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El Conquistador Resort Patio Homes *Oro Valley, AZ*



Report #: 20889-5
Beginning: January 1, 2024
Expires: December 31, 2024

RESERVE STUDY Update "With-Site-Visit"

May 24, 2023

Welcome to your Reserve Study!

A Reserve Study is a valuable tool to help you budget responsibly for your property. This report contains all the information you need to avoid surprise expenses, make informed decisions, save money, and protect property values.

Regardless of the property type, it's a fact of life that the very moment construction is completed, every major building component begins a predictable process of physical deterioration. The operative word is "predictable" because planning for the inevitable is what a Reserve Study by **Association Reserves** is all about!

In this Report, you will find three key results:

- **Component List**
Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.
- **Reserve Fund Strength**
A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.
- **Reserve Funding Plan**
A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

Questions?

Please contact your Project Manager directly.



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El Conquistador Resort Patio Homes

Report #: 20889-5

Oro Valley, AZ

of Units: 192

Level of Service: Update "With-Site-Visit"

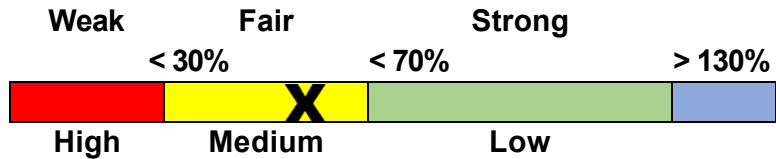
January 1, 2024 through December 31, 2024

Findings & Recommendations

as of January 1, 2024

Projected Starting Reserve Balance	\$181,550
Current Fully Funded Reserve Balance	\$313,981
Average Reserve Deficit (Surplus) Per Unit	\$690
Percent Funded	57.8 %
Current Annual Reserve Contribution	\$45,000
Recommended 2024 Annual Reserve Contribution	\$50,000

Reserve Fund Strength: 57.8%



Risk of Special Assessment:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves 1.00 %

Annual Inflation Rate 3.00 %

This is an Update "With-Site-Visit" Reserve Study based on a prior report prepared by Association Reserves for your 2020 Fiscal Year. We performed the site inspection on 4/13/2023.

The Reserve expense threshold for this analysis is \$2,000. That means any Reserve related expenses under the threshold are not funded in the Reserve Study and need to be paid from the Operating Budget.

Your Reserve Fund is 57.8 % Funded. This means the Reserve Fund status is Fair, and the HOA's risk of special assessments & deferred maintenance is currently Medium.

The objective of your multi-year Funding Plan is to Fully Fund Reserves, where associations enjoy a low risk of Reserve cash flow problems.

Based on this starting point and anticipated future expenses, we recommend budgeting Annual Reserve contributions of \$50,000 for the 2024 Fiscal Year. Annual increases are scheduled to help offset inflation. Going forward, the contribution rate should be increased as illustrated on the 30-Year Summary Table.

This Reserve Study does not account for every potential expense the HOA may face. Projects deemed unpredictable with regard to timing and cost are typically not included. It is beyond the scope of this Reserve Study to inspect or assess structural conditions of buildings, walls, electrical systems, utilities, plumbing systems, irrigation, drainage, etc. We recommend scheduling periodic inspections by qualified engineers or other industry professionals to assess any potential issues or concerns.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
COMMON AREAS				
103	Concrete - Repair	5	2	\$3,000
201	Asphalt - Repave	30	27	\$680,000
203	Asphalt - Seal/Repair	4	3	\$37,800
302	Notice Boxes - Replace	20	5	\$3,600
324	Wall Lights - Replace	30	20	\$62,500
403	Mailboxes - Replace	20	10	\$60,000
405	Benches - Replace	30	2	\$10,000
501	Stucco Walls - Repair	25	5	\$5,000
600	Flag Pole - Refurbish	20	5	\$5,400
701	Monuments - Refurbish (Main)	25	5	\$8,500
701	Monuments - Refurbish (Streets)	30	14	\$15,000
1001	Backflow Valves - Replace	20	3	\$18,000
1002	Irrigation System - Replace (A)	15	0	\$30,000
1002	Irrigation System - Replace (B)	15	1	\$30,000
1002	Irrigation System - Replace (C)	15	2	\$30,000
1002	Irrigation System - Replace (D)	15	3	\$30,000
1005	Granite - Replenish (A)	7	2	\$15,000
1005	Granite - Replenish (B)	7	3	\$15,000
1005	Granite - Replenish (C)	7	4	\$15,000

19 Total Funded Components

Note 1: Yellow highlighted line items are expected to require attention in this initial year.

Introduction



A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.



Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology



For this [Update With-Site-Visit Reserve Study](#), we started with a review of your prior Reserve Study, then looked into recent Reserve expenditures, evaluated how expenditures are handled (ongoing maintenance vs Reserves), and researched any well-established association precedents. We performed an on-site inspection to evaluate your common areas, updating and adjusting your Reserve Component List as appropriate.

Which Physical Assets are Funded by Reserves?

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve



Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

How do we establish Useful Life and Remaining Useful Life estimates?

- 1) Visual Inspection (observed wear and age)
- 2) Association Reserves database of experience
- 3) Client History (install dates & previous life cycle information)
- 4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

- 1) Actual client cost history, or current proposals
- 2) Comparison to Association Reserves database of work done at similar associations
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

- 1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
- 2) Compare that to the Reserve Fund Balance, and express as a percentage.



Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

How much should we contribute?



RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*



FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Site Inspection Notes

During the site visit on 4/13/2023, I started by meeting with Board Treasurer, Tom Bullock, and Board President, Ray Dissinger. We spent time reviewing reserve related expenses and projects that have occurred in the recent past and are planned in the near future. After the meeting, I visually inspected the common areas, including the streets and landscape tracts.

Please see the Component Details Appendix at the end of this report for a detailed look at each component.



Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all of these expenses will take place as anticipated. This Reserve Study needs to be updated annually, because we expect the timing of expenses to shift and the size of the expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The chart below summarizes the projected future expenses at your association as defined by the Reserve Component List. A summary of these components is shown in the Component Details Table, while a summary of the expenses themselves is shown in the 30-yr Expense Summary Table.

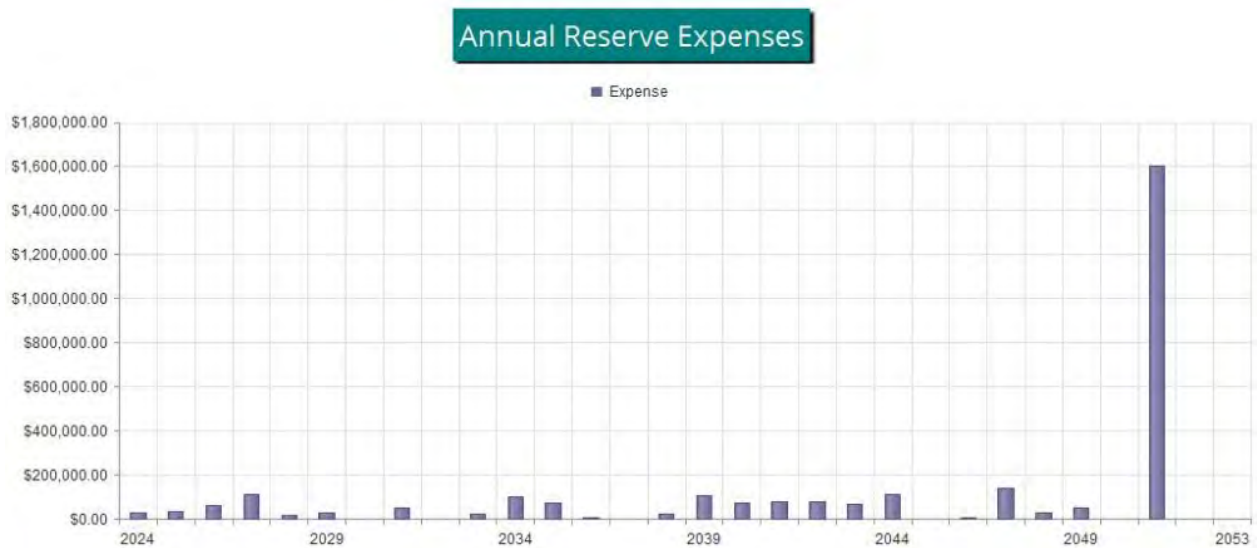


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$181,550 as-of the start of your fiscal year on 1/1/2024. This is based on your actual balance of \$216,550 on 2/28/2023 and anticipated Reserve contributions and expenses projected through the end of your Fiscal Year. As of 1/1/2024, your Fully Funded Balance is computed to be \$313,981. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to the Fully Funded Balance indicates Reserves are 57.8 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and cash flow requirements, we recommend budgeting Annual Reserve contributions of \$50,000 this Fiscal Year. The overall 30-year plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

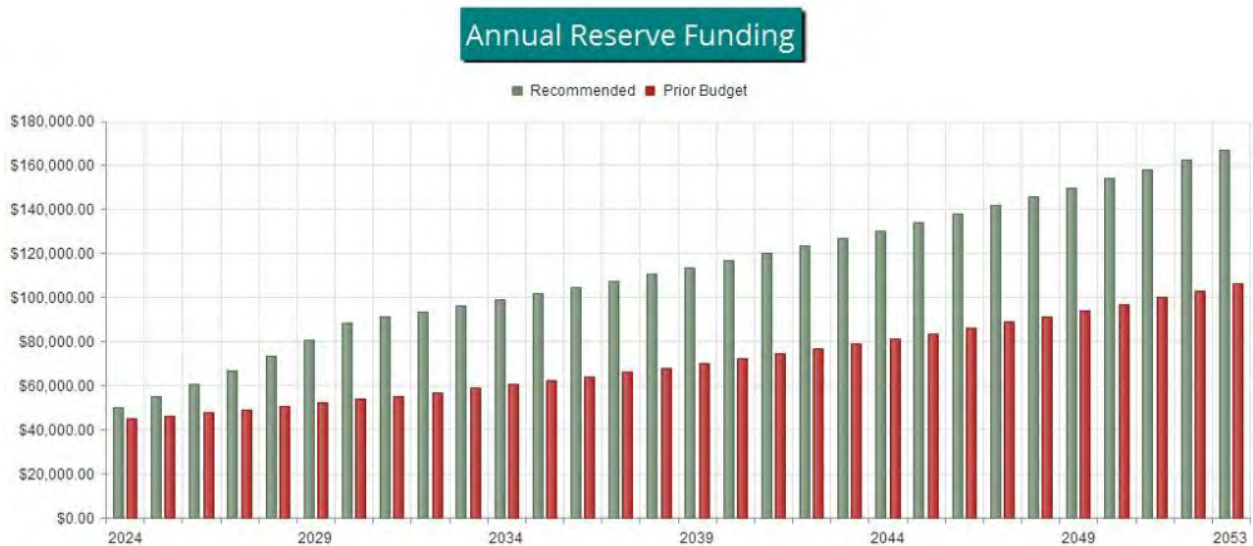


Figure 2

The following chart shows your Reserve balance under our recommended Funding Plan and your currently budgeted contribution rate, compared to the always-changing Fully Funded Balance target.

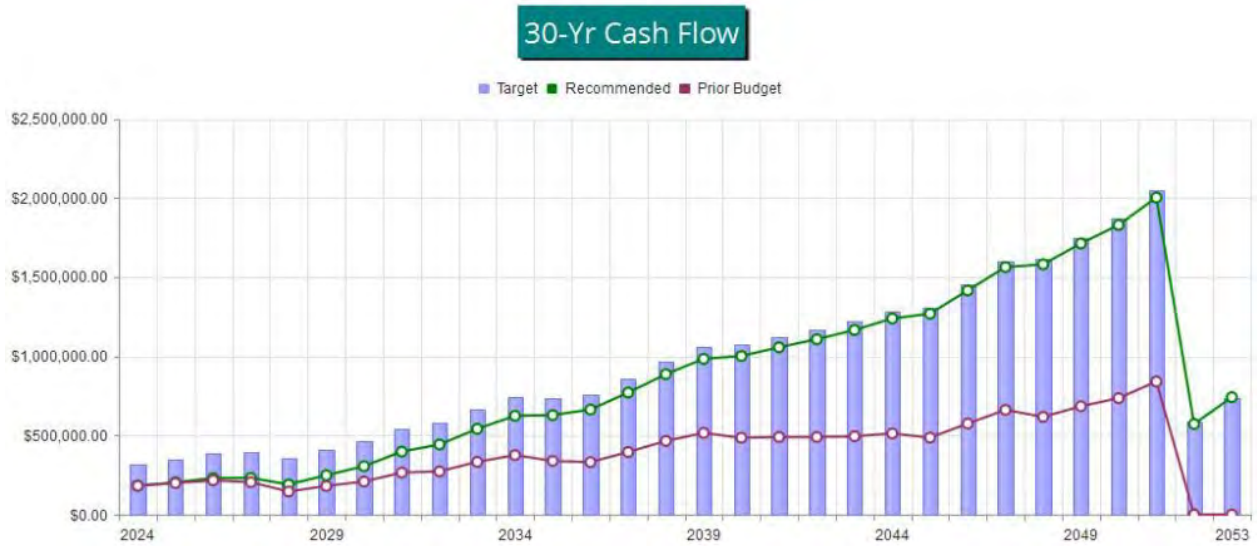


Figure 3

This chart shows the same information plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-year Funding Plan.

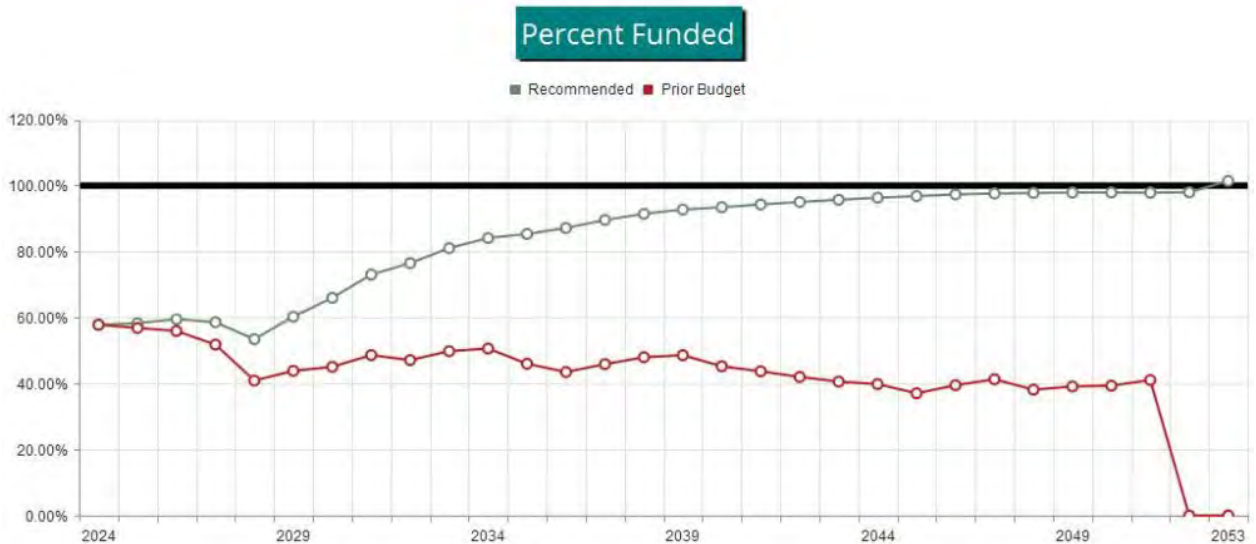


Figure 4

Executive Summary is a summary of your Reserve Components

Reserve Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the property total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the property, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate
COMMON AREAS					
103	Concrete - Repair	Numerous Sq Ft	5	2	\$3,000
201	Asphalt - Repave	Approx 189,000 Sq Ft	30	27	\$680,000
203	Asphalt - Seal/Repair	Approx 189,000 Sq Ft	4	3	\$37,800
302	Notice Boxes - Replace	(12) Notice Boxes	20	5	\$3,600
324	Wall Lights - Replace	(250) Lights	30	20	\$62,500
403	Mailboxes - Replace	(20) Clusters	20	10	\$60,000
405	Benches - Replace	(10) Concrete Benches	30	2	\$10,000
501	Stucco Walls - Repair	Approx 4,400 Sq Ft	25	5	\$5,000
600	Flag Pole - Refurbish	(1) Flag Pole	20	5	\$5,400
701	Monuments - Refurbish (Main)	(1) Monument	25	5	\$8,500
701	Monuments - Refurbish (Streets)	(20) Signs	30	14	\$15,000
1001	Backflow Valves - Replace	(9) Backflow Valves	20	3	\$18,000
1002	Irrigation System - Replace (A)	Heads, Lines, Valves	15	0	\$30,000
1002	Irrigation System - Replace (B)	Heads, Lines, Valves	15	1	\$30,000
1002	Irrigation System - Replace (C)	Heads, Lines, Valves	15	2	\$30,000
1002	Irrigation System - Replace (D)	Heads, Lines, Valves	15	3	\$30,000
1005	Granite - Replenish (A)	Numerous Sq Ft	7	2	\$15,000
1005	Granite - Replenish (B)	Approx 500 Tons	7	3	\$15,000
1005	Granite - Replenish (C)	Approx 500 Tons	7	4	\$15,000
<hr/>					
19	Total Funded Components				

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
COMMON AREAS								
103	Concrete - Repair	\$3,000	X	3	/	5	=	\$1,800
201	Asphalt - Repave	\$680,000	X	3	/	30	=	\$68,000
203	Asphalt - Seal/Repair	\$37,800	X	1	/	4	=	\$9,450
302	Notice Boxes - Replace	\$3,600	X	15	/	20	=	\$2,700
324	Wall Lights - Replace	\$62,500	X	10	/	30	=	\$20,833
403	Mailboxes - Replace	\$60,000	X	10	/	20	=	\$30,000
405	Benches - Replace	\$10,000	X	28	/	30	=	\$9,333
501	Stucco Walls - Repair	\$5,000	X	20	/	25	=	\$4,000
600	Flag Pole - Refurbish	\$5,400	X	15	/	20	=	\$4,050
701	Monuments - Refurbish (Main)	\$8,500	X	20	/	25	=	\$6,800
701	Monuments - Refurbish (Streets)	\$15,000	X	16	/	30	=	\$8,000
1001	Backflow Valves - Replace	\$18,000	X	17	/	20	=	\$15,300
1002	Irrigation System - Replace (A)	\$30,000	X	15	/	15	=	\$30,000
1002	Irrigation System - Replace (B)	\$30,000	X	14	/	15	=	\$28,000
1002	Irrigation System - Replace (C)	\$30,000	X	13	/	15	=	\$26,000
1002	Irrigation System - Replace (D)	\$30,000	X	12	/	15	=	\$24,000
1005	Granite - Replenish (A)	\$15,000	X	5	/	7	=	\$10,714
1005	Granite - Replenish (B)	\$15,000	X	4	/	7	=	\$8,571
1005	Granite - Replenish (C)	\$15,000	X	3	/	7	=	\$6,429
								\$313,981

# Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
COMMON AREAS				
103 Concrete - Repair	5	\$3,000	\$600	1.09 %
201 Asphalt - Repave	30	\$680,000	\$22,667	41.25 %
203 Asphalt - Seal/Repair	4	\$37,800	\$9,450	17.20 %
302 Notice Boxes - Replace	20	\$3,600	\$180	0.33 %
324 Wall Lights - Replace	30	\$62,500	\$2,083	3.79 %
403 Mailboxes - Replace	20	\$60,000	\$3,000	5.46 %
405 Benches - Replace	30	\$10,000	\$333	0.61 %
501 Stucco Walls - Repair	25	\$5,000	\$200	0.36 %
600 Flag Pole - Refurbish	20	\$5,400	\$270	0.49 %
701 Monuments - Refurbish (Main)	25	\$8,500	\$340	0.62 %
701 Monuments - Refurbish (Streets)	30	\$15,000	\$500	0.91 %
1001 Backflow Valves - Replace	20	\$18,000	\$900	1.64 %
1002 Irrigation System - Replace (A)	15	\$30,000	\$2,000	3.64 %
1002 Irrigation System - Replace (B)	15	\$30,000	\$2,000	3.64 %
1002 Irrigation System - Replace (C)	15	\$30,000	\$2,000	3.64 %
1002 Irrigation System - Replace (D)	15	\$30,000	\$2,000	3.64 %
1005 Granite - Replenish (A)	7	\$15,000	\$2,143	3.90 %
1005 Granite - Replenish (B)	7	\$15,000	\$2,143	3.90 %
1005 Granite - Replenish (C)	7	\$15,000	\$2,143	3.90 %
19 Total Funded Components			\$54,952	100.00 %

30-Year Reserve Plan Summary

Report # 20889-5
With-Site-Visit

Fiscal Year Start: 2024

Interest:

1.00 %

Inflation:

3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date	Projected Reserve Balance Changes
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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase		Loan or Special Assmts	Interest Income	Reserve Expenses
					In Annual Reserve Funding	Reserve Funding			
2024	\$181,550	\$313,981	57.8 %	Medium	11.11 %	\$50,000	\$0	\$1,924	\$30,000
2025	\$203,474	\$349,101	58.3 %	Medium	10.00 %	\$55,000	\$0	\$2,165	\$30,900
2026	\$229,739	\$386,045	59.5 %	Medium	10.00 %	\$60,500	\$0	\$2,303	\$61,532
2027	\$231,010	\$394,296	58.6 %	Medium	10.00 %	\$66,550	\$0	\$2,102	\$110,147
2028	\$189,515	\$354,522	53.5 %	Medium	10.00 %	\$73,205	\$0	\$2,187	\$16,883
2029	\$248,024	\$411,473	60.3 %	Medium	10.00 %	\$80,526	\$0	\$2,765	\$26,084
2030	\$305,231	\$462,567	66.0 %	Medium	10.00 %	\$88,578	\$0	\$3,511	\$0
2031	\$397,320	\$544,028	73.0 %	Low	2.80 %	\$91,058	\$0	\$4,197	\$50,179
2032	\$442,396	\$578,276	76.5 %	Low	2.80 %	\$93,608	\$0	\$4,914	\$0
2033	\$540,919	\$667,324	81.1 %	Low	2.80 %	\$96,229	\$0	\$5,819	\$19,572
2034	\$623,395	\$741,035	84.1 %	Low	2.80 %	\$98,923	\$0	\$6,253	\$100,794
2035	\$627,778	\$735,515	85.4 %	Low	2.80 %	\$101,693	\$0	\$6,450	\$73,088
2036	\$662,834	\$760,649	87.1 %	Low	2.80 %	\$104,541	\$0	\$7,162	\$4,277
2037	\$770,260	\$859,761	89.6 %	Low	2.80 %	\$107,468	\$0	\$8,278	\$0
2038	\$886,005	\$968,674	91.5 %	Low	2.80 %	\$110,477	\$0	\$9,342	\$22,689
2039	\$983,135	\$1,059,978	92.8 %	Low	2.80 %	\$113,570	\$0	\$9,916	\$105,630
2040	\$1,000,991	\$1,071,160	93.4 %	Low	2.80 %	\$116,750	\$0	\$10,280	\$72,212
2041	\$1,055,809	\$1,119,744	94.3 %	Low	2.80 %	\$120,019	\$0	\$10,811	\$79,337
2042	\$1,107,302	\$1,165,171	95.0 %	Low	2.80 %	\$123,380	\$0	\$11,359	\$76,609
2043	\$1,165,431	\$1,217,577	95.7 %	Low	2.80 %	\$126,834	\$0	\$12,012	\$66,283
2044	\$1,237,995	\$1,285,083	96.3 %	Low	2.80 %	\$130,386	\$0	\$12,525	\$112,882
2045	\$1,268,024	\$1,309,593	96.8 %	Low	2.80 %	\$134,036	\$0	\$13,412	\$0
2046	\$1,415,472	\$1,454,175	97.3 %	Low	2.80 %	\$137,789	\$0	\$14,883	\$5,748
2047	\$1,562,396	\$1,600,331	97.6 %	Low	2.80 %	\$141,648	\$0	\$15,705	\$139,730
2048	\$1,580,019	\$1,616,126	97.8 %	Low	2.80 %	\$145,614	\$0	\$16,451	\$30,492
2049	\$1,711,592	\$1,748,260	97.9 %	Low	2.80 %	\$149,691	\$0	\$17,694	\$50,251
2050	\$1,828,726	\$1,867,458	97.9 %	Low	2.80 %	\$153,882	\$0	\$19,144	\$0
2051	\$2,001,753	\$2,045,546	97.9 %	Low	2.80 %	\$158,191	\$0	\$12,862	\$1,601,105
2052	\$571,700	\$583,500	98.0 %	Low	2.80 %	\$162,620	\$0	\$6,560	\$0
2053	\$740,881	\$730,503	101.4 %	Low	2.80 %	\$167,174	\$0	\$8,283	\$0

Fiscal Year	2024	2025	2026	2027	2028
Starting Reserve Balance	\$181,550	\$203,474	\$229,739	\$231,010	\$189,515
Annual Reserve Funding	\$50,000	\$55,000	\$60,500	\$66,550	\$73,205
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,924	\$2,165	\$2,303	\$2,102	\$2,187
Total Income	\$233,474	\$260,639	\$292,542	\$299,662	\$264,907
# Component					
COMMON AREAS					
103 Concrete - Repair	\$0	\$0	\$3,183	\$0	\$0
201 Asphalt - Repave	\$0	\$0	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$0	\$0	\$41,305	\$0
302 Notice Boxes - Replace	\$0	\$0	\$0	\$0	\$0
324 Wall Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
405 Benches - Replace	\$0	\$0	\$10,609	\$0	\$0
501 Stucco Walls - Repair	\$0	\$0	\$0	\$0	\$0
600 Flag Pole - Refurbish	\$0	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Main)	\$0	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Streets)	\$0	\$0	\$0	\$0	\$0
1001 Backflow Valves - Replace	\$0	\$0	\$0	\$19,669	\$0
1002 Irrigation System - Replace (A)	\$30,000	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (B)	\$0	\$30,900	\$0	\$0	\$0
1002 Irrigation System - Replace (C)	\$0	\$0	\$31,827	\$0	\$0
1002 Irrigation System - Replace (D)	\$0	\$0	\$0	\$32,782	\$0
1005 Granite - Replenish (A)	\$0	\$0	\$15,914	\$0	\$0
1005 Granite - Replenish (B)	\$0	\$0	\$0	\$16,391	\$0
1005 Granite - Replenish (C)	\$0	\$0	\$0	\$0	\$16,883
Total Expenses	\$30,000	\$30,900	\$61,532	\$110,147	\$16,883
Ending Reserve Balance	\$203,474	\$229,739	\$231,010	\$189,515	\$248,024

Fiscal Year	2029	2030	2031	2032	2033
Starting Reserve Balance	\$248,024	\$305,231	\$397,320	\$442,396	\$540,919
Annual Reserve Funding	\$80,526	\$88,578	\$91,058	\$93,608	\$96,229
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$2,765	\$3,511	\$4,197	\$4,914	\$5,819
Total Income	\$331,315	\$397,320	\$492,575	\$540,919	\$642,967
# Component					
COMMON AREAS					
103 Concrete - Repair	\$0	\$0	\$3,690	\$0	\$0
201 Asphalt - Repave	\$0	\$0	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$0	\$46,489	\$0	\$0
302 Notice Boxes - Replace	\$4,173	\$0	\$0	\$0	\$0
324 Wall Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
405 Benches - Replace	\$0	\$0	\$0	\$0	\$0
501 Stucco Walls - Repair	\$5,796	\$0	\$0	\$0	\$0
600 Flag Pole - Refurbish	\$6,260	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Main)	\$9,854	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Streets)	\$0	\$0	\$0	\$0	\$0
1001 Backflow Valves - Replace	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (A)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (B)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (C)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (D)	\$0	\$0	\$0	\$0	\$0
1005 Granite - Replenish (A)	\$0	\$0	\$0	\$0	\$19,572
1005 Granite - Replenish (B)	\$0	\$0	\$0	\$0	\$0
1005 Granite - Replenish (C)	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$26,084	\$0	\$50,179	\$0	\$19,572
Ending Reserve Balance	\$305,231	\$397,320	\$442,396	\$540,919	\$623,395

Fiscal Year	2034	2035	2036	2037	2038
Starting Reserve Balance	\$623,395	\$627,778	\$662,834	\$770,260	\$886,005
Annual Reserve Funding	\$98,923	\$101,693	\$104,541	\$107,468	\$110,477
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$6,253	\$6,450	\$7,162	\$8,278	\$9,342
Total Income	\$728,572	\$735,921	\$774,537	\$886,005	\$1,005,824
# Component					
COMMON AREAS					
103 Concrete - Repair	\$0	\$0	\$4,277	\$0	\$0
201 Asphalt - Repave	\$0	\$0	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$52,324	\$0	\$0	\$0
302 Notice Boxes - Replace	\$0	\$0	\$0	\$0	\$0
324 Wall Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$80,635	\$0	\$0	\$0	\$0
405 Benches - Replace	\$0	\$0	\$0	\$0	\$0
501 Stucco Walls - Repair	\$0	\$0	\$0	\$0	\$0
600 Flag Pole - Refurbish	\$0	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Main)	\$0	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Streets)	\$0	\$0	\$0	\$0	\$22,689
1001 Backflow Valves - Replace	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (A)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (B)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (C)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (D)	\$0	\$0	\$0	\$0	\$0
1005 Granite - Replenish (A)	\$0	\$0	\$0	\$0	\$0
1005 Granite - Replenish (B)	\$20,159	\$0	\$0	\$0	\$0
1005 Granite - Replenish (C)	\$0	\$20,764	\$0	\$0	\$0
Total Expenses	\$100,794	\$73,088	\$4,277	\$0	\$22,689
Ending Reserve Balance	\$627,778	\$662,834	\$770,260	\$886,005	\$983,135

Fiscal Year	2039	2040	2041	2042	2043
Starting Reserve Balance	\$983,135	\$1,000,991	\$1,055,809	\$1,107,302	\$1,165,431
Annual Reserve Funding	\$113,570	\$116,750	\$120,019	\$123,380	\$126,834
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$9,916	\$10,280	\$10,811	\$11,359	\$12,012
Total Income	\$1,106,621	\$1,128,021	\$1,186,639	\$1,242,041	\$1,304,278
# Component					
COMMON AREAS					
103 Concrete - Repair	\$0	\$0	\$4,959	\$0	\$0
201 Asphalt - Repave	\$0	\$0	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$58,891	\$0	\$0	\$0	\$66,283
302 Notice Boxes - Replace	\$0	\$0	\$0	\$0	\$0
324 Wall Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
405 Benches - Replace	\$0	\$0	\$0	\$0	\$0
501 Stucco Walls - Repair	\$0	\$0	\$0	\$0	\$0
600 Flag Pole - Refurbish	\$0	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Main)	\$0	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Streets)	\$0	\$0	\$0	\$0	\$0
1001 Backflow Valves - Replace	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (A)	\$46,739	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (B)	\$0	\$48,141	\$0	\$0	\$0
1002 Irrigation System - Replace (C)	\$0	\$0	\$49,585	\$0	\$0
1002 Irrigation System - Replace (D)	\$0	\$0	\$0	\$51,073	\$0
1005 Granite - Replenish (A)	\$0	\$24,071	\$0	\$0	\$0
1005 Granite - Replenish (B)	\$0	\$0	\$24,793	\$0	\$0
1005 Granite - Replenish (C)	\$0	\$0	\$0	\$25,536	\$0
Total Expenses	\$105,630	\$72,212	\$79,337	\$76,609	\$66,283
Ending Reserve Balance	\$1,000,991	\$1,055,809	\$1,107,302	\$1,165,431	\$1,237,995

Fiscal Year	2044	2045	2046	2047	2048
Starting Reserve Balance	\$1,237,995	\$1,268,024	\$1,415,472	\$1,562,396	\$1,580,019
Annual Reserve Funding	\$130,386	\$134,036	\$137,789	\$141,648	\$145,614
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$12,525	\$13,412	\$14,883	\$15,705	\$16,451
Total Income	\$1,380,906	\$1,415,472	\$1,568,144	\$1,719,749	\$1,742,084
# Component					
COMMON AREAS					
103 Concrete - Repair	\$0	\$0	\$5,748	\$0	\$0
201 Asphalt - Repave	\$0	\$0	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$0	\$0	\$74,602	\$0
302 Notice Boxes - Replace	\$0	\$0	\$0	\$0	\$0
324 Wall Lights - Replace	\$112,882	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
405 Benches - Replace	\$0	\$0	\$0	\$0	\$0
501 Stucco Walls - Repair	\$0	\$0	\$0	\$0	\$0
600 Flag Pole - Refurbish	\$0	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Main)	\$0	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Streets)	\$0	\$0	\$0	\$0	\$0
1001 Backflow Valves - Replace	\$0	\$0	\$0	\$35,525	\$0
1002 Irrigation System - Replace (A)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (B)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (C)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (D)	\$0	\$0	\$0	\$0	\$0
1005 Granite - Replenish (A)	\$0	\$0	\$0	\$29,604	\$0
1005 Granite - Replenish (B)	\$0	\$0	\$0	\$0	\$30,492
1005 Granite - Replenish (C)	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$112,882	\$0	\$5,748	\$139,730	\$30,492
Ending Reserve Balance	\$1,268,024	\$1,415,472	\$1,562,396	\$1,580,019	\$1,711,592

Fiscal Year	2049	2050	2051	2052	2053
Starting Reserve Balance	\$1,711,592	\$1,828,726	\$2,001,753	\$571,700	\$740,881
Annual Reserve Funding	\$149,691	\$153,882	\$158,191	\$162,620	\$167,174
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$17,694	\$19,144	\$12,862	\$6,560	\$8,283
Total Income	\$1,878,977	\$2,001,753	\$2,172,805	\$740,881	\$916,337
# Component					
COMMON AREAS					
103 Concrete - Repair	\$0	\$0	\$6,664	\$0	\$0
201 Asphalt - Repave	\$0	\$0	\$1,510,477	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$0	\$83,965	\$0	\$0
302 Notice Boxes - Replace	\$7,538	\$0	\$0	\$0	\$0
324 Wall Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
405 Benches - Replace	\$0	\$0	\$0	\$0	\$0
501 Stucco Walls - Repair	\$0	\$0	\$0	\$0	\$0
600 Flag Pole - Refurbish	\$11,306	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Main)	\$0	\$0	\$0	\$0	\$0
701 Monuments - Refurbish (Streets)	\$0	\$0	\$0	\$0	\$0
1001 Backflow Valves - Replace	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (A)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (B)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (C)	\$0	\$0	\$0	\$0	\$0
1002 Irrigation System - Replace (D)	\$0	\$0	\$0	\$0	\$0
1005 Granite - Replenish (A)	\$0	\$0	\$0	\$0	\$0
1005 Granite - Replenish (B)	\$0	\$0	\$0	\$0	\$0
1005 Granite - Replenish (C)	\$31,407	\$0	\$0	\$0	\$0
Total Expenses	\$50,251	\$0	\$1,601,105	\$0	\$0
Ending Reserve Balance	\$1,828,726	\$2,001,753	\$571,700	\$740,881	\$916,337



Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. DJ Vlaming, R.S., company president, is a credentialed Reserve Specialist (#61). All work done by Association Reserves is performed under his Responsible Charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

Per NRSS, information provided by official representative(s) of the client, vendors, and suppliers regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable, and is not intended to be used for the purpose of any type of audit, quality/forensic analysis, or background checks of historical records. As such, information provided to us has not been audited or independently verified.

Estimates for interest and inflation have been included, because including such estimates are more accurate than ignoring them completely. When we are hired to prepare Update reports, the client is considered to have deemed those previously developed component quantities as accurate and reliable, whether established by our firm or other individuals/firms (unless specifically mentioned in our Site Inspection Notes). During inspections our company standard is to establish measurements within 5% accuracy, and our scope includes visual inspection of accessible areas and components and does not include any destructive or other testing. Our work is done only for budget purposes. Uses or expectations outside our expertise and scope of work include, but are not limited to, project audit, quality inspection, and the identification of construction defects, hazardous materials, or dangerous conditions. Identifying hidden issues such as but not limited to plumbing or electrical problems are also outside our scope of work. Our estimates assume proper original installation & construction, adherence to recommended preventive maintenance, a stable economic environment, and do not consider frequency or severity of natural disasters. Our opinions of component Useful Life, Remaining Useful Life, and current or future cost estimates are not a warranty or guarantee of actual costs or timing.

Because the physical and financial status of the property, legislation, the economy, weather, owner expectations, and usage are all in a continual state of change over which we have no control, we do not expect that the events projected in this document will all occur exactly as planned. This Reserve Study is by nature a "one-year" document in need of being updated annually so that more accurate estimates can be incorporated. It is only because a long-term perspective improves the accuracy of near-term planning that this Report projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of expense projections and the funding necessary to prepare for those estimated expenses.

In this engagement our compensation is not contingent upon our conclusions, and our liability in any matter involving this Reserve Study is limited to our fee for services rendered.



Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)
Effective Age	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
Fully Funded Balance (FFB)	The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.
Inflation	Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on the "30-yr Income/Expense Detail" table.
Interest	Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.
Percent Funded	The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life (RUL)	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
Useful Life (UL)	The estimated time, in years, that a common area component can be expected to serve its intended function.



Component Details

The primary purpose of the Component Details appendix is to provide the reader with the basis of our funding assumptions resulting from the physical analysis and subsequent research. The information presented here represents a wide range of components that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding:

- 1) Common area repair & replacement responsibility
- 2) Component must have a limited useful life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of Annual operating expenses).

Not all of your components may have been found appropriate for reserve funding. In our judgment, the components meeting the above four criteria are shown with the Useful Life (how often the project is expected to occur), Remaining Useful Life (when the next instance of the expense will be) and representative market cost range termed “Best Cost” and “Worst Cost”. There are many factors that can result in a wide variety of potential costs, and we have attempted to present the cost range in which your actual expense will occur.

Where no Useful Life, Remaining Useful Life, or pricing exists, the component was deemed inappropriate for Reserve Funding.

COMMON AREAS

Comp #: 103 Concrete - Repair

Quantity: Numerous Sq Ft

Location: Curbs, gutters and walkways throughout community

Funded?: Yes.

History:

Comments: There is no expectancy to completely replace the concrete. This component provides an allowance for periodic repairs and/or partial replacements. Minimal amount of cracks noted.

Useful Life:
5 years

Remaining Life:
2 years



Best Case: \$ 3,000

Worst Case: \$ 3,000

Cost Source: AR Cost Allowance

Comp #: 201 Asphalt - Repave

Quantity: Approx 189,000 Sq Ft

Location: Streets throughout community

Funded?: Yes.

History: Repaved in 2021 for \$468,275. The streets were installed during 1985.

Comments: Asphalt is smooth and in good condition. This component funds to remove and repave the asphalt. Life span is based on periodically seal coating and maintaining the surface. Since the price of asphalt has dramatically increased since the streets were repaved, we are not using the 2022 cost for future pricing.

Useful Life:
30 years

Remaining Life:
27 years



Best Case: \$ 680,000

Worst Case: \$ 680,000

Cost Source: AR Cost Database

Comp #: 202 Asphalt - Slurry Seal

Quantity: Approx 189,000 Sq Ft

Location: Streets throughout community

Funded?: No. Slurry seal is not expected to occur again in the foreseeable future.

History: The streets were slurry sealed during 2009 for ~\$57,600.

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 203 Asphalt - Seal/Repair

Quantity: Approx 189,000 Sq Ft

Location: Streets throughout community

Funded?: Yes.

History: Seal planned in 2023 for ~\$35,000. Previously sealed in 2013 for ~\$13,800.

Comments: Asphalt was not sealed at the time of inspection. Seal coat asphalt surfaces periodically to prevent premature cracking and deterioration.

Useful Life:
4 years

Remaining Life:
3 years



Best Case: \$ 37,800

Worst Case: \$ 37,800

Cost Source: Estimate Provided by Client

Comp #: 300 Street Signs - Replace

Quantity: Approx (20) Signs

Location: Adjacent to community streets

Funded?: No. HOA plans to replace as needed with Operating funds, so no Reserve funding has been allocated.

History: Reportedly replaced around 2022 (cost unknown). Previously replaced in 2008.

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 302 Notice Boxes - Replace

Quantity: (12) Notice Boxes

Location: Near mailbox areas

Funded?: Yes.

History: Reportedly installed around 2005.

Comments: These boxes are used to display the community notices. They still appear intact and in fair condition. Some weathering and wear noted. Future replacement should be anticipated.

Useful Life:
20 years

Remaining Life:
5 years



Best Case: \$ 3,600

Worst Case: \$ 3,600

Cost Source: AR Cost Database

Comp #: 324 Wall Lights - Replace

Quantity: (250) Lights

Location: Mounted to unit exteriors (adjacent to garages) - 1 per unit

Funded?: Yes.

History: Replaced in 2014 for ~\$28,000. Installed in 1985.

Comments: The association is reportedly responsible to replace these lights. Quantity reflects extra lights purchased for one-off replacements. They are still attractive and functional. Complete replacement should be anticipated.

Useful Life:
30 years

Remaining Life:
20 years



Best Case: \$ 62,500

Worst Case: \$ 62,500

Cost Source: AR Cost Database

Comp #: 403 Mailboxes - Replace

Quantity: (20) Clusters

Location: Adjacent to community streets

Funded?: Yes.

History: Replaced in 2014 for ~\$21,000.

Comments: Quantity includes (3) 2-box clusters, (4) 8-box clusters, (6) 12-box clusters, and (7) 16-box clusters. Mailboxes are in fair condition with no notable damage. Complete replacement should be anticipated.

Useful Life:
20 years

Remaining Life:
10 years



Best Case: \$ 60,000

Worst Case: \$ 60,000

Cost Source: AR Cost Database

Comp #: 405 Benches - Replace

Quantity: (10) Concrete Benches

Location: Common areas throughout community

Funded?: Yes.

History:

Comments: These tiled concrete benches. They are generally intact and in fair condition, but many of them are beginning to crack. Long life component, however, replacement should still be anticipated.

Useful Life:
30 years

Remaining Life:
2 years



Best Case: \$ 10,000

Worst Case: \$ 10,000

Cost Source: 2023 Phoenix Precast Catalog

Comp #: 501 Stucco Walls - Repair

Quantity: Approx 4,400 Sq Ft

Location: Stucco walls adjacent to street (West end of property and North end)

Funded?: Yes.

History:

Comments: Walls are expected to last the life of the community under normal circumstances. This component provides an allowance for repairs and/or partial replacement due to excessive settling or other sources of damage.

Useful Life:
25 years

Remaining Life:
5 years



Best Case: \$ 5,000

Worst Case: \$ 5,000

Cost Source: AR Cost Allowance

Comp #: 600 Flag Pole - Refurbish

Quantity: (1) Flag Pole

Location: Adjacent to street at South end of community

Funded?: Yes.

History: The flag pole was refurbished during 2009 for ~\$3,000, which included adding a solar light and plaque.

Comments: There is no expectancy to actually replace the flag pole. This component provides funding to refurbish the flag pole again at some point in the future.

Useful Life:
20 years

Remaining Life:
5 years



Best Case: \$ 5,400

Worst Case: \$ 5,400

Cost Source: Client Cost History

Comp #: 701 Monuments - Refurbish (Main)

Quantity: (1) Monument

Location: Community entrance

Funded?: Yes.

History: Original from 1985.

Comments: The monument consists of metal reverse pan channel letters mounted to a stucco wall. The monument reads "El Conquistador PATIO HOMES." This component provides funding to replace the logo and letters. The monument was recently repainted, so there is no expectation to refurbish it in the near future.

Useful Life:
25 years

Remaining Life:
5 years



Best Case: \$ 8,500

Worst Case: \$ 8,500

Cost Source: AR Cost Database

Comp #: 701 Monuments - Refurbish (Streets)

Quantity: (20) Signs

Location: Adjacent to community streets

Funded?: Yes.

History: Installed in 2008 for ~\$4,300.

Comments: These signs are mounted to (6) stucco kiosks located throughout the property. The signs are composed of carved stone mounted to a metal plate. There is no expectancy to replace the stucco kiosks. This component provides funding to eventually replace only the signs. They are still attractive and in good condition.

Useful Life:
30 years

Remaining Life:
14 years



Best Case: \$ 15,000

Worst Case: \$ 15,000

Cost Source: AR Cost Database

Comp #: 1001 Backflow Valves - Replace

Quantity: (9) Backflow Valves

Location: Common areas throughout the community

Funded?: Yes.

History: Installed in 2007.

Comments: Backflow valves typically last a long time. However, it would be prudent to still plan for replacement eventually. No problems observed or reported.

Useful Life:
20 years

Remaining Life:
3 years



Best Case: \$ 18,000

Worst Case: \$ 18,000

Cost Source: AR Cost Database

Comp #: 1002 Irrigation System - Replace (A)

Quantity: Heads, Lines, Valves

Location: Common areas throughout community

Funded?: Yes.

History: New polyurethane 1/2" lines were installed during 2008 for ~\$36,400. There were also (23) new valve assemblies installed.

Comments: It is beyond the scope of this Reserve Study to quantify and assess conditions of the irrigation system. Per the client's request, this component funds partial replacement of the system beginning in 2024. Repairs and partial replacements should be included in the annual landscape maintenance budget.

Useful Life:
15 years

Remaining Life:
0 years



Best Case: \$ 30,000

Worst Case: \$ 30,000

Cost Source: Estimate Provided by Client

Comp #: 1002 Irrigation System - Replace (B)

Quantity: Heads, Lines, Valves

Location: Common areas throughout community

Funded?: Yes.

History: New polyurethane 1/2" lines were installed during 2008 for ~\$36,400. There were also (23) new valve assemblies installed.

Comments: It is beyond the scope of this Reserve Study to quantify and assess conditions of the irrigation system. Per the client's request, this component funds partial replacement of the system. Repairs and partial replacements should be included in the annual landscape maintenance budget.

Useful Life:
15 years

Remaining Life:
1 years



Best Case: \$ 30,000

Worst Case: \$ 30,000

Cost Source: Estimate Provided by Client

Comp #: 1002 Irrigation System - Replace (C)

Quantity: Heads, Lines, Valves

Location: Common areas throughout community

Funded?: Yes.

History: New polyurethane 1/2" lines were installed during 2008 for ~\$36,400. There were also (23) new valve assemblies installed.

Comments: It is beyond the scope of this Reserve Study to quantify and assess conditions of the irrigation system. Per the client's request, this component funds partial replacement of the system. Repairs and partial replacements should be included in the annual landscape maintenance budget.

Useful Life:
15 years

Remaining Life:
2 years



Best Case: \$ 30,000

Worst Case: \$ 30,000

Cost Source: Estimate Provided by Client

Comp #: 1002 Irrigation System - Replace (D)

Quantity: Heads, Lines, Valves

Location: Common areas throughout community

Funded?: Yes.

History: New polyurethane 1/2" lines were installed during 2008 for ~\$36,400. There were also (23) new valve assemblies installed.

Comments: It is beyond the scope of this Reserve Study to quantify and assess conditions of the irrigation system. Per the client's request, this component funds partial replacement of the system. Repairs and partial replacements should be included in the annual landscape maintenance budget.

Useful Life:
15 years

Remaining Life:
3 years



Best Case: \$ 30,000

Worst Case: \$ 30,000

Cost Source: Estimate Provided by Client

Comp #: 1003 Irrigation Controllers - Replace

Quantity: (9) Rain Bird

Location: Common areas throughout community

Funded?: No. Individual controllers are relatively inexpensive and should be replaced as an Operating expense.

History: Controllers on Camino Corrida replaced in 2020. Controllers were primarily replaced around 2007. There are a couple controllers that are dated from 2003.

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 1005 Granite - Replenish (A)

Quantity: Numerous Sq Ft

Location: Common areas throughout community

Funded?: Yes.

History: Replenished during 2014 for ~\$45,400. Previously replenished during 2009 for ~\$51,100.

Comments: There is no expectancy to replace the granite. The association currently replenishes a significant amount of granite annually through the Operating budget. This component provides an allowance to help supplement the Operating budget in top dressing the existing granite areas, Timing and cost estimates were provided by the client.

Useful Life:
7 years

Remaining Life:
2 years



Best Case: \$ 15,000

Worst Case: \$ 15,000

Cost Source: Client Cost History

Comp #: 1005 Granite - Replenish (B)

Quantity: Approx 500 Tons

Location: Common areas throughout community

Funded?: Yes.

History: Replenished during 2014 for ~\$45,400. Previously replenished during 2009 for ~\$51,100. Replenish planned for 2027 for \$15,000.

Comments: There is no expectancy to replace the granite. The association currently replenishes a significant amount of granite annually through the Operating budget. This component provides an allowance to help supplement the Operating budget in top dressing the existing granite areas, Timing and cost estimates were provided by the client.

Useful Life:
7 years

Remaining Life:
3 years



Best Case: \$ 15,000

Worst Case: \$ 15,000

Cost Source: Estimate Provided by Client

Comp #: 1005 Granite - Replenish (C)

Quantity: Approx 500 Tons

Location: Common areas throughout community

Funded?: Yes.

History: Replenished during 2014 for ~\$45,400. Previously replenished during 2009 for ~\$51,100. Replenish planned for 2028 for \$15,000.

Comments: There is no expectancy to replace the granite. The association currently replenishes a significant amount of granite annually through the Operating budget. This component provides an allowance to help supplement the Operating budget in top dressing the existing granite areas, Timing and cost estimates were provided by the client.

Useful Life:
7 years

Remaining Life:
4 years



Best Case: \$ 15,000

Worst Case: \$ 15,000

Cost Source: Estimate Provided by Client

Comp #: 1020 Drainage Swales - Rebuild

Quantity: Drainage Swales

Location: Common areas throughout property

Funded?: No. The association plans to rebuild the drainage swales annually as-needed with Operating funds.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 1030 Landscape - Renovate

Quantity: Landscape

Location: Common areas throughout property

Funded?: No. The association plans to renovate the landscaping annually as-needed with Operating funds.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 1105 Stucco Walls - Repaint

Quantity: Approx 6,350 Sq Ft

Location: Stucco walls adjacent to street (West end of property and North end)

Funded?: No. The walls are reportedly repainted as-needed as an Operating expense. No Reserve funding has been allocated to repaint these walls.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 1108 View Fence - Repaint

Quantity: Numerous LF

Location: Homeowner backyards

Funded?: No. Each homeowner is responsible for repainting and repairs to their fence, not the association.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 1600 Website - Rebuild

Quantity: HOA Website

Location: Internet

Funded?: No. The association plans to maintain the website with Operating funds.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source: