



RESERVE STUDY UPDATE WITH SITE VISIT - OCTOBER 4, 2018

Sunrise at Wigwam Homeowners Association
 144th Avenue & Indian School Road
 Goodyear, Arizona

REVIEWED BY:

Les Weinberg, MBA, RS

DATE:

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OVERVIEW

This "Reserve Study Update with Site Visit" has been prepared for "Sunrise at Wigwam Homeowners Association" in Goodyear, Arizona. It consists of three main divisions:

The **Summary** is a brief synopsis of the results of the Reserve Study.

The **Financial Analysis** utilizes the data gathered from the Condition Assessment. Future expenditures by year over a 30-year period are then projected. Specific information regarding methods and assumptions are delineated in that section.

The **Condition Assessment** is both an inventory and re-examination of the major association components that are subject to deterioration within the 30-year scope of this study. Specific information regarding survey methods and assumptions are delineated in that section.

As the complete report contains details that may not be of interest to many homeowners, it is suggested that this "Overview" page, the "Component Inventory" and the "Summary" (along with other information at the option of the Association) be distributed with the Association's pro-forma operating budget. Copies of the full Reserve Study should be made available upon request.

The information contained in the study will provide a perpetual inventory of all common area components which can be expanded should the project undergo any future physical changes. Also, the detailed schedules will serve as an advance warning system with respect to major repair or replacement of the components. This will allow time for obtaining competitive bids, ultimately resulting in cost savings to the individual homeowners. As a planning tool, the study can be utilized as a "maintenance monitor", thus obtaining maximum life potential from the components and avoiding the "quick-fix" option that can occur due to a lack of funds.

One of the most important aspects of this report is that it will provide an educated estimate as to what the monthly reserve contribution realistically needs to be. This will ensure the physical well being of the project and ultimately enhance each owner's investment while helping to avoid unexpected and costly special assessments.

It is important to note that the information contained herein includes estimates and assumptions based on various sources of information. While every effort has been made to insure accurate results, this report reflects the judgment of Reserve Studies Inc. based on conditions present at the time of the study and should not be construed as a guarantee or assurance of future events. This study has been undertaken by an independent third party. RSI (Reserve Studies Inc.) has no involvement with the client (association) outside of the scope of the services provided herein.

FINANCIAL ANALYSIS

This **Financial Analysis** reveals the financial ramifications over a 30-year projection resulting from the Condition Assessment, and consists of the following schedules:

- 1) **COMPONENT INVENTORY** - Lists all the components compiled from the Condition Assessment, including their quantity, typical useful lives, estimated remaining lives and average costs. Also provided for each component is an allocation of the beginning reserve balance, annual depreciation, accumulated depreciation, and monthly contributions.

FUNDING PLANS / ILLUSTRATIONS - Four funding plans / illustrations are provided to illustrate the effects of various levels of reserve contributions versus anticipated reserve expenditures. They include 30 years of activity, are detailed on an **annual** basis, and include interest income earned on reserve funds (net of taxes), which can offset the amount of contributions required.

- 1) **FUNDING ILLUSTRATION #1** - This illustration assumes that the current reserve contribution will remain the same throughout the 30-year projection. In most cases this will not be sufficient to cover future reserve expenditures over the 30-year period. **This is not a recommended funding plan.**
- 2) **FUNDING ILLUSTRATION #2** - This illustration also assumes that the current reserve contribution will remain the same throughout the 30-year projection. However, special assessments are generated for any year that the reserve balance would otherwise drop below \$0.00. **This is not a recommended funding plan**
- 3) **FUNDING PLAN #3** - This plan increases (or sometimes decreases) current reserve contributions as necessary to cover all future expenditures and achieve 100% funding at least by the end of the 30-year projection. It most fairly matches the depreciation of the common components and the enjoyment of the benefits. **This is a recommended funding plan** and fulfills the requirement of the California Civil Code with respect to distribution of a full funding plan.
- 4) **FUNDING ILLUSTRATION #4** - This illustration dictates what the reserve contribution would need to be to achieve annual 100% funding.
- 5) **COMPARISON OF FUNDING PLANS / ILLUSTRATIONS** - Details comparison of the 4 funding plans / illustrations on an annual basis, including the **monthly** reserve contributions and the percent funded for each year.
- 6) **GRAPH: FUNDING PLANS / ILLUSTRATIONS 1-4 vs. RESERVE EXPENDITURES** - Shows the cash receipts (reserve contributions plus interest income) in each of the 4 funding plans / illustrations versus the total reserve expenditures on an annual basis.
- 7) **GRAPH: FUNDING PLANS / ILLUSTRATIONS 1-4 vs. ACCUMULATED DEPRECIATION** - Shows the cash receipts versus the accumulated depreciation on an annual basis.
- 8) **RESERVE EXPENDITURES BY YEAR** – Details the component expenditures for each year they come due.

COMPONENT ACCUMULATED DEPRECIATION ANALYSIS – Calculates the accumulated depreciation for each component at year-end. The total accumulated depreciation per year is ideally the amount that should be in reserves and represents 100% funded. For example, if a component cost is \$1,000, has a useful life of 10 years and is 6 years old, then \$600 should be in reserves: \$1,000 divided by 10 years = \$100 per year x 6 years of depreciation.

SUMMARY:	SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION
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The following is a summary of the results of the Financial Analysis portion of the Reserve Study for the period indicated below. The recommended monthly reserve contribution is based on **Funding Plan #3** (also see "Comparison of Funding Plans" schedule). However, this funding plan, while being the most equitable, reflects minimum funding and may only marginally cover the total annual expenditures in some years. The "Per Unit" amounts reflect the "Total" amounts divided by the number of units - no adjustments have been made for any variable rate assessments.

ASSUMPTIONS:

(A) FISCAL (12 MONTH) PERIOD RESERVE STUDY IS TO COVER:	1/1/2019	through	12/31/2019
(B) INFLATION FACTOR (10 year running average CPI per Bureau of Labor Statistics - calculated annually):			1.69%
(C) INTEREST % ON RESERVE FUNDS (unless provided by the association, assumed to be 1%):			2.0000%
(D) BEGINNING RESERVE BALANCE (per association, estimated as of	1/1/2019)	\$69,821
(E) NUMBER OF UNITS:			397

ANALYSIS OF RESERVE CONTRIBUTION

		TOTAL	PER UNIT
(F) AMOUNT BUDGETED MONTHLY (PER ASSOCIATION) AS OF	12/31/2018 :	\$460.00	\$1.16
(G) RECOMMENDED MONTHLY FOR PERIOD	1/1/2019 through 12/31/2019 :	\$821.10	\$2.07
(see <u>Funding Plan #3</u> for specific details)			
(H) <u>DOLLAR</u> INCREASE / (DECREASE) (item "G" less item "F"):		\$361.10	\$0.91
(I) <u>PERCENTAGE</u> INCREASE / (DECREASE) (item "H" divided by item "F"):		78.50%	78.50%
(J) SPECIAL ASSESSMENT FOR PERIOD	1/1/2019 through 12/31/2019 :	\$0.00	\$0.00
(in addition to "AMOUNT RECOMMENDED" from above [item "G"])			
(K) FUTURE <u>ANNUAL</u> PERCENTAGE INCREASES / (DECREASES)	1/1/2020 - 1/1/2021	78.50%	78.50%

ANALYSIS OF TOTAL BUDGETED ASSESSMENT (DUES) FROM ALL OWNERS:

		TOTAL	PER UNIT
(L) AMOUNT BUDGETED MONTHLY (PER ASSOCIATION) AS OF	12/31/2018 :	15,554.00	39.18
(M) RESERVE CONTRIBUTION <u>%</u> OF TOTAL ASSESSMENT (DUES) (item "F" divided by "L")		2.96%	2.96%
(N) % INCREASE/(DECREASE) IN TOTAL MONTHLY ASSESSMENT (DUES) ("h" divided by "L")		2.32%	2.32%
(if recommended monthly reserve contribution implemented)			

OVERAGE / (DEFICIT) - between "actual" and "ideal" reserve balance:	(69,778)	(176)
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FUNDS TO COVER THE COST OF COMPONENTS THAT NEED TO BE REPLACED WITHIN 5 YEARS	\$185,976.00
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PERCENT FUNDED AS OF: 1/1/2019	(excluding "unknown" amounts from Component Inventory)	50.02%
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actual reserve balance (item "D" above):	69,821
divided by	
accumulated depreciation (see Component Inventory):	139,599

PERCENT FUNDED AS OF: 12/31/2019	(if Funding Plan #3 recommended above is followed)	44.57%
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COMPONENT INVENTORY
threshold = \$500
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION
AS OF: 1/1/2019

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	ACCUM DEPRE	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
ROOF/DECKS											
concrete tile roof	0101	400 sq ft	35	16	2,950 ¹	84	801	1,601	(800)	5.28	9.42
STRUCTURE											
ramada	0201	1 ramada	30+	30+	0	0	0	0	0	0.00	0.00
PAINT											
stucco	0301	900 sq ft	10	5	950 ¹	95	238	475	(237)	1.57	2.79
ironwork	0302	3,000 sq ft	5	0	4,850 ¹	970	2,426	4,850	(2,424)	15.98	28.53
concrete block walls	0303	16,400 lf @ 6'	10	4	48,100 ³	4,810	14,434	28,860	(14,426)	95.10	169.75
ELECTRICAL											
lighting	0401	3 fixtures	10	0	3,600 ³	360	1,801	3,600	(1,799)	11.86	21.17
LANDSCAPE/HARDSCAPE											
concrete block walls	0501	allowance	1	0	3,000 ²	3,000	1,500	3,000	(1,500)	9.89	17.65
irrigation controllers	0502	3 controllers	12	10	4,950 ⁴	413	413	825	(412)	2.72	4.85
irrigation piping	0503	approx. 20,000 ln ft	40	20	50,000 ²	1,250	12,504	25,000	(12,496)	82.38	147.05
back flow preventers	0504	2 preventers	15	7	2,000 ²	133	534	1,067	(533)	3.52	6.28
dry wells/drainage areas	0505	allowance	30	29	40,000 ²	1,333	667	1,333	(666)	4.39	7.84
pumping station	0506	two @ 1.5 hp	15	4	14,000 ²	933	5,135	10,267	(5,132)	33.83	60.39
granite refurbishment	0507	allowance	10	4	36,000 ²	3,600	10,803	21,600	(10,797)	71.18	127.05
RECREATION FACILITIES											
play structure	0601	1 multi station	20	4	36,600 ⁴	1,830	14,645	29,280	(14,635)	96.48	172.22
playground surfacing	0602	165 sq ft	10	4	2,550 ¹	255	765	1,530	(765)	5.04	9.00
playground shade canopy	0603	44' x 25'	10	4	3,350 ²	335	1,005	2,010	(1,005)	6.62	11.82
playground furnishings	0604	6 items	10	0	2,800 ⁴	280	1,400	2,800	(1,400)	9.23	16.47

COMPONENT INVENTORY threshold = \$500
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION

AS OF: 1/1/2019

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	ACCUM DEPRE	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
MISCELLANEOUS											
mailboxes	0701	usps maintained	n/a	n/a	0	0	0	0	0	0.00	0.00
monument	0702	1 monument	20	13	2,250 ⁴	113	394	788	(394)	2.60	4.63
CONTINGENCY RESERVE	0801	5% of total annual expenditures - see "Reserve Expenditures by Year" schedule for details			713	713	356	713	(356)	2.35	4.19
TOTALS					258,663	20,507	69,821	139,599	(69,778)	460.00	821.10

COST SOURCES

- 1) In-house database. Developed from experience of costs for recent repairs, replacements, or restoration of components in similar properties.
- 2) Based on contractor proposal provided by association and/or information from association's vendors.
- 3) Based on actual cost of recent repair, replacement, or restoration of component - information provided by association.
- 4) National cost guide (National Construction Estimator, R.S. Means, LSI, etc.)
- 5) Per Mechanical Engineering Evaluation
- 6) Per information in previous non-RSI study

Percent Funded: ratio of the actual reserve balance to the component accumulated depreciation	50.02%
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COMPARISON OF FUNDING PLANS / ILLUSTRATIONS

SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION

FUNDING ILLUSTRATION #1			FUNDING ILLUSTRATION #2			FUNDING PLAN #3			FUNDING ILLUSTRATION #4		
YEAR	Monthly Contribution	Percent Funded	Monthly Contribution (1)	Annual % Change	Percent Funded	Monthly Contribution	Annual % Change	Percent Funded	Monthly Contribution	Annual % Change	Percent Funded
1/1/2019	460	50.02%	460	0.00%	50.02%	821	78.50%	50.02%	7,571	1545.85%	50.02%
1/1/2020	460	41.60%	460	0.00%	41.60%	1,466	78.50%	44.57%	1,763	-76.72%	100.00%
1/1/2021	460	38.50%	460	0.00%	38.50%	2,616	78.50%	48.42%	1,799	2.07%	100.00%
1/1/2022	460	35.92%	460	0.00%	35.92%	2,616	0.00%	58.76%	2,459	36.69%	100.00%
1/1/2023	460	32.56%	7,543	1539.86%	32.56%	2,616	0.00%	64.66%	1,762	-28.33%	100.00%
1/1/2024	460	-109.90%	835	-88.93%	0.05%	2,616	0.00%	13.82%	1,848	4.85%	100.00%
1/1/2025	460	-98.97%	460	-44.91%	0.01%	2,616	0.00%	35.60%	1,899	2.76%	100.00%
1/1/2026	460	-78.90%	460	0.00%	1.85%	2,616	0.00%	54.60%	1,927	1.48%	100.00%
1/1/2027	460	-67.86%	460	0.00%	1.31%	2,616	0.00%	67.05%	1,968	2.15%	100.00%
1/1/2028	460	-56.88%	460	0.00%	2.41%	2,616	0.00%	76.57%	2,088	6.08%	100.00%
1/1/2029	460	-48.23%	1,527	231.88%	3.18%	2,616	0.00%	83.08%	2,033	-2.63%	100.00%
1/1/2030	460	-57.79%	460	-69.87%	0.05%	2,616	0.00%	87.09%	2,085	2.57%	100.00%
1/1/2031	460	-50.18%	460	0.00%	0.91%	2,616	0.00%	91.63%	2,141	2.65%	100.00%
1/1/2032	460	-44.01%	460	0.00%	1.56%	2,616	0.00%	94.98%	2,642	23.40%	100.00%
1/1/2033	460	-39.72%	10,110	2097.83%	0.88%	2,616	0.00%	95.35%	2,143	-18.87%	100.00%
1/1/2034	460	-138.12%	985	-90.26%	0.05%	2,616	0.00%	96.06%	2,227	3.90%	100.00%
1/1/2035	460	-128.45%	685	-30.46%	0.01%	2,616	0.00%	99.07%	2,257	1.38%	100.00%
1/1/2036	460	-115.95%	460	-32.85%	0.04%	2,616	0.00%	101.36%	2,306	2.16%	100.00%
1/1/2037	460	-101.78%	460	0.00%	0.64%	2,616	0.00%	102.89%	2,433	5.53%	100.00%
1/1/2038	460	-89.96%	1,827	297.10%	1.08%	2,616	0.00%	103.48%	2,740	12.58%	100.00%
1/1/2039	460	-93.30%	7,860	330.29%	0.04%	2,616	0.00%	102.79%	2,366	-13.64%	100.00%
1/1/2040	460	-167.72%	460	-94.15%	0.05%	2,616	0.00%	105.23%	2,503	5.80%	100.00%
1/1/2041	460	-146.43%	1,168	153.99%	0.50%	2,616	0.00%	105.24%	2,503	0.01%	100.00%
1/1/2042	460	-139.69%	460	-60.63%	0.03%	2,616	0.00%	105.46%	3,345	33.60%	100.00%
1/1/2043	460	-120.28%	16,877	3568.84%	0.34%	2,616	0.00%	101.66%	2,476	-25.96%	100.00%
1/1/2044	460	-481.67%	1,177	-93.03%	0.02%	2,616	0.00%	105.76%	2,585	4.39%	100.00%
1/1/2045	460	-420.04%	460	-60.91%	0.07%	2,616	0.00%	105.28%	2,644	2.26%	100.00%
1/1/2046	460	-343.98%	460	0.00%	0.47%	2,616	0.00%	104.17%	2,698	2.07%	100.00%
1/1/2047	460	-289.75%	460	0.00%	0.71%	2,616	0.00%	103.03%	3,024	12.06%	100.00%
1/1/2048	460	-245.52%	5,968	1197.46%	0.83%	2,616	0.00%	100.38%	3,026	0.06%	100.00%

AVERAGE:

-121.60%

5.71%

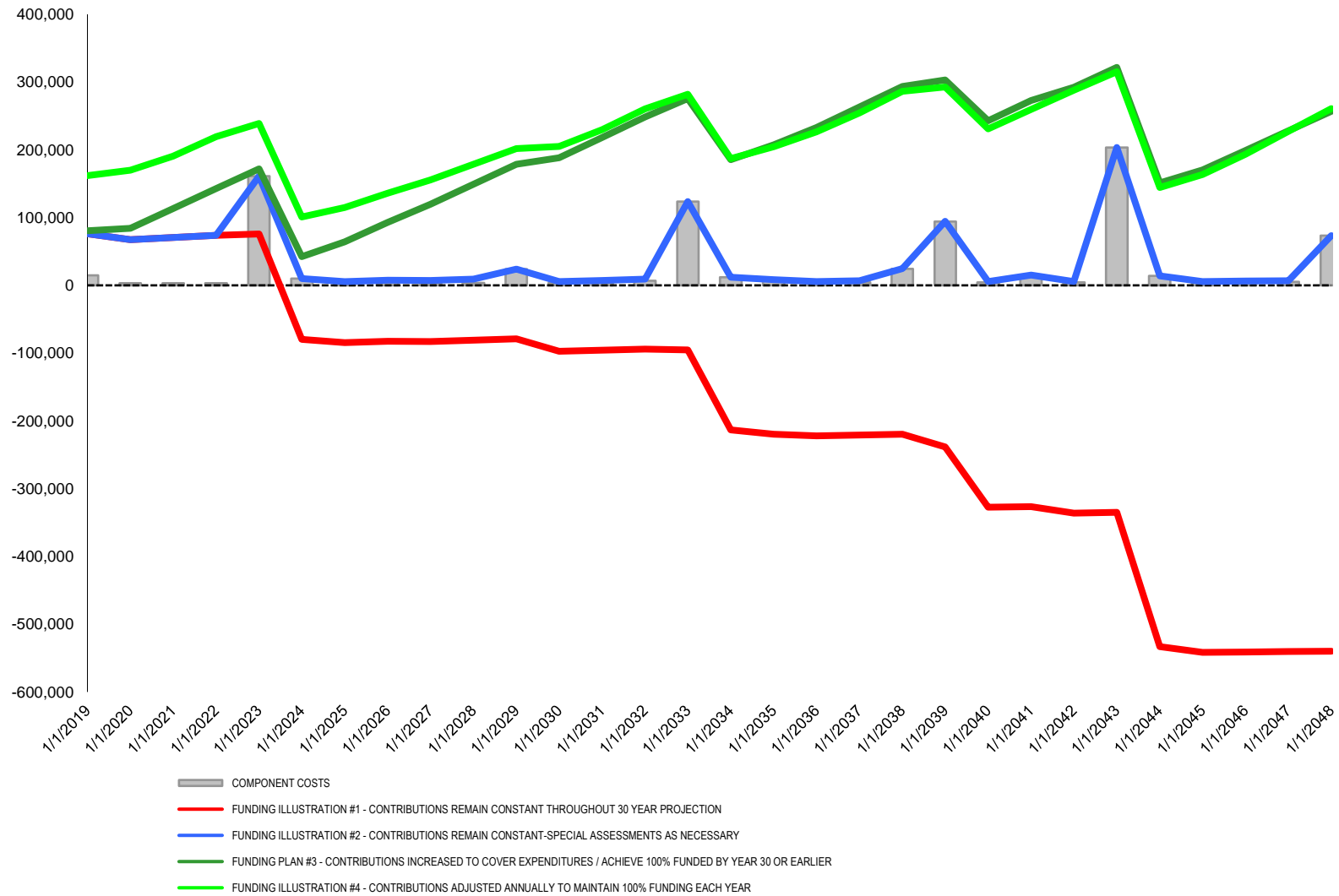
84.76%

100.00%

FOOTNOTES:

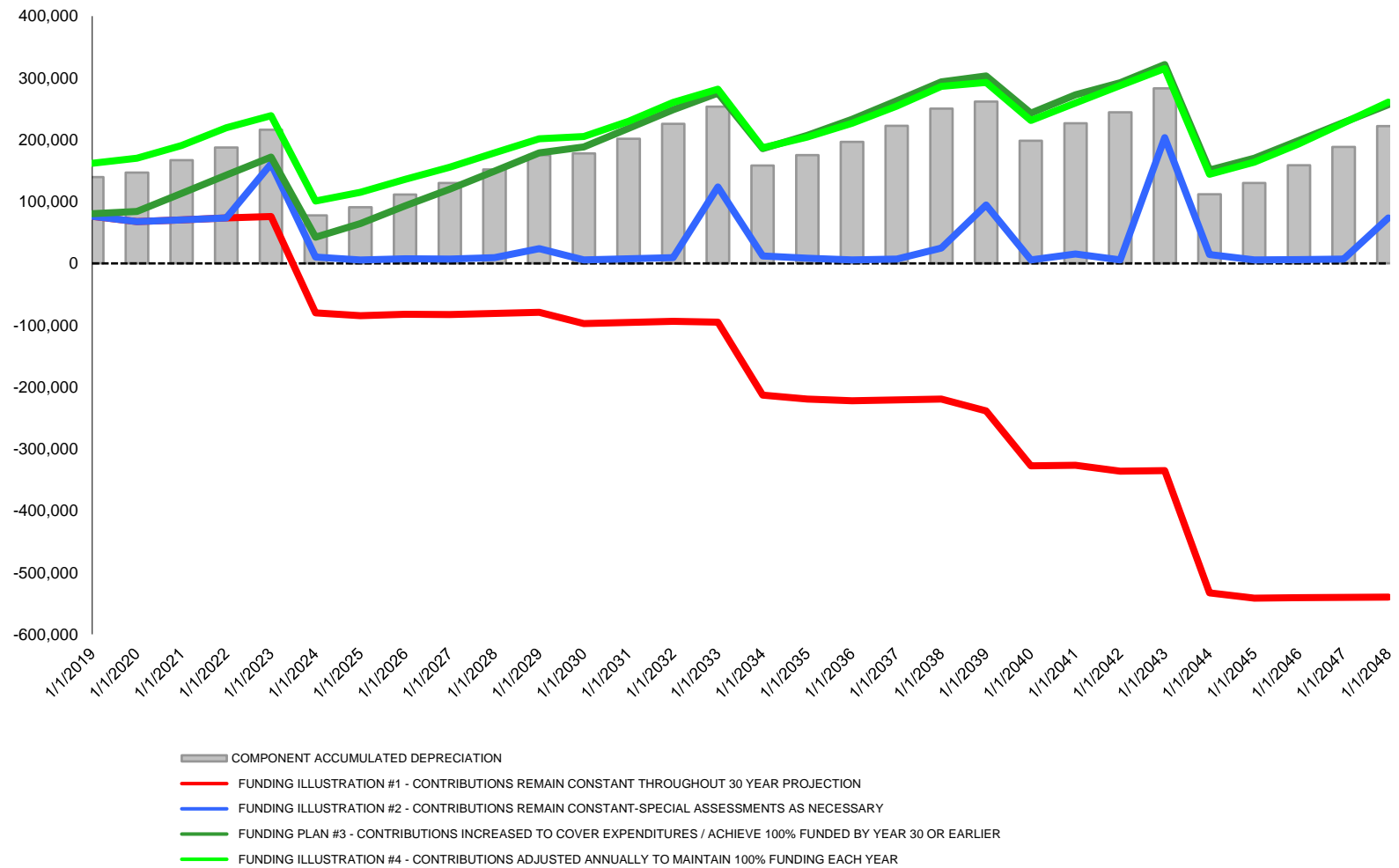
(1) Includes special assessments prorated on a monthly basis

SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION
FUNDING PLANS / ILLUSTRATIONS
GRAPH: FUNDING PLANS / ILLUSTRATIONS 1-4 vs COMPONENT COSTS



SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION

FUNDING PLANS / ILLUSTRATIONS GRAPH: FUNDING PLANS / ILLUSTRATIONS 1-4 vs COMPONENT DEPRECIATION



FUNDING ILLUSTRATION #1 (assumption: current contribution remains constant throughout 30 year projection) **ILLUSTRATION ONLY / NOT RECOMMENDED**
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION **ANNUAL BASIS**

DESCRIPTION	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033
RESERVE CONTRIBUTION	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	790	757	794	830	0	0	0	0	0	0	0	0	0	0	0
COMPONENT COSTS (b)	(14,963)	(3,204)	(3,258)	(3,313)	(161,239)	(10,047)	(3,483)	(5,903)	(3,602)	(3,662)	(23,838)	(3,787)	(3,851)	(6,853)	(123,478)
NET RCPTS/(DISBURSE)	(8,652)	3,073	3,055	3,038	(155,719)	(4,527)	2,037	(383)	1,919	1,858	(18,318)	1,733	1,669	(1,333)	(117,958)
CASH BALANCE: begin year	69,821	61,169	64,242	67,297	70,335	(85,384)	(89,911)	(87,874)	(88,257)	(86,339)	(84,481)	(102,799)	(101,067)	(99,398)	(100,732)
CASH BALANCE: end year	61,169	64,242	67,297	70,335	(85,384)	(89,911)	(87,874)	(88,257)	(86,339)	(84,481)	(102,799)	(101,067)	(99,398)	(100,732)	(218,689)
COMPONENT ACCUMULATED DEPRECIATION (c)	139,599	147,026	166,878	187,359	216,003	77,695	90,845	111,376	130,062	151,790	175,169	177,871	201,411	225,841	253,598
less: beginning cash bal	69,821	61,169	64,242	67,297	70,335	(85,384)	(89,911)	(87,874)	(88,257)	(86,339)	(84,481)	(102,799)	(101,067)	(99,398)	(100,732)
over/(under) funded-total	(69,778)	(85,857)	(102,636)	(120,061)	(145,668)	(163,079)	(180,756)	(199,250)	(218,319)	(238,129)	(259,650)	(280,671)	(302,478)	(325,240)	(354,329)
" " " per unit	(176)	(216)	(259)	(302)	(367)	(411)	(455)	(502)	(550)	(600)	(654)	(707)	(762)	(819)	(893)

DESCRIPTION	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048
RESERVE CONTRIBUTION	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
COMPONENT COSTS (b)	(11,881)	(8,168)	(4,187)	(4,258)	(24,544)	(94,328)	(4,478)	(15,105)	(4,631)	(203,462)	(14,051)	(4,870)	(4,952)	(5,036)	(73,406)
NET RCPTS/(DISBURSE)	(6,361)	(2,648)	1,333	1,262	(19,024)	(88,808)	1,042	(9,585)	890	(197,942)	(8,531)	650	568	484	(67,886)
CASH BALANCE: begin year	(218,689)	(225,050)	(227,698)	(226,366)	(225,103)	(244,127)	(332,935)	(331,893)	(341,478)	(340,589)	(538,531)	(547,062)	(546,412)	(545,843)	(545,359)
CASH BALANCE: end year	(225,050)	(227,698)	(226,366)	(225,103)	(244,127)	(332,935)	(331,893)	(341,478)	(340,589)	(538,531)	(547,062)	(546,412)	(545,843)	(545,359)	(613,245)
COMPONENT ACCUMULATED DEPRECIATION (c)	158,338	175,201	196,375	222,403	250,216	261,654	198,510	226,651	244,447	283,153	111,804	130,242	158,849	188,385	222,127
less: beginning cash bal	(218,689)	(225,050)	(227,698)	(226,366)	(225,103)	(244,127)	(332,935)	(331,893)	(341,478)	(340,589)	(538,531)	(547,062)	(546,412)	(545,843)	(545,359)
over/(under) funded-total	(377,027)	(400,251)	(424,074)	(448,768)	(475,319)	(505,781)	(531,445)	(558,544)	(585,925)	(623,742)	(650,335)	(677,304)	(705,260)	(734,228)	(767,486)
" " " per unit	(950)	(1,008)	(1,068)	(1,130)	(1,197)	(1,274)	(1,339)	(1,407)	(1,476)	(1,571)	(1,638)	(1,706)	(1,776)	(1,849)	(1,933)

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.3%
(b) See "Reserve Expenditures By Year Schedule"
(c) See "Component Accumulated Depreciation Analysis"

Rate: 2.0000%

FUNDING ILLUSTRATION #2 (assumption: current contribution constant - special assess as necessary) **ILLUSTRATION ONLY / NOT RECOMMENDED**

SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION

ANNUAL BASIS

DESCRIPTION	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033
RESERVE CONTRIBUTION	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520
SPECIAL ASSESSMENT	0	0	0	0	85,000	4,500	0	0	0	0	12,800	0	0	0	115,800
INTEREST INCOME (a)	790	757	794	830	425	0	13	23	32	56	34	12	32	35	14
COMPONENT COSTS (b)	(14,963)	(3,204)	(3,258)	(3,313)	(161,239)	(10,047)	(3,483)	(5,903)	(3,602)	(3,662)	(23,838)	(3,787)	(3,851)	(6,853)	(123,478)
NET RCPTS/(DISBURSE)	(8,652)	3,073	3,055	3,038	(70,294)	(27)	2,050	(360)	1,951	1,913	(5,484)	1,744	1,701	(1,299)	(2,144)
CASH BALANCE: begin year	69,821	61,169	64,242	67,297	70,335	41	13	2,063	1,703	3,654	5,567	83	1,827	3,528	2,229
CASH BALANCE: end year	61,169	64,242	67,297	70,335	41	13	2,063	1,703	3,654	5,567	83	1,827	3,528	2,229	85
COMPONENT ACCUMULATED DEPRECIATION (c)	139,599	147,026	166,878	187,359	216,003	77,695	90,845	111,376	130,062	151,790	175,169	177,871	201,411	225,841	253,598
less: beginning cash bal	69,821	61,169	64,242	67,297	70,335	41	13	2,063	1,703	3,654	5,567	83	1,827	3,528	2,229
over/(under) funded-total	(69,778)	(85,857)	(102,636)	(120,061)	(145,668)	(77,655)	(90,831)	(109,313)	(128,359)	(148,137)	(169,602)	(177,789)	(199,584)	(222,314)	(251,369)
" " " per unit	(176)	(216)	(259)	(302)	(367)	(196)	(229)	(275)	(323)	(373)	(427)	(448)	(503)	(560)	(633)

DESCRIPTION	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048
RESERVE CONTRIBUTION	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520	5,520
SPECIAL ASSESSMENT	6,300	2,700	0	0	16,400	88,800	0	8,500	0	197,000	8,600	0	0	0	66,100
INTEREST INCOME (a)	1	1	9	25	17	1	7	7	6	6	1	5	13	19	11
COMPONENT COSTS (b)	(11,881)	(8,168)	(4,187)	(4,258)	(24,544)	(94,328)	(4,478)	(15,105)	(4,631)	(203,462)	(14,051)	(4,870)	(4,952)	(5,036)	(73,406)
NET RCPTS/(DISBURSE)	(60)	53	1,342	1,287	(2,607)	(7)	1,049	(1,078)	896	(936)	70	655	581	503	(1,774)
CASH BALANCE: begin year	85	25	78	1,419	2,707	100	93	1,142	64	960	24	94	749	1,330	1,833
CASH BALANCE: end year	25	78	1,419	2,707	100	93	1,142	64	960	24	94	749	1,330	1,833	59
COMPONENT ACCUMULATED DEPRECIATION (c)	158,338	175,201	196,375	222,403	250,216	261,654	198,510	226,651	244,447	283,153	111,804	130,242	158,849	188,385	222,127
less: beginning cash bal	85	25	78	1,419	2,707	100	93	1,142	64	960	24	94	749	1,330	1,833
over/(under) funded-total	(158,252)	(175,176)	(196,298)	(220,983)	(247,509)	(261,554)	(198,417)	(225,509)	(244,382)	(282,193)	(111,780)	(130,148)	(158,100)	(187,055)	(220,293)
" " " per unit	(399)	(441)	(494)	(557)	(623)	(659)	(500)	(568)	(616)	(711)	(282)	(328)	(398)	(471)	(555)

FOOTNOTES:

(a) Interest income calculated on average balance less Federal & State income taxes of 39.3%

Rate: 2.0000%

(b) See "Reserve Expenditures By Year Schedule"

(c) See "Component Accumulated Depreciation Analysis"

FUNDING PLAN #3 (assumption: current contribution increased as necessary to cover all expenditures)
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION

RECOMMENDED TO BE ADOPTED

ANNUAL BASIS

DESCRIPTION	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033
RESERVE CONTRIBUTION	9,853	17,588	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	817	883	1,152	1,507	907	260	562	893	1,227	1,579	1,813	2,048	2,408	2,753	2,377
COMPONENT COSTS (b)	(14,963)	(3,204)	(3,258)	(3,313)	(161,239)	(10,047)	(3,483)	(5,903)	(3,602)	(3,662)	(23,838)	(3,787)	(3,851)	(6,853)	(123,478)
NET RCPTS/(DISBURSE)	(4,293)	15,267	29,288	29,589	(128,937)	21,607	28,474	26,384	29,020	29,311	9,369	29,655	29,951	27,294	(89,707)
CASH BALANCE: begin year	69,821	65,528	80,796	110,084	139,672	10,735	32,342	60,816	87,200	116,221	145,532	154,901	184,556	214,507	241,801
CASH BALANCE: end year	65,528	80,796	110,084	139,672	10,735	32,342	60,816	87,200	116,221	145,532	154,901	184,556	214,507	241,801	152,094
COMPONENT ACCUMULATED DEPRECIATION (c)	139,599	147,026	166,878	187,359	216,003	77,695	90,845	111,376	130,062	151,790	175,169	177,871	201,411	225,841	253,598
less: beginning cash bal	69,821	65,528	80,796	110,084	139,672	10,735	32,342	60,816	87,200	116,221	145,532	154,901	184,556	214,507	241,801
over/(under) funded-total	(69,778)	(81,497)	(86,083)	(77,275)	(76,331)	(66,960)	(58,503)	(50,560)	(42,861)	(35,570)	(29,637)	(22,970)	(16,855)	(11,334)	(11,797)
" " " per unit	(176)	(205)	(217)	(195)	(192)	(169)	(147)	(127)	(108)	(90)	(75)	(58)	(42)	(29)	(30)

DESCRIPTION	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048
RESERVE CONTRIBUTION	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395	31,395
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	1,965	2,248	2,582	2,943	3,185	2,883	2,699	2,994	3,292	2,450	1,541	1,826	2,169	2,516	2,452
COMPONENT COSTS (b)	(11,881)	(8,168)	(4,187)	(4,258)	(24,544)	(94,328)	(4,478)	(15,105)	(4,631)	(203,462)	(14,051)	(4,870)	(4,952)	(5,036)	(73,406)
NET RCPTS/(DISBURSE)	21,479	25,475	29,789	30,080	10,036	(60,050)	29,616	19,284	30,056	(169,617)	18,884	28,350	28,612	28,875	(39,559)
CASH BALANCE: begin year	152,094	173,573	199,048	228,836	258,916	268,952	208,901	238,517	257,801	287,857	118,240	137,124	165,474	194,086	222,961
CASH BALANCE: end year	173,573	199,048	228,836	258,916	268,952	208,901	238,517	257,801	287,857	118,240	137,124	165,474	194,086	222,961	183,402
COMPONENT ACCUMULATED DEPRECIATION (c)	158,338	175,201	196,375	222,403	250,216	261,654	198,510	226,651	244,447	283,153	111,804	130,242	158,849	188,385	222,127
less: beginning cash bal	152,094	173,573	199,048	228,836	258,916	268,952	208,901	238,517	257,801	287,857	118,240	137,124	165,474	194,086	222,961
over/(under) funded-total	(6,243)	(1,628)	2,672	6,434	8,700	7,298	10,391	11,866	13,354	4,704	6,436	6,882	6,626	5,702	835
" " " per unit	(16)	(4)	7	16	22	18	26	30	34	12	16	17	17	14	2

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.3%
(b) See "Reserve Expenditures By Year Schedule"
(c) See "Component Accumulated Depreciation Analysis"

Rate: 2.0000%

FUNDING ILLUSTRATION #4 (assumption: contributions as necessary for 100% funding annually)
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION

ILLUSTRATION ONLY - NOT RECOMMENDED

ANNUAL BASIS

DESCRIPTION	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033
RESERVE CONTRIBUTION	90,851	21,151	21,589	29,509	21,149	22,174	22,787	23,123	23,620	25,057	24,397	25,025	25,688	31,700	25,717
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	1,316	1,905	2,150	2,448	1,783	1,023	1,227	1,466	1,711	1,985	2,143	2,302	2,593	2,910	2,500
COMPONENT COSTS (b)	(14,963)	(3,204)	(3,258)	(3,313)	(161,239)	(10,047)	(3,483)	(5,903)	(3,602)	(3,662)	(23,838)	(3,787)	(3,851)	(6,853)	(123,478)
NET RCPTS/(DISBURSE)	77,205	19,853	20,481	28,644	(138,308)	13,149	20,531	18,685	21,729	23,379	2,702	23,540	24,430	27,757	(95,260)
CASH BALANCE: begin year	69,821	147,026	166,878	187,359	216,003	77,695	90,845	111,376	130,062	151,790	175,169	177,871	201,411	225,841	253,598
CASH BALANCE: end year	147,026	166,878	187,359	216,003	77,695	90,845	111,376	130,062	151,790	175,169	177,871	201,411	225,841	253,598	158,338
COMPONENT ACCUMULATED DEPRECIATION (c)	139,599	147,026	166,878	187,359	216,003	77,695	90,845	111,376	130,062	151,790	175,169	177,871	201,411	225,841	253,598
less: beginning cash bal	69,821	147,026	166,878	187,359	216,003	77,695	90,845	111,376	130,062	151,790	175,169	177,871	201,411	225,841	253,598
over/(under) funded-total	(69,778)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
" " " per unit	(176)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

DESCRIPTION	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048
RESERVE CONTRIBUTION	26,719	27,087	27,673	29,202	32,875	28,391	30,039	30,041	40,134	29,716	31,020	31,722	32,380	36,286	36,308
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	2,025	2,255	2,542	2,869	3,107	2,793	2,581	2,860	3,203	2,397	1,469	1,755	2,108	2,492	2,487
COMPONENT COSTS (b)	(11,881)	(8,168)	(4,187)	(4,258)	(24,544)	(94,328)	(4,478)	(15,105)	(4,631)	(203,462)	(14,051)	(4,870)	(4,952)	(5,036)	(73,406)
NET RCPTS/(DISBURSE)	16,863	21,174	26,027	27,813	11,438	(63,144)	28,141	17,795	38,706	(171,349)	18,438	28,607	29,536	33,742	(34,611)
CASH BALANCE: begin year	158,338	175,201	196,375	222,403	250,216	261,654	198,510	226,651	244,447	283,153	111,804	130,242	158,849	188,385	222,127
CASH BALANCE: end year	175,201	196,375	222,403	250,216	261,654	198,510	226,651	244,447	283,153	111,804	130,242	158,849	188,385	222,127	187,516
COMPONENT ACCUMULATED DEPRECIATION (c)	158,338	175,201	196,375	222,403	250,216	261,654	198,510	226,651	244,447	283,153	111,804	130,242	158,849	188,385	222,127
less: beginning cash bal	158,338	175,201	196,375	222,403	250,216	261,654	198,510	226,651	244,447	283,153	111,804	130,242	158,849	188,385	222,127
over/(under) funded-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
" " " per unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

FOOTNOTES:

- (a) Interest income calculated on average balance less Federal & State income taxes of 39.3%
(b) See "Reserve Expenditures By Year Schedule"
(c) See "Component Accumulated Depreciation Analysis"

Rate: 2.0000%

RESERVE EXPENDITURES BY YEAR
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION

1/1/2019 through 1/1/2033

EXPENDITURES	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033
ROOF/DECKS															
concrete tile roof	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
STRUCTURE															
ramada	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PAINT															
stucco	0	0	0	0	0	1,033	0	0	0	0	0	0	0	0	0
ironwork	4,850	0	0	0	0	5,274	0	0	0	0	5,735	0	0	0	0
concrete block walls	0	0	0	0	51,436	0	0	0	0	0	0	0	0	0	60,820
ELECTRICAL															
lighting	3,600	0	0	0	0	0	0	0	0	0	4,257	0	0	0	0
LANDSCAPE/HARDSCAPE															
concrete block walls	3,000	3,051	3,103	3,155	3,208	3,262	3,317	3,373	3,430	3,488	3,547	3,607	3,668	3,730	3,793
irrigation controllers	0	0	0	0	0	0	0	0	0	0	5,854	0	0	0	0
irrigation piping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
back flow preventers	0	0	0	0	0	0	0	2,249	0	0	0	0	0	0	0
dry wells/drainage areas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
pumping station	0	0	0	0	14,972	0	0	0	0	0	0	0	0	0	0
granite refurbishment	0	0	0	0	38,496	0	0	0	0	0	0	0	0	0	45,521
RECREATION FACILITIES															
play structure	0	0	0	0	39,138	0	0	0	0	0	0	0	0	0	0
playground surfacing	0	0	0	0	2,727	0	0	0	0	0	0	0	0	0	3,225
playground shade canopy	0	0	0	0	3,584	0	0	0	0	0	0	0	0	0	4,239
playground furnishings	2,800	0	0	0	0	0	0	0	0	0	3,310	0	0	0	0
MISCELLANEOUS															
mailboxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
monument	0	0	0	0	0	0	0	0	0	0	0	0	0	2,797	0
CONTINGENCY RESERVE	713	153	155	158	7,678	478	166	281	172	174	1,135	180	183	326	5,880
(5% / year of annual expenditures)															
TOTAL	14,963	3,204	3,258	3,313	161,239	10,047	3,483	5,903	3,602	3,662	23,838	3,787	3,851	6,853	123,478

RESERVE EXPENDITURES BY YEAR
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION

1/1/2034 through 1/1/2048

EXPENDITURES	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	TOTAL
ROOF/DECKS																
concrete tile roof	0	3,857	0	0	0	0	0	0	0	0	0	0	0	0	0	3,857
STRUCTURE																
ramada	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PAINT																
stucco	1,221	0	0	0	0	0	0	0	0	0	1,444	0	0	0	0	3,698
ironwork	6,237	0	0	0	0	6,782	0	0	0	0	7,377	0	0	0	0	36,255
concrete block walls	0	0	0	0	0	0	0	0	0	71,917	0	0	0	0	0	184,173
ELECTRICAL																
lighting	0	0	0	0	0	5,034	0	0	0	0	0	0	0	0	0	12,891
LANDSCAPE/HARDSCAPE																
concrete block walls	3,857	3,922	3,988	4,055	4,124	4,194	4,265	4,337	4,410	4,485	4,561	4,638	4,716	4,796	4,877	115,957
irrigation controllers	0	0	0	0	0	0	0	7,158	0	0	0	0	0	0	0	13,012
irrigation piping	0	0	0	0	0	69,911	0	0	0	0	0	0	0	0	0	69,911
back flow preventers	0	0	0	0	0	0	0	2,891	0	0	0	0	0	0	0	5,140
dry wells/drainage areas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	65,033	65,033
pumping station	0	0	0	0	19,251	0	0	0	0	0	0	0	0	0	0	34,223
granite refurbishment	0	0	0	0	0	0	0	0	0	53,828	0	0	0	0	0	137,845
RECREATION FACILITIES																
play structure	0	0	0	0	0	0	0	0	0	54,719	0	0	0	0	0	93,857
playground surfacing	0	0	0	0	0	0	0	0	0	3,811	0	0	0	0	0	9,763
playground shade canopy	0	0	0	0	0	0	0	0	0	5,013	0	0	0	0	0	12,836
playground furnishings	0	0	0	0	0	3,915	0	0	0	0	0	0	0	0	0	10,025
MISCELLANEOUS																
mailboxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
monument	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,797
CONTINGENCY RESERVE	566	389	199	203	1,169	4,492	213	719	221	9,689	669	232	236	240	3,496	40,564
(5% / year of annual expenditures)																
TOTAL	11,881	8,168	4,187	4,258	24,544	94,328	4,478	15,105	4,631	203,462	14,051	4,870	4,952	5,036	73,406	851,837

**COMPONENT ACCUMULATED DEPRECIATION ANALYSIS
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION**

1/1/2019 through 1/1/2033

COMPONENT	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033
concrete tile roof															
Useful life	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Remaining life	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2
Replacement cost	2,950	3,000	3,051	3,103	3,155	3,208	3,262	3,317	3,373	3,430	3,488	3,547	3,607	3,668	3,730
Accumulated depreciation	1,601	1,714	1,831	1,950	2,073	2,200	2,330	2,464	2,602	2,744	2,890	3,040	3,195	3,354	3,517
ramada															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
stucco															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	5	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	950	966	982	999	1,016	1,033	1,050	1,068	1,086	1,104	1,123	1,142	1,161	1,181	1,201
Accumulated depreciation	475	580	687	799	914	1,033	1,050	1,068	1,086	1,104	1,123	1,142	1,161	1,181	1,201
ironwork															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	4,850	4,932	5,015	5,100	5,186	5,274	5,363	5,454	5,546	5,640	5,735	5,832	5,931	6,031	6,133
Accumulated depreciation	4,850	986	2,006	3,060	4,149	5,274	1,073	2,182	3,328	4,512	5,735	1,166	2,372	3,619	4,906
concrete block walls															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	4	3	2	1	0	9	8	7	6	5	4	3	2	1	0
Replacement cost	48,100	48,913	49,740	50,581	51,436	52,305	53,189	54,088	55,002	55,932	56,877	57,838	58,815	59,809	60,820
Accumulated depreciation	28,860	34,239	39,792	45,523	51,436	5,231	10,638	16,226	22,001	27,966	34,126	40,487	47,052	53,828	60,820
lighting															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6
Replacement cost	3,600	3,661	3,723	3,786	3,850	3,915	3,981	4,048	4,116	4,186	4,257	4,329	4,402	4,476	4,552
Accumulated depreciation	3,600	366	745	1,136	1,540	1,958	2,389	2,834	3,293	3,767	4,257	473	880	1,343	1,821
concrete block walls															
Useful life	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Remaining life	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement cost	3,000	3,051	3,103	3,155	3,208	3,262	3,317	3,373	3,430	3,488	3,547	3,607	3,668	3,730	3,793
Accumulated depreciation	3,000	3,051	3,103	3,155	3,208	3,262	3,317	3,373	3,430	3,488	3,547	3,607	3,668	3,730	3,793
irrigation controllers															
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	10	9	8	7	6	5	4	3	2	1	0	11	10	9	8
Replacement cost	4,950	5,034	5,119	5,206	5,294	5,383	5,474	5,567	5,661	5,757	5,854	5,953	6,054	6,156	6,260
Accumulated depreciation	825	1,259	1,706	2,169	2,647	3,140	3,649	4,175	4,718	5,277	5,854	496	1,009	1,539	2,087
irrigation piping															
Useful life	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Remaining life	20	19	18	17	16	15	14	13	12	11	10	9	8	7	6
Replacement cost	50,000	50,845	51,704	52,578	53,467	54,371	55,290	56,224	57,174	58,140	59,123	60,122	61,138	62,171	63,222
Accumulated depreciation	25,000	26,694	28,437	30,232	32,080	33,982	35,939	37,951	40,022	42,152	44,342	46,595	48,910	51,291	53,739
back flow preventers															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	7	6	5	4	3	2	1	0	14	13	12	11	10	9	8
Replacement cost	2,000	2,034	2,068	2,103	2,139	2,175	2,212	2,249	2,287	2,326	2,365	2,405	2,446	2,487	2,529
Accumulated depreciation	1,067	1,220	1,379	1,542	1,711	1,885	2,065	2,249	152	310	473	641	815	995	1,180

**COMPONENT ACCUMULATED DEPRECIATION ANALYSIS
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION**

1/1/2019 through 1/1/2033

COMPONENT	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033
dry wells/drainage areas															
Useful life	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Remaining life	29	28	27	26	25	24	23	22	21	20	19	18	17	16	15
Replacement cost	40,000	40,676	41,363	42,062	42,773	43,496	44,231	44,979	45,739	46,512	47,298	48,097	48,910	49,737	50,578
Accumulated depreciation	1,333	2,712	4,136	5,608	7,129	8,699	10,321	11,994	13,722	15,504	17,343	19,239	21,194	23,211	25,289
pumping station															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	4	3	2	1	0	14	13	12	11	10	9	8	7	6	5
Replacement cost	14,000	14,237	14,478	14,723	14,972	15,225	15,482	15,744	16,010	16,281	16,556	16,836	17,121	17,410	17,704
Accumulated depreciation	10,267	11,390	12,548	13,741	14,972	1,015	2,064	3,149	4,269	5,427	6,622	7,857	9,131	10,446	11,803
granite refurbishment															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	4	3	2	1	0	9	8	7	6	5	4	3	2	1	0
Replacement cost	36,000	36,608	37,227	37,856	38,496	39,147	39,809	40,482	41,166	41,862	42,569	43,288	44,020	44,764	45,521
Accumulated depreciation	21,600	25,626	29,782	34,070	38,496	3,915	7,962	12,145	16,466	20,931	25,541	30,302	35,216	40,288	45,521
play structure															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	4	3	2	1	0	19	18	17	16	15	14	13	12	11	10
Replacement cost	36,600	37,219	37,848	38,488	39,138	39,799	40,472	41,156	41,852	42,559	43,278	44,009	44,753	45,509	46,278
Accumulated depreciation	29,280	31,636	34,063	36,564	39,138	1,990	4,047	6,173	8,370	10,640	12,983	15,403	17,901	20,479	23,139
playground surfacing															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	4	3	2	1	0	9	8	7	6	5	4	3	2	1	0
Replacement cost	2,550	2,593	2,637	2,682	2,727	2,773	2,820	2,868	2,916	2,965	3,015	3,066	3,118	3,171	3,225
Accumulated depreciation	1,530	1,815	2,110	2,414	2,727	277	564	860	1,166	1,483	1,809	2,146	2,494	2,854	3,225
playground shade canopy															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	4	3	2	1	0	9	8	7	6	5	4	3	2	1	0
Replacement cost	3,350	3,407	3,465	3,524	3,584	3,645	3,707	3,770	3,834	3,899	3,965	4,032	4,100	4,169	4,239
Accumulated depreciation	2,010	2,385	2,772	3,172	3,584	365	741	1,131	1,534	1,950	2,379	2,822	3,280	3,752	4,239
playground furnishings															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6
Replacement cost	2,800	2,847	2,895	2,944	2,994	3,045	3,096	3,148	3,201	3,255	3,310	3,366	3,423	3,481	3,540
Accumulated depreciation	2,800	285	579	883	1,198	1,523	1,858	2,204	2,561	2,930	3,310	337	685	1,044	1,416
mailboxes															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
monument															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	13	12	11	10	9	8	7	6	5	4	3	2	1	0	19
Replacement cost	2,250	2,288	2,327	2,366	2,406	2,447	2,488	2,530	2,573	2,616	2,660	2,705	2,751	2,797	2,844
Accumulated depreciation	788	915	1,047	1,183	1,323	1,468	1,617	1,771	1,930	2,093	2,261	2,435	2,613	2,797	142
Contingency - 5%	713	153	155	158	7,678	478	166	281	172	174	1,135	180	183	326	5,880
TOTAL Accumulated depreciation	139,599	147,026	166,878	187,359	216,003	77,695	90,845	111,376	130,062	151,790	175,169	177,871	201,411	225,841	253,598

**COMPONENT ACCUMULATED DEPRECIATION ANALYSIS
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION**

1/1/2034 through 1/1/2048

COMPONENT	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048
concrete tile roof															
Useful life	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Remaining life	1	0	34	33	32	31	30	29	28	27	26	25	24	23	22
Replacement cost	3,793	3,857	3,922	3,988	4,055	4,124	4,194	4,265	4,337	4,410	4,485	4,561	4,638	4,716	4,796
Accumulated depreciation	3,685	3,857	112	228	348	471	599	731	867	1,008	1,153	1,303	1,458	1,617	1,781
ramada															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
stucco															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6
Replacement cost	1,221	1,242	1,263	1,284	1,306	1,328	1,350	1,373	1,396	1,420	1,444	1,468	1,493	1,518	1,544
Accumulated depreciation	1,221	124	253	385	522	664	810	961	1,117	1,278	1,444	147	299	455	618
ironwork															
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	6,237	6,342	6,449	6,558	6,669	6,782	6,897	7,014	7,133	7,254	7,377	7,502	7,629	7,758	7,889
Accumulated depreciation	6,237	1,268	2,580	3,935	5,335	6,782	1,379	2,806	4,280	5,803	7,377	1,500	3,052	4,655	6,311
concrete block walls															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	9	8	7	6	5	4	3	2	1	0	9	8	7	6	5
Replacement cost	61,848	62,893	63,956	65,037	66,136	67,254	68,391	69,547	70,722	71,917	73,132	74,368	75,625	76,903	78,203
Accumulated depreciation	6,185	12,579	19,187	26,015	33,068	40,352	47,874	55,638	63,650	71,917	73,313	14,874	22,688	30,761	39,102
lighting															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	5	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	4,629	4,707	4,787	4,868	4,950	5,034	5,119	5,206	5,294	5,383	5,474	5,567	5,661	5,757	5,854
Accumulated depreciation	2,315	2,824	3,351	3,894	4,455	5,034	512	1,041	1,588	2,153	2,737	3,340	3,963	4,606	5,269
concrete block walls															
Useful life	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Remaining life	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement cost	3,857	3,922	3,988	4,055	4,124	4,194	4,265	4,337	4,410	4,485	4,561	4,638	4,716	4,796	4,877
Accumulated depreciation	3,857	3,922	3,988	4,055	4,124	4,194	4,265	4,337	4,410	4,485	4,561	4,638	4,716	4,796	4,877
irrigation controllers															
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	7	6	5	4	3	2	1	0	11	10	9	8	7	6	5
Replacement cost	6,366	6,474	6,583	6,694	6,807	6,922	7,039	7,158	7,279	7,402	7,527	7,654	7,783	7,915	8,049
Accumulated depreciation	2,653	3,237	3,840	4,463	5,105	5,768	6,452	7,158	607	1,234	1,882	2,551	3,243	3,958	4,695
irrigation piping															
Useful life	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Remaining life	5	4	3	2	1	0	39	38	37	36	35	34	33	32	31
Replacement cost	64,290	65,377	66,482	67,606	68,749	69,911	71,092	72,293	73,515	74,757	76,020	77,305	78,611	79,940	81,291
Accumulated depreciation	56,254	58,839	61,496	64,226	67,030	69,911	1,777	3,615	5,514	7,476	9,503	11,596	13,757	15,988	18,290
back flow preventers															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	7	6	5	4	3	2	1	0	14	13	12	11	10	9	8
Replacement cost	2,572	2,615	2,659	2,704	2,750	2,796	2,843	2,891	2,940	2,990	3,041	3,092	3,144	3,197	3,251
Accumulated depreciation	1,372	1,569	1,773	1,983	2,200	2,423	2,653	2,891	196	399	608	825	1,048	1,279	1,517

**COMPONENT ACCUMULATED DEPRECIATION ANALYSIS
SUNRISE AT WIGWAM HOMEOWNERS ASSOCIATION**

1/1/2034 through 1/1/2048

COMPONENT	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048
dry wells/drainage areas															
Useful life	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Remaining life	14	13	12	11	10	9	8	7	6	5	4	3	2	1	0
Replacement cost	51,433	52,302	53,186	54,085	54,999	55,928	56,873	57,834	58,811	59,805	60,816	61,844	62,889	63,952	65,033
Accumulated depreciation	27,431	29,638	31,912	34,254	36,666	39,150	41,707	44,339	47,049	49,838	52,707	55,660	58,696	61,820	65,033
pumping station															
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	4	3	2	1	0	14	13	12	11	10	9	8	7	6	5
Replacement cost	18,003	18,307	18,616	18,931	19,251	19,576	19,907	20,243	20,585	20,933	21,287	21,647	22,013	22,385	22,763
Accumulated depreciation	13,202	14,646	16,134	17,669	19,251	1,305	2,654	4,049	5,489	6,978	8,515	10,102	11,740	13,431	15,175
granite refurbishment															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	9	8	7	6	5	4	3	2	1	0	9	8	7	6	5
Replacement cost	46,290	47,072	47,868	48,677	49,500	50,337	51,188	52,053	52,933	53,828	54,738	55,663	56,604	57,561	58,534
Accumulated depreciation	4,629	9,414	14,360	19,471	24,750	30,202	35,832	41,642	47,640	53,828	5,474	11,133	16,981	23,024	29,267
play structure															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	9	8	7	6	5	4	3	2	1	0	19	18	17	16	15
Replacement cost	47,060	47,855	48,664	49,486	50,322	51,172	52,037	52,916	53,810	54,719	55,644	56,584	57,540	58,512	59,501
Accumulated depreciation	25,883	28,713	31,632	34,640	37,742	40,938	44,231	47,624	51,120	54,719	2,782	5,658	8,631	11,702	14,875
playground surfacing															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	9	8	7	6	5	4	3	2	1	0	9	8	7	6	5
Replacement cost	3,280	3,335	3,391	3,448	3,506	3,565	3,625	3,686	3,748	3,811	3,875	3,940	4,007	4,075	4,144
Accumulated depreciation	328	667	1,017	1,379	1,753	2,139	2,538	2,949	3,373	3,811	388	788	1,202	1,630	2,072
playground shade canopy															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	9	8	7	6	5	4	3	2	1	0	9	8	7	6	5
Replacement cost	4,311	4,384	4,458	4,533	4,610	4,688	4,767	4,848	4,930	5,013	5,098	5,184	5,272	5,361	5,452
Accumulated depreciation	431	877	1,337	1,813	2,305	2,813	3,337	3,878	4,437	5,013	510	1,037	1,582	2,144	2,726
playground furnishings															
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	5	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	3,600	3,661	3,723	3,786	3,850	3,915	3,981	4,048	4,116	4,186	4,257	4,329	4,402	4,476	4,552
Accumulated depreciation	1,800	2,197	2,606	3,029	3,465	3,915	398	810	1,235	1,674	2,129	2,597	3,081	3,581	4,097
mailboxes															
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
monument															
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4
Replacement cost	2,892	2,941	2,991	3,042	3,093	3,145	3,198	3,252	3,307	3,363	3,420	3,478	3,537	3,597	3,658
Accumulated depreciation	289	441	598	761	928	1,101	1,279	1,463	1,654	1,850	2,052	2,261	2,476	2,698	2,926
Contingency - 5%	566	389	199	203	1,169	4,492	213	719	221	9,689	669	232	236	240	3,496
TOTAL Accumulated depreciation	158,338	175,201	196,375	222,403	250,216	261,654	198,510	226,651	244,447	283,153	111,804	130,242	158,849	188,385	222,127

CONDITION ASSESSMENT

This **Condition Assessment** is a re-evaluation of those major components that are subject to deterioration at a predictable rate and within a thirty (30) year projection of the study. A threshold of \$500 has been utilized in this report, and therefore any component with an average cost of less than that would be presumed to be funded from the operating account. Those elements with anticipated life expectancies of more than thirty (30) years (i.e. concrete surfaces, building superstructures, sewers, main electrical systems etc.) have, for the purposes of this study been defined as "lifetime components".

Estimated life expectancies and life cycles are based upon conditions that were readily visible and accessible at the time of the survey (which involved no destructive or intrusive methods of examination). RSI's field personnel access as many common areas as practicable. However, some random evaluation procedures were inevitable (i.e. not every square foot of roofing was inspected, and in the case of multiplicity of components, at least 25% were randomly observed). Only limited evaluations (i.e. less than 10% were made of exclusive use common areas, as these could only be properly accessed via the "separate interests". All quantities, types, and descriptions of components, where practical, were verified by field observation. Although the survey may identify design and/or installation deficiencies with certain components, this is done so in a limited manner. It is not the intent of this report to provide a comprehensive listing of construction deficiencies. If the association has concerns with regards to such matters, the advice of appropriately qualified specialists should be sought. The survey also relies upon the Association's CC & R's and information supplied by other parties, which may have included one or more of the following: the association's community manager; the board of directors; owners/occupants; contractors; and specialist consultants. The results are based upon the experience of the inspector, contractor bids and published cost estimating information (with local adjustment factors).

Invariably some assumptions have to be made in the compilation of this type of report. Anticipated events may not materialize, and unpredictable circumstances could well occur. This report should only be considered as a tool for assistance in compilation of the association's budget and not as an all-encompassing prediction of future events. Rates of deterioration and repair/replacement costs frequently vary, and such variations could significantly affect the content of the study. It is therefore imperative that the study be updated on a yearly basis and that a Condition Assessment be performed at least every 3 years.

DATE OF SURVEY: August 7, 2018

INSPECTOR(S): Scott Clements

OTHERS PRESENT: None



Sunrise at Wigwam Homeowners Association

CATEGORY:	ROOF/DECKS	
COMPONENT(S):	CONCRETE TILE ROOF	ID#(S) 0101



CONCRETE TILE ROOF (TYPICAL)

OBSERVATIONS: *This component includes the concrete tile roofing for the Ramada at the play area. It generally appeared to be in average condition; however broken and missing tiles were noted. Although the tile itself has a life expectancy of more than 35 years, replacement typically becomes necessary because of degradation of the underlayment. The remaining life expectancy is based upon the estimated age of the roofing, as the underlayment was not visible.*

TYPICAL USEFUL LIFE:	35 YEAR(S)
ESTIMATED REMAINING LIFE:	16 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,950

TO PROTECT YOUR INVESTMENT: *Periodic maintenance should include an examination for any broken tiles, which should be replaced as necessary. All flashings should also be regularly examined and re-sealed as necessary. In addition, any valley flashings should be cleared of debris, which can cause damming and associated leakage. A maintenance contract with a licensed roofing contractor is strongly recommended.*

CATEGORY:	STRUCTURE	
COMPONENT(S):	RAMADA	ID#(S) 0201



RAMADA (TYPICAL)

OBSERVATIONS: *This component includes the Ramada at the play area. It appeared to be in average condition. This would be considered a lifetime component, and no reserves have been allocated for future replacement at this time.*

TYPICAL USEFUL LIFE:	30+ YEAR(S)
ESTIMATED REMAINING LIFE:	30+ YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component, other than regular cleaning.*

CATEGORY:	<i>PAINT</i>	
COMPONENT(S):	<i>STUCCO</i>	ID#(S) 0301



STUCCO (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the exterior stucco on the Ramada at the play area. It appeared to be in aging condition.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	5 YEAR(S)
AVERAGE COMPONENT COST:	\$ 950

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance and protection of the underlying component. All peeling paint should be sanded, scraped, and/or wire brushed, and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.*

CATEGORY:	<i>PAINT</i>	
COMPONENT(S):	<i>IRONWORK</i>	ID#(S) 0302



IRONWORK (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the tubular iron and wrought iron on the block wall at the park and play areas. It appeared to be in aging condition.*

TYPICAL USEFUL LIFE:	5 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 4,850

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance and protection of the underlying component. All peeling paint should be sanded, scraped, and/or wire brushed, and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.*

CATEGORY:	PAINT	
COMPONENT(S):	CONCRETE BLOCK WALLS	ID#(S) 0303



CONCRETE BLOCK WALLS (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the concrete block wall at the perimeter of the development. We were previously informed that they were painted in 2013. They appeared to be in average condition.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	4 YEAR(S)
AVERAGE COMPONENT COST:	\$ 48,100

TO PROTECT YOUR INVESTMENT: *Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance and protection of the underlying component. All peeling paint should be sanded, scraped, and/or wire brushed, and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.*

CATEGORY:	<i>ELECTRICAL</i>	
COMPONENT(S):	<i>LIGHTING</i>	ID#(S) 0401



LIGHTING (TYPICAL)

OBSERVATIONS: *This component includes a post mounted solar powered flood light at the northwest corner of the park, and the ceiling mounted fixtures at the Ramada and shade structures. They appeared to be in functional, but aging condition.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 3,600

TO PROTECT YOUR INVESTMENT: *Maintenance would entail periodically checking the fixture to make sure that it is secure. Also, occasional examination for, and changing of a burned-out bulb would be prudent. In addition, cleaning of the fixture is recommended on an as-needed basis.*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	CONCRETE BLOCK WALLS	ID#(S) 0501



CONCRETE BLOCK WALLS (TYPICAL)

OBSERVATIONS: *This component includes an allowance for the inevitable repairs that typically become necessary to the concrete block walls around the development. The block walls appeared to be in average condition for their age. No amount has been provided for complete replacement as they would typically have a life well in excess of the scope of this projection and would therefore be considered lifetime components.*

TYPICAL USEFUL LIFE:	1 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 3,000

TO PROTECT YOUR INVESTMENT: *Maintenance would entail monitoring for cracks on a periodic basis. Any necessary repairs should be made accordingly.*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	IRRIGATION CONTROLLERS	ID#(S) 0502



IRRIGATION CONTROLLERS (TYPICAL)

OBSERVATIONS: *This component includes the irrigation controllers, comprised of 1 @ 12 stations, 1 @ 18 stations, and 1 @ 36 stations. They tend to have more predictable life expectancies, and the average component cost provides for their replacement. Two of three appeared to be newer, and, for reporting purposes the remaining lives have been averaged. However, average life expectancies cannot be predicted for the other sprinkler components or automatic valve actuation systems. Repairs/replacements of such systems usually occur on an ongoing basis and should be covered under the operating account.*

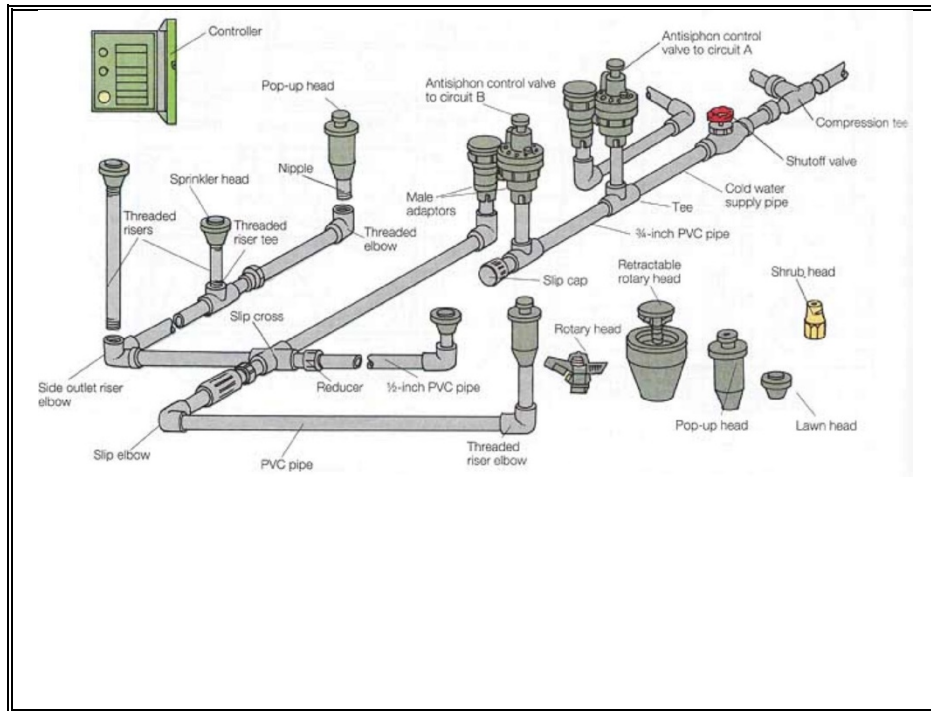
TYPICAL USEFUL LIFE:	12 YEAR(S)
ESTIMATED REMAINING LIFE:	10 YEAR(S)
AVERAGE COMPONENT COST:	\$ 4,950

TO PROTECT YOUR INVESTMENT: *The irrigation system should be maintained in such a manner so as to prevent overspray onto, and water accumulations adjacent to the structures. Occasional removal and cleaning of sprinkler heads that become clogged with debris may be performed by the gardening service in order to prevent premature death of shrubbery/ground cover.*

CATEGORY: LANDSCAPE/HARDSCAPE

COMPONENT(S): IRRIGATION PIPING

ID#(S) 0503



IRRIGATION PIPING (TYPICAL)

OBSERVATIONS: This component includes an allowance to repair and replace the irrigation piping. It is recommended the allowance be reviewed periodically and adjusted as necessary in a future Reserve Study Update.

TYPICAL USEFUL LIFE:	40 YEAR(S)
ESTIMATED REMAINING LIFE:	20 YEAR(S)
AVERAGE COMPONENT COST:	\$ 50,000

TO PROTECT YOUR INVESTMENT: The irrigation system should be maintained in such a manner so as to prevent overspray onto, and water accumulations adjacent to the structures. Occasional removal and cleaning of sprinkler heads that become clogged with debris may be performed by the gardening service in order to prevent premature death of shrubbery/ground cover.

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	BACK FLOW PREVENTERS	ID#(S) 0504



BACK FLOW PREVENTERS (TYPICAL)

OBSERVATIONS: *This component includes a 2" and a 1½" back-flow preventer, which are part of the irrigation system. One of two appeared to be newer, and for reporting purposes the remaining lives have been averaged.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	7 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,000

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component.*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	DRY WELLS/DRAINAGE AREAS	ID#(S) 0505



DRY WELLS/DRAINAGE AREAS (TYPICAL)

OBSERVATIONS: *This component includes an allowance to maintain the drainage system, including the dry wells, riprap, and hardscaping. They serve to alleviate flooding in the event of severe precipitation by absorbing excessive run-off. Provided they are properly constructed, the grass areas surrounding them should act as a buffer to trap any soil being carried by the run-off prior to being deposited in the wells. The water entering the wells will eventually be assimilated back into the earth. There are numerous variables involved and failure could occur at any time, or possibly never. However, the likelihood of failure of all the wells at once is remote at best, other than due to improper installation.*

TYPICAL USEFUL LIFE:	30 YEAR(S)
ESTIMATED REMAINING LIFE:	29 YEAR(S)
AVERAGE COMPONENT COST:	\$ 40,000

TO PROTECT YOUR INVESTMENT: *The dry wells should be monitored and maintained on a regular basis (operating cost) to ensure their ability to continue the assimilation of water from future rainstorms.*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	PUMPING STATION	ID#(S) 0506



PUMPING STATION (TYPICAL)

OBSERVATIONS: *This component includes a pumping station at the park retention basin area, comprised of two pumps. We were not informed of any recent repairs or replacements. They were inaccessible for inspection (encased) and for reporting purposes the information estimated.*

TYPICAL USEFUL LIFE:	15 YEAR(S)
ESTIMATED REMAINING LIFE:	4 YEAR(S)
AVERAGE COMPONENT COST:	\$ 14,000

TO PROTECT YOUR INVESTMENT: *The pumps should be regularly examined, lubricated and serviced as necessary.*

CATEGORY:	LANDSCAPE/HARDSCAPE	
COMPONENT(S):	GRANITE REFURBISHMENT	ID#(S) 0507



GRANITE REFURBISHMENT (TYPICAL)

OBSERVATIONS: *This component provides an allowance for sectional replacement of the decomposed granite. It appeared to be in average to aging condition.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	4 YEAR(S)
AVERAGE COMPONENT COST:	\$ 36,000

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component.*

CATEGORY:	RECREATION FACILITIES	
COMPONENT(S):	PLAY STRUCTURE	ID#(S) 0601



PLAY STRUCTURE (TYPICAL)

OBSERVATIONS: *This component includes a large multi-station play structure. It appeared to be in good condition for its age. Play structures can range in price from just under \$1,500 for a simple swing set to well over \$30,000 for a more elaborate modular system with swings, slides, bridges, climbers, tubes and towers. The association should consider the various options prior to replacement. Any cost/life adjustments can be made in a future Reserve Study Update.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	4 YEAR(S)
AVERAGE COMPONENT COST:	\$ 36,600

TO PROTECT YOUR INVESTMENT: *Per the U.S. Consumer Product Safety Commission, play structures should be regularly checked to ensure they are in good condition. This includes examination for sharp points or edges, dangerous hardware (such as open "S" hooks or protruding bolt ends), and tripping hazards (including exposed concrete footings, tree stumps, rocks, etc.). In the case of adjacent structures that are over 30 inches high, they should be spaced at least 9 feet apart. Elevated surfaces, including platforms and ramps, should have guardrails to prevent falls. Spaces that could trap children, such as openings in guardrails or between ladder rungs, should measure either less than 3.5 inches or more than 9 inches. Surfaces around the equipment should have at least 12 inches of loose-fill material, or are mats made of safety-tested rubber-like materials. These surfaces should extend at least 6 feet in all directions, and in the case of swings at least twice the height of the suspending bar in back and in front.*

CATEGORY:	RECREATION FACILITIES	
COMPONENT(S):	PLAYGROUND SURFACING	ID#(S) 0602



PLAYGROUND SURFACING (TYPICAL)

OBSERVATIONS: *This component includes the rubber playground surfacing beneath the play structure. It appeared to be in good condition for its age.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	4 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,550

TO PROTECT YOUR INVESTMENT: *Per the U.S. Consumer Product Safety Commission, acceptable playground surfacing includes loose-fill (i.e. wood chips, mulch, sand, gravel, etc.) and unitary materials (i.e. shredded tires, rubber, or rubber-like mats). Loose-fill materials tend to get displaced due to activity/wind, as well decompose and compact over time, requiring periodic replenishment. Unitary materials typically have a higher initial cost, however afford low maintenance, longer life expectancy and consistent shock absorbency. For further information it is recommended that the "Handbook for Public Playground Safety" be obtained from the CPSC at (800) 638-2772.*

CATEGORY:	RECREATION FACILITIES	
COMPONENT(S):	PLAYGROUND SHADE CANOPY	ID#(S) 0603



PLAYGROUND SHADE CANOPY (TYPICAL)

OBSERVATIONS: *This component includes a canvas shade canopy that covers the playground. We were informed that it was replaced in 2013 and appeared to be in average condition.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	4 YEAR(S)
AVERAGE COMPONENT COST:	\$ 3,350

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for the canopies other than regular cleaning per specifications from the manufacturer.*

CATEGORY:	RECREATION FACILITIES	
COMPONENT(S):	PLAYGROUND FURNISHINGS	ID#(S) 0604



PLAYGROUND FURNISHINGS (TYPICAL)

OBSERVATIONS: *This component includes the metal benches, a picnic table, and trashcans at the play area. They appeared to be aging condition.*

TYPICAL USEFUL LIFE:	10 YEAR(S)
ESTIMATED REMAINING LIFE:	0 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,800

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component, other than regular cleaning.*

CATEGORY:	MISCELLANEOUS	
COMPONENT(S):	MAILBOXES	ID#(S) 0701



MAILBOXES (TYPICAL)

OBSERVATIONS: *This component includes the individual mailboxes. We were informed that they are U.S.P.S responsibility and therefore, no amount has been provided for future replacement.*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ 0

TO PROTECT YOUR INVESTMENT: *Other than occasional lubrication of the locks, little can be performed by way of maintenance for this type of equipment.*

CATEGORY:	MISCELLANEOUS	
COMPONENT(S):	MONUMENT	ID#(S) 0702



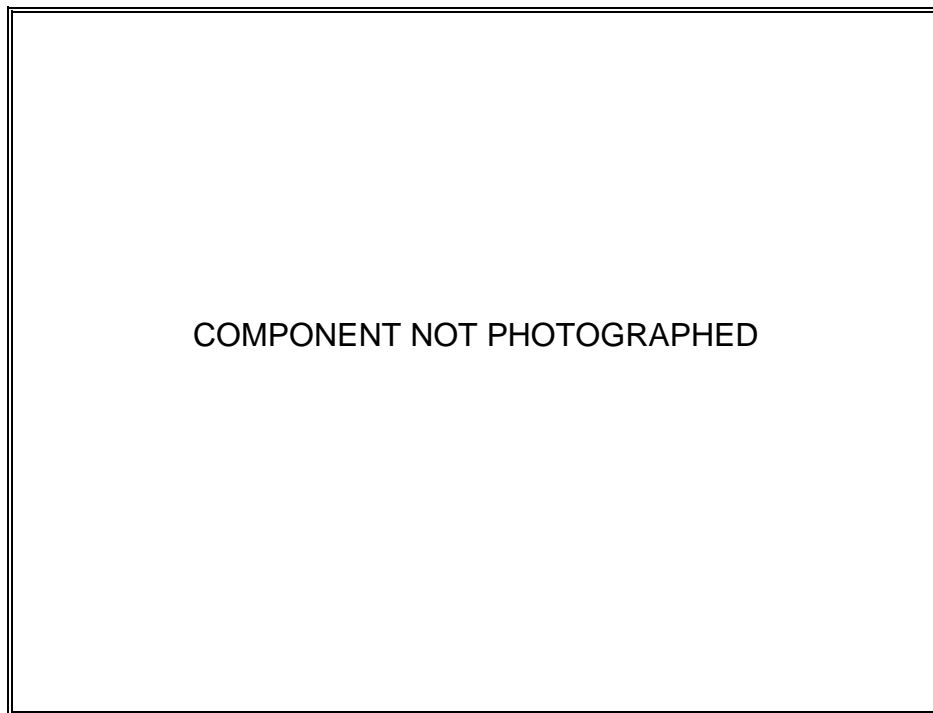
MONUMENT (TYPICAL)

OBSERVATIONS: *This component includes the monument at the rear entrance to the development. We were informed that it was recently refurbished, and it appeared to be in average condition. An allowance for replacement of the lettering only has been provided.*

TYPICAL USEFUL LIFE:	20 YEAR(S)
ESTIMATED REMAINING LIFE:	13 YEAR(S)
AVERAGE COMPONENT COST:	\$ 2,250

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component, other than regular cleaning.*

CATEGORY:	CONTINGENCY RESERVE	
COMPONENT(S):	GENERAL - 5%	ID#(S) 0801



GENERAL - 5% (TYPICAL)

OBSERVATIONS: *While efforts have been made to ensure a reasonable level of precision, it is seldom possible to anticipate every expense/replacement that will be incurred by an association during an operating year. Also, it is difficult to accurately predict the cost of some items that are anticipated, due to unforeseen circumstances with respect to removal/installation, replacement with a different material than originally budgeted for, economic factors, etc. Therefore, it is prudent to include a contingency amount in the reserve budget. It is our opinion that a 5% contingency factor should be included in the reserve budget, and therefore a provision for same has been included (see Component Inventory page for dollar amount).*

TYPICAL USEFUL LIFE:	N/A YEAR(S)
ESTIMATED REMAINING LIFE:	N/A YEAR(S)
AVERAGE COMPONENT COST:	\$ SEE PG 4

TO PROTECT YOUR INVESTMENT: N/A

GLOSSARY

ACCUMULATED DEPRECIATION	Amount of each component that has been used up at a point in time. The total accumulated depreciation equates to a "fully funded balance" (per CAI Standards definition).
ANNUAL DEPRECIATION	The current cost of a component divided by its typical life expectancy.
CASH FLOW METHOD	A method of developing a reserve funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures. Different reserve funding plans are tested against the anticipated reserve expenses to achieve a desired funding goal.
CASH RESERVES	Funds available for major repair, restoration, replacement, or maintenance of the common components.
CC&R's	The covenants, conditions and restrictions, which govern the day to day operations of a facility.
COMPONENTS	The common area assets that require major repair, restoration, replacement, or maintenance. Typically: 1) Association responsibility, 2) with limited useful life expectancies, 3) predictable remaining useful life expectancies, 4) above a minimum threshold cost, and 5) as required by local codes.
COMPONENT INVENTORY	A list of components subject to degradation at a somewhat predictable rate within the projection period.
CONDITION ASSESSMENT	The evaluation of the current condition of the components based on observed or reported characteristics.
CONTINGENCY RESERVE ALLOWANCE	Additional funds set aside to allow for unforeseeable situations or variations. It is a percentage based on total expenditures anticipated each year.
CU. FT.	Measured in cubic feet.
CURRENT COST	Average cost for major repair, restoration, replacement, or maintenance of a component.
CURRENT RESERVE BALANCE	Amount of funds in reserve accounts estimated as of the beginning of the Reserve Study.
DEFICIT	The amount that the fully funded balance exceeds the actual (or projected) reserve balance.
EXCLUSIVE USE COMMON AREA	That part of a common area that has been designated for the individual use by a single interest.
FINANCIAL ANALYSIS	The portion of a Reserve Study (one of two parts) where current status of the reserves (measured as cash or Percent Funded) and a recommended reserve contribution rate (reserve funding plan) are derived, and the projected reserve income and expenditures over time are presented. It should illustrate the financial ability to fund future major repair or replacement of those common components that are subject to degradation within a specified period.
FISCAL YEAR	The twelve-month financial reporting period, which may not necessarily be a calendar year. Example: July 1, 2018 through June 30, 2019.
INFLATION FACTOR	An allowance for anticipated price increases based upon a 10-year average of the Consumer Price Index published by the U.S. Department of Labor. It is set at the beginning of each year.
INTEREST RATE ASSUMPTIONS	Average interest rate currently being earned from financial institutions where reserve funds are held.
LIFE CYCLE	The normal lifetime of a component, assuming it is properly installed / constructed and maintained.
LIFETIME COMPONENT	An element with a life expectancy that extends beyond the projection period of the study.
LIN. FT.	Measured in linear feet.
PERCENT FUNDED	The ratio, at a point of time (typically the beginning of the fiscal year), of the actual (or projected) reserve balance to the accumulated depreciation of all the components (i.e. amount that ideally should be in reserves), expressed as a percentage.
PHYSICAL INSPECTION	A visual examination of accessible common components subject to degradation within the projection period.
PRO FORMA OPERATING BUDGET	A projection of operating expenditures for the year.
PROJECTION PERIOD	The span (in years) over which the study forecasts potential reserve expenditures and liabilities.
REGULAR ASSESSMENT	Budgeted amounts assessed to all owners (oftentimes referred to as "Dues"), including the reserve contribution – typically assessed monthly, quarterly, or annually.
REMAINING LIFE	The number of remaining years of a components' anticipated life expectancy based upon current condition and degradation factors.
REPLACEMENT CYCLE	See "Life Cycle" (i.e. frequency of repair/replacement within forecast).
RESERVE CONTRIBUTION	That portion of the "regular" assessment allocated to the reserve fund.
RESERVE STATUS	The present ability to fund future major repair or replacement of its common components.
SPECIAL ASSESSMENT	An assessment levied in addition to regular assessments, often regulated by governing documents or local statutes.
SQ. FT.	Measured in square feet.
SURPLUS	An actual (or projected) reserve balance greater than the fully funded balance.
USEFUL LIFE (UL)	The estimated time in years that a component is expected to serve its intended function if properly constructed in its present application or installation.