MURRAY PARK CONDOMINIUMS ASSOCIATION OF UNIT OWNERS

MAINTENANCE PLAN UPDATE

RESERVE STUDY

LEVEL III: UPDATE WITH NO VISUAL SITE INSPECTION

2018

SCHWINDT & CO.
RESERVE STUDY SERVICES
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SCHWINDT & CO.
RESERVE STUDY SERVICES

Members of the Association of Professional Reserve Analysts / Reserve Specialist designation from CAI

MURRAY PARK CONDOMINIUMS ASSOCIATION OF UNIT OWNERS

Executive Summary

Year of Report:

January 1, 2018 to December 31, 2018

Number of Units:

80 Units

Parameters:

Beginning Balance: $101,087

Year 2018 Suggested Contribution: $72,000

Year 2018 Projected Interest Earned: $27

Inflation: 2.50%

Annual Increase to Suggested Contribution: 3.25%

Lowest Cash Balance Over 30 Years (Threshold): $32,807

Average Reserve Assessment per Unit: $75.00

Prior Year's Actual Contribution: $69,300

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We have conducted an offsite reserve study update and maintenance plan update for Murray Park Condominiums Association of Unit Owners for the year beginning January 1, 2018, in accordance with guidelines established by Community Associations Institute and the American Institute of Certified Public Accountants.

This reserve study and maintenance plan is in compliance with the legislative changes made in 2007 to ORS Chapters 94 and 100.

In addition to providing the reserve study and maintenance plan, we also provide tax and review/audit services to the Association.

Schwindt & Company believes that every association should have a complete building envelope inspection within 12 months of completion of all construction and every 7 years. This inspection must be performed by a licensed building envelope inspector. Ongoing inspections of the property should be performed by a licensed inspector, with the exception of a roof inspection which may be performed by a licensed roofing contractor.

Assumptions used for inflation, interest, and other factors are detailed in page 19. Income tax factors were not considered due to the uncertainty of factors affecting net taxable income and the election of the tax form to be filed.

Due to increased building activity we have seen a dramatic increase in certain vendor pricing during 2016. However, it currently is not known if this is a temporary or permanent increase. We have not considered this increase in current cost projections but will monitor these costs on a go forward basis.

David T. Schwindt, the representative in charge of this report, is a designated Reserve Study Specialist, Professional Reserve Analyst, and Certified Public Accountant licensed in the states of Oregon, Washington, California, and Arizona.

All information regarding the useful life and cost of reserve components was derived from the Association's prior reserve study, local vendors, the Association, and/or from various construction pricing and scheduling manuals.

The terms *RS Means*, *National Construction Estimator*, and *Fannie Mae Expected Useful Life Tables and Forms* refer to construction industry estimating databases that are used throughout the industry to establish cost estimates and useful life estimates for common building components and products. We suggest that the Association obtain firm bids for these services.

According to Section 4 of the Declaration, the General Common Elements consists of all portions of the condominium not part of a unit or a limited common elements, including, but not limited to, parking areas, stairways, exercise trails, roof, exterior and all supporting elements of the buildings and the land and landscaping.

According to Section 5 of the Declaration the limited common elements include the carports.

According to Section 7 of the Bylaws, the windows and door are the responsibility of the unit owner.

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Earthquake insurance deductible is not included in the reserve study.

The Association has elected to provide certain information to Schwindt & Co to allow Schwindt & Co to perform a lessor level of assurance with respect to the reserve study. Factual data may include measurements, component listings and other relevant information. As such, Schwindt & Co accepts no responsibility for such information. Had we performed a level I reserve study, Schwindt & Co would have collected and analyzed such data and would have taken responsibility for the presentation of the reserve study taken as a whole.

We are not aware of any material issues which, if not disclosed, would cause a material distortion of this report.

Certain information, such as the beginning balance of reserve funds and other information as detailed on the component detail reports, was provided by Association representatives and are deemed to be reliable by us. This reserve study is a reflection of the information provided to us and cannot be used for the purpose of performing an audit, a quality/forensic analysis, or background checks of historical records.

Site visits should not be considered a project audit or quality inspection of the Association's property. This site visit does not evaluate the condition of the property to determine the useful life or needed repairs. Schwindt & Company suggests that the Association perform a building envelope inspection to determine the condition, performance, and the useful life of all the components.

Certain costs outlined in the reserve study are subjective and, as a result, are for planning purposes only. The Association should obtain firm bids at the time of work. Actual costs will depend upon the scope of work as defined at the time the repair, replacement, or restoration is performed. All estimates relating to future work are good faith estimates and projections are based on the estimated inflation rate, which may or may not prove accurate. All future costs and life expectancies should be reviewed and adjusted annually.

This reserve study, unless specifically stated in the report, assumes no fungi, mold, asbestos, lead paint, urea-formaldehyde foam insulation, termite control substances, other chemicals, toxic wastes, radon gas, electro-magnetic radiation or other potentially hazardous materials (on the surface or sub-surface), or termites on the property. The existence of any of these substances may adversely affect the accuracy of this reserve study. Schwindt & Company assumes no responsibility regarding such conditions, as we are not qualified to detect substances, determine the impact, or develop remediation plans/costs.

Since destructive testing was not performed, this reserve study does not attempt to address latent and/or patent defects. Neither does it address useful life expectancies that are abnormally short due either to improper design, installation, nor to subsequent improper maintenance. This reserve study assumes all components will be reasonably maintained for the remainder of their life expectancy.

Physical Analysis:

New projects generally include information provided by developers and/or refer to drawings.

Full onsite reserve studies generally include field measurements and do not include destructive testing. Drawings are usually not available for existing projects.

Onsite updates generally include observations of physical characteristics, but do not include field measurements.

Please note that the Association has not had a complete building envelope inspection. The effects of not having information relating to this inspection are not known.

The client is considered to have deemed previously developed component quantities as accurate and reliable. The current work is reliant on the validity of prior reserve studies.

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 homeowners to pay on demand (as a special assessment) their share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.

MURRAY PARK CONDOMINIUMS ASSOCIATION OF UNIT OWNERS

MAINTENANCE PLAN UPDATE

2018

Murray Park Condominiums Association of Unit Owners
Executive Summary of Maintenance Plan

Regular maintenance of common elements is necessary to insure the maximum useful life and optimum performance of components. Of particular concern are items that may present a safety hazard to residents or guests if they are not maintained in a timely manner and components that perform a water-proofing function.

This maintenance plan is a cyclical plan that calls for maintenance at regular intervals. The frequency of the maintenance activity and the cost of the activity at the first instance follow a short descriptive narrative. This maintenance plan should be reviewed on an annual basis when preparing the annual operating budget for the Association.

Checklists, developed by Reed Construction Data, Inc., can be photocopied or accessed from the RS Means website:

http://www.rsmeans.com/supplement/67346.asp

They can be used to assess and document the existing condition of an Association's common elements and to track the carrying out of planned maintenance activities.

Murray Park Condominiums Association of Unit Owners
Maintenance Plan
2018

Pursuant to Oregon State Statutes Chapters 94 and 100, which require a maintenance plan as an integral part of the reserve study, the maintenance procedures are as follows:

The Board of Directors should refer to this maintenance plan each year when preparing the annual operating budget for the Association to ensure that annual maintenance costs are included in the budget for the years that they are scheduled.

Property Inspection

Schwindt & Company recommends that a provision for the annual inspection of common area components be included in the maintenance plan for all associations. This valuable management tool will help to ensure that all components achieve a maximum useful life expectancy and that they function as intended throughout their lifespan.

The inspection should be performed by a qualified professional and should include a written summary of conclusions with specific recommendations for any needed repairs or maintenance.

We suggest that the Association obtain firm bids for this service.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

Building Envelope Inspection

Schwindt & Company recommends that all associations perform a building envelope inspection within 12 months of substantial completion of all construction or immediately upon detection of any water intrusion or mold problems. This inspection process may involve invasive testing if the problems detected are serious enough to warrant such measures.

The inspection should be performed by an architect, engineer, or state-licensed inspector who is specifically trained in forensic waterproofing analysis. The report should include a written summary of findings with recommendations for needed repairs or maintenance procedures.

All reserve studies and maintenance plans prepared by Schwindt & Company assume that any such recommendations will be followed and that all work will be performed by qualified professionals.

A complete envelope inspection will usually be required only one time although a visual review of the building exterior may be advisable on a periodic basis under certain circumstances. The Association should consult with the inspector(s) who performed the original assessment to determine the best course of action for their individual situation.

We suggest that the Association obtain firm bids for this service.

Frequency: Every 7 years

Roof Inspection

Schwindt & Company recommends that a provision for the periodic inspection and maintenance of roofing and related components be included in the maintenance plan for all associations.

The frequency of this inspection will vary based on the age, condition, complexity, and remaining useful life of the roof system. As the roof components become older, the Association is well advised to consider increasing the frequency of this critical procedure.

The inspection should be performed by a qualified roofing professional and should include a written summary of conclusions with specific recommendations for any needed repairs or maintenance. Recommended maintenance should be performed promptly by a licensed roofing contractor.

We suggest that the Association obtain firm bids for this service.

This expense should be included in the annual operating budget for the Association.

Frequency: Refer to roof warranty for frequency

Lighting: Exterior Common Area – Inspection/Maintenance

Note: Replacement of flickering or burned-out bulbs should be immediate.

Lighting is a crucial element in the provision of safety and security. All lighting systems should be inspected frequently and care must be taken to identify and correct deficiencies.

Various fixture types may be used according to area needs. Lighting systems should be designed to provide maximum, appropriate illumination at minimal energy expenditures. Lighting maintenance processes should include a general awareness of factors that cause malfunctions in lighting systems, such as dirt accumulation and lumen depreciation. It is important to fully wash, rather than dry-wipe, exterior surfaces to reclaim light and prevent further deterioration.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Repairs and inspections should be completed by a qualified professional.

This expense should be included in the annual operating budget for the Association as general property maintenance expense.

Frequency: Bi-Weekly

Exterior Stairs and Balconies

A method should be adopted for owners to report problems.

Individual balconies should be carefully checked, particularly wood, on a monthly basis. Railings should be reviewed for stability, hardware, and overall condition. Wood should be reviewed for deficiencies, such as dry rot, termites, instability, worn edges, cracks, holes and splintering. Footing/foundation should be reviewed for stability and overall condition deficiencies, such as cracks and broken or missing components. A safety review should include, but not be limited to, the sufficient distance maintained between flammables and other surfaces, as well as the overall condition of access points such as doors, windows, screens and thresholds.

Frequency: Monthly

Fence, Perimeter–Inspection

The fence located along the perimeter of the property should be checked semi-annually for overall integrity and safety. The overall condition of the fence should be checked for deficiencies such as vegetation encroachment, debris buildup, holes, sagging areas, missing segments, rot, fungus, and/or vandalism.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Frequency: Semiannually

Gutters & Downspouts

Schwindt & Company recommends that all gutters and downspouts be cleaned, visually inspected, and repaired as required every 6 months in the spring and fall.

This important maintenance procedure will help to ensure that the gutters and downspouts are free-flowing at all times, thus preventing the backup of water within the drainage system. Such backup can lead to water ingress issues along the roof edges, around scuppers or other roof penetrations, and at sheet metal flashing or transition points that rely on quick and continuous discharge of water from surrounding roof surfaces to maintain a watertight building exterior.

This expense should be included in the annual operating budget for the Association.

Frequency: Semiannually, more often if necessary

Exterior Walls

The siding, trim, and other wood building components should be inspected for loose, missing, cracked or otherwise damaged components. Sealant joints should be checked for missing or cracked sealant.

Painted surfaces should be checked for paint deterioration, bubbling, or other signs of deterioration. Dryer vents should be checked **twice a year** and cleared of lint. Also check operation of exhaust baffles to make sure they are present and that they move freely. Exhaust ducts should be cleared of debris **every 3 years**.

Any penetrations of the building envelope such as utility lines and light fixtures should be checked

annually for signs of water intrusion. Hose bibs should be checked for leaks and other failures. Each hose bib should be shut off and drained during the winter to prevent damage from freezing.

Annual inspections to check for signs of water intrusion should be made of the building envelope interfaces such as where the windows intersect with the walls and where the walls intersect with the roof.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Inspections should be made by a qualified professional.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

Trees - Maintenance

The Association will be responsible for trimming trees in the common area throughout the property. Trees and shrubs should be kept clear of the building components.

We suggest that the Association obtain firm bids for this service.

This expense should be included in the Association's operating budget.

Frequency: Annually

Landscape Maintenance

The Association will be responsible for maintenance and upkeep of common area landscape throughout the property. This may include mowing lawn, removal of weeds, and dead-heading of flowers. Landscape techniques vary depending on the foliage and season.

We suggest that the Association obtain firm bids for this service.

This expense should be included in the Association's operating budget.

Frequency: Annually

Lawn Irrigation System

Periodic maintenance to the lawn irrigation system should be anticipated with this type of component. These maintenance procedures will include replacement of the control mechanism, replacement of damaged piping, upgrading of sprinkler heads and valve components, and any other work that is advised by repair professionals.

In recent years, improvements have been made to this type of system which has increased the efficiency of the water distribution process. Such improvements can be expected to continue to be made and the

owners of such systems are well advised to plan on periodic upgrades to maintain the efficiency of their systems.

Lawn irrigation systems also require periodic testing to ensure proper operation. Sometimes this testing is mandated by ordinance or building codes. All work on lawn irrigation systems must be performed by licensed contractors who specialize in this type of work.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

Storm Drains

Storm drains or sewers are underground systems used to collect and dispose of surface water. They carry large quantities of water away from paved surface areas, and should be kept clean to prevent the accumulation of dirt and debris. They should be cleaned and flushed annually to ensure blockages are removed and piping is functional. If drains tend to become clogged frequently, they should be inspected and cleaned more often.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

This expense should be included in the annual operating budget for the Association as a general property maintenance expense.

Frequency: Annually

Exterior Painting

Maintenance of the exterior siding, carports, balconies, and entry stairs includes regularly scheduled cleaning and inspection of the surface areas for cracks, peeling paint or other sealants, deterioration of the base material, and failure of caulking or other sealant materials that serve a waterproofing function.

This maintenance provision is for the periodic painting of the exterior siding, carports, balconies, and entry stairs. These building components should be cleaned, repaired as required, and primed and painted with premium quality exterior house paint in accordance with the siding manufacturer's specifications. The work should be performed by a qualified, licensed painting contractor.

This expense is included in the reserve study for the Association.

Frequency: Every 7 years, beginning in 2020

Asphalt – Seal Coating

Maintenance of asphalt paving includes the periodic application of an asphalt emulsion sealer or "seal coat". This procedure is typically 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 factor, and associations that have asphalt paving 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 paving contractor.

This expense is included in the reserve study for the Association.

Frequency: Every 5 years, beginning in 2018

Crawl Spaces

Crawl spaces should be checked annually to make sure all vents are free of obstructions. Owners should make sure that the finish grade is below the height of the vents and vents are clear of debris. Crawl space should be checked for signs of water intrusion or moisture damage to the building structure.

Owners should consult a professional if water related damage is discovered.

This expense should be included in the annual operating budget for the Association as a general property maintenance expense.

Frequency: Annually

Concrete Pavement

Maintenance of the concrete pavement should include cleaning the surface areas with pressure washing equipment. The pavement should also be visually reviewed for signs of undue stress and cracking. Noticeable cracks should be filled with a suitable concrete crack filler to prevent penetration of moisture below the concrete surface which will undermine the integrity of the base material over time.

This expense should be included in the annual operating budget for the Association as a general property maintenance expense.

Frequency: Annually

This maintenance plan is designed to preserve and extend the useful life of assets and is dependent upon proper inspection and follow up procedures.

MURRAY PARK CONDOMINIUMS ASSOCIATION

OF UNIT OWNERS

RESERVE STUDY

LEVEL III: UPDATE WITH NO VISUAL SITE INSPECTION

2018

Murray Park Condominiums Association of Unit Owners
Property Description

Murray Park Condominiums Association of Unit Owners consists of 10 buildings with 80 units located in Beaverton, Oregon. The buildings were built in 1980. The buildings are 2 stories and of wood frame construction with cedar siding and concrete tile shingle roofs. The Association shall provide exterior improvements upon each unit, such as paint, maintenance, repair and replacement of roofs, gutters, downspouts, rain drains, and exterior building surfaces. The individual homeowners are responsible for all maintenance and repairs to the interior of their home.

This study uses information supplied by the Association, local venders, and various construction pricing and scheduling manuals to determine useful lives and replacement costs.

A site visit was performed by Schwindt and Company 2012 and again in 2016. Schwindt and Company did not investigate components for defects, materials, design or workmanship. This would ordinarily be considered in a complete building envelope inspection. Our condition assessment considers if the component is wearing as intended. All components are considered to be in fair condition and appear to be wearing as intended unless noted otherwise in the component detail.

Funds are being accumulated in the replacement fund based on estimates of future need for repairs and replacement of common property components. Actual expenditures, investment income, and provisions for income taxes however, may vary from estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future funding needs.

If additional funds are needed, the Association has the right, subject to board approval, to increase regular assessments, levy special assessments, or it may delay repairs or replacements until funds are available.

Murray Park Condominiums Association of Unit Owners
Category Detail Index

Murray Park Condominiums Association of Unit Owners
Category Detail Index

Murray Park Condominiums Association of Unit Owners
Beaverton, Oregon
Cash Flow Method - Threshold Funding Model Summary

Report Date	August 10, 2017
Account Number	2murry
Budget Year Beginning	January 01, 2018
Budget Year Ending	December 31, 2018
Total Units	80

Report Parameters

Inflation	2.50%
Annual Assessment Increase	3.25%
Interest Rate on Reserve Deposit	0.10%
2018 Beginning Balance	$101,087

Threshold Funding
Fully Reserved Model Summary

- This study utilizes the cash flow method and the threshold funding model, which establishes a reserve funding goal that keeps the reserve balance above a specified dollar or percent funded amount. The threshold method assumes that the threshold method is funded with a positive threshold balance, therefore, "fully reserved".
- The following items were not included in the analysis because they have useful lives greater than 30 years: grading/drainage; foundation/footings; storm drains; telephone, cable, and internet lines.
- This funding scenario begins with a contribution of **$72,000** in **2018** and increases **3.25%** each year for the remaining years of the study. A minimum balance of **$32,807** is maintained.
- The reserve study cash flow model includes an annual increase in the required contribution over the 30 year period. Since the current Board and membership only has the authority to obligate the Association for the current budget year, the cash flow model relies on the actions of future Boards to adhere to the required increase in the annual reserve contribution. Because of the possibility that future Boards, due to budgetary constraints, are not able to increase the reserve contribution to the required amount to provide for adequate funding, the Association may be at risk in the future of special assessing the members to fund needed expenditures.
- The purpose of this study is to insure that adequate replacement funds are available when components reach the end of their useful life. Components will be replaced as required, not necessarily in their expected replacement year. This analysis should be updated annually.

Cash Flow Method - Threshold Funding Model Summary of Calculations

Required Month Contribution	$6,000.00
$75.00 per unit monthly	
Average Net Month Interest Earned	$2.25
Total Month Allocation to Reserves	$6,002.25
$75.03 per unit monthly	

Murray Park Condominiums Association of Unit Owners
Beaverton, Oregon
Cash Flow Method - Threshold Funding Model Projection

Beginning Balance: $101,087

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves
2018	72,000	27	113,113	60,001
2019	74,340	100		134,442
2020	76,756		178,391	32,807
2021	79,251	76		112,133
2022	81,826	156	698	193,417
2023	84,486	180	59,681	218,401
2024	87,231	266		305,898
2025	90,066	340	14,992	381,312
2026	92,994	425	7,327	467,403
2027	96,016	336	183,102	380,653
2028	99,136	397	37,166	443,021
2029	102,358	499		545,878
2030	105,685	551	52,649	599,465
2031	109,120	659		709,243
2032	112,666	753	17,821	804,841
2033	116,328	673	195,499	726,342
2034	120,108	573	218,590	628,434
2035	124,012	696		753,141
2036	128,042	814	8,393	873,605
2037	132,204	946		1,006,755
2038	136,500	1,033	48,612	1,095,675
2039	140,937	1,151	21,184	1,216,580
2040	145,517	1,296		1,363,393
2041	150,246	571	873,685	640,525
2042	155,129	724	1,144	795,234
2043	160,171	169	713,220	242,354
2044	165,377	332		408,063
2045	170,751	501		579,315
2046	176,301	638	37,188	719,066
2047	182,031	818		901,914

Murray Park Condominiums Association of Unit Owners
Beaverton, Oregon
Component Summary By Category

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Roofing								
Metal Chimney Caps - Replacement	1995	2018	15	4	0	1 Total	7,162.64	7,163
Roof - Replacement	2018	2043	25	0	25	72,293 SF	5.00	361,465
Roof - Replacement 2018		*Unfunded*						
Roofing - Total								$368,628
Painting								
Exterior Painting	2013	2020	7	0	2	1 Total	115,831.41	115,831
Painting - Total								$115,831
Building Components								
Exterior Building Repairs(2018)	2013	2018	7	-3	0	1 Total	30,783.73	15,392
Exterior Building Repairs	2013	2020	7	0	2	1 Total	30,783.73	30,784
Building Components - Total								$46,176
Gutters and Downspouts								
Gutters & Downspouts - Partial Replaceme..	2014	2030	50	-34	12	1 Total	55,331.40	11,066
Gutters and Downspouts - Total								$11,066
Streets/Asphalt								
Asphalt - Repairs	2009	2018	5	0	0	1 Total	4,259.34	4,259
Asphalt - Seal Coat (I)	2009	2018	5	0	0	49,250 SF	0.22	10,835
Asphalt - Overlay	1980	2033	24	29	15	49,250 SF	2.32	114,260
Asphalt - Seal Coat (II)	2038	2038	5	0	20	49,250 SF	0.22	10,835
Streets/Asphalt - Total								$140,189
Fencing/Security								
Fence: Wood - Repairs	2007	2018	7	0	0	240 LF	30.13	7,231
Chain Link Fence - Replacement	1980	2030	50	0	12	911 LF	30.13	27,448
Fencing/Security - Total								$34,680
Decks and Railings								
Balcony Deck & Entry Stairs - Repairs	2016	2041	25	0	23	1 Total	697,000.00	348,500
Balcony Deck & Entry Stairs - Repairs(201..		*Unfunded*						
Decks and Railings - Total								$348,500
Lighting								
Building Lights - Replacement	1980	2018	30	8	0	240 Each	86.92	20,861
Unit Sign Lights - Replacement	1980	2018	30	8	0	80 Each	150.00	12,000
Common Area Lights - Replacement	1998	2023	25	0	5	1 Total	29,510.08	29,510
Lighting - Total								$62,371

Murray Park Condominiums Association of Unit Owners
Beaverton, Oregon
Component Summary By Category

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Grounds Components								
Concrete Walkway - Repairs	2008	2018	5	2	0	599 SF	11.59	6,942
Curb Repair & Pavement Marking	2009	2018	5	0	0	1 Total	3,073.96	3,074
Irrigation Controller - Replacement	2004	2018	15	-5	0	1 Total	1,159.00	1,159
Retaining Walls & Handrails - Repair	1980	2018	10	0	0	1 Total	5,795.01	5,795
Wood Trash/Recycle Enclosures - Repair	2012	2018	5	0	0	1 Total	2,387.55	2,388
Landscaping - Renovation	2016	2026	10	0	8	1 Total	5,381.25	5,381
Carport Support Poles - Replacement	*Unfunded*							
Grounds Components - Total								$24,739
Mailboxes								
Mailboxes - Repair	2008	2018	4	0	0	1 Total	632.70	633
Mailboxes - Total								$633
Inspections								
Building Envelope Inspection	1980	2018	7	0	0	1 Total	5,381.25	5,381
Electrical Study	1980	2020	40	0	2	1 Total	11,590.04	11,590
Plumbing Study	1980	2020	40	0	2	1 Total	11,590.04	11,590
Inspections - Total								$28,561
Insurance Deductible								
Insurance Deductible	2017	2018	1	0	0	1 Total	10,000.00	10,000
Insurance Deductible - Total								$10,000
Total Asset Summary								$1,191,374

Murray Park Condominiums Association of Unit Owners
Beaverton, Oregon
Component Summary By Group

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Asphalt - Repairs	2009	2018	5	0	0	1 Total	4,259.34	4,259
Asphalt - Seal Coat (I)	2009	2018	5	0	0	49,250 SF	0.22	10,835
Building Envelope Inspection	1980	2018	7	0	0	1 Total	5,381.25	5,381
Building Lights - Replacement	1980	2018	30	8	0	240 Each	86.92	20,861
Concrete Walkway - Repairs	2008	2018	5	2	0	599 SF	11.59	6,942
Curb Repair & Pavement Marking	2009	2018	5	0	0	1 Total	3,073.96	3,074
Exterior Building Repairs(2018)	2013	2018	7	-3	0	1 Total	30,783.73	15,392
Fence: Wood - Repairs	2007	2018	7	0	0	240 LF	30.13	7,231
Insurance Deductible	2017	2018	1	0	0	1 Total	10,000.00	10,000
Irrigation Controller - Replacement	2004	2018	15	-5	0	1 Total	1,159.00	1,159
Mailboxes - Repair	2008	2018	4	0	0	1 Total	632.70	633
Metal Chimney Caps - Replacement	1995	2018	15	4	0	1 Total	7,162.64	7,163
Retaining Walls & Handrails - Repair	1980	2018	10	0	0	1 Total	5,795.01	5,795
Unit Sign Lights - Replacement	1980	2018	30	8	0	80 Each	150.00	12,000
Wood Trash/Recycle Enclosures - Repair	2012	2018	5	0	0	1 Total	2,387.55	2,388
Electrical Study	1980	2020	40	0	2	1 Total	11,590.04	11,590
Exterior Building Repairs	2013	2020	7	0	2	1 Total	30,783.73	30,784
Exterior Painting	2013	2020	7	0	2	1 Total	115,831.41	115,831
Plumbing Study	1980	2020	40	0	2	1 Total	11,590.04	11,590
Common Area Lights - Replacement	1998	2023	25	0	5	1 Total	29,510.08	29,510
Landscaping - Renovation	2016	2026	10	0	8	1 Total	5,381.25	5,381
Chain Link Fence - Replacement	1980	2030	50	0	12	911 LF	30.13	27,448
Gutters & Downspouts - Partial Replaceme..	2014	2030	50	-34	12	1 Total	55,331.40	11,066
Asphalt - Overlay	1980	2033	24	29	15	49,250 SF	2.32	114,260
Asphalt - Seal Coat (II)	2038	2038	5	0	20	49,250 SF	0.22	10,835
Balcony Deck & Entry Stairs - Repairs	2016	2041	25	0	23	1 Total	697,000.00	348,500
Roof - Replacement	2018	2043	25	0	25	72,293 SF	5.00	361,465
Balcony Deck & Entry Stairs - Repairs(201..	*Unfunded*							
Carport Support Poles - Replacement	*Unfunded*							
Roof - Replacement 2018	*Unfunded*							
Total Asset Summary								$1,191,374

Murray Park Condominiums Association of Unit Owners
Beaverton, Oregon
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2018	
Asphalt - Repairs	4,259
Asphalt - Seal Coat (I)	10,835
Building Envelope Inspection	5,381
Building Lights - Replacement	20,861
Concrete Walkway - Repairs	6,942
Curb Repair & Pavement Marking	3,074
Exterior Building Repairs(2018)	15,392
Fence: Wood - Repairs	7,231
Insurance Deductible	10,000
Irrigation Controller - Replacement	1,159
Mailboxes - Repair	633
Metal Chimney Caps - Replacement	7,163
Retaining Walls & Handrails - Repair	5,795
Unit Sign Lights - Replacement	12,000
Wood Trash/Recycle Enclosures - Repair	2,388
Total for 2018	**$113,113**
No Replacement in 2019	
Replacement Year 2020	
Electrical Study	12,177
Exterior Building Repairs	32,342
Exterior Painting	121,695
Plumbing Study	12,177
Total for 2020	**$178,391**
No Replacement in 2021	
Replacement Year 2022	
Mailboxes - Repair	698
Total for 2022	**$698**
Replacement Year 2023	
Asphalt - Seal Coat (I)	12,259

Murray Park Condominiums Association of Unit Owners
Beaverton, Oregon
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2023 continued...	
Common Area Lights - Replacement	33,388
Concrete Walkway - Repairs	7,855
Curb Repair & Pavement Marking	3,478
Wood Trash/Recycle Enclosures - Repair	2,701
Total for 2023	**$59,681**
No Replacement in 2024	
Replacement Year 2025	
Building Envelope Inspection	6,397
Fence: Wood - Repairs	8,596
Total for 2025	**$14,992**
Replacement Year 2026	
Landscaping - Renovation	6,557
Mailboxes - Repair	771
Total for 2026	**$7,327**
Replacement Year 2027	
Exterior Building Repairs	38,445
Exterior Painting	144,658
Total for 2027	**$183,102**
Replacement Year 2028	
Asphalt - Seal Coat (I)	13,870
Concrete Walkway - Repairs	8,887
Curb Repair & Pavement Marking	3,935
Retaining Walls & Handrails - Repair	7,418
Wood Trash/Recycle Enclosures - Repair	3,056
Total for 2028	**$37,166**
No Replacement in 2029	
Replacement Year 2030	
Chain Link Fence - Replacement	36,915

Murray Park Condominiums Association of Unit Owners
Beaverton, Oregon
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2030 continued...	
Gutters & Downspouts - Partial Replacement	14,883
Mailboxes - Repair	851
Total for 2030	**$52,649**
No Replacement in 2031	
Replacement Year 2032	
Building Envelope Inspection	7,604
Fence: Wood - Repairs	10,217
Total for 2032	**$17,821**
Replacement Year 2033	
Asphalt - Overlay	165,483
Concrete Walkway - Repairs	10,055
Curb Repair & Pavement Marking	4,452
Irrigation Controller - Replacement	1,679
Metal Chimney Caps - Replacement	10,374
Wood Trash/Recycle Enclosures - Repair	3,458
Total for 2033	**$195,499**
Replacement Year 2034	
Exterior Building Repairs	45,699
Exterior Painting	171,952
Mailboxes - Repair	939
Total for 2034	**$218,590**
No Replacement in 2035	
Replacement Year 2036	
Landscaping - Renovation	8,393
Total for 2036	**$8,393**
No Replacement in 2037	

Murray Park Condominiums Association of Unit Owners
Beaverton, Oregon
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2038	
Asphalt - Seal Coat (II)	17,754
Concrete Walkway - Repairs	11,376
Curb Repair & Pavement Marking	5,037
Mailboxes - Repair	1,037
Retaining Walls & Handrails - Repair	9,496
Wood Trash/Recycle Enclosures - Repair	3,912
Total for 2038	**$48,612**
Replacement Year 2039	
Building Envelope Inspection	9,038
Fence: Wood - Repairs	12,145
Total for 2039	**$21,184**
No Replacement in 2040	
Replacement Year 2041	
Balcony Deck & Entry Stairs - Repairs	614,967
Exterior Building Repairs	54,321
Exterior Painting	204,397
Total for 2041	**$873,685**
Replacement Year 2042	
Mailboxes - Repair	1,144
Total for 2042	**$1,144**
Replacement Year 2043	
Asphalt - Seal Coat (II)	20,087
Concrete Walkway - Repairs	12,871
Curb Repair & Pavement Marking	5,699
Roof - Replacement	670,136
Wood Trash/Recycle Enclosures - Repair	4,426
Total for 2043	**$713,220**

Murray Park Condominiums Association of Unit Owners
Beaverton, Oregon
Annual Expenditure Detail

Description	Expenditures
No Replacement in 2044	
No Replacement in 2045	
Replacement Year 2046	
Building Envelope Inspection	10,744
Fence: Wood - Repairs	14,437
Landscaping - Renovation	10,744
Mailboxes - Repair	1,263
Total for 2046	**$37,188**

Metal Chimney Caps - Replacement

		1 Total	@ $7,162.64
Asset ID	1012	Asset Cost	$7,162.64
	Capital	Percent Replacement	100%
	Roofing	Future Cost	$7,162.64
Placed in Service	January 1995		
Useful Life	15		
Adjustment	4		
Replacement Year	2018		
Remaining Life	0		

This provision is for the replacement of all metal chimney caps.

The cost and useful life are based on information provided by the Association.

The Association will need to obtain bids for this work.

Roof - Replacement

		72,293 SF	@ $5.00
Asset ID	1039	Asset Cost	$361,465.00
	Capital	Percent Replacement	100%
	Roofing	Future Cost	$670,135.90
Placed in Service	January 2018		
Useful Life	25		
Replacement Year	2043		
Remaining Life	25		

This assumes the roofs are replaced in 2018 with a architectural shingles.

This provision is for the replacement of the roofs on the units and carports.

Schwindt and Company estimated 72,293 square feet of roofing.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The Association should obtain a bid to confirm this estimate.

Roof - Replacement 2018

		72,293 SF	@ $10.25
Asset ID	1018	Asset Cost	$741,003.25
	Capital	Percent Replacement	100%
	Roofing	Future Cost	$741,003.25
Placed in Service	January 1980		
Useful Life	50		
Adjustment	-12		
Replacement Year	2018		
Remaining Life	0		

According to the Association, they will try to obtain a loan to pay for the cost of this work.

This provision is for the replacement of the roofs on the units and carports.

Schwindt and Company estimated 72,293 square feet of roofing.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The Association should obtain a bid to confirm this estimate.

Roofing - Total Current Cost **$368,628**

Exterior Painting

		1 Total	@ $115,831.41
Asset ID	1005	Asset Cost	$115,831.41
	Non-Capital	Percent Replacement	100%
	Painting	Future Cost	$121,695.37
Placed in Service	January 2013		
Useful Life	7		
Replacement Year	2020		
Remaining Life	2		

This provision is to paint the exterior building components.

In 2013, the siding, carports, balconies, and entry stairs were painted by Verhaalen Painting, Inc. for $105,000. According to Ken Verhaalen, the exterior should be painted every 7 years. He provided that the 2013 expense should be sufficient to paint at the next painting cycle.

The Association will need to obtain bids for this work.

Painting - Total Current Cost **$115,831**

Exterior Building Repairs

		1 Total	@ $30,783.73
Asset ID	1030	Asset Cost	$30,783.73
	Non-Capital	Percent Replacement	100%
	Building Components	Future Cost	$32,342.16
Placed in Service	January 2013		
Useful Life	7		
Replacement Year	2020		
Remaining Life	2		

This provision provides funding for the repair of the following components: balconies; carports; entry stairs; roofs; siding; and stair deck, railings, and tread. These components will be repair when the exterior is being painted.

In 2013, these building components were repaired by Verhaalen Painting, Inc. for $27,905.14. According to Ken Verhaalen, the exterior should be painted every 7 years. He provided that the 2013 expense should be sufficient for repairs at the next painting cycle.

The Association will need to obtain bids for this work.

Exterior Building Repairs(2018)

		1 Total	@ $30,783.73
Asset ID	1037	Asset Cost	$15,391.86
	Non-Capital	Percent Replacement	50%
	Building Components	Future Cost	$15,391.86
Placed in Service	January 2013		
Useful Life	7		
Adjustment	-3		
Replacement Year	2018		
Remaining Life	0		

This provision provides funding for the repair of the following components: siding and trim in 2018.

In 2013, these building components were repaired by Verhaalen Painting, Inc. for $27,905.14. According to Ken Verhaalen, the exterior should be painted every 7 years. He provided that the 2013 expense should be sufficient for repairs at the next painting cycle.

The Association will need to obtain bids for this work.

Building Components - Total Current Cost	**$46,176**

Gutters & Downspouts - Partial Replacement

		1 Total	@ $55,331.40
Asset ID	1032	Asset Cost	$11,066.28
	Non-Capital	Percent Replacement	20%
	Gutters and Downspouts	Future Cost	$14,882.92
Placed in Service	January 2014		
Useful Life	50		
Adjustment	-34		
Replacement Year	2030		
Remaining Life	12		

This provision is for the partial replacement of the gutters and downspouts. It is expected that most of the gutters and downspouts will be in good enough condition that a full replacement is not needed.

The cost and useful life are based on information provided by the Association.

The Association will need to obtain bids for this work.

Gutters and Downspouts - Total Current Cost **$11,066**

Asphalt - Overlay

		49,250 SF	@ $2.32
Asset ID	1019	Asset Cost	$114,260.00
	Capital	Percent Replacement	100%
	Streets/Asphalt	Future Cost	$165,482.55
Placed in Service	January 1980		
Useful Life	24		
Adjustment	29		
Replacement Year	2033		
Remaining Life	15		

This provision is to overlay the asphalt.

According to the prior study, there is 49,250 square feet of asphalt.

The cost is based on a per square foot estimate from Coast Pavement.

The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The Association should obtain a bid to confirm this estimate.

Asphalt - Repairs

		1 Total	@ $4,259.34
Asset ID	1026	Asset Cost	$4,259.34
	Non-Capital	Percent Replacement	100%
	Streets/Asphalt	Future Cost	$4,259.34
Placed in Service	January 2009		
Useful Life	5		
Replacement Year	2018		
Remaining Life	0		

This provision is to repair damaged sections of the asphalt.

The cost is based on a bid from Coast Pavement Services.

The Association will need to obtain bids for this work.

According to the Association, this work was not completed in 2013. The Association would like to reschedule this component to 2015.

Asphalt - Seal Coat (I)

		49,250 SF	@ $0.22
Asset ID	1002	Asset Cost	$10,835.00
	Non-Capital	Percent Replacement	100%
	Streets/Asphalt	Future Cost	$10,835.00
Placed in Service	January 2009		
Useful Life	5		
Replacement Year	2018		
Remaining Life	0		

This provision is for the seal coating of the asphalt.

According to the prior study, there is 49,250 square feet of asphalt.

According to the Association, this work was not completed in 2013. The Association would like to reschedule this component to 2017.

The cost is based on a per square foot estimate from Coast Pavement.

The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The Association should obtain a bid to confirm this estimate.

Asphalt - Seal Coat (II)

		49,250 SF	@ $0.22
Asset ID	1031	Asset Cost	$10,835.00
	Non-Capital	Percent Replacement	100%
	Streets/Asphalt	Future Cost	$17,754.41
Placed in Service	January 2038		
Useful Life	5		
Replacement Year	2038		
Remaining Life	20		

This provision is for the seal coating of the asphalt. This component is scheduled to occur after the overlay procedure.

According to the prior study, there is 49,250 square feet of asphalt.

The cost is based on a per square foot estimate from Coast Pavement.

The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Asphalt - Seal Coat (II) continued...

The Association should obtain a bid to confirm this estimate.

Streets/Asphalt - Total Current Cost	**$140,189**

Chain Link Fence - Replacement

		911 LF	@ $30.13
Asset ID	1022	Asset Cost	$27,448.43
	Capital	Percent Replacement	100%
	Fencing/Security	Future Cost	$36,915.09
Placed in Service	January 1980		
Useful Life	50		
Replacement Year	2030		
Remaining Life	12		

This provision is for the replacement of the chain link fence on the property.

Schwindt and Company estimated 911 linear feet of chain link fence.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The Association should obtain a bid to confirm this estimate.

Fence: Wood - Repairs

		1,600 LF	@ $30.13
Asset ID	1017	Asset Cost	$7,231.20
	Non-Capital	Percent Replacement	15%
	Fencing/Security	Future Cost	$7,231.20
Placed in Service	January 2007		
Useful Life	7		
Replacement Year	2018		
Remaining Life	0		

This provision is for the repair of the wood fencing. This provision is for repair of damaged portions which is estimated to be 15%. It is expected that most of the fencing will be in good condition.

Schwindt and Company estimated 1,600 linear feet of wood fencing.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The Association should obtain a bid to confirm this estimate.

Fencing/Security - Total Current Cost **$34,680**

Balcony Deck & Entry Stairs - Repairs

		1 Total	@ $697,000.00
Asset ID	1010	Asset Cost	$348,500.00
	Non-Capital	Percent Replacement	50%
	Decks and Railings	Future Cost	$614,966.82
Placed in Service	January 2016		
Useful Life	25		
Replacement Year	2041		
Remaining Life	23		

This provision is for the repair of damaged sections of the balcony decks and entry stairs in 2041. The estimated area of damaged portions is 50%. According to the Association, the 75% of the decks and front entry ways were repaired in 2016. The remaining 8 decks and 12 landings will be done in 2018 with separate funds..

The useful life and repair amount is based on information provided by the Association.

The cost assumption is based on work done in 2016 and 2018.

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

Balcony Deck & Entry Stairs - Repairs(2018)

		1 Total	@ $153,750.00
Asset ID	1036	Asset Cost	$153,750.00
	Non-Capital	Percent Replacement	100%
	Decks and Railings	Future Cost	$153,750.00
Placed in Service	January 1980		
Useful Life	25		
Adjustment	13		
Replacement Year	2018		
Remaining Life	0		

This provision is for the repair of damaged sections of the balcony decks and entry stairs in 2018. The estimated area of damaged portions is 50%. According to the Association, the 75% of the decks and front entry ways were repaired in 2016. The remaining 8 decks and 12 landings will be done in 2018.

According to the Association, they will try to obtain a loan to pay for the cost of this work.

Balcony Deck & Entry Stairs - Repairs(2018) continued...

The useful life and repair amount is based on information provided by the Association.

The cost assumption is based on information from GreenPointe.

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

Decks and Railings - Total Current Cost **$348,500**

Building Lights - Replacement

		240 Each	@ $86.92
Asset ID	1021	Asset Cost	$20,860.80
	Capital	Percent Replacement	100%
	Lighting	Future Cost	$20,860.80
Placed in Service	January 1980		
Useful Life	30		
Adjustment	8		
Replacement Year	2018		
Remaining Life	0		

This provision is for the replacement of the building attached lights. This cost includes replacement by an electrician.

There are 3 lights per unit.

This component did not occur in 2013. The Association would like to reschedule this component to 2018.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The Association should obtain a bid to confirm this estimate.

Common Area Lights - Replacement

		1 Total	@ $29,510.08
Asset ID	1007	Asset Cost	$29,510.08
	Capital	Percent Replacement	100%
	Lighting	Future Cost	$33,387.95
Placed in Service	January 1998		
Useful Life	25		
Replacement Year	2023		
Remaining Life	5		

This provision is for the ongoing repair, replacement or upgrade of the exterior common area light fixtures on an 18-year cycle.

This includes the following:

Light Poles:	11
Carport Attached Flood Lights:	6
Bollard Lights:	3
Landscaping Lights:	2
Carport Lights:	40

Common Area Lights - Replacement continued...

The cost and useful life are based on information provided by the Association.

The Association will need to obtain bids for this work.

Unit Sign Lights - Replacement

		80 Each	@ $150.00
Asset ID	1020	Asset Cost	$12,000.00
	Capital	Percent Replacement	100%
	Lighting	Future Cost	$12,000.00
Placed in Service	January 1980		
Useful Life	30		
Adjustment	8		
Replacement Year	2018		
Remaining Life	0		

This provision is for the replacement of the lit unit identification signs. This cost includes replacement by an electrician.

There is one sign per unit.

This component did not occur in 2013. The Association would like to reschedule this component to 2018.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The Association should obtain a bid to confirm this estimate.

Lighting - Total Current Cost **$62,371**

Carport Support Poles - Replacement

		1 Total	
Asset ID	1038	Asset Cost	
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	
Placed in Service	January 1980		
Useful Life	1		
Replacement Year	2018		
Remaining Life	0		

According to the Association, the carport support poles will be replaced as needed with operating funds. We recommended the Association regularly inspect the poles to determine their condition and repair priority.

Concrete Walkway - Repairs

		11,980 SF	@ $11.59
Asset ID	1001	Asset Cost	$6,942.41
	Non-Capital	Percent Replacement	5%
	Grounds Components	Future Cost	$6,942.41
Placed in Service	January 2008		
Useful Life	5		
Adjustment	2		
Replacement Year	2018		
Remaining Life	0		

This provision is an allowance for the repair/restoration of concrete walkways every five years. Concrete can last a life time, but much depends on the quality of materials used, workmanship and weather conditions. Monitor concrete areas for cracking and lifting.

Schwindt and Company estimated 11,980 square feet of walkways.

This component did not occur in 2013. The Association would like to reschedule this component to 2018.

The cost is based on a per square foot estimate from Coast Pavement.

The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The Association should obtain a bid to confirm this estimate.

Curb Repair & Pavement Marking

		1 Total	@ $3,073.96
Asset ID	1003	Asset Cost	$3,073.96
	Non-Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$3,073.96
Placed in Service	January 2009		
Useful Life	5		
Replacement Year	2018		
Remaining Life	0		

This provision is to repair the curbing and mark the pavements. This includes repairs, painting, and stenciling of the red curbs and fire lanes. This component is scheduled to occur with the seal coating component.

The cost is based on information provided by the Association.

The Association will need to obtain bids for this work.

Irrigation Controller - Replacement

		1 Total	@ $1,159.00
Asset ID	1027	Asset Cost	$1,159.00
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$1,159.00
Placed in Service	January 2004		
Useful Life	15		
Adjustment	-5		
Replacement Year	2018		
Remaining Life	0		

This provision is for the replacement of the irrigation controller.

The cost and useful life are based on information from Willamette Landscape. The Association will need to obtain bids for this work.

According to the Association, this work was not completed in 2013.

The Association would like to reschedule this component to 2015.

Landscaping - Renovation

		1 Total	@ $5,381.25
Asset ID	1033	Asset Cost	$5,381.25
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$6,556.53
Placed in Service	January 2016		
Useful Life	10		
Replacement Year	2026		
Remaining Life	8		

This provision is for major renovation of the landscaping.

According to the Association, they spent $53,626 on landscaping and drainage in 2016.

The cost and useful life are based on information provided by the Association.

The Association will need to obtain bids for this work.

Retaining Walls & Handrails - Repair

		1 Total	@ $5,795.01
Asset ID	1023	Asset Cost	$5,795.01
	Non-Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$5,795.01
Placed in Service	January 1980		
Useful Life	10		
Replacement Year	2018		
Remaining Life	0		

This provision is for the repair of the wood retaining walls and handrails on the landscaping stairs.

During the site visit performed Schwindt and Company, it was noted that there are some retaining walls that are collapsing and rotting. The Association should have these items inspected and a repair scope created. This component should be updated when more information becomes available.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The Association should obtain a bid to confirm this estimate.

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

Wood Trash/Recycle Enclosures - Repair

		1 Total	@ $2,387.55
Asset ID	1013	Asset Cost	$2,387.55
	Non-Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$2,387.55
Placed in Service	January 2012		
Useful Life	5		
Replacement Year	2018		
Remaining Life	0		

This provision is for the repair of the wood trash and recycling enclosures.

The cost and useful life are based on information provided by the Association.

The Association will need to obtain bids for this work.

Grounds Components - Total Current Cost **$24,739**

Mailboxes - Repair

		1 Total	@ $632.70
Asset ID	1015	Asset Cost	$632.70
	Non-Capital	Percent Replacement	100%
	Mailboxes	Future Cost	$632.70
Placed in Service	January 2008		
Useful Life	4		
Replacement Year	2018		
Remaining Life	0		

This provision is for the repair of the mailboxes including the tumbler locks.

The cost and useful life are based on information provided by the Association.

The Association will need to obtain bids for this work.

Mailboxes - Total Current Cost **$633**

Building Envelope Inspection

		1 Total	@ $5,381.25
Asset ID	1035	Asset Cost	$5,381.25
	Non-Capital	Percent Replacement	100%
	Inspections	Future Cost	$5,381.25
Placed in Service	January 1980		
Useful Life	7		
Replacement Year	2018		
Remaining Life	0		

This provision is for a building envelope inspection. Generally the life of the building envelope is greater than 30 years. We recommend the Association perform an inspection to determine the current condition of the system. Once the condition is known the reserve study should be updated.

Industry specialists recommend a building envelope inspection every 5-10 years.

Electrical Study

		1 Total	@ $11,590.04
Asset ID	1034	Asset Cost	$11,590.04
	Non-Capital	Percent Replacement	100%
	Inspections	Future Cost	$12,176.79
Placed in Service	January 1980		
Useful Life	40		
Replacement Year	2020		
Remaining Life	2		

This provision is for an electrical study to be performed.

Plumbing Study

		1 Total	@ $11,590.04
Asset ID	1028	Asset Cost	$11,590.04
	Non-Capital	Percent Replacement	100%
	Inspections	Future Cost	$12,176.79
Placed in Service	January 1980		
Useful Life	40		
Replacement Year	2020		
Remaining Life	2		

This provision is for a plumbing study to be performed.

Inspections - Total Current Cost	**$28,561**

Insurance Deductible

		1 Total	@ $10,000.00
Asset ID	1029	Asset Cost	$10,000.00
	Non-Capital	Percent Replacement	100%
	Insurance Deductible	Future Cost	$10,000.00
Placed in Service	January 2017		
Useful Life	1		
Replacement Year	2018		
Remaining Life	0		

This provision provides funding for the insurance deductible in the event of a claim.

Insurance Deductible - Total Current Cost **$10,000**

Additional Disclosures

Levels of Service

The following three categories describe the various types of Reserve Studies from exhaustive to minimal.

I. Full: A Reserve Study in which the following five Reserve Study tasks are performed:
- Component Inventory
- Condition Assessment (based upon on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

II. Update, With Site Visit/On-Site Review: A Reserve Study update in which the following five Reserve Study tasks are performed:
- Component Inventory (verification only, not quantification)
- Condition Assessment (based on on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

III. Update, No Site Visit/Off Site Review: A Reserve Study update with no on-site visual observations in which the following three Reserve Study tasks are performed:
- Life and Valuation Estimates
- Fund Status
- Funding Plan

Terms and Definitions

CASH FLOW METHOD: A method of developing 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 anticipated schedule of reserve expenses until the desired *Funding Goal* is achieved.

COMPONENT: The individual line items in the *Reserve Study* developed or updated in the *Physical Analysis*. These elements form the building blocks for the *Reserve Study*. *Components* typically are: 1) association responsibility; 2) with limited *Useful Life* expectancies; 3) predictable *Remaining Useful Life* expectancies; 4) above a minimum threshold cost; and 5) as required by local codes.

COMPONENT INVENTORY: The task of selecting and quantifying reserve *Components*. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s) of the Association or cooperative.

COMPONENT METHOD: A method of developing a reserve *Funding Plan* where the total contribution is

based on the sum of contributions for individual *Components*. See *Cash Flow Method*.

CONDITION ASSESSMENT: The task of evaluating the current condition of the *Component* based on observed or reported characteristics.

CURRENT REPLACEMENT COST: See *Replacement Cost*.

DEFICIT: An actual or projected *Reserve Balance* that is less than the *Fully Funded Balance*. The opposite would be a *Surplus*.

EFFECTIVE AGE: The difference between *Useful Life* and *Remaining Useful Life*. Not always equivalent to chronological age since some *Components* age irregularly. Used primarily in computations.

FINANCIAL ANALYSIS: The portion of a *Reserve Study* where current status of the reserves (measured as cash or *Percent Funded*) and a recommended reserve contribution rate (reserve *Funding Plan*) are derived, and the projected reserve income and expense over time is presented. The *Financial Analysis* is one of the two parts of a *Reserve Study*.

FULLY FUNDED: 100% Funded. When the actual or projected *Reserve Balance* is equal to the *Fully Funded Balance*.

FULLY FUNDED BALANCE (FFB): Total accrued depreciation, an indicator against which actual or projected *Reserve Balance* can be compared. The *Reserve Balance* that is in direct proportion to the fraction of life "used up" of the current repair or *Replacement Cost*. This number is calculated for each *Component*, then added together for an association total. Two formulas can be utilized, depending on the provider's sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent.

FFB = Current Cost X *Effective Age* / *Useful Life*

or

FFB = (Current Cost X *Effective Age* / *Useful Life*) + [(Current Cost X *Effective Age* / *Useful Life*) / (1 + Interest Rate) ^ Remaining Life] - [(Current Cost X *Effective Age* / *Useful Life*) / (1 + Inflation Rate) ^ Remaining Life]

FUND STATUS: The status of the reserve fund as compared to an established benchmark such as percent funding. The Association appears to be adequately funded as the threshold method.

FUNDING GOALS: Independent of methodology utilized, the following represent the basic categories of *Funding Plan* goals:

- Baseline Funding: Establishing a reserve funding goal of keeping the reserve cash balance above zero.

- Full Funding: Setting a reserve funding goal of attaining and maintaining reserves at or near 100% funded.

- Statutory Funding: Establishing a reserve funding goal of setting aside the specific minimum amount of reserves required by local statues.

- Threshold Funding: Establishing a reserve funding goal of keeping the *Reserve Balance* above a specified dollar or *Percent Funded* amount. Depending on the threshold, this may be more or less conservative than fully funding.

FUNDING PLAN: An association's plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

FUNDING PRINCIPLES:
- Sufficient Funds When Required
- Stable Contribution Rate over the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

LIFE AND VALUATION ESTIMATES: The task of estimating *Useful Life*, *Remaining Useful Life*, and repair or *Replacement Costs* for the reserve *Components*.

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

PHYSICAL ANALYSIS: The portion of the *Reserve Study* where the *Component Inventory*, *Condition Assessment*, and *Life and Valuation Estimate* tasks are performed. This represents one of the two parts of the *Reserve Study*.

REMAINING USEFUL LIFE (RUL): Also referred to as "Remaining Life" (RL). The estimated time, in years, that a reserve *Component* can be expected to continue to serve its intended function. Projects anticipated to occur in the initial year have "zero" *Remaining Useful Life*.

REPLACEMENT COST: The cost of replacing, repairing, or restoring a reserve *Component* to its original functional condition. The *Current Replacement Cost* would be the cost to replace, repair, or restore the *Component* during that particular year.

RESERVE BALANCE: Actual or projected funds as of a particular point in time that the Association has identified for use to defray the future repair or replacement of those major *Components* which the Association is obligated to maintain. Also known as reserves, reserve accounts, or cash reserves. Based upon information provided and not audited.

RESERVE PROVIDER: An individual that prepares *Reserve Studies*.

RESERVE STUDY: A budget planning tool which identifies the current status of the reserve fund and a stable and equitable *Funding Plan* to offset the anticipated future major common area expenditures. The *Reserve Study*

consists of two parts: the *Physical Analysis* and the *Financial Analysis*.

RESPONSIBLE CHARGE: A reserve specialist in *Responsible Charge* of a *Reserve Study* shall render regular and effective supervision to those individuals performing services which directly and materially affect the quality and competence rendered by the reserve specialist. A reserve specialist shall maintain such records as are reasonably necessary to establish that the reserve specialist exercised regular and effective supervision of a *Reserve Study* of which he was in *Responsible Charge*. A reserve specialist engaged in any of the following acts or practices shall be deemed not to have rendered the regular and effective supervision required herein:

- The regular and continuous absence from principal office premises from which professional services are rendered, except for performance of field work or presence in a field office maintained exclusively for a specific project;

- The failure to personally inspect or review the work of subordinates where necessary and appropriate;

- The rendering of a limited, cursory, or perfunctory review of plans or projects in lieu of an appropriate detailed review;

- The failure to personally be available on a reasonable basis or with adequate advance notice for consultation and inspection where circumstances require personal availability.

SPECIAL ASSESSMENT: An assessment levied on the members of an association in addition to regular assessments. *Special Assessments* are often regulated by governing documents or local statutes.

SURPLUS: An actual or projected *Reserve Balance* greater than the *Fully Funded Balance*.
The opposite would be a *Deficit*.

USEFUL LIFE (UL): Total *Useful Life* or depreciable life. The estimated time, in years, that a R*eserve Component* can be expected to serve its intended function if properly constructed in its present application or installation.