

WHEN RECORDED, MAIL TO:

Central 9 Lofts, LLC
c/o Snell & Wilmer L.L.P.
Attn: AJ Pepper
15 W. South Temple, Suite 1200
Salt Lake City, UT 84101

12867242
10/15/2018 11:54:00 AM \$89.00
Book - 10721 Pg - 4605-4629
ADAM GARDINER
Recorder, Salt Lake County, UT
SNELL & WILMER
BY: eCASH, DEPUTY - EF 25 P.

Tax Parcel Nos.: 15-12-254-044 to 15-12-254-076

**NOTICE OF RESERVE STUDY
FOR
CENTRAL 9 LOFTS**

THIS NOTICE OF RESERVE STUDY FOR CENTRAL 9 LOFTS (this "Notice") is made as of October 15, 2018 by Central 9 Lofts, LLC, a Utah limited liability company (the "Declarant").

NOTICE

1. Declarant is the owner of the real property described on Exhibit A and known as the "Central 9 Lofts" (the "Property").
2. Attached hereto as Exhibit B is the reserve study for the Property, titled "Central 9 Lofts Level 1 Reserve Study," prepared by Complex Solutions, Ltd. and dated August 23, 2018.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Notice is executed on the day and year first above written.

DECLARANT:

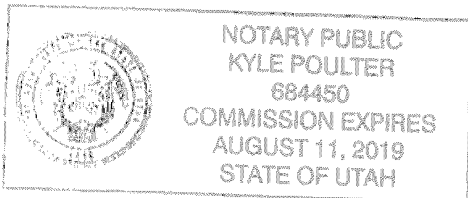
CENTRAL 9 LOFTS, LLC,
a Utah limited liability company

By: LANDFORGE, INC.,
a Utah Corporation, its Sole Manager

By: 
Name: Derek Allen
Title: President

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 15th day of SEPTEMBER, 2018, by DEREK ALLEN, the President of LANDFORGE, INC., a Utah corporation, Sole Manager of CENTRAL 9 LOFTS, LLC, a Utah limited liability company.





NOTARY PUBLIC

My Commission Expires: Aug 11, 2019
Residing at 295 S 1300 E, SALT LAKE CITY, UT 84102

CONSENT TO RECORD AND SUBORDINATION

The undersigned First Utah Bank (“**Lender**”) is the holder of that certain Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing recorded on May 18, 2017, as Entry No. 12537610, in Book 10558, beginning at Page 7490 in the Official Records of Salt Lake County, Utah, together with all related loan documents (the “**Deed of Trust**”), which constitutes a lien of record against the Property as more particularly described on Exhibit A. Lender hereby subordinates the lien and encumbrance of the Deed of Trust to this Notice and Lender also hereby consents to the recordation of this Notice in the Official Records of the Salt Lake County, Utah Recorder.

LENDER:

FIRST UTAH BANK,
a Utah corporation

By: [Signature]
Name: SCOTT GEERTSEN
Its: SENIOR VICE PRESIDENT

STATE OF UTAH)
:SS
COUNTY OF Salt Lake)

The foregoing instrument was acknowledged before me this 11th day of September, 2018, by Scott Geertsen, the Senior Vice President of FIRST UTAH BANK, a Utah corporation.

[Signature]
NOTARY PUBLIC
Residing at: Salt Lake County

My commission expires:
March 4, 2020

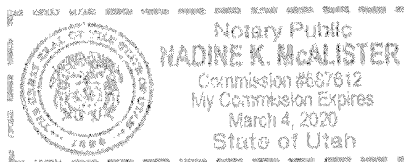


EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

That certain real property located in Salt Lake County, Utah and more particularly described as follows:

UNIT NO(s). 100, 101, 102, 103, 104, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, C-100, C-101, C-102, C-103, C-104, C-105, C-106, C-107 AND THE COMMON AREAS CONTAINED WITHIN CENTRAL 9 LOFTS CONDOMINIUM, AS THE SAME ARE IDENTIFIED IN THE CONDOMINIUM PLAT FOR CENTRAL 9 LOFTS CONDOMINIUM RECORDED IN SALT LAKE COUNTY, UTAH, AS ENTRY NO. 12536283 (AS SAID PLAT MAY HAVE HERETOFORE BEEN AMENDED OR SUPPLEMENTED) AND IN THE DECLARATION OF CONDOMINIUM FOR CENTRAL 9 LOFTS RECORDED IN SALT LAKE COUNTY, UTAH AS ENTRY NO. 12536284, IN BOOK 10558, AT PAGE 472 (AS SAID DECLARATION MAY HAVE HERETOFORE BEEN AMENDED OR SUPPLEMENTED), OF THE OFFICIAL RECORDS.

TOGETHER WITH: (A) THE UNDIVIDED INTEREST IN SAID CONDOMINIUM PROJECT'S COMMON AREAS AND FACILITIES WHICH IS APPURTENANT TO SAID UNITS; (B) THE EXCLUSIVE RIGHT TO USE AND ENJOY EACH OF THE LIMITED COMMON AREAS WHICH ARE APPURTENANT TO SAID UNITS; AND (C) THE NON-EXCLUSIVE RIGHT TO USE AND ENJOY THE COMMON AREAS AND FACILITIES INCLUDED IN SAID CONDOMINIUM PROJECT (AS SAID PROJECT MAY HEREAFTER BE EXPANDED) IN ACCORDANCE WITH THE AFORESAID DECLARATION AND CONDOMINIUM PLAT (AS SAID DECLARATION AND PLAT MAY HEREAFTER BE AMENDED OR SUPPLEMENTED) AND THE UTAH CONDOMINIUM ACT.

Tax Parcel Nos.: 15-12-254-044 to 15-12-254-076

EXHIBIT B

ALINEA LOFTS LEVEL 1 RESERVE STUDY

Central 9 Lofts Level 1 Reserve Study

Level 1 Reserve Study

Report Period – 01/01/2019 – 12/31/2019

Client Reference Number	18229
Property Type	Condominium
Number of Units	32
Fiscal Year End	12/31

Type of Study	Full Study
Date of Property Inspection	N/A
Prepared By	Dale Gifford
Analysis Method	Cash Flow
Funding Goal	Full Funding

Report prepared on – Thursday, August 23, 2018



TEL: (888) 356-3783 | Fax: (866) 279-9662
WWW.COMPLEXSOLUTIONSLTD.COM

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Glossary of Commonly used Words and Phrases

Executive Summary – Central 9 Lofts - ID # 18229

Information to complete this Reserve Study was gathered by performing an on-site inspection of the common area elements. In addition, we also obtained information by contacting any vendors and/or contractors that have worked on the property recently, as well as communicating with the property representative (BOD Member and/or Community Manager). To the best of our knowledge, the conclusions and recommendations of this report are considered reliable and accurate insofar as the information obtained from these sources.

Projected Starting Balance as of 01/01/2019	\$7,700
Ideal Reserve Balance as of 01/01/2019	\$0
Percent Funded as of 01/01/2019	100%
Recommended Reserve Contribution (per month)	\$1,085
Recommended Special Assessment	\$0

Central 9 Lofts is a 32-unit Condominium community. The community offers secured entries and a parking garage as amenities. Construction on the community will be completed in 2019.

Currently Programmed Projects

There are no projects programmed to occur this fiscal year (FY2019). (See page 14)

Significant Reserve Projects

The association's significant reserve projects are flat roof replace (Comp# 104), patio furniture replace (Comp# 1306), balcony railing repaint (Comp# 212), and concrete partial repair/replace (Comp# 403). The fiscal significance of these components is approximately 42%, 7%, 6%, and 5% respectively (see page 9). A component's significance is calculated by dividing its replacement cost by its useful life. In this way, not only is a component's replacement cost considered but also the frequency of occurrence. These components most significantly contribute to the total monthly reserve contribution. As these components have a high level of fiscal significance the association should properly maintain them to ensure they reach their full useful lives.

Reserve Funding

In comparing the projected starting reserve balance of \$7,700 versus the ideal reserve balance of \$0 we find the association's reserve fund to be approximately 100% funded. In order to continue to strengthen the account fund, we suggest adopting a monthly reserve contribution of \$1,085 (\$33.91/unit) per month. If the contribution falls below this rate, then the reserve fund may fall into a situation where special assessments, deferred maintenance, and lower property values are likely at some point in the future.

Introduction

Reserve Study Purpose

The purpose of this Reserve Study is to provide the Association with a budgeting tool to help ensure that there are adequate reserve funds available to perform future reserve projects. The detailed schedules will serve as an advance warning that major projects will need to be addressed in the future. This will allow the Association to have ample time to obtain competitive bids for each project. It will also help to ensure the physical well-being of the property and ultimately enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to special assessments.

Preparer's Credentials

Mr. Gifford has been working in the community association industry for the last 16 years. Prior to taking a position, as the Regional Project Manager covering the Utah region, at Complex Solutions, he worked in community association management in Utah. While in community association management his positions included, Maintenance Supervisor, Senior Portfolio Manager and Vice President of Community Management. His work in community association management gave him extensive experience with; budget creation, reserves and reserve budgeting, community inspections and analyzing common area components.

- Professional Reserve Analyst (PRA) designation from Association of Professional Reserve Analysts (APRA), PRA #2320
- Reserve Specialist (RS) designation from Community Associations Institute (CAI), RS# 231
- Personally has prepared over 1,400 reserve studies in Salt Lake City Utah and surrounding areas
- Bachelor of Science in Chemistry from Emporia State University
- Certified Manager of Community Associations® (CMCA®) designation from the National Board of Certification for Community Association Managers (NBC-CAM)
- Association Management Specialist® (AMS®) designation from Community Associations Institute (CAI)
- Professional Community Association Manager® (PCAM®) designation from Community Associations Institute (CAI), PCAM# 1740,
- Active member and former Board member and chapter President of the Utah Chapter of Community Associations Institute (UCCAI)
- Recipient of Community Associations Institute's (CAI) annual award of Excellence in Chapter Leadership for service an achievement in 2010

Budget Breakdown

Every association conducts their business within a budget. There are typically two main parts to this budget, the Operating budget and the Reserve budget. The operating budget includes all expenses that occur on an annual basis as well as general maintenance and repairs. Typical operating budget line items include management fees, maintenance expenses, utilities, etc. The reserve budget is primarily made up of replacement items such as roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis.

Report Sections

Reserve Analysis: this section contains the evaluation of the association's reserve balance, income, and expenses. It includes a finding of the client's current reserve fund status (measured as percent funded) and a recommendation for an appropriate reserve allocation rate (also known as the funding plan).

Component Evaluation: this section contains information regarding the physical status and replacement cost of reserve components the association is responsible to maintain. It is important to understand that while the component inventory will remain relatively "stable" from year to year, the condition assessment and life estimates will most likely vary from year to year.

General Information and Frequently Asked Questions

Is it the law to have a Reserve Study conducted?

The Government requires a reserve study in approximately 20 states. Also, the Association's governing documents may require a reserve fund be established. This does not mean a Reserve Study is required, but how are you going to know if you have enough money in the reserve fund if you do not have the proper information?

Why is it important to perform a Reserve Study?

This report provides the essential information that is needed to guide the Association in establishing the reserve portion of the total monthly assessment. The reserve fund is critical to the future of the association because it helps ensure that reserve projects can be completed on time. When projects are completed on time, deferred maintenance and the lower property values that typically accompany it can be avoided. It is suggested that a third party professionally prepare the Reserve Analysis Study since there is no vested interest in the property.

After we have a Reserve Study, what do we do with it?

Please take the time to review the report carefully and make sure the component information is complete and accurate. If there are any inaccuracies, or changes such as a component that the association feels should be added, removed, or altered, please inform us immediately so we may revise the report. Use the report to help establish your budget for the upcoming fiscal year.

How often do we review and update our Reserve Study?

There is a misconception that a Reserve Study is good for an extended period of time since the report has projections for a thirty year period. The assumptions, interest rates, inflation rates and other information used to create this report change each year. Scheduled events may not happen, unpredictable circumstances could occur, deterioration rates can be unpredictable and repair/replacement costs will vary from causes that are unforeseen. These variations alter the results of the Reserve Study. The Reserve Study should be professionally reviewed each year by having a Level III "no site visit" update reserve study performed. The Reserve Study should be professionally updated every three years by having a Level II "site visit" update reserve study performed.

What is a "Reserve Component" versus an "Operating Component"?

A "Reserve" component is an item that is the responsibility of the association to maintain, has a limited useful life, predictable remaining useful life, typically occurs on a cyclical basis that exceeds one year, and costs above a minimum threshold amount. An "Operating" component is typically a fixed expense that occurs on an annual basis.

What are the GREY areas of "maintenance" items that are often seen in a Reserve Study?

One of the most popular questions revolves around major "maintenance" items, such as painting the buildings or seal coating the asphalt. You may hear from your accountant that since painting or seal coating is not replacing a "capital" item, it cannot be considered a reserve component. However, it is the opinion of several major Reserve Study providers, including Complex Solutions, that these components meet the criteria of a reserve component.

Information and Data Gathered:

The information contained in this report is based on estimates and assumptions gathered from various sources. Estimated life expectancies are based upon conditions that were readily visible and accessible at the time of the site visit. While every effort has been made to ensure accurate results, this report reflects the judgment of Complex Solutions, Ltd. and should not be construed as a guarantee or assurance of predicting future events.

What happens during the Site Visit?

During the site visit we identify the common area components that we have determined require reserve funding. These components are quantified and a physical condition is observed. The site visit is conducted on the common areas as reported by client.

What is the Financial Analysis?

We project the starting balance by taking the most recent reserve fund balance as stated by the client and add expected reserve contributions to the end of the fiscal year. We then subtract the expenses of any pending projects. We compare this number to the Fully Funded Balance and arrive at the Percent Funded level. Based on that level of funding we then recommend a Funding Plan to help ensure the adequacy of funding in the future.

Measures of reserve fund financial strength are as follows:

- 0% - 30% Funded** is considered a "weak" financial position. Associations that fall into this category are more likely to have special assessments and deferred maintenance. Action should be taken to improve the financial strength of the reserve fund.
- 31% - 69% Funded** is considered a "fair" financial position. Associations that fall into this category are less likely to experience special assessments and deferred maintenance than being in a weak financial position. Action should be taken to improve the financial strength of the reserve fund.
- 70% - 99% Funded** is considered a "strong" financial position. Associations that fall into this category are less likely to experience special assessments and deferred maintenance than being in a fair financial position. Action should be taken to improve the financial strength of the reserve fund.
- 100% Funded** is considered an "ideal" financial position. Action should be taken to maintain the financial strength of the reserve fund.

Disclosures:

Information provided to the preparer of a reserve study by an official representative of the association regarding financial, historical, physical, quantitative or reserve project issues will be deemed reliable by the preparer. A reserve study will be a reflection of information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited.

A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. An on-site inspection conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection.

The results of this study are based on the independent opinion of the preparer and his experience and research during the course of his career in preparing Reserve Studies. In addition the opinions of experts on certain components have been gathered through research within their industry and with client's actual vendors. There is no implied warrantee or guarantee regarding our life and cost estimates/predictions. There is no implied warrantee or guarantee in any of our work product. Our results and findings will vary from another preparer's results and findings. A Reserve Study is necessarily a work in progress and subsequent Reserve Studies will vary from prior studies.

The projected life expectancy of the reserve components and the funding needs of the reserves of the association are based upon the association performing appropriate routine and preventative maintenance for each component. Failure to perform such maintenance can negatively impact the remaining useful life of the component and dramatically increase the funding needs of the reserves of the association.

This Reserve Study assumes that all construction assemblies and components identified herein are built properly and are free from defects in materials and/or workmanship. Defects can lead to reduced useful life and premature failure. It was not the intent of this Reserve Study to inspect for or to identify defects. If defects exist, repairs should be made so that the construction components and assemblies at the community reach the full and expected useful lives.

Site Visits: Should a site visit have been performed during the preparation of this reserve study no invasive testing was performed. The physical analysis performed during the site visit was not intended to be exhaustive in nature and may have included representative sampling. Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the site visit. We have assumed any and all components have been properly built and will reach normal, typical life expectancies. A reserve study is not intended to identify or fund for construction defects. We did not and will not look for or identify construction defects during our site visit. In addition, environmental hazards (such as lead paint, asbestos, radon, etc.), have been excluded from this report.

Update Reserve Studies:

Level II Studies: Quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies.

Level III Studies: In addition to the above we have not visited the property when completing a Level III "No Site Visit" study. Therefore we have not verified the current condition of the components.

Insurance: We carry general and professional liability insurance as well as workers' compensation insurance.

Actual or Perceived Conflicts of Interest: There are no potential actual or perceived conflicts of interest that we are aware of.

Inflation and Interest Rates: The after tax interest rate used in the financial analysis may or may not be based on the clients reported after tax interest rate. If it is, we have not verified or audited the reported rate. The inflation rate may also be based on an amount we believe appropriate given the 30-year horizon of this study and may or may not reflect current or historical inflation rates.

Funding Summary

Beginning Assumptions

# of units	32
Fiscal Year End	31-Dec
Budgeted Monthly Reserve Allocation	\$708
Projected Starting Reserve Balance	\$7,700
Ideal Starting Reserve Balance	\$0

Economic Assumptions

Projected Inflation Rate	3.00%
Reported After-Tax Interest Rate	0.10%

Current Reserve Status

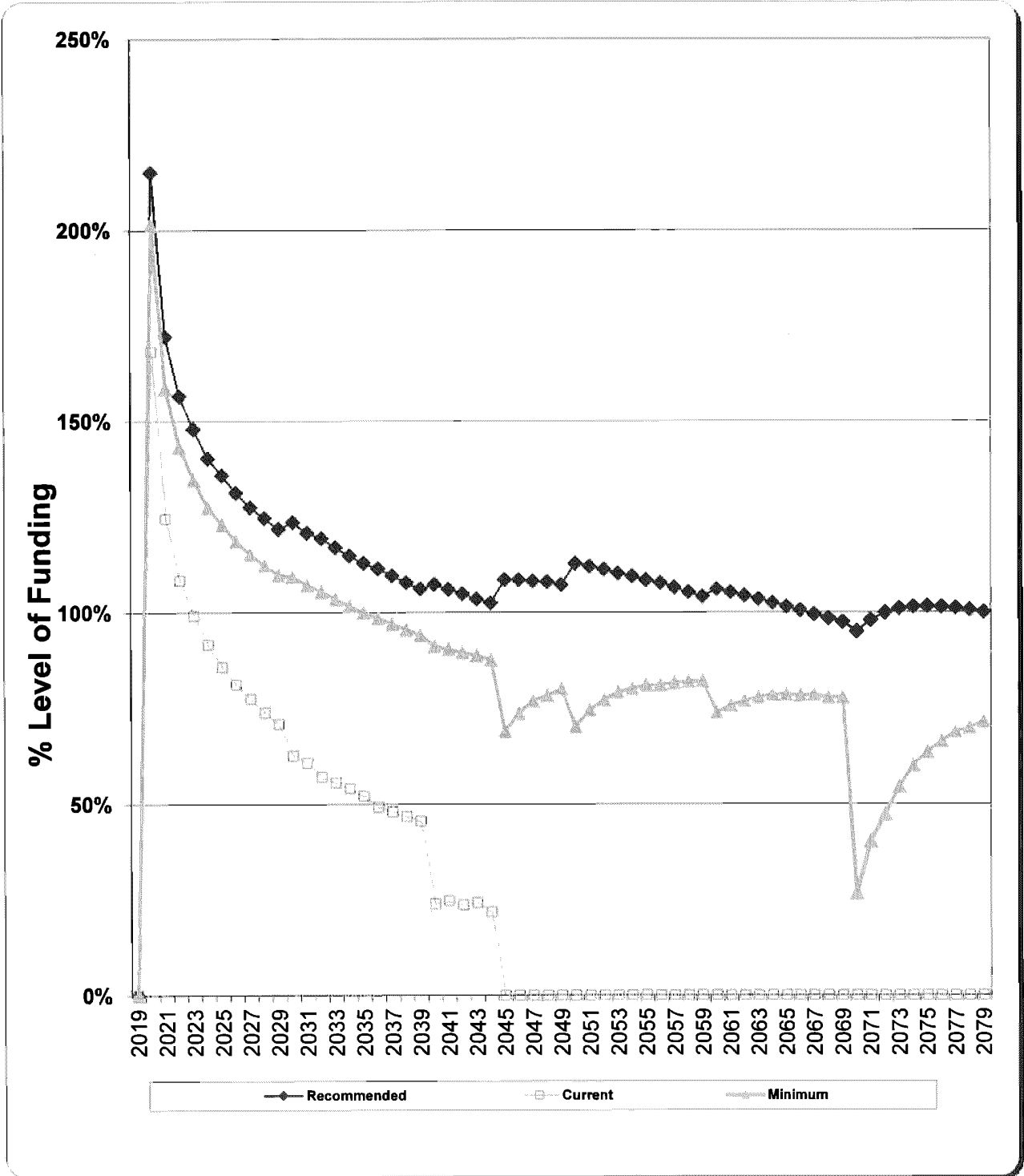
Current Balance as a % of Ideal Balance	100%
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Recommendations

Recommended Monthly Reserve Allocation	\$1,085
Per Unit	\$33.91
Future Annual Increases	3.00%
For number of years:	60
Increases thereafter:	0.00%
70% Funded Monthly Reserve Allocation	\$975
Per Unit	\$30.47
Future Annual Increases	3.00%
For number of years:	60
Increases thereafter:	0.00%



Percent Funded - Graph



Component Inventory

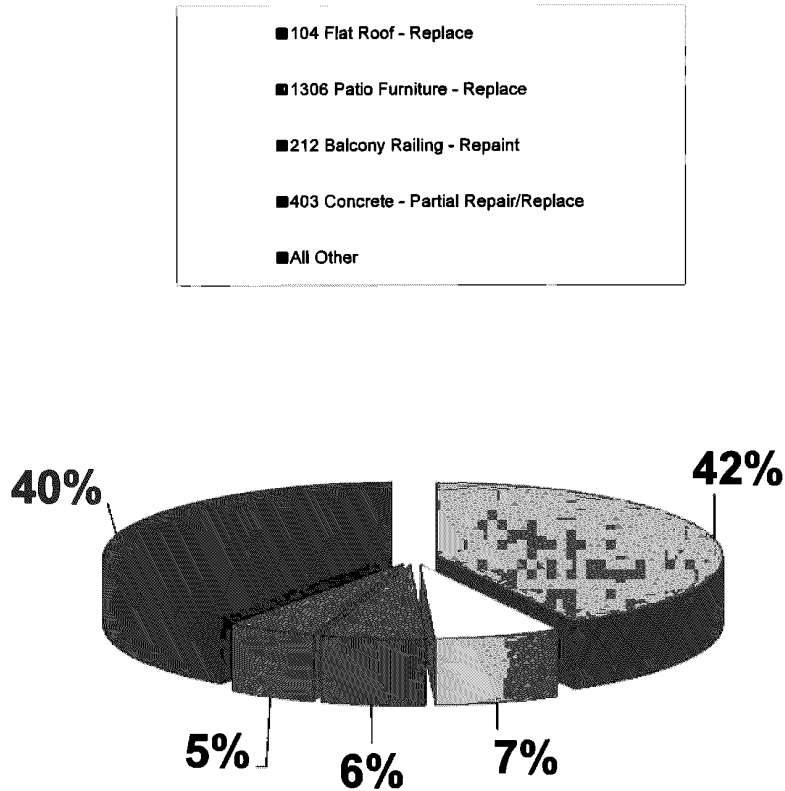
Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Roofing	104	Flat Roof - Replace	25	25	\$89,760	\$119,680
Painted Surfaces	212	Balcony Railing - Repaint	6	10	\$3,000	\$4,000
	217	Ipe Wood Siding - Oil Refinish	N/A		\$0	\$0
Siding Materials	303	Ipe Wood Siding - Replace	N/A		\$0	\$0
	304	Metal Siding - Replace	N/A		\$0	\$0
Drive Materials	403	Concrete - Partial Repair/Replace	10	10	\$4,000	\$6,000
Property Access	502	Garage Roll Up Gate - Replace	20	20	\$6,000	\$10,000
	508	Access Control System - Replace	12	12	\$4,000	\$6,000
Decking	603	Pli-Dek Decking - Reseal	5	5	\$1,440	\$1,800
	604	Pli-Dek Decking - Resurface	20	20	\$2,880	\$3,600
	608	Concrete Decking - Replace	N/A		\$0	\$0
	609	Trex Decking - Replace	N/A		\$0	\$0
	690	Balcony Railing - Replace	50	50	\$13,000	\$17,000
Mechanical Equip.	714	Exhaust Fan - Replace	N/A		\$0	\$0
Prop. Identification	801	Building Sign - Refurbish	20	20	\$1,000	\$2,000
	803	Mailboxes - Replace	20	20	\$3,100	\$3,500
Life / Safety	901	Fire Protection System - Renovate	20	20	\$6,000	\$10,000
Fencing	1002	Metal Fencing - Replace	50	50	\$1,000	\$2,000
Recreation Equip.	1305	Barbecue Grill - Replace	8	8	\$900	\$1,100
	1306	Patio Furniture - Replace	10	10	\$6,000	\$8,000
	1309	Trellis - Replace	N/A		\$0	\$0
	1390	Fireplace - Replace	20	20	\$3,000	\$6,000
Light Fixtures	1602	Exterior Light Fixtures - Replace	20	20	\$4,000	\$6,000
	1690	Garage Light Fixtures - Replace	20	20	\$1,500	\$2,250
Utility Systems	2001	Sewer System - Repairs	30	30	\$14,000	\$16,000
	2002	Culinary Water System - Repairs	30	30	\$14,000	\$16,000



Significant Components

ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As \$	As %
104	Flat Roof - Replace	25	25	\$104,720	\$4,189	42.1470%
212	Balcony Railing - Repaint	6	10	\$3,500	\$583	5.8694%
403	Concrete - Partial Repair/Replace	10	10	\$5,000	\$500	5.0309%
502	Garage Roll Up Gate - Replace	20	20	\$8,000	\$400	4.0247%
508	Access Control System - Replace	12	12	\$5,000	\$417	4.1924%
603	Pli-Dek Decking - Reseal	5	5	\$1,620	\$324	3.2600%
604	Pli-Dek Decking - Resurface	20	20	\$3,240	\$162	1.6300%
690	Balcony Railing - Replace	50	50	\$15,000	\$300	3.0185%
801	Building Sign - Refurbish	20	20	\$1,500	\$75	0.7546%
803	Mailboxes - Replace	20	20	\$3,300	\$165	1.6602%
901	Fire Protection System - Renovate	20	20	\$8,000	\$400	4.0247%
1002	Metal Fencing - Replace	50	50	\$1,500	\$30	0.3019%
1305	Barbecue Grill - Replace	8	8	\$1,000	\$125	1.2577%
1306	Patio Furniture - Replace	10	10	\$7,000	\$700	7.0433%
1390	Fireplace - Replace	20	20	\$4,500	\$225	2.2639%
1602	Exterior Light Fixtures - Replace	20	20	\$5,000	\$250	2.5155%
1690	Garage Light Fixtures - Replace	20	20	\$1,875	\$94	0.9433%
2001	Sewer System - Repairs	30	30	\$15,000	\$500	5.0309%
2002	Culinary Water System - Repairs	30	30	\$15,000	\$500	5.0309%

Significant Components - Graph



ID #	Component Name	Useful Life	Remaining Useful Life	Average Current	Significance:	
					As \$	As %
104	Flat Roof - Replace	25	25	\$104,720	\$4,189	42%
1306	Patio Furniture - Replace	10	10	\$7,000	\$700	7%
212	Balcony Railing - Repaint	6	10	\$3,500	\$583	6%
403	Concrete - Partial Repair/Replace	10	10	\$5,000	\$500	5%
All Other	See Expanded Table For Breakdown				\$3,966	40%



Yearly Summary - 2019-2048

Year	Fully Funded Balance	Starting Reserve Balance	% Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance
2019	\$0	\$7,700	0%	\$13,020	\$14	\$0	\$20,734
2020	\$9,636	\$20,734	215%	\$13,411	\$27	\$0	\$34,172
2021	\$19,850	\$34,172	172%	\$13,813	\$41	\$0	\$48,026
2022	\$30,668	\$48,026	157%	\$14,227	\$55	\$0	\$62,309
2023	\$42,118	\$62,309	148%	\$14,654	\$70	\$0	\$77,033
2024	\$54,903	\$77,033	140%	\$15,094	\$84	\$1,878	\$90,332
2025	\$66,482	\$90,332	136%	\$15,547	\$98	\$0	\$105,977
2026	\$80,700	\$105,977	131%	\$16,013	\$114	\$0	\$122,104
2027	\$95,711	\$122,104	128%	\$16,493	\$130	\$1,267	\$137,460
2028	\$110,245	\$137,460	125%	\$16,988	\$146	\$0	\$154,594
2029	\$126,909	\$154,594	122%	\$17,498	\$152	\$23,008	\$149,236
2030	\$120,775	\$149,236	124%	\$18,023	\$158	\$0	\$167,417
2031	\$138,569	\$167,417	121%	\$18,563	\$173	\$7,129	\$179,025
2032	\$149,978	\$179,025	119%	\$19,120	\$189	\$0	\$198,334
2033	\$169,510	\$198,334	117%	\$19,694	\$208	\$0	\$218,236
2034	\$190,080	\$218,236	115%	\$20,285	\$227	\$2,524	\$236,224
2035	\$209,131	\$236,224	113%	\$20,893	\$243	\$7,221	\$250,139
2036	\$224,394	\$250,139	111%	\$21,520	\$261	\$0	\$271,920
2037	\$248,045	\$271,920	110%	\$22,166	\$283	\$0	\$294,369
2038	\$272,914	\$294,369	108%	\$22,831	\$306	\$0	\$317,506
2039	\$299,052	\$317,506	106%	\$23,516	\$285	\$88,563	\$252,744
2040	\$235,292	\$252,744	107%	\$24,221	\$265	\$0	\$277,230
2041	\$261,394	\$277,230	106%	\$24,948	\$286	\$6,706	\$295,758
2042	\$281,943	\$295,758	105%	\$25,696	\$309	\$0	\$321,763
2043	\$310,605	\$321,763	104%	\$26,467	\$329	\$12,197	\$336,362
2044	\$328,169	\$336,362	102%	\$27,261	\$239	\$222,652	\$141,209
2045	\$130,116	\$141,209	109%	\$28,079	\$155	\$0	\$169,443
2046	\$156,096	\$169,443	109%	\$28,921	\$184	\$0	\$198,549
2047	\$183,517	\$198,549	108%	\$29,789	\$210	\$8,008	\$220,539
2048	\$204,195	\$220,539	108%	\$30,682	\$236	\$0	\$251,458



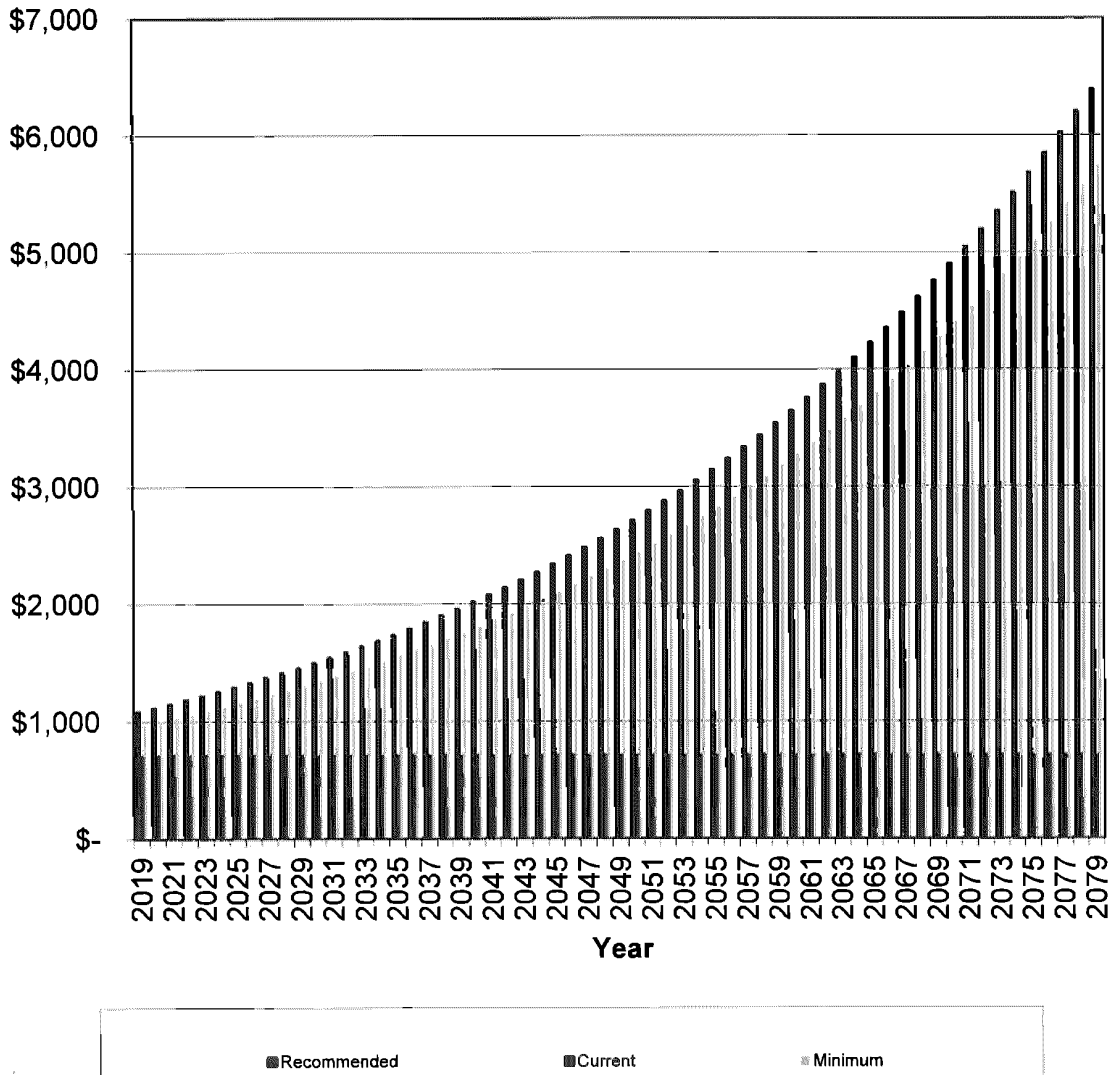
Yearly Summary - 2049-2078

Year	Fully Funded Balance	Starting Reserve Balance	% Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance
2049	\$234,445	\$251,458	107%	\$31,603	\$214	\$105,877	\$177,398
2050	\$157,272	\$177,398	113%	\$32,551	\$194	\$0	\$210,143
2051	\$187,583	\$210,143	112%	\$33,528	\$226	\$2,575	\$241,321
2052	\$216,918	\$241,321	111%	\$34,533	\$259	\$0	\$276,113
2053	\$250,577	\$276,113	110%	\$35,569	\$289	\$9,562	\$302,410
2054	\$276,211	\$302,410	109%	\$36,636	\$319	\$4,558	\$334,807
2055	\$308,607	\$334,807	108%	\$37,736	\$347	\$14,491	\$358,397
2056	\$332,608	\$358,397	108%	\$38,868	\$378	\$0	\$397,643
2057	\$373,145	\$397,643	107%	\$40,034	\$418	\$0	\$438,094
2058	\$415,815	\$438,094	105%	\$41,235	\$459	\$0	\$479,788
2059	\$460,710	\$479,788	104%	\$42,472	\$414	\$174,633	\$348,041
2060	\$328,051	\$348,041	106%	\$43,746	\$370	\$0	\$392,157
2061	\$372,287	\$392,157	105%	\$45,058	\$415	\$0	\$437,630
2062	\$418,882	\$437,630	104%	\$46,410	\$461	\$0	\$484,501
2063	\$467,937	\$484,501	104%	\$47,802	\$509	\$0	\$532,812
2064	\$519,559	\$532,812	103%	\$49,236	\$555	\$6,126	\$576,476
2065	\$567,547	\$576,476	102%	\$50,713	\$595	\$13,633	\$614,153
2066	\$610,404	\$614,153	101%	\$52,235	\$641	\$0	\$667,028
2067	\$669,785	\$667,028	100%	\$53,802	\$682	\$24,794	\$696,718
2068	\$706,641	\$696,718	99%	\$55,416	\$725	\$0	\$752,859
2069	\$771,410	\$752,859	98%	\$57,078	\$486	\$591,126	\$219,298
2070	\$230,570	\$219,298	95%	\$58,791	\$249	\$0	\$278,337
2071	\$283,710	\$278,337	98%	\$60,555	\$301	\$16,278	\$322,914
2072	\$323,065	\$322,914	100%	\$62,371	\$354	\$0	\$385,640
2073	\$381,795	\$385,640	101%	\$64,242	\$418	\$0	\$450,300
2074	\$443,758	\$450,300	101%	\$66,170	\$479	\$8,233	\$508,716
2075	\$500,615	\$508,716	102%	\$68,155	\$540	\$5,235	\$572,176
2076	\$563,827	\$572,176	101%	\$70,199	\$608	\$0	\$642,983
2077	\$635,934	\$642,983	101%	\$72,305	\$670	\$19,437	\$696,521
2078	\$691,841	\$696,521	101%	\$74,474	\$734	\$0	\$771,730



Reserve Contributions - Graph

Monthly Reserve Contributions



Component Funding Information

ID	Component Name	5	25	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
104	Flat Roof - Replace	25	25	Approx 14,960 Sq.ft.	\$104,720	\$0	\$0	\$457.29
212	Balcony Railing - Repaint	6	10	Approx 340 Linear ft.	\$3,500	\$0	\$0	\$63.68
403	Concrete - Partial Repair/Replace	10	10	Minimal Sq.ft.	\$5,000	\$0	\$0	\$54.59
502	Garage Roll Up Gate - Replace	20	20	(1) Gate	\$8,000	\$0	\$0	\$43.67
508	Access Control System - Replace	12	12	(1) System	\$5,000	\$0	\$0	\$45.49
603	Pli-Dek Decking - Reseal	5	5	Approx 360 Sq.ft.	\$1,620	\$0	\$0	\$35.37
604	Pli-Dek Decking - Resurface	20	20	Approx 360 Sq.ft.	\$3,240	\$0	\$0	\$17.69
690	Balcony Railing - Replace	50	50	Approx 340 Linear ft.	\$15,000	\$0	\$0	\$32.75
801	Building Sign - Refurbish	20	20	(1) Sign	\$1,500	\$0	\$0	\$8.19
803	Mailboxes - Replace	20	20	(2) Clusters	\$3,300	\$0	\$0	\$18.01
901	Fire Protection System - Renovate	20	20	(1) System	\$8,000	\$0	\$0	\$43.67
1002	Metal Fencing - Replace	50	50	Approx 10 Linear ft.	\$1,500	\$0	\$0	\$3.28
1305	Barbecue Grill - Replace	8	8	(1) Barbecue Grill	\$1,000	\$0	\$0	\$13.65
1306	Patio Furniture - Replace	10	10	(23) Pieces	\$7,000	\$0	\$0	\$76.42
1390	Fireplace - Replace	20	20	(1) Fireplace	\$4,500	\$0	\$0	\$24.56
1602	Exterior Light Fixtures - Replace	20	20	(60) Fixtures	\$5,000	\$0	\$0	\$27.29
1690	Garage Light Fixtures - Replace	20	20	(15) Fixtures	\$1,875	\$0	\$0	\$10.23
2001	Sewer System - Repairs	30	30	(1) System	\$15,000	\$0	\$0	\$54.59
2002	Culinary Water System - Repairs	30	30	(1) System	\$15,000	\$0	\$0	\$54.59
					\$209,755	\$0	\$0	\$1,085

Current Fund Balance as a percentage of Ideal Balance: 100%



Projected Reserve Expenditures by Year

Year	ID #	Component Name	Projected Cost	Total Per Annum
2019		No Expenditures Projected		\$0
2020		No Expenditures Projected		\$0
2021		No Expenditures Projected		\$0
2022		No Expenditures Projected		\$0
2023		No Expenditures Projected		\$0
2024	603	Pli-Dek Decking - Reseal	\$1,878	\$1,878
2025		No Expenditures Projected		\$0
2026		No Expenditures Projected		\$0
2027	1305	Barbecue Grill - Replace	\$1,267	\$1,267
2028		No Expenditures Projected		\$0
2029	212	Balcony Railing - Repaint	\$4,704	
	403	Concrete - Partial Repair/Replace	\$6,720	
	603	Pli-Dek Decking - Reseal	\$2,177	
	1306	Patio Furniture - Replace	\$9,407	\$23,008
2030		No Expenditures Projected		\$0
2031	508	Access Control System - Replace	\$7,129	\$7,129
2032		No Expenditures Projected		\$0
2033		No Expenditures Projected		\$0
2034	603	Pli-Dek Decking - Reseal	\$2,524	\$2,524
2035	212	Balcony Railing - Repaint	\$5,616	
	1305	Barbecue Grill - Replace	\$1,605	\$7,221
2036		No Expenditures Projected		\$0
2037		No Expenditures Projected		\$0
2038		No Expenditures Projected		\$0
2039	403	Concrete - Partial Repair/Replace	\$9,031	
	502	Garage Roll Up Gate - Replace	\$14,449	
	603	Pli-Dek Decking - Reseal	\$2,926	
	604	Pli-Dek Decking - Resurface	\$5,852	
	801	Building Sign - Refurbish	\$2,709	
	803	Mailboxes - Replace	\$5,960	
	901	Fire Protection System - Renovate	\$14,449	
	1306	Patio Furniture - Replace	\$12,643	
	1390	Fireplace - Replace	\$8,128	
	1602	Exterior Light Fixtures - Replace	\$9,031	
	1690	Garage Light Fixtures - Replace	\$3,386	\$88,563
2040		No Expenditures Projected		\$0
2041	212	Balcony Railing - Repaint	\$6,706	\$6,706
2042		No Expenditures Projected		\$0
2043	508	Access Control System - Replace	\$10,164	
	1305	Barbecue Grill - Replace	\$2,033	\$12,197
2044	104	Flat Roof - Replace	\$219,260	
	603	Pli-Dek Decking - Reseal	\$3,392	\$222,652
2045		No Expenditures Projected		\$0

Year	Comp ID	Component Name	Projected Cost	Total Per Annum
2046		No Expenditures Projected		\$0
2047	212	Balcony Railing - Repaint	\$8,008	\$8,008
2048		No Expenditures Projected		\$0
2049	403	Concrete - Partial Repair/Replace	\$12,136	
	603	Pli-Dek Decking - Reseal	\$3,932	
	1306	Patio Furniture - Replace	\$16,991	
	2001	Sewer System - Repairs	\$36,409	
	2002	Culinary Water System - Repairs	\$36,409	\$105,877
2050		No Expenditures Projected		\$0
2051	1305	Barbecue Grill - Replace	\$2,575	\$2,575
2052		No Expenditures Projected		\$0
2053	212	Balcony Railing - Repaint	\$9,562	\$9,562
2054	603	Pli-Dek Decking - Reseal	\$4,558	\$4,558
2055	508	Access Control System - Replace	\$14,491	\$14,491
2056		No Expenditures Projected		\$0
2057		No Expenditures Projected		\$0
2058		No Expenditures Projected		\$0
2059	212	Balcony Railing - Repaint	\$11,417	
	403	Concrete - Partial Repair/Replace	\$16,310	
	502	Garage Roll Up Gate - Replace	\$26,096	
	603	Pli-Dek Decking - Reseal	\$5,285	
	604	Pli-Dek Decking - Resurface	\$10,569	
	801	Building Sign - Refurbish	\$4,893	
	803	Mailboxes - Replace	\$10,765	
	901	Fire Protection System - Renovate	\$26,096	
	1305	Barbecue Grill - Replace	\$3,262	
	1306	Patio Furniture - Replace	\$22,834	
	1390	Fireplace - Replace	\$14,679	
	1602	Exterior Light Fixtures - Replace	\$16,310	
	1690	Garage Light Fixtures - Replace	\$6,116	\$174,633
2060		No Expenditures Projected		\$0
2061		No Expenditures Projected		\$0
2062		No Expenditures Projected		\$0
2063		No Expenditures Projected		\$0
2064	603	Pli-Dek Decking - Reseal	\$4,758	\$4,758
2065	212	Balcony Railing - Repaint	\$11,030	\$11,030
2066		No Expenditures Projected		\$0
2067	508	Access Control System - Replace	\$18,388	
	1305	Barbecue Grill - Replace	\$3,510	\$21,898
2068		No Expenditures Projected		\$0
2069	104	Flat Roof - Replace	\$427,883	
	403	Concrete - Partial Repair/Replace	\$19,153	
	603	Pli-Dek Decking - Reseal	\$5,516	
	690	Balcony Railing - Replace	\$62,566	
	1002	Metal Fencing - Replace	\$6,257	
	1306	Patio Furniture - Replace	\$26,814	\$548,189

Year	Comp ID	Component Name	Projected Cost	Total Per Annum
2070		No Expenditures Projected		\$0
2071	212	Balcony Railing - Repaint	\$13,170	\$13,170
2072		No Expenditures Projected		\$0
2073		No Expenditures Projected		\$0
2074	603	Pli-Dek Decking - Reseal	\$6,395	\$6,395
2075	1305	Barbecue Grill - Replace	\$4,447	\$4,447
2076		No Expenditures Projected		\$0
2077	212	Balcony Railing - Repaint	\$15,726	\$15,726
2078		No Expenditures Projected		\$0

Glossary of Commonly Used Words And Phrases

(Provided by the National Reserve Study Standards of the Community Associations Institute)

Cash Flow Method – A method of developing a reserve funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Component – Also referred to as an “Asset.” Individual line items in the Reserve Study developed or updated in the physical analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association responsibility, 2) with limited useful life expectancies, 3) have predictable remaining life expectancies, 4) above a minimum threshold cost, and 5) required by local codes.

Component Full Funding – When the actual (or projected) cumulative reserve balance for all components is equal to the fully funded balance.

Component Inventory – The task of selecting and quantifying reserve components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representatives.

Deficit – An actual (or projected reserve balance), which is less than the fully funded balance.

Effective Age – The difference between useful life and remaining useful life (UL - RUL).

Financial Analysis – The portion of the Reserve Study where current status of the reserves (measured as cash or percent funded) and a recommended reserve contribution rate (reserve funding plan) are derived, and the projected reserve income and expenses over time is presented. The financial analysis is one of the two parts of the Reserve Study.

Fully Funded Balance – An indicator against which the actual (or projected) reserve balance can be compared. The reserve balance that is in direct proportion to the fraction of life “used up” of the current repair or replacement cost of a reserve component. This number is calculated for each component, and then summed together for an association total.

$$\text{FFB} = \text{Current Cost} * \text{Effective Age} / \text{Useful Life}$$

Fund Status – The status of the reserve fund as compared to an established benchmark, such as percent funded.

Funding Goals – Independent of calculation methodology utilized, the following represent the basic categories of funding plan goals:

- *Baseline Funding*: Establishing a reserve-funding goal of keeping the reserve balance above zero.
- *Component Full Funding*: Setting a reserve funding goal of attaining and maintaining cumulative reserves at or near 100% funded.
- *Threshold Funding*: Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount.

Funding Plan – An association’s plan to provide income to a reserve fund to offset anticipated expenditures from that fund.



Funding Principles –

- Sufficient funds when required
- Stable contributions through the year
- Evenly distributed contributions over the years
- Fiscally responsible

GSF - Gross Square Feet

Life and Valuation Estimates – The task of estimating useful life, remaining useful life, and repair or replacement costs for the reserve components.

LF - Linear Feet

Percent Funded – The ratio, at a particular point in time (typically the beginning of the fiscal year), of the actual (or projected) reserve balance to the ideal fund balance, expressed as a percentage.

Physical Analysis – The portion of the Reserve Study where the component evaluation, condition assessment, and life and valuation estimate tasks are performed. This represents one of the two parts of the Reserve Study.

Remaining Useful Life (RUL) – Also referred to as “remaining life” (RL). The estimated time, in years, that a reserve component can be expected to continue to serve its intended function. Projects anticipated to occur in the current fiscal year have a “0” remaining useful life.

Replacement Cost – The cost of replacing, repairing, or restoring a reserve component to its original functional condition. The current replacement cost would be the cost to replace, repair, or restore the component during that particular year.

Reserve Balance – Actual or projected funds as of a particular point in time (typically the beginning of the fiscal year) that the association has identified for use to defray the future repair or replacement of those major components that the association is obligated to maintain. Also known as “reserves,” “reserve accounts,” or “cash reserves.” In this report the reserve balance is based upon information provided and is not audited.

Reserve Study – A budget-planning tool, which identifies the current status of the reserve fund and a stable and equitable funding plan to offset the anticipated future major common area expenditures. The Reserve Study consists of two parts: The Physical Analysis and the Financial Analysis.

Special Assessment – An assessment levied on the members of an association in addition to regular assessments. Governing documents or local statutes often regulate special assessments.

Surplus – An actual (or projected) reserve balance that is greater than the fully funded balance.

Useful Life (UL) – Also known as “life expectancy.” The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed and maintained in its present application of installation.

