Association - Master
Current Funding Model: Capital vs Non-Capital Summary**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Grand Total:	<u>\$896,820</u>				<u>\$315,983</u>	<u>\$36,624</u>	<u>\$400,941</u>
	Percent Fully Funded				79%		
	Current Average Liability per Unit (Total Units: 570)				-\$149		

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - Dollar Defined Minimum: Executive Summary**

EXECUTIVE SUMMARY - DOLLAR DEFINED THRESHOLD FUNDING MODEL

THRESHOLD FUNDING MODEL OVERVIEW

The "Threshold Funding Model" 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 and baseline funding.

PROPERTY INFORMATION

ORIGINAL STARTING DATE OF RESERVE STUDY: This reserve study was prepared for the fiscal year January 1, 2020 and ending December 31, 2020. 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 570 units located in Bethany, Oregon.

DATE OF LAST ON-SITE RESERVE STUDY: (if applicable) The last on-site physical analysis done was completed on August 18, 2018.

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 \$315,983 as of January, 1 2020. 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 \$238,648 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 1.56% 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 81.00% funded the end of the first fiscal year contingent that the funding model described in this section is implemented.

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - Dollar Defined Minimum: Executive Summary**

DISCLOSURES

GENERAL: Arbor Ridge P.U.D. Homeowners Association - Master 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 43 assets were included in this reserve study report; of these considered, 42 were funded and 1 component 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, 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) Fiscal Year 2017 On-Site Reserve Study by Reserve Studies by Reserve Funding published June 29, 2016, 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 will be 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, 2020 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,

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - Dollar Defined Minimum: Executive Summary**

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 1.01.

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - Dollar Defined Minimum: Summary**

Report Date	June 22, 2019
Account Number	1215a
Version	1.01
Budget Year Beginning	January 1, 2020
Budget Year Ending	December 31, 2020
Total Units	570

<i>Report Parameters</i>	
Inflation	1.56%
Annual Assessment Increase	3.00%
Interest Rate on Reserve Deposit	0.70%
2020 Beginning Balance	\$315,983

<i>Threshold Funding Model Summary of Calculations</i>	
Required Annual Contribution	\$38,422.87
<i>\$67.41 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$2,396.20</u>
Total Annual Allocation to Reserves	\$40,819.07
<i>\$71.61 per unit annually</i>	

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - Dollar Defined Minimum: Projection**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Beginning Balance: \$315,983

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2020	711,822	38,423	2,396	12,092	344,710	425,568	81%
2021	722,926	34,972	2,450	29,629	352,503	434,349	81%
2022	734,204	36,021	2,641	11,270	379,894	462,443	82%
2023	745,658	37,101	2,897	3,076	416,817	499,823	83%
2024	757,290	38,214	3,141	6,267	451,906	535,064	84%
2025	769,104	39,361	3,322	16,672	477,916	560,815	85%
2026	781,102	40,542	3,269	51,510	470,217	551,926	85%
2027	793,287	41,758	3,564	2,895	512,644	592,913	86%
2028	805,662	43,011	3,809	11,563	547,900	626,286	87%
2029	818,230	44,301	4,041	14,928	581,313	657,322	88%
2030	830,995	45,630	4,200	26,931	604,212	677,207	89%
2031	843,958	46,999	2,253	329,311	324,154	390,622	83%
2032	857,124	48,409	2,558	7,093	368,028	427,524	86%
2033	870,495	49,861	2,903	3,176	417,615	469,574	89%
2034	884,075	51,357	3,097	26,497	445,573	489,237	91%
2035	897,866	52,898	3,282	29,629	472,124	506,822	93%
2036	911,873	54,485	3,347	48,441	481,514	506,200	95%
2037	926,098	56,119	3,690	10,507	530,816	544,729	97%
2038	940,545	57,803	4,077	6,260	586,436	588,817	100%
2039	955,218	59,537	4,400	17,428	632,945	622,906	102%
2040	970,119	61,323	4,681	25,519	673,430	650,122	104%
2041	985,253	36,989	1,659	473,429	238,648	223,542	107%
2042	1,000,623	38,098	1,891	6,660	271,977	265,047	103%
2043	1,016,233	39,241	2,098	11,530	301,787	302,952	100%
2044	1,032,086	40,418	2,347	6,869	337,683	346,891	97%
2045	1,048,187	41,631	2,553	14,655	367,212	384,328	96%
2046	1,064,538	42,880	2,515	50,877	361,730	386,295	94%
2047	1,081,145	44,166	2,810	4,460	404,246	436,176	93%
2048	1,098,011	45,491	3,085	9,087	443,735	482,891	92%
2049	1,115,140	46,856	3,232	28,928	464,894	510,951	91%

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - Dollar Defined Minimum: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
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Contingency

Insurance Deductible Contingency (Unfunded)

unfunded

Master Association

Arborist / Tree Work	18,500	10	6		6,744	1,693.31	6,744
Asphalt: Overlay - Pedestrian Pathway	11,536	30	10	-1	6,474	401.30	6,474
Asphalt: Repairs - Pedestrian Pathway	879	5	0	-2	879	168.77	879
Asphalt: Sealcoat - Pedestrian Pathway	888	5	0		888	170.69	888
Backflow Device: Common Area - Replacement	2,305	30	10		1,316	78.04	1,316
Bark Dust: Replenish - Common Area	4,738	2	0		4,738	2,195.13	4,738
Bollards - Replace	2,807	35	16		1,189	78.95	1,189
Brick: Masonry / Repointing & Repairs	7,914	15	1	5	7,403	414.14	7,403
Bridge: Wood - Replacement	19,951	25	6		13,818	818.39	13,818
Concrete: Flatwork - Sidewalks - Common Area	5,890	10	1	10	5,509	308.22	5,509
Fence: Chain Link - Power Coat - Replace	364,799	40	21		40,232	12,729.93	125,190
Fence: Vinyl - 3 Rail Horse Fence - Replace	287,117	30	11		153,370	9,615.78	153,370
Fence: Vinyl - Wash - 3 Rail Horse Fence	5,651	3	2		1,826	1,706.60	1,826
Landscaping: Plants & Arborvitae - Phased Replacements	6,840	10	6		2,494	626.11	2,494
Landscaping: Power Box - Monument - Replace	554	30	11		296	18.56	296
Lighting: Fixtures - Monuments - Renovation	1,227	8	4		577	141.40	577
Mailboxes: 12 Letter / 1 Package - Replace	11,648	40	21		3,997	280.83	3,997
Mailboxes: 16 Letter / 2 Package - Replace	67,387	40	21		23,126	1,624.67	23,126
Mailboxes: Clean / Paint / Maintain	1,683	5	0		1,683	323.35	1,683
Signs: Common Area	528	10	1	10	494	27.61	494
Signs: Monument - Clean & Maintain	6,704	10	1	10	6,271	350.85	6,271
Walls: Retaining	11,943	10	9		1,039	1,055.49	1,039
Walls: Retaining - Inspection	2,638	2	1		1,299	1,199.20	1,299
Master Association - Total	<u>\$844,126</u>				<u>\$285,662</u>	<u>\$36,027</u>	<u>\$370,620</u>

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - Dollar Defined Minimum: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Moon Valley Terrace							
Asphalt: Overlay - Moon Valley Terrace	12,926	30	14	3	5,992	388.73	5,992
Asphalt: Repairs - Moon Valley Terrace	555	5	0		555	106.65	555
Asphalt: Sealcoat - Moon Valley Terrace	936	5	0		936	179.77	936
Concrete: Curbs & Gutters: Moon Valley Terrace	355	12	3	10	293	16.76	293
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	2,664	10	1	10	2,492	139.40	2,492
Storm Drains / Underground Inspection: Moon Valley Terrace	<u>3,080</u>	30	11		<u>1,645</u>	<u>103.14</u>	<u>1,645</u>
Moon Valley Terrace - Total	\$20,515				\$11,913	\$934	\$11,913
Silver Creek Place							
Asphalt: Overlay - Silver Creek Place	14,164	30	15	4	6,275	411.75	6,275
Asphalt: Repairs - Silver Creek Place	861	5	0		861	165.40	861
Asphalt: Sealcoat - Silver Creek Place	1,062	5	0		1,062	203.99	1,062
Concrete: Curbs & Gutters: Silver Creek Place	432	12	2	10	381	20.63	381
Concrete: Flatwork - Sidewalks - Silver Creek Place	3,292	10	1	10	3,079	172.27	3,079
Lighting: Fixture - Silver Creek Place - Street Light	1,019	25	6		706	41.81	706
Lighting: Power Box - Silver Creek Place - Replace	554	30	11		296	18.56	296
Storm Drains / Underground Inspection: Silver Creek Place	<u>3,080</u>	30	11		<u>1,645</u>	<u>103.14</u>	<u>1,645</u>
Silver Creek Place - Total	\$24,464				\$14,305	\$1,138	\$14,305
Tatum Ranch Place							
Asphalt: Overlay - Tatum Ranch Place	3,844	30	15	4	1,703	111.75	1,703
Asphalt: Repairs - Tatum Ranch Place	217	5	0		217	41.64	217
Asphalt: Sealcoat - Tatum Ranch Place	274	5	0		274	52.64	274
Concrete: Curbs & Gutters: Tatum Ranch Place	301	12	2	10	265	14.34	265
Storm Drains / Underground Inspection: Tatum Ranch Place	<u>3,080</u>	30	11		<u>1,645</u>	<u>103.14</u>	<u>1,645</u>
Tatum Ranch Place - Total	\$7,715				\$4,104	\$324	\$4,104

**Arbor Ridge P.U.D. Homeowners Association - Master
 Threshold Funding Model - Dollar Defined Minimum: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Grand Total:	<u>\$896,820</u>				<u>\$315,983</u>	<u>\$38,423</u>	<u>\$400,941</u>
	Percent Fully Funded				79%		
	Current Average Liability per Unit (Total Units: 570)				-\$149		

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - Dollar Defined Minimum: Distribution of Accumulated Reserves**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Asphalt: Repairs - Tatum Ranch Place	0	2020	217	217
Asphalt: Sealcoat - Tatum Ranch Place	0	2020	274	274
Asphalt: Repairs - Moon Valley Terrace	0	2020	555	555
Asphalt: Repairs - Silver Creek Place	0	2020	861	861
Asphalt: Repairs - Pedestrian Pathway	0	2020	879	879
Asphalt: Sealcoat - Pedestrian Pathway	0	2020	888	888
Asphalt: Sealcoat - Moon Valley Terrace	0	2020	936	936
Asphalt: Sealcoat - Silver Creek Place	0	2020	1,062	1,062
Mailboxes: Clean / Paint / Maintain	0	2020	1,683	1,683
Bark Dust: Replenish - Common Area	0	2020	4,738	4,738
Signs: Common Area	1	2021	494	494
Walls: Retaining - Inspection	1	2021	1,299	1,299
Concrete: Flatwork - Sidewalks - Moon Valley Terrace				
	1	2021	2,492	2,492
Concrete: Flatwork - Sidewalks - Silver Creek Place				
	1	2021	3,079	3,079
Concrete: Flatwork - Sidewalks - Common Area				
	1	2021	5,509	5,509
Signs: Monument - Clean & Maintain	1	2021	6,271	6,271
Brick: Masonry / Repointing & Repairs	1	2021	7,403	7,403
Concrete: Curbs & Gutters: Tatum Ranch Place				
	2	2022	265	265
Concrete: Curbs & Gutters: Silver Creek Place				
	2	2022	381	381
Fence: Vinyl - Wash - 3 Rail Horse Fence	2	2022	1,826	1,826
Concrete: Curbs & Gutters: Moon Valley Terrace				
	3	2023	293	293
Lighting: Fixtures - Monuments - Renovation	4	2024	577	577
Lighting: Fixture - Silver Creek Place - Street Light				
	6	2026	706	706
Landscaping: Plants & Arborvitae - Phased Replacements				
	6	2026	2,494	2,494
Arborist / Tree Work	6	2026	6,744	6,744
Bridge: Wood - Replacement	6	2026	13,818	13,818

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - Dollar Defined Minimum: Distribution of Accumulated Reserves**

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Walls: Retaining	9	2029	1,039	1,039
Backflow Device: Common Area - Replacement				
	10	2030	1,316	1,316
Asphalt: Overlay - Pedestrian Pathway	10	2030	6,474	6,474
Landscaping: Power Box - Monument - Replace				
	11	2031	296	296
Lighting: Power Box - Silver Creek Place - Replace				
	11	2031	296	296
Storm Drains / Underground Inspection: Moon Valley Terrace				
	11	2031	1,645	1,645
Storm Drains / Underground Inspection: Silver Creek Place				
	11	2031	1,645	1,645
Storm Drains / Underground Inspection: Tatum Ranch Place				
	11	2031	1,645	1,645
Fence: Vinyl - 3 Rail Horse Fence - Replace	11	2031	153,370	153,370
Asphalt: Overlay - Moon Valley Terrace	14	2034	5,992	5,992
Asphalt: Overlay - Tatum Ranch Place	15	2035	1,703	1,703
Asphalt: Overlay - Silver Creek Place	15	2035	6,275	6,275
Bollards - Replace	16	2036	1,189	1,189
Mailboxes: 12 Letter / 1 Package - Replace	21	2041	3,997	3,997
Mailboxes: 16 Letter / 2 Package - Replace	21	2041	23,126	23,126
Fence: Chain Link - Power Coat - Replace	21	2041	* 40,232	125,190
Insurance Deductible Contingency (Unfunded)		Unfunded		
Total Asset Summary			<u><u>\$315,983</u></u>	<u><u>\$400,941</u></u>

Percent Fully Funded	79%
Current Average Liability per Unit (Total Units: 570)	-\$149

'' Indicates Partially Funded*

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 70% Minimum: Executive Summary**

EXECUTIVE SUMMARY - 70% THRESHOLD FUNDING MODEL

THRESHOLD FUNDING MODEL OVERVIEW

The "Threshold Funding Model" method is based upon the cash flow funding concept. The minimum reserve cash balance in threshold funding, however, is set at a predetermined funding percentage. Threshold funding describes an objective chosen by the board other than the 100% (full funding) level or just staying cash-positive (baseline funding). We have calculated this funding model to remain at or above 70% funded over the 30-year horizon of is reserve study report. Threshold funding is often a value chosen in between full funding and baseline funding. While we recommend that all community associations strive for a funding threshold percentage of 70% or above, this 70% funding approach is absolutely no guarantee (expressed or implied) that the community will not require a special assessment at some time in the future.

PROPERTY INFORMATION

ORIGINAL STARTING DATE OF RESERVE STUDY: This reserve study was prepared for the fiscal year January 1, 2020 and ending December 31, 2020. 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 570 units located in Bethany, Oregon.

DATE OF LAST ON-SITE RESERVE STUDY: (if applicable) The last on-site physical analysis done was completed on August 18, 2018.

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 \$315,983 as of January, 1 2020. 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 threshold funding percentage of 70% 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 1.56% 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 79.21% funded the end of the first fiscal year contingent that the funding model described in this section is implemented.

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 70% Minimum: Executive Summary**

DISCLOSURES

GENERAL: Arbor Ridge P.U.D. Homeowners Association - Master 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 43 assets were included in this reserve study report; of these considered, 42 were funded and 1 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, 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) Fiscal Year 2017 On-Site Reserve Study by Reserve Studies by Reserve Funding published June 29, 2016, 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 will be 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, 2020 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

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 70% Minimum: Executive Summary**

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 1.01.

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 70% Minimum: Summary**

Report Date	June 22, 2019
Account Number	1215a
Version	1.01
Budget Year Beginning	January 1, 2020
Budget Year Ending	December 31, 2020
Total Units	570

<i>Report Parameters</i>	
Inflation	1.56%
Annual Assessment Increase	3.00%
Interest Rate on Reserve Deposit	0.70%
2020 Beginning Balance	\$315,983

Threshold 70% Funding Model Summary of Calculations

Required Annual Contribution	\$30,858.37
<i>\$54.14 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$2,343.24</u>
Total Annual Allocation to Reserves	\$33,201.62
<i>\$58.25 per unit annually</i>	

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 70% Minimum: Projection**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Beginning Balance: \$315,983

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2020	711,822	30,858	2,343	12,092	337,092	425,568	79%
2021	722,926	31,784	2,375	29,629	341,622	434,349	79%
2022	734,204	32,738	2,542	11,270	365,631	462,443	79%
2023	745,658	33,720	2,774	3,076	399,049	499,823	80%
2024	757,290	34,731	2,993	6,267	430,506	535,064	80%
2025	769,104	35,773	3,147	16,672	452,754	560,815	81%
2026	781,102	36,847	3,067	51,510	441,157	551,926	80%
2027	793,287	37,952	3,333	2,895	479,548	592,913	81%
2028	805,662	39,090	3,550	11,563	510,625	626,286	82%
2029	818,230	40,263	3,752	14,928	539,711	657,322	82%
2030	830,995	41,471	3,880	26,931	558,131	677,207	82%
2031	843,958	42,715	1,901	329,311	273,436	390,622	70%
2032	857,124	43,857	2,171	7,093	312,371	427,524	73%
2033	870,495	45,173	2,481	3,176	356,847	469,574	76%
2034	884,075	46,528	2,638	26,497	379,517	489,237	78%
2035	897,866	47,924	2,785	29,629	400,596	506,822	79%
2036	911,873	49,361	2,811	48,441	404,327	506,200	80%
2037	926,098	50,842	3,113	10,507	447,774	544,729	82%
2038	940,545	52,367	3,457	6,260	497,339	588,817	84%
2039	955,218	53,939	3,737	17,428	537,587	622,906	86%
2040	970,119	55,557	3,973	25,519	571,598	650,122	88%
2041	985,253	57,223	1,088	473,429	156,480	223,542	70%
2042	1,000,623	39,576	1,326	6,660	190,722	265,047	72%
2043	1,016,233	40,764	1,540	11,530	221,496	302,952	73%
2044	1,032,086	41,987	1,796	6,869	258,410	346,891	74%
2045	1,048,187	43,246	2,009	14,655	289,010	384,328	75%
2046	1,064,538	44,544	1,979	50,877	284,656	386,295	74%
2047	1,081,145	45,880	2,283	4,460	328,358	436,176	75%
2048	1,098,011	47,256	2,566	9,087	369,093	482,891	76%
2049	1,115,140	48,674	2,722	28,928	391,561	510,951	77%

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 70% Minimum: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Contingency							
Insurance Deductible Contingency (Unfunded)							
	<i>unfunded</i>						
Master Association							
Arborist / Tree Work	18,500	10	6		6,744	1,359.94	6,744
Asphalt: Overlay - Pedestrian Pathway	11,536	30	10	-1	6,474	322.30	6,474
Asphalt: Repairs - Pedestrian Pathway	879	5	0	-2	879	135.55	879
Asphalt: Sealcoat - Pedestrian Pathway	888	5	0		888	137.08	888
Backflow Device: Common Area - Replacement	2,305	30	10		1,316	62.68	1,316
Bark Dust: Replenish - Common Area	4,738	2	0		4,738	1,762.96	4,738
Bollards - Replace	2,807	35	16		1,189	63.40	1,189
Brick: Masonry / Repointing & Repairs	7,914	15	1	5	7,403	332.60	7,403
Bridge: Wood - Replacement	19,951	25	6		13,818	657.27	13,818
Concrete: Flatwork - Sidewalks - Common Area	5,890	10	1	10	5,509	247.54	5,509
Fence: Chain Link - Power Coat - Replace	364,799	40	21		40,232	10,223.73	125,190
Fence: Vinyl - 3 Rail Horse Fence - Replace	287,117	30	11		153,370	7,722.67	153,370
Fence: Vinyl - Wash - 3 Rail Horse Fence	5,651	3	2		1,826	1,370.62	1,826
Landscaping: Plants & Arborvitae - Phased Replacements	6,840	10	6		2,494	502.84	2,494
Landscaping: Power Box - Monument - Replace	554	30	11		296	14.91	296
Lighting: Fixtures - Monuments - Renovation	1,227	8	4		577	113.56	577
Mailboxes: 12 Letter / 1 Package - Replace	11,648	40	21		3,997	225.54	3,997
Mailboxes: 16 Letter / 2 Package - Replace	67,387	40	21		23,126	1,304.81	23,126
Mailboxes: Clean / Paint / Maintain	1,683	5	0		1,683	259.69	1,683
Signs: Common Area	528	10	1	10	494	22.17	494
Signs: Monument - Clean & Maintain	6,704	10	1	10	6,271	281.78	6,271
Walls: Retaining	11,943	10	9		1,039	847.69	1,039
Walls: Retaining - Inspection	2,638	2	1		1,299	963.11	1,299
Master Association - Total	\$844,126				\$285,662	\$28,934	\$370,620

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 70% Minimum: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Moon Valley Terrace							
Asphalt: Overlay - Moon Valley Terrace	12,926	30	14	3	5,992	312.20	5,992
Asphalt: Repairs - Moon Valley Terrace	555	5	0		555	85.66	555
Asphalt: Sealcoat - Moon Valley Terrace	936	5	0		936	144.38	936
Concrete: Curbs & Gutters: Moon Valley Terrace	355	12	3	10	293	13.46	293
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	2,664	10	1	10	2,492	111.96	2,492
Storm Drains / Underground Inspection: Moon Valley Terrace	<u>3,080</u>	30	11		<u>1,645</u>	<u>82.83</u>	<u>1,645</u>
Moon Valley Terrace - Total	\$20,515				\$11,913	\$750	\$11,913
Silver Creek Place							
Asphalt: Overlay - Silver Creek Place	14,164	30	15	4	6,275	330.69	6,275
Asphalt: Repairs - Silver Creek Place	861	5	0		861	132.84	861
Asphalt: Sealcoat - Silver Creek Place	1,062	5	0		1,062	163.83	1,062
Concrete: Curbs & Gutters: Silver Creek Place	432	12	2	10	381	16.57	381
Concrete: Flatwork - Sidewalks - Silver Creek Place	3,292	10	1	10	3,079	138.35	3,079
Lighting: Fixture - Silver Creek Place - Street Light	1,019	25	6		706	33.58	706
Lighting: Power Box - Silver Creek Place - Replace	554	30	11		296	14.91	296
Storm Drains / Underground Inspection: Silver Creek Place	<u>3,080</u>	30	11		<u>1,645</u>	<u>82.83</u>	<u>1,645</u>
Silver Creek Place - Total	\$24,464				\$14,305	\$914	\$14,305
Tatum Ranch Place							
Asphalt: Overlay - Tatum Ranch Place	3,844	30	15	4	1,703	89.75	1,703
Asphalt: Repairs - Tatum Ranch Place	217	5	0		217	33.44	217
Asphalt: Sealcoat - Tatum Ranch Place	274	5	0		274	42.28	274
Concrete: Curbs & Gutters: Tatum Ranch Place	301	12	2	10	265	11.52	265
Storm Drains / Underground Inspection: Tatum Ranch Place	<u>3,080</u>	30	11		<u>1,645</u>	<u>82.83</u>	<u>1,645</u>
Tatum Ranch Place - Total	\$7,715				\$4,104	\$260	\$4,104

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 70% Minimum: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Grand Total:	<u>\$896,820</u>				<u>\$315,983</u>	<u>\$30,858</u>	<u>\$400,941</u>
	Percent Fully Funded				79%		
	Current Average Liability per Unit (Total Units: 570)				-\$149		

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 70% Minimum: Distribution of Accumulated Reserves**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Asphalt: Repairs - Tatum Ranch Place	0	2020	217	217
Asphalt: Sealcoat - Tatum Ranch Place	0	2020	274	274
Asphalt: Repairs - Moon Valley Terrace	0	2020	555	555
Asphalt: Repairs - Silver Creek Place	0	2020	861	861
Asphalt: Repairs - Pedestrian Pathway	0	2020	879	879
Asphalt: Sealcoat - Pedestrian Pathway	0	2020	888	888
Asphalt: Sealcoat - Moon Valley Terrace	0	2020	936	936
Asphalt: Sealcoat - Silver Creek Place	0	2020	1,062	1,062
Mailboxes: Clean / Paint / Maintain	0	2020	1,683	1,683
Bark Dust: Replenish - Common Area	0	2020	4,738	4,738
Signs: Common Area	1	2021	494	494
Walls: Retaining - Inspection	1	2021	1,299	1,299
Concrete: Flatwork - Sidewalks - Moon Valley Terrace				
	1	2021	2,492	2,492
Concrete: Flatwork - Sidewalks - Silver Creek Place				
	1	2021	3,079	3,079
Concrete: Flatwork - Sidewalks - Common Area				
	1	2021	5,509	5,509
Signs: Monument - Clean & Maintain	1	2021	6,271	6,271
Brick: Masonry / Repointing & Repairs	1	2021	7,403	7,403
Concrete: Curbs & Gutters: Tatum Ranch Place				
	2	2022	265	265
Concrete: Curbs & Gutters: Silver Creek Place				
	2	2022	381	381
Fence: Vinyl - Wash - 3 Rail Horse Fence	2	2022	1,826	1,826
Concrete: Curbs & Gutters: Moon Valley Terrace				
	3	2023	293	293
Lighting: Fixtures - Monuments - Renovation	4	2024	577	577
Lighting: Fixture - Silver Creek Place - Street Light				
	6	2026	706	706
Landscaping: Plants & Arborvitae - Phased Replacements				
	6	2026	2,494	2,494
Arborist / Tree Work	6	2026	6,744	6,744
Bridge: Wood - Replacement	6	2026	13,818	13,818

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 70% Minimum: Distribution of Accumulated Reserves**

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Walls: Retaining	9	2029	1,039	1,039
Backflow Device: Common Area - Replacement				
	10	2030	1,316	1,316
Asphalt: Overlay - Pedestrian Pathway	10	2030	6,474	6,474
Landscaping: Power Box - Monument - Replace				
	11	2031	296	296
Lighting: Power Box - Silver Creek Place - Replace				
	11	2031	296	296
Storm Drains / Underground Inspection: Moon Valley Terrace				
	11	2031	1,645	1,645
Storm Drains / Underground Inspection: Silver Creek Place				
	11	2031	1,645	1,645
Storm Drains / Underground Inspection: Tatum Ranch Place				
	11	2031	1,645	1,645
Fence: Vinyl - 3 Rail Horse Fence - Replace	11	2031	153,370	153,370
Asphalt: Overlay - Moon Valley Terrace	14	2034	5,992	5,992
Asphalt: Overlay - Tatum Ranch Place	15	2035	1,703	1,703
Asphalt: Overlay - Silver Creek Place	15	2035	6,275	6,275
Bollards - Replace	16	2036	1,189	1,189
Mailboxes: 12 Letter / 1 Package - Replace	21	2041	3,997	3,997
Mailboxes: 16 Letter / 2 Package - Replace	21	2041	23,126	23,126
Fence: Chain Link - Power Coat - Replace	21	2041	* 40,232	125,190
Insurance Deductible Contingency (Unfunded)		Unfunded		
Total Asset Summary			<u>\$315,983</u>	<u>\$400,941</u>

Percent Fully Funded	79%
Current Average Liability per Unit (Total Units: 570)	-\$149

'' Indicates Partially Funded*

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 85% Minimum: Executive Summary**

EXECUTIVE SUMMARY - 85% THRESHOLD FUNDING MODEL

THRESHOLD FUNDING MODEL OVERVIEW

The "Threshold Funding Model" method is based upon the cash flow funding concept. The minimum reserve cash balance in threshold funding, however, is set at a predetermined funding percentage. Threshold funding describes an objective chosen by the board other than the 100% (full funding) level or just staying cash-positive (baseline funding). We have calculated this funding model with the aim of remaining at or above 85% funded over the 30-year horizon of is reserve study report. Threshold funding is often a value chosen in between full funding and baseline funding. While we recommend that all community associations strive for a funding threshold percentage of 70% or above, this 85% funding approach is absolutely no guarantee (expressed or implied) that the community will not require a special assessment at some time in the future.

PROPERTY INFORMATION

ORIGINAL STARTING DATE OF RESERVE STUDY: This reserve study was prepared for the fiscal year January 1, 2020 and ending December 31, 2020. Unless otherwise indicated, we have used January 25, 2000 to begin aging the original components in this reserve study.

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DATE OF LAST ON-SITE RESERVE STUDY: (if applicable) The last on-site physical analysis done was completed on August 18, 2018.

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 \$315,983 as of January, 1 2020. The actual or projected (estimated) total presented in this reserve study is based upon information provided to ReserveStudyUpdate.com, LLC and was not audited.

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0% to 29.99% - Poor

30% to 69.99% - Fair

70% to 100% - Good

This association is estimated to be 85.00% funded the end of the first fiscal year contingent that the funding model described in this section is implemented.

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 85% Minimum: Executive Summary**

DISCLOSURES

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MEASUREMENTS: Measuring and inventory (+/- 10%) were identified via a combination of onsite physical measurements, 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) Fiscal Year 2017 On-Site Reserve Study by Reserve Studies by Reserve Funding published June 29, 2016, 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.

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**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 85% Minimum: Executive Summary**

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 1.01.

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 85% Minimum: Summary**

Report Date	June 22, 2019
Account Number	1215a
Version	1.01
Budget Year Beginning	January 1, 2020
Budget Year Ending	December 31, 2020
Total Units	570

<i>Report Parameters</i>	
Inflation	1.56%
Annual Assessment Increase	3.00%
Interest Rate on Reserve Deposit	0.70%
2020 Beginning Balance	\$315,983

Threshold 85% Funding Model Summary of Calculations

Required Annual Contribution	\$55,327.27
<i>\$97.07 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$2,514.53</u>
Total Annual Allocation to Reserves	\$57,841.80
<i>\$101.48 per unit annually</i>	

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 85% Minimum: Projection**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Beginning Balance: \$315,983

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2020	711,822	55,327	2,515	12,092	361,733	425,568	85%
2021	722,926	34,527	2,566	29,629	369,197	434,349	85%
2022	734,204	35,178	2,752	11,270	395,856	462,443	86%
2023	745,658	36,233	3,003	3,076	432,016	499,823	86%
2024	757,290	37,320	3,241	6,267	466,311	535,064	87%
2025	769,104	38,440	3,417	16,672	491,495	560,815	88%
2026	781,102	39,593	3,357	51,510	482,936	551,926	87%
2027	793,287	40,781	3,646	2,895	524,468	592,913	88%
2028	805,662	42,004	3,884	11,563	558,793	626,286	89%
2029	818,230	43,264	4,110	14,928	591,239	657,322	90%
2030	830,995	44,562	4,262	26,931	613,132	677,207	91%
2031	843,958	45,899	2,308	329,311	332,029	390,622	85%
2032	857,124	41,394	2,564	7,093	368,894	427,524	86%
2033	870,495	42,636	2,858	3,176	411,212	469,574	88%
2034	884,075	43,915	3,000	26,497	431,630	489,237	88%
2035	897,866	45,232	3,131	29,629	450,364	506,822	89%
2036	911,873	46,589	3,140	48,441	451,652	506,200	89%
2037	926,098	47,987	3,424	10,507	492,555	544,729	90%
2038	940,545	49,427	3,750	6,260	539,472	588,817	92%
2039	955,218	50,909	4,011	17,428	576,965	622,906	93%
2040	970,119	52,437	4,227	25,519	608,110	650,122	94%
2041	985,253	54,010	1,321	473,429	190,011	223,542	85%
2042	1,000,623	41,232	1,572	6,660	226,156	265,047	85%
2043	1,016,233	42,469	1,800	11,530	258,895	302,952	85%
2044	1,032,086	43,743	2,070	6,869	297,839	346,891	86%
2045	1,048,187	45,056	2,298	14,655	330,538	384,328	86%
2046	1,064,538	46,407	2,282	50,877	328,351	386,295	85%
2047	1,081,145	47,022	2,596	4,460	373,509	436,176	86%
2048	1,098,011	48,432	2,890	9,087	415,744	482,891	86%
2049	1,115,140	49,885	3,057	28,928	439,758	510,951	86%

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 85% Minimum: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Contingency							
Insurance Deductible Contingency (Unfunded)							
	<i>unfunded</i>						
Master Association							
Arborist / Tree Work	18,500	10	6		6,744	2,438.30	6,744
Asphalt: Overlay - Pedestrian Pathway	11,536	30	10	-1	6,474	577.86	6,474
Asphalt: Repairs - Pedestrian Pathway	879	5	0	-2	879	243.03	879
Asphalt: Sealcoat - Pedestrian Pathway	888	5	0		888	245.79	888
Backflow Device: Common Area - Replacement	2,305	30	10		1,316	112.38	1,316
Bark Dust: Replenish - Common Area	4,738	2	0		4,738	3,160.89	4,738
Bollards - Replace	2,807	35	16		1,189	113.68	1,189
Brick: Masonry / Repointing & Repairs	7,914	15	1	5	7,403	596.34	7,403
Bridge: Wood - Replacement	19,951	25	6		13,818	1,178.44	13,818
Concrete: Flatwork - Sidewalks - Common Area	5,890	10	1	10	5,509	443.83	5,509
Fence: Chain Link - Power Coat - Replace	364,799	40	21		40,232	18,330.55	125,190
Fence: Vinyl - 3 Rail Horse Fence - Replace	287,117	30	11		153,370	13,846.30	153,370
Fence: Vinyl - Wash - 3 Rail Horse Fence	5,651	3	2		1,826	2,457.44	1,826
Landscaping: Plants & Arborvitae - Phased Replacements	6,840	10	6		2,494	901.57	2,494
Landscaping: Power Box - Monument - Replace	554	30	11		296	26.73	296
Lighting: Fixtures - Monuments - Renovation	1,227	8	4		577	203.61	577
Mailboxes: 12 Letter / 1 Package - Replace	11,648	40	21		3,997	404.39	3,997
Mailboxes: 16 Letter / 2 Package - Replace	67,387	40	21		23,126	2,339.46	23,126
Mailboxes: Clean / Paint / Maintain	1,683	5	0		1,683	465.61	1,683
Signs: Common Area	528	10	1	10	494	39.76	494
Signs: Monument - Clean & Maintain	6,704	10	1	10	6,271	505.21	6,271
Walls: Retaining	11,943	10	9		1,039	1,519.87	1,039
Walls: Retaining - Inspection	2,638	2	1		1,299	1,726.80	1,299
Master Association - Total	\$844,126				\$285,662	\$51,878	\$370,620

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 85% Minimum: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Moon Valley Terrace							
Asphalt: Overlay - Moon Valley Terrace	12,926	30	14	3	5,992	559.76	5,992
Asphalt: Repairs - Moon Valley Terrace	555	5	0		555	153.58	555
Asphalt: Sealcoat - Moon Valley Terrace	936	5	0		936	258.86	936
Concrete: Curbs & Gutters: Moon Valley Terrace	355	12	3	10	293	24.13	293
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	2,664	10	1	10	2,492	200.73	2,492
Storm Drains / Underground Inspection: Moon Valley Terrace	<u>3,080</u>	30	11		<u>1,645</u>	<u>148.51</u>	<u>1,645</u>
Moon Valley Terrace - Total	\$20,515				\$11,913	\$1,346	\$11,913
Silver Creek Place							
Asphalt: Overlay - Silver Creek Place	14,164	30	15	4	6,275	592.90	6,275
Asphalt: Repairs - Silver Creek Place	861	5	0		861	238.17	861
Asphalt: Sealcoat - Silver Creek Place	1,062	5	0		1,062	293.74	1,062
Concrete: Curbs & Gutters: Silver Creek Place	432	12	2	10	381	29.70	381
Concrete: Flatwork - Sidewalks - Silver Creek Place	3,292	10	1	10	3,079	248.05	3,079
Lighting: Fixture - Silver Creek Place - Street Light	1,019	25	6		706	60.20	706
Lighting: Power Box - Silver Creek Place - Replace	554	30	11		296	26.73	296
Storm Drains / Underground Inspection: Silver Creek Place	<u>3,080</u>	30	11		<u>1,645</u>	<u>148.51</u>	<u>1,645</u>
Silver Creek Place - Total	\$24,464				\$14,305	\$1,638	\$14,305
Tatum Ranch Place							
Asphalt: Overlay - Tatum Ranch Place	3,844	30	15	4	1,703	160.92	1,703
Asphalt: Repairs - Tatum Ranch Place	217	5	0		217	59.96	217
Asphalt: Sealcoat - Tatum Ranch Place	274	5	0		274	75.81	274
Concrete: Curbs & Gutters: Tatum Ranch Place	301	12	2	10	265	20.65	265
Storm Drains / Underground Inspection: Tatum Ranch Place	<u>3,080</u>	30	11		<u>1,645</u>	<u>148.51</u>	<u>1,645</u>
Tatum Ranch Place - Total	\$7,715				\$4,104	\$466	\$4,104

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 85% Minimum: Component Summary by Category**

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Grand Total:	<u>\$896,820</u>				<u>\$315,983</u>	<u>\$55,327</u>	<u>\$400,941</u>
	Percent Fully Funded				79%		
	Current Average Liability per Unit (Total Units: 570)				-\$149		

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 85% Minimum: Distribution of Accumulated Reserves**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Asphalt: Repairs - Tatum Ranch Place	0	2020	217	217
Asphalt: Sealcoat - Tatum Ranch Place	0	2020	274	274
Asphalt: Repairs - Moon Valley Terrace	0	2020	555	555
Asphalt: Repairs - Silver Creek Place	0	2020	861	861
Asphalt: Repairs - Pedestrian Pathway	0	2020	879	879
Asphalt: Sealcoat - Pedestrian Pathway	0	2020	888	888
Asphalt: Sealcoat - Moon Valley Terrace	0	2020	936	936
Asphalt: Sealcoat - Silver Creek Place	0	2020	1,062	1,062
Mailboxes: Clean / Paint / Maintain	0	2020	1,683	1,683
Bark Dust: Replenish - Common Area	0	2020	4,738	4,738
Signs: Common Area	1	2021	494	494
Walls: Retaining - Inspection	1	2021	1,299	1,299
Concrete: Flatwork - Sidewalks - Moon Valley Terrace				
	1	2021	2,492	2,492
Concrete: Flatwork - Sidewalks - Silver Creek Place				
	1	2021	3,079	3,079
Concrete: Flatwork - Sidewalks - Common Area				
	1	2021	5,509	5,509
Signs: Monument - Clean & Maintain	1	2021	6,271	6,271
Brick: Masonry / Repointing & Repairs	1	2021	7,403	7,403
Concrete: Curbs & Gutters: Tatum Ranch Place				
	2	2022	265	265
Concrete: Curbs & Gutters: Silver Creek Place				
	2	2022	381	381
Fence: Vinyl - Wash - 3 Rail Horse Fence	2	2022	1,826	1,826
Concrete: Curbs & Gutters: Moon Valley Terrace				
	3	2023	293	293
Lighting: Fixtures - Monuments - Renovation	4	2024	577	577
Lighting: Fixture - Silver Creek Place - Street Light				
	6	2026	706	706
Landscaping: Plants & Arborvitae - Phased Replacements				
	6	2026	2,494	2,494
Arborist / Tree Work	6	2026	6,744	6,744
Bridge: Wood - Replacement	6	2026	13,818	13,818

**Arbor Ridge P.U.D. Homeowners Association - Master
Threshold Funding Model - 85% Minimum: Distribution of Accumulated Reserves**

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Walls: Retaining	9	2029	1,039	1,039
Backflow Device: Common Area - Replacement				
	10	2030	1,316	1,316
Asphalt: Overlay - Pedestrian Pathway	10	2030	6,474	6,474
Landscaping: Power Box - Monument - Replace				
	11	2031	296	296
Lighting: Power Box - Silver Creek Place - Replace				
	11	2031	296	296
Storm Drains / Underground Inspection: Moon Valley Terrace				
	11	2031	1,645	1,645
Storm Drains / Underground Inspection: Silver Creek Place				
	11	2031	1,645	1,645
Storm Drains / Underground Inspection: Tatum Ranch Place				
	11	2031	1,645	1,645
Fence: Vinyl - 3 Rail Horse Fence - Replace	11	2031	153,370	153,370
Asphalt: Overlay - Moon Valley Terrace	14	2034	5,992	5,992
Asphalt: Overlay - Tatum Ranch Place	15	2035	1,703	1,703
Asphalt: Overlay - Silver Creek Place	15	2035	6,275	6,275
Bollards - Replace	16	2036	1,189	1,189
Mailboxes: 12 Letter / 1 Package - Replace	21	2041	3,997	3,997
Mailboxes: 16 Letter / 2 Package - Replace	21	2041	23,126	23,126
Fence: Chain Link - Power Coat - Replace	21	2041	* 40,232	125,190
Insurance Deductible Contingency (Unfunded)		Unfunded		
Total Asset Summary			<u>\$315,983</u>	<u>\$400,941</u>

Percent Fully Funded	79%
Current Average Liability per Unit (Total Units: 570)	-\$149

'' Indicates Partially Funded*

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

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 - Master 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, 2020 and ending December 31, 2020. 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 570 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 August 18, 2018.

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

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

a projected beginning reserve balance of \$315,983 as of January 1, 2020. 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: The reserve study has an annual contribution increase of 3.00% per year.

INFLATION RATE: An inflation rate of 1.56% 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 79.35% 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 - Master 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 43 assets were included in this reserve study report; of these considered, 42 were funded and 1 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) Fiscal Year 2017 On-Site Reserve Study by Reserve Studies by Reserve Funding published June 29, 2016, 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

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

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, 2020 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 1.01.

**Arbor Ridge P.U.D. Homeowners Association - Master
Component Funding Model: Summary**

Report Date	June 22, 2019
Account Number	1215a
Version	1.01
Budget Year Beginning	January 1, 2020
Budget Year Ending	December 31, 2020
Total Units	570

<i>Report Parameters</i>	
Inflation	1.56%
Interest Rate on Reserve Deposit	0.70%
Contingency	3.00%
2020 Beginning Balance	\$315,983

Component Funding Model Summary of Calculations

Required Annual Contribution	\$41,834.68
<i>\$73.39 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$2,420.08</u>
Total Annual Allocation to Reserves	\$44,254.76
<i>\$77.64 per unit annually</i>	

**Arbor Ridge P.U.D. Homeowners Association - Master
Component Funding Model: Projection**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Beginning Balance: \$315,983

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2020	711,822	41,835	2,420	12,092	348,146	438,730	79%
2021	722,926	42,838	2,529	29,629	363,884	447,782	81%
2022	734,204	43,156	2,770	11,270	398,540	476,746	84%
2023	745,658	43,763	3,075	3,076	442,301	515,281	86%
2024	757,290	44,240	3,362	6,267	483,636	551,613	88%
2025	769,104	44,520	3,580	16,672	515,064	578,160	89%
2026	781,102	44,745	3,558	51,510	511,857	568,996	90%
2027	793,287	45,336	3,880	2,895	558,179	611,251	91%
2028	805,662	45,606	4,146	11,563	596,367	645,656	92%
2029	818,230	46,117	4,393	14,928	631,949	677,652	93%
2030	830,995	46,452	4,560	26,931	656,030	698,151	94%
2031	843,958	46,828	2,615	329,311	376,161	402,703	93%
2032	857,124	46,224	2,907	7,093	418,199	440,747	95%
2033	870,495	46,875	3,233	3,176	465,131	484,097	96%
2034	884,075	47,306	3,402	26,497	489,342	504,368	97%
2035	897,866	48,006	3,554	29,629	511,273	522,497	98%
2036	911,873	44,646	3,552	48,441	511,030	521,856	98%
2037	926,098	46,317	3,828	10,507	550,668	561,577	98%
2038	940,545	47,007	4,140	6,260	595,555	607,028	98%
2039	955,218	45,869	4,368	17,428	628,365	642,171	98%
2040	970,119	48,989	4,563	25,519	656,398	670,229	98%
2041	985,253	50,446	1,634	473,429	235,048	230,456	102%
2042	1,000,623	48,225	1,936	6,660	278,550	273,244	102%
2043	1,016,233	48,965	2,212	11,530	318,197	312,321	102%
2044	1,032,086	48,708	2,520	6,869	362,556	357,619	101%
2045	1,048,187	47,372	2,767	14,655	398,040	396,215	100%
2046	1,064,538	53,818	2,807	50,877	403,788	398,242	101%
2047	1,081,145	50,638	3,150	4,460	453,115	449,666	101%
2048	1,098,011	53,216	3,481	9,087	500,725	497,826	101%
2049	1,115,140	51,433	3,663	28,928	526,892	526,754	100%

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

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Contingency							
Insurance Deductible Contingency (Unfunded)							
<i>Unfunded</i>							
Master Association							
Arborist / Tree Work	2026	10	0	6	16,859	6,744	6,744
Asphalt: Overlay - Pedestrian Pathway	2030	30	-1	10	9,881	6,474	6,474
Asphalt: Repairs - Pedestrian Pathway	2020	5	-2	0	879	879	879
Asphalt: Sealcoat - Pedestrian Pathway	2020	5	0	0	888	888	888
Backflow Device: Common Area - Replacement	2030	30	0	10	1,974	1,316	1,316
Bark Dust: Replenish - Common Area	2020	2	0	0	4,738	4,738	4,738
Bollards - Replace	2036	35	0	16	2,191	1,189	1,189
Brick: Masonry / Repointing & Repairs	2021	15	5	1	7,792	7,403	7,403
Bridge: Wood - Replacement	2026	25	0	6	18,182	13,818	13,818
Concrete: Flatwork - Sidewalks - Common Area	2021	10	10	1	5,799	5,509	5,509
Fence: Chain Link - Power Coat - Replace	2041	40	0	21	263,559	30,753	125,190
Fence: Vinyl - 3 Rail Horse Fence - Replace	2031	30	0	11	242,164	153,370	153,370
Fence: Vinyl - Wash - 3 Rail Horse Fence	2022	3	0	2	5,479	1,826	1,826
Landscaping: Plants & Arborvitae - Phased Replacements	2026	10	0	6	6,234	2,494	2,494
Landscaping: Power Box - Monument - Replace	2031	30	0	11	468	296	296
Lighting: Fixtures - Monuments - Renovation	2024	8	0	4	1,153	577	577
Mailboxes: 12 Letter / 1 Package - Replace	2041	40	0	21	8,416	3,997	3,997
Mailboxes: 16 Letter / 2 Package - Replace	2041	40	0	21	48,686	23,126	23,126
Mailboxes: Clean / Paint / Maintain	2020	5	0	0	1,683	1,683	1,683
Signs: Common Area	2021	10	10	1	519	494	494
Signs: Monument - Clean & Maintain	2021	10	10	1	6,601	6,271	6,271
Walls: Retaining	2029	10	0	9	10,390	1,039	1,039
Walls: Retaining - Inspection	2021	2	0	1	2,597	1,299	1,299
Master Association - Total					\$667,131	\$276,182	\$370,620
Moon Valley Terrace							
Asphalt: Overlay - Moon Valley Terrace	2034	30	3	14	10,407	5,992	5,992
Asphalt: Repairs - Moon Valley Terrace	2020	5	0	0	555	555	555
Asphalt: Sealcoat - Moon Valley Terrace	2020	5	0	0	936	936	936
Concrete: Curbs & Gutters: Moon Valley Terrace	2023	12	10	3	339	293	293
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	2021	10	10	1	2,623	2,492	2,492

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

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
<i>Moon Valley Terrace continued...</i>							
Storm Drains / Underground Inspection: Moon Valley Terrace	2031	30	0	11	<u>2,597</u>	<u>1,645</u>	<u>1,645</u>
Moon Valley Terrace - Total					\$17,458	\$11,913	\$11,913
Silver Creek Place							
Asphalt: Overlay - Silver Creek Place	2035	30	4	15	11,229	6,275	6,275
Asphalt: Repairs - Silver Creek Place	2020	5	0	0	861	861	861
Asphalt: Sealcoat - Silver Creek Place	2020	5	0	0	1,062	1,062	1,062
Concrete: Curbs & Gutters: Silver Creek Place	2022	12	10	2	419	381	381
Concrete: Flatwork - Sidewalks - Silver Creek Place	2021	10	10	1	3,241	3,079	3,079
Lighting: Fixture - Silver Creek Place - Street Light	2026	25	0	6	929	706	706
Lighting: Power Box - Silver Creek Place - Replace	2031	30	0	11	468	296	296
Storm Drains / Underground Inspection: Silver Creek Place	2031	30	0	11	<u>2,597</u>	<u>1,645</u>	<u>1,645</u>
Silver Creek Place - Total					\$20,806	\$14,305	\$14,305
Tatum Ranch Place							
Asphalt: Overlay - Tatum Ranch Place	2035	30	4	15	3,048	1,703	1,703
Asphalt: Repairs - Tatum Ranch Place	2020	5	0	0	217	217	217
Asphalt: Sealcoat - Tatum Ranch Place	2020	5	0	0	274	274	274
Concrete: Curbs & Gutters: Tatum Ranch Place	2022	12	10	2	291	265	265
Storm Drains / Underground Inspection: Tatum Ranch Place	2031	30	0	11	<u>2,597</u>	<u>1,645</u>	<u>1,645</u>
Tatum Ranch Place - Total					\$6,427	\$4,104	\$4,104
Total Asset Summary					<u>\$711,822</u>	<u>\$306,504</u>	<u>\$400,941</u>
Contingency at 3.00%						<u>\$9,479</u>	<u>\$12,400</u>
Summary Total						\$315,983	\$413,341

Percent Fully Funded	76%
Current Average Liability per Unit (Total Units: 570)	-\$171

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

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Contingency							
Insurance Deductible Contingency (Unfunded)							
	<i>unfunded</i>						
Master Association							
Arborist / Tree Work	18,500	10	6		6,744	1,753.22	6,744
Asphalt: Overlay - Pedestrian Pathway	11,536	30	10	-1	6,474	426.78	6,474
Asphalt: Repairs - Pedestrian Pathway	879	5	0	-2	879	167.31	879
Asphalt: Sealcoat - Pedestrian Pathway	888	5	0		888	169.21	888
Backflow Device: Common Area - Replacement	2,305	30	10		1,316	83.10	1,316
Bark Dust: Replenish - Common Area	4,738	2	0		4,738	2,176.07	4,738
Bollards - Replace	2,807	35	16		1,189	82.98	1,189
Brick: Masonry / Repointing & Repairs	7,914	15	1	5	7,403	453.88	7,403
Bridge: Wood - Replacement	19,951	25	6		13,818	879.79	13,818
Concrete: Flatwork - Sidewalks - Common Area	5,890	10	1	10	5,509	337.80	5,509
Fence: Chain Link - Power Coat - Replace	364,799	40	21		30,753	13,743.62	125,190
Fence: Vinyl - 3 Rail Horse Fence - Replace	287,117	30	11		153,370	10,203.07	153,370
Fence: Vinyl - Wash - 3 Rail Horse Fence	5,651	3	2		1,826	1,754.45	1,826
Landscaping: Plants & Arborvitae - Phased Replacements	6,840	10	6		2,494	648.26	2,494
Landscaping: Power Box - Monument - Replace	554	30	11		296	19.70	296
Lighting: Fixtures - Monuments - Renovation	1,227	8	4		577	147.96	577
Mailboxes: 12 Letter / 1 Package - Replace	11,648	40	21		3,997	293.09	3,997
Mailboxes: 16 Letter / 2 Package - Replace	67,387	40	21		23,126	1,695.57	23,126
Mailboxes: Clean / Paint / Maintain	1,683	5	0		1,683	320.55	1,683
Signs: Common Area	528	10	1	10	494	30.26	494

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

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
<i>Master Association continued...</i>							
Signs: Monument - Clean & Maintain	6,704	10	1	10	6,271	384.52	6,271
Walls: Retaining	11,943	10	9		1,039	1,057.96	1,039
Walls: Retaining - Inspection	<u>2,638</u>	2	1		<u>1,299</u>	<u>1,254.84</u>	<u>1,299</u>
Master Association - Total	\$844,126				\$276,182	\$38,084	\$370,620
Moon Valley Terrace							
Asphalt: Overlay - Moon Valley Terrace	12,926	30	14	3	5,992	410.01	5,992
Asphalt: Repairs - Moon Valley Terrace	555	5	0		555	105.73	555
Asphalt: Sealcoat - Moon Valley Terrace	936	5	0		936	178.21	936
Concrete: Curbs & Gutters: Moon Valley Terrace	355	12	3	10	293	18.21	293
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	2,664	10	1	10	2,492	152.78	2,492
Storm Drains / Underground Inspection: Moon Valley Terrace	<u>3,080</u>	30	11		<u>1,645</u>	<u>109.44</u>	<u>1,645</u>
Moon Valley Terrace - Total	\$20,515				\$11,913	\$974	\$11,913
Silver Creek Place							
Asphalt: Overlay - Silver Creek Place	14,164	30	15	4	6,275	433.52	6,275
Asphalt: Repairs - Silver Creek Place	861	5	0		861	163.96	861
Asphalt: Sealcoat - Silver Creek Place	1,062	5	0		1,062	202.22	1,062
Concrete: Curbs & Gutters: Silver Creek Place	432	12	2	10	381	22.51	381
Concrete: Flatwork - Sidewalks - Silver Creek Place	3,292	10	1	10	3,079	188.80	3,079
Lighting: Fixture - Silver Creek Place - Street Light	1,019	25	6		706	44.94	706
Lighting: Power Box - Silver Creek Place - Replace	554	30	11		296	19.70	296
Storm Drains / Underground Inspection: Silver Creek Place	<u>3,080</u>	30	11		<u>1,645</u>	<u>109.44</u>	<u>1,645</u>
Silver Creek Place - Total	\$24,464				\$14,305	\$1,185	\$14,305
Tatum Ranch Place							
Asphalt: Overlay - Tatum Ranch Place	3,844	30	15	4	1,703	117.66	1,703
Asphalt: Repairs - Tatum Ranch Place	217	5	0		217	41.28	217
Asphalt: Sealcoat - Tatum Ranch Place	274	5	0		274	52.19	274

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

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
<i>Tatum Ranch Place continued...</i>							
Concrete: Curbs & Gutters: Tatum Ranch Place	301	12	2	10	265	15.66	265
Storm Drains / Underground Inspection: Tatum Ranch Place	<u>3,080</u>	30	11		<u>1,645</u>	109.44	<u>1,645</u>
Tatum Ranch Place - Total	<u>\$7,715</u>				<u>\$4,104</u>	<u>\$336</u>	<u>\$4,104</u>
Asset Summary Total:	<u>\$896,820</u>				<u>\$306,504</u>	<u>\$40,580</u>	<u>\$400,941</u>
Contingency at 3.00%					<u>\$9,479</u>	<u>\$1,255</u>	<u>\$12,400</u>
Grand Total:					<u>\$315,983</u>	<u>\$41,835</u>	<u>\$413,341</u>

Percent Fully Funded	76%
Current Average Liability per Unit (Total Units: 570)	-\$171

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

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Asphalt: Repairs - Tatum Ranch Place	0	2020	217	217
Asphalt: Sealcoat - Tatum Ranch Place	0	2020	274	274
Asphalt: Repairs - Moon Valley Terrace	0	2020	555	555
Asphalt: Repairs - Silver Creek Place	0	2020	861	861
Asphalt: Repairs - Pedestrian Pathway	0	2020	879	879
Asphalt: Sealcoat - Pedestrian Pathway	0	2020	888	888
Asphalt: Sealcoat - Moon Valley Terrace	0	2020	936	936
Asphalt: Sealcoat - Silver Creek Place	0	2020	1,062	1,062
Mailboxes: Clean / Paint / Maintain	0	2020	1,683	1,683
Bark Dust: Replenish - Common Area	0	2020	4,738	4,738
Signs: Common Area	1	2021	494	494
Lighting: Fixture - Silver Creek Place - Street Light	6	2026	706	706
Walls: Retaining - Inspection	1	2021	1,299	1,299
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	1	2021	2,492	2,492
Concrete: Flatwork - Sidewalks - Silver Creek Place	1	2021	3,079	3,079
Concrete: Flatwork - Sidewalks - Common Area	1	2021	5,509	5,509
Signs: Monument - Clean & Maintain	1	2021	6,271	6,271
Brick: Masonry / Repointing & Repairs	1	2021	7,403	7,403
Bridge: Wood - Replacement	6	2026	13,818	13,818
Fence: Vinyl - Wash - 3 Rail Horse Fence	2	2022	1,826	1,826
Lighting: Fixtures - Monuments - Renovation	4	2024	577	577
Landscaping: Plants & Arborvitae - Phased Replacements	6	2026	2,494	2,494
Arborist / Tree Work	6	2026	6,744	6,744
Concrete: Curbs & Gutters: Tatum Ranch Place	2	2022	265	265
Concrete: Curbs & Gutters: Silver Creek Place	2	2022	381	381
Concrete: Curbs & Gutters: Moon Valley Terrace	3	2023	293	293

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

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Walls: Retaining	9	2029	1,039	1,039
Backflow Device: Common Area - Replacement				
	10	2030	1,316	1,316
Asphalt: Overlay - Pedestrian Pathway	10	2030	6,474	6,474
Landscaping: Power Box - Monument - Replace				
	11	2031	296	296
Lighting: Power Box - Silver Creek Place - Replace				
	11	2031	296	296
Storm Drains / Underground Inspection: Tatum Ranch Place				
	11	2031	1,645	1,645
Storm Drains / Underground Inspection: Silver Creek Place				
	11	2031	1,645	1,645
Storm Drains / Underground Inspection: Moon Valley Terrace				
	11	2031	1,645	1,645
Fence: Vinyl - 3 Rail Horse Fence - Replace	11	2031	153,370	153,370
Asphalt: Overlay - Moon Valley Terrace	14	2034	5,992	5,992
Asphalt: Overlay - Tatum Ranch Place	15	2035	1,703	1,703
Asphalt: Overlay - Silver Creek Place	15	2035	6,275	6,275
Bollards - Replace	16	2036	1,189	1,189
Mailboxes: 12 Letter / 1 Package - Replace	21	2041	3,997	3,997
Mailboxes: 16 Letter / 2 Package - Replace	21	2041	23,126	23,126
Fence: Chain Link - Power Coat - Replace	21	2041	* 30,753	125,190
Insurance Deductible Contingency (Unfunded)		Unfunded		
			<u>\$306,504</u>	<u>\$400,941</u>
			<u>\$9,479</u>	<u>\$12,400</u>
			<u>\$315,983</u>	<u>\$413,341</u>

Percent Fully Funded	76%
Current Average Liability per Unit (Total Units: 570)	-\$171

'' Indicates Partially Funded*

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

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, 2020 and ending December 31, 2020. 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 570 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 August 18, 2018.

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 \$315,983 as of January 1, 2020. 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.

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

INFLATION RATE: An inflation rate of 1.56% 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 78.44% 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 - Master 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 43 assets were included in this reserve study report; of these considered, 42 were funded and 1 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) Fiscal Year 2017 On-Site Reserve Study by Reserve Studies by Reserve Funding published June 29, 2016, 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 - Master
Baseline 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, 2020 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 1.01.

**Arbor Ridge P.U.D. Homeowners Association - Master
Baseline Funding Model: Summary**

Report Date	June 22, 2019
Account Number	1215a
Version	1.01
Budget Year Beginning	January 1, 2020
Budget Year Ending	December 31, 2020
Total Units	570

<i>Report Parameters</i>	
Inflation	1.56%
Annual Assessment Increase	3.00%
Interest Rate on Reserve Deposit	0.70%
2020 Beginning Balance	\$315,983

Baseline Funding Model Summary of Calculations

Required Annual Contribution	\$27,619.08
<i>\$48.45 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$2,320.57</u>
Total Annual Allocation to Reserves	\$29,939.64
<i>\$52.53 per unit annually</i>	

**Arbor Ridge P.U.D. Homeowners Association - Master
Baseline Funding Model: Projection**

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Beginning Balance: \$315,983

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2020	711,822	27,619	2,321	12,092	333,830	425,568	78%
2021	722,926	28,448	2,329	29,629	334,978	434,349	77%
2022	734,204	29,301	2,471	11,270	355,479	462,443	77%
2023	745,658	30,180	2,678	3,076	385,261	499,823	77%
2024	757,290	31,086	2,871	6,267	412,950	535,064	77%
2025	769,104	32,018	2,998	16,672	431,294	560,815	77%
2026	781,102	32,979	2,889	51,510	415,652	551,926	75%
2027	793,287	33,968	3,127	2,895	449,853	592,913	76%
2028	805,662	34,987	3,313	11,563	476,589	626,286	76%
2029	818,230	36,037	3,484	14,928	501,182	657,322	76%
2030	830,995	37,118	3,580	26,931	514,948	677,207	76%
2031	843,958	38,231	1,567	329,311	225,435	390,622	58%
2032	857,124	39,378	1,804	7,093	259,524	427,524	61%
2033	870,495	40,560	2,078	3,176	298,985	469,574	64%
2034	884,075	41,776	2,200	26,497	316,465	489,237	65%
2035	897,866	43,030	2,309	29,629	332,174	506,822	66%
2036	911,873	44,321	2,296	48,441	330,350	506,200	65%
2037	926,098	45,650	2,558	10,507	368,051	544,729	68%
2038	940,545	47,020	2,862	6,260	411,673	588,817	70%
2039	955,218	48,430	3,099	17,428	445,774	622,906	72%
2040	970,119	49,883	3,291	25,519	473,429	650,122	73%
2041	985,253	34,086	239	473,429	34,324	223,542	15%
2042	1,000,623	35,108	439	6,660	63,212	265,047	24%
2043	1,016,233	36,162	615	11,530	88,459	302,952	29%
2044	1,032,086	37,246	832	6,869	119,668	346,891	34%
2045	1,048,187	38,364	1,004	14,655	144,381	384,328	38%
2046	1,064,538	39,515	931	50,877	133,950	386,295	35%
2047	1,081,145	40,700	1,191	4,460	171,381	436,176	39%
2048	1,098,011	41,921	1,430	9,087	205,645	482,891	43%
2049	1,115,140	43,179	1,539	28,928	221,434	510,951	43%

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

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Contingency							
Insurance Deductible Contingency (Unfunded)							
	<i>unfunded</i>						
Master Association							
Arborist / Tree Work	18,500	10	6		6,744	1,217.19	6,744
Asphalt: Overlay - Pedestrian Pathway	11,536	30	10	-1	6,474	288.46	6,474
Asphalt: Repairs - Pedestrian Pathway	879	5	0	-2	879	121.32	879
Asphalt: Sealcoat - Pedestrian Pathway	888	5	0		888	122.69	888
Backflow Device: Common Area - Replacement	2,305	30	10		1,316	56.10	1,316
Bark Dust: Replenish - Common Area	4,738	2	0		4,738	1,577.90	4,738
Bollards - Replace	2,807	35	16		1,189	56.75	1,189
Brick: Masonry / Repointing & Repairs	7,914	15	1	5	7,403	297.69	7,403
Bridge: Wood - Replacement	19,951	25	6		13,818	588.27	13,818
Concrete: Flatwork - Sidewalks - Common Area	5,890	10	1	10	5,509	221.56	5,509
Fence: Chain Link - Power Coat - Replace	364,799	40	21		40,232	9,150.51	125,190
Fence: Vinyl - 3 Rail Horse Fence - Replace	287,117	30	11		153,370	6,912.00	153,370
Fence: Vinyl - Wash - 3 Rail Horse Fence	5,651	3	2		1,826	1,226.74	1,826
Landscaping: Plants & Arborvitae - Phased Replacements	6,840	10	6		2,494	450.06	2,494
Landscaping: Power Box - Monument - Replace	554	30	11		296	13.34	296
Lighting: Fixtures - Monuments - Renovation	1,227	8	4		577	101.64	577
Mailboxes: 12 Letter / 1 Package - Replace	11,648	40	21		3,997	201.87	3,997
Mailboxes: 16 Letter / 2 Package - Replace	67,387	40	21		23,126	1,167.84	23,126
Mailboxes: Clean / Paint / Maintain	1,683	5	0		1,683	232.43	1,683
Signs: Common Area	528	10	1	10	494	19.85	494

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

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
<i>Master Association continued...</i>							
Signs: Monument - Clean & Maintain	6,704	10	1	10	6,271	252.20	6,271
Walls: Retaining	11,943	10	9		1,039	758.71	1,039
Walls: Retaining - Inspection	<u>2,638</u>	2	1		<u>1,299</u>	<u>862.01</u>	<u>1,299</u>
Master Association - Total	\$844,126				\$285,662	\$25,897	\$370,620
Moon Valley Terrace							
Asphalt: Overlay - Moon Valley Terrace	12,926	30	14	3	5,992	279.43	5,992
Asphalt: Repairs - Moon Valley Terrace	555	5	0		555	76.66	555
Asphalt: Sealcoat - Moon Valley Terrace	936	5	0		936	129.22	936
Concrete: Curbs & Gutters: Moon Valley Terrace	355	12	3	10	293	12.05	293
Concrete: Flatwork - Sidewalks - Moon Valley Terrace	2,664	10	1	10	2,492	100.21	2,492
Storm Drains / Underground Inspection: Moon Valley Terrace	<u>3,080</u>	30	11		<u>1,645</u>	<u>74.14</u>	<u>1,645</u>
Moon Valley Terrace - Total	\$20,515				\$11,913	\$672	\$11,913
Silver Creek Place							
Asphalt: Overlay - Silver Creek Place	14,164	30	15	4	6,275	295.97	6,275
Asphalt: Repairs - Silver Creek Place	861	5	0		861	118.89	861
Asphalt: Sealcoat - Silver Creek Place	1,062	5	0		1,062	146.64	1,062
Concrete: Curbs & Gutters: Silver Creek Place	432	12	2	10	381	14.83	381
Concrete: Flatwork - Sidewalks - Silver Creek Place	3,292	10	1	10	3,079	123.83	3,079
Lighting: Fixture - Silver Creek Place - Street Light	1,019	25	6		706	30.05	706
Lighting: Power Box - Silver Creek Place - Replace	554	30	11		296	13.34	296
Storm Drains / Underground Inspection: Silver Creek Place	<u>3,080</u>	30	11		<u>1,645</u>	<u>74.14</u>	<u>1,645</u>
Silver Creek Place - Total	\$24,464				\$14,305	\$818	\$14,305
Tatum Ranch Place							
Asphalt: Overlay - Tatum Ranch Place	3,844	30	15	4	1,703	80.33	1,703
Asphalt: Repairs - Tatum Ranch Place	217	5	0		217	29.93	217
Asphalt: Sealcoat - Tatum Ranch Place	274	5	0		274	37.84	274

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

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
<i>Tatum Ranch Place continued...</i>							
Concrete: Curbs & Gutters: Tatum Ranch Place	301	12	2	10	265	10.31	265
Storm Drains / Underground Inspection: Tatum Ranch Place	3,080	30	11		1,645	74.14	1,645
Tatum Ranch Place - Total	<u>\$7,715</u>				<u>\$4,104</u>	<u>\$233</u>	<u>\$4,104</u>
 Grand Total:	 <u><u>\$896,820</u></u>				 <u><u>\$315,983</u></u>	 <u><u>\$27,619</u></u>	 <u><u>\$400,941</u></u>

Percent Fully Funded	79%
Current Average Liability per Unit (Total Units: 570)	-\$149

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

Report Date June 22, 2019
Beginning Fiscal Year January 01, 2020
Account Number 1215a

Version Number 1.01

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Asphalt: Repairs - Tatum Ranch Place	0	2020	217	217
Asphalt: Sealcoat - Tatum Ranch Place	0	2020	274	274
Asphalt: Repairs - Moon Valley Terrace	0	2020	555	555
Asphalt: Repairs - Silver Creek Place	0	2020	861	861
Asphalt: Repairs - Pedestrian Pathway	0	2020	879	879
Asphalt: Sealcoat - Pedestrian Pathway	0	2020	888	888
Asphalt: Sealcoat - Moon Valley Terrace	0	2020	936	936
Asphalt: Sealcoat - Silver Creek Place	0	2020	1,062	1,062
Mailboxes: Clean / Paint / Maintain	0	2020	1,683	1,683
Bark Dust: Replenish - Common Area	0	2020	4,738	4,738
Signs: Common Area	1	2021	494	494
Walls: Retaining - Inspection	1	2021	1,299	1,299
Concrete: Flatwork - Sidewalks - Moon Valley Terrace				
	1	2021	2,492	2,492
Concrete: Flatwork - Sidewalks - Silver Creek Place				
	1	2021	3,079	3,079
Concrete: Flatwork - Sidewalks - Common Area				
	1	2021	5,509	5,509
Signs: Monument - Clean & Maintain	1	2021	6,271	6,271
Brick: Masonry / Repointing & Repairs	1	2021	7,403	7,403
Concrete: Curbs & Gutters: Tatum Ranch Place				
	2	2022	265	265
Concrete: Curbs & Gutters: Silver Creek Place				
	2	2022	381	381
Fence: Vinyl - Wash - 3 Rail Horse Fence	2	2022	1,826	1,826
Concrete: Curbs & Gutters: Moon Valley Terrace				
	3	2023	293	293
Lighting: Fixtures - Monuments - Renovation	4	2024	577	577
Lighting: Fixture - Silver Creek Place - Street Light				
	6	2026	706	706
Landscaping: Plants & Arborvitae - Phased Replacements				
	6	2026	2,494	2,494
Arborist / Tree Work	6	2026	6,744	6,744
Bridge: Wood - Replacement	6	2026	13,818	13,818

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

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Walls: Retaining	9	2029	1,039	1,039
Backflow Device: Common Area - Replacement				
	10	2030	1,316	1,316
Asphalt: Overlay - Pedestrian Pathway	10	2030	6,474	6,474
Landscaping: Power Box - Monument - Replace				
	11	2031	296	296
Lighting: Power Box - Silver Creek Place - Replace				
	11	2031	296	296
Storm Drains / Underground Inspection: Moon Valley Terrace				
	11	2031	1,645	1,645
Storm Drains / Underground Inspection: Silver Creek Place				
	11	2031	1,645	1,645
Storm Drains / Underground Inspection: Tatum Ranch Place				
	11	2031	1,645	1,645
Fence: Vinyl - 3 Rail Horse Fence - Replace	11	2031	153,370	153,370
Asphalt: Overlay - Moon Valley Terrace	14	2034	5,992	5,992
Asphalt: Overlay - Tatum Ranch Place	15	2035	1,703	1,703
Asphalt: Overlay - Silver Creek Place	15	2035	6,275	6,275
Bollards - Replace	16	2036	1,189	1,189
Mailboxes: 12 Letter / 1 Package - Replace	21	2041	3,997	3,997
Mailboxes: 16 Letter / 2 Package - Replace	21	2041	23,126	23,126
Fence: Chain Link - Power Coat - Replace	21	2041	* 40,232	125,190
Insurance Deductible Contingency (Unfunded)		Unfunded		
Total Asset Summary			<u>\$315,983</u>	<u>\$400,941</u>

Percent Fully Funded	79%
Current Average Liability per Unit (Total Units: 570)	-\$149

'' Indicates Partially Funded*

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

Report Date June 22, 2019
 Beginning Fiscal Year January 01, 2020
 Account Number 1215a

Version Number 1.01

Insurance Deductible Contingency (Unfunded)

Asset ID	1043	Asset Cost	\$5,078.00
	Non-Capital Contingency	Percent Replacement	100%
		Future Cost	\$5,078.00
Placed in Service		Assigned Reserves	<i>none</i>
Useful Life	7		
Replacement Year	2020	<i>No Future Assessments</i>	
Remaining Life	0		

Several community Associations elect to obtain insurance against a possible significant loss such as; flood, wind, earthquake, or other major disaster. Due to the nature of this type of insurance, the deductible is often quite large. However, National Reserve Study Standards dictate that any potential expense in the Reserve Study meet the following four-part test to be funded through reserves:

- 1) Common area maintenance responsibility
- 2) Useful Life limit/cycle
- 3) Predictable Remaining Useful Life
- 4) Above a minimum threshold cost of significance.

This simply means major, Association-responsibility, predictable, cyclical projects should appear in the Reserve Study. However, since catastrophic events do not have repeatable life cycle intervals and since the next occurrence of such an expense is not predictable, catastrophic event insurance deductibles fail test #2 and #3, making them inappropriate for Reserve component designation according to the National Reserve Study Standards. **Therefore, this line item has been “unfunded” in this Reserve Study report.**

Failure to continue to fund this line item in some fashion may result in a lack of funds-on-hand to fund the deductible if needed. Some community associations opt to have this line item funded as a contingency (or other method) within the structure of the operating account.

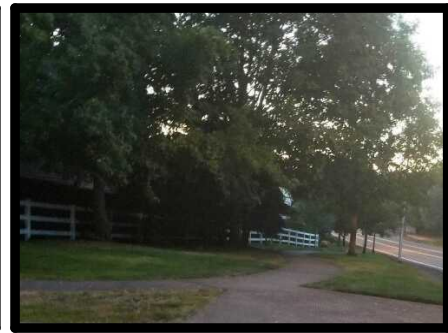
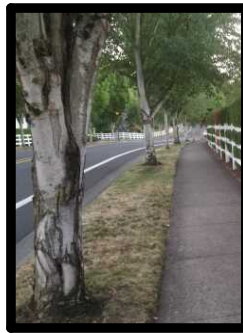
**Arbor Ridge P.U.D. Homeowners Association - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Contingency - Total Current Cost	\$0
Assigned Reserves	\$0
Fully Funded Reserves	\$0

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

Arborist / Tree Work

Asset ID	1036	1 Total	@ \$16,859.18
	Non-Capital	Asset Cost	\$16,859.18
	Master Association	Percent Replacement	100%
Placed in Service	September 2016	Future Cost	\$18,500.04
Useful Life	10	Assigned Reserves	\$6,743.67
Replacement Year	2026	Annual Assessment	\$1,693.31
Remaining Life	6	Interest Contribution	<u>\$59.06</u>
		Reserve Allocation	\$1,752.37



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 indicated that there are 333 trees under the jurisdiction of the HOA.

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: The 2017 on-site reserve study by Reserve Studies by Reserve Funding published June 29, 2016 reported that \$3,727 was spent in 2015 for tree work.

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

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

Arborist / Tree Work continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Asphalt: Overlay - Pedestrian Pathway

Asset ID	1003	4,510 Square Feet	@ \$2.19
	Capital	Asset Cost	\$9,881.41
	Master Association	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$11,535.75
Useful Life	30	Assigned Reserves	\$6,474.03
Adjustment	-1	Annual Assessment	\$401.30
Replacement Year	2030	Interest Contribution	\$48.13
Remaining Life	10	Reserve Allocation	\$449.43



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

We have increased the component base cost for inflation. We have extended the overlay to the year 2030 in order to align with the 2030 seal coat. This is a constantly moving target and should be reevaluated in the scope of future reserve studies.

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. The component has been moved to align with the seal coat cycle in FY 2029.

This line item is for the renewal of the asphalt walking area. This includes the application of a bituminous overlay which normally is applied in one and a half inches to two inches thickness. This renewal of the overlay is designed to renew the life cycle of the pavement. The asphalt is in fair to inferior condition in several areas and should be seal coated on a regular 4-5 year cycle to archive the maximum life expectancy. The Board should obtain a bid to confirm this estimate as the cost varies due to accessibility and other related factors as the material may be required to be transported vis-à-vis wheelbarrow.

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.

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

Asphalt: Overlay - Pedestrian Pathway continued...

Recent expenditure history: Unknown, appears to be original.

Asset condition: Fair to inferior. The previous reserve study indicated that there was numerous cracks on the pathway. It appears that some repair work has been performed. This constantly requires monitoring for safety reasons.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Asphalt: Repairs - Pedestrian Pathway

Asset ID	1005	4,510 Square Feet	@ \$3.90
	Capital	Asset Cost	\$878.50
	Master Association	Percent Replacement	5%
Placed in Service	September 2016	Future Cost	\$878.50
Useful Life	5	Assigned Reserves	\$878.50
Adjustment	-2	Annual Assessment	\$168.77
Replacement Year	2020	Interest Contribution	\$1.18
Remaining Life	0	Reserve Allocation	\$169.96



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. 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.

This line item is for the maintenance of the asphalt overlay in the walking areas of the community during each seal coat cycle. Overlay surface appeared in fair condition and should be seal coated every 3-5 years in order to maximize life expectancy. The existing seal coat appears to have been completely diminished and should be reapplied. The Board should obtain a bid to confirm this estimate as the cost varies due to accessibility and other related factors as the material may be required to be transported vis-à-vis wheelbarrow.

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, however there appears to have been various repairs performed in the

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

Asphalt: Repairs - Pedestrian Pathway continued...

past. (see leftmost photo)

Asset condition: Fair. The previous reserve study indicated that there was numerous cracks on the pathway. It appears that some repair work has been performed. This constantly requires monitoring for safety reasons.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Asphalt: Sealcoat - Pedestrian Pathway

Asset ID	1010	4,510 Square Feet	@ \$0.20
	Non-Capital	Asset Cost	\$888.47
	Master Association	Percent Replacement	100%
Placed in Service	September 2013	Future Cost	\$888.47
Useful Life	5	Assigned Reserves	\$888.47
Replacement Year	2020	Annual Assessment	\$170.69
Remaining Life	0	Interest Contribution	<u>\$1.19</u>
		Reserve Allocation	\$171.88



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. 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.

This line item is a provision to replace the asphalt seal coat on a 4-5 year cycle on the private roadway. Life expectancy of overlay will vary depending how the Board of Directors strategize the maintenance for this line item including but not limited to seal coating at regular intervals.

The Board should obtain a bid to confirm this estimate as the cost varies due to accessibility and other related factors as the material may be required to be transported vis-à-vis wheelbarrow. This line item should coincide with overlay repair cycle as this has been separated in a different line item in this reserve study report.

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.

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

Asphalt: Sealcoat - Pedestrian Pathway continued...

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Backflow Device: Common Area - Replacement

Asset ID	1041	2 Each	@ \$987.01
	Capital	Asset Cost	\$1,974.02
	Master Association	Percent Replacement	100%
Placed in Service	January 2000	Future Cost	\$2,304.51
Useful Life	30	Assigned Reserves	\$1,316.01
Replacement Year	2030	Annual Assessment	\$78.04
Remaining Life	10	Interest Contribution	<u>\$9.76</u>
		Reserve Allocation	\$87.80

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 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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Bark Dust: Replenish - Common Area

		16 Units	@ \$296.10
Asset ID	1013	Asset Cost	\$4,737.64
	Non-Capital	Percent Replacement	100%
	Master Association	Future Cost	\$4,737.64
Placed in Service	May 2015	Assigned Reserves	\$4,737.64
Useful Life	2		
Replacement Year	2020	Annual Assessment	\$2,195.13
Remaining Life	0	Interest Contribution	<u>\$15.37</u>
		Reserve Allocation	\$2,210.50



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 14 to 20 units of bark dust in the common 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.

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

Bark Dust: Replenish - Common Area continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Bollards - Replace

		4 Each	@ \$547.80
Asset ID	1042	Asset Cost	\$2,191.18
	Capital	Percent Replacement	100%
	Master Association	Future Cost	\$2,806.99
Placed in Service	January 2001	Assigned Reserves	\$1,189.50
Useful Life	35		
Replacement Year	2036	Annual Assessment	\$78.95
Remaining Life	16	Interest Contribution	<u>\$8.88</u>
		Reserve Allocation	\$87.82



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 replacement of the walkway bollards protecting the pedestrian pathway on the property. Bollards are in fair condition and should be painted with bright paint within the paint cycle. Analyst notes that it appears that one bollard is missing and should be replaced.

The Association should obtain a bid from a local certified, licensed, and bonded contractor 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. The useful life of this component is predicated on the assumption the component was properly installed or applied. 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.

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.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of

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

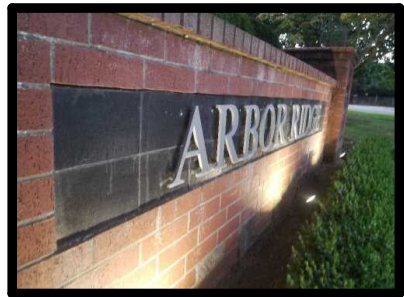
Bollards - Replace continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Brick: Masonry / Repointing & Repairs

		1 Total	@ \$7,792.19
Asset ID	1014	Asset Cost	\$7,792.19
	Non-Capital	Percent Replacement	100%
	Master Association	Future Cost	\$7,913.75
Placed in Service	January 2001	Assigned Reserves	\$7,402.58
Useful Life	15		
Adjustment	5	Annual Assessment	\$414.14
Replacement Year	2021	Interest Contribution	<u>\$54.72</u>
Remaining Life	1	Reserve Allocation	\$468.85



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. 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.

This line item is for the tuck-pointing needed for the brick and other similar surfaces in the community. Scope of work assumes that 30% of the surface area will require work every 15 years. The Board is encouraged to explore and investigate these assumptions. Excising tuckpoint appears to be in fair condition.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. We have extended the life of this component to occur in the 2021 fiscal year due

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

Brick: Masonry / Repointing & Repairs continued...

to the present condition.

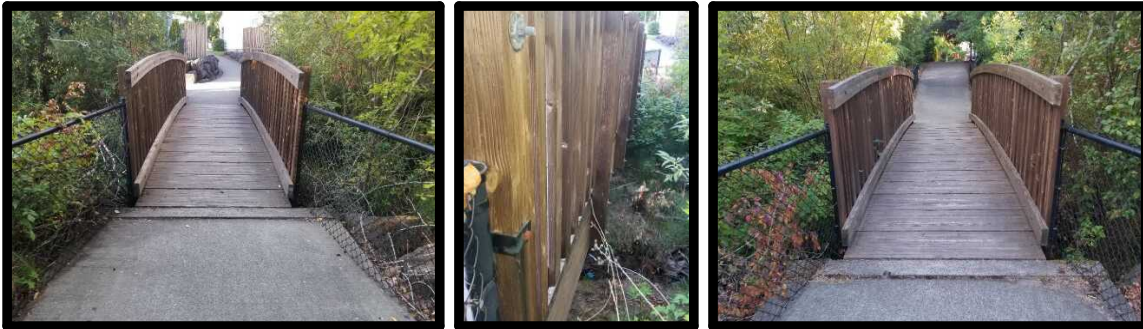
Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Bridge: Wood - Replacement

Asset ID	1015	1 Total	@ \$18,181.78
	Capital	Asset Cost	\$18,181.78
	Master Association	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$19,951.36
Useful Life	25	Assigned Reserves	\$13,818.15
Replacement Year	2026	Annual Assessment	\$818.39
Remaining Life	6	Interest Contribution	<u>\$102.46</u>
		Reserve Allocation	\$920.84



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. 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. The structure consists of primarily glulam beams with Douglas Fur uprights and wooden railings.

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: The 2017 reserve study by Reserve Studies by Reserve Funding indicated that some work was performed on the bridge at a cost of \$2,500.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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

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

Bridge: Wood - Replacement continued...

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.

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

Concrete: Flatwork - Sidewalks - Common Area

		2,326 Square Feet	@ \$12.47
Asset ID	1016	Asset Cost	\$5,799.37
	Capital	Percent Replacement	20%
	Master Association	Future Cost	\$5,889.84
Placed in Service	January 2001	Assigned Reserves	\$5,509.40
Useful Life	10		
Adjustment	10	Annual Assessment	\$308.22
Replacement Year	2021	Interest Contribution	<u>\$40.72</u>
Remaining Life	1	Reserve Allocation	\$348.95



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. 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. We have extended the life of these components based on the present visual condition.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy.

Note: It is anticipated that any repairs required will be addressed immediately due to obvious ongoing safety concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point where they

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

Concrete: Flatwork - Sidewalks - Common Area continued...

would become a major expense. Minor repairs, as needed, may be covered by the operational budget, operational contingency or reserve contingency.

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

Fence: Chain Link - Power Coat - Replace

Asset ID	1022	11,225 Linear Feet	@ \$23.48
	Capital	Asset Cost	\$263,558.51
	Master Association	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$364,798.95
Useful Life	40	Assigned Reserves	\$40,232.21
Replacement Year	2041	Annual Assessment	\$12,729.93
Remaining Life	21	Interest Contribution	\$370.73
		Reserve Allocation	\$13,100.67



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. Quantity presented in the 2017 reserve study by Reserve Studies by Reserve Funding appears to be accurate +/- 15% based on our visual observation. Component appears to be wearing as expected based on the assets chronological age. We were not able to observe all the fences due to vegetation and foliage.

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.

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.

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

Fence: Chain Link - Power Coat - Replace continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Fence: Vinyl - 3 Rail Horse Fence - Replace

Asset ID	1023	9,600 Linear Feet	@ \$25.23
	Capital	Asset Cost	\$242,163.84
	Master Association	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$287,117.00
Useful Life	30	Assigned Reserves	\$153,370.43
Replacement Year	2031	Annual Assessment	\$9,615.78
Remaining Life	11	Interest Contribution	<u>\$1,140.90</u>
		Reserve Allocation	\$10,756.68



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. 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.

Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

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

Fence: Vinyl - 3 Rail Horse Fence - Replace continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Fence: Vinyl - Wash - 3 Rail Horse Fence

Asset ID	1024	9,600 Linear Feet	@ \$0.57
	Capital	Asset Cost	\$5,478.72
	Master Association	Percent Replacement	100%
Placed in Service	May 2019	Future Cost	\$5,650.99
Useful Life	3	Assigned Reserves	\$1,826.24
Replacement Year	2022	Annual Assessment	\$1,706.60
Remaining Life	2	Interest Contribution	\$24.73
		Reserve Allocation	\$1,731.33



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

According to management, this event occurred in May 2019 at a total cost of \$3,370. We have responded by adjusting the placed in service date. The Board is encouraged to compare the original scope of work versus the actual work performed in 2019 as there is a significant difference between the forecasted cost and actual 2019 cost.

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, analyst has increased the frequency of this event to occur every 3 years instead of every 6 years (per the previous reserve study) as the 6-year cycle does not appear to be sufficient to keep the surfaces of the fence clean.

Asset condition: Fair to inferior. There is evidence of buildup on some fences. See upper photo.

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

Fence: Vinyl - Wash - 3 Rail Horse Fence continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Landscaping: Plants & Arborvitae - Phased Replacements

Asset ID	1025	1 Total	@ \$6,233.75
	Non-Capital	Asset Cost	\$6,233.75
	Master Association	Percent Replacement	100%
Placed in Service	July 2016	Future Cost	\$6,840.47
Useful Life	10	Assigned Reserves	\$2,493.50
Replacement Year	2026	Annual Assessment	\$626.11
Remaining Life	6	Interest Contribution	\$21.84
		Reserve Allocation	\$647.95



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. 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.

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

Landscaping: Plants & Arborvitae - Phased Replacements continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Landscaping: Power Box - Monument - Replace

Asset ID	1040	1 Total	@ \$467.53
	Capital	Asset Cost	\$467.53
	Master Association	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$554.32
Useful Life	30	Assigned Reserves	\$296.10
Replacement Year	2031	Annual Assessment	\$18.56
Remaining Life	11	Interest Contribution	<u>\$2.20</u>
		Reserve Allocation	\$20.77



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. 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

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

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

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Lighting: Fixtures - Monuments - Renovation

Asset ID	1026	6 Each	@ \$192.21
	Capital	Asset Cost	\$1,153.24
	Master Association	Percent Replacement	100%
Placed in Service	September 2016	Future Cost	\$1,226.90
Useful Life	8	Assigned Reserves	\$576.62
Replacement Year	2024	Annual Assessment	\$141.40
Remaining Life	4	Interest Contribution	\$5.03
		Reserve Allocation	\$146.43



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. 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.

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

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

Lighting: Fixtures - Monuments - Renovation continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Mailboxes: 12 Letter / 1 Package - Replace

Asset ID	1039	6 Each	@ \$1,402.59
	Capital	Asset Cost	\$8,415.56
	Master Association	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$11,648.22
Useful Life	40	Assigned Reserves	\$3,997.39
Replacement Year	2041	Annual Assessment	\$280.83
Remaining Life	21	Interest Contribution	\$29.95
		Reserve Allocation	\$310.78



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. 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.

This line item is for the gang-cluster 12-letter slot / 2 parcel mailboxes in the common areas. Assets appear to be in good to fair condition. Asset is similar to SKU: WL-3313SAN-UBM found at several websites for between \$1300 and \$1500 on the internet. Analyst assumes that an additional \$200 will be required for installation, disposal, pedestal, shipping and handling. Mailboxes should be cleaned every 4-5 years. Existing boxes appear to be in fair condition.

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.

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

Mailboxes: 12 Letter / 1 Package - Replace continued...

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Mailboxes: 16 Letter / 2 Package - Replace

Asset ID	1030	30 Each	@ \$1,622.85
	Capital	Asset Cost	\$48,685.56
	Master Association	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$67,387.09
Useful Life	40	Assigned Reserves	\$23,125.64
Replacement Year	2041	Annual Assessment	\$1,624.67
Remaining Life	21	Interest Contribution	\$173.25
		Reserve Allocation	\$1,797.92



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. 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.

This line item is for the gang-cluster 16-letter slot / 2 parcel mailboxes in the common areas. Assets appear to be in good to fair condition. Asset is similar to Model #afecbu16-sd found at several websites on the internet for between \$1300 and \$1500 on the internet. Analyst assumes that an additional \$200 will be required for installation, disposal, pedestal, shipping and handling. Mailboxes should be cleaned every 4-5 years. Existing boxes appear to be in fair condition.

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.

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

Mailboxes: 16 Letter / 2 Package - Replace continued...

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Mailboxes: Clean / Paint / Maintain

		36 Each	@ \$1,558.44
Asset ID	1029	Asset Cost	\$1,683.11
	Capital	Percent Replacement	3%
	Master Association	Future Cost	\$1,683.11
Placed in Service	January 2015	Assigned Reserves	\$1,683.11
Useful Life	5		
Replacement Year	2020	Annual Assessment	\$323.35
Remaining Life	0	Interest Contribution	<u>\$2.26</u>
		Reserve Allocation	\$325.62



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. 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, some work reported to have been completed in 2015.

Asset condition: Good to fair.

Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in

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

Mailboxes: Clean / Paint / Maintain continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Signs: Common Area

Asset ID	1031	1 Allowance	@ \$519.48
	Capital	Asset Cost	\$519.48
	Master Association	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$527.58
Useful Life	10	Assigned Reserves	\$493.51
Adjustment	10	Annual Assessment	\$27.61
Replacement Year	2021	Interest Contribution	<u>\$3.65</u>
Remaining Life	1	Reserve Allocation	\$31.26



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. Quantity presented in the 2017 reserve study by Reserve Studies by Reserve Funding appears to be accurate +/- 10% based on our visual observation. This line item funds the various signs around the property excluding the entry monument signage.

Component appears to be wearing as expected based on the assets chronological age. We have extended the life of these components based on the present visual condition.

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. This constantly requires monitoring for safety reasons.

Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

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

Signs: Common Area continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Signs: Monument - Clean & Maintain

		2 Each	@ \$3,300.70
Asset ID	1032	Asset Cost	\$6,601.40
	Capital	Percent Replacement	100%
	Master Association	Future Cost	\$6,704.38
Placed in Service	January 2001	Assigned Reserves	\$6,271.33
Useful Life	10		
Adjustment	10	Annual Assessment	\$350.85
Replacement Year	2021	Interest Contribution	<u>\$46.36</u>
Remaining Life	1	Reserve Allocation	\$397.20



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 cost per industry reporting for these assets to us. 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.

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

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

Signs: Monument - Clean & Maintain continued...

free of charge prior to or during the fiscal year that the study is prepared for.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Walls: Retaining

Asset ID	1037	1 Total	@ \$51,947.94
Capital		Asset Cost	\$10,389.59
Master Association		Percent Replacement	20%
Placed in Service	September 2019	Future Cost	\$11,942.70
Useful Life	10	Assigned Reserves	\$1,038.96
Replacement Year	2029	Annual Assessment	\$1,055.49
Remaining Life	9	Interest Contribution	\$14.66
		Reserve Allocation	\$1,070.15



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

We have increased the component base cost for inflation. Management expects that the walls under jurisdiction of the HOA to maintain will be inspected at a total cost of \$2557 in September 2019. We have reset this line item per this expense.

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. The previous reserve study indicated that there are concerns regarding the retaining walls on the property, mainly the back yard foundation on Oak Street at NW Union Hills Terrace. It was recommended in 2007 that a licensed and bonded contractor review the walls and make a recommendation to the Board and management. Columbia Geotechnical prepared a Field Summary Report in 2015, however ReserveStudyUpdate.com, LLC has not seen the report.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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

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

Walls: Retaining continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Walls: Retaining - Inspection

		1 Total	@ \$2,597.40
Asset ID	1038	Asset Cost	\$2,597.40
	Non-Capital	Percent Replacement	100%
	Master Association	Future Cost	\$2,637.92
Placed in Service	September 2019	Assigned Reserves	\$1,298.70
Useful Life	2		
Replacement Year	2021	Annual Assessment	\$1,199.20
Remaining Life	1	Interest Contribution	<u>\$17.49</u>
		Reserve Allocation	\$1,216.69

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

We have increased the component base cost for inflation. Management expects that the walls under jurisdiction of the HOA to maintain will be inspected at a total cost of \$2557 in September 2019. We have reset this line item per this expense.

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. The previous reserve study indicated that there are concerns regarding the retaining walls on the property, mainly the back yard foundation on Oak Street at NW Union Hills Terrace. It was recommended in 2007 that a licensed and bonded contractor review the walls and make a recommendation to the Board and management. Columbia Geotechnical prepared a Field Summary Report in 2015, however ReserveStudyUpdate.com, LLC has not received or reviewed the report.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

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.

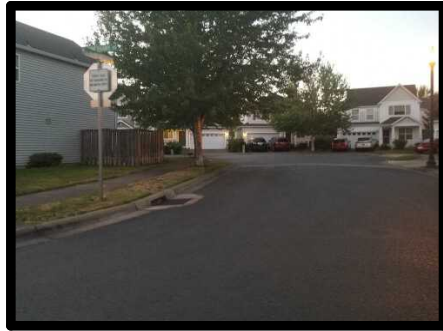
**Arbor Ridge P.U.D. Homeowners Association - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Master Association - Total Current Cost	\$667,131
Assigned Reserves	\$285,662
Fully Funded Reserves	\$370,620

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

Asphalt: Overlay - Moon Valley Terrace

Asset ID	1001	4,750 Square Feet	@ \$2.19
	Capital	Asset Cost	\$10,407.25
	Moon Valley Terrace	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$12,925.69
Useful Life	30	Assigned Reserves	\$5,992.05
Adjustment	3	Annual Assessment	\$388.73
Replacement Year	2034	Interest Contribution	\$44.67
Remaining Life	14	Reserve Allocation	\$433.40



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

We have increased the component base cost for inflation. We have extended the overlay to the year 2035 in order to align with the 2035 seal coat. This is a constantly moving target and should be reevaluated in the scope of future reserve studies.

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.

This line item is for the renewal of the asphalt parking areas and streets. This includes the application of a bituminous overlay which normally is applied in one and a half inches to two inches thickness. This renewal of the overlay is designed to renew the life cycle of the pavement. The asphalt is in good condition in several areas and should be seal coated on a regular 4-5 year cycle to archive the maximum life expectancy.

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.

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

Asphalt: Overlay - Moon Valley Terrace continued...

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

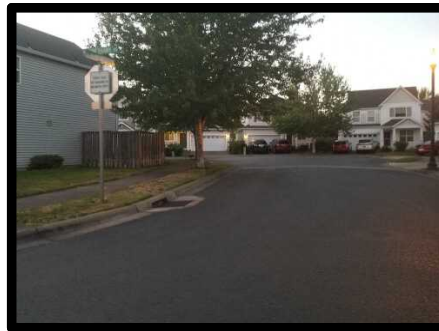
Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Asphalt: Repairs - Moon Valley Terrace

Asset ID	1006	4,750 Square Feet	@ \$3.90
	Capital	Asset Cost	\$555.15
	Moon Valley Terrace	Percent Replacement	3%
Placed in Service	July 2014	Future Cost	\$555.15
Useful Life	5	Assigned Reserves	\$555.15
Replacement Year	2020	Annual Assessment	\$106.65
Remaining Life	0	Interest Contribution	\$0.75
		Reserve Allocation	\$107.40



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. 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.

This line item is for the maintenance of the asphalt overlay in the driving areas of the community during each seal coat cycle. Overlay surface appeared in fair condition and should be seal coated every 3-5 years in order to maximize life expectancy. The existing seal coat appears to have been completely diminished and should be reapplied.

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.

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

Asphalt: Repairs - Moon Valley Terrace continued...

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

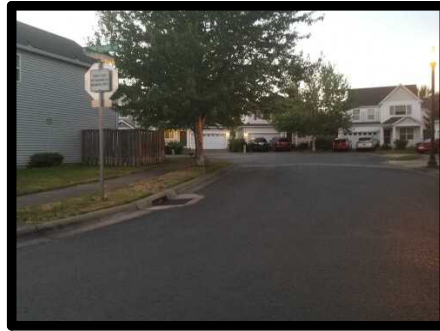
Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Asphalt: Sealcoat - Moon Valley Terrace

Asset ID	1009	4,750 Square Feet	@ \$0.20
	Non-Capital	Asset Cost	\$935.75
	Moon Valley Terrace	Percent Replacement	100%
Placed in Service	September 2013	Future Cost	\$935.75
Useful Life	5	Assigned Reserves	\$935.75
Replacement Year	2020	Annual Assessment	\$179.77
Remaining Life	0	Interest Contribution	\$1.26
		Reserve Allocation	\$181.03



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. 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.

This line item is a provision to replace the asphalt seal coat on a 4-5 year cycle on the private roadway. Life expectancy of overlay will vary depending how the Board of Directors strategize the maintenance for this line item including but not limited to seal coating at regular intervals.

The Board should obtain a bid to confirm this estimate as the cost varies due to accessibility and other related factors. This line item should coincide with overlay repair cycle as this has been separated in a different line item in this reserve study report.

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.

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

Asphalt: Sealcoat - Moon Valley Terrace continued...

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Concrete: Curbs & Gutters: Moon Valley Terrace

		263 Linear Feet	@ \$12.89
Asset ID	1019	Asset Cost	\$339.09
	Capital	Percent Replacement	10%
	Moon Valley Terrace	Future Cost	\$355.20
Placed in Service	January 2001	Assigned Reserves	\$292.85
Useful Life	12		
Adjustment	10	Annual Assessment	\$16.76
Replacement Year	2023	Interest Contribution	<u>\$2.17</u>
Remaining Life	3	Reserve Allocation	\$18.93



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. 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. We have extended the life of these components based on the present visual condition.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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: It is anticipated that any repairs required will be addressed immediately due to obvious ongoing safety

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

Concrete: Curbs & Gutters: Moon Valley Terrace continued...

concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point where they would become a major expense. Minor repairs, as needed, may be covered by the operational budget, operational contingency or reserve contingency.

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

Concrete: Flatwork - Sidewalks - Moon Valley Terrace

		1,052 Square Feet	@ \$12.47
Asset ID	1017	Asset Cost	\$2,622.93
	Capital	Percent Replacement	20%
	Moon Valley Terrace	Future Cost	\$2,663.85
Placed in Service	January 2001	Assigned Reserves	\$2,491.78
Useful Life	10		
Adjustment	10	Annual Assessment	\$139.40
Replacement Year	2021	Interest Contribution	<u>\$18.42</u>
Remaining Life	1	Reserve Allocation	\$157.82



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. Quantity presented in the 2017 reserve study by Reserve Studies by Reserve Funding appears to be accurate +/- 5% 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. We have extended the life of these components based on the present visual condition.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

Note: It is anticipated that any repairs required will be addressed immediately due to obvious ongoing safety

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

Concrete: Flatwork - Sidewalks - Moon Valley Terrace continued...

concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point where they would become a major expense. Minor repairs, as needed, may be covered by the operational budget, operational contingency or reserve contingency.

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

Storm Drains / Underground Inspection: Moon Valley Terrace

		1 Total	@ \$2,597.40
Asset ID	1033	Asset Cost	\$2,597.40
	Capital	Percent Replacement	100%
	Moon Valley Terrace	Future Cost	\$3,079.55
Placed in Service	January 2001	Assigned Reserves	\$1,645.02
Useful Life	30		
Replacement Year	2031	Annual Assessment	\$103.14
Remaining Life	11	Interest Contribution	<u>\$12.24</u>
		Reserve Allocation	\$115.37



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. 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: Unknown.

This line item is for any inspections of utility work in the common areas or other areas of association responsibility including but not limited to; storm drains, underground telephone, utility lines, storm water services, water conduits and components.

Several community Associations elect include a provision for underground utility and storm drain replacement

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

Storm Drains / Underground Inspection: Moon Valley Terrace continued...

due possible significant loss such as a collapsing storm drain, collapsed water pipe, conduit other major catastrophe. Due to the nature of this type of work, the cost is often quite large. However, National Reserve Study Standards clearly dictate that any potential expense in the Reserve Study meet the following four-part test to be funded through reserves:

- 1) Common area maintenance responsibility
- 2) Useful Life limit/cycle
- 3) Predictable Remaining Useful Life
- 4) Above a minimum threshold cost of significance.

This simply means major, Association-responsibility, predictable, cyclical projects should appear in the Reserve Study. However, since catastrophic events do not have repeatable life cycle intervals and since the next occurrence of such an expense is not predictable, catastrophic event underground utilities failure test #2 and #3, creating a firm case to exclude them for Reserve component designation according to the National Reserve Study Standards.

However, this line item concentrates on approaching these assets with the aid of a technician hired by the Association from an inspection standpoint every 8-10 years (funded in the reserve study) and addressing areas of concern when they are discovered and identified. Analyst submits that it is not within the reserve analyst's scope of work (or ability) to locate and identify any deficiencies for utilities. Additionally, inclusion of this component appears to violate the terms set forth in the National Reserve Study Standards based on the definition above.

The law requires that the reserve study be updated each and every year. This paradigm creates a situation where the report is a living / breathing document and as any utility deficiencies are found by a certified inspector (through these cyclical inspections) to be on the 30-year horizon, they can be chronicled and properly addressed, and new line items can be added to these reserve studies to properly address areas of concerns.

As mentioned before, underground utility failures are often sporadic in nature and fail tests #2 and #3 of the reserve study standards. However, scheduling an inspection every 25-30 years to examine underground utilities would be considered a cyclical occurrence/expense and therefore is a candidate for funding in the reserve study report. Additionally, if any deficiencies of these components are discovered, the repairs can be properly prioritized and added to subsequent reserve study reports on an as-needed basis.

The Association is hereby encouraged to obtain estimates for underground utility inspections in order to determine if this level of funding is sufficient to address the needs of the community.

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

Moon Valley Terrace - Total Current Cost	\$17,458
Assigned Reserves	\$11,913
Fully Funded Reserves	\$11,913

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

Asphalt: Overlay - Silver Creek Place

Asset ID	1004	5,125 Square Feet	@ \$2.19
	Capital	Asset Cost	\$11,228.87
	Silver Creek Place	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$14,163.70
Useful Life	30	Assigned Reserves	\$6,274.96
Adjustment	4	Annual Assessment	\$411.75
Replacement Year	2035	Interest Contribution	<u>\$46.81</u>
Remaining Life	15	Reserve Allocation	\$458.56



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

We have increased the component base cost for inflation. We have extended the overlay to the year 2035 in order to align with the 2035 seal coat. This is a constantly moving target and should be reevaluated in the scope of future reserve studies.

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. The component has been moved to align with the seal coat cycle in FY 2034.

This line item is for the renewal of the asphalt parking areas and streets. This includes the application of a bituminous overlay which normally is applied in one and a half inches to two inches thickness. This renewal of the overlay is designed to renew the life cycle of the pavement. The asphalt is in good condition in several areas and should be seal coated on a regular 4-5 year cycle to archive the maximum life expectancy.

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.

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

Asphalt: Overlay - Silver Creek Place continued...

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Asphalt: Repairs - Silver Creek Place

Asset ID	1007	5,390 Square Feet	@ \$3.90
	Capital	Asset Cost	\$860.93
	Silver Creek Place	Percent Replacement	4.1%
Placed in Service	January 2014	Future Cost	\$860.93
Useful Life	5	Assigned Reserves	\$860.93
Replacement Year	2020	Annual Assessment	\$165.40
Remaining Life	0	Interest Contribution	\$1.16
		Reserve Allocation	\$166.56



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. 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.

This line item is for the maintenance of the asphalt overlay in the driving areas of the community during each seal coat cycle. Overlay surface appeared in fair condition and should be seal coated every 3-5 years in order to maximize life expectancy. The existing seal coat appears to have been completely diminished and should be reapplied.

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.

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

Asphalt: Repairs - Silver Creek Place continued...

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Asphalt: Sealcoat - Silver Creek Place

Asset ID	1011	5,390 Square Feet	@ \$0.20
	Non-Capital	Asset Cost	\$1,061.83
	Silver Creek Place	Percent Replacement	100%
Placed in Service	September 2013	Future Cost	\$1,061.83
Useful Life	5	Assigned Reserves	\$1,061.83
Replacement Year	2020	Annual Assessment	\$203.99
Remaining Life	0	Interest Contribution	\$1.43
		Reserve Allocation	\$205.42



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. 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.

This line item is a provision to replace the asphalt seal coat on a 4-5 year cycle on the private roadway. Life expectancy of overlay will vary depending how the Board of Directors strategize the maintenance for this line item including but not limited to seal coating at regular intervals.

The Board should obtain a bid to confirm this estimate as the cost varies due to accessibility and other related factors. This line item should coincide with overlay repair cycle as this has been separated in a different line item in this reserve study report.

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.

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

Asphalt: Sealcoat - Silver Creek Place continued...

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

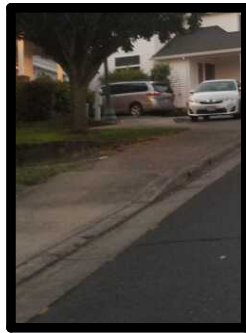
Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Concrete: Curbs & Gutters: Silver Creek Place

Asset ID	1020	325 Linear Feet	@ \$12.89
	Non-Capital	Asset Cost	\$419.02
	Silver Creek Place	Percent Replacement	10%
Placed in Service	January 2000	Future Cost	\$432.20
Useful Life	12	Assigned Reserves	\$380.93
Adjustment	10	Annual Assessment	\$20.63
Replacement Year	2022	Interest Contribution	<u>\$2.81</u>
Remaining Life	2	Reserve Allocation	\$23.44



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:

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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. We have extended the life of these components based on the present visual condition.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the

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

Concrete: Curbs & Gutters: Silver Creek Place continued...

assumption the component was properly installed or applied.

Note: It is anticipated that any repairs required will be addressed immediately due to obvious ongoing safety concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point where they would become a major expense. Minor repairs, as needed, may be covered by the operational budget, operational contingency or reserve contingency.

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

Concrete: Flatwork - Sidewalks - Silver Creek Place

		1,300 Square Feet	@ \$12.47
Asset ID	1018	Asset Cost	\$3,241.26
	Capital	Percent Replacement	20%
	Silver Creek Place	Future Cost	\$3,291.83
Placed in Service	January 2001	Assigned Reserves	\$3,079.20
Useful Life	10		
Adjustment	10	Annual Assessment	\$172.27
Replacement Year	2021	Interest Contribution	<u>\$22.76</u>
Remaining Life	1	Reserve Allocation	\$195.03



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

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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 +/- 5% 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. We have extended the life of these components based on the present visual condition.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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

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

Concrete: Flatwork - Sidewalks - Silver Creek Place continued...

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: It is anticipated that any repairs required will be addressed immediately due to obvious ongoing safety concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point where they would become a major expense. Minor repairs, as needed, may be covered by the operational budget, operational contingency or reserve contingency.

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

Lighting: Fixture - Silver Creek Place - Street Light

Asset ID	1027	1 Total	@ \$928.83
	Capital	Asset Cost	\$928.83
	Silver Creek Place	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$1,019.23
Useful Life	25	Assigned Reserves	\$705.91
Replacement Year	2026	Annual Assessment	\$41.81
Remaining Life	6	Interest Contribution	\$5.23
		Reserve Allocation	\$47.04



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

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

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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.

Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

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

Lighting: Fixture - Silver Creek Place - Street Light continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Lighting: Power Box - Silver Creek Place - Replace

Asset ID	1028	1 Total	@ \$467.53
	Capital	Asset Cost	\$467.53
	Silver Creek Place	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$554.32
Useful Life	30	Assigned Reserves	\$296.10
Replacement Year	2031	Annual Assessment	\$18.56
Remaining Life	11	Interest Contribution	<u>\$2.20</u>
		Reserve Allocation	\$20.77



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

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

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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

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

Lighting: Power Box - Silver Creek Place - Replace continued...

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Storm Drains / Underground Inspection: Silver Creek Place

		1 Each	@ \$2,597.40
Asset ID	1034	Asset Cost	\$2,597.40
	Capital	Percent Replacement	100%
	Silver Creek Place	Future Cost	\$3,079.55
Placed in Service	January 2001	Assigned Reserves	\$1,645.02
Useful Life	30		
Replacement Year	2031	Annual Assessment	\$103.14
Remaining Life	11	Interest Contribution	<u>\$12.24</u>
		Reserve Allocation	\$115.37



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. 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: Unknown.

This line item is for any inspections of utility work in the common areas or other areas of association responsibility including but not limited to; storm drains, underground telephone, utility lines, storm water services, water conduits and components.

Several community Associations elect include a provision for underground utility and storm drain replacement

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

Storm Drains / Underground Inspection: Silver Creek Place continued...

due possible significant loss such as a collapsing storm drain, collapsed water pipe, conduit other major catastrophe. Due to the nature of this type of work, the cost is often quite large. However, National Reserve Study Standards clearly dictate that any potential expense in the Reserve Study meet the following four-part test to be funded through reserves:

- 1) Common area maintenance responsibility
- 2) Useful Life limit/cycle
- 3) Predictable Remaining Useful Life
- 4) Above a minimum threshold cost of significance.

This simply means major, Association-responsibility, predictable, cyclical projects should appear in the Reserve Study. However, since catastrophic events do not have repeatable life cycle intervals and since the next occurrence of such an expense is not predictable, catastrophic event underground utilities failure test #2 and #3, creating a firm case to exclude them for Reserve component designation according to the National Reserve Study Standards.

However, this line item concentrates on approaching these assets with the aid of a technician hired by the Association from an inspection standpoint every 8-10 years (funded in the reserve study) and addressing areas of concern when they are discovered and identified. Analyst submits that it is not within the reserve analyst's scope of work (or ability) to locate and identify any deficiencies for utilities. Additionally, inclusion of this component appears to violate the terms set forth in the National Reserve Study Standards based on the definition above.

The law requires that the reserve study be updated each and every year. This paradigm creates a situation where the report is a living / breathing document and as any utility deficiencies are found by a certified inspector (through these cyclical inspections) to be on the 30-year horizon, they can be chronicled and properly addressed, and new line items can be added to these reserve studies to properly address areas of concerns.

As mentioned before, underground utility failures are often sporadic in nature and fail tests #2 and #3 of the reserve study standards. However, scheduling an inspection every 25-30 years to examine underground utilities would be considered a cyclical occurrence/expense and therefore is a candidate for funding in the reserve study report. Additionally, if any deficiencies of these components are discovered, the repairs can be properly prioritized and added to subsequent reserve study reports on an as-needed basis.

The Association is hereby encouraged to obtain estimates for underground utility inspections in order to determine if this level of funding is sufficient to address the needs of the community.

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

Silver Creek Place - Total Current Cost	\$20,806
Assigned Reserves	\$14,305
Fully Funded Reserves	\$14,305

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

Asphalt: Overlay - Tatum Ranch Place

Asset ID	1002	1,391 Square Feet	@ \$2.19
	Capital	Asset Cost	\$3,047.68
	Tatum Ranch Place	Percent Replacement	100%
Placed in Service	January 2001	Future Cost	\$3,844.23
Useful Life	30	Assigned Reserves	\$1,703.12
Adjustment	4	Annual Assessment	\$111.75
Replacement Year	2035	Interest Contribution	<u>\$12.70</u>
Remaining Life	15	Reserve Allocation	\$124.46



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

We have increased the component base cost for inflation. We have extended the overlay to the year 2035 in order to align with the 2035 seal coat. This is a constantly moving target and should be reevaluated in the scope of future reserve studies.

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. The component has been moved to align with the seal coat cycle in FY 2034.

This line item is for the renewal of the asphalt parking areas and streets. This includes the application of a bituminous overlay which normally is applied in one and a half inches to two inches thickness. This renewal of the overlay is designed to renew the life cycle of the pavement. The asphalt is in good to fair condition in several areas and should be seal coated on a regular 4-5 year cycle to archive the maximum life expectancy.

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.

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

Asphalt: Overlay - Tatum Ranch Place continued...

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Asphalt: Repairs - Tatum Ranch Place

Asset ID	1008	1,391 Square Feet	@ \$3.90
	Capital	Asset Cost	\$216.76
	Tatum Ranch Place	Percent Replacement	4%
Placed in Service	July 2014	Future Cost	\$216.76
Useful Life	5	Assigned Reserves	\$216.76
Replacement Year	2020	Annual Assessment	\$41.64
Remaining Life	0	Interest Contribution	<u>\$0.29</u>
		Reserve Allocation	\$41.93



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:

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This line item is for the maintenance of the asphalt overlay in the driving areas of the community during each seal coat cycle. Overlay surface appeared in fair condition and should be seal coated every 3-5 years in order to maximize life expectancy. The existing seal coat appears to have been completely diminished and should be reapplied.

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.

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

Asphalt: Repairs - Tatum Ranch Place continued...

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Asphalt: Sealcoat - Tatum Ranch Place

Asset ID	1012	1,391 Square Feet	@ \$0.20
	Non-Capital	Asset Cost	\$274.03
	Tatum Ranch Place	Percent Replacement	100%
Placed in Service	September 2013	Future Cost	\$274.03
Useful Life	5	Assigned Reserves	\$274.03
Replacement Year	2020	Annual Assessment	\$52.64
Remaining Life	0	Interest Contribution	<u>\$0.37</u>
		Reserve Allocation	\$53.01



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

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

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This line item is a provision to replace the asphalt seal coat on a 4-5 year cycle on the private roadway. Life expectancy of overlay will vary depending how the Board of Directors strategize the maintenance for this line item including but not limited to seal coating at regular intervals.

The Board should obtain a bid to confirm this estimate as the cost varies due to accessibility and other related factors. This line item should coincide with overlay repair cycle as this has been separated in a different line item in this reserve study report.

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.

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

Asphalt: Sealcoat - Tatum Ranch Place continued...

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

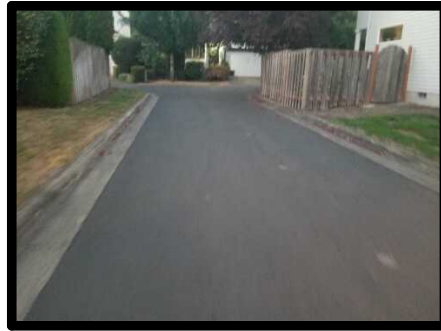
ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projections need to be revised, ReserveStudyUpdate.com, 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 - Master
Detail Report by Category (Dollar Defined Threshold Funding Model)**

Concrete: Curbs & Gutters: Tatum Ranch Place

Asset ID	1021	226 Linear Feet	@ \$12.89
	Capital	Asset Cost	\$291.38
	Tatum Ranch Place	Percent Replacement	10%
Placed in Service	January 2000	Future Cost	\$300.54
Useful Life	12	Assigned Reserves	\$264.89
Adjustment	10	Annual Assessment	\$14.34
Replacement Year	2022	Interest Contribution	<u>\$1.95</u>
Remaining Life	2	Reserve Allocation	\$16.30



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

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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. We have extended the life of these components based on the present visual condition.

Recent expenditure history: Unknown, appears to be original.

Asset condition: Good to fair. This constantly requires monitoring for safety reasons.

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

Concrete: Curbs & Gutters: Tatum Ranch Place continued...

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

Storm Drains / Underground Inspection: Tatum Ranch Place

		1 Total	@ \$2,597.40
Asset ID	1035	Asset Cost	\$2,597.40
	Capital	Percent Replacement	100%
	Tatum Ranch Place	Future Cost	\$3,079.55
Placed in Service	January 2001	Assigned Reserves	\$1,645.02
Useful Life	30		
Replacement Year	2031	Annual Assessment	\$103.14
Remaining Life	11	Interest Contribution	<u>\$12.24</u>
		Reserve Allocation	\$115.37



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

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

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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: Unknown.

This line item is for any inspections of utility work in the common areas or other areas of association responsibility including but not limited to; storm drains, underground telephone, utility lines, storm water services, water conduits and components.

Several community Associations elect include a provision for underground utility and storm drain replacement

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

Storm Drains / Underground Inspection: Tatum Ranch Place continued...

due possible significant loss such as a collapsing storm drain, collapsed water pipe, conduit other major catastrophe. Due to the nature of this type of work, the cost is often quite large. However, National Reserve Study Standards clearly dictate that any potential expense in the Reserve Study meet the following four-part test to be funded through reserves:

- 1) Common area maintenance responsibility
- 2) Useful Life limit/cycle
- 3) Predictable Remaining Useful Life
- 4) Above a minimum threshold cost of significance.

This simply means major, Association-responsibility, predictable, cyclical projects should appear in the Reserve Study. However, since catastrophic events do not have repeatable life cycle intervals and since the next occurrence of such an expense is not predictable, catastrophic event underground utilities failure test #2 and #3, creating a firm case to exclude them for Reserve component designation according to the National Reserve Study Standards.

However, this line item concentrates on approaching these assets with the aid of a technician hired by the Association from an inspection standpoint every 8-10 years (funded in the reserve study) and addressing areas of concern when they are discovered and identified. Analyst submits that it is not within the reserve analyst's scope of work (or ability) to locate and identify any deficiencies for utilities. Additionally, inclusion of this component appears to violate the terms set forth in the National Reserve Study Standards based on the definition above.

The law requires that the reserve study be updated each and every year. This paradigm creates a situation where the report is a living / breathing document and as any utility deficiencies are found by a certified inspector (through these cyclical inspections) to be on the 30-year horizon, they can be chronicled and properly addressed, and new line items can be added to these reserve studies to properly address areas of concerns.

As mentioned before, underground utility failures are often sporadic in nature and fail tests #2 and #3 of the reserve study standards. However, scheduling an inspection every 25-30 years to examine underground utilities would be considered a cyclical occurrence/expense and therefore is a candidate for funding in the reserve study report. Additionally, if any deficiencies of these components are discovered, the repairs can be properly prioritized and added to subsequent reserve study reports on an as-needed basis.

The Association is hereby encouraged to obtain estimates for underground utility inspections in order to determine if this level of funding is sufficient to address the needs of the community.

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

Tatum Ranch Place - Total Current Cost	\$6,427
 Assigned Reserves	\$4,104
 Fully Funded Reserves	\$4,104

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

Detail Report Summary

Grand Total

Assigned Reserves	\$315,983.00
Annual Contribution	\$38,422.87
Annual Interest	\$2,396.19
Annual Allocation	\$40,819.06

**Arbor Ridge P.U.D. Homeowners Association - Master
Category Detail Index**

Asset ID	Description	Replacement	Page
1036	Arborist / Tree Work	2026	2-75
1001	Asphalt: Overlay - Moon Valley Terrace	2034	2-120
1003	Asphalt: Overlay - Pedestrian Pathway	2030	2-77
1004	Asphalt: Overlay - Silver Creek Place	2035	2-133
1002	Asphalt: Overlay - Tatum Ranch Place	2035	2-150
1006	Asphalt: Repairs - Moon Valley Terrace	2020	2-122
1005	Asphalt: Repairs - Pedestrian Pathway	2020	2-79
1007	Asphalt: Repairs - Silver Creek Place	2020	2-135
1008	Asphalt: Repairs - Tatum Ranch Place	2020	2-152
1009	Asphalt: Sealcoat - Moon Valley Terrace	2020	2-124
1010	Asphalt: Sealcoat - Pedestrian Pathway	2020	2-81
1011	Asphalt: Sealcoat - Silver Creek Place	2020	2-137
1012	Asphalt: Sealcoat - Tatum Ranch Place	2020	2-154
1041	Backflow Device: Common Area - Replacement	2030	2-83
1013	Bark Dust: Replenish - Common Area	2020	2-84
1042	Bollards - Replace	2036	2-86
1014	Brick: Masonry / Repointing & Repairs	2021	2-88
1015	Bridge: Wood - Replacement	2026	2-90
1019	Concrete: Curbs & Gutters: Moon Valley Terrace	2023	2-126
1020	Concrete: Curbs & Gutters: Silver Creek Place	2022	2-139
1021	Concrete: Curbs & Gutters: Tatum Ranch Place	2022	2-156
1016	Concrete: Flatwork - Sidewalks - Common Area	2021	2-92
1017	Concrete: Flatwork - Sidewalks - Moon Valley Terrace	2021	2-128
1018	Concrete: Flatwork - Sidewalks - Silver Creek Place	2021	2-141
1022	Fence: Chain Link - Power Coat - Replace	2041	2-94
1023	Fence: Vinyl - 3 Rail Horse Fence - Replace	2031	2-96
1024	Fence: Vinyl - Wash - 3 Rail Horse Fence	2022	2-98
1043	Insurance Deductible Contingency (Unfunded)	Unfunded	2-73
1025	Landscaping: Plants & Arborvitae - Phased Replacements	2026	2-100

**Arbor Ridge P.U.D. Homeowners Association - Master
Category Detail Index**

Asset ID	Description	Replacement	Page
1040	Landscaping: Power Box - Monument - Replace	2031	2-102
1027	Lighting: Fixture - Silver Creek Place - Street Light	2026	2-143
1026	Lighting: Fixtures - Monuments - Renovation	2024	2-104
1028	Lighting: Power Box - Silver Creek Place - Replace	2031	2-145
1039	Mailboxes: 12 Letter / 1 Package - Replace	2041	2-106
1030	Mailboxes: 16 Letter / 2 Package - Replace	2041	2-108
1029	Mailboxes: Clean / Paint / Maintain	2020	2-110
1031	Signs: Common Area	2021	2-112
1032	Signs: Monument - Clean & Maintain	2021	2-114
1033	Storm Drains / Underground Inspection: Moon Valley Terrace	2031	2-130
1034	Storm Drains / Underground Inspection: Silver Creek Place	2031	2-147
1035	Storm Drains / Underground Inspection: Tatum Ranch Place	2031	2-158
1037	Walls: Retaining	2029	2-116
1038	Walls: Retaining - Inspection	2021	2-118
	Total Funded Assets	42	
	Total Unfunded Assets	<u>1</u>	
	Total Assets	43	

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

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028
Arborist / Tree Work							18,500		
Asphalt: Overlay - Moon Valley Terrace									
Asphalt: Overlay - Pedestrian Pathway									
Asphalt: Overlay - Silver Creek Place									
Asphalt: Overlay - Tatum Ranch Place									
Asphalt: Repairs - Moon Valley Terrace	555					600			
Asphalt: Repairs - Pedestrian Pathway	879					949			
Asphalt: Repairs - Silver Creek Place	861					930			
Asphalt: Repairs - Tatum Ranch Place	217					234			
Asphalt: Sealcoat - Moon Valley Terrace	936					1,011			
Asphalt: Sealcoat - Pedestrian Pathway	888					960			
Asphalt: Sealcoat - Silver Creek Place	1,062					1,147			
Asphalt: Sealcoat - Tatum Ranch Place	274					296			
Backflow Device: Common Area - Replacement									
Bark Dust: Replenish - Common Area	4,738		4,887		5,040		5,199		5,362
Bollards - Replace									
Brick: Masonry / Repointing & Repairs		7,914							
Bridge: Wood - Replacement							19,951		
Concrete: Curbs & Gutters: Moon Valley Terrace				355					
Concrete: Curbs & Gutters: Silver Creek Place			432						
Concrete: Curbs & Gutters: Tatum Ranch Place			301						
Concrete: Flatwork - Sidewalks - Common Area		5,890							
Concrete: Flatwork - Sidewalks - Moon Valley Terrace		2,664							
Concrete: Flatwork - Sidewalks - Silver Creek Place		3,292							
Fence: Chain Link - Power Coat - Replace									
Fence: Vinyl - 3 Rail Horse Fence - Replace									
Fence: Vinyl - Wash - 3 Rail Horse Fence			5,651			5,920			6,201
Insurance Deductible Contingency (Unfunded) <i>Unfunded</i>									
Landscaping: Plants & Arborvitae - Phased Replacements							6,840		
Landscaping: Power Box - Monument - Replace									
Lighting: Fixture - Silver Creek Place - Street Light							1,019		

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

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028
Lighting: Power Box - Silver Creek Place - Replace									
Mailboxes: 12 Letter / 1 Package - Replace									
Mailboxes: 16 Letter / 2 Package - Replace									
Mailboxes: Clean / Paint / Maintain	1,683					1,819			
Signs: Common Area		528							
Signs: Monument - Clean & Maintain		6,704							
Storm Drains / Underground Inspection: Moon Valley Terrace									
Storm Drains / Underground Inspection: Silver Creek Place									
Storm Drains / Underground Inspection: Tatum Ranch Place									
Walls: Retaining									
Walls: Retaining - Inspection		2,638		2,721		2,806		2,895	
Year Total:	12,092	29,629	11,270	3,076	6,267	16,672	51,510	2,895	11,563

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

Description	2029	2030	2031	2032	2033	2034	2035	2036	2037
Arborist / Tree Work								21,597	
Asphalt: Overlay - Moon Valley Terrace						12,926			
Asphalt: Overlay - Pedestrian Pathway		11,536							
Asphalt: Overlay - Silver Creek Place							14,164		
Asphalt: Overlay - Tatum Ranch Place							3,844		
Asphalt: Repairs - Moon Valley Terrace		648					700		
Asphalt: Repairs - Pedestrian Pathway							1,108		
Asphalt: Repairs - Silver Creek Place		1,005							
Asphalt: Repairs - Tatum Ranch Place		253							
Asphalt: Sealcoat - Moon Valley Terrace		1,092					1,180		
Asphalt: Sealcoat - Pedestrian Pathway		1,037					1,121		
Asphalt: Sealcoat - Silver Creek Place		1,240					1,339		
Asphalt: Sealcoat - Tatum Ranch Place		320					346		
Backflow Device: Common Area - Replacement		2,305							
Bark Dust: Replenish - Common Area		5,531		5,705		5,884		6,069	
Bollards - Replace								2,807	
Brick: Masonry / Repointing & Repairs								9,982	
Bridge: Wood - Replacement									
Concrete: Curbs & Gutters: Moon Valley Terrace							428		
Concrete: Curbs & Gutters: Silver Creek Place						520			
Concrete: Curbs & Gutters: Tatum Ranch Place						362			
Concrete: Flatwork - Sidewalks - Common Area			6,876						
Concrete: Flatwork - Sidewalks - Moon Valley Terrace			3,110						
Concrete: Flatwork - Sidewalks - Silver Creek Place			3,843						
Fence: Chain Link - Power Coat - Replace									
Fence: Vinyl - 3 Rail Horse Fence - Replace			287,117						
Fence: Vinyl - Wash - 3 Rail Horse Fence			6,496			6,805			7,128
Insurance Deductible Contingency (Unfunded) <i>Unfunded</i>									
Landscaping: Plants & Arborvitae - Phased Replacements								7,986	
Landscaping: Power Box - Monument - Replace			554						
Lighting: Fixture - Silver Creek Place - Street Light									

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

Description	2029	2030	2031	2032	2033	2034	2035	2036	2037
Lighting: Power Box - Silver Creek Place - Replace			554						
Mailboxes: 12 Letter / 1 Package - Replace									
Mailboxes: 16 Letter / 2 Package - Replace									
Mailboxes: Clean / Paint / Maintain		1,965					2,123		
Signs: Common Area			616						
Signs: Monument - Clean & Maintain			7,827						
Storm Drains / Underground Inspection: Moon Valley Terrace				3,080					
Storm Drains / Underground Inspection: Silver Creek Place				3,080					
Storm Drains / Underground Inspection: Tatum Ranch Place				3,080					
Walls: Retaining	11,943								
Walls: Retaining - Inspection	2,986		3,080		3,176		3,276		3,379
Year Total:	14,928	26,931	329,311	7,093	3,176	26,497	29,629	48,441	10,507

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

Description	2038	2039	2040	2041	2042	2043	2044	2045	2046
Arborist / Tree Work									25,213
Asphalt: Overlay - Moon Valley Terrace									
Asphalt: Overlay - Pedestrian Pathway									
Asphalt: Overlay - Silver Creek Place									
Asphalt: Overlay - Tatum Ranch Place									
Asphalt: Repairs - Moon Valley Terrace			757					817	
Asphalt: Repairs - Pedestrian Pathway			1,197					1,294	
Asphalt: Repairs - Silver Creek Place			1,173					1,268	
Asphalt: Repairs - Tatum Ranch Place			295					319	
Asphalt: Sealcoat - Moon Valley Terrace			1,275					1,378	
Asphalt: Sealcoat - Pedestrian Pathway			1,211					1,308	
Asphalt: Sealcoat - Silver Creek Place			1,447					1,564	
Asphalt: Sealcoat - Tatum Ranch Place			373					404	
Backflow Device: Common Area - Replacement									
Bark Dust: Replenish - Common Area	6,260		6,457		6,660		6,869		7,085
Bollards - Replace									
Brick: Masonry / Repointing & Repairs									
Bridge: Wood - Replacement									
Concrete: Curbs & Gutters: Moon Valley Terrace									
Concrete: Curbs & Gutters: Silver Creek Place									627
Concrete: Curbs & Gutters: Tatum Ranch Place									436
Concrete: Flatwork - Sidewalks - Common Area				8,027					
Concrete: Flatwork - Sidewalks - Moon Valley Terrace				3,630					
Concrete: Flatwork - Sidewalks - Silver Creek Place				4,486					
Fence: Chain Link - Power Coat - Replace				364,799					
Fence: Vinyl - 3 Rail Horse Fence - Replace									
Fence: Vinyl - Wash - 3 Rail Horse Fence			7,467			7,822			8,193
Insurance Deductible Contingency (Unfunded)	<i>Unfunded</i>								
Landscaping: Plants & Arborvitae - Phased Replacements									9,323
Landscaping: Power Box - Monument - Replace									
Lighting: Fixture - Silver Creek Place - Street Light									

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

Description	2038	2039	2040	2041	2042	2043	2044	2045	2046
Lighting: Power Box - Silver Creek Place - Replace									
Mailboxes: 12 Letter / 1 Package - Replace				11,648					
Mailboxes: 16 Letter / 2 Package - Replace				67,387					
Mailboxes: Clean / Paint / Maintain			2,294					2,478	
Signs: Common Area				719					
Signs: Monument - Clean & Maintain				9,137					
Storm Drains / Underground Inspection: Moon Valley Terrace									
Storm Drains / Underground Inspection: Silver Creek Place									
Storm Drains / Underground Inspection: Tatum Ranch Place									
Walls: Retaining		13,942							
Walls: Retaining - Inspection		3,486		3,595		3,708		3,825	
Year Total:	6,260	17,428	25,519	473,429	6,660	11,530	6,869	14,655	50,877

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

2047 2048 2049

Description

Arborist / Tree Work			
Asphalt: Overlay - Moon Valley Terrace			
Asphalt: Overlay - Pedestrian Pathway			
Asphalt: Overlay - Silver Creek Place			
Asphalt: Overlay - Tatum Ranch Place			
Asphalt: Repairs - Moon Valley Terrace			
Asphalt: Repairs - Pedestrian Pathway			
Asphalt: Repairs - Silver Creek Place			
Asphalt: Repairs - Tatum Ranch Place			
Asphalt: Sealcoat - Moon Valley Terrace			
Asphalt: Sealcoat - Pedestrian Pathway			
Asphalt: Sealcoat - Silver Creek Place			
Asphalt: Sealcoat - Tatum Ranch Place			
Backflow Device: Common Area - Replacement			
Bark Dust: Replenish - Common Area		7,308	
Bollards - Replace			
Brick: Masonry / Repointing & Repairs			
Bridge: Wood - Replacement			
Concrete: Curbs & Gutters: Moon Valley Terrace	515		
Concrete: Curbs & Gutters: Silver Creek Place			
Concrete: Curbs & Gutters: Tatum Ranch Place			
Concrete: Flatwork - Sidewalks - Common Area			
Concrete: Flatwork - Sidewalks - Moon Valley Terrace			
 Concrete: Flatwork - Sidewalks - Silver Creek Place			
 Fence: Chain Link - Power Coat - Replace			
Fence: Vinyl - 3 Rail Horse Fence - Replace			
Fence: Vinyl - Wash - 3 Rail Horse Fence			8,583
Insurance Deductible Contingency (Unfunded)	<i>Unfunded</i>		
Landscaping: Plants & Arborvitae - Phased Replacements			
 Landscaping: Power Box - Monument - Replace			
Lighting: Fixture - Silver Creek Place - Street Light			

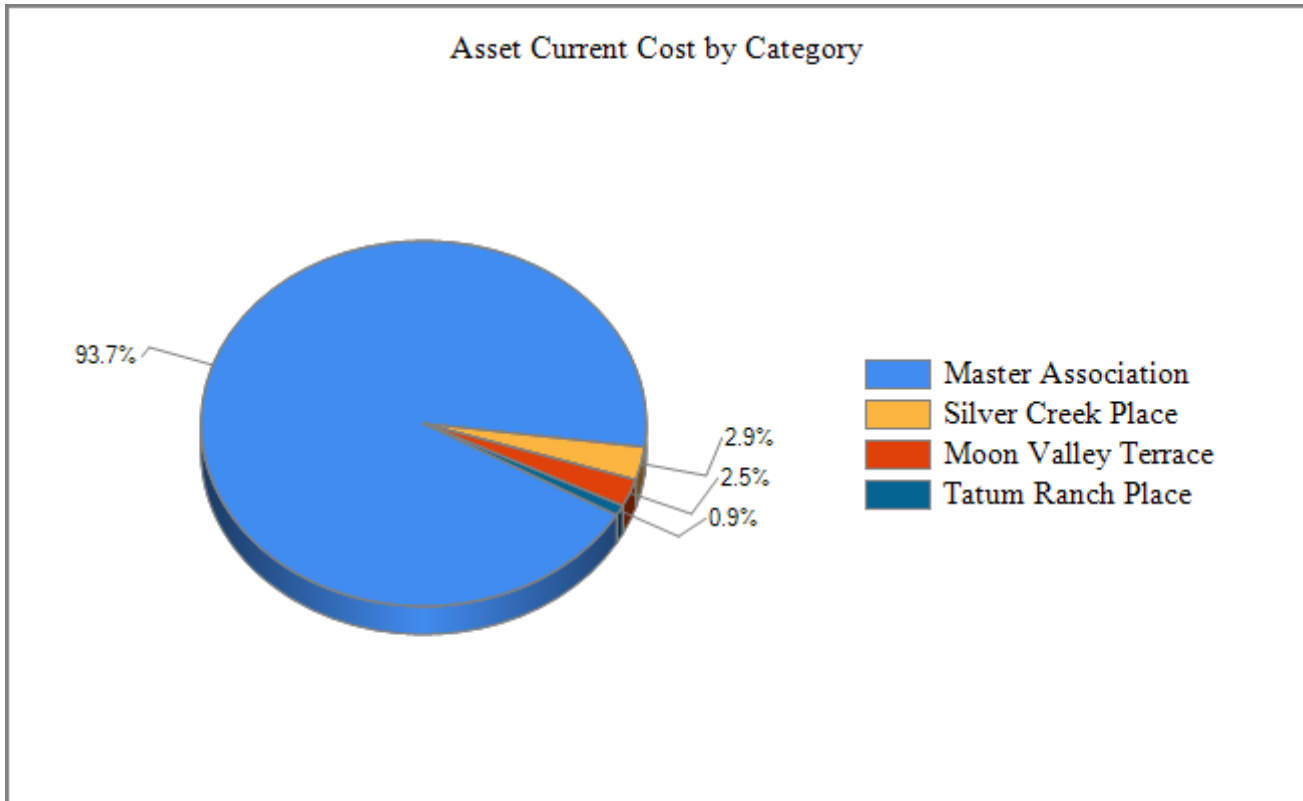
**Arbor Ridge P.U.D. Homeowners Association - Master
Spread Sheet**

2047 2048 2049

Description

Lighting: Power Box - Silver Creek Place - Replace			
Mailboxes: 12 Letter / 1 Package - Replace			
Mailboxes: 16 Letter / 2 Package - Replace			
Mailboxes: Clean / Paint / Maintain			
Signs: Common Area			
Signs: Monument - Clean & Maintain			
Storm Drains / Underground Inspection: Moon Valley Terrace			
Storm Drains / Underground Inspection: Silver Creek Place			
Storm Drains / Underground Inspection: Tatum Ranch Place			
Walls: Retaining			16,276
Walls: Retaining - Inspection	3,945		4,069
Year Total:	4,460	9,087	28,928

**Arbor Ridge P.U.D. Homeowners Association - Master
Asset Current Cost by Category**



This is the distribution of reserves by category

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, 2020 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 1.01.

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

Report Date June 22, 2019
Beginning Fiscal Year January 01, 2020
Account Number 1215a

Version Number 1.01

Beginning Balance: \$315,983

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2020	711,822	36,624	2,384	12,092	342,898	425,568	81%
2021	722,926	36,624	2,449	29,629	352,343	434,349	81%
2022	734,204	36,624	2,644	11,270	380,340	462,443	82%
2023	745,658	36,624	2,897	3,076	416,785	499,823	83%
2024	757,290	36,624	3,130	6,267	450,272	535,064	84%
2025	769,104	36,624	3,292	16,672	473,515	560,815	84%
2026	781,102	36,624	3,210	51,510	461,840	551,926	84%
2027	793,287	36,624	3,469	2,895	499,038	592,913	84%
2028	805,662	36,624	3,669	11,563	527,768	626,286	84%
2029	818,230	36,624	3,846	14,928	553,310	657,322	84%
2030	830,995	36,624	3,941	26,931	566,943	677,207	84%
2031	843,958	36,624	1,920	329,311	276,176	390,622	71%
2032	857,124	36,624	2,140	7,093	307,847	427,524	72%
2033	870,495	36,624	2,389	3,176	343,683	469,574	73%
2034	884,075	36,624	2,477	26,497	356,287	489,237	73%
2035	897,866	36,624	2,543	29,629	365,825	506,822	72%
2036	911,873	36,624	2,478	48,441	356,486	506,200	70%
2037	926,098	36,624	2,678	10,507	385,281	544,729	71%
2038	940,545	36,624	2,910	6,260	418,554	588,817	71%
2039	955,218	36,624	3,064	17,428	440,815	622,906	71%
2040	970,119	36,624	3,163	25,519	455,084	650,122	70%
2041	985,253	36,624	128	473,429	18,406	223,542	8%
2042	1,000,623	36,624	339	6,660	48,709	265,047	18%
2043	1,016,233	36,624	517	11,530	74,320	302,952	25%
2044	1,032,086	36,624	729	6,869	104,803	346,891	30%
2045	1,048,187	36,624	887	14,655	127,660	384,328	33%
2046	1,064,538	36,624	794	50,877	114,201	386,295	30%
2047	1,081,145	36,624	1,025	4,460	147,390	436,176	34%
2048	1,098,011	36,624	1,224	9,087	176,151	482,891	36%
2049	1,115,140	36,624	1,287	28,928	185,134	510,951	36%

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

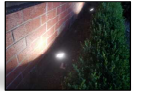
Frequency: 12 Months

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.



#8 - Brick Masonry – Clean & Tuck Repoint

Frequency: 10 Years

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.



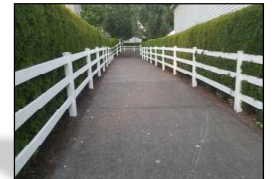
#10 - Concrete Maintenance

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

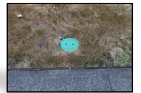
When an electrical impulse is transmitted to the solenoid, an electromagnetic field causes a small metal plunger in the solenoid to move upward. When the plunger moves upward, a small hole in the valve is uncovered which allows the water in the chamber above the closing mechanism to flow through the 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.

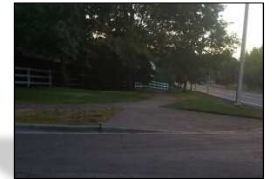
This line item is for any major work required in maintaining the open spaces in the community.



#22 - Tree-Maintenance

Frequency: 6-10 Years

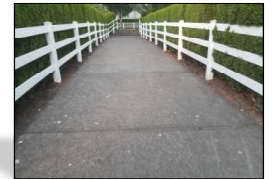
The first pruning of young trees and shrubs always consists of removing broken, crossing, and weak-structured branches. The recommendation to remove one-third of the top to compensate for root loss of balled and bur lapped material at transplanting has been revised. Prune these plants for structural 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.

