

ARBOR TERRACE HOA

2022/2023 RESERVE STUDY UPDATE



COMPLETED BY: EQUIP CONSULTING, LLC

DATE: MAY 13, 2022

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1. SCOPE OF SERVICES AND BACKGROUND INFO

Equip Consulting (EC) was retained by the Arbor Terrace Homeowners Association, (ATHOA) to conduct annual Reserve Study, (RS) updates of their shared common elements for fiscal years' 2021/2022 through 2024/2025. The work undertaken by EC is in general conformance to the terms described within our four-year fee agreement, dated January 29, 2021. The contract was issued to the ATHOA's Board of Directors, (BOD). Ms. Amy Boyle, ATHOA's Board President later signed and authorized EC to proceed with the proposed services on behalf of the Association. For this year's update, (Fiscal Year 2022/2023) EC will be performing a Level 3 RS. Scope of services can be found within the existing "authorized" fee agreement signed Ms. Boyle.

The objective of this RS is to provide a realistic assessment of the monetary reserves required to undertake the necessary repairs or replacement of an Association's shared common elements as dictated by their known or estimated life spans. This RS is designed to be in conformance with State Statutes and the ATHOA's governing documents.

The following information, documentation and communication were used to assist in completing the 2022/2023 reserve funding plan:

- **General & Financial Information, (Provided By ATHOA):**
 - Reserve Account Balance & Other Financial Data
- **Client Meetings & Communication:**
 - Onsite Meeting – January 26, 2022
 - Caleb VanderMolen, EC
 - Amy Boyle, ATHOA
 - Reserve Study Draft Review Meeting – March 11, 2022
 - Caleb VanderMolen, EC
 - ATHOA BOD
 - All other communication was conducted via email and phone correspondence with members of the ATHOA's BOD.

2. EC PROJECT TEAM

Equip Consulting has nearly 15 years of experience working with Homeowner Associations by assisting them to be better prepared for the renewal and major repairs of their shared common elements. We have an extensive background in assessing the existing conditions of the various components and assemblies commonly found in multi-family and single-family communities and can provide realistic timelines for the scheduled replacement dates. The budgetary renewal costs used to develop each of our clients' funding analysis plans will be based on regional rates as opposed to national.

The following personnel were assigned to complete this Reserve Study:

- **Caleb VanderMolen – Reserve Study & Maintenance Plan Professional**
 - **Client References:**
 - Edgefield Meadows – Gresham, OR
 - Koles Landing – Vancouver, WA
 - Horn Rapids – Richland, WA
 - Thundering Shores – Depot Bay, OR
 - Findley Heights – Beaverton, OR
 - RiverRim – Bend, OR

3. GENERAL COMMUNITY INFORMATION

Arbor Terrace is a private community built by Arbor Homes in Sherwood, Oregon. Construction began in 2007 and consist of 160 single-family residential lots, comprising of both attached, (townhomes) and detached homes that were built over multiple phases. The Homeowner's Association is divided up into three, (3) sub-groups or entities. The primary group includes all homeowners within the community and has been identified within this funding plan as "Arbor Terraces – All Lots, (Common)". The second entity has been named "Arbor Terraces – Row Homes", with the third named "Arbor Terraces -Tamarack Single Family Homes, (SFH)". As a result of multiple independent entities, the contributions collected by each group will need to be accounted for separately. The collected funds are then appropriately used for future renewal projects specific to their shared common elements.

The following information provides a brief summary of some of the components shared by each entity:

1. **All Lots, (Common)** – These components are primarily contained within the common area tracts or parcels that are found throughout the community. Some of these tracts provide pathways through or around the community and comprise of other components such as trees, irrigation control valves and beauty bark. Other shared common elements covered within this entity's funding plan includes, but not limited to, asphalt pathways, community park components, and concrete sidewalks and curbing. For a complete list of the shared common elements and their estimated replacement costs owned by this sub-group, please see Appendix A, "Table 3: Shared Common Elements List" found in Chapter 5.
2. **Row Homes** – There are 65 homeowners who make up this entity, all of which share in the replacement and refinishing costs of the exterior cladding components, as well as the care and renewal of the roofing assemblies. For a list of the shared common element covered by this group of homeowners, see Appendix D, "Table 7: Shared Common Elements List" within Chapter 6 of this report.
3. **Tamarack SFH** – These homeowners are responsible for the funds necessary to replace and refinish the metal railings located at the front elevation of each of their homes. For a more comprehensive list of the shared common elements for this entity, refer to Appendix G, "Table 11: Shared Common Elements List".

Community Location: SW Langer Drive & SW Baler Way, Sherwood, OR

4. RESERVE STUDY ANALYTICAL METHODOLOGIES

The financial data provided within this year's RS will enable the Association to plan long term, (30-years) when budgeting for the replacement of their shared common elements, as opposed to the higher risk year-to-year, short term approach. There are several different funding methods typically used by homeowner associations when planning their reserves. Below is a list and description of the more commonly used strategies:

- **Full Funding** – The goal of this funding strategy is to attain and maintain the reserve balance to equal the same value as the rate of deterioration of all the components shared by the Association. For example, if the Association has a component with a ten-year life and a \$5,000 replacement cost, it should have \$1,500 set aside for its replacement after three years, ($\$5,000 \div 10 \text{ years} = \$500 \text{ per year} \times 3 \text{ years} = \$1,500$). In this example, \$1,500 equals full funding or 100% funded. Full funding is considered the safest method in terms of minimizing the risk to the Association by having to generate funds via other means, such as special assessments.
- **Baseline Funding** – The goal of this funding method is to keep the reserve balance, at or above zero, (\$0) over the established period of time set within the reserve study. This means that while each individual component may not be fully funded, the reserve balance does not become underfunded, as long as the renewal cycles set by the RS come to fruition. An Association using this funding method should understand that any reduction in a component's remaining useful life can result in a deficit in the reserve's cash balance and may require these funds to be generated via other means, such as a special assessment.
- **Threshold Funding** – This method is similar to the baseline-funding concept, however, the minimum reserve cash balance in threshold funding is set at a predetermined dollar amount and is to remain at or above this amount for the entire duration set by the RS.

It is recommended that the Association make every effort to follow the Full Funding method, as this approach is designed to minimize the risk of their reserve account from being depleted and causing future homeowners to sustain unexpected special assessments.

- Fiscal Year Duration: **July 1, 2022 to June 30, 2023**
- Key Financial Information:
 - **All Lots, (Common):**
 - Estimated Reserve's Account Balances as of July 1, 2022: **\$50,000**
 - Estimated Annual Contributions to Reserves: **\$28,806**
 - **Row Homes:**
 - Estimated Reserve's Account Balances as of July 1, 2022: **\$267,375**
 - Estimated Annual Contributions to Reserves: **\$78,000**

- **Tamarack SFH:**
 - Estimated Reserve's Account Balances as of July 1, 2022: **\$30,500**
 - Estimated Annual Contributions to Reserves: **\$23,625**

Annual "Rate of Interest", (ROI): An assumed ROI of 0.20%, (percent) will be applied annually to the reserve's account balance. The interest earned on the reserves for each year is based on a Mid-Year Interest Calculation. With the Mid-Year Interest Calculation, the interest earned is calculated at the middle of the fiscal year assuming that half the expenses have been taken out and half the annual contributions have been deposited into the reserves' account.

Estimated "Inflation Rate", (IR): An estimated increase of 3.0% (percent) will be applied annually to the replacement costs for each component listed within this funding plan. The increase will cover the assumed rate of inflation that will be utilized over the 30-year period of this RS. Future assessment increases will need to factor-in this estimated rate of inflation. Increases above the IR may be required in order to overcome budgetary shortfalls. Appropriately managing scheduled assessment increases will help keep the reserve account properly funded over the established time period, (30-Years). The inflation rate in the United States at the end of April 2022 was recorded at 7.9% (percent) as published by the U.S. Bureau of Labor Statistics.

The following tables can be found in Chapters 5 through 7. Some of these tables provide information that are essential for the development of this year's funding plan, while others show the results for when components are scheduled to be replaced and what those costs are likely to be.

- **Cash Flow Summary, (Tables 1, 5 & 9):** Information found here provides a snapshot of the key financial data for each year. Annual information includes, assessment values, total expenditures, scheduled rate increases, as well as the beginning and closing balances within the reserve account. In short, this table summarize how the funds within the reserve account or accounts are impacted annually, over the 30-year scope of this study.
- **Cash Flow Chart, (Tables 2, 6 & 10):** This graph provides a visual representation of the annual reserve balance, expenses, and contributions over a 30-year period.
- **Shared Common Elements List, (Tables 3, 7 & 11):** This table lists all of the components shared by the Association. Information found within includes, but not limited to each of the shared common element's date of procurement, quantities, current replacement costs, as well as digital photographs to help better identify listed components. This data is entered into the appropriate cells to generate future estimated replacement costs used throughout this funding plan. Elements/Components are typically placed into categories or groups, such as common area tracts or zones. In some cases, components are grouped together due to their relationship with others. For example, communities where they share in ownership of the siding and roofing, these components would be categorized together because of their correlation to the buildings' exterior envelope systems.

- **Annual Cash Flow Breakout, (Tables 4, 8 & 12):** The data provided in the forementioned cash flow summary chart can also be found within the annual cash flow breakout table. However, this table provides far more detail in terms of each components scheduled expenditure over the 30-year period of this RS, giving more precise cost analysis as opposed to an annual lump sum value found within the cash flow summary tables.

Opinions of probable cost for remedial work are provided only as an estimation or guide. The repair or replacement costs are based on published construction cost data, recent bid prices on similar work, and information provided by the owner or their representatives. The opinions of probable cost can vary due to a number of reasons including changing market conditions, availability of new materials, systems, technology, or even new code requirements.

The repairs and replacements forecasted do not represent a fixed schedule for any given element or component reviewed. Such repairs or replacements may be required sooner or later than anticipated. It should also be noted that these repairs and replacements may not all take place within one year's time and may not be required at all. However, it is prudent to budget for such repairs since failure of some components is somewhat unpredictable. The estimated service life assigned to each item assumes proper maintenance is conducted. Lack of maintenance will result in a decreased service life of various components.

EC recommends that the Association utilize the services of a 3rd party consultant when faced with the renewal of components that are considered complex or have a significant cost associated with their replacement. These design or engineering professionals will identify irregularities typically before any work begins, minimizing their client's exposure to unnecessary risks and ultimately saving them time and money. They should be actively involved in all phases of the rehabilitation process, (Design, Bidding, and Construction Administration). EC cautions the Association from taking on these responsibilities themselves or trusting their contractor, vendor base to proceed with this work under the terms of the contractor's contract.

5. FUNDING DATA & RESULTS - ALL LOTS, (COMMON)

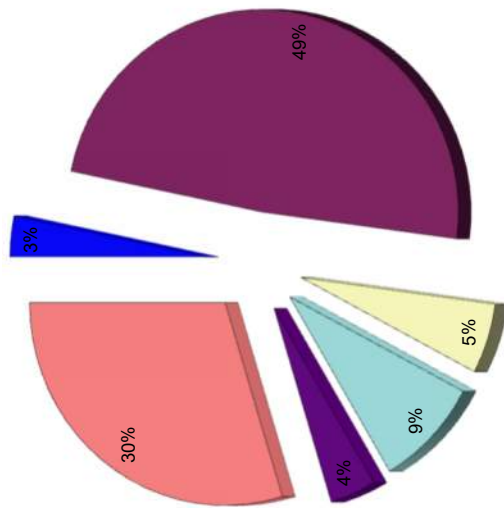
Sub-Association Name:	Arbor Terrace - All Lots, (Common)
Community's Registered Legal Name:	Arbor Terraces Homeowner Association
Date Completed:	May 13, 2022
Year Built:	2007
Fiscal Year:	2022/2023
Dollar Year, (The Year The RS Was Completed):	2022
Fiscal Year Start Date:	July 1, 2022
Fiscal Year End Date:	June 30, 2023
Assumed Rate Of Inflation, (IR):	3.00%
Earned Rate of Interest, (ROI):	0.20%
Approximate Starting Balance:	\$50,000
Percent Funded:	10%
Number of Units:	160

Approved Funding Plan

Estimated Yearly Contribution, (Year One):	\$28,806
Monthly Contribution, (Per Unit "Average" For Year One):	\$15.00
Lowest Annual Closing Balance:	\$1,320
Largest Annual Closing Balance:	\$571,010
Closing Balance @ Year 30:	\$571,010

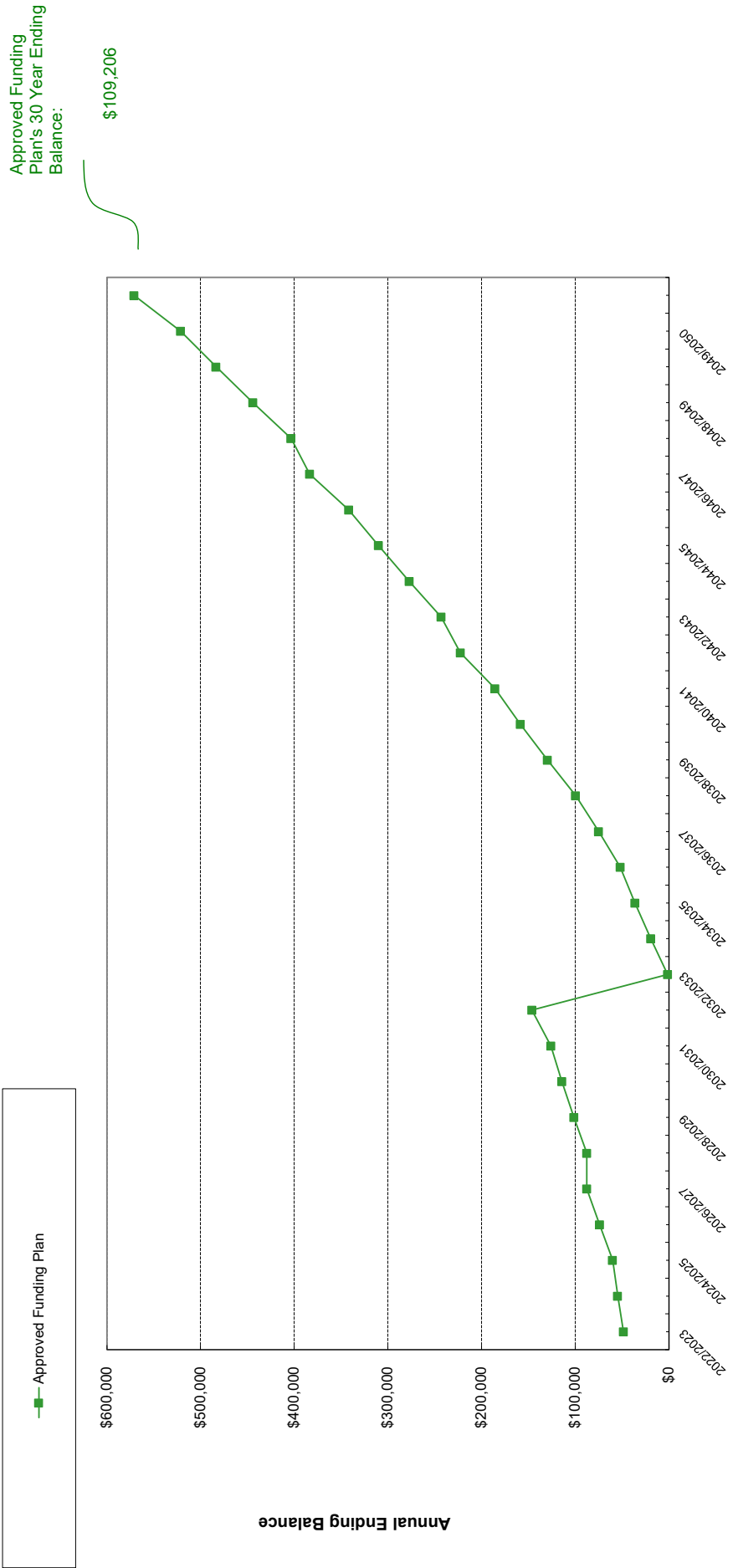
Arbor Terrace - All Lots, (Common) - Funding Graph #1

Percentage of Anticipated Expenditures By Groups
 (Groups are formed by multiple factors such as similar renewal timelines & common functions)



- Shared Common Elements #01 - Landscaping Components, (Includes Beauty Bark): \$44,608
- Shared Common Elements #02 - Concrete & Asphalt Components: \$671,639
- Shared Common Elements #03 - Tot-Lot Components: \$76,969
- Shared Common Elements #04 - Fencing & Railing Components: \$120,737
- Shared Common Elements #05 - Misc. Components: \$52,154
- Shared Common Elements #06 - Professional Services: \$408,518

Arbor Terrace - All Lots, (Common) - Funding Graph #2



Executive Summary – All Lots, (Common)

The following information is based on the Association’s approved funding plan for fiscal year 2022 for the above-mentioned sub-group. The beginning balance within the reserve account is estimated to be \$50,000 on July 1, 2022, with the annual contribution estimated to be \$28,806. An increase of 66.7% (percent) over the 2021/2022 fiscal year’s annual contribution was realized this year in order to help sustain a positive balance within the Association’s reserve account. For a complete list of each year’s annual rate increases over the following 29 years, (2023/2024 through 2051/2052) please see Table 1: Cash Flow Summary of this RS. The set annual EIR of 0.20% will be applied to the reserve funds’ account balance as explained in Chapter 4 of this RS. It is Equip Consulting’s understanding that these values were reviewed and approved by Association’s Board of Directors.

Analysis

The amount of funds within the reserve’s account will maintain a positive balance over the next 30 years, (2022/2023 through 2051/2051). This is contingent on the Association following the established funding plan and the scheduled annual increases to the reserve contributions over this same period of time. This will also be impacted on how well they maintain and care for their shared common elements.

The chart below shows the three largest renewal periods set by this study:

<u>Year</u>	<u>Major Renewal Tasks*</u>	<u>Total Annual Expenditures</u>
2032/2033	Vinyl Fencing & Play Equipment Replacement	Approx. \$203K
2047/2048	Park Benches & Select Sidewalk Replacement	Approx. \$67K
2051/2052	Select Sidewalk Replacement	Approx. \$52K

* See “Table 4: Detailed Cash Flow” for a breakout of all the scheduled renewal tasks within the years listed.

The forecasted repairs and replacements do not represent a fixed schedule for any given element or component reviewed. Such repairs or replacements may be required sooner or later than have anticipated. It should also be noted that these repairs and replacements may not all take place within one year’s time and may not be required at all. However, it is prudent to budget for such repairs since failure of some components is somewhat unpredictable.

Results

This funding plan as approved by the Association will maintain an amount greater than \$0 over the next 30 years. EC can recommend this funding plan because it provides the necessary amount of available funds to cover all the Association’s future anticipated replacement needs.

The ensuing document, (Table 1: Cash Flow Summary) illustrates what the Association should anticipate over the next 30 years should they follow this funding plan. For a detailed breakout of the anticipated cash flow of the expenditures shared by the homeowners, see Appendix B, “Table 4: Detailed Cash Flow”, (assuming the expenditures are scheduled to be replaced by June 30, 2052). Annual contributions within this RS have been aligned with the list of shared common elements shown in Appendix A, “Table 3: Shared Common Elements List”.

Arbor Terrace - All Lots, (Common)
Approved Funding Plan
Table 1: Cash Flow Summary

Estimated Yearly Contribution, (Year One):	\$28,806
Monthly Contribution, (Per Unit "Average" For Year One):	\$15.00
Assumed Rate Of Inflation, (IR):	3.00%
Earned Rate of Interest, (ROI):	0.20%
Estimated Starting Account Balance for the 2022/2023 Fiscal Year:	\$50,000
Smallest Annual Closing Balance Over 30 Year Scope Of This RS:	\$1,320

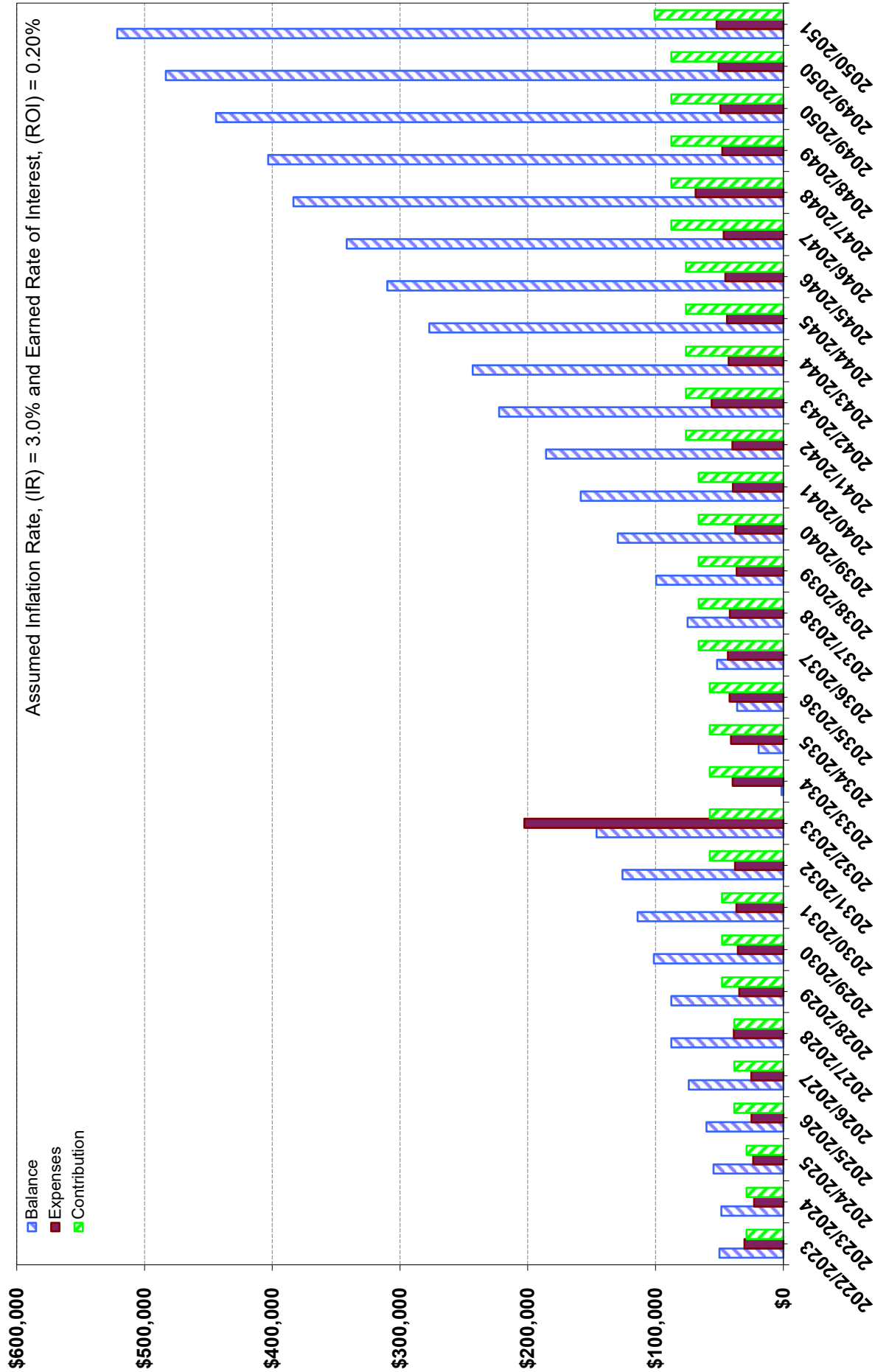
#	Year	Annual Opening Balance	Scheduled Rate Increases	Total Annual Contribution	Avg. Monthly Contribution Per Unit*	Other Contributions	Estimated Annual Expenditures	Annual Closing Balance**
1	2022 / 2023	\$50,000	66.7%	\$28,806	\$15.00	\$0	\$30,385	\$48,520
2	2023 / 2024	\$48,520	0.0%	\$28,806	\$15.00	\$0	\$22,799	\$54,630
3	2024 / 2025	\$54,630	0.0%	\$28,806	\$15.00	\$0	\$23,483	\$60,068
4	2025 / 2026	\$60,068	33.3%	\$38,400	\$20.00	\$0	\$24,690	\$73,912
5	2026 / 2027	\$73,912	0.0%	\$38,400	\$20.00	\$0	\$24,913	\$87,561
6	2027 / 2028	\$87,561	0.0%	\$38,400	\$20.00	\$0	\$38,531	\$87,605
7	2028 / 2029	\$87,605	25.0%	\$48,000	\$25.00	\$0	\$34,421	\$101,373
8	2029 / 2030	\$101,373	0.0%	\$48,000	\$25.00	\$0	\$35,454	\$114,134
9	2030 / 2031	\$114,134	0.0%	\$48,000	\$25.00	\$0	\$36,517	\$125,857
10	2031 / 2032	\$125,857	20.0%	\$57,600	\$30.00	\$0	\$37,613	\$146,116
11	2032 / 2033	\$146,116	0.0%	\$57,600	\$30.00	\$0	\$202,543	\$1,320
12	2033 / 2034	\$1,320	0.0%	\$57,600	\$30.00	\$0	\$39,618	\$19,322
13	2034 / 2035	\$19,322	0.0%	\$57,600	\$30.00	\$0	\$40,807	\$36,171
14	2035 / 2036	\$36,171	0.0%	\$57,600	\$30.00	\$0	\$42,031	\$51,828
15	2036 / 2037	\$51,828	15.0%	\$66,240	\$34.50	\$0	\$43,292	\$74,903
16	2037 / 2038	\$74,903	0.0%	\$66,240	\$34.50	\$0	\$41,802	\$99,515
17	2038 / 2039	\$99,515	0.0%	\$66,240	\$34.50	\$0	\$36,428	\$129,555
18	2039 / 2040	\$129,555	0.0%	\$66,240	\$34.50	\$0	\$37,521	\$158,562
19	2040 / 2041	\$158,562	0.0%	\$66,240	\$34.50	\$0	\$39,430	\$185,716
20	2041 / 2042	\$185,716	15.0%	\$76,176	\$39.68	\$0	\$39,806	\$222,493
21	2042 / 2043	\$222,493	0.0%	\$76,176	\$39.68	\$0	\$56,038	\$243,096
22	2043 / 2044	\$243,096	0.0%	\$76,176	\$39.68	\$0	\$42,614	\$277,178
23	2044 / 2045	\$277,178	0.0%	\$76,176	\$39.68	\$0	\$43,892	\$310,048
24	2045 / 2046	\$310,048	0.0%	\$76,176	\$39.68	\$0	\$45,209	\$341,666
25	2046 / 2047	\$341,666	15.0%	\$87,602	\$45.63	\$0	\$46,565	\$383,428
26	2047 / 2048	\$383,428	0.0%	\$87,602	\$45.63	\$0	\$68,518	\$403,298
27	2048 / 2049	\$403,298	0.0%	\$87,602	\$45.63	\$0	\$47,735	\$444,012
28	2049 / 2050	\$444,012	0.0%	\$87,602	\$45.63	\$0	\$49,167	\$483,374
29	2050 / 2051	\$483,374	0.0%	\$87,602	\$45.63	\$0	\$50,642	\$521,338
30	2051 / 2052	\$521,338	15.0%	\$100,743	\$52.47	\$0	\$52,161	\$571,010
							\$1,374,625	

* Funding plan assumes that all units/residence pay an equal share of the "Total Annual Contribution" value.

** Includes Projected Earned Interest

Arbor Terrace - All Lots, (Common) Approved Funding Plan

Table 2: Cash Flow Chart







APPENDIX A

TABLE 3: SHARED COMMON ELEMENTS LIST

This table provides a list of the shared common elements that includes information such as each component's quantities, dates of initial installation or renewal, and estimated unit costs for the "All Lots, (Common)" entity or sub-group. In addition, this table includes a list of brief comments or recommendations for each corresponding item. EC recommends that close attention be maintained for systems that have an elevated maintenance requirement. These components are typically exposed to conditions where they are unlikely to fulfill their usual service life. However, it should be noted that in some instances a heightened maintenance plan can maximize the component's serviceable life span. Where a specific material, component or assembly could not be verified during our review, we have assumed the components are suitable for their intended use. Estimated replacement costs are based on current year dollars, (2022).

Arbor Terrace - All Lots, (Common)

Table 3: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)

Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (YN)	Current Estimated Replacement Costs**	Comments/Recommendations
SHARED COMMON ELEMENTS #1: LANDSCAPING COMPONENTS														
Sub-Section #1: Landscaping Components														
1	Beauty Bark, (Bark Dust)		3	2007	15	0	0	1	88	YRDS	\$0.00	N	\$0	Replenish every third year. 2022/2023 RS Update Notes: The Association's Board of Directors have decided to cover these costs via the Operating Budget. Therefore, no funds have been allocated towards this line item. This line item will remain within the RS to provide clarification of this decision and where funds are generated to cover the replenishment of the beauty bark.
2	Irrigation Control Valves		25	2007	15	-5	5	10	17	EA	\$1,090	N	\$18,530	Determining the actual replacement date for any given element or component is difficult. Factors such as weather conditions or if it is in direct contact with organic materials. As a result, some components may require replacement sooner than what has been anticipated, as in the case with these assemblies. For this reason, the RS will be updated to reflect the actual replacement date, so the funds are available at an earlier date should this become a reality. 2021/2022 Fiscal Year Notes: The Association's BOB will review the replacement of these items during the planning process and determine if a future date if they should be remain or be removed.
3	Tree Replacement		50	2007	15	-50	0	50	1	EA	\$21,000	N	\$21,000	Budgetary line item for tree removal, renewal or possible new plantings. Funding plan assumes the replacement cycle will take place over an extended period of time and on an "As-Needed" basis.
4	Community Landscaping Improvement Project		1	2021	1	0	0	1	1	EA	\$0	N	\$0	2022/2023 Fiscal Year Notes: To be completed in 2021/2022 fiscal year. This item will be removed during the development of the 2023/2024 update.
SHARED COMMON ELEMENTS #2: CONCRETE & ASPHALT COMPONENTS														
Sub-Section #1: Concrete Components														
5	Formed Concrete Curbs		50	2007	15	-50	0	50	9,500	LF	\$15	N	\$146,780	It's assumed that the replacement of these components will be addressed on an "As-Needed" basis and will take place over an extended period of time.

* Quantity of years needed or scheduled to complete the renewal process.
** Renewal costs listed are the current values should the scheduled replacement date place the year the RS was completed.

Arbor Terrace - All Lots, (Common)

Table 3: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)



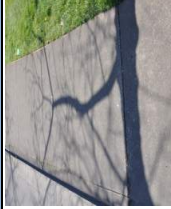





Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Replacement Cost**	Comments/Recommendations
6	Stewalks & Flatwork		50	2007	15	-50	0	50	43,000	SF	\$12.38	N	\$531,480	Includes concrete sidewalks and flatwork within T-10-Lot. It is assumed that the replacement of these components will be addressed on an "As Needed" basis and will take place over an extended period of time.
7	ADA Truncated Dome Pad		20	2007	15	0	5	1	28	EA	\$0.00	N	\$0	These components are not owned by the Association and are therefore excluded from this funding plan. Renewal and maintenance costs are assumed to be the responsibility of the City of Sherwood or Washington County. They are listed within this funding plan to provide clarification of what components are included in the current year and where care and maintenance responsibilities have been assumed. 2021/2022 Fiscal Year Notes: At this time the ADA pads are not installed. It is assumed the stamped pattern currently existing at these locations will be replaced with actual ADA Truncated Dome Pads.
8	Concrete Flatwork @ Storm Water Swale, (Includes Stairs)		50	2007	15	-50	0	1	300	SF	\$0.00	N	\$0	These components are not owned by the Association and are therefore excluded from this funding plan. Renewal and maintenance costs are assumed to be the responsibility of the City of Sherwood or Washington County. They are listed within this funding plan to provide clarification that the Association identifies their existence within the community and where care and maintenance responsibilities have been assumed.
9	Retaining Wall, (Inter-Locking Precast Concrete Blocks)		50	2007	15	0	35	1	750	SF	\$0	N	\$0	These components are not owned by the Association and are therefore excluded from this funding plan. Renewal and maintenance costs are assumed to be the responsibility of the City of Sherwood or Washington County. They are listed within this funding plan to provide clarification of what components are included in the current year and where care and maintenance responsibilities have been assumed.
10	CMU Retaining Walls, (< 3' Tall)		50	2007	15	-30	5	20	1,000	SF	\$15.45	N	\$15,450	It is assumed that the replacement of these components will be addressed on an "As Needed" basis and will take place over an extended period of time.
11	Rock Retaining Wall @ SW Langier Dr. & SW Holland Lane		75	2007	15	-25	35	35	425	SF	\$103	N	\$43,780	It is assumed that the replacement of these components will be addressed on an "As Needed" basis and will take place over an extended period of time. It is recommended the Association hire a Geotechnical Engineering firm once every five years to assess the condition of this retaining wall. 2021/2022 Fiscal Year Notes: The BOD will review at a future date whether this component should be moved to the Row Homes funding plan. It is recommended this discussion be concluded prior to the 2025/2026 fiscal year due to the replacement costs coming into scope.

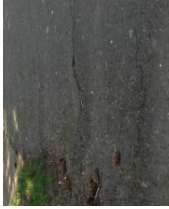
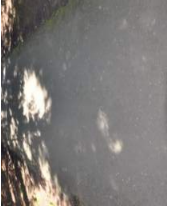
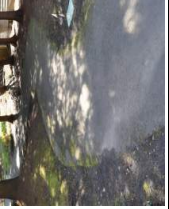


Photo Pending

* Quantity of years needed or attached to complete the renewal process.
** Renewal costs listed are the current values should the scheduled replacement take place this year or the next complete.

Arbor Terrace - All Lots, (Common)

Table 3: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)



Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Unit Cost**	Comments/Recommendations
Sub-Section #2: Asphalt Components														
12	Asphalt @ Pathway - Crack Seal		10	2007	15	0	0	1	800	SF	\$0	N	\$210	Funding plan assumes a cold-applied crack sealant will be applied every 10 years. Crack sealing is low-cost method to help prolong the estimated life cycle of asphalt.
13	Asphalt @ Pathway - Seal Coat		20	2007	15	0	5	1	800	SF	\$0.52	N	\$410	Sealcoating is the process of applying a protective coating to surface of the asphalt-based pavements to provide a layer of protection from the elements such as water in its various forms, foreign oils, and U.V. damage.
14	Asphalt @ Pathway - Re-Top		60	2007	15	0	4.5	1	800	SF	\$2.58	N	\$2,060	Renewal scope includes full demo or grinding of asphalt surfaces and install of new product.
SHARED COMMON ELEMENTS #3: FENCING & RAILING COMPONENTS														
Sub-Section #1: Metal Fencing/Railings														
15	42' Metal Railing/Fencing @ Tot-Lot - Refinishing		10	2007	15	0	0	1	250	LF	\$15	N	\$3,860	Estimated replacement costs are based on a field-applied finish. 2021/2022 Fiscal Year Notes: Early signs of corrosion were identified at selection locations where paint finish was either blistering or had been fully removed. It is recommended these areas be treated and refinished within the next year to prevent further deterioration.
16	42' Metal Railing/Fencing @ Tot-Lot - Replacement/Renewal		25	2007	15	0	10	1	250	LF	\$61.80	N	\$16,450	2021/2022 Fiscal Year Notes: Early signs of corrosion were identified at selection locations where paint finish was either blistering or had been fully removed. It is recommended these areas be treated and refinished within the next year to prevent further deterioration.

* Quantity of years needed or scheduled to complete the renewal process.
 ** Renewal costs listed are the current values should the scheduled replacement take place this year and RSJ was completed.

Arbor Terrace - All Lots, (Common)

Table 3: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)



Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Replacement Cost**	Comments/Recommendations
Sub-Section #2: Vinyl Fencing														
17	Vinyl Fence, (Split Rail)		25	2007	15	0	10	1	1,840	LF	\$36.05	N	\$66,330	2021/2022 Fiscal Year Notes: Observed cracks or missing caps at a few locations along the fence line. It is recommended the Association address these issues as soon as possible.
Sub-Section #3: Wood Fencing														
18	6' Cedar Fence w/12" Vertical Lattice Detail @ Top		25	2007	15	0	10	1	166	LF	\$0.00	N	\$0	Renewal costs are covered within the Tamarack SFH funding plan. See Chapter 7 for more information.
19	6' Cedar Fence, (Good Neighbor Style)		15	2017	5	0	10	1	170	LF	\$0.00	N	\$0	Renewal costs are covered within the Rowhomes funding plan. See Chapter 6 for more information.
Sub-Section #4: Chain Link Fencing														
20	6' Chain Link, (Vinyl Coated)		30	2007	15	0	15	1	400	LF	\$0.00	N	\$0	These components are not owned by the Association and are therefore excluded from this funding plan. Renewal and maintenance costs are assumed to be the responsibility of the City of Sherwood or Washington County. They are listed within this funding plan to provide clarification that the Association identifies their existence within the community and where care and maintenance responsibilities have been assumed.
Sub-Section #5: Railings														
21	Hand Rail, (Metal - Galvanized)		25	2007	15	0	10	1	20	SF	\$0	N	\$0	These components are not owned by the Association and are therefore excluded from this funding plan. Renewal and maintenance costs are assumed to be the responsibility of the City of Sherwood or Washington County. They are listed within this funding plan to provide clarification that the Association identifies their existence within the community and where care and maintenance responsibilities have been assumed.







* Quantity of years needed or scheduled to complete the renewal process.

** Renewal costs listed are the current values should the scheduled replacement date place the year in the RSI web component.

Arbor Terrace - All Lots, (Common)









Table 3: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)

Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Replacement Costs**	Comments/Recommendations
SHARED COMMON ELEMENTS #4: MISC. COMPONENTS														
Sub-Station #1: Top Lot Components														
22	Park Benches - Full Replacement		40	2007	15	0	25	1	4	EA	\$1,545	N	\$6,180	It is recommended the Association monitor these assemblies multiple times annually to ensure they are functioning as designed and immediately repair or replace damaged or failing components.
23	Park Benches, (Wood Composite Slat & Back Boards)		20	2007	15	-5	0	10	4	EA	\$515	N	\$2,060	It is recommended the Association monitor these assemblies multiple times annually to ensure they are functioning as designed and immediately repair or replace damaged or failing components. Determining the actual replacement date for any given element or component is difficult. It is even more challenging when there are other factors impacting these items, such as exposure levels to seasonal weather conditions or if it is in direct contact with organic materials. As a result, some components may require replacement sooner than what has been anticipated, as is the case with these assemblies. For this purpose, a reduction has been made to their estimated life expectancy so the funds are available at an earlier date should this become a reality.
24	Pet Waste Station, (Fence Mounted)		15	2007	15	0	0	1	1	EA	\$128	N	\$130	
25	Play Equipment		30	2007	15	-5	10	1	1	EA	\$36,050	N	\$36,050	It is recommended the Association monitor these assemblies multiple times annually to ensure they are functioning as designed and immediately repair or replace damaged or failing components. Determining the actual replacement date for any given element or component is difficult. It is even more challenging when there are other factors impacting these items, such as exposure levels to seasonal weather conditions or if it is in direct contact with organic materials. As a result, some components may require replacement sooner than what has been anticipated, as is the case with these assemblies. For this purpose, a reduction has been made to their estimated life expectancy so the funds are available at an earlier date should this become a reality.
26	Playground Wood Chips		15	2007	15	-15	0	15	40	YRDS	\$41.20	N	\$1,650	It is assumed that the replacement of these components will be added on an "as needed" basis and will take place over an extended period of time.
27	6x6 PT Play Pit Border, (Double Stacked)		25	2007	15	-5	5	10	168	LF	\$15.45	N	\$2,550	Determining the actual replacement date for any given element or component is difficult. It is even more challenging when there are other factors impacting these items, such as exposure levels to seasonal weather conditions or if it is in direct contact with organic materials. As a result, some components may require replacement sooner than what has been anticipated, as is the case with these assemblies. For this purpose, a reduction has been made to their estimated life expectancy so the funds are available at an earlier date should this become a reality.

* Quantity of years needed or scheduled to complete the renewal process.
** Renewal costs listed are the current values should the scheduled replacement take place this year. All RS are completed.

Arbor Terrace - All Lots, (Common)
Table 3: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)






Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Replacement Cost**	Comments/Recommendations
Sub-Section #2: Mailbox Kiosks														
28	Mailbox Kiosk (8-Box Cluster)		25	2007	15	-5	5	10	1	EA	\$2,060	N	\$2,060	
29	Mailbox Kiosk (12-Box Cluster)		25	2007	15	-5	5	10	1	EA	\$2,575	N	\$2,580	
30	Mailbox Kiosk (12-Box Cluster)		25	2007	15	-5	5	10	1	EA	\$2,575	N	\$2,580	
31	Mailbox Kiosks, (16-Box Cluster)		25	2007	15	-5	5	10	12	EA	\$2,575	N	\$30,900	
Sub-Section #3: Electrical & Plumbing Components														
32	Pathway Lighting		20	2007	15	0	5	1	1	EA	\$0.00	N	\$0	These components are not owned by the Association and are therefore excluded from this funding plan. Renewal and maintenance costs are assumed to be the responsibility of others. They are listed within this funding plan to provide clarification that the Association identifies their existence within the community and where care and maintenance responsibilities have been assumed.
33	Vertical Ornamental Street Lamps		30	2007	15	0	15	1	8	EA	\$0.00	N	\$0	These components are not owned by the Association and are therefore excluded from this funding plan. Renewal and maintenance costs are assumed to be the responsibility of others. They are listed within this funding plan to provide clarification that the Association identifies their existence within the community and where care and maintenance responsibilities have been assumed.

* Quantity of years needed or scheduled to complete the renewal process.
 ** Renewal costs listed are the current values should the scheduled replacement take place this year and RS was completed.

Arbor Terrace - All Lots, (Common)

Table 3: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)



Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Unit Cost**	Comments/Recommendations
34	Electric Meter & Basker Box		30	2007	15	0	15	1	2	EA	\$0.00	N	\$0	These components are not owned by the Association and are therefore excluded from this funding plan. Renewal and maintenance costs are assumed to be the responsibility of others. They are listed within this funding plan to provide clarification that the Association identifies their existence within the community and where care and maintenance responsibilities have been assumed.
35	Fire Hydrant		30	2007	15	0	15	1	3	EA	\$0	N	\$0	These components are not owned by the Association and are therefore excluded from this funding plan. Renewal and maintenance costs are assumed to be the responsibility of others. They are listed within this funding plan to provide clarification that the Association identifies their existence within the community and where care and maintenance responsibilities have been assumed.
Sub-Section #4: Misc. Components														
36	Neighborhood Book Exchange Box		15	2007	15	3	3	1	1	EA	\$464	N	\$460	
37	Signage, (Plate Only)		10	2007	15	0	0	1	1	EA	\$51.50	N	\$50	
38	Trash Receptacles		15	2007	15	1	1	1	1	EA	\$0.00	N	\$0	These components are not owned by the Association and are therefore excluded from this funding plan. Renewal and maintenance costs are assumed to be the responsibility of others. They are listed within this funding plan to provide clarification that the Association identifies their existence within the community and where care and maintenance responsibilities have been assumed.
Sub-Section #5: Professional Services														
39	Reserve Study Update, (All Levels)	N/A	1	2021	1	0	0	1	1	EA	\$1,500	N	\$1,500	Conducted annually

* Quantity of years needed or attached to complete/renewal process.

** Renewal costs listed are the current values should the scheduled replacement date place the year the RSI was completed.

Arbor Terrace - All Lots, (Common)

Table 3: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)



Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Unit Cost**	Comments/Recommendations
40	Maintenance Plan	N/A	5	2007	15	0	0	1	1	EA	\$4,000	N	\$4,000	Maintenance plan covers specific instructions and guidelines on how and when each of the shared common elements owned by the Association are cared for. The primary goal is to assist the Association and/or their management firm with keeping these components in good working order, so estimated life cycles are met or prolonged.
41	Contingency Renewal Fund	N/A	30	2007	15	-30	0	30	160	LOTS	\$1,000	N	\$160,000	Budgetary Line Item - Covers potential renewal costs of unknown or unexpected shared common elements. It is recommended that the Association budget \$1,000 per unit, paid over 30 years.
42	Insurance Deductible	N/A	10	2007	15	-10	0	10	1	EA	\$10,000	N	\$10,000	

* Quantity of years needed or scheduled to complete the renewal process.

** Renewal costs listed are the current values should the scheduled replacement date place the year the RSI was completed.

APPENDIX B

TABLE 4: DETAILED CASH FLOW

The “Detailed Cash-Flow” table is generated based on the estimated values established by “Table 3: Shared Common Elements List”, (See Appendix A) and is designed to anticipate the necessary cash flow for each year over the 30-year period of this study for the “All Lots, (Common)” entity or sub-group. The estimated renewal costs listed within this table includes the assumed rate of inflation, (3.0%) for each of the years leading up to the date of replacement.

Arbor Terrace - All Lots, (Common)
Approved Funding Plan
Table 4: Detailed Cash Flow



	Estimated Yearly Contribution, (Year One): \$28,806												Monthly Contribution, (Per Unit "Average" For Year One): \$15.00											
Starting Balance	\$50,000	\$48,520	\$54,630	\$60,068	\$73,912	\$87,561	\$97,605	\$101,373	\$114,134	\$125,857	\$146,116	\$1320	\$19,322	\$19,322	\$36,171	\$51,828								
Total Expenses inflated at 3% annually	\$30,385	\$22,799	\$23,483	\$24,690	\$24,913	\$38,531	\$34,421	\$35,454	\$36,517	\$37,613	\$202,543	\$39,618	\$40,807	\$42,031	\$43,292									
Interest at 0.2% annually	\$98	\$103	\$115	\$134	\$161	\$175	\$189	\$215	\$240	\$272	\$147	\$21	\$55	\$98	\$127									
Annual Reserve Contribution	\$28,806	\$28,806	\$28,806	\$38,400	\$38,400	\$38,400	\$48,000	\$48,000	\$48,000	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600	\$66,240								
Other Contribution																								
Ending Balance	\$48,520	\$54,630	\$60,068	\$73,912	\$87,561	\$97,605	\$101,373	\$114,134	\$125,857	\$146,116	\$1320	\$19,322	\$36,171	\$51,828	\$74,903									
Fiscal Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15									
Calendar Years	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/2036	2036/2037									
SHARED COMMON ELEMENTS #1: LANDSCAPING COMPONENTS																								
Sub-Section #1: Landscaping Components																								
1	Beauty Bark, (Bark Dust)																							
2	Irrigation Control Valves																							
3	Tree Replacement	\$420	\$433	\$446	\$459	\$473	\$502	\$517	\$532	\$548	\$564	\$581	\$599	\$617	\$635	\$655								
4	Community Landscaping Improvement Project																							
SHARED COMMON ELEMENTS #2: CONCRETE & ASPHALT COMPONENTS																								
Sub-Section #1: Concrete Components																								
5	Formed Concrete Curbs	\$2,936	\$3,024	\$3,114	\$3,208	\$3,304	\$3,505	\$3,610	\$3,719	\$3,830	\$3,945	\$4,064	\$4,185	\$4,311	\$4,440	\$4,440								
6	Sidewalks & Flankwork	\$10,630	\$10,848	\$11,277	\$11,615	\$11,964	\$12,692	\$13,073	\$13,465	\$13,869	\$14,285	\$14,714	\$15,155	\$15,610	\$16,078									
7	ADA Truncated Dome Pad																							
8	Concrete Flankwork @ Storm Water Swales, (Includes Stairs)																							
9	Retaining Wall, (Inter-Locking Precast Concrete Blocks)																							
10	CMU Retaining Walls, (< 3' Tall)																							
11	Rock Retaining Wall @ SW Langer Dr. & SW Holland Lane						\$896	\$922	\$979	\$1,008	\$1,038	\$1,069	\$1,101	\$1,134	\$1,168									
Sub-Section #2: Asphalt Components																								
12	Asphalt @ Pathway - Crack Seal	\$210																						
13	Asphalt @ Pathway - Seal Coat																							
14	Asphalt @ Pathway - Re-Top																							
SHARED COMMON ELEMENTS #3: FENCING & RAILING COMPONENTS																								
Sub-Section #1: Metal Fencing, (Railings)																								
15	42" Metal Railing/Fencing @ Tot-Lot - Refinishing	\$3,860																						
16	42" Metal Railing/Fencing @ Tot-Lot - Replacement/Renewal																							
Sub-Section #2: Vinyl Fencing																								
17	Vinyl Fence, (Split Rail)																							
Sub-Section #3: Wood Fencing																								
18	6" Cedar Fence w/12" Vertical Lattice Detail @ Top																							
19	6" Cedar Fence, (Good Neighbor Style)																							
Sub-Section #4: Chain Link Fencing																								
20	6" Chain Link, (Vinyl Coated)																							

Arbor Terrace - All Lots, (Common)
Approved Funding Plan
Table 4: Detailed Cash Flow



Estimated Yearly Contribution, (Year One): \$28,806		Monthly Contribution, (Per Unit "Average" For Year One): \$15.00														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Starting Balance	\$50,000	\$48,520	\$48,520	\$54,630	\$60,068	\$73,912	\$87,605	\$101,373	\$114,134	\$125,857	\$146,116	\$1320	\$19,322	\$36,171	\$51,828	
Total Expenses inflated at 3% annually	\$30,385	\$22,799	\$23,483	\$24,690	\$24,913	\$24,913	\$38,531	\$34,421	\$35,454	\$36,517	\$37,613	\$202,543	\$39,618	\$40,807	\$42,031	\$43,292
Interest at 0.2% annually	\$99	\$103	\$115	\$134	\$161	\$175	\$189	\$215	\$240	\$272	\$272	\$147	\$21	\$55	\$98	\$127
Annual Reserve Contribution	\$28,806	\$28,806	\$28,806	\$38,400	\$38,400	\$38,400	\$38,400	\$48,000	\$48,000	\$48,000	\$57,600	\$57,600	\$57,600	\$57,600	\$57,600	\$66,240
Other Contribution																
Ending Balance	\$48,520	\$54,630	\$60,068	\$73,912	\$87,605	\$101,373	\$114,134	\$125,857	\$146,116	\$1320	\$19,322	\$36,171	\$51,828	\$74,903		
Fiscal Year																
Calendar Years	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/2036	2036/2037	
Sub-Section #5: Railings																
21 Hand Rails, (Metal - Galvanized)																
SHARED COMMON ELEMENTS #4: MISC. COMPONENTS																
Sub-Section #1: Tot-Lot Components																
22 Park Benches - Full Replacement																
23 Park Benches, (Wood Composite Seat & Back Boards)																
24 Pet Waste Station, (Fence Mounted)																
25 Play Equipment																
26 Playground Wood Chips																
27 6x6 PT Play Pit Border, (Double Stacked)																
Sub-Section #2: Mailbox Kiosks																
28 Mailbox Kiosk, (6-Box Cluster)																
29 Mailbox Kiosk, (12-Box Cluster)																
30 Mailbox Kiosk, (13-Box Cluster)																
31 Mailbox Kiosks, (16-Box Cluster)																
Sub-Section #3: Electrical & Plumbing Components																
32 Pathway Lighting																
33 Vertical Ornamental Street Lamps																
34 Electric Meter & Breaker Box																
35 Fire Hydrant																
Sub-Section #4: Misc. Components																
36 Neighborhood Book Exchange Box																
37 Signage, (Plate Only)																
38 Trash Receptacles																
Sub-Section #5: Professional Services																
39 Reserve Study Update, (All Levels)																
40 Maintenance Plan																
41 Contingency Renewal Fund																
42 Insurance Deductible																

Arbor Terrace - All Lots, (Common)
 Approved Funding Plan
 Table 4: Detailed Cash Flow



	Estimated Yearly Contribution, (Year One): \$28,806												Monthly Contribution, (Per Unit "Average" For Year One): \$15.00											
Starting Balance	\$74,903	\$99,515	\$120,555	\$159,582	\$185,716	\$222,493	\$243,096	\$277,178	\$310,048	\$341,666	\$383,428	\$403,298	\$444,012	\$483,374	\$521,338									
Total Expenses inflated at 3% annually	\$41,802	\$36,428	\$37,521	\$39,430	\$39,806	\$56,038	\$42,614	\$43,892	\$45,209	\$46,565	\$68,518	\$47,735	\$49,167	\$50,642	\$52,161									
Interest at 0.2% annually	\$174	\$229	\$288	\$344	\$408	\$465	\$520	\$597	\$651	\$724	\$766	\$846	\$926	\$1,004	\$1,091									
Annual Reserve Contribution	\$66,240	\$66,240	\$66,240	\$66,240	\$76,176	\$76,176	\$76,176	\$76,176	\$76,176	\$87,602	\$87,602	\$87,602	\$87,602	\$87,602	\$100,743									
Other Contribution																								
Ending Balance	\$99,515	\$129,555	\$158,562	\$185,716	\$222,493	\$243,096	\$277,178	\$310,048	\$341,666	\$383,428	\$403,298	\$444,012	\$483,374	\$521,338	\$571,010									
Fiscal Year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30									
Calendar Years	2037/2038	2038/2039	2039/2040	2040/2041	2041/2042	2042/2043	2043/2044	2044/2045	2045/2046	2046/2047	2047/2048	2048/2049	2049/2050	2050/2051										
SHARED COMMON ELEMENTS #1: LANDSCAPING COMPONENTS																								
Sub-Section #1: Landscaping Components																								
1	Beauty Bark, (Bark Dust)																							
2	Irrigation Control Valves																							
3	Tree Replacement	\$654	\$674	\$694	\$715	\$736	\$759	\$781	\$805	\$829	\$854	\$879	\$906	\$933	\$961									
4	Community Landscaping Improvement Project																							
SHARED COMMON ELEMENTS #2: CONCRETE & ASPHALT COMPONENTS																								
Sub-Section #1: Concrete Components																								
5	Formed Concrete Curbs	\$4,574	\$4,711	\$4,852	\$4,998	\$5,148	\$5,302	\$5,461	\$5,625	\$5,794	\$5,967	\$6,146	\$6,331	\$6,521	\$6,918									
6	Sidewalks & Flatwork	\$16,561	\$17,057	\$17,569	\$18,096	\$18,639	\$19,198	\$19,774	\$20,367	\$20,978	\$21,608	\$22,256	\$22,924	\$23,611	\$24,320									
7	ADA Truncated Dome Pad																							
8	Concrete Flatwork @ Storm Water Swales, (Includes Stairs)																							
9	Retaining Wall, (Inter-Locking Precast Concrete Blocks)																							
10	CMU Retaining Walls, (< 3' Tall)	\$1,204	\$1,240	\$1,277	\$1,315	\$1,355	\$1,395	\$1,437	\$1,480	\$1,525	\$1,570													
11	Rock Retaining Wall @ SW Langer Dr. & SW Holland Lane																							
Sub-Section #2: Asphalt Components																								
12	Asphalt @ Pathway - Crack Seal						\$379								\$658									
13	Asphalt @ Pathway - Seal Coat																							
14	Asphalt @ Pathway - Re-Top																							
SHARED COMMON ELEMENTS #3: FENCING & RAILING COMPONENTS																								
Sub-Section #1: Metal Fencing, (Railings)																								
15	42" Metal Railing/Fencing @ Tot-Lot - Refinishing																							
16	42" Metal Railing/Fencing @ Tot-Lot - Replacement/Renewal																							
Sub-Section #2: Vinyl Fencing																								
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19	6" Cedar Fence, (Good Neighbor Style)																							
Sub-Section #4: Chain Link Fencing																								
20	6" Chain Link, (Vinyl Coated)																							

Arbor Terrace - All Lots, (Common)
Approved Funding Plan
Table 4: Detailed Cash Flow



Estimated Yearly Contribution, (Year One): \$28,806		Monthly Contribution, (Per Unit "Average" For Year One): \$15.00													
Starting Balance	\$74,903	\$99,515	\$120,555	\$159,582	\$185,716	\$222,493	\$243,096	\$277,178	\$310,048	\$341,686	\$383,428	\$403,298	\$444,012	\$483,374	\$521,338
Total Expenses inflated at 3% annually	\$41,802	\$36,428	\$37,521	\$39,430	\$39,806	\$56,038	\$42,614	\$43,892	\$45,209	\$46,565	\$68,518	\$47,735	\$49,167	\$50,642	\$52,161
Interest at 0.2% annually	\$174	\$229	\$288	\$344	\$408	\$465	\$520	\$597	\$651	\$724	\$766	\$846	\$926	\$1,004	\$1,091
Annual Reserve Contribution	\$66,240	\$66,240	\$66,240	\$66,240	\$76,176	\$76,176	\$76,176	\$76,176	\$76,176	\$87,602	\$87,602	\$87,602	\$87,602	\$87,602	\$100,743
Other Contribution															
Ending Balance	\$99,515	\$129,655	\$158,562	\$185,716	\$222,493	\$243,096	\$277,178	\$310,048	\$341,686	\$383,428	\$403,298	\$444,012	\$483,374	\$521,338	\$571,010
Fiscal Year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Calendar Years	2037/2038	2038/2039	2039/2040	2040/2041	2041/2042	2042/2043	2043/2044	2044/2045	2045/2046	2046/2047	2047/2048	2048/2049	2049/2050	2050/2051	
Sub-Section #5: Railings															
21 Hand Rails, (Metal - Galvanized)															
SHARED COMMON ELEMENTS #4: MISC. COMPONENTS															
Sub-Section #1: Tot-Lot Components															
22 Park Benches - Full Replacement															
23 Park Benches, (Wood Composite Seat & Back Boards)															
24 Pet Waste Station, (Fence Mounted)															
25 Play Equipment															
26 Playground Wood Chips															
27 6x8 PT Play Pit Border, (Double Stacked)															
Sub-Section #2: Mailbox Kiosks															
28 Mailbox Kiosk, (6-Box Cluster)															
29 Mailbox Kiosk, (12-Box Cluster)															
30 Mailbox Kiosk, (13-Box Cluster)															
31 Mailbox Kiosks, (16-Box Cluster)															
Sub-Section #3: Electrical & Plumbing Components															
32 Pathway Lighting															
33 Vertical Ornamental Street Lamps															
34 Electric Meter & Breaker Box															
35 Fire Hydrant															
Sub-Section #4: Misc. Components															
36 Neighborhood Book Exchange Box															
37 Signage, (Plate Only)															
38 Trash Receptacles															
Sub-Section #5: Professional Services															
39 Reserve Study Update, (All Levels)															
40 Maintenance Plan															
41 Contingency Renewal Fund															
42 Insurance Deductible															

APPENDIX C
FIVE YEAR EXPENDITURE OUTLOOK

2022/2023		
3	Tree Replacement	\$420
5	Formed Concrete Curbs	\$2,936
6	Sidewalks & Flatwork	\$10,630
12	Asphalt @ Pathway - Crack Seal	\$210
15	42" Metal Railing/Fencing @ Tot-Lot - Refinishing	\$3,860
23	Park Benches, (Wood Composite Seat & Back Boards)	\$206
24	Pet Waste Station, (Fence Mounted)	\$130
26	Playground Wood Chips	\$110
37	Signage, (Plate Only)	\$50
39	Reserve Study Update, (All Levels)	\$1,500
40	Maintenance Plan	\$4,000
41	Contingency Renewal Fund	\$5,333
42	Insurance Deductible	\$1,000
		\$30,385

2023/2024		
3	Tree Replacement	\$433
5	Formed Concrete Curbs	\$3,024
6	Sidewalks & Flatwork	\$10,948
23	Park Benches, (Wood Composite Seat & Back Boards)	\$212
26	Playground Wood Chips	\$113
39	Reserve Study Update, (All Levels)	\$1,545
41	Contingency Renewal Fund	\$5,493
42	Insurance Deductible	\$1,030
		\$22,799

2024/2025		
3	Tree Replacement	\$446
5	Formed Concrete Curbs	\$3,114
6	Sidewalks & Flatwork	\$11,277
23	Park Benches, (Wood Composite Seat & Back Boards)	\$219
26	Playground Wood Chips	\$117
39	Reserve Study Update, (All Levels)	\$1,591
41	Contingency Renewal Fund	\$5,658
42	Insurance Deductible	\$1,061
		\$23,483

2025/2026		
3	Tree Replacement	\$459
5	Formed Concrete Curbs	\$3,208
6	Sidewalks & Flatwork	\$11,615
23	Park Benches, (Wood Composite Seat & Back Boards)	\$225
26	Playground Wood Chips	\$120
36	Neighborhood Book Exchange Box	\$503
39	Reserve Study Update, (All Levels)	\$1,639
41	Contingency Renewal Fund	\$5,828
42	Insurance Deductible	\$1,093
		\$24,690

2026/2027		
3	Tree Replacement	\$473
5	Formed Concrete Curbs	\$3,304
6	Sidewalks & Flatwork	\$11,964
23	Park Benches, (Wood Composite Seat & Back Boards)	\$232
26	Playground Wood Chips	\$124
39	Reserve Study Update, (All Levels)	\$1,688
41	Contingency Renewal Fund	\$6,003
42	Insurance Deductible	\$1,126
		\$24,913

6. FUNDING DATA & RESULTS - ROW HOMES

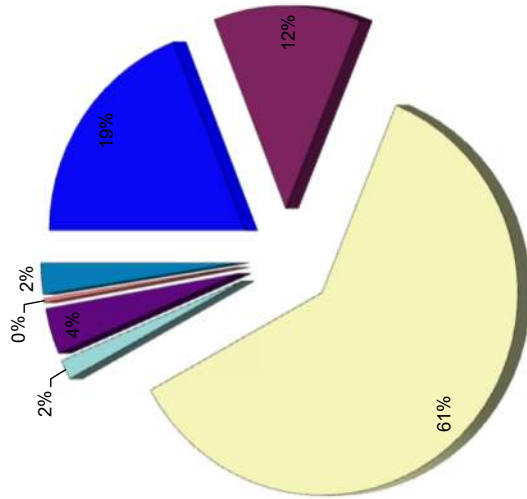
Sub-Association Name:	Arbor Terrace - Row Homes
Community's Registered Legal Name:	Arbor Terraces Homeowner Association
Date Completed:	May 13, 2022
Year Built:	2007
Fiscal Year:	2022/2023
Dollar Year, (The Year The RS Was Completed):	2022
Fiscal Year Start Date:	July 1, 2022
Fiscal Year End Date:	June 30, 2023
Assumed Rate Of Inflation, (IR):	3.00%
Earned Rate of Interest, (ROI):	0.20%
Approximate Starting Balance:	\$267,375
Percent Funded:	25%
Number of Units:	65

Approved Funding Plan

Estimated Yearly Contribution, (Year One):	\$78,000
Monthly Contribution, (Per Unit "Average" For Year One):	\$100.00
Lowest Annual Closing Balance:	\$127,438
Largest Annual Closing Balance:	\$2,229,369
Closing Balance @ Year 30:	\$2,149,301

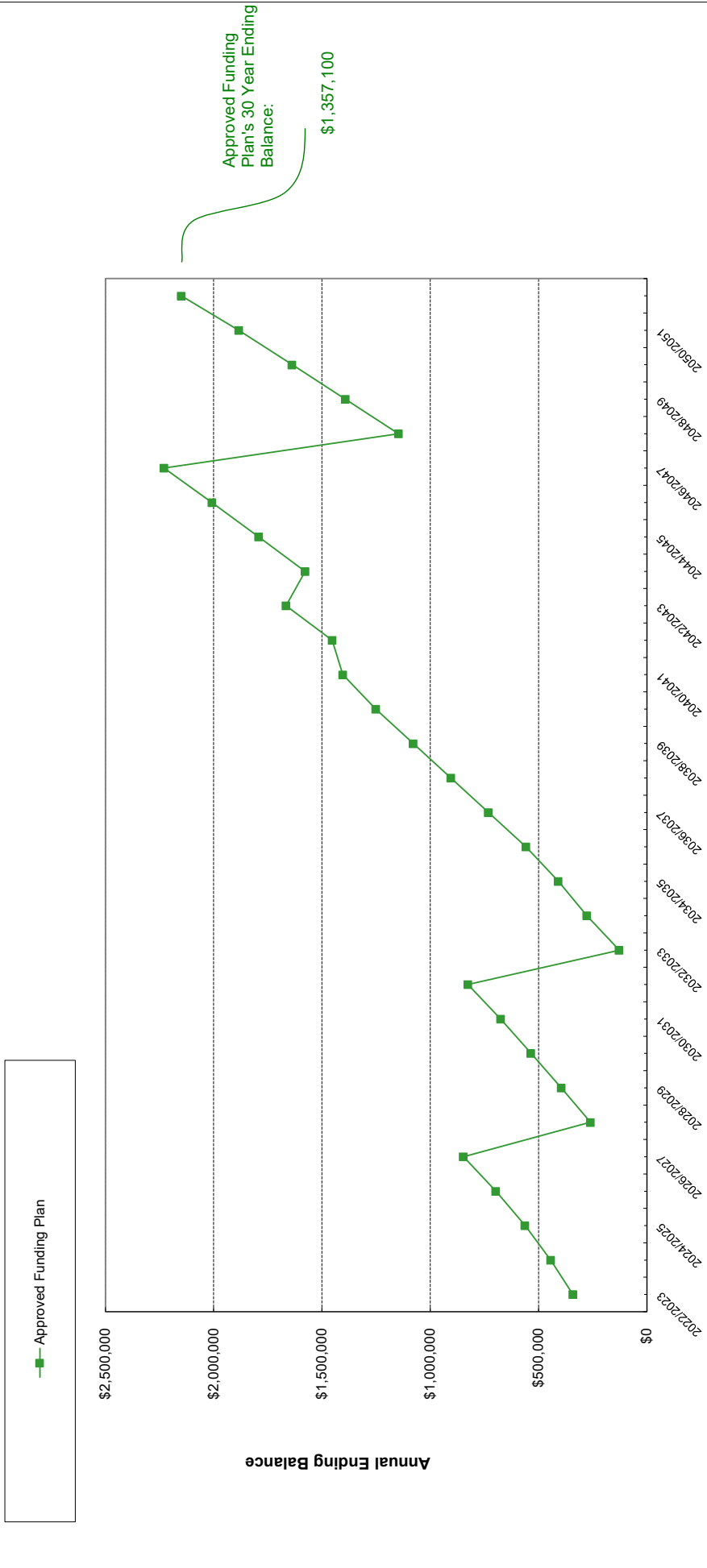
Arbor Terrace - Row Homes - Funding Graph #1

Percentage of Anticipated Expenditures By Groups
 (Groups are formed by multiple factors such as similar renewal timelines & common functions)



- Shared Common Elements #01 - Ext. Cladding Assemblies "NOT" Replaced in 2013): \$698,406
- Shared Common Elements #02 - Exterior Finishes, (Painting & Sealant): \$444,637
- Shared Common Elements #03 - Roofing Assemblies: \$2,230,518
- Shared Common Elements #04 - Misc. Exterior Wall Components: \$57,338
- Shared Common Elements #05 - Wood Fencing: \$134,013
- Shared Common Elements #06 - Asphalt Components: \$11,101
- Shared Common Elements #07 - Building Envelope Condition Assessments: \$90,908

Arbor Terrace - Row Homes - Funding Graph #2



Executive Summary – Row Homes

The following information is based on the Association’s approved funding plan for fiscal year 2022 for the above-mentioned sub-group. The beginning balance within the reserve account is estimated to be \$267,375 on July 1, 2022, with the annual contribution estimated to be \$78,000. An increase of 22.0% (percent) over the previous fiscal year’s annual contribution was realized this year in order to help sustain a positive balance within the Association’s reserve account. For a complete list of each year’s annual rate increases over the following 29 years, (2023/2024 through 2051/2052) please see Table 5: Cash Flow Summary of this RS. The set annual EIR of 0.20% will be applied to the reserve funds’ account balance as explained in Chapter 4 of this RS. It is Equip Consulting’s understanding that these values were reviewed and approved by Association’s Board of Directors.

Analysis

The amount of funds within the reserve’s account will maintain a positive balance over the next 30 years, (2022/2023 through 2051/2051). This is contingent on the Association following the established funding plan and the scheduled annual increases to the reserve contributions over this same period of time. This will also be impacted on how well they maintain and care for their shared common elements.

The chart below shows the three largest renewal periods set by this study:

<u>Year</u>	<u>Major Renewal Tasks*</u>	<u>Total Annual Expenditures</u>
2027/2028	Roofing System Replacement, (1 st Application)	Approx. \$738K
2032/2033	Exterior Wall Assemblies	Approx. \$861K
2048/2049	Roofing System Replacement, (2 nd Application)	Approx. \$1.3M

* See “Table 8: Detailed Cash Flow” for a breakout of all the scheduled renewal tasks within the years listed.

The forecasted repairs and replacements do not represent a fixed schedule for any given element or component reviewed. Such repairs or replacements may be required sooner or later than have anticipated. It should also be noted that these repairs and replacements may not all take place within one year’s time and may not be required at all. However, it is prudent to budget for such repairs since failure of some components is somewhat unpredictable.

Results

This funding plan as approved by the Association will maintain an amount greater than \$0 over the next 30 years. EC can recommend this funding plan because it provides the necessary amount of available funds to cover all the Association’s future anticipated replacement needs.

The ensuing document, (Table 5: Cash Flow Summary) illustrates what the Association should anticipate over the next 30 years should they follow this funding plan. For a detailed breakout of the anticipated cash flow of the expenditures shared by the homeowners, see Appendix E, “Table 8: Detailed Cash Flow”, (assuming the expenditures are scheduled to be replaced by June 30, 2052). Annual contributions within this RS have been aligned with the list of shared common elements shown in Appendix D, “Table 7: Shared Common Elements List”.

Arbor Terrace - Row Homes
Approved Funding Plan
Table 5: Cash Flow Summary

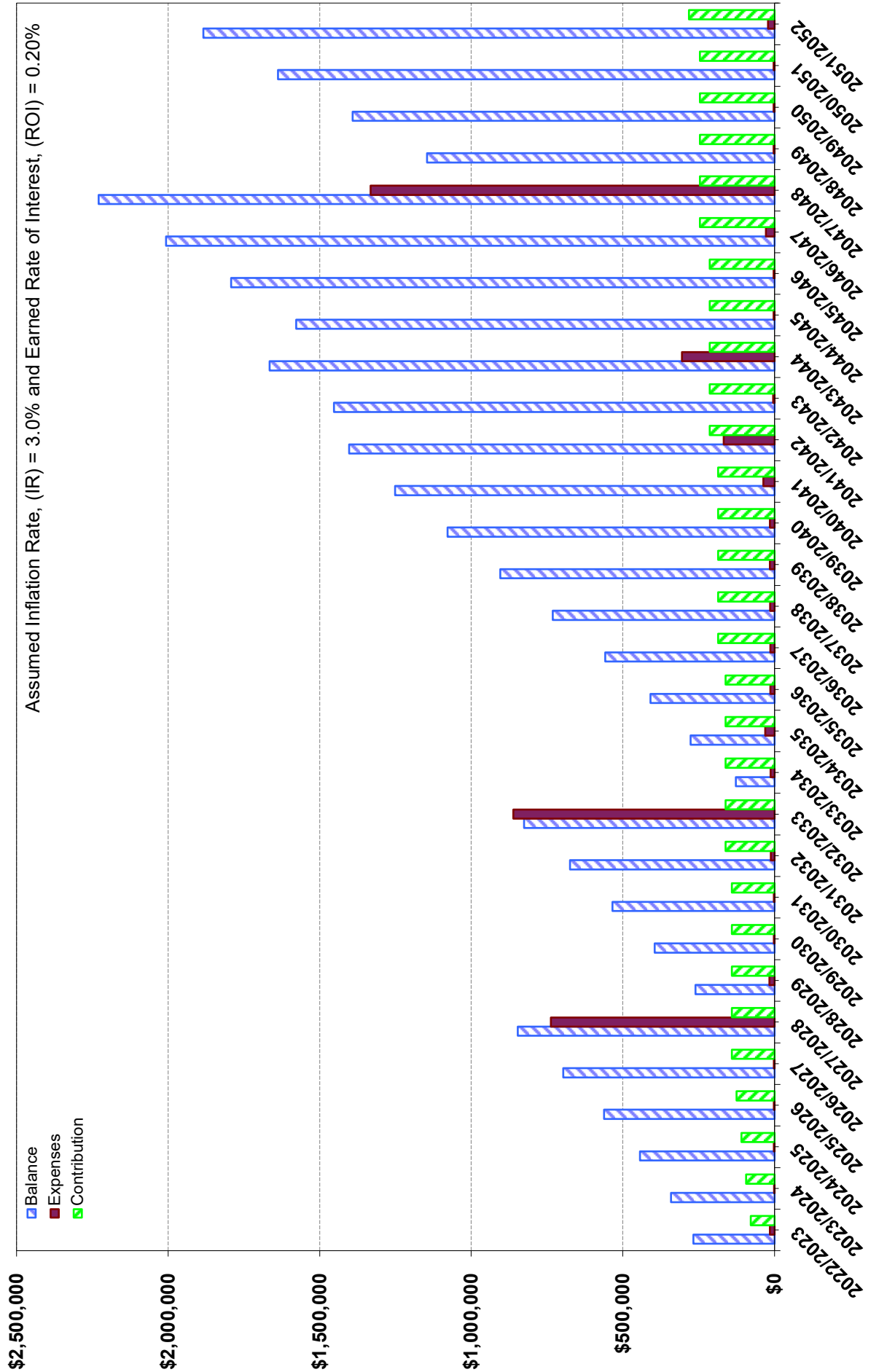
Estimated Yearly Contribution, (Year One):	\$78,000
Monthly Contribution, (Per Unit "Average" For Year One):	\$100.00
Assumed Rate Of Inflation, (IR):	3.00%
Earned Rate of Interest, (ROI):	0.20%
Estimated Starting Account Balance for the 2022/2023 Fiscal Year:	\$267,375
Smallest Annual Closing Balance Over 30 Year Scope Of This RS:	\$127,438

#	Year	Annual Opening Balance	Scheduled Rate Increases	Total Annual Contribution	Avg. Monthly Contribution Per Unit*	Other Contributions	Estimated Annual Expenditures	Annual Closing Balance**
1	2022 / 2023	\$267,375	22.0%	\$78,000	\$100.00	\$9,600	\$14,475	\$341,098
2	2023 / 2024	\$341,098	20.0%	\$93,600	\$120.00	\$9,600	\$1,241	\$443,831
3	2024 / 2025	\$443,831	16.7%	\$109,200	\$140.00	\$9,600	\$1,279	\$562,348
4	2025 / 2026	\$562,348	14.3%	\$124,800	\$160.00	\$9,600	\$1,317	\$696,679
5	2026 / 2027	\$696,679	12.5%	\$140,400	\$180.00	\$9,600	\$1,356	\$846,855
6	2027 / 2028	\$846,855	0.0%	\$140,400	\$180.00	\$9,600	\$737,536	\$260,416
7	2028 / 2029	\$260,416	0.0%	\$140,400	\$180.00	\$9,600	\$16,198	\$394,863
8	2029 / 2030	\$394,863	0.0%	\$140,400	\$180.00	\$0	\$1,482	\$534,710
9	2030 / 2031	\$534,710	0.0%	\$140,400	\$180.00	\$0	\$1,527	\$674,791
10	2031 / 2032	\$674,791	15.0%	\$161,460	\$207.00	\$0	\$11,671	\$826,079
11	2032 / 2033	\$826,079	0.0%	\$161,460	\$207.00	\$0	\$861,054	\$127,438
12	2033 / 2034	\$127,438	0.0%	\$161,460	\$207.00	\$0	\$12,382	\$276,919
13	2034 / 2035	\$276,919	0.0%	\$161,460	\$207.00	\$0	\$30,376	\$408,688
14	2035 / 2036	\$408,688	0.0%	\$161,460	\$207.00	\$0	\$13,136	\$557,977
15	2036 / 2037	\$557,977	15.0%	\$185,679	\$238.05	\$0	\$13,530	\$731,414
16	2037 / 2038	\$731,414	0.0%	\$185,679	\$238.05	\$0	\$13,936	\$904,791
17	2038 / 2039	\$904,791	0.0%	\$185,679	\$238.05	\$0	\$14,354	\$1,078,097
18	2039 / 2040	\$1,078,097	0.0%	\$185,679	\$238.05	\$0	\$14,785	\$1,251,318
19	2040 / 2041	\$1,251,318	0.0%	\$185,679	\$238.05	\$0	\$36,271	\$1,403,378
20	2041 / 2042	\$1,403,378	15.0%	\$213,531	\$273.76	\$0	\$166,943	\$1,452,820
21	2042 / 2043	\$1,452,820	0.0%	\$213,531	\$273.76	\$0	\$3,820	\$1,665,645
22	2043 / 2044	\$1,665,645	0.0%	\$213,531	\$273.76	\$0	\$304,800	\$1,577,616
23	2044 / 2045	\$1,577,616	0.0%	\$213,531	\$273.76	\$0	\$2,309	\$1,792,204
24	2045 / 2046	\$1,792,204	0.0%	\$213,531	\$273.76	\$0	\$2,379	\$2,007,152
25	2046 / 2047	\$2,007,152	15.0%	\$245,560	\$314.82	\$0	\$27,575	\$2,229,369
26	2047 / 2048	\$2,229,369	0.0%	\$245,560	\$314.82	\$0	\$1,332,072	\$1,146,230
27	2048 / 2049	\$1,146,230	0.0%	\$245,560	\$314.82	\$0	\$2,599	\$1,391,726
28	2049 / 2050	\$1,391,726	0.0%	\$245,560	\$314.82	\$0	\$2,677	\$1,637,636
29	2050 / 2051	\$1,637,636	0.0%	\$245,560	\$314.82	\$0	\$2,757	\$1,883,957
30	2051 / 2052	\$1,883,957	15.0%	\$282,395	\$362.04	\$0	\$21,080	\$2,149,301
							\$3,666,921	

* Funding plan assumes that all units/residence pay an equal share of the "Total Annual Contribution" value.

** Includes Projected Earned Interest

**Arbor Terrace - Row Homes
Approved Funding Plan
Table 6: Cash Flow Chart**





APPENDIX D

TABLE 7: SHARED COMMON ELEMENTS LIST

This table provides a list of the shared common elements that includes information such as each component's quantities, dates of initial installation or renewal, and estimated unit costs for the "Row Homes" entity or sub-association. In addition, this table includes a list of brief comments or recommendations for each corresponding item. EC recommends that close attention be maintained for systems that have an elevated maintenance requirement. These components are typically exposed to conditions where they are unlikely to fulfill their usual service life. However, it should be noted that in some instances a heightened maintenance plan can maximize the component's serviceable life span. Where a specific material, component or assembly could not be verified during our review, we have assumed the components are suitable for their intended use. Estimated replacement costs are based on current year dollars, (2022).

Arbor Terrace - Row Homes

Table 7: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)





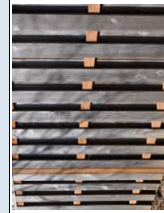

Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (YN)	Current Estimated Replacement Costs	Comments/Recommendations
SHARED COMMON ELEMENTS #1: BUILDING ENVELOPE COMPONENTS														
Sub-Section #1: Exterior Cladding Assemblies (Components "NOT" Replaced During The 2013 Rehab Project)														
1	Exterior Wall Assemblies - Total Renewal Costs		30	2007	15	-5	10	1	28,000	SF	\$20.60	Y	\$519,680	See Items 1A - 1C for clarification of components covered within this renewal task and their scheduled renewal timelines. Gutters & Downspouts have been removed from this total.
-	1A - Exterior Wall Assemblies_5 Years or Less Renewal Schedule													Base of Wall Components: Replace cladding and weather-resistant barrier assembly at base of wall with new assemblies that protect the weather-resistant barrier. Note: Existing finish - Siding: G, H, F have the most damage per General Contractor.
-	1B - Exterior Wall Assemblies_6 to 10 Year Renewal Schedule													Front Corner Trim Detail: Replace existing white wood trim with fully primed cedar trim. Note: Rear corner trim are being replaced at all buildings. Existing front corner trim are being left in place as part of the current scope of repair. Column Replacement Work: Replace all cladding, trim, and weather-resistant barrier assemblies on entrance columns of all townhomes with new assemblies that provide positive drainage. Note: Damaged trim is currently being replaced and venting is being provided for existing columns. The existing cladding on the exterior of the front porch is not protected with flashing and cladding trim is not typically incorporated into the current repair. Replaces Exterior Corners @ Eaves: Replace exposed gyp/ply board eaves to corned staining. Note: Eaves can be addressed most economically at same time that roof is replaced.
-	1C - Exterior Wall Assemblies_11 to 20 Year Renewal Schedule													Exterior Wall Assemblies @ Side & Rear Elevations: Replace all cladding and weather-resistant barrier with new assemblies that will provide positive drainage. Note: Existing finish - Siding: G, H, F should be noted; repairs conducted in 2013 where panel siding exist; these areas have a fully integrated rain-screen system installed. However, for areas where lap siding exists, the repairs conducted here were targeted at preventing a rain-screen drainage medium from being installed. Scope includes replacing gutters and downspouts that were not replaced in 2013. Exterior Wall Assemblies - Misc. Cladding & Trim Details: a) Replace belly board trim on building A with new assemblies that protect that building from weather damage. b) Replace existing weather-resistant barrier with new assemblies that provide positive drainage. c) Replace all cladding on engaged columns between garage doors with new assemblies that provide positive drainage.
Sub-Section #2: Exterior Cladding Assemblies														
2	Exterior Wall Assemblies - Siding & Trim Details, (Replaced in 2013)		50	2013	0	0	41	1	52,000	SF	\$20.60	Y	\$1,146,160	Estimated replacement costs are for the full removal and replacement of the exterior cladding assemblies. The assumed scope of work includes replacing lap siding, corner trim, belly bands, beam wraps, window and door trim, columns, decorative trim details, pulling & resetting the windows/doors, and painting the entire exterior. It is recommended the Association hire the services of a licensed architect or engineering firm who specializes in building science and will develop an appropriate scope of work that can be used to solicit quotes. It is recommended this is done at least two years prior to the scheduled renewal date.

* Quantity of years needed or scheduled to complete the renewal process.
** Renewal costs listed are the current values should the scheduled replacement date place the year the RS was completed.

Arbor Terrace - Row Homes

Table 7: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)






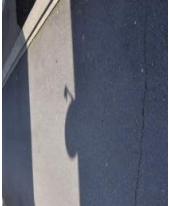


Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Unit Cost**	Comments/Recommendations
3	Exterior Finishes: Paint & Sealant, (Caulking)		10	2021	1	1	10	1	52,000	SF	\$1.90	Y	\$105,720	Estimated funds to refinish all exterior cladding assemblies. It is recommended that a two-coat, 25 year paint be used when scheduled renewal periods come to term. 2022/2023 RS Update Notes: This line item covers the refinishing costs of the exterior cladding assemblies that were replaced during the targeted rehab project completed by Charter Construction in 2013. This estimate should be fully deleted after the next scheduled renewal cycle in 2022/2023.
4	Exterior Finishes: Paint & Sealant, (Caulking) - All Areas		10	2022	-10	1	21	1	80,000	SF	\$1.90	Y	\$162,640	Estimated funds to refinish all exterior cladding assemblies. It is recommended that a two-coat, 25 year paint be used when scheduled renewal periods come to term.
Sub-Section #3: Roofline Assemblies														
5	Roofing System, (Asphaltic Roof Shingles)		20	2007	15	0	5	1	72,500	SF	\$8.76	N	\$635,000	Covers the replacement costs of the asphaltic roofing shingles on all buildings & units. Estimated Replacement Costs were provided by the Association. It is recommended that regular maintenance tasks required by the manufacturer be followed in order to prolong this component's estimated life cycle.
6	Gutters & Downspouts		20	2021	1	0	19	1	1	EA	\$94,000	N	\$94,000	These components are typically replaced during the roofing renewal cycle. Estimated Replacement Costs were provided by the Association. Elevated Maintenance Note: It is recommended that the Association implement a regular maintenance program to ensure these components are draining water adequately away from the buildings.
Sub-Section #4: Fencing Components														
7	6' Cedar Fence, (Good Neighbor Style)		20	2016	6	-5	9	10	1,670	LF	\$46.35	N	\$77,400	The Association has instructed that they will no longer be refinishing the wood fencing located throughout the community. However they intend to add a maintenance task, for regular maintenance cleaning. Funds required for this task will be drawn from the Operating Budget.
Sub-Section #5: Misc. Exterior Wall Components														
8	Lighting: Wall-Mounted Lamp, (Rear Elevation)		20	2013	9	-12	0	25	65	EA	\$103	N	\$6,700	It is recommended that the Association hire a certified licensed electrician when replacing any electrical, plumbing or mechanical components.

* Quantity of years needed or scheduled to complete the renewal process.
** Renewed costs listed are the current values should the scheduled replacement date place the year the RS was completed.

Arbor Terrace - Row Homes



Table 7: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)


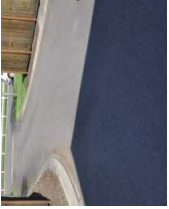
Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Replacement Cost**	Comments/Recommendations
9	Electrical Outlet		20	2013	9	-12	0	25	130	EA	\$77.25	N	\$10,040	It is recommended that the Association hire a certified licensed professional when replacing any electrical, plumbing or mechanical components.
10	Hose Bib		20	2007	15	-6	0	25	130	EA	\$103	N	\$13,390	It is recommended that the Association hire a certified licensed professional when replacing any electrical, plumbing or mechanical components.
SHARED COMMON ELEMENTS #2: ASPHALT COMPONENTS														
Sub-Section #1: Slurry Seal, (Maintenance Task)														
11	Tract A		10	2007	15	0	0	1	1,730	SF	\$0.26	N	\$450	Slurry seal is the process of applying a protective coating to the surface of the asphalt-based pavements to provide a layer of protection from the elements such as water in its various forms, foreign oils, and U.V. damage. The Row Homes are responsible for 23% of the renewal costs for this component. The remaining 77% are covered within the Tamarack SFH funding plan.
12	Tract D		10	2007	15	0	0	1	1,800	SF	\$0.26	N	\$460	Slurry seal is the process of applying a protective coating to the surface of the asphalt-based pavements to provide a layer of protection from the elements such as water in its various forms, foreign oils, and U.V. damage. The Row Homes are responsible for 23% of the renewal costs for this component. The remaining 77% are covered within the Tamarack SFH funding plan.
Sub-Section #2: Overlay, (Maintenance Task)														
13	Tract A		25	2007	15	0	10	1	1,730	SF	\$1.80	N	\$3,120	Asphalt overlay is a paving method of applying a new layer of asphalt to a deteriorating surface and is a more cost effective approach as opposed to fully replacing the pavement. This should be done every 25 years and is typically done only once before fully replacing the asphalt. (Re-Top) The Row Homes are responsible for 23% of the renewal costs for this component. The remaining 77% are covered within the Tamarack SFH funding plan.
14	Tract D		25	2007	15	0	10	1	1,800	SF	\$1.80	N	\$3,240	Asphalt overlay is a paving method of applying a new layer of asphalt to a deteriorating surface and is a more cost effective approach as opposed to fully replacing the pavement. This should be done every 25 years and is typically done only once before fully replacing the asphalt. (Re-Top) The Row Homes are responsible for 23% of the renewal costs for this component. The remaining 77% are covered within the Tamarack SFH funding plan.

* Quantity of years needed to complete the renewal process.

** Renewal costs listed are the current values should the scheduled replacement take place this year. The RS was completed.

Arbor Terrace - Row Homes

Table 7: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)

Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Replacement Cost**	Comments/Recommendations
Sub-Section #3: Site Work (Renewal Track)														
15	Tract A		50	2007	15	0	35	1	1,750	SF	\$3.61	N	\$6,240	Renewal scope includes full demo or grinding of asphalt surfaces and install of new product, typically conducted every 20+ years. The Row Homes are responsible for 23% of the renewal costs for this component. The remaining 77% are covered within the Tamarack SFH funding plan.
16	Tract D		50	2007	15	0	35	1	1,800	SF	\$3.61	N	\$6,490	Renewal scope includes full demo or grinding of asphalt surfaces and install of new product, typically conducted every 20+ years. The Row Homes are responsible for 23% of the renewal costs for this component. The remaining 77% are covered within the Tamarack SFH funding plan.
SHARED COMMON ELEMENTS #3: PROFESSIONAL SERVICES														
Sub-Section #1: Building Envelope Assessments														
17	Building Envelope Condition Assessment - Six Year Performance Review		6	2013	9	0	0	1	1	EA	\$12,380	N	\$12,380	It is recommended that the Association hire a licensed professional engineering firm that specializes in the field of exterior cladding systems to conduct a comprehensive condition assessment every six years of their community's wall and roofing assemblies. Scope should include, but not be limited to, the following: inspect and see the existing conditions of the underlying wall assemblies. Costs provided include contractor fees that will be required to assist with the opening and closing of the targeted areas observed.

* Quantity of years needed or scheduled to complete the renewal process.

** Renewal costs listed are the current values should the scheduled replacement take place this year and RSJ was completed.

APPENDIX E

TABLE 8: DETAILED CASH FLOW

The “Detailed Cash-Flow” table is generated based on the estimated values established by “Table 7: Shared Common Elements List”, (See Appendix D) and is designed to anticipate the necessary cash flow for each year over the 30-year period of this study for the “Row Homes” entity or sub-association. The estimated renewal costs listed within this table includes the assumed rate of inflation, (3.0%) for each of the years leading up to the date of replacement.

Arbor Terrace - Row Homes
Approved Funding Plan
Table 8: Detailed Cash Flow



	Estimated Yearly Contribution, (Year One): \$78,000						Monthly Contribution, (Per Unit "Average" For Year One): \$100.00										
	Starting Balance	\$267,375	\$341,098	\$443,831	\$562,348	\$696,679	\$846,855	\$260,416	\$394,863	\$534,710	\$674,791	\$826,079	\$127,438	\$276,919	\$408,888	\$557,977	
Total Expenses inflated at 3% annually	\$14,475	\$1,241	\$1,279	\$1,317	\$1,356	\$737,536	\$16,198	\$1,482	\$1,527	\$1,572	\$11,671	\$861,054	\$12,382	\$30,376	\$13,136	\$13,530	
Interest at 0.2% annually	\$599	\$775	\$996	\$1,248	\$1,532	\$1,097	\$645	\$929	\$1,208	\$1,499	\$953	\$404	\$685	\$966	\$1,288		
Annual Reserve Contribution	\$78,000	\$93,600	\$109,200	\$124,800	\$140,400	\$140,400	\$140,400	\$140,400	\$140,400	\$140,400	\$161,460	\$161,460	\$161,460	\$161,460	\$161,460	\$165,679	
Other Contribution	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	
Ending Balance	\$341,098	\$443,831	\$562,348	\$696,679	\$846,855	\$260,416	\$394,863	\$534,710	\$674,791	\$826,079	\$127,438	\$276,919	\$408,888	\$557,977	\$731,414		
Fiscal Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		
Calendar Years	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/2036	2036/2037		
SHARED COMMON ELEMENTS #1: BUILDING ENVELOPE COMPONENTS																	
Sub-Section #1: Exterior Cladding Assemblies (Components "NOT" Replaced During The 2013 Rehab Project)																	
1	Exterior Wall Assemblies - Total Renewal Costs																
-	• 1A - Exterior Wall Assemblies_5 Years or Less Renewal Schedule																
-	• 1B - Exterior Wall Assemblies_6 to 10 Year Renewal Schedule																
-	• 1C - Exterior Wall Assemblies_11 to 20 Year Renewal Schedule																
Sub-Section #2: Exterior Cladding Assemblies																	
2	Exterior Wall Assemblies - Siding & Trim Details (Replaced in 2013)																
3	Exterior Finishes: Paint & Sealant, (Caulking)																
4	Exterior Finishes: Paint & Sealant, (Caulking) - All Areas																
Sub-Section #3: Roofing Assemblies																	
5	Roofing System, (Asphaltic Roof Shingles)																
6	Gutters & Downspouts																
Sub-Section #4: Fencing Components																	
7	6' Cedar Fence, (Good Neighbor Style)																
Sub-Section #5: Misc. Exterior Wall Components																	
8	Lighting Wall-Mounted Lamp, (Rear Elevation)																
9	Electrical Outlet																
10	Hose Bib																
SHARED COMMON ELEMENTS #2: ASPHALT COMPONENTS																	
Sub-Section #1: Slurry Seal, (Maintenance Task)																	
11	Tract A																
12	Tract D																
Sub-Section #2: Overlay, (Maintenance Task)																	
13	Tract A																
14	Tract D																
Sub-Section #3: Rec.Top. (Renewal Task)																	
15	Tract A																
16	Tract D																
												\$699,406					
												\$142,079					
												\$736,139					
						\$10,099	\$10,402	\$10,714	\$11,035	\$11,366	\$11,707						
						\$311	\$320	\$330	\$339	\$350	\$360	\$371	\$382	\$394	\$405		
						\$302	\$311	\$320	\$330	\$339	\$350	\$360	\$371	\$382	\$394		
						\$452	\$466	\$480	\$494	\$509	\$524	\$540	\$556	\$573	\$590		
						\$603	\$621	\$640	\$659	\$678	\$699	\$720	\$741	\$764	\$787		
						\$4193	\$4,193	\$4,193	\$4,193	\$4,193	\$4,193	\$4,193	\$4,193	\$4,193	\$4,193		
						\$4,354	\$4,354	\$4,354	\$4,354	\$4,354	\$4,354	\$4,354	\$4,354	\$4,354	\$4,354		

Arbor Terrace - Row Homes
 Approved Funding Plan
 Table 8: Detailed Cash Flow



Estimated Yearly Contribution, (Year One): \$78,000		Monthly Contribution, (Per Unit "Average" For Year One): \$100.00														
Starting Balance	\$267,375	\$341,098	\$443,831	\$562,348	\$696,679	\$846,855	\$280,416	\$394,863	\$534,710	\$674,791	\$826,079	\$127,438	\$276,919	\$408,888	\$557,977	
Total Expenses inflated at 3% annually	\$14,475	\$1,241	\$1,279	\$1,317	\$1,356	\$737,536	\$16,198	\$1,482	\$1,527	\$1,571	\$861,054	\$12,382	\$30,376	\$13,136	\$13,530	
Interest at 0.2% annually	\$599	\$775	\$996	\$1,248	\$1,532	\$1,097	\$645	\$929	\$1,208	\$1,499	\$953	\$404	\$685	\$966	\$1,288	
Annual Reserve Contribution	\$78,000	\$93,600	\$109,200	\$124,800	\$140,400	\$140,400	\$140,400	\$140,400	\$140,400	\$140,400	\$161,460	\$161,460	\$161,460	\$161,460	\$165,679	
Other Contribution	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600	
Ending Balance	\$341,098	\$443,831	\$562,348	\$696,679	\$846,855	\$260,416	\$394,863	\$534,710	\$674,791	\$826,079	\$127,438	\$276,919	\$408,888	\$557,977	\$731,414	
Fiscal Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Calendar Years	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/2036	2036/2037	
SHARED COMMON ELEMENTS #3: PROFESSIONAL SERVICES																
Sub-Section #1: Building Envelope Assessments																
17	Building Envelope Condition Assessment - Six Year Performance Review														\$12,360	
														\$14,758		
														\$17,622		

Arbor Terrace - Row Homes
Approved Funding Plan
Table 8: Detailed Cash Flow



	Estimated Yearly Contribution, (Year One): \$78,000												Monthly Contribution, (Per Unit "Average" For Year One): \$100.00											
Starting Balance	\$731,414	\$904,791	\$1,078,097	\$1,251,318	\$1,403,378	\$1,452,820	\$1,665,645	\$1,577,616	\$1,792,204	\$2,007,152	\$2,229,369	\$1,146,230	\$1,391,726	\$1,637,636	\$1,883,957									
Total Expenses inflated at 3% annually	\$13,936	\$14,354	\$14,765	\$36,271	\$166,943	\$3,820	\$304,800	\$2,309	\$2,379	\$27,575	\$1,332,072	\$2,599	\$2,677	\$2,757	\$21,080									
Interest at 0.2% annually	\$1,635	\$1,891	\$2,327	\$2,652	\$2,653	\$3,115	\$3,240	\$3,366	\$3,796	\$4,232	\$3,372	\$2,535	\$3,026	\$3,518	\$4,029									
Annual Reserve Contribution	\$185,679	\$185,679	\$185,679	\$185,679	\$213,531	\$213,531	\$213,531	\$213,531	\$213,531	\$245,560	\$245,560	\$245,560	\$245,560	\$245,560	\$282,395									
Other Contribution																								
Ending Balance	\$904,791	\$1,078,097	\$1,251,318	\$1,403,378	\$1,452,820	\$1,665,645	\$1,577,616	\$1,792,204	\$2,007,152	\$2,229,369	\$1,146,230	\$1,391,726	\$1,637,636	\$1,883,957	\$2,149,301									
Fiscal Year	2037/2038	2038/2039	2039/2040	2040/2041	2041/2042	2042/2043	2043/2044	2044/2045	2045/2046	2046/2047	2047/2048	2048/2049	2049/2050	2050/2051	2051/2052									
Calendar Years																								
SHARED COMMON ELEMENTS #1: BUILDING ENVELOPE COMPONENTS																								
Sub-Section #1: Exterior Cladding Assemblies (Components "NOT" Replaced During The 2013 Rehab Project)																								
1	Exterior Wall Assemblies - Total Renewal Costs																							
-	• 1A - Exterior Wall Assemblies_5 Years or Less Renewal Schedule																							
-	• 1B - Exterior Wall Assemblies_6 to 10 Year Renewal Schedule																							
-	• 1C - Exterior Wall Assemblies_11 to 20 Year Renewal Schedule																							
Sub-Section #2: Exterior Cladding Assemblies																								
2	Exterior Wall Assemblies - Siding & Trim Details (Replaced in 2013)																							
3	Exterior Finishes: Paint & Sealant, (Caulking)																							
4	Exterior Finishes: Paint & Sealant, (Caulking) - All Areas																							
Sub-Section #3: Roofing Assemblies																								
5	Roofing System, (Asphaltic Roof Shingles)																							
6	Gutters & Downspouts																							
Sub-Section #4: Fencing Components																								
7	6' Cedar Fence, (Good Neighbor Style)	\$12,059	\$12,420	\$12,793	\$13,177											\$18,240								
Sub-Section #5: Misc. Exterior Wall Components																								
8	Lighting: Wall-Mounted Lamp, (Rear Elevation)	\$418	\$430	\$443	\$456	\$470	\$484	\$499	\$514	\$529	\$545	\$561	\$578	\$595	\$613	\$632								
9	Electrical Outlet	\$626	\$644	\$664	\$684	\$704	\$725	\$747	\$770	\$793	\$816	\$841	\$866	\$892	\$919	\$946								
10	Hose Bib	\$834	\$859	\$885	\$912	\$939	\$967	\$996	\$1,026	\$1,057	\$1,089	\$1,121	\$1,155	\$1,190	\$1,225	\$1,262								
SHARED COMMON ELEMENTS #2: ASPHALT COMPONENTS																								
Sub-Section #1: Slurry Seal, (Maintenance Task)																								
11	Tract A															\$813								
12	Tract D															\$631								
Sub-Section #2: Overlay, (Maintenance Task)																								
13	Tract A																							
14	Tract D																							
Sub-Section #3: Rec.Top. (Renewal Task)																								
15	Tract A																							
16	Tract D																							

Arbor Terrace - Row Homes
 Approved Funding Plan
 Table 8: Detailed Cash Flow



	Estimated Yearly Contribution, (Year One): \$78,000												Monthly Contribution, (Per Unit "Average" For Year One): \$100.00											
Starting Balance	\$731,414	\$904,791	\$1,078,097	\$1,251,318	\$1,403,378	\$1,452,820	\$1,665,645	\$1,577,616	\$1,792,204	\$2,007,152	\$2,229,369	\$1,146,230	\$1,391,726	\$1,637,636	\$1,883,957									
Total Expenses inflated at 3% annually	\$13,936	\$14,354	\$14,765	\$36,271	\$166,843	\$3,820	\$304,800	\$2,309	\$2,379	\$27,575	\$1,332,072	\$2,599	\$2,677	\$2,757	\$21,080									
Interest at 0.2% annually	\$1,635	\$1,891	\$2,327	\$2,652	\$2,653	\$3,115	\$3,240	\$3,366	\$3,786	\$4,232	\$3,372	\$2,535	\$3,026	\$3,518	\$4,029									
Annual Reserve Contribution	\$185,679	\$185,679	\$185,679	\$185,679	\$213,531	\$213,531	\$213,531	\$213,531	\$213,531	\$245,560	\$245,560	\$245,560	\$245,560	\$245,560	\$282,395									
Other Contribution																								
Ending Balance	\$904,791	\$1,078,097	\$1,251,318	\$1,403,378	\$1,452,820	\$1,665,645	\$1,577,616	\$1,792,204	\$2,007,152	\$2,229,369	\$1,146,230	\$1,391,726	\$1,637,636	\$1,883,957	\$2,149,301									
Fiscal Year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30									
Calendar Years	2037/2038	2038/2039	2039/2040	2040/2041	2041/2042	2042/2043	2043/2044	2044/2045	2045/2046	2046/2047	2047/2048	2048/2049	2049/2050	2050/2051	2051/2052									
SHARED COMMON ELEMENTS #3: PROFESSIONAL SERVICES																								
Sub-Section #1: Building Envelope Assessments																								
17	Building Envelope Condition Assessment - Six Year Performance Review																							
	\$21,042																							
	\$25,125																							

APPENDIX F
FIVE YEAR EXPENDITURE OUTLOOK

2022/2023		
8	Lighting: Wall-Mounted Lamp, (Rear Elevation)	\$268
9	Electrical Outlet	\$402
10	Hose Bib	\$536
11	Asphalt Slurry Seal @ Tract A	\$450
12	Asphalt Slurry Seal @ Tract D	\$460
17	Building Envelope Condition Assessment - Six Year Performance Review	\$12,360
		\$14,475

2023/2024		
8	Lighting: Wall-Mounted Lamp, (Rear Elevation)	\$276
9	Electrical Outlet	\$414
10	Hose Bib	\$552
		\$1,241

2024/2025		
8	Lighting: Wall-Mounted Lamp, (Rear Elevation)	\$284
9	Electrical Outlet	\$426
10	Hose Bib	\$568
		\$1,279

2025/2026		
8	Lighting: Wall-Mounted Lamp, (Rear Elevation)	\$293
9	Electrical Outlet	\$439
10	Hose Bib	\$585
		\$1,317

2026/2027		
8	Lighting: Wall-Mounted Lamp, (Rear Elevation)	\$302
9	Electrical Outlet	\$452
10	Hose Bib	\$603
		\$1,356

7. FUNDING DATA & RESULTS - TAMARACK SFH

Sub-Association Name:	Arbor Terrace - Tamarack SFH
Community's Registered Legal Name:	Arbor Terraces Homeowner Association
Date Completed:	May 13, 2022
Year Built:	2007
Fiscal Year:	2021/2022
Dollar Year, (The Year The RS Was Completed):	2022
Fiscal Year Start Date:	July 1, 2022
Fiscal Year End Date:	June 30, 2023
Assumed Rate Of Inflation, (IR):	3.00%
Earned Rate of Interest, (ROI):	0.20%
Approximate Starting Balance:	\$30,500
Percent Funded:	18%
Number of Units:	45

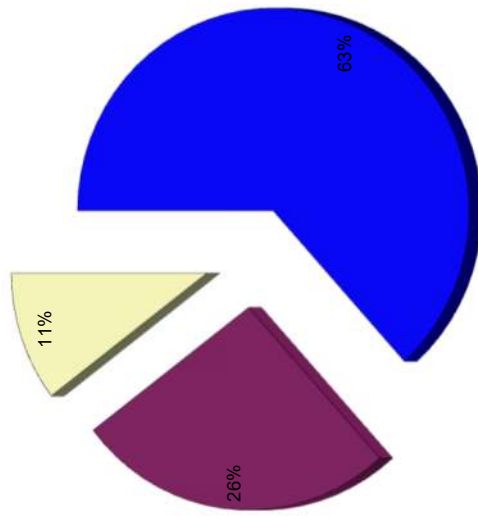
Approved Funding Plan

Estimated Yearly Contribution, (Year One):	\$23,625
Monthly Contribution, (Per Unit "Average" For Year One):	\$43.75
Lowest Annual Closing Balance:	\$7,693
Largest Annual Closing Balance:	\$698,719
Closing Balance @ Year 30:	\$698,719

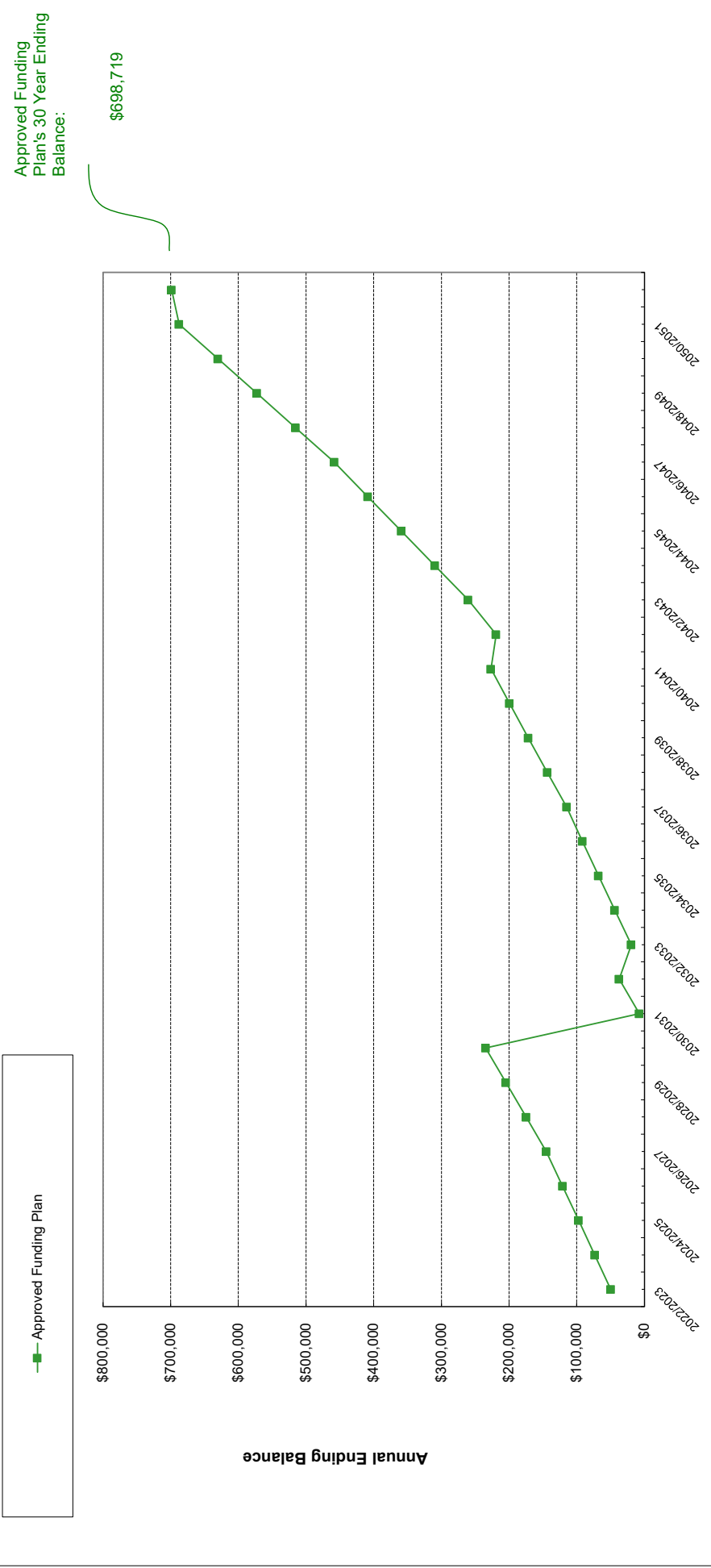
Arbor Terrace - Tamarack SFH - Funding Graph #1

Percentage of Anticipated Expenditures By Groups
(Groups are formed by multiple factors such as similar renewal timelines & common functions)

- Shared Common Elements #01 - Metal Railings, (Includes Refinishing): \$337,661
- Shared Common Elements #02 - Wood Fencing, (Includes Gates): \$140,292
- Shared Common Elements #03 - Asphalt Components: \$55,245



Arbor Terrace - Tamarack SFH - Funding Graph #2



Executive Summary – Tamarack SFH

The following information is based on the Association’s approved funding plan for fiscal year 2022 for the above-mentioned sub-group. The beginning balance within the reserve account is estimated to be \$30,500 on July 1, 2022, with the annual contribution estimated to be \$23,625. An increase of 28.6% (percent) over the previous fiscal year’s annual contribution was realized this year in order to help sustain a positive balance within the Association’s reserve account. For a complete list of each year’s annual rate increases over the following 29 years, (2023/2024 through 2051/2052) please see Table 9: Cash Flow Summary of this RS. The set annual EIR of 0.20% will be applied to the reserve funds’ account balance as explained in Chapter 4 of this RS. It is Equip Consulting’s understanding that these values were reviewed and approved by Association’s Board of Directors.

Analysis

The amount of funds within the reserve’s account will maintain a positive balance over the next 30 years, (2022/2023 through 2051/2051). This is contingent on the Association following the established funding plan and the scheduled annual increases to the reserve contributions over this same period of time. This will also be impacted on how well they maintain and care for their shared common elements.

The chart below shows the three largest renewal periods set by this study:

<u>Year</u>	<u>Major Renewal Tasks*</u>	<u>Total Annual Expenditures</u>
2030/2031	Metal Railing/Fencing & Gate Replacement	Approx. \$257K
2032/2033	Cedar Fence & Gate Replacement & Asphalt Overlay	Approx. \$55K
2041/2042	Metal Railing/Fencing & Gate Re-Finishing	Approx. \$50K

* See “Table 12: Detailed Cash Flow” for a breakout of all the scheduled renewal tasks within the years listed.

The forecasted repairs and replacements do not represent a fixed schedule for any given element or component reviewed. Such repairs or replacements may be required sooner or later than have anticipated. It should also be noted that these repairs and replacements may not all take place within one year’s time and may not be required at all. However, it is prudent to budget for such repairs since failure of some components is somewhat unpredictable.

Results

This funding plan as approved by the Association will maintain an amount greater than \$0 over the next 30 years. EC can recommend this funding plan because it provides the necessary amount of available funds to cover all the Association’s future anticipated replacement needs.

The ensuing document, (Table 9: Cash Flow Summary) illustrates what the Association should anticipate over the next 30 years should they follow this funding plan. For a detailed breakout of the anticipated cash flow of the expenditures shared by the homeowners, see Appendix H, “Table 12: Detailed Cash Flow”, (assuming the expenditures are scheduled to be replaced by June 30, 2052). Annual contributions within this RS have been aligned with the list of shared common elements shown in Appendix G, “Table 11: Shared Common Elements List”.

Arbor Terrace - Tamarack SFH
Approved Funding Plan
Table 9: Cash Flow Summary

Estimated Yearly Contribution, (Year One):	\$24,300
Monthly Contribution, (Per Unit "Average" For Year One):	\$45.00
Assumed Rate Of Inflation, (IR):	3.00%
Earned Rate of Interest, (ROI):	0.20%
Estimated Starting Account Balance for the 2022/2023 Fiscal Year:	\$30,500
Smallest Annual Closing Balance Over 30 Year Scope Of This RS:	\$3,671

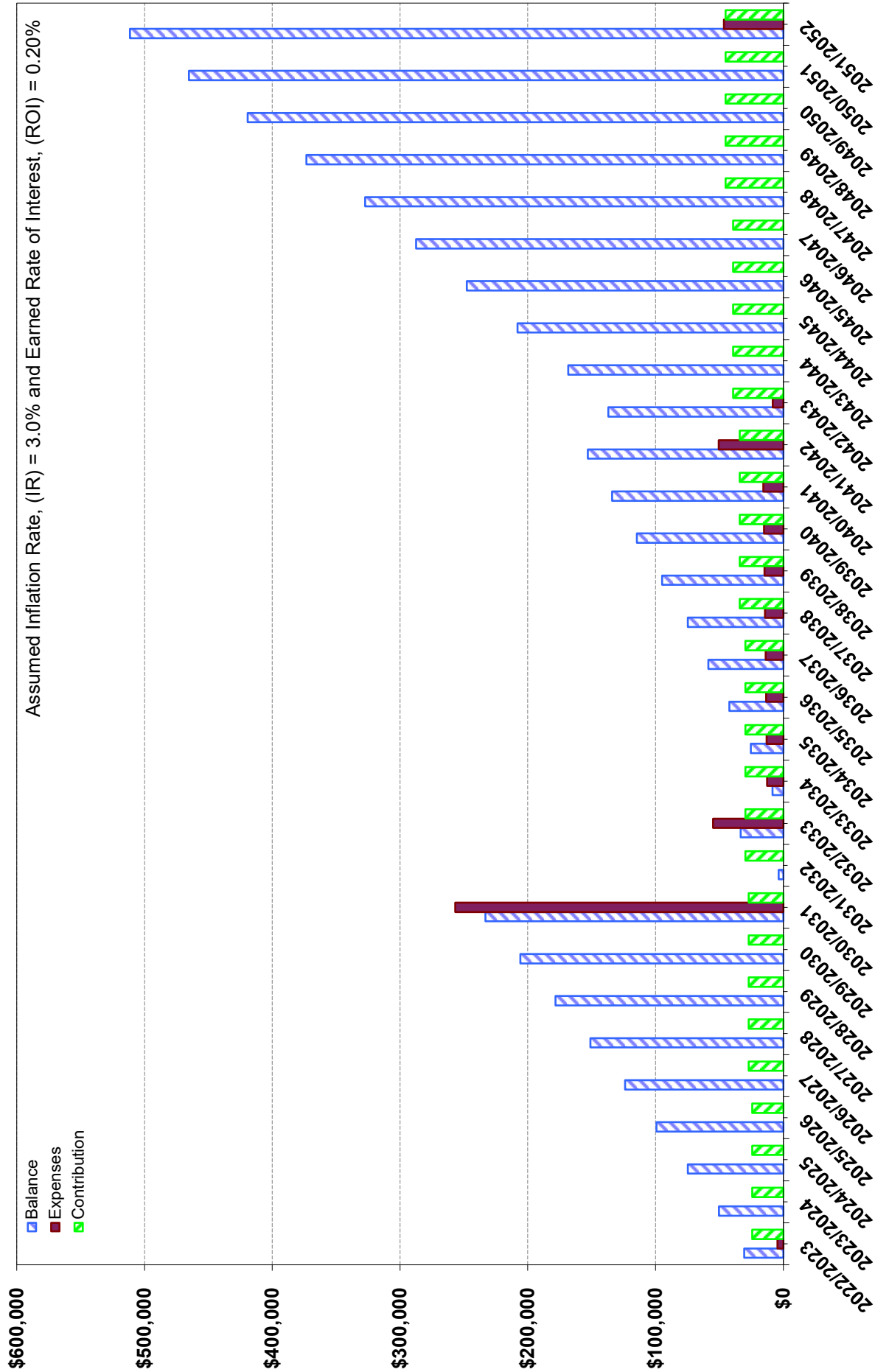
#	Year	Annual Opening Balance	Scheduled Rate Increases	Total Annual Contribution	Avg. Monthly Contribution Per Unit*	Other Contributions	Estimated Annual Expenditures	Annual Closing Balance**
1	2022 / 2023	\$30,500	28.6%	\$24,300	\$45.00	\$0	\$4,520	\$50,361
2	2023 / 2024	\$50,361	0.0%	\$24,300	\$45.00	\$0	\$0	\$74,786
3	2024 / 2025	\$74,786	0.0%	\$24,300	\$45.00	\$0	\$0	\$99,260
4	2025 / 2026	\$99,260	0.0%	\$24,300	\$45.00	\$0	\$0	\$123,782
5	2026 / 2027	\$123,782	11.1%	\$27,000	\$50.00	\$0	\$0	\$151,057
6	2027 / 2028	\$151,057	0.0%	\$27,000	\$50.00	\$0	\$0	\$178,386
7	2028 / 2029	\$178,386	0.0%	\$27,000	\$50.00	\$0	\$0	\$205,770
8	2029 / 2030	\$205,770	0.0%	\$27,000	\$50.00	\$0	\$0	\$233,208
9	2030 / 2031	\$233,208	0.0%	\$27,000	\$50.00	\$0	\$256,774	\$3,671
10	2031 / 2032	\$3,671	10.0%	\$29,700	\$55.00	\$0	\$0	\$33,408
11	2032 / 2033	\$33,408	0.0%	\$29,700	\$55.00	\$0	\$54,800	\$8,350
12	2033 / 2034	\$8,350	0.0%	\$29,700	\$55.00	\$0	\$12,605	\$25,479
13	2034 / 2035	\$25,479	0.0%	\$29,700	\$55.00	\$0	\$12,983	\$42,264
14	2035 / 2036	\$42,264	0.0%	\$29,700	\$55.00	\$0	\$13,372	\$58,692
15	2036 / 2037	\$58,692	0.0%	\$29,700	\$55.00	\$0	\$13,774	\$74,752
16	2037 / 2038	\$74,752	15.0%	\$34,155	\$63.25	\$0	\$14,187	\$94,889
17	2038 / 2039	\$94,889	0.0%	\$34,155	\$63.25	\$0	\$14,612	\$114,641
18	2039 / 2040	\$114,641	0.0%	\$34,155	\$63.25	\$0	\$15,051	\$133,994
19	2040 / 2041	\$133,994	0.0%	\$34,155	\$63.25	\$0	\$15,502	\$152,933
20	2041 / 2042	\$152,933	0.0%	\$34,155	\$63.25	\$0	\$50,476	\$136,901
21	2042 / 2043	\$136,901	15.0%	\$39,278	\$72.74	\$0	\$8,164	\$168,321
22	2043 / 2044	\$168,321	0.0%	\$39,278	\$72.74	\$0	\$0	\$207,975
23	2044 / 2045	\$207,975	0.0%	\$39,278	\$72.74	\$0	\$0	\$247,708
24	2045 / 2046	\$247,708	0.0%	\$39,278	\$72.74	\$0	\$0	\$287,521
25	2046 / 2047	\$287,521	0.0%	\$39,278	\$72.74	\$0	\$0	\$327,414
26	2047 / 2048	\$327,414	15.0%	\$45,170	\$83.65	\$0	\$0	\$373,284
27	2048 / 2049	\$373,284	0.0%	\$45,170	\$83.65	\$0	\$0	\$419,246
28	2049 / 2050	\$419,246	0.0%	\$45,170	\$83.65	\$0	\$0	\$465,299
29	2050 / 2051	\$465,299	0.0%	\$45,170	\$83.65	\$0	\$0	\$511,445
30	2051 / 2052	\$511,445	0.0%	\$45,170	\$83.65	\$0	\$46,377	\$511,259
							\$533,198	

* Funding plan assumes that all units/residence pay an equal share of the "Total Annual Contribution" value.

** Includes Projected Earned Interest

Arbor Terrace - Tamarack SFH Approved Funding Plan

Table 10: Cash Flow Chart



APPENDIX G



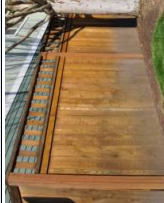
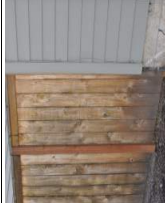

TABLE 11: SHARED COMMON ELEMENTS LIST

This table provides a list of the shared common elements that includes information such as each component's quantities, dates of initial installation or renewal, and estimated unit costs for the "Tamarack – SFH" entity or sub-association. In addition, this table includes a list of brief comments or recommendations for each corresponding item. EC recommends that close attention be maintained for systems that have an elevated maintenance requirement. These components are typically exposed to conditions where they are unlikely to fulfill their usual service life. However, it should be noted that in some instances a heightened maintenance plan can maximize the component's serviceable life span. Where a specific material, component or assembly could not be verified during our review, we have assumed the components are suitable for their intended use. Estimated replacement costs are based on current year dollars, (2022).

Arbor Terrace - Tamarack SFH



Table 11: Shared Common Elements List, (Estimated Replacement Cost, are Based on Current Year Pricing)

Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (YN)	Current Estimated Replacement Costs**	Comments/Recommendations
SHARED COMMON ELEMENTS #1: RAILINGS/FENCING														
Sub-Section #1: Metal Railing														
1	42" Metal Railing/Fencing & Gates @ Front/Elevations - Refinishing		10	2021	1	0	0	1	3,280	LF	\$6.00	N	\$10,080	Estimated replacement costs are based on a field-applied finish. 2021/2022 Fiscal Year Notes: Early signs of corrosion were identified at selection locations where paint/finish was either blistering or had been removed. Funds were allocated and remained within the next year to prevent further deterioration.
2	42" Metal Railing/Fencing & Gates @ Front/Elevations - Replacement		25	2007	15	-2	8	1	3,280	LF	\$61.80	N	\$202,700	2021/2022 Fiscal Year Notes: Early signs of corrosion were identified at selection locations where paint/finish was either blistering or had been removed. Funds were allocated and remained within the next year to prevent further deterioration.
Sub-Section #2: Wood Fencing														
3	6' Cedar Fence w/12" Vertical Lattice Detail @ Top		20	2017	5	-5	10	10	890	LF	\$51.50	N	\$43,780	The Association has instructed that they will no longer be refinishing the wood fencing located throughout the community. However they intend to add a maintenance task for regular scheduled cleanings. Funds required for this task will be drawn from the Operating Budget.
4	6' Cedar Fence w/Standard Top Rail Detail		20	2017	5	-5	10	10	770	LF	\$46.35	N	\$35,680	The Association has instructed that they will no longer be refinishing the wood fencing located throughout the community. However they intend to add a maintenance task for regular scheduled cleanings. Funds required for this task will be drawn from the Operating Budget.
5	Cedar Fencing Gates, (Swing/Hinged)		20	2017	5	-5	10	10	45	EA	\$258	N	\$11,590	The Association has instructed that they will no longer be refinishing the wood fencing located throughout the community. However they intend to add a maintenance task for regular scheduled cleanings. Funds required for this task will be drawn from the Operating Budget.



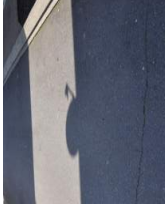
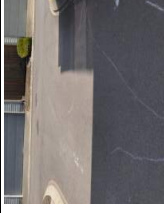


* Quantity of years needed or scheduled to complete the renewal process.

** Renewal costs listed are the current values should the scheduled replacement take place the year the RSI was completed.

Arbor Terrace - Tamarack SFH

Table 11: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)






Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (VN)	Current Estimated Replacement Costs**	Comments/Recommendations
SHARED COMMON ELEMENTS #2: ASPHALT COMPONENTS														
Sub-Section #1: Slurry Seal, (Maintenance Tank)														
6	Tract A		10	2007	15	0	0	1	5,700	SF	\$0.26	N	\$1,480	Slurry seal is the process of applying a protective coating to the surface of the asphalt-based pavements to provide a layer of protection from the elements such as water in its various forms, foreign oils, and U.V. The Tamarack SFH are responsible for 77% of the renewal costs for this component. The remaining 23% are covered within the Row Homes' funding plan.
7	Tract C		10	2007	15	0	0	1	4,125	SF	\$0.26	N	\$1,060	Slurry seal is the process of applying a protective coating to the surface of the asphalt-based pavements to provide a layer of protection from the elements such as water in its various forms, foreign oils, and U.V.
8	Tract D		10	2007	15	0	0	1	7,650	SF	\$0.26	N	\$1,970	Slurry seal is the process of applying a protective coating to the surface of the asphalt-based pavements to provide a layer of protection from the elements such as water in its various forms, foreign oils, and U.V. The Tamarack SFH are responsible for 77% of the renewal costs for this component. The remaining 23% are covered within the Row Homes' funding plan.
Sub-Section #2: Overlay, (Maintenance Tank)														
9	Tract A		25	2007	15	0	10	1	5,700	SF	\$1.80	N	\$10,440	Asphalt overlay is a paving method of applying a new layer of asphalt to a deteriorating surface and is a more cost effective approach as opposed to fully replacing the pavement. This should be done every 25 years and is typically done only once before fully replacing the asphalt. (Re-Top). The Tamarack SFH are responsible for 77% of the renewal costs for this component. The remaining 23% are covered within the Row Homes' funding plan.
10	Tract C		25	2007	15	0	10	1	4,125	SF	\$1.80	N	\$7,440	Asphalt overlay is a paving method of applying a new layer of asphalt to a deteriorating surface and is a more cost effective approach as opposed to fully replacing the pavement. This should be done every 25 years and is typically done only once before fully replacing the asphalt. (Re-Top).
11	Tract D		25	2007	15	0	10	1	7,650	SF	\$1.80	N	\$13,780	Asphalt overlay is a paving method of applying a new layer of asphalt to a deteriorating surface and is a more cost effective approach as opposed to fully replacing the pavement. This should be done every 25 years and is typically done only once before fully replacing the asphalt. (Re-Top). The Tamarack SFH are responsible for 77% of the renewal costs for this component. The remaining 23% are covered within the Row Homes' funding plan.

* Quantity of years needed or scheduled to complete the renewal process.
 ** Renewed costs listed are the current values should the scheduled replacement date place the year the RSI was completed.

Arbor Terrace - Tamarack SFH

Table 11: Shared Common Elements List, (Estimated Replacement Cost are Based on Current Year Pricing)



Item #	Item Description	Component Caption	Estimated Life Expectancy	Assumed Year of Acquisition	Present Age	Adjustment To Estimated Life Expectancy	Estimated Time To First Replacement	Number of Annual Phases*	Quantity	Units of Measure	Estimated Unit Cost	Add 3rd Party Consultant Fee (Y/N)	Current Estimated Replacement Costs**	Comments/Recommendations
12	Tract A		50	2007	15	0	35	1	5,790	SF	\$3,611	N	\$20,870	Renewal scope includes full demo or grinding of asphalt surfaces and install of new product, typically conducted every 50+ years. The Tamarack SFH are responsible for 77% of the renewal costs for this component. The remaining 23% are covered within the Row Homes' funding plan.
13	Tract C		50	2007	15	0	35	1	4,125	SF	\$3,611	N	\$14,870	Renewal scope includes full demo or grinding of asphalt surfaces and install of new product, typically conducted every 50+ years.
14	Tract D		50	2007	15	0	35	1	7,650	SF	\$3,611	N	\$27,580	Renewal scope includes full demo or grinding of asphalt surfaces and install of new product, typically conducted every 50+ years. This Tamarack SFH are responsible for 77% of the renewal costs for this component. The remaining 23% are covered within the Row Homes' funding plan.

* Quantity of years needed or scheduled to complete the renewal process.

** Renewal costs listed are the current values should the scheduled replacement date place the year the RSI was completed.

APPENDIX H

TABLE 12: DETAILED CASH FLOW

The “Detailed Cash-Flow” table is generated based on the estimated values established by “Table 11: Shared Common Elements List”, (See Appendix G) and is designed to anticipate the necessary cash flow for each year over the 30-year period of this study for the “Tamarack SFH” entity or sub-association. The estimated renewal costs listed within this table includes the assumed rate of inflation, (3.0%) for each of the years leading up to the date of replacement.

Arbor Terrace - Tamarack SFH
Approved Funding Plan
Table 12: Detailed Cash Flow



Estimated Yearly Contribution, (Year One): \$24,300		Monthly Contribution, (Per Unit "Average" For Year One): \$45.00														
Starting Balance	\$30,500	\$50,361	\$74,766	\$99,260	\$123,762	\$151,057	\$178,386	\$205,770	\$233,208	\$3,671	\$33,408	\$6,350	\$26,479	\$42,264	\$58,692	
Total Expenses inflated at 3% annually	\$4,520	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$256,774	\$0	\$54,800	\$12,605	\$12,983	\$13,372	\$13,774	
Interest at 0.2% annually	\$81	\$125	\$174	\$223	\$275	\$329	\$384	\$439	\$237	\$37	\$42	\$34	\$68	\$101	\$133	
Annual Reserve Contribution	\$24,300	\$24,300	\$24,300	\$24,300	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$29,700	\$29,700	\$29,700	\$29,700	\$29,700	\$29,700	
Other Contribution																
Ending Balance	\$50,361	\$74,766	\$99,260	\$123,762	\$151,057	\$178,386	\$205,770	\$233,208	\$3,671	\$33,408	\$6,350	\$26,479	\$42,264	\$58,692	\$74,752	
Fiscal Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Calendar Year	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/2036	2036/2037	
SHARED COMMON ELEMENTS #1: RAILINGS/FENCING																
Sub-Section #1: Metal Railing																
1	42" Metal Railing/Fencing & Gates @ Front Elevations - Refinishing															
2	42" Metal Railing/Fencing & Gates @ Front Elevations - Replacement															
Sub-Section #2: Wood Fencing																
3	6' Cedar Fence w/12" Vertical Lattice Detail @ Top															
4	6' Cedar Fence w/Standard Top Rail Detail															
5	Cedar Fencing Gates, (Swing/Sliding)															
SHARED COMMON ELEMENTS #2: ASPHALT COMPONENTS																
Sub-Section #1: Slurry Seal (Maintenance Task)																
6	Tract A															
7	Tract C															
8	Tract D															
Sub-Section #2: Overlay (Maintenance Task)																
9	Tract A															
10	Tract C															
11	Tract D															
Sub-Section #3: Res-Top (Renewal Task)																
12	Tract A															
13	Tract C															
14	Tract D															
Summary Totals																
									\$256,774		\$5,884	\$6,060	\$6,242	\$6,429	\$6,622	
											\$4,796	\$4,940	\$5,089	\$5,241	\$5,398	
											\$1,558	\$1,604	\$1,652	\$1,702	\$1,753	

Arbor Terrace - Tamarack SFH
Approved Funding Plan
Table 12: Detailed Cash Flow



Estimated Yearly Contribution, (Year One): \$24,300		Monthly Contribution, (Per Unit "Average" For Year One): \$45.00													
Starting Balance	\$74,752	\$94,889	\$114,641	\$133,994	\$152,933	\$136,901	\$168,321	\$207,975	\$247,708	\$287,521	\$327,414	\$373,284	\$419,246	\$465,299	\$511,445
Total Expenses inflated at 3% annually	\$14,187	\$14,612	\$15,051	\$15,502	\$50,476	\$6,164	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest at 0.2% annually	\$169	\$209	\$248	\$287	\$290	\$305	\$376	\$455	\$535	\$614	\$700	\$792	\$884	\$976	\$1,022
Annual Reserve Contribution	\$34,155	\$34,155	\$34,155	\$34,155	\$34,155	\$39,278	\$39,278	\$39,278	\$39,278	\$39,278	\$45,170	\$45,170	\$45,170	\$45,170	\$45,170
Other Contribution															
Ending Balance	\$94,889	\$114,641	\$133,994	\$152,933	\$136,901	\$168,321	\$207,975	\$247,708	\$287,521	\$327,414	\$373,284	\$419,246	\$465,299	\$511,445	\$511,259
Fiscal Year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Calendar Year	2037/2038	2038/2039	2039/2040	2040/2041	2041/2042	2042/2043	2043/2044	2044/2045	2045/2046	2046/2047	2047/2048	2048/2049	2049/2050	2050/2051	2051/2052
SHARED COMMON ELEMENTS #1: RAILINGS/FENCING															
Sub-Section #1: Metal Railing															
1	42" Metal Railing/Fencing & Gates @ Front Elevations - Refinishing														
2	42" Metal Railing/Fencing & Gates @ Front Elevations - Replacement														
Sub-Section #2: Wood Fencing															
3	\$6,821	\$7,025	\$7,236	\$7,453	\$7,677										
4	\$5,560	\$5,727	\$5,899	\$6,076	\$6,258										
5	\$1,806	\$1,860	\$1,916	\$1,973	\$2,032										
SHARED COMMON ELEMENTS #2: ASPHALT COMPONENTS															
Sub-Section #1: Slurry Seal (Maintenance Task)															
6	Tract A														
7	Tract C														
8	Tract D														
Sub-Section #2: Overlay (Maintenance Task)															
9	Tract A														
10	Tract C														
11	Tract D														
Sub-Section #3: Res-Top (Renewal Task)															
12	Tract A														
13	Tract C														
14	Tract D														
					\$34,509										\$46,377

APPENDIX I
FIVE YEAR EXPENDITURE OUTLOOK

2022/2023		
6	Asphalt Slurry Seal @ Tract A	\$1,490
7	Asphalt Slurry Seal @ Tract C	\$1,060
8	Asphalt Slurry Seal @ Tract D	\$1,970
		\$4,520

2023/2024		
-	-	\$0
		\$0

2024/2025		
-	-	\$0
		\$0

2025/2026		
-	-	\$0
		\$0

2026/2027		
-	-	\$0
		\$0

8. SUMMARY

Equip Consulting has reviewed and assessed the reserve requirements for each entity/sub-group that make up the Arbor Terrace Homeowners Association in accordance with the scope of services indicated within the authorized fee agreement and the “Limitations” outlined in Appendix P of this report.

The following table summarizes the results of the study:

<u>2022/2023 Approved Funding Plans</u>	<u>Estimated Annual Contribution*</u>	<u>Estimated “Average Monthly Contribution”*</u>
All Lots, (Common)	\$28,806	\$15.00
Row Homes	\$78,000	\$100.00
Tamarack SFH	\$23,625	\$43.75

* Financial figures are for year one of this study, July 1, 2022 to June 30, 2023

Our calculations of the accumulated funds within the reserve’s account include the interest earned per the estimated rates established by the Association.

The RS is a dynamic document that will change over time as repairs and/or replacements are carried out for each of the shared common elements included within this RS, as well as the ever-changing interest and inflation rates that affect our economy. As such, regular updates to the available reserve funds, including visual reviews of the shared common elements are necessary to re-assess the financial planning needs of the Association. EC also recommends that the Board of Directors review local and state laws, the Association’s governing documents, as well as their community’s goals and objectives in relationship to their investment decisions. We also recommend that the Association utilize the services of a financial planner who can implement an investment strategy to maximize the rate of return on the accumulated reserve funds. This will put the Association in a proactive position to plan for future replacement work prior to the common elements reaching a fully deteriorated condition, which may result in less expensive repair costs.

The annual contributions to the reserve account have been established by the Board of Directors.

Sincerely,

Equip Consulting



Caleb VanderMolen

Reserve Study & Maintenance Plan Professional

APPENDIX M **LIMITATIONS**

This report is intended for the sole use of the client indicated above and must not be distributed to, or used by, others without our knowledge. It is based on the documents and information provided to us and the findings at the time of our on-site review.

It is a basic assumption that any correspondence, material, data, evaluations, and reports furnished by others are free of latent deficiencies or inaccuracies except for apparent variances discovered during the completion of this report.

Unless specifically noted in this report, no testing, verification of operation of systems, review of concealed elements, intrusive openings, opening of system components for internal inspection, detailed analysis or design calculations were conducted, nor were they within the scope of this review.

Some of the findings herein are based on a random sampling visual review of the surface conditions, discussions with the Board of Directors and/or their designated representatives, and review of relevant documents. Observations were made only of those areas that were readily accessible during our review. Deficiencies existing but not recorded in this report were not apparent given the level of study undertaken. Unless otherwise indicated in this report, components are assumed to be suitable for their intended use and are being used under normal service conditions. Finally, for this year's update, we have not undertaken a physical review of subsurface conditions or concealed structural systems.

It is possible that unexpected conditions may be encountered at buildings/facilities that have not been explored within the scope of this report. Should such an event occur, EC should be notified in order that we may determine if modifications to our conclusions are necessary.

In issuing this report, EC does not assume any of the duties or liabilities of the designers, builders, or owners of the subject property. Owners, prospective purchasers, tenants, or others who use or rely on the contents of this report do so with the understanding as to the limitations of the documents reviewed and the general visual review undertaken and understand that EC cannot be held liable for damages they may suffer in respect to the purchase, ownership, or use of the subject property.

Professional judgment was exercised in gathering and analyzing the information obtained and in the formulation of the conclusions. Like all professional persons rendering advice, we do not act as insurers of the conclusions we reach, but we commit ourselves to care and competence in reaching those conclusions. No warranties, either expressed or implied, are made.