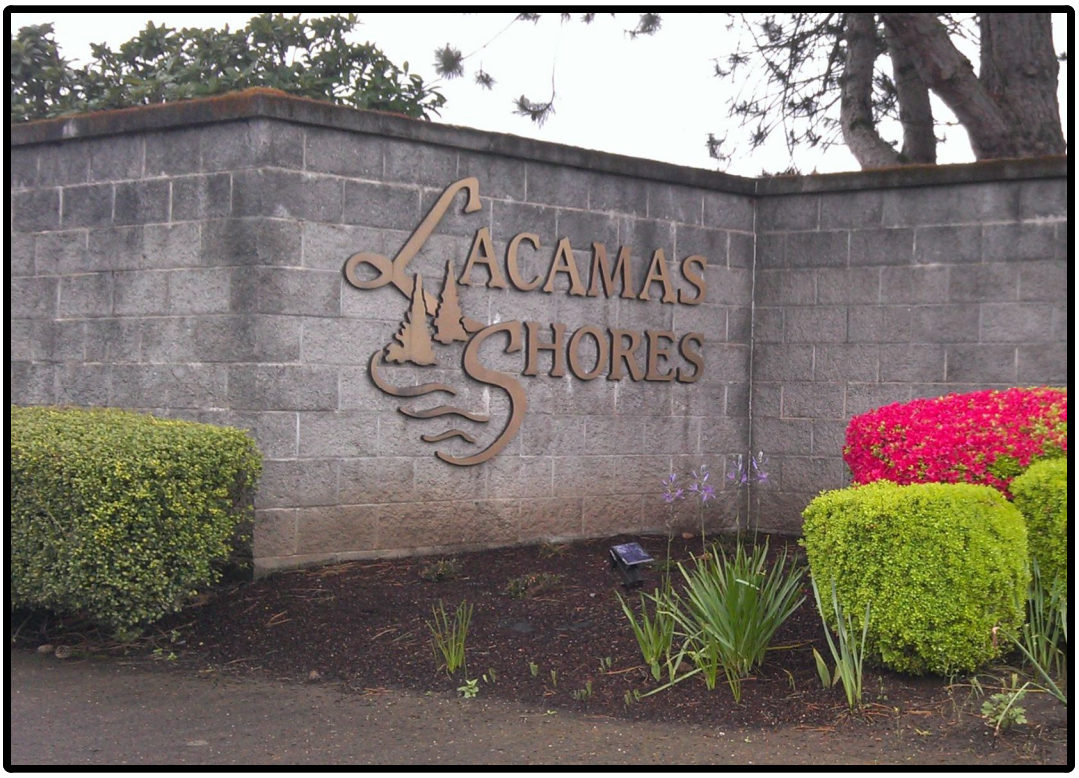
Reserve Study Update.com, LLC

Lacamas Shores Homeowners Association
Northwest Barlow Street & Northwest Lacamas Drive
Camas, Washington 98607
Account 712 - Version 5

Fiscal Year: January 1, 2018 to December 31, 2018



RESERVE STUDY & MAINTENANCE PLAN

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Important Information

This document has been provided pursuant to an agreement containing restrictions on its use. The client shall have the right to reproduce and distribute copies of this report, or the information contained within, as may be required for compliance with all applicable regulations.

This reserve analysis study and the parameters under which it has been completed are based upon information provided to us in part by representatives of the association, its contractors, assorted vendors, specialist and independent contractors, the Community Association Institute, and various construction pricing and scheduling manuals including, but not limited to: Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, RS Means Repair & Remodeling Cost Data, National Construction Estimator, National Repair & Remodel Estimator, Dodge Cost Manual and McGraw-Hill Professional. Additionally, costs are obtained from numerous vendor catalogues, actual quotations or historical costs, and our own experience in the field of property management and reserve study preparation.

It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and that each estimated useful life will approximate that of the norm per industry standards and/or manufacturer's specifications. In some cases, estimates may have been used on assets, which have an indeterminable but potential liability to the association. The decision for the inclusion of these as well as all assets considered is left to the client.

We recommend that your reserve analysis study be updated on an annual basis due to fluctuating interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and computations made subsequently in preparing this reserve analysis study are retained in our computer files. Therefore, annual updates may be completed quickly and inexpensively each year.

ReserveStudyUpdate.com, LLC would like to thank you for using our services. We invite you to call us at any time, should you have questions, comments or need assistance. In addition, any of the parameters and estimates used in this study may be changed at your request, after which we will provide a revised study.

This reserve analysis study is provided as an aid for planning purposes and not as an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described. Conditions reported by the reserve study are applicable to the immediate time frame of the report and these conditions, over time, may change. Is impossible to envisage thirty years into the future to establish the cost of repair or replacement of any of the components, let alone the value of money, fluctuation in the cost of fuel, delivery/installation costs, changing building code requirements and other potential unknowns. The probability that it may project in its reserve study, or that the Board could project in its disclosures, future costs or actual future remaining useful lives of components having useful lives extended beyond one year with precision is the functional equivalent of winning a national sweepstake; while it may happen in atypical instances by chance, one may not reasonably expect it to happen. The reserve study shall not be used as health and safety concerns, evidence of construction defects, damage, potential damage, water intrusion inspection, or as a construction-quality inspection. This reserve study specifically exclude issues having to do with unpredictable natural events and environmental hazards; including but not limited to lead paint, asbestos, mold, mildew, radon, etc.

Part I

Introduction

Preparing the annual budget and overseeing the association's finances are perhaps the most important responsibilities of board members. The annual operating and reserve budgets reflect the planning and goals of the association and set the level and quality of service for all of the association's activities.

Funding Options

When a major repair or replacement is required in a community, an association has essentially four options available to address the expenditure:

The first, and only logical means that the Board of Directors has to ensure its ability to maintain the assets for which it is obligated, is by **assessing an adequate level of reserves** as part of the regular membership assessment, thereby distributing the cost of the replacements uniformly over the entire membership. The community is not only comprised of present members, but also future members. Any decision by the Board of Directors to adopt a calculation method or funding plan which would disproportionately burden future members in order to make up for past reserve deficits, would be a breach of its fiduciary responsibility to those future members. Unlike individuals determining their own course of action, the board is responsible to the "community" as a whole.

Whereas, if the association was setting aside reserves for this purpose, using the vehicle of the regularly assessed membership dues, it would have had the full term of the life of the roof, for example, to accumulate the necessary moneys. Additionally, those contributions would have been evenly distributed over the entire membership and would have earned interest as part of that contribution.

The second option is for the association to **acquire a loan** from a lending institution in order to effect the required repairs. In many cases, banks will lend to an association using "future homeowner assessments" as collateral for the loan. With this method, the current board is pledging the future assets of an association. They are also incurring the additional expense of interest fees along with the original principal amount. In the case of a $150,000 roofing replacement, the association may be required to pay back the loan over a three to five year period, with interest.

The third option, too often used, is simply to **defer the required repair or replacement**. This option, which is not recommended, can create an environment of declining property values due to expanding lists of deferred maintenance items and the association's financial inability to keep pace with the normal aging process of the common area components. This, in turn, can have a seriously negative impact on sellers in the association by making it difficult, or even impossible, for potential buyers to obtain financing from lenders. Increasingly, lending institutions are requesting copies of the association's most recent reserve study before granting loans, either for the association itself, a prospective purchaser, or for an individual within such an association.

The fourth option is to pass a "**special assessment**" to the membership in an amount required to cover the expenditure. When a special assessment is passed, the association has the authority and responsibility to collect the assessments, even by means of foreclosure, if necessary. However, an association considering a special assessment cannot guarantee that an assessment, when needed, will be passed. Consequently, the association cannot guarantee its ability to perform the required repairs or replacements to those major components for which it is obligated when the need arises. Additionally, while relatively new communities require very little in the way of major "reserve" expenditures, associations reaching 12 to 15 years of age and older, find many components reaching the end of their effective useful lives. These required expenditures, all accruing at the same time, could be devastating to an association's overall budget.

Types of Reserve Studies

Most reserve studies fit into one of three categories:

Full Reserve Study;

Update with site inspection; and

Update without site inspection.

In a **Full Reserve Study**, the reserve provider conducts a component inventory, a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both a "fund status" and "funding plan".

In an **Update with site inspection**, the reserve provider conducts a component inventory (verification only, not quantification unless new components have been added to the inventory), a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both the "fund status and "funding plan."

In an **Update without site inspection**, the reserve provider conducts life and valuation estimates to determine the "fund status" and "funding plan."

The Reserve Study: A Physical and a Financial Analysis

There are two components of a reserve study: a physical analysis and a financial analysis.

Physical Analysis

During the physical analysis, a reserve study provider evaluates information regarding the physical status and repair/replacement cost of the association's major common area components. To do so, the provider conducts a component inventory, a condition assessment, and life and valuation estimates.

Developing a Component List

The budget process begins with full inventory of all the major components for which the association is responsible. The determination of whether an expense should be labeled as operational, reserve, or excluded altogether is sometimes subjective. Since this labeling may have a major impact on the financial plans of the association, subjective determinations should be minimized. We suggest the following considerations when labeling an expense.

Operational Expenses

Occur at least annually, no matter how large the expense, and can be budgeted for effectively each year. They are characterized as being reasonably predictable, both in terms of frequency and cost. Operational expenses include all minor expenses, which would not otherwise adversely affect an operational budget from one year to the next. Examples of ***operational expenses*** include:

Utilities:
- Electricity
- Gas
- Water
- Telephone
- Cable TV

Administrative:
- Supplies
- Bank Service Charges
- Dues & Publications
- Licenses, Permits & Fees
- Insurance(s)

Services:
- Landscaping
- Pool Maintenance
- Street Sweeping
- Accounting
- Reserve Study

Repair Expenses:
- Tile Roof Repairs
- Equipment Repairs
- Minor Concrete Repairs
- Operating Contingency

Reserve Expenses

These are major expenses that occur other than annually, and which must be budgeted for in advance in order to ensure the availability of the necessary funds in time for their use. Reserve expenses are reasonably predictable both in terms of frequency and cost. However, they may include significant assets that have an indeterminable but potential liability that may be demonstrated as a likely occurrence. They are expenses that, when incurred, would have a significant effect on the smooth operation of the budgetary process from one year to the next, if they were not reserved for in advance. Examples of reserve expenses include:

- Roof Replacements
- Painting
- Deck Resurfacing
- Fencing Replacement
- Asphalt Seal Coating
- Asphalt Repairs
- Asphalt Overlays
- Equipment Replacement
- Interior Furnishings
- Park/Play Equipment
- Pool/Spa Re-plastering
- Pool Equipment Replacement
- Pool Furniture Replacement
- Tennis Court Resurfacing
- Lighting Replacement
- Insurance(s)
- Reserve Study

Budgeting is Normally Excluded for:

Repairs or replacements of assets which are deemed to have an estimated useful life equal to or exceeding the estimated useful life of the facility or community itself, or exceeding the legal life of the community as defined in an association's governing documents. Examples include the complete replacement of elevators, tile roofs, wiring and plumbing. Also excluded are insignificant expenses that may be covered either by an operating or reserve contingency, or otherwise in a general maintenance fund. Expenses that are necessitated by acts of nature, accidents or other occurrences that are more properly insured for, rather than reserved for, are also excluded.

Financial Analysis

The financial analysis assesses the association's reserve balance or "fund status" (measured in cash or as percent fully funded) to determine a recommendation for the appropriate reserve contribution rate in the future, known as the "funding plan".

Preparing the Reserve Study

Once the reserve assets have been identified and quantified, their respective replacement costs, useful lives and remaining lives must be assigned so that a funding schedule can be constructed. Replacement costs and useful lives can be found in published manuals such as construction estimators, appraisal handbooks, and valuation guides. Remaining lives are calculated from the useful lives and ages of assets and adjusted according to conditions such as design, manufactured quality, usage, exposure to the elements and maintenance history.

By following the recommendations of an effective reserve study, the association should avoid any major shortfalls. However, to remain accurate, the report should be updated on an annual basis to reflect such changes as shifts in economic parameters, additions of phases or assets, or expenditures of reserve funds. The association can assist in simplifying the reserve analysis update process by keeping accurate records of these changes throughout the year.

Funding Methods

From the simplest to the most complex, reserve analysis providers use many different computational processes to calculate reserve requirements. However, there are two basic processes identified as industry standards: the cash flow method and the component method.

The cash flow method develops 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 actual anticipated schedule of reserve expenses until the desired funding goal is achieved. This method sets up a "window" in which all future anticipated replacement costs are computed, based upon the individual lives of the components under consideration. The ReserveStudyUpdate.com, LLC Threshold and the ReserveStudyUpdate.com, LLC Current Assessment funding models are based upon the cash flow method.

The component method develops a reserve-funding plan where the total contribution is based upon the sum of contributions for individual components. The component method is the more conservative of the two funding options, and assures that the association will achieve and maintain an ideal level of reserve over time. This method also allows for computations on individual components in the analysis. The ReserveStudyUpdate.com, LLC Component Funding model is based upon the component methodology.

Funding Strategies

Once an association has established its funding goals, the association can select an appropriate funding plan. There are four basic strategies from which most associations select. It is recommended that associations consult professionals to determine the best strategy or combination of plans that best suit the association's need. Additionally, associations should consult with their financial advisor to determine the tax implications of selecting a particular plan. Further, consultation with the American Institute of Certified Public Accountants (AICPA) for their reporting requirements is advisable. The four funding plans and descriptions of each are detailed below. Associations will have to update their reserve studies more or less frequently depending on the funding strategy they select.

Full Funding---Given that the basis of funding for reserves is to distribute the costs of the replacements over the lives of the components in question, it follows that the ideal level of reserves would be proportionately related to those lives and costs. If an association has a component with an expected estimated useful life of ten years, it would set aside approximately one-tenth of the replacement cost each year. At the end of three years, one would expect three-tenths of the replacement cost to have accumulated, and if so, that component would be "fully-funded." This model is important in that it is a measure of the adequacy of an association's reserves at any one point of time, and is independent of any particular method which may have been used for past funding or may be under consideration for future funding. This formula represents a snapshot in time and is based upon current replacement cost, independent of future inflationary or investment factors:

Fully Funded Reserves = **Age** divided by **Useful Life** the results multiplied by **Current Replacement Cost**

When an association's total accumulated reserves for all components meet this criterion, its reserves are considered "fully-funded."

The ReserveStudyUpdate.com, LLC **Baseline Funding Model (Minimum Funding)**. The goal of this funding method is to keep the reserve cash balance above zero. This method describes the objective to have sufficient reserves on hand to never completely run out of money. This means that while each individual component may not be fully funded, the reserve balance overall does not drop below zero during the projected period. An association using this funding method must understand that even a minor reduction in a component's remaining useful life can result in a deficit in the reserve cash balance. This is sometimes described as a "cash-positive" plan. With less cash in reserves on-deposit, associations with a baseline funding objective have higher instances of special assessments and/or deferred maintenance. This funding approach is the most riskiest out of all of the funding models and is never recommended.

The ReserveStudyUpdate.com, LLC **Threshold Funding Model.** This method is based upon the cash flow funding concept. The minimum reserve cash balance in threshold funding, however, is set at a predetermined dollar amount (other than $0). Threshold funding describes an objective chosen by the board other than the 100% (full funding) level or just staying cash-positive (baseline funding). This may be a specific percent funded target or a cash balance target. Threshold funding is often a value chosen in between full funding and baseline funding. ReserveStudyUpdate.com, LLC recommends the Threshold Funding Model.

The ReserveStudyUpdate.com, LLC **Current Assessment Funding Model**. This method is also based upon the cash flow funding concept. The initial reserve assessment is set at the association's current fiscal year funding level and a 30-year projection is calculated to illustrate the adequacy of the current funding over time. The "Current Funding Model" is often used as a user defined model. This model allows the Board of Directors to experiment and contemplate alternative funding approaches and scrutinize and consider the ramifications of these funding approaches.

The ReserveStudyUpdate.com, LLC **Percentage Distribution Funding Model**. This funding method is based loosely upon the PRA System™ software objectives of reserve funding. Some property management firms which have legacy accounting software systems continue to utilize this funding approach. One of the key reasons why this funding approach has been since superseded by more modern funding approaches is due to the GAAP and ECHO reporting requirements in most states.

The ReserveStudyUpdate.com, LLC **Component Funding Model**. This is a straight-line funding model. It distributes the cash reserves to individual reserve components and then calculates what the reserve assessment and interest contribution (minus taxes) should be, again by each reserve component. The current annual assessment is then determined by summing all the individual component assessments, hence the name "Component Funding Model". This is the most conservative funding model. It leads to or maintains the fully funded reserve position. The following details this calculation process.

Component Funding Model Distribution of Accumulated Reserves

The "Distribution of Accumulated Reserves Report" is a "Component Funding Model" calculation. This distribution **does not** apply to the cash flow funding models.

When calculating reserves based upon the component methodology, a beginning reserve balance must be allocated for each of the individual components considered in the analysis, before the individual calculations can be completed. When this distribution is not available, or of sufficient detail, the following method is suggested for allocating reserves:

The first step the program performs in this process is subtracting, from the total accumulated reserves, any amounts for assets that have predetermined (fixed) reserve balances. The user can "fix" the accumulated reserve balance within the program on the individual asset's detail page. If, by error, these amounts total more than the amount of funds available, then the remaining assets are adjusted accordingly. A provision for a contingency reserve is then deducted by the determined percentage used, and if there are sufficient remaining funds available.

The second step is to identify the ideal level of reserves for each asset. As indicated in the prior section, this is accomplished by evaluating the component's age proportionate to its estimated useful life and current replacement cost. Again, the equation used is as follows:

Fully Funded Reserves = (Age/Useful Life) x Current Replacement Cost

The  Reserve Analyst® software program performs the above calculations to the actual month the component was placed-in-service. The program projects that the accumulation of necessary reserves for repairs or replacements will be available on the first day of the fiscal year in which they are scheduled to occur.

The next step the program performs is to arrange all of the assets used in the study in ascending order by remaining life, and alphabetically within each grouping of remaining life items. These assets are then assigned their respective ideal level of reserves until the amount of funds available is depleted, or until all assets are appropriately funded. If any assets are assigned a zero remaining life (scheduled for replacement in the current fiscal year), then the amount assigned equals the current replacement cost and funding begins for the next cycle of replacement. If there are insufficient funds available to accomplish this, then the software automatically adjusts the zero remaining life items to one year, and that asset assumes its new grouping position alphabetically in the final printed report. If, at the completion of this task, there are additional moneys that have not been distributed, the remaining reserves are then assigned, in ascending order, to a level equal to, but not exceeding, the current replacement cost for each component. If there are sufficient moneys available to fund all assets at their current replacement cost levels, then any excess funds are designated as such and are not factored into any of the report computations. If, at the end of this assignment process there are designated excess funds, they can be used to offset the monthly contribution requirements recommended, or used in any other manner the client may desire.

Assigning the reserves in this manner defers the make-up period for any under-funding over the longest remaining life of all assets under consideration, thereby minimizing the impact of any deficiency. For example, if the report indicates an under funding of $50,000, this under-funding will be assigned to components with the longest remaining lives in order to give more time to "replenish" the account. If the $50,000 under-funding were to be assigned to short remaining life items, the impact would be felt immediately.

If the reserves are under-funded, the monthly contribution requirements, as outlined in this report, can be expected to be higher than normal. In future years, as individual assets are replaced, the funding requirements will return to their normal levels. In the case of a large deficiency, a special assessment may be considered. The program can easily generate revised reports outlining how the monthly contributions would be affected by such an adjustment, or by any other changes that may be under consideration.

Funding Reserves

Three assessment and contribution figures are provided in the report, the "Monthly Reserve Assessment Required", the "Average Net Monthly Interest Earned" contribution and the "Total Monthly Allocation to Reserves." The association should allocate the "Monthly Reserve Assessment Required" amount to reserves each month when the interest earned on the reserves is left in the reserve accounts as part of the contribution. Any interest earned on reserve deposits, must be left in reserves and only amounts set aside for taxes should be removed.

The second alternative is to allocate the "Total Monthly Allocation" to reserves (this is the member assessment plus the anticipated interest earned for the fiscal year). This method assumes that all interest earned will be assigned directly as operating income. This allocation takes into consideration the anticipated interest earned on accumulated reserves regardless of whether or not it is actually earned. When taxes are paid, the amount due will be taken directly from the association's operating accounts as the reserve accounts are allocated only those moneys net of taxes.

Users' Guide to your Reserve Analysis Study

Part II of your ReserveStudyUpdate.com, LLC Report contains the reserve analysis study for your association. There are seven types of reports in the study as described below.

Report Summaries

The Report Summary for all funding models lists all of the parameters that were used in calculating the report as well as the summary of your reserve analysis study.

Index Reports

The **Distribution of Accumulated Reserves** report lists all assets in remaining life order. It also identifies the ideal level of reserves that should have accumulated for the association as well as the actual reserves available. This information is valid only for the "Component Funding Model" calculation.

The **Component Listing/Summary** lists all assets by category (i.e. roofing, painting, lighting, etc.) together with their remaining life, current cost, monthly reserve contribution, and net monthly allocation.

Detail Reports

The Detail Report itemizes each asset and lists all measurements, current and future costs, and calculations for that asset. Provisions for percentage replacements, salvage values, and one-time replacements can also be utilized. These reports can be sorted by category or group.

The numerical listings for each asset are enhanced by extensive narrative detailing factors such as design, manufactured quality, usage, exposure to elements and maintenance history.

The ReserveStudyUpdate.com, LLC Detail Index is an alphabetical listing of all assets, together with the page number of the asset's detail report, the projected replacement year, and the asset number.

Projections

Thirty-year projections add to the usefulness of your reserve analysis study.

Definitions

Report I.D.
Includes the Report Date (example: November 15, 1992), Account Number (example: 9773), and Version (example: 1.0). Please use this information (displayed on the summary page) when referencing your report.

Budget Year Beginning/Ending
The budgetary year for which the report is prepared. For associations with fiscal years ending December 31st, the monthly contribution figures indicated are for the 12-month period beginning 1/1/20xx and ending 12/31/20xx.

Number of Units and/or Phases
If applicable, the number of units and/or phases included in this version of the report.

Inflation
This figure is used to approximate the future cost to repair or replace each component in the report. The current cost for each component is compounded on an annual basis by the number of remaining years to replacement, and the total is used in calculating the monthly reserve contribution that will be necessary to accumulate the required funds in time for replacement.

Annual Assessment Increase
This represents the percentage rate at which the association will increase its assessment to reserves at the end of each year. For example, in order to accumulate $10,000 in 10 years, you could set aside $1,000 per year. As an alternative, you could set aside $795 the first year and increase that amount by 5% each year until the year of replacement. In either case you arrive at the same amount. The idea is that you start setting aside a lower amount and increase that number each year in accordance with the planned percentage. Ideally this figure should be equal to the rate of inflation. It can, however, be used to aide those associations that have not set aside appropriate reserves in the past, by making the initial year's allocation less formidable.

Investment Yield Before Taxes

The average interest rate anticipated by the association based upon its current investment practices.

Taxes on Interest Yield
The estimated percentage of interest income that will be set aside to pay income taxes on the interest earned.

Projected Reserve Balance
The anticipated reserve balance on the first day of the fiscal year for which this report has been prepared. This is based upon information provided and not audited.

Percent Fully Funded
The ratio, at the beginning of the fiscal year, of the actual (or projected) reserve balance to the calculated fully funded balance, expressed as a percentage.

Phase Increment Detail and/or Age
Comments regarding aging of the components on the basis of construction date or date of acceptance by the association.

Monthly Assessment
The assessment to reserves required by the association each month.

Interest Contribution (After Taxes)
The interest that should be earned on the reserves, net of taxes, based upon their beginning reserve balance and monthly contributions for one year. This figure is averaged for budgeting purposes.

Total Monthly Allocation
The sum of the monthly assessment and interest contribution figures.

Group and Category
The report may be prepared and sorted either by group (location, building, phase, etc.) or by category (roofing, painting, etc.). The standard report printing format is by category.

Percentage of Replacement or Repairs
In some cases, an asset may not be replaced in its entirety or the cost may be shared with a second party. Examples are budgeting for a percentage of replacement of streets over a period of time, or sharing the expense to replace a common wall with a neighboring party.

Placed-In-Service Date
The month and year that the asset was placed-in-service. This may be the construction date, the first escrow closure date in a given phase, or the date of the last servicing or replacement.

Estimated Useful Life
The estimated useful life of an asset based upon industry standards, manufacturer specifications, visual inspection, location, usage, association standards and prior history. All of these factors are taken into consideration when tailoring the estimated useful life to the particular asset. For example, the carpeting in a hallway or elevator (a heavy traffic area) will not have the same life as the identical carpeting in a seldom-used meeting room or office.

Adjustment to Useful Life
Once the useful life is determined, it may be adjusted, up or down, by this separate figure for the current cycle of replacement. This will allow for a current period adjustment without affecting the estimated replacement cycles for future replacements.

Estimated Remaining Life
This calculation is completed internally based upon the report's fiscal year date and the date the asset was placed-in-service.

Replacement Year
The year that the asset is scheduled to be replaced. The appropriate funds will be available by the first day of the fiscal year for which replacement is anticipated.

Annual Fixed Reserves
An optional figure which, if used, will override the normal process of allocating reserves to each asset.

Fixed Assessment
An optional figure which, if used, will override all calculations and set the assessment at this amount. This assessment can be set for monthly, quarterly or annually as necessary.

Salvage Value
The salvage value of the asset at the time of replacement, if applicable.

One-Time Replacement
Notation if the asset is to be replaced on a one-time basis.

Current Replacement Cost
The estimated replacement cost effective at the beginning of the fiscal year for which the report is being prepared

Future Replacement Cost
The estimated cost to repair or replace the asset at the end of its estimated useful life based upon the current replacement cost and inflation.

Component Inventory
The task of selecting and qualifying reserve components. This task can be accomplished through on-site visual, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s).

A Multi-Purpose Tool

- Your ReserveStudyUpdate.com, LLC Report is an important part of your association's budgetary process. Following its recommendations should ensure the association's smooth budgetary transitions from one fiscal year to the next, and either decrease or eliminate the need for "special assessments".
- In addition, your ReserveStudyUpdate.com, LLC reserve study serves a variety of useful purposes:
- Following the recommendations of a reserve study performed by a professional consultant can protect the Board of Directors in a community from personal liability concerning reserve components and reserve funding.
- A reserve analysis study is required by your accountant during the preparation of the association's annual audit.
- The ReserveStudyUpdate.com, LLC reserve study is often requested by lending institutions during the process of loan applications, both for the community and, in many cases, the individual owners.
- Your ReserveStudyUpdate.com, LLC Report is also a detailed inventory of the association's major assets and serves as a management tool for scheduling, coordinating and planning future repairs and replacements.
- Your ReserveStudyUpdate.com, LLC Report is a tool that can assist the Board in fulfilling its legal and fiduciary obligations for maintaining the community in a state of good repair. If a community is operating on a special assessment basis, it cannot guarantee that an assessment, when needed, will be passed. Therefore, it cannot guarantee its ability to perform the required repairs or replacements to those major components for which the association is obligated.
- Since the ReserveStudyUpdate.com, LLC reserve analysis study includes measurements and cost estimates of the client's assets, the detail reports may be used to evaluate the accuracy and price of contractor bids when assets are due to be repaired or replaced.
- The ReserveStudyUpdate.com, LLC reserve study is an annual disclosure to the membership concerning the financial condition of the association, and may be used as a "consumers' guide" by prospective purchasers.
- The ReserveStudyUpdate.com, LLC Owners' Summary meets the disclosure requirements of the California Civil Code and also the recently adopted ECHO standards.
- Your ReserveStudyUpdate.com, LLC Report provides a record of the time, cost, and quantities of past reserve replacements. At times the association's management company and board of directors are transitory which may result in the loss of these important records.

Sincerely,

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Section 4.2 Disclosures:

(a) A reserve component list: Please see refer to "Detail Report by Category" section of the reserve study.

(b) Date of reserve study: Prepared on November 8, 2017 for fiscal year starting January, 1 2018. This reserve study meets the requirements of RCW 64.38.070 Section 4.

(c) Level II: Update With Visual Site Inspection.

(d) Reserve account balance as of January, 1 2018: $152,914

(e) Percent funded as of the end of 2018: (contingent on which funding model is implemented)
Component Funding Model: 90.82%
"Current" Funding Model: 82.96%
Threshold Funding Model: 90.25%
Baseline Funding Model: 89.18%

(f) Special assessments implemented or planned: Please refer to the following sections in the report:
"Component Funding Model Projection"
"Current Funding Model Projection"
"Threshold Funding Model Projection"
"Baseline Funding Model Projection"

(g) Interest rate: 1.00%, Inflation rate: 1.77%.

(h) 2018 reserve account contribution rate:
Component Funding Model: $26,255
"Current" Funding Model: $12,000
Threshold Funding Model: $21,733
Baseline Funding Model: $20,303

(i) 2018 Component Funding Model (Fully Funded Plan) contribution: $26,255
2018 Threshold reserve contribution: $21,733 (recommended model)
2018 Baseline contribution: $20,303

(j) Projected account balance for thirty years: Please see refer to the following sections in the report as these fluctuate according to which funding model is implemented:
"Component Funding Model Projection"
"Current Funding Model Projection"
"Threshold Funding Model Projection"
"Baseline Funding Model Projection"

(k) This reserve study was prepared by a reserve study professional.

Section 4.3 Disclosure:

This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a

component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special assessment your share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.

Sales Tax Rate Disclosure:
Washington State sales tax rates range from 7.0% to 9.6%. Therefore, we have increased the base price on all assets in the reserve study to compensate by 9% unless otherwise noted.

EXECUTIVE SUMMARY - CURRENT FUNDING MODEL

CURRENT FUNDING MODEL OVERVIEW

The "Current Funding Model" is also based upon the cash flow funding concept. The initial reserve assessment is set at the association's current fiscal year funding level and a 30-year projection is calculated to illustrate the adequacy of the current funding over time.

PROPERTY INFORMATION

ORIGINAL STARTING DATE OF RESERVE STUDY: This reserve study was prepared for the fiscal year January 1, 2018 and ending December 31, 2018. Unless otherwise indicated, we have used July 18, 1988 to begin aging the original components in this reserve study.

NUMBER OF UNITS/LOTS & LOCATION: This reserve study is a total of 253 units located in Camas, Washington.

DATE OF LAST RESERVE STUDY: (if applicable) The last on-site physical analysis done by ReserveStudyUpdate.com, LLC was completed on February 11, 2015.

NOTE: All interest accrued from reserve savings account(s) must remain in the reserve savings account(s) and not used as an off-set for operating expenses. Income tax factors were not considered due to variables affecting net taxable income and the election of tax form to be filed.

RESERVE FUNDS ON HAND: For the purpose of this reserve study, it is anticipated that the association will have a projected beginning reserve balance of $152,914 as of January 1, 2018. The actual or projected (estimated) total presented in this reserve study is based upon information provided to ReserveStudyUpdate.com, LLC and was not audited.

FUNDING REQUIRED: The reserve study has an annual contribution increase of 6.50% per year.

INFLATION RATE: An inflation rate of 1.77% was used for all thirty years of the reserve study report. This is based on an equally weighted ten-year historical inflation rate average.

THE NATIONAL PERCENT FUNDED RATING IN THE RESERVE STUDY INDUSTRY IS:
0% to 29.99% - Poor
30% to 69.99% - Fair
70% to 100% - Good
This association is 82.96% funded the end of the first fiscal year contingent that the funding model described in this section is implemented.

DISCLOSURES

GENERAL: Lacamas Shores Homeowners Association and ReserveStudyUpdate.com, LLC have no professional or personal involvements with each other, other than the scope of work identified in the reserve study contract. This relationship cannot be perceived as a conflict of interest.

This reserve study is for budget and planning purposes and identifies the status of the reserve fund and schedules the anticipated major commonly owned item replacements in accordance with Washington State Law(s). This reserve study will estimate the expected useful life and remaining useful life of the building and site components or systems, and will provide an estimate replacement or refurbishment cost for those components or systems.

PHYSICAL ANALYSIS: If an on-site reserve study was performed observations were limited to visual observations only. Destructive testing (invasive testing) was not performed. Any items that were not clearly visible at the time of the site observation were not viewed, and therefore were not included in the drafting of this reserve study.

A grand total of 44 assets were included in this reserve study report; of these considered, 43 were funded and 1 components were unfunded. Often times components not funded are estimated to be outside the scope of the thirty year scope of the reserve study; while other components are sometimes omitted by property management, association representative, and/or Declarant.

MEASUREMENTS: Measuring and inventory (+/- 10%) were identified via a combination of onsite physical measurements, previous reserve study and/or drawing take-offs. Drawing sets (if used) were provided by the property manager, Board of Directors or Declarant for our use relating only to the reserve study scope of work.

RELIANCE ON CLIENT DATA: Data received from property management, Association Representatives and/or Declarant is deemed reliable by ReserveStudyUpdate.com, LLC. Such data may include financial information, physical deficiencies or physical conditions, quantity of physical assets, or historical issues. Financial information received from property management, Association Representative, Declarant was not audited for accuracy.

The Association needs to carefully review each line item in the reports to be certain corrections are made from information you may possess that we are not aware of. It is assumed in our reserve study, no work, or expenditures from the reserve funds will occurred for the balance of the fiscal year. If this is not correct, you need to let ReserveStudyUpdate.com, LLC know what extra work was done and how much money will be spent.

SCOPE OF RESERVE STUDY: The Reserve Study is a reflection of information provided to the Consultant and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records.

Report Version 5.

Lacamas Shores Homeowners Association
Camas, Washington
ReserveStudyUpdate.com, LLC Current Assessment Funding Model Summary

Report Date	November 8, 2017
Account Number	712
Version	5
Budget Year Beginning	January 1, 2018
Budget Year Ending	December 31, 2018
Total Units	253

Report Parameters

Inflation	1.77%
Annual Assessment Increase	6.50%
Interest Rate on Reserve Deposit	1.00%
2018 Beginning Balance	$152,914

Current Assessment Funding Model Summary of Calculations

Required Month Contribution	$1,000.00
$3.95 per unit monthly	
Average Net Month Interest Earned	$87.79
Total Month Allocation to Reserves	$1,087.79
$4.30 per unit monthly	

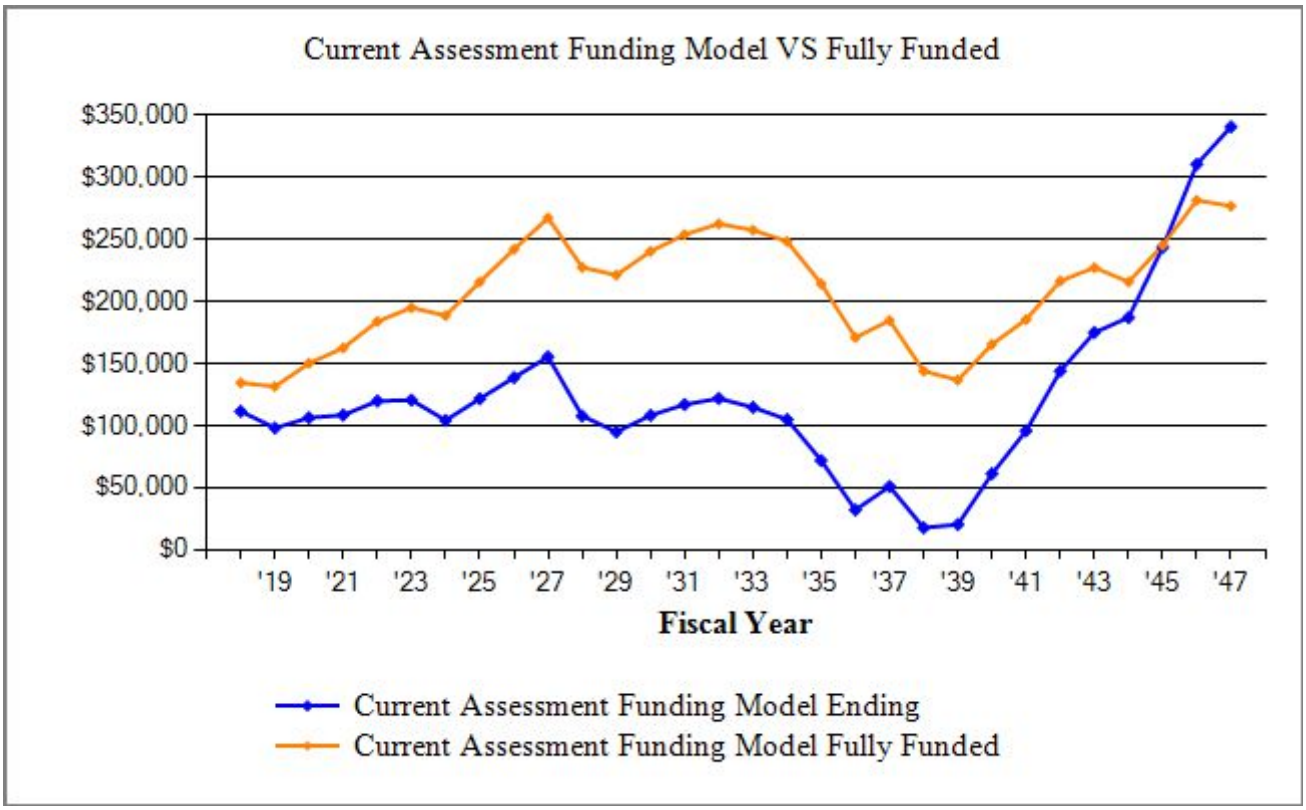
Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Current Assessment Funding Model Projection

Report Date	November 08, 2017		
Beginning Fiscal Year	January 01, 2018		
Account Number	712	Version Number	5

Beginning Balance: $152,914

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2018	290,502	12,000	1,053	54,539	111,429	134,315	83%
2019	295,643	12,780	916	27,110	98,015	131,401	75%
2020	300,876	13,611	995	6,324	106,296	150,073	71%
2021	306,202	14,495	1,012	13,409	108,395	162,459	67%
2022	311,622	15,438	1,120	5,260	119,692	183,770	65%
2023	317,137	16,441	1,124	16,717	120,540	194,841	62%
2024	322,751	17,510	956	34,834	104,171	188,527	55%
2025	328,463	18,648	1,124	2,393	121,550	215,571	56%
2026	334,277	19,860	1,288	4,099	138,599	241,821	57%
2027	340,194	21,151	1,447	5,956	155,242	267,155	58%
2028	346,215	22,526	968	71,018	107,717	227,260	47%
2029	352,343	23,990	834	37,681	94,860	221,076	43%
2030	358,580	25,549	959	13,190	108,178	240,205	45%
2031	364,927	27,210	1,038	19,560	116,866	253,705	46%
2032	371,386	28,978	1,079	25,135	121,789	262,287	46%
2033	377,959	30,862	999	38,996	114,655	257,285	45%
2034	384,649	32,868	893	43,536	104,880	248,185	42%
2035	391,457	35,005	555	68,569	71,871	213,990	34%
2036	398,386	37,280	148	77,268	32,031	170,824	19%
2037	405,438	39,703	325	21,122	50,937	184,593	28%
2038	412,614	42,284		75,546	17,675	143,790	12%
2039	419,917	45,032		42,379	20,328	136,600	15%
2040	427,350	47,959	390	7,486	61,191	165,384	37%
2041	434,914	51,077	719	17,215	95,773	185,379	52%
2042	442,612	54,397	1,183	7,472	143,880	216,344	67%
2043	450,446	57,932	1,474	28,478	174,808	227,104	77%
2044	458,419	61,698	1,578	51,082	187,002	215,685	87%
2045	466,533	65,708	2,121	11,441	243,391	245,055	99%
2046	474,791	69,979	2,767	5,822	310,315	281,322	110%
2047	483,194	74,528	3,046	47,410	340,479	276,575	123%

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Current Assessment Funding Model VS Fully Funded Chart



The Current Assessment Funding Model is based on the current annual assessment, parameters, and reserve fund balance. Because it is calculated using the current annual assessment, it will give the accurate projection of how well the association is funded for the next 30 years of planned reserve expenditures.

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Current Funding Model - Component Summary by Category

Report Date	November 08, 2017		
Beginning Fiscal Year	January 01, 2018		
Account Number	712	Version Number	5

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Streets/Asphalt							
Asphalt Overlay	77,268	50	18	-2	26,502	86.79	35,215
Asphalt Repairs	4,460	5	1	-3	2,191	84.02	2,191
Asphalt Seal Coat	7,114	5	1	6	6,355	26.00	6,355
Streets/Asphalt - Total	$88,843				$35,048	$197	$43,761
Roofing							
Roof - Boathouse - Maintenance	246	5	4		46	1.82	46
Roof - Boathouse - Replace	2,289	20	19		0	4.11	82
Roof - Maintenance Building - Maintenance	375	5	4		70	2.78	70
Roof - Maintenance Building - Replace	4,879	20	19		0	8.76	175
Roofing - Total	$7,788				$116	$17	$373
Painting							
Painting - Recreation/Boathouse & Storage Buildings	989	8	7		109	4.52	109
Painting - Total	$989				$109	$5	$109
Fencing/Security							
Gates: Vehicle - Automation	10,408	15	14		543	24.47	543
Gates: Vehicle - Iron Work	7,415	30	13	1	3,427	9.51	3,427
Fencing/Security - Total	$17,823				$3,970	$34	$3,970
Lighting							
Lighting - Outdoor / Indoor - Allowance	819	5	4		153	6.08	153
Lighting - Total	$819				$153	$6	$153
Recreation							
Barbeque - Replenish / Rebuild	1,405	10	9		120	5.08	120
Basketball Goal - Backboard/Hoop/Mounting Hardware	750	20	5		515	1.53	515
Boat - Dock - Major Rebuild/Replace	68,569	25	17		16,283	99.92	16,283
Boat Ramp	8,374	20	19		0	15.04	300
Exercise Equipment: Rebuild / Major Repairs	800	5	0	2	800	6.40	800

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Recreation continued...							
Playground Equipment: Rebuild / Major Repairs	5,000	5	0	-4	5,000	40.01	5,000
Site Furniture - Benches/Tables & Miscellaneous	2,222	7	5	3	1,018	8.45	1,018
Recreation - Total	$87,120				$23,736	$176	$24,036
Equipment							
Maintenance Equipment - Miscellaneous	3,562	4	0		3,562	35.19	3,562
Mower: Riding - Replace	2,122	12	11		146	6.33	146
Tractor - Kubota "L" Series	2,979	25	9	12	1,925	3.48	1,925
Equipment - Total	$8,664				$5,633	$45	$5,633
Building Components							
Doors & Windows	6,671	30	10	10	4,198	7.26	4,198
Building Components - Total	$6,671				$4,198	$7	$4,198
Grounds Components							
Steps & Pathway	5,959	20	10		2,500	11.42	2,500
Grounds Components - Total	$5,959				$2,500	$11	$2,500
Gutters and Downspouts							
Gutters & Downspouts - Boathouse	893	20	10		375	1.71	375
Gutters & Downspouts - Maintenance Building	778	20	10		326	1.49	326
Gutters and Downspouts - Total	$1,671				$701	$3	$701
Mailboxes							
Mailbox - Replacement	2,977	5	6	11	1,674	7.28	1,674
Mailboxes - Total	$2,977				$1,674	$7	$1,674
Signs							
Street Signs [Removed]	*unfunded*						
Tree Trimming							
Arborist - Tree Work	2,261	7	6		291	11.87	291
Tree Trimming - Total	$2,261				$291	$12	$291

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Underground Utilities							
Underground Utilities	7,890	35	25		0	10.44	1,454
Underground Utilities - Total	$7,890					$10	$1,454
Walls							
Perimeter Wall - Maintenance	5,270	10	2	2	4,240	17.56	4,240
Walls - Total	$5,270				$4,240	$18	$4,240
Environmental Remediation							
Storm Drainage System	35,000	10	0	-9	35,000	149.05	35,000
Storm Water Discharge Pond - Cleaning	10,357	5	1	-1	7,633	99.01	7,633
Stormwater Facility Swale Maintenance	5,179	5	1		4,071	39.89	4,071
Environmental Remediation - Total	$50,536				$46,704	$288	$46,704
Landscaping							
Irrigation Controllers & Valves	3,218	10	3	3	2,349	9.85	2,349
Landscape - Renovation	10,177	15	0	-14	10,177	30.75	10,177
Landscaping - Total	$13,395				$12,526	$41	$12,526
Masonry							
Tuck-Pointing - Gate/Entry	1,073	10	3	3	783	3.28	783
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	3,754	10	3	3	2,740	11.49	2,740
Masonry - Total	$4,827				$3,523	$15	$3,523
Concrete							
Concrete - Common Areas - Provision	4,728	5	5	1	722	29.09	722
Concrete - Sport Court	14,406	30	29		0	16.09	289
Concrete Flatwork - Maintenance/Replace	2,686	5	5	10	1,640	7.05	1,640
Concrete - Total	$21,819				$2,362	$52	$2,651
Surveillance Equipment							
Surveillance Equipment	1,054	12	2		848	3.51	848
Surveillance Equipment - Total	$1,054				$848	$4	$848

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Current Funding Model - Component Summary by Category

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Restrooms							
Restroom Refurbishment - Provision	11,710	15	14		611	27.53	611
Restrooms - Total	$11,710				$611	$28	$611
Siding							
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings							
	1,403	8	7		155	6.41	155
Siding - Total	$1,403				$155	$6	$155
Monument							
Monument - Entry: Lettering	5,364	12	3		3,816	17.66	3,816
Monument - Total	$5,364				$3,816	$18	$3,816
Grand Total:	$354,853				$152,914	$1,000	$163,926

Percent Fully Funded	93%
Current Average Liability per Unit (Total Units: 253)	-$44

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Current Funding Model - Capital/Non-Capital Summary

Report Date	November 08, 2017		
Beginning Fiscal Year	January 01, 2018		
Account Number	712	Version Number	5

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Capital							
Asphalt Overlay	77,268	50	18	-2	26,502	86.79	35,215
Asphalt Repairs	4,460	5	1	-3	2,191	84.02	2,191
Barbeque - Replenish / Rebuild	1,405	10	9		120	5.08	120
Basketball Goal - Backboard/Hoop/Mounting Hardware	750	20	5		515	1.53	515
Boat - Dock - Major Rebuild/Replace	68,569	25	17		16,283	99.92	16,283
Concrete - Common Areas - Provision	4,728	5	5	1	722	29.09	722
Concrete - Sport Court	14,406	30	29		0	16.09	289
Concrete Flatwork - Maintenance/Replace	2,686	5	5	10	1,640	7.05	1,640
Doors & Windows	6,671	30	10	10	4,198	7.26	4,198
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings	1,403	8	7		155	6.41	155
Exercise Equipment: Rebuild / Major Repairs	800	5	0	2	800	6.40	800
Gates: Vehicle - Automation	10,408	15	14		543	24.47	543
Gates: Vehicle - Iron Work	7,415	30	13	1	3,427	9.51	3,427
Gutters & Downspouts - Boathouse	893	20	10		375	1.71	375
Gutters & Downspouts - Maintenance Building	778	20	10		326	1.49	326
Irrigation Controllers & Valves	3,218	10	3	3	2,349	9.85	2,349
Lighting - Outdoor / Indoor - Allowance	819	5	4		153	6.08	153
Mailbox - Replacement	2,977	5	6	11	1,674	7.28	1,674
Maintenance Equipment - Miscellaneous	3,562	4	0		3,562	35.19	3,562
Monument - Entry: Lettering	5,364	12	3		3,816	17.66	3,816
Mower: Riding - Replace	2,122	12	11		146	6.33	146
Perimeter Wall - Maintenance	5,270	10	2	2	4,240	17.56	4,240
Playground Equipment: Rebuild / Major Repairs	5,000	5	0	-4	5,000	40.01	5,000
Restroom Refurbishment - Provision	11,710	15	14		611	27.53	611
Roof - Boathouse - Maintenance	246	5	4		46	1.82	46
Roof - Boathouse - Replace	2,289	20	19		0	4.11	82
Roof - Maintenance Building - Maintenance	375	5	4		70	2.78	70

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Current Funding Model - Capital/Non-Capital Summary

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Capital continued...							
Roof - Maintenance Building - Replace	4,879	20	19		0	8.76	175
Site Furniture - Benches/Tables & Miscellaneous	2,222	7	5	3	1,018	8.45	1,018
Steps & Pathway	5,959	20	10		2,500	11.42	2,500
Street Signs [Removed]	*unfunded*						
Surveillance Equipment	1,054	12	2		848	3.51	848
Tractor - Kubota "L" Series	2,979	25	9	12	1,925	3.48	1,925
Underground Utilities	7,890	35	25		0	10.44	1,454
Capital - Total	$270,574				$85,755	$609	$96,468
Non Capital							
Arborist - Tree Work	2,261	7	6		291	11.87	291
Asphalt Seal Coat	7,114	5	1	6	6,355	26.00	6,355
Boat Ramp	8,374	20	19		0	15.04	300
Landscape - Renovation	10,177	15	0	-14	10,177	30.75	10,177
Painting - Recreation/Boathouse & Storage Buildings	989	8	7		109	4.52	109
Storm Drainage System	35,000	10	0	-9	35,000	149.05	35,000
Storm Water Discharge Pond - Cleaning	10,357	5	1	-1	7,633	99.01	7,633
Stormwater Facility Swale Maintenance	5,179	5	1		4,071	39.89	4,071
Tuck-Pointing - Gate/Entry	1,073	10	3	3	783	3.28	783
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	3,754	10	3	3	2,740	11.49	2,740
Non Capital - Total	$84,279				$67,159	$391	$67,459
Grand Total:	$354,853				$152,914	$1,000	$163,926

Percent Fully Funded	93%
Current Average Liability per Unit (Total Units: 253)	-$44

EXECUTIVE SUMMARY - THRESHOLD FUNDING MODEL

THRESHOLD FUNDING MODEL OVERVIEW

The "Threshold Funding Model" method is based upon the cash flow funding concept. The minimum reserve cash balance in threshold funding, however, is set at a predetermined dollar amount (other than $0). Threshold funding describes an objective chosen by the board other than the 100% (full funding) level or just staying cash-positive (baseline funding). This may be a specific percent funded target or a cash balance target. Threshold funding is often a value chosen in between full funding and baseline funding.

PROPERTY INFORMATION

ORIGINAL STARTING DATE OF RESERVE STUDY: This reserve study was prepared for the fiscal year January 1, 2018 and ending December 31, 2018. Unless otherwise indicated, we have used July 18, 1988 to begin aging the original components in this reserve study.

NUMBER OF UNITS/LOTS & LOCATION: This reserve study is a total of 253 units located in Camas, Washington.

DATE OF LAST RESERVE STUDY: (if applicable) The last on-site physical analysis done was completed on February 11, 2015.

NOTE: All interest accrued from reserve savings account(s) must remain in the reserve savings account(s) and not used as an off-set for operating expenses. Income tax factors were not considered due to variables affecting net taxable income and the election of tax form to be filed.

RESERVE FUNDS ON HAND: For the purpose of this reserve study, it is anticipated that the association will have a projected beginning reserve balance of $152,914 as of January, 1 2018. The actual or projected (estimated) total presented in this reserve study is based upon information provided to ReserveStudyUpdate.com, LLC and was not audited.

FUNDING REQUIRED: A minimum balance threshold of $75,000 has been used over the thirty years of this reserve study. The reserve study has an annual contribution increase of 2.00% per year. Per Section 4.4 of the CC&Rs, there language that limits the annual budget increase to 6% from the previously adopted budget without a two-thirds affirmative vote of the total membership. ReserveStudyUpdate.com, LLC cannot possibly predict the outcome of a vote in any future year. Even though historically, the contribution to reserves has only constituted 20% to 25% of the overall budget, given the constraints of an overall budget cap, the reserve analyst does not recommend increasing the contribution to reserves more than 6% in any given year of the 30-year scope of the reserve study due to market volatility and other potential unknowns.

INFLATION RATE: An inflation rate of 1.77% was used for all thirty years of the reserve study report. This is based on an equally weighted ten-year historical inflation rate average.

THE NATIONAL PERCENT FUNDED RATING IN THE RESERVE STUDY INDUSTRY IS:
0% to 29.99% - Poor
30% to 69.99% - Fair

70% to 100% - Good
This association is 90.25% funded the end of the first fiscal year contingent that the funding model described in this section is implemented.

DISCLOSURES

GENERAL: Lacamas Shores Homeowners Association and ReserveStudyUpdate.com, LLC have no professional or personal involvements with each other, other than the scope of work identified in the reserve study contract. This relationship cannot be perceived as a conflict of interest.

This reserve study is for budget and planning purposes and identifies the status of the reserve fund and schedules the anticipated major commonly owned item replacements in accordance with Washington State Law(s). This reserve study will estimate the expected useful life and remaining useful life of the building and site components or systems, and will provide an estimate replacement or refurbishment cost for those components or systems.

PHYSICAL ANALYSIS: If an on-site reserve study was performed observations were limited to visual observations only. Destructive testing (invasive testing) was not performed. Any items that were not clearly visible at the time of the site observation were not viewed, and therefore were not included in the drafting of this reserve study.

A grand total of 44 assets were included in this reserve study report; of these considered, 43 were funded and 1 components were unfunded. Often times components not funded are estimated to be outside the scope of the thirty year scope of the reserve study; while other components are sometimes omitted by property management, Association Representative, and/or Declarant.

MEASUREMENTS: Measuring and inventory (+/- 10%) were identified via a combination of onsite physical measurements, previous reserve study and/or drawing take-offs. Drawing sets (if used) were provided by the property manager, Board of Directors or Declarant for our use relating only to the reserve study scope of work.

RELIANCE ON CLIENT DATA: Data received from property management, Association Representatives and/or Declarant is deemed reliable by ReserveStudyUpdate.com, LLC. Such data may include financial information, physical deficiencies or physical conditions, quantity of physical assets, or historical issues. Financial information received from property management, association representative, Declarant was not audited for accuracy.

The Association needs to carefully review each line item in the reports to be certain corrections are made from information you may possess that we are not aware of. It is assumed in our reserve study, no work, or expenditures from the reserve funds will occurred for the balance of the fiscal year. If this is not correct, you need to let ReserveStudyUpdate.com, LLC know what extra work was done and how much money will be spent.

SCOPE OF RESERVE STUDY: The Reserve Study is a reflection of information provided to the Consultant and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records.

Report Version 5.

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Threshold Funding Model Summary

Report Date	November 8, 2017
Account Number	712
Version	5
Budget Year Beginning	January 1, 2018
Budget Year Ending	December 31, 2018
Total Units	253

Report Parameters

Inflation	1.77%
Annual Assessment Increase	2.00%
Interest Rate on Reserve Deposit	1.00%
2018 Beginning Balance	$152,914

Threshold Funding Model Summary of Calculations

Required Month Contribution	$1,811.09
$7.16 per unit monthly	
Average Net Month Interest Earned	$92.20
Total Month Allocation to Reserves	$1,903.29
$7.52 per unit monthly	

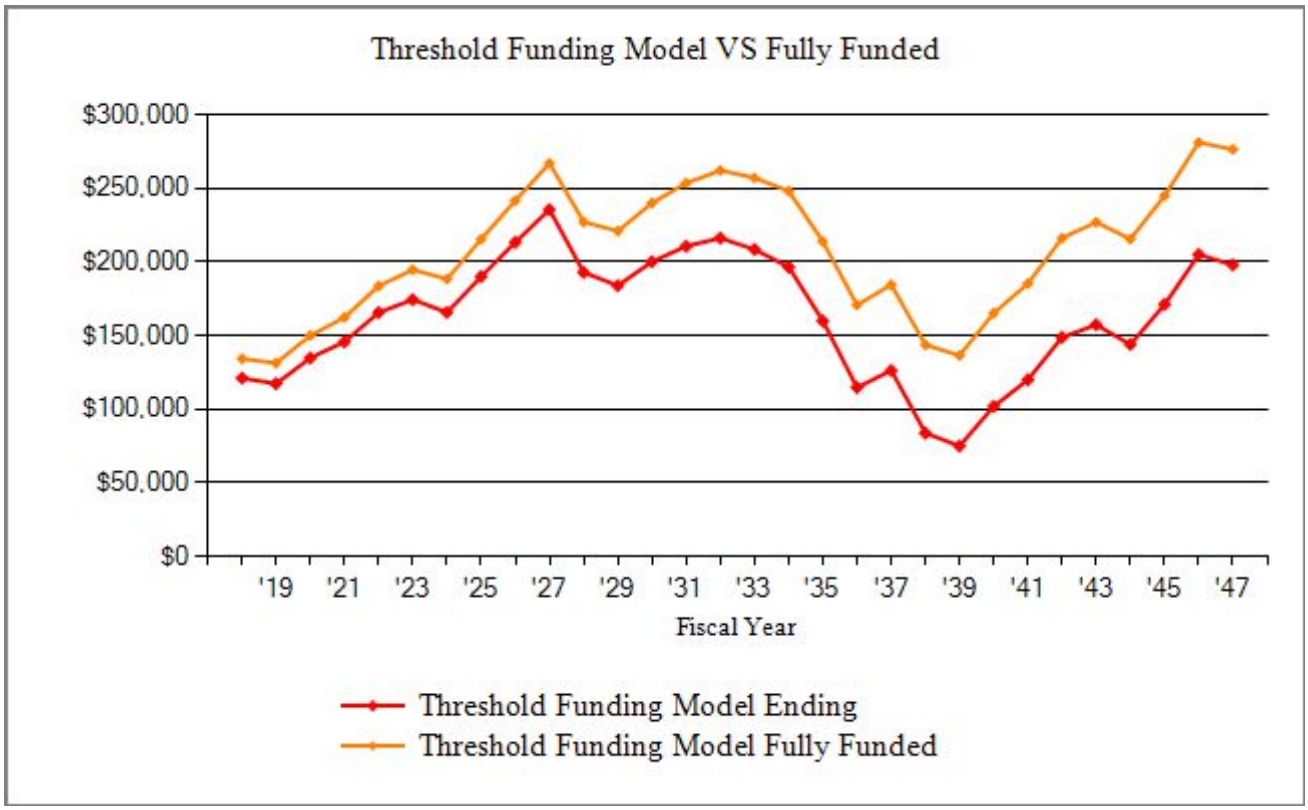
Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Threshold Funding Model Projection

Report Date	November 08, 2017		
Beginning Fiscal Year	January 01, 2018		
Account Number	712	Version Number	5

Beginning Balance: $152,914

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2018	290,502	21,733	1,106	54,539	121,214	134,315	90%
2019	295,643	22,168	1,066	27,110	117,338	131,401	89%
2020	300,876	22,611	1,238	6,324	134,863	150,073	90%
2021	306,202	23,063	1,345	13,409	145,863	162,459	90%
2022	311,622	23,525	1,540	5,260	165,667	183,770	90%
2023	317,137	23,995	1,627	16,717	174,572	194,841	90%
2024	322,751	24,475	1,537	34,834	165,750	188,527	88%
2025	328,463	24,964	1,777	2,393	190,098	215,571	88%
2026	334,277	25,464	2,007	4,099	213,470	241,821	88%
2027	340,194	25,973	2,226	5,956	235,713	267,155	88%
2028	346,215	26,493	1,798	71,018	192,985	227,260	85%
2029	352,343	27,022	1,707	37,681	184,033	221,076	83%
2030	358,580	27,563	1,866	13,190	200,272	240,205	83%
2031	364,927	28,114	1,968	19,560	210,794	253,705	83%
2032	371,386	28,676	2,021	25,135	216,357	262,287	82%
2033	377,959	29,250	1,941	38,996	208,552	257,285	81%
2034	384,649	29,835	1,820	43,536	196,671	248,185	79%
2035	391,457	30,432	1,452	68,569	159,986	213,990	75%
2036	398,386	31,040	1,000	77,268	114,757	170,824	67%
2037	405,438	31,661	1,113	21,122	126,409	184,593	68%
2038	412,614	32,294	686	75,546	83,843	143,790	58%
2039	419,917	32,940	596	42,379	75,000	136,600	55%
2040	427,350	33,599	861	7,486	101,974	165,384	62%
2041	434,914	34,271	1,038	17,215	120,068	185,379	65%
2042	442,612	34,956	1,321	7,472	148,874	216,344	69%
2043	450,446	35,655	1,403	28,478	157,454	227,104	69%
2044	458,419	36,369	1,266	51,082	144,007	215,685	67%
2045	466,533	37,096	1,533	11,441	171,195	245,055	70%
2046	474,791	37,838	1,867	5,822	205,078	281,322	73%
2047	483,194	38,595	1,794	47,410	198,056	276,575	72%

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Threshold Funding Model VS Fully Funded Chart



The **Threshold Funding Model** calculates the minimum reserve assessments, with the restriction that the reserve balance is not allowed to go below $0 or other predetermined threshold, during the period of time examined. All funds for planned reserve expenditures will be available on the first day of each fiscal year. The **Threshold Funding Model** allows the client to choose the level of conservative funding they desire by choosing the threshold dollar amount.

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Threshold Funding Model - Component Summary by Category

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Streets/Asphalt							
Asphalt Overlay	77,268	50	18	-2	26,502	157.18	35,215
Asphalt Repairs	4,460	5	1	-3	2,191	152.17	2,191
Asphalt Seal Coat	7,114	5	1	6	6,355	47.09	6,355
Streets/Asphalt - Total	$88,843				$35,048	$356	$43,761
Roofing							
Roof - Boathouse - Maintenance	246	5	4		46	3.30	46
Roof - Boathouse - Replace	2,289	20	19		0	7.45	82
Roof - Maintenance Building - Maintenance	375	5	4		70	5.04	70
Roof - Maintenance Building - Replace	4,879	20	19		0	15.87	175
Roofing - Total	$7,788				$116	$32	$373
Painting							
Painting - Recreation/Boathouse & Storage Buildings	989	8	7		109	8.19	109
Painting - Total	$989				$109	$8	$109
Fencing/Security							
Gates: Vehicle - Automation	10,408	15	14		543	44.32	543
Gates: Vehicle - Iron Work	7,415	30	13	1	3,427	17.22	3,427
Fencing/Security - Total	$17,823				$3,970	$62	$3,970
Lighting							
Lighting - Outdoor / Indoor - Allowance	819	5	4		153	11.01	153
Lighting - Total	$819				$153	$11	$153
Recreation							
Barbeque - Replenish / Rebuild	1,405	10	9		120	9.21	120
Basketball Goal - Backboard/Hoop/Mounting Hardware	750	20	5		515	2.77	515
Boat - Dock - Major Rebuild/Replace	68,569	25	17		16,283	180.97	16,283
Boat Ramp	8,374	20	19		0	27.24	300
Exercise Equipment: Rebuild / Major Repairs	800	5	0	2	800	11.59	800
Playground Equipment: Rebuild / Major Repairs	5,000	5	0	-4	5,000	72.46	5,000
Site Furniture - Benches/Tables & Miscellaneous	2,222	7	5	3	1,018	15.30	1,018
Recreation - Total	$87,120				$23,736	$320	$24,036

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Threshold Funding Model - Component Summary by Category

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Equipment							
Maintenance Equipment - Miscellaneous	3,562	4	0		3,562	63.72	3,562
Mower: Riding - Replace	2,122	12	11		146	11.47	146
Tractor - Kubota "L" Series	2,979	25	9	12	1,925	6.31	1,925
Equipment - Total	$8,664				$5,633	$82	$5,633
Building Components							
Doors & Windows	6,671	30	10	10	4,198	13.15	4,198
Building Components - Total	$6,671				$4,198	$13	$4,198
Grounds Components							
Steps & Pathway	5,959	20	10		2,500	20.68	2,500
Grounds Components - Total	$5,959				$2,500	$21	$2,500
Gutters and Downspouts							
Gutters & Downspouts - Boathouse	893	20	10		375	3.10	375
Gutters & Downspouts - Maintenance Building	778	20	10		326	2.70	326
Gutters and Downspouts - Total	$1,671				$701	$6	$701
Mailboxes							
Mailbox - Replacement	2,977	5	6	11	1,674	13.19	1,674
Mailboxes - Total	$2,977				$1,674	$13	$1,674
Signs							
Street Signs [Removed]	*unfunded*						
Tree Trimming							
Arborist - Tree Work	2,261	7	6		291	21.49	291
Tree Trimming - Total	$2,261				$291	$21	$291
Underground Utilities							
Underground Utilities	7,890	35	25		0	18.91	1,454
Underground Utilities - Total	$7,890					$19	$1,454
Walls							
Perimeter Wall - Maintenance	5,270	10	2	2	4,240	31.81	4,240
Walls - Total	$5,270				$4,240	$32	$4,240

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Environmental Remediation							
Storm Drainage System	35,000	10	0	-9	35,000	269.95	35,000
Storm Water Discharge Pond - Cleaning	10,357	5	1	-1	7,633	179.31	7,633
Stormwater Facility Swale Maintenance	5,179	5	1		4,071	72.25	4,071
Environmental Remediation - Total	$50,536				$46,704	$522	$46,704
Landscaping							
Irrigation Controllers & Valves	3,218	10	3	3	2,349	17.84	2,349
Landscape - Renovation	10,177	15	0	-14	10,177	55.69	10,177
Landscaping - Total	$13,395				$12,526	$74	$12,526
Masonry							
Tuck-Pointing - Gate/Entry	1,073	10	3	3	783	5.95	783
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	3,754	10	3	3	2,740	20.81	2,740
Masonry - Total	$4,827				$3,523	$27	$3,523
Concrete							
Concrete - Common Areas - Provision	4,728	5	5	1	722	52.69	722
Concrete - Sport Court	14,406	30	29		0	29.15	289
Concrete Flatwork - Maintenance/Replace	2,686	5	5	10	1,640	12.77	1,640
Concrete - Total	$21,819				$2,362	$95	$2,651
Surveillance Equipment							
Surveillance Equipment	1,054	12	2		848	6.36	848
Surveillance Equipment - Total	$1,054				$848	$6	$848
Restrooms							
Restroom Refurbishment - Provision	11,710	15	14		611	49.86	611
Restrooms - Total	$11,710				$611	$50	$611
Siding							
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings	1,403	8	7		155	11.61	155
Siding - Total	$1,403				$155	$12	$155

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Threshold Funding Model - Component Summary by Category

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Monument							
Monument - Entry: Lettering	5,364	12	3		3,816	31.98	3,816
Monument - Total	$5,364				$3,816	$32	$3,816
Grand Total:	$354,853				$152,914	$1,811	$163,926

Percent Fully Funded	93%
Current Average Liability per Unit (Total Units: 253)	-$44

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Threshold Funding Model - Capital/Non-Capital Summary

Report Date	November 08, 2017		
Beginning Fiscal Year	January 01, 2018		
Account Number	712	Version Number	5

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Capital							
Asphalt Overlay	77,268	50	18	-2	26,502	157.18	35,215
Asphalt Repairs	4,460	5	1	-3	2,191	152.17	2,191
Barbeque - Replenish / Rebuild	1,405	10	9		120	9.21	120
Basketball Goal - Backboard/Hoop/Mounting Hardware	750	20	5		515	2.77	515
Boat - Dock - Major Rebuild/Replace	68,569	25	17		16,283	180.97	16,283
Concrete - Common Areas - Provision	4,728	5	5	1	722	52.69	722
Concrete - Sport Court	14,406	30	29		0	29.15	289
Concrete Flatwork - Maintenance/Replace	2,686	5	5	10	1,640	12.77	1,640
Doors & Windows	6,671	30	10	10	4,198	13.15	4,198
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings	1,403	8	7		155	11.61	155
Exercise Equipment: Rebuild / Major Repairs	800	5	0	2	800	11.59	800
Gates: Vehicle - Automation	10,408	15	14		543	44.32	543
Gates: Vehicle - Iron Work	7,415	30	13	1	3,427	17.22	3,427
Gutters & Downspouts - Boathouse	893	20	10		375	3.10	375
Gutters & Downspouts - Maintenance Building	778	20	10		326	2.70	326
Irrigation Controllers & Valves	3,218	10	3	3	2,349	17.84	2,349
Lighting - Outdoor / Indoor - Allowance	819	5	4		153	11.01	153
Mailbox - Replacement	2,977	5	6	11	1,674	13.19	1,674
Maintenance Equipment - Miscellaneous	3,562	4	0		3,562	63.72	3,562
Monument - Entry: Lettering	5,364	12	3		3,816	31.98	3,816
Mower: Riding - Replace	2,122	12	11		146	11.47	146
Perimeter Wall - Maintenance	5,270	10	2	2	4,240	31.81	4,240
Playground Equipment: Rebuild / Major Repairs	5,000	5	0	-4	5,000	72.46	5,000
Restroom Refurbishment - Provision	11,710	15	14		611	49.86	611
Roof - Boathouse - Maintenance	246	5	4		46	3.30	46
Roof - Boathouse - Replace	2,289	20	19		0	7.45	82
Roof - Maintenance Building - Maintenance	375	5	4		70	5.04	70

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Threshold Funding Model - Capital/Non-Capital Summary

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Capital continued...							
Roof - Maintenance Building - Replace	4,879	20	19		0	15.87	175
Site Furniture - Benches/Tables & Miscellaneous	2,222	7	5	3	1,018	15.30	1,018
Steps & Pathway	5,959	20	10		2,500	20.68	2,500
Street Signs [Removed]	*unfunded*						
Surveillance Equipment	1,054	12	2		848	6.36	848
Tractor - Kubota "L" Series	2,979	25	9	12	1,925	6.31	1,925
Underground Utilities	7,890	35	25		0	18.91	1,454
Capital - Total	$270,574				$85,755	$1,103	$96,468
Non Capital							
Arborist - Tree Work	2,261	7	6		291	21.49	291
Asphalt Seal Coat	7,114	5	1	6	6,355	47.09	6,355
Boat Ramp	8,374	20	19		0	27.24	300
Landscape - Renovation	10,177	15	0	-14	10,177	55.69	10,177
Painting - Recreation/Boathouse & Storage Buildings	989	8	7		109	8.19	109
Storm Drainage System	35,000	10	0	-9	35,000	269.95	35,000
Storm Water Discharge Pond - Cleaning	10,357	5	1	-1	7,633	179.31	7,633
Stormwater Facility Swale Maintenance	5,179	5	1		4,071	72.25	4,071
Tuck-Pointing - Gate/Entry	1,073	10	3	3	783	5.95	783
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	3,754	10	3	3	2,740	20.81	2,740
Non Capital - Total	$84,279				$67,159	$708	$67,459
Grand Total:	$354,853				$152,914	$1,811	$163,926

Percent Fully Funded	93%
Current Average Liability per Unit (Total Units: 253)	-$44

EXECUTIVE SUMMARY- COMPONENT FUNDING MODEL

COMPONENT FUNDING MODEL OVERVIEW

The "Component Funding Model" is a straight-line funding model, also known by the "Full Funding Model". The objective of the model is to have on hand an amount of cash in the reserve account equal to the amount of depreciation that has occurred for each of the assets. It distributes the cash reserves to individual reserve components and then calculates what the reserve assessment and interest contribution (minus taxes) should be, again by each reserve component. The current annual assessment is then determined by summing all the individual component assessments, hence the name "Component Funding Model". This is the most conservative funding model. It leads to or maintains the fully funded reserve position.

"Full funding" describes the objective to have reserves on hand equivalent to the value of the deterioration of the each component in the reserve study. For example, for a $10,000 (current cost) pool resurface project with a useful life of ten years, after three years, when the pool's surface has deteriorated 3/10 of $10,000, to be fully funded the association should have $3000 set aside for this component (and on and on again for each component). "Full funding" describes an objective where ongoing deterioration is offset by the proportional accumulation of cash.

One of the selling points that may be beneficial to Lacamas Shores Homeowners Association is that the "Component Funding Model" compared to the other funding models is that the objective is to have an equal amount of cash on hand compared to the amount of depreciation that has occurred for each funded asset in the report. Funding models lacking a "Full Funding" criterion often result in funding strategies that shifts the burden of funding assets to future homeowners. Although the Association may be able to fund reserves perpetually employing such strategies, the Board of Directors should carefully consider the degree of risk that is acceptable to everyone. Multiple components which experience premature failure rates will likely result in special assessments which will ultimately burden current owners who have the misfortune of having a current ownership interest; while previous owners have avoided their financial responsibility. The "Component Funding Model" is recommended for Board of Directors who wish to mitigate this type of risk.

PROPERTY INFORMATION

ORIGINAL STARTING DATE OF RESERVE STUDY: This reserve study was prepared for the fiscal year January 1, 2018 and ending December 31, 2018. Unless otherwise indicated, we have used July, 18 1988 to begin aging the original components in this reserve study.

NUMBER OF UNITS/LOTS & LOCATION: This reserve study is a total of 253 units located in Camas, Washington.

DATE OF LAST RESERVE STUDY: (if applicable) The last on-site physical analysis done by ReserveStudyUpdate.com, LLC was completed on February 11, 2015.

NOTE: All interest accrued from reserve savings account(s) must remain in the reserve savings account(s) and not used as an off-set for operating expenses. Income tax factors were not considered due to variables affecting net taxable income and the election of tax form to be filed.

RESERVE FUNDS ON HAND: For the purpose of this reserve study, it is anticipated that the association will have a projected beginning reserve balance of $152,914 as of January 1, 2018. The actual or projected (estimated) total presented in this reserve study is based upon information provided to ReserveStudyUpdate.com, LLC and was not audited.

FUNDING REQUIRED: The reserve study has an annual contribution increase of 2.48% per year. Per Section 4.4 of the CC&Rs, there language that limits the annual budget increase to 6% from the previously adopted budget without a two-thirds affirmative vote of the total membership. ReserveStudyUpdate.com, LLC cannot possibly predict the outcome of a vote in any future year. Even though historically, the contribution to reserves has only constituted 20% to 25% of the overall budget, given the constraints of an overall budget cap, the reserve analyst does not recommend increasing the contribution to reserves more than 6% in any given year of the 30-year scope of the reserve study due to market volatility and other potential unknowns.

INFLATION RATE: An inflation rate of 1.77% was used for all thirty years of the reserve study report. This is based on an equally weighted ten-year historical inflation rate average.

THE NATIONAL PERCENT FUNDED RATING IN THE RESERVE STUDY INDUSTRY IS:
0% to 29.99% - Poor
30% to 69.99% - Fair
70% to 100% - Good
This association is 90.82% funded the end of the first fiscal year contingent that the funding model described in this section is implemented.

DISCLOSURES

GENERAL: Lacamas Shores Homeowners Association and ReserveStudyUpdate.com, LLC have no professional or personal involvements with each other, other than the scope of work identified in the reserve study contract. This relationship cannot be perceived as a conflict of interest.

This reserve study is for budget and planning purposes and identifies the status of the reserve fund and schedules the anticipated major commonly owned item replacements in accordance with Washington State Law(s). This reserve study will estimate the expected useful life and remaining useful life of the building and site components or systems, and will provide an estimate replacement or refurbishment cost for those components or systems.

PHYSICAL ANALYSIS: If an on-site reserve study was performed observations were limited to visual observations only. Destructive testing (invasive testing) was not performed. Any items that were not clearly visible at the time of the site observation were not viewed, and therefore were not included in the drafting of this reserve study.

A grand total of 44 assets were included in this reserve study report; of these considered, 43 were funded and 1 components were unfunded. Often times components not funded are estimated to be outside the scope of the thirty year scope of the reserve study; while other components are sometimes omitted by property management, association representative, and/or Declarant.

MEASUREMENTS: Measuring and inventory (+/- 10%) were identified via a combination of onsite physical measurements, previous reserve study and/or drawing take-offs. Drawing sets (if used) were provided by the property manager, Board of Directors or Declarant for our use relating only to the reserve study scope of work.

RELIANCE ON CLIENT DATA: Data received from property management, Association Representatives and/or Declarant is deemed reliable by ReserveStudyUpdate.com, LLC. Such data may include financial information, physical deficiencies or physical conditions, quantity of physical assets, or historical issues. Financial information received from property management, Association Representative, Declarant was not audited for accuracy.

The Association needs to carefully review each line item in the reports to be certain corrections are made from information you may possess that we are not aware of. It is assumed in our reserve study, no work, or expenditures from the reserve funds will occurred for the balance of the fiscal year. If this is not correct, you need to let ReserveStudyUpdate.com, LLC know what extra work was done and how much money will be spent.

SCOPE OF RESERVE STUDY: The Reserve Study is a reflection of information provided to the Consultant and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records.

Report Version 5.

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model Summary

Report Date	November 8, 2017
Account Number	712
Version	5
Budget Year Beginning	January 1, 2018
Budget Year Ending	December 31, 2018
Total Units	253

Report Parameters

Inflation	1.77%
Interest Rate on Reserve Deposit	1.00%
Contingency	3.00%
2018 Beginning Balance	$152,914

Component Funding Model Summary of Calculations

Required Month Contribution	$2,187.88
$8.65 per unit monthly	
Average Net Month Interest Earned	$94.24
Total Month Allocation to Reserves	$2,282.12
$9.02 per unit monthly	

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model Projection

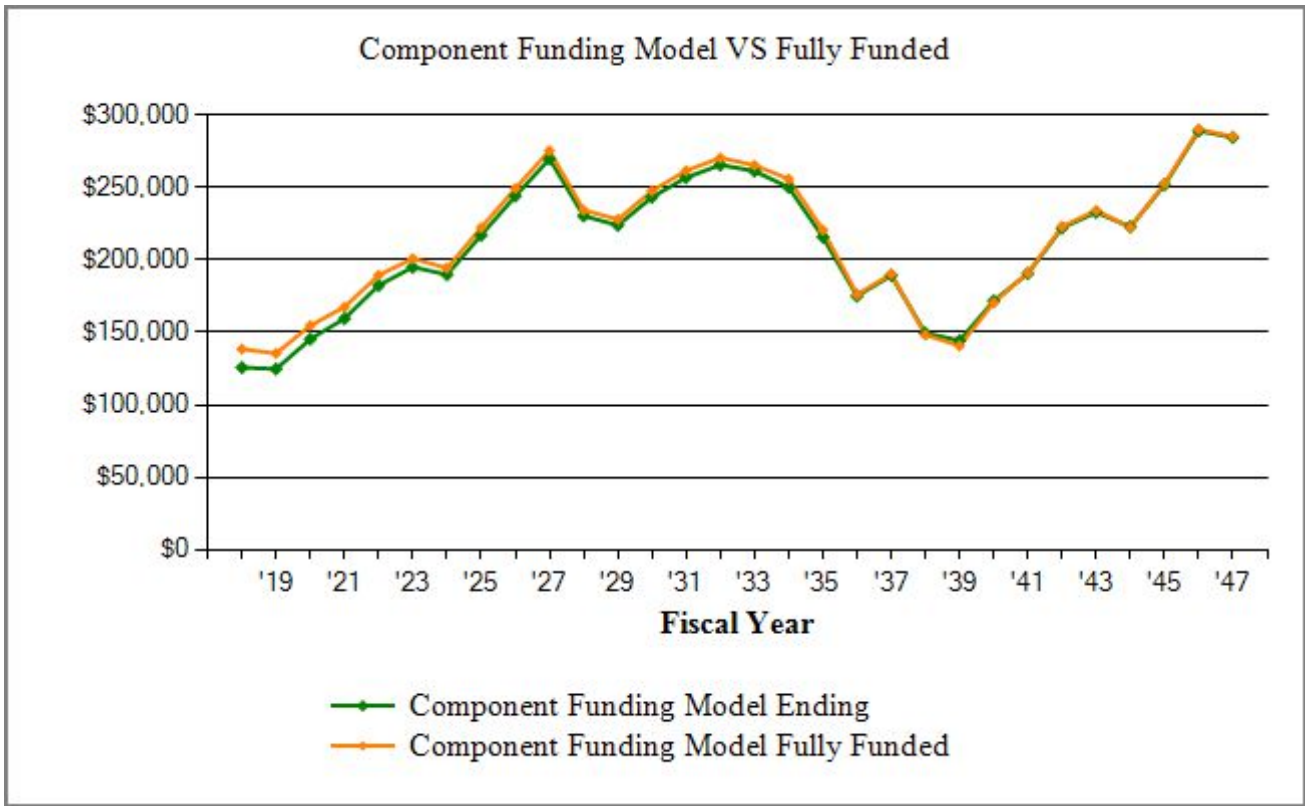
Report Date	November 08, 2017
Beginning Fiscal Year	January 01, 2018
Account Number	712

Version Number 5

Beginning Balance: $152,914

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2018	290,502	26,255	1,131	54,539	125,761	138,469	91%
2019	295,643	25,024	1,127	27,110	124,801	135,465	92%
2020	300,876	25,525	1,329	6,324	145,331	154,715	94%
2021	306,202	26,116	1,467	13,409	159,505	167,483	95%
2022	311,622	26,505	1,694	5,260	182,443	189,453	96%
2023	317,137	27,457	1,814	16,717	194,997	200,867	97%
2024	322,751	27,884	1,760	34,834	189,808	194,358	98%
2025	328,463	27,598	2,033	2,393	217,046	222,238	98%
2026	334,277	28,774	2,296	4,099	244,017	249,300	98%
2027	340,194	29,051	2,549	5,956	269,662	275,418	98%
2028	346,215	29,515	2,156	71,018	230,314	234,289	98%
2029	352,343	29,125	2,093	37,681	223,851	227,913	98%
2030	358,580	30,294	2,281	13,190	243,236	247,634	98%
2031	364,927	30,673	2,414	19,560	256,762	261,551	98%
2032	371,386	31,388	2,497	25,135	265,513	270,399	98%
2033	377,959	32,295	2,451	38,996	261,263	265,243	98%
2034	384,649	29,921	2,350	43,536	249,998	255,861	98%
2035	391,457	32,305	1,998	68,569	215,732	220,609	98%
2036	398,386	35,019	1,581	77,268	175,064	176,107	99%
2037	405,438	33,561	1,729	21,122	189,232	190,302	99%
2038	412,614	34,418	1,329	75,546	149,433	148,237	101%
2039	419,917	36,000	1,271	42,379	144,325	140,825	102%
2040	427,350	33,325	1,556	7,486	171,721	170,499	101%
2041	434,914	34,399	1,739	17,215	190,644	191,112	100%
2042	442,612	36,826	2,040	7,472	222,038	223,035	100%
2043	450,446	37,097	2,146	28,478	232,803	234,128	99%
2044	458,419	39,061	2,038	51,082	222,819	222,356	100%
2045	466,533	38,086	2,330	11,441	251,795	252,634	100%
2046	474,791	40,349	2,690	5,822	289,013	290,022	100%
2047	483,194	40,231	2,646	47,410	284,479	285,129	100%

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model VS Fully Funded Chart



The **Component Funding Model's** long-term objective is to provide a plan to a fully funded reserve position over the longest period of time practical. This is the most conservative funding model.

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model Assessment & Category Summary

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Streets/Asphalt							
Asphalt Overlay	2036	50	-2	18	56,344	21,914	35,215
Asphalt Repairs	2019	5	-3	1	4,383	2,191	2,191
Asphalt Seal Coat	2019	5	6	1	6,991	6,355	6,355
Streets/Asphalt - Total					$67,717	$30,461	$43,761
Roofing							
Roof - Boathouse - Maintenance	2022	5	0	4	229	46	46
Roof - Boathouse - Replace	2037	20	0	19	1,640	0	82
Roof - Maintenance Building - Maintenance	2022	5	0	4	350	70	70
Roof - Maintenance Building - Replace	2037	20	0	19	3,496	0	175
Roofing - Total					$5,714	$116	$373
Painting							
Painting - Recreation/Boathouse & Storage Buildings	2025	8	0	7	875	109	109
Painting - Total					$875	$109	$109
Fencing/Security							
Gates: Vehicle - Automation	2032	15	0	14	8,142	543	543
Gates: Vehicle - Iron Work	2031	30	1	13	5,903	3,427	3,427
Fencing/Security - Total					$14,044	$3,970	$3,970
Lighting							
Lighting - Outdoor / Indoor - Allowance	2022	5	0	4	763	153	153
Lighting - Total					$763	$153	$153
Recreation							
Barbeque - Replenish / Rebuild	2027	10	0	9	1,200	120	120
Basketball Goal - Backboard/Hoop/Mounting Hardware	2023	20	0	5	687	515	515
Boat - Dock - Major Rebuild/Replace	2035	25	0	17	50,885	16,283	16,283
Boat Ramp	2037	20	0	19	6,000	0	300
Exercise Equipment: Rebuild / Major Repairs	2018	5	2	0	800	800	800
Playground Equipment: Rebuild / Major Repairs	2018	5	-4	0	5,000	5,000	5,000
Site Furniture - Benches/Tables & Miscellaneous	2023	7	3	5	2,035	1,018	1,018
Recreation - Total					$66,607	$23,736	$24,036

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model Assessment & Category Summary

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Equipment							
Maintenance Equipment - Miscellaneous	2018	4	0	0	3,562	3,562	3,562
Mower: Riding - Replace	2029	12	0	11	1,750	146	146
Tractor - Kubota "L" Series	2027	25	12	9	2,544	1,925	1,925
Equipment - Total					$7,856	$5,633	$5,633
Building Components							
Doors & Windows	2028	30	10	10	5,597	4,198	4,198
Building Components - Total					$5,597	$4,198	$4,198
Grounds Components							
Steps & Pathway	2028	20	0	10	5,000	2,500	2,500
Grounds Components - Total					$5,000	$2,500	$2,500
Gutters and Downspouts							
Gutters & Downspouts - Boathouse	2028	20	0	10	749	375	375
Gutters & Downspouts - Maintenance Building	2028	20	0	10	653	326	326
Gutters and Downspouts - Total					$1,402	$701	$701
Mailboxes							
Mailbox - Replacement	2024	5	11	6	2,679	1,674	1,674
Mailboxes - Total					$2,679	$1,674	$1,674
Signs							
Street Signs [Removed]		*Unfunded*					
Tree Trimming							
Arborist - Tree Work	2024	7	0	6	2,035	291	291
Tree Trimming - Total					$2,035	$291	$291
Underground Utilities							
Underground Utilities	2043	35	0	25	5,088	0	1,454
Underground Utilities - Total					$5,088		$1,454
Walls							
Perimeter Wall - Maintenance	2020	10	2	2	5,088	4,240	4,240
Walls - Total					$5,088	$4,240	$4,240

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model Assessment & Category Summary

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Environmental Remediation							
Storm Drainage System	2018	10	-9	0	35,000	35,000	35,000
Storm Water Discharge Pond - Cleaning	2019	5	-1	1	10,177	7,633	7,633
Stormwater Facility Swale Maintenance	2019	5	0	1	5,088	4,071	4,071
Environmental Remediation - Total					$50,265	$46,704	$46,704
Landscaping							
Irrigation Controllers & Valves	2021	10	3	3	3,053	2,349	2,349
Landscape - Renovation	2018	15	-14	0	10,177	10,177	10,177
Landscaping - Total					$13,230	$12,526	$12,526
Masonry							
Tuck-Pointing - Gate/Entry	2021	10	3	3	1,018	783	783
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	2021	10	3	3	3,562	2,740	2,740
Masonry - Total					$4,580	$3,523	$3,523
Concrete							
Concrete - Common Areas - Provision	2023	5	1	5	4,330	722	722
Concrete - Sport Court	2047	30	0	29	8,661	0	289
Concrete Flatwork - Maintenance/Replace	2023	5	10	5	2,460	1,640	1,640
Concrete - Total					$15,452	$2,362	$2,651
Surveillance Equipment							
Surveillance Equipment	2020	12	0	2	1,018	848	848
Surveillance Equipment - Total					$1,018	$848	$848
Restrooms							
Restroom Refurbishment - Provision	2032	15	0	14	9,159	611	611
Restrooms - Total					$9,159	$611	$611
Siding							
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings	2025	8	0	7	1,241	155	155
Siding - Total					$1,241	$155	$155
Monument							
Monument - Entry: Lettering	2021	12	0	3	5,088	3,816	3,816
Monument - Total					$5,088	$3,816	$3,816

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model Assessment & Category Summary

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Total Asset Summary					$290,502	$148,327	$163,926
Contingency at 3.00%						$4,587	$5,070
Summary Total						$152,914	$168,996

Percent Fully Funded	90%
Current Average Liability per Unit (Total Units: 253)	-$64

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model - Component Summary by Categor

Report Date	November 08, 2017
Beginning Fiscal Year	January 01, 2018
Account Number	712

Version Number 5

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Streets/Asphalt							
Asphalt Overlay	77,268	50	18	-2	21,914	208.88	35,215
Asphalt Repairs	4,460	5	1	-3	2,191	178.53	2,191
Asphalt Seal Coat	7,114	5	1	6	6,355	57.20	6,355
Streets/Asphalt - Total	$88,843				$30,461	$445	$43,761
Roofing							
Roof - Boathouse - Maintenance	246	5	4		46	3.77	46
Roof - Boathouse - Replace	2,289	20	19		0	8.40	82
Roof - Maintenance Building - Maintenance	375	5	4		70	5.76	70
Roof - Maintenance Building - Replace	4,879	20	19		0	17.90	175
Roofing - Total	$7,788				$116	$36	$373
Painting							
Painting - Recreation/Boathouse & Storage Buildings	989	8	7		109	9.29	109
Painting - Total	$989				$109	$9	$109
Fencing/Security							
Gates: Vehicle - Automation	10,408	15	14		543	50.05	543
Gates: Vehicle - Iron Work	7,415	30	13	1	3,427	20.34	3,427
Fencing/Security - Total	$17,823				$3,970	$70	$3,970
Lighting							
Lighting - Outdoor / Indoor - Allowance	819	5	4		153	12.58	153
Lighting - Total	$819				$153	$13	$153
Recreation							
Barbeque - Replenish / Rebuild	1,405	10	9		120	10.43	120
Basketball Goal - Backboard/Hoop/Mounting Hardware	750	20	5		515	3.31	515
Boat - Dock - Major Rebuild/Replace	68,569	25	17		16,283	209.03	16,283
Boat Ramp	8,374	20	19		0	30.72	300
Exercise Equipment: Rebuild / Major Repairs	800	5	0	2	800	13.02	800

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Recreation continued...							
Playground Equipment: Rebuild / Major Repairs	5,000	5	0	-4	5,000	81.35	5,000
Site Furniture - Benches/Tables & Miscellaneous	2,222	7	5	3	1,018	17.95	1,018
Recreation - Total	$87,120				$23,736	$366	$24,036
Equipment							
Maintenance Equipment - Miscellaneous	3,562	4	0		3,562	71.54	3,562
Mower: Riding - Replace	2,122	12	11		146	12.97	146
Tractor - Kubota "L" Series	2,979	25	9	12	1,925	7.57	1,925
Equipment - Total	$8,664				$5,633	$92	$5,633
Building Components							
Doors & Windows	6,671	30	10	10	4,198	15.76	4,198
Building Components - Total	$6,671				$4,198	$16	$4,198
Grounds Components							
Steps & Pathway	5,959	20	10		2,500	24.27	2,500
Grounds Components - Total	$5,959				$2,500	$24	$2,500
Gutters and Downspouts							
Gutters & Downspouts - Boathouse	893	20	10		375	3.64	375
Gutters & Downspouts - Maintenance Building	778	20	10		326	3.17	326
Gutters and Downspouts - Total	$1,671				$701	$7	$701
Mailboxes							
Mailbox - Replacement	2,977	5	6	11	1,674	15.65	1,674
Mailboxes - Total	$2,977				$1,674	$16	$1,674
Signs							
Street Signs [Removed]	*unfunded*						
Tree Trimming							
Arborist - Tree Work	2,261	7	6		291	24.44	291
Tree Trimming - Total	$2,261				$291	$24	$291

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Underground Utilities							
Underground Utilities	7,890	35	25		0	21.77	1,454
Underground Utilities - Total	$7,890					$22	$1,454
Walls							
Perimeter Wall - Maintenance	5,270	10	2	2	4,240	38.40	4,240
Walls - Total	$5,270				$4,240	$38	$4,240
Environmental Remediation							
Storm Drainage System	35,000	10	0	-9	35,000	303.07	35,000
Storm Water Discharge Pond - Cleaning	10,357	5	1	-1	7,633	214.91	7,633
Stormwater Facility Swale Maintenance	5,179	5	1		4,071	86.96	4,071
Environmental Remediation - Total	$50,536				$46,704	$605	$46,704
Landscaping							
Irrigation Controllers & Valves	3,218	10	3	3	2,349	21.41	2,349
Landscape - Renovation	10,177	15	0	-14	10,177	62.52	10,177
Landscaping - Total	$13,395				$12,526	$84	$12,526
Masonry							
Tuck-Pointing - Gate/Entry	1,073	10	3	3	783	7.14	783
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	3,754	10	3	3	2,740	24.98	2,740
Masonry - Total	$4,827				$3,523	$32	$3,523
Concrete							
Concrete - Common Areas - Provision	4,728	5	5	1	722	60.04	722
Concrete - Sport Court	14,406	30	29		0	32.82	289
Concrete Flatwork - Maintenance/Replace	2,686	5	5	10	1,640	15.19	1,640
Concrete - Total	$21,819				$2,362	$108	$2,651
Surveillance Equipment							
Surveillance Equipment	1,054	12	2		848	7.68	848
Surveillance Equipment - Total	$1,054				$848	$8	$848

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model - Component Summary by Categor

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Restrooms							
Restroom Refurbishment - Provision	11,710	15	14		611	56.31	611
Restrooms - Total	$11,710				$611	$56	$611
Siding							
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings							
	1,403	8	7		155	13.18	155
Siding - Total	$1,403				$155	$13	$155
Monument							
Monument - Entry: Lettering	5,364	12	3		3,816	38.33	3,816
Monument - Total	$5,364				$3,816	$38	$3,816
Asset Summary Total:	$354,853				$148,327	$2,122	$163,926
Contingency at 3.00%					$4,587	$66	$5,070
Grand Total:					$152,914	$2,188	$168,996

Percent Fully Funded	90%
Current Average Liability per Unit (Total Units: 253)	-$64

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model - Capital/Non-Capital Summary

Report Date	November 08, 2017		
Beginning Fiscal Year	January 01, 2018		
Account Number	712	Version Number	5

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Capital							
Asphalt Overlay	77,268	50	18	-2	21,914	208.88	35,215
Asphalt Repairs	4,460	5	1	-3	2,191	178.53	2,191
Barbeque - Replenish / Rebuild	1,405	10	9		120	10.43	120
Basketball Goal - Backboard/Hoop/Mounting Hardware	750	20	5		515	3.31	515
Boat - Dock - Major Rebuild/Replace	68,569	25	17		16,283	209.03	16,283
Concrete - Common Areas - Provision	4,728	5	5	1	722	60.04	722
Concrete - Sport Court	14,406	30	29		0	32.82	289
Concrete Flatwork - Maintenance/Replace	2,686	5	5	10	1,640	15.19	1,640
Doors & Windows	6,671	30	10	10	4,198	15.76	4,198
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings	1,403	8	7		155	13.18	155
Exercise Equipment: Rebuild / Major Repairs	800	5	0	2	800	13.02	800
Gates: Vehicle - Automation	10,408	15	14		543	50.05	543
Gates: Vehicle - Iron Work	7,415	30	13	1	3,427	20.34	3,427
Gutters & Downspouts - Boathouse	893	20	10		375	3.64	375
Gutters & Downspouts - Maintenance Building	778	20	10		326	3.17	326
Irrigation Controllers & Valves	3,218	10	3	3	2,349	21.41	2,349
Lighting - Outdoor / Indoor - Allowance	819	5	4		153	12.58	153
Mailbox - Replacement	2,977	5	6	11	1,674	15.65	1,674
Maintenance Equipment - Miscellaneous	3,562	4	0		3,562	71.54	3,562
Monument - Entry: Lettering	5,364	12	3		3,816	38.33	3,816
Mower: Riding - Replace	2,122	12	11		146	12.97	146
Perimeter Wall - Maintenance	5,270	10	2	2	4,240	38.40	4,240
Playground Equipment: Rebuild / Major Repairs	5,000	5	0	-4	5,000	81.35	5,000
Restroom Refurbishment - Provision	11,710	15	14		611	56.31	611
Roof - Boathouse - Maintenance	246	5	4		46	3.77	46
Roof - Boathouse - Replace	2,289	20	19		0	8.40	82
Roof - Maintenance Building - Maintenance	375	5	4		70	5.76	70

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Component Funding Model - Capital/Non-Capital Summary

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Capital continued...							
Roof - Maintenance Building - Replace	4,879	20	19		0	17.90	175
Site Furniture - Benches/Tables & Miscellaneous	2,222	7	5	3	1,018	17.95	1,018
Steps & Pathway	5,959	20	10		2,500	24.27	2,500
Street Signs [Removed]	*unfunded*						
Surveillance Equipment	1,054	12	2		848	7.68	848
Tractor - Kubota "L" Series	2,979	25	9	12	1,925	7.57	1,925
Underground Utilities	7,890	35	25		0	21.77	1,454
Capital - Total	$270,574				$81,168	$1,301	$96,468
Non Capital							
Arborist - Tree Work	2,261	7	6		291	24.44	291
Asphalt Seal Coat	7,114	5	1	6	6,355	57.20	6,355
Boat Ramp	8,374	20	19		0	30.72	300
Landscape - Renovation	10,177	15	0	-14	10,177	62.52	10,177
Painting - Recreation/Boathouse & Storage Buildings	989	8	7		109	9.29	109
Storm Drainage System	35,000	10	0	-9	35,000	303.07	35,000
Storm Water Discharge Pond - Cleaning	10,357	5	1	-1	7,633	214.91	7,633
Stormwater Facility Swale Maintenance	5,179	5	1		4,071	86.96	4,071
Tuck-Pointing - Gate/Entry	1,073	10	3	3	783	7.14	783
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	3,754	10	3	3	2,740	24.98	2,740
Non Capital - Total	$84,279				$67,159	$821	$67,459
Asset Summary Total:	$354,853				$148,327	$2,122	$163,926
Contingency at 3.00%					$4,587	$66	$5,070
Grand Total:					$152,914	$2,188	$168,996

Percent Fully Funded	90%
Current Average Liability per Unit (Total Units: 253)	-$64

EXECUTIVE SUMMARY - BASELINE FUNDING MODEL

BASELINE FUNDING MODEL OVERVIEW

The goal of the "Baseline Funding Model" is to keep the reserve cash balance above zero at all times without special assessments. This method describes the objective to have sufficient reserves on hand to never completely run out of money. This means that while each individual component may not be fully funded, the reserve balance overall does not drop below zero during the projected period. An association using this funding method must understand that even a minor reduction in a component's remaining useful life can result in a deficit in the reserve cash balance. This is sometimes described as a "cash-positive" plan. With less cash in reserves on-deposit, associations with a baseline funding objective have higher instances of special assessments and/or deferred maintenance.

PROPERTY INFORMATION

ORIGINAL STARTING DATE OF RESERVE STUDY: This reserve study was prepared for the fiscal year January 1, 2018 and ending December 31, 2018. Unless otherwise indicated, we have used July 18, 1988 to begin aging the original components in this reserve study.

NUMBER OF UNITS/LOTS & LOCATION: This reserve study is a total of 253 units located in Camas, Washington.

DATE OF LAST RESERVE STUDY: (if applicable) The last on-site physical analysis done by ReserveStudyUpdate.com, LLC was completed on February 11, 2015.

NOTE: All interest accrued from reserve savings account(s) must remain in the reserve savings account(s) and not used as an off-set for operating expenses. Income tax factors were not considered due to variables affecting net taxable income and the election of tax form to be filed.

RESERVE FUNDS ON HAND: For the purpose of this reserve study, it is anticipated that the association will have a projected beginning reserve balance of $152,914 as of January 1, 2018. The actual or projected (estimated) total presented in this reserve study is based upon information provided to ReserveStudyUpdate.com, LLC and was not audited.

FUNDING REQUIRED: A minimum balance threshold of $0 has been used over the thirty years of this reserve study. The reserve study has an annual contribution increase of 2.00% per year. Per Section 4.4 of the CC&Rs, there language that limits the annual budget increase to 6% from the previously adopted budget without a two-thirds affirmative vote of the total membership. ReserveStudyUpdate.com, LLC cannot possibly predict the outcome of a vote in any future year. Even though historically, the contribution to reserves has only constituted 20% to 25% of the overall budget, given the constraints of an overall budget cap, the reserve analyst does not recommend increasing the contribution to reserves more than 6% in any given year of the 30-year scope of the reserve study due to market volatility and other potential unknowns.

INFLATION RATE: An inflation rate of 1.77% was used for all thirty years of the reserve study report. This is based on an equally weighted ten-year historical inflation rate average.

THE NATIONAL PERCENT FUNDED RATING IN THE RESERVE STUDY INDUSTRY IS:

0% to 29.99% - Poor
30% to 69.99% - Fair
70% to 100% - Good
This association is 89.18% funded the end of the first fiscal year contingent that the funding model described in this section is implemented.

DISCLOSURES

GENERAL: Lacamas Shores Homeowners Association and ReserveStudyUpdate.com, LLC have no professional or personal involvements with each other, other than the scope of work identified in the reserve study contract. This relationship cannot be perceived as a conflict of interest.

This reserve study is for budget and planning purposes and identifies the status of the reserve fund and schedules the anticipated major commonly owned item replacements in accordance with Washington State Law(s). This reserve study will estimate the expected useful life and remaining useful life of the building and site components or systems, and will provide an estimate replacement or refurbishment cost for those components or systems.

PHYSICAL ANALYSIS: If an on-site reserve study was performed observations were limited to visual observations only. Destructive testing (invasive testing) was not performed. Any items that were not clearly visible at the time of the site observation were not viewed, and therefore were not included in the drafting of this reserve study.

A grand total of 44 assets were included in this reserve study report; of these considered, 43 were funded and 1 components were unfunded. Often times components not funded are estimated to be outside the scope of the thirty year scope of the reserve study; while other components are sometimes omitted by property management, association representative, and/or Declarant.

MEASUREMENTS: Measuring and inventory (+/- 10%) were identified via a combination of onsite physical measurements, previous reserve study and/or drawing take-offs. Drawing sets (if used) were provided by the property manager, Board of Directors or Declarant for our use relating only to the reserve study scope of work.

RELIANCE ON CLIENT DATA: Data received from property management, Association Representatives and/or Declarant is deemed reliable by ReserveStudyUpdate.com, LLC. Such data may include financial information, physical deficiencies or physical conditions, quantity of physical assets, or historical issues. Financial information received from property management, Association Representative, Declarant was not audited for accuracy.

The Association needs to carefully review each line item in the reports to be certain corrections are made from information you may possess that we are not aware of. It is assumed in our reserve study, no work, or expenditures from the reserve funds will occurred for the balance of the fiscal year. If this is not correct, you need to let ReserveStudyUpdate.com, LLC know what extra work was done and how much money will be spent.

SCOPE OF RESERVE STUDY: The Reserve Study is a reflection of information provided to the Consultant and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records.

Report Version 5.

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Baseline Funding Model Summary

Report Date	November 8, 2017
Account Number	712
Version	5
Budget Year Beginning	January 1, 2018
Budget Year Ending	December 31, 2018
Total Units	253

Report Parameters

Inflation	1.77%
Annual Assessment Increase	2.00%
Interest Rate on Reserve Deposit	1.00%
2018 Beginning Balance	$152,914

Baseline Funding Model Summary of Calculations

Required Month Contribution	$1,691.94
$6.69 per unit monthly	
Average Net Month Interest Earned	$91.55
Total Month Allocation to Reserves	$1,783.48
$7.05 per unit monthly	

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Baseline Funding Model Projection

Report Date	November 08, 2017		
Beginning Fiscal Year	January 01, 2018		
Account Number	712	Version Number	5

Beginning Balance: $152,914

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2018	290,502	20,303	1,099	54,539	119,777	134,315	89%
2019	295,643	20,709	1,043	27,110	114,419	131,401	87%
2020	300,876	21,123	1,201	6,324	130,419	150,073	87%
2021	306,202	21,546	1,293	13,409	139,849	162,459	86%
2022	311,622	21,977	1,471	5,260	158,037	183,770	86%
2023	317,137	22,416	1,541	16,717	165,278	194,841	85%
2024	322,751	22,865	1,435	34,834	154,743	188,527	82%
2025	328,463	23,322	1,657	2,393	177,330	215,571	82%
2026	334,277	23,788	1,870	4,099	198,889	241,821	82%
2027	340,194	24,264	2,070	5,956	219,267	267,155	82%
2028	346,215	24,750	1,624	71,018	174,622	227,260	77%
2029	352,343	25,245	1,513	37,681	163,698	221,076	74%
2030	358,580	25,749	1,652	13,190	177,909	240,205	74%
2031	364,927	26,264	1,733	19,560	186,347	253,705	73%
2032	371,386	26,790	1,765	25,135	189,767	262,287	72%
2033	377,959	27,325	1,663	38,996	179,760	257,285	70%
2034	384,649	27,872	1,520	43,536	165,616	248,185	67%
2035	391,457	28,429	1,129	68,569	126,606	213,990	59%
2036	398,386	28,998	653	77,268	78,989	170,824	46%
2037	405,438	29,578	742	21,122	88,187	184,593	48%
2038	412,614	30,170	291	75,546	43,101	143,790	30%
2039	419,917	30,773	174	42,379	31,670	136,600	23%
2040	427,350	31,388	413	7,486	55,986	165,384	34%
2041	434,914	32,016	563	17,215	71,351	185,379	38%
2042	442,612	32,656	819	7,472	97,355	216,344	45%
2043	450,446	33,310	873	28,478	103,059	227,104	45%
2044	458,419	33,976	707	51,082	86,660	215,685	40%
2045	466,533	34,655	944	11,441	110,818	245,055	45%
2046	474,791	35,348	1,247	5,822	141,592	281,322	50%
2047	483,194	36,055	1,142	47,410	131,379	276,575	48%

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Baseline Funding Model - Component Summary by Category

Report Date	November 08, 2017		
Beginning Fiscal Year	January 01, 2018		
Account Number	712	Version Number	5

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Streets/Asphalt							
Asphalt Overlay	77,268	50	18	-2	26,502	146.84	35,215
Asphalt Repairs	4,460	5	1	-3	2,191	142.16	2,191
Asphalt Seal Coat	7,114	5	1	6	6,355	44.00	6,355
Streets/Asphalt - Total	$88,843				$35,048	$333	$43,761
Roofing							
Roof - Boathouse - Maintenance	246	5	4		46	3.08	46
Roof - Boathouse - Replace	2,289	20	19		0	6.96	82
Roof - Maintenance Building - Maintenance	375	5	4		70	4.71	70
Roof - Maintenance Building - Replace	4,879	20	19		0	14.83	175
Roofing - Total	$7,788				$116	$30	$373
Painting							
Painting - Recreation/Boathouse & Storage Buildings	989	8	7		109	7.65	109
Painting - Total	$989				$109	$8	$109
Fencing/Security							
Gates: Vehicle - Automation	10,408	15	14		543	41.40	543
Gates: Vehicle - Iron Work	7,415	30	13	1	3,427	16.09	3,427
Fencing/Security - Total	$17,823				$3,970	$57	$3,970
Lighting							
Lighting - Outdoor / Indoor - Allowance	819	5	4		153	10.28	153
Lighting - Total	$819				$153	$10	$153
Recreation							
Barbeque - Replenish / Rebuild	1,405	10	9		120	8.60	120
Basketball Goal - Backboard/Hoop/Mounting Hardware	750	20	5		515	2.58	515
Boat - Dock - Major Rebuild/Replace	68,569	25	17		16,283	169.07	16,283
Boat Ramp	8,374	20	19		0	25.45	300
Exercise Equipment: Rebuild / Major Repairs	800	5	0	2	800	10.83	800

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Recreation continued...							
Playground Equipment: Rebuild / Major Repairs	5,000	5	0	-4	5,000	67.69	5,000
Site Furniture - Benches/Tables & Miscellaneous	2,222	7	5	3	1,018	14.29	1,018
Recreation - Total	$87,120				$23,736	$299	$24,036
Equipment							
Maintenance Equipment - Miscellaneous	3,562	4	0		3,562	59.53	3,562
Mower: Riding - Replace	2,122	12	11		146	10.71	146
Tractor - Kubota "L" Series	2,979	25	9	12	1,925	5.89	1,925
Equipment - Total	$8,664				$5,633	$76	$5,633
Building Components							
Doors & Windows	6,671	30	10	10	4,198	12.28	4,198
Building Components - Total	$6,671				$4,198	$12	$4,198
Grounds Components							
Steps & Pathway	5,959	20	10		2,500	19.32	2,500
Grounds Components - Total	$5,959				$2,500	$19	$2,500
Gutters and Downspouts							
Gutters & Downspouts - Boathouse	893	20	10		375	2.90	375
Gutters & Downspouts - Maintenance Building	778	20	10		326	2.52	326
Gutters and Downspouts - Total	$1,671				$701	$5	$701
Mailboxes							
Mailbox - Replacement	2,977	5	6	11	1,674	12.32	1,674
Mailboxes - Total	$2,977				$1,674	$12	$1,674
Signs							
Street Signs [Removed]	*unfunded*						
Tree Trimming							
Arborist - Tree Work	2,261	7	6		291	20.08	291
Tree Trimming - Total	$2,261				$291	$20	$291

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Underground Utilities							
Underground Utilities	7,890	35	25		0	17.66	1,454
Underground Utilities - Total	$7,890					$18	$1,454
Walls							
Perimeter Wall - Maintenance	5,270	10	2	2	4,240	29.72	4,240
Walls - Total	$5,270				$4,240	$30	$4,240
Environmental Remediation							
Storm Drainage System	35,000	10	0	-9	35,000	252.19	35,000
Storm Water Discharge Pond - Cleaning	10,357	5	1	-1	7,633	167.51	7,633
Stormwater Facility Swale Maintenance	5,179	5	1		4,071	67.50	4,071
Environmental Remediation - Total	$50,536				$46,704	$487	$46,704
Landscaping							
Irrigation Controllers & Valves	3,218	10	3	3	2,349	16.66	2,349
Landscape - Renovation	10,177	15	0	-14	10,177	52.02	10,177
Landscaping - Total	$13,395				$12,526	$69	$12,526
Masonry							
Tuck-Pointing - Gate/Entry	1,073	10	3	3	783	5.55	783
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	3,754	10	3	3	2,740	19.44	2,740
Masonry - Total	$4,827				$3,523	$25	$3,523
Concrete							
Concrete - Common Areas - Provision	4,728	5	5	1	722	49.22	722
Concrete - Sport Court	14,406	30	29		0	27.23	289
Concrete Flatwork - Maintenance/Replace	2,686	5	5	10	1,640	11.93	1,640
Concrete - Total	$21,819				$2,362	$88	$2,651
Surveillance Equipment							
Surveillance Equipment	1,054	12	2		848	5.94	848
Surveillance Equipment - Total	$1,054				$848	$6	$848

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Baseline Funding Model - Component Summary by Category

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Restrooms							
Restroom Refurbishment - Provision	11,710	15	14		611	46.58	611
Restrooms - Total	$11,710				$611	$47	$611
Siding							
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings							
	1,403	8	7		155	10.85	155
Siding - Total	$1,403				$155	$11	$155
Monument							
Monument - Entry: Lettering	5,364	12	3		3,816	29.88	3,816
Monument - Total	$5,364				$3,816	$30	$3,816
Grand Total:	$354,853				$152,914	$1,692	$163,926

Percent Fully Funded	93%
Current Average Liability per Unit (Total Units: 253)	-$44

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Baseline Funding Model - Capital/Non-Capital Summary

Report Date	November 08, 2017		
Beginning Fiscal Year	January 01, 2018		
Account Number	712	Version Number	5

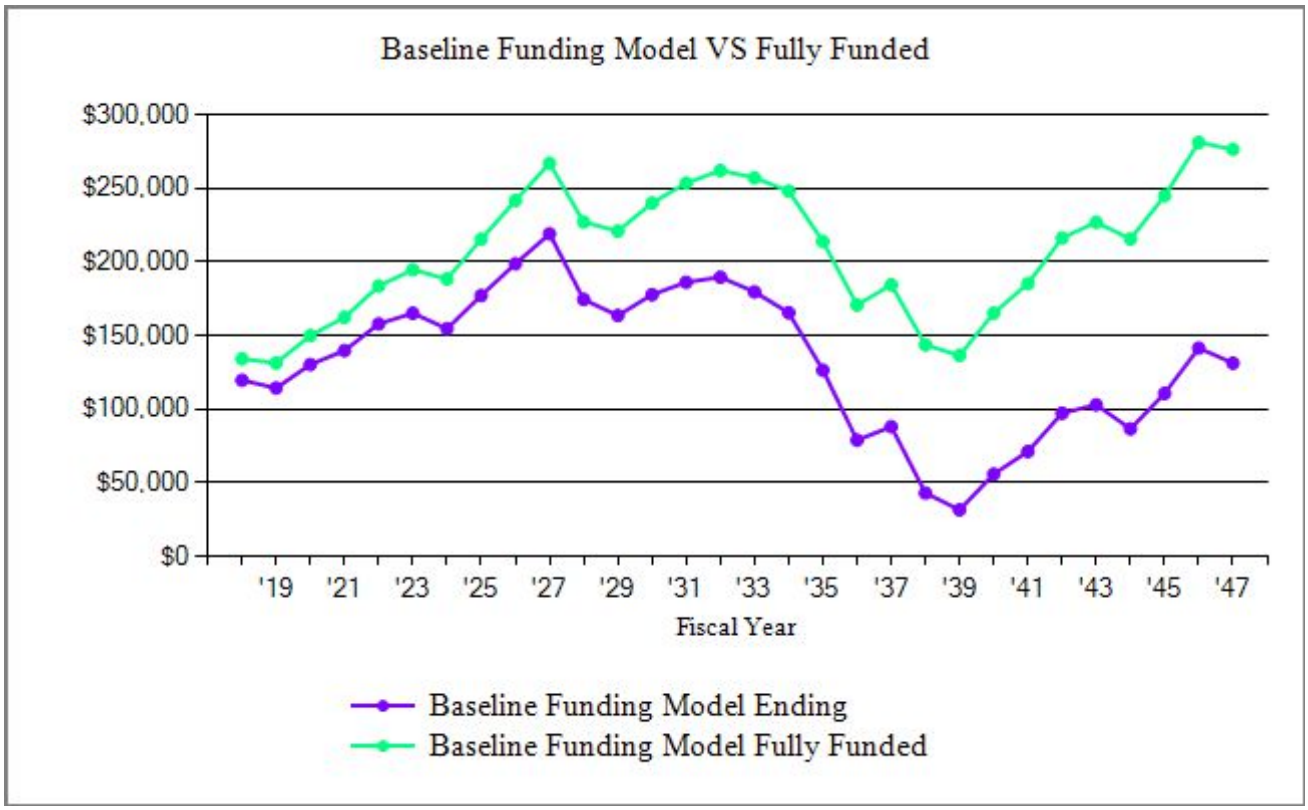
Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Capital							
Asphalt Overlay	77,268	50	18	-2	26,502	146.84	35,215
Asphalt Repairs	4,460	5	1	-3	2,191	142.16	2,191
Barbeque - Replenish / Rebuild	1,405	10	9		120	8.60	120
Basketball Goal - Backboard/Hoop/Mounting Hardware	750	20	5		515	2.58	515
Boat - Dock - Major Rebuild/Replace	68,569	25	17		16,283	169.07	16,283
Concrete - Common Areas - Provision	4,728	5	5	1	722	49.22	722
Concrete - Sport Court	14,406	30	29		0	27.23	289
Concrete Flatwork - Maintenance/Replace	2,686	5	5	10	1,640	11.93	1,640
Doors & Windows	6,671	30	10	10	4,198	12.28	4,198
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings	1,403	8	7		155	10.85	155
Exercise Equipment: Rebuild / Major Repairs	800	5	0	2	800	10.83	800
Gates: Vehicle - Automation	10,408	15	14		543	41.40	543
Gates: Vehicle - Iron Work	7,415	30	13	1	3,427	16.09	3,427
Gutters & Downspouts - Boathouse	893	20	10		375	2.90	375
Gutters & Downspouts - Maintenance Building	778	20	10		326	2.52	326
Irrigation Controllers & Valves	3,218	10	3	3	2,349	16.66	2,349
Lighting - Outdoor / Indoor - Allowance	819	5	4		153	10.28	153
Mailbox - Replacement	2,977	5	6	11	1,674	12.32	1,674
Maintenance Equipment - Miscellaneous	3,562	4	0		3,562	59.53	3,562
Monument - Entry: Lettering	5,364	12	3		3,816	29.88	3,816
Mower: Riding - Replace	2,122	12	11		146	10.71	146
Perimeter Wall - Maintenance	5,270	10	2	2	4,240	29.72	4,240
Playground Equipment: Rebuild / Major Repairs	5,000	5	0	-4	5,000	67.69	5,000
Restroom Refurbishment - Provision	11,710	15	14		611	46.58	611
Roof - Boathouse - Maintenance	246	5	4		46	3.08	46
Roof - Boathouse - Replace	2,289	20	19		0	6.96	82
Roof - Maintenance Building - Maintenance	375	5	4		70	4.71	70

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Baseline Funding Model - Capital/Non-Capital Summary

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Distribution	Required Contribution	Ideally Funded
Capital continued...							
Roof - Maintenance Building - Replace	4,879	20	19		0	14.83	175
Site Furniture - Benches/Tables & Miscellaneous	2,222	7	5	3	1,018	14.29	1,018
Steps & Pathway	5,959	20	10		2,500	19.32	2,500
Street Signs [Removed]	*unfunded*						
Surveillance Equipment	1,054	12	2		848	5.94	848
Tractor - Kubota "L" Series	2,979	25	9	12	1,925	5.89	1,925
Underground Utilities	7,890	35	25		0	17.66	1,454
Capital - Total	$270,574				$85,755	$1,031	$96,468
Non Capital							
Arborist - Tree Work	2,261	7	6		291	20.08	291
Asphalt Seal Coat	7,114	5	1	6	6,355	44.00	6,355
Boat Ramp	8,374	20	19		0	25.45	300
Landscape - Renovation	10,177	15	0	-14	10,177	52.02	10,177
Painting - Recreation/Boathouse & Storage Buildings	989	8	7		109	7.65	109
Storm Drainage System	35,000	10	0	-9	35,000	252.19	35,000
Storm Water Discharge Pond - Cleaning	10,357	5	1	-1	7,633	167.51	7,633
Stormwater Facility Swale Maintenance	5,179	5	1		4,071	67.50	4,071
Tuck-Pointing - Gate/Entry	1,073	10	3	3	783	5.55	783
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	3,754	10	3	3	2,740	19.44	2,740
Non Capital - Total	$84,279				$67,159	$661	$67,459
Grand Total:	$354,853				$152,914	$1,692	$163,926

Percent Fully Funded	93%
Current Average Liability per Unit (Total Units: 253)	-$44

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Baseline Funding Model VS Fully Funded Chart



The chart above compares the projected reserve ending balances of the three funding models (Current Assessment Funding Model, Threshold Funding Model and Component Funding Model) over 30 years.

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Annual Expenditure Detail

Report Date	November 08, 2017	
Beginning Fiscal Year	January 01, 2018	
Account Number	712	Version Number 5

Description	Expenditures
Replacement Year 2018	
Exercise Equipment: Rebuild / Major Repairs	800
Landscape - Renovation	10,177
Maintenance Equipment - Miscellaneous	3,562
Playground Equipment: Rebuild / Major Repairs	5,000
Storm Drainage System	35,000
Total for 2018	**$54,539**
Replacement Year 2019	
Asphalt Repairs	4,460
Asphalt Seal Coat	7,114
Storm Water Discharge Pond - Cleaning	10,357
Stormwater Facility Swale Maintenance	5,179
Total for 2019	**$27,110**
Replacement Year 2020	
Perimeter Wall - Maintenance	5,270
Surveillance Equipment	1,054
Total for 2020	**$6,324**
Replacement Year 2021	
Irrigation Controllers & Valves	3,218
Monument - Entry: Lettering	5,364
Tuck-Pointing - Gate/Entry	1,073
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	3,754
Total for 2021	**$13,409**
Replacement Year 2022	
Lighting - Outdoor / Indoor - Allowance	819
Maintenance Equipment - Miscellaneous	3,821
Roof - Boathouse - Maintenance	246
Roof - Maintenance Building - Maintenance	375
Total for 2022	**$5,260**

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Annual Expenditure Detail

Description	Expenditures
Replacement Year 2023	
Basketball Goal - Backboard/Hoop/Mounting Hardware	750
Concrete - Common Areas - Provision	4,728
Concrete Flatwork - Maintenance/Replace	2,686
Exercise Equipment: Rebuild / Major Repairs	873
Playground Equipment: Rebuild / Major Repairs	5,458
Site Furniture - Benches/Tables & Miscellaneous	2,222
Total for 2023	**$16,717**
Replacement Year 2024	
Arborist - Tree Work	2,261
Asphalt Repairs	4,869
Asphalt Seal Coat	7,767
Mailbox - Replacement	2,977
Storm Water Discharge Pond - Cleaning	11,307
Stormwater Facility Swale Maintenance	5,653
Total for 2024	**$34,834**
Replacement Year 2025	
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings	1,403
Painting - Recreation/Boathouse & Storage Buildings	989
Total for 2025	**$2,393**
Replacement Year 2026	
Maintenance Equipment - Miscellaneous	4,099
Total for 2026	**$4,099**
Replacement Year 2027	
Barbeque - Replenish / Rebuild	1,405
Lighting - Outdoor / Indoor - Allowance	894
Roof - Boathouse - Maintenance	268
Roof - Maintenance Building - Maintenance	409
Tractor - Kubota "L" Series	2,979
Total for 2027	**$5,956**
Replacement Year 2028	
Concrete - Common Areas - Provision	5,161

Description	Expenditures
Replacement Year 2028 continued...	
Concrete Flatwork - Maintenance/Replace	2,932
Doors & Windows	6,671
Exercise Equipment: Rebuild / Major Repairs	953
Gutters & Downspouts - Boathouse	893
Gutters & Downspouts - Maintenance Building	778
Playground Equipment: Rebuild / Major Repairs	5,959
Steps & Pathway	5,959
Storm Drainage System	41,712
Total for 2028	**$71,018**
Replacement Year 2029	
Asphalt Repairs	5,316
Asphalt Seal Coat	8,479
Mailbox - Replacement	3,249
Mower: Riding - Replace	2,122
Storm Water Discharge Pond - Cleaning	12,343
Stormwater Facility Swale Maintenance	6,172
Total for 2029	**$37,681**
Replacement Year 2030	
Maintenance Equipment - Miscellaneous	4,397
Perimeter Wall - Maintenance	6,281
Site Furniture - Benches/Tables & Miscellaneous	2,512
Total for 2030	**$13,190**
Replacement Year 2031	
Arborist - Tree Work	2,557
Gates: Vehicle - Iron Work	7,415
Irrigation Controllers & Valves	3,835
Tuck-Pointing - Gate/Entry	1,278
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	4,475
Total for 2031	**$19,560**
Replacement Year 2032	
Gates: Vehicle - Automation	10,408

Description	Expenditures
Replacement Year 2032 continued...	
Lighting - Outdoor / Indoor - Allowance	976
Restroom Refurbishment - Provision	11,710
Roof - Boathouse - Maintenance	293
Roof - Maintenance Building - Maintenance	447
Surveillance Equipment	1,301
Total for 2032	**$25,135**
Replacement Year 2033	
Concrete - Common Areas - Provision	5,634
Concrete Flatwork - Maintenance/Replace	3,201
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings	1,615
Exercise Equipment: Rebuild / Major Repairs	1,041
Landscape - Renovation	13,241
Monument - Entry: Lettering	6,620
Painting - Recreation/Boathouse & Storage Buildings	1,138
Playground Equipment: Rebuild / Major Repairs	6,505
Total for 2033	**$38,996**
Replacement Year 2034	
Asphalt Repairs	5,803
Asphalt Seal Coat	9,256
Mailbox - Replacement	3,547
Maintenance Equipment - Miscellaneous	4,716
Storm Water Discharge Pond - Cleaning	13,475
Stormwater Facility Swale Maintenance	6,738
Total for 2034	**$43,536**
Replacement Year 2035	
Boat - Dock - Major Rebuild/Replace	68,569
Total for 2035	**$68,569**
Replacement Year 2036	
Asphalt Overlay	77,268
Total for 2036	**$77,268**

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Annual Expenditure Detail

Description	Expenditures
Replacement Year 2037	
Barbeque - Replenish / Rebuild	1,675
Boat Ramp	8,374
Lighting - Outdoor / Indoor - Allowance	1,065
Roof - Boathouse - Replace	2,289
Roof - Maintenance Building - Replace	4,879
Site Furniture - Benches/Tables & Miscellaneous	2,841
Total for 2037	**$21,122**
Replacement Year 2038	
Arborist - Tree Work	2,891
Concrete - Common Areas - Provision	6,151
Concrete Flatwork - Maintenance/Replace	3,495
Exercise Equipment: Rebuild / Major Repairs	1,136
Maintenance Equipment - Miscellaneous	5,059
Playground Equipment: Rebuild / Major Repairs	7,102
Storm Drainage System	49,712
Total for 2038	**$75,546**
Replacement Year 2039	
Asphalt Repairs	6,335
Asphalt Seal Coat	10,105
Mailbox - Replacement	3,873
Storm Water Discharge Pond - Cleaning	14,711
Stormwater Facility Swale Maintenance	7,355
Total for 2039	**$42,379**
Replacement Year 2040	
Perimeter Wall - Maintenance	7,486
Total for 2040	**$7,486**
Replacement Year 2041	
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings	1,858
Irrigation Controllers & Valves	4,571
Mower: Riding - Replace	2,619
Painting - Recreation/Boathouse & Storage Buildings	1,310

Description	Expenditures
Replacement Year 2041 continued...	
Tuck-Pointing - Gate/Entry	1,524
Tuck-Pointing - Recreation/Boathouse & Storage Buildings	5,333
Total for 2041	**$17,215**
Replacement Year 2042	
Lighting - Outdoor / Indoor - Allowance	1,163
Maintenance Equipment - Miscellaneous	5,427
Roof - Boathouse - Maintenance	349
Roof - Maintenance Building - Maintenance	533
Total for 2042	**$7,472**
Replacement Year 2043	
Basketball Goal - Backboard/Hoop/Mounting Hardware	1,065
Concrete - Common Areas - Provision	6,715
Concrete Flatwork - Maintenance/Replace	3,815
Exercise Equipment: Rebuild / Major Repairs	1,240
Playground Equipment: Rebuild / Major Repairs	7,753
Underground Utilities	7,890
Total for 2043	**$28,478**
Replacement Year 2044	
Asphalt Repairs	6,916
Asphalt Seal Coat	11,031
Mailbox - Replacement	4,228
Site Furniture - Benches/Tables & Miscellaneous	3,212
Storm Water Discharge Pond - Cleaning	16,060
Stormwater Facility Swale Maintenance	8,030
Surveillance Equipment	1,606
Total for 2044	**$51,082**
Replacement Year 2045	
Arborist - Tree Work	3,269
Monument - Entry: Lettering	8,172
Total for 2045	**$11,441**

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Annual Expenditure Detail

Description	Expenditures
Replacement Year 2046	
Maintenance Equipment - Miscellaneous	5,822
Total for 2046	**$5,822**
Replacement Year 2047	
Barbeque - Replenish / Rebuild	1,996
Concrete - Sport Court	14,406
Gates: Vehicle - Automation	13,542
Lighting - Outdoor / Indoor - Allowance	1,270
Restroom Refurbishment - Provision	15,235
Roof - Boathouse - Maintenance	381
Roof - Maintenance Building - Maintenance	581
Total for 2047	**$47,410**

Report Date	November 08, 2017		
Beginning Fiscal Year	January 01, 2018		
Account Number	712		Version Number 5

Asphalt Overlay

		24,615 Square Feet	@ $2.29
Asset ID	1003	Asset Cost	$56,343.73
	Capital	Percent Replacement	100%
	Streets/Asphalt	Future Cost	$77,268.34
Placed in Service	July 1988	Assigned Reserves	$21,914.33
Useful Life	50		
Adjustment	-2	Monthly Assessment	$208.88
Replacement Year	2036	Interest Contribution	$19.48
Remaining Life	18	Reserve Allocation	$228.36

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Per the Board, replacement is scheduled for 2036.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the overlay replenishment along the entry ways and along the pathways. The Board is encouraged to seek an estimate from a paving company to affirm this estimate. Overlay appears to be in fair condition.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this

Asphalt Overlay continued...

component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Asphalt Repairs

		24,615 Square Feet	@ $3.56
Asset ID	1002	Asset Cost	$4,382.70
	Capital	Percent Replacement	5%
	Streets/Asphalt	Future Cost	$4,460.27
Placed in Service	April 2017	Assigned Reserves	$2,191.35
Useful Life	5		
Adjustment	-3	Monthly Assessment	$178.53
Replacement Year	2019	Interest Contribution	$2.80
Remaining Life	1	Reserve Allocation	$181.34

Revised 11/03/2017 Notes for 2018 Reserve Study Update:

Per the Board, is scheduled for 2019.

Notes for 2018 Reserve Study Update:

Board of Directors report that repairs and maintenance occurred in 2017 to facilitate the postponement of the seal coat activity which is expected in fiscal year 2018. Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the repairs needed to the asphalt overlays along the entry ways and along the pathways during the seal coat cycle. The Board is encouraged to seek an estimate from a paving company to affirm this estimate. Overlay appears to be in fair condition, however, repairs will be likely needed during the upcoming (and subsequent) seal coat cycles.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

Asphalt Repairs continued...

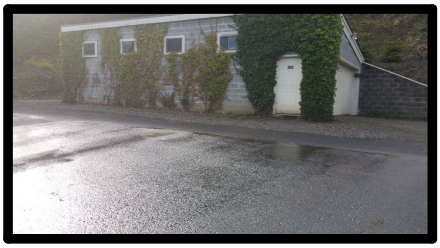
Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Asphalt Seal Coat

		24,615 Square Feet	@ $0.28
Asset ID	1001	Asset Cost	$6,990.66
	Non Capital	Percent Replacement	100%
	Streets/Asphalt	Future Cost	$7,114.39
Placed in Service	January 2008	Assigned Reserves	$6,355.15
Useful Life	5		
Adjustment	6	Monthly Assessment	$57.20
Replacement Year	2019	Interest Contribution	$5.63
Remaining Life	1	Reserve Allocation	$62.84



Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Per the Board, replacement is scheduled for 2019.

Notes for 2018 Reserve Study Update:

Board of Directors report that repairs and maintenance occurred in 2017 to facilitate the postponement of this seal coat activity which is expected in fiscal year 2018. Analyst notes that according to the prior reserve study that the prior occurrence of the seal coat event was 2008. Analyst cautions that delaying the seal coat beyond the recommended 3-5 recommended cycle will likely result in premature deterioration of the overlay. Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the seal coat along the entry ways and along the pathways. The Board is encouraged to seek an estimate from a paving company to affirm this estimate. The seal coat is in fair condition and will likely require replenishment in the next 12 to 24 months.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in

Asphalt Seal Coat continued...

order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Streets/Asphalt - Total Current Cost	**$67,717**
Assigned Reserves	**$30,461**
Fully Funded Reserves	**$43,761**

Roof - Boathouse - Maintenance

		660 Square Feet	@ $3.47
Asset ID	1042	Asset Cost	$229.02
	Capital	Percent Replacement	10%
	Roofing	Future Cost	$245.67
Placed in Service	July 2017	Assigned Reserves	$45.80
Useful Life	5		
Replacement Year	2022	Monthly Assessment	$3.77
Remaining Life	4	Interest Contribution	$0.06
		Reserve Allocation	$3.83



Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Roof, painting and dry rot repairs occurred in 2017 at a total cost of $5122.

Notes for 2018 Reserve Study Update:

Component name was changed per the Board from "Bathhouse" to "Boathouse". Board reports that the roof is the original roof and was not replaced in 2008 as previous reserve study (ies) have reported. Board obtained a bid for this roof replacement work to be performed by Property Solutions NW at a total cost of $1640 sometime in 2018. Board reports that the roof will be maintained in 2017.

Notes for 2015 Reserve Study Update:

This line item is for the maintenance of the asphalt composition roof on the bathhouse. Roof was replaced in 2008 and is in good to fair condition. In order to maximize the life expectancy, the roof should be inspected and maintained at least every 3-5 years. This line item is to fund this activity.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take

Roof - Boathouse - Maintenance continued...

into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Roof - Boathouse - Replace

		660 Square Feet	@ $2.48
Asset ID	1008	Asset Cost	$1,640.10
	Capital	Percent Replacement	100%
	Roofing	Future Cost	$2,289.00
Placed in Service	October 2017	Assigned Reserves	*none*
Useful Life	20		
Replacement Year	2037	Monthly Assessment	$8.40
Remaining Life	19	Interest Contribution	$0.05
		Reserve Allocation	$8.44



Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Roof, painting and dry rot repairs occurred in 2017 at a total cost of $5122.

Notes for 2018 Reserve Study Update:

Component name was changed per the Board from "Bathhouse" to "Boathouse". Board reports that the roof is the original roof and was not replaced in 2008 as previous reserve study (ies) have reported. Board obtained a bid for this scope of work to be performed by Property Solutions NW at a total cost of $1640. Cost updated to reflect this cost. Client advised that they should seek competitive bids from contractors in the area in order to arrive at an appropriate cost for budgeting purposes. Work is expected to be performed in 2018.

Notes for 2015 Reserve Study Update:

This line item is for the replacement of the asphalt composition roof on the bathhouse. Roof was replaced in 2008 and is in good to fair condition. In order to maximize the life expectancy, the roof should be inspected and maintained at least every 3-5 years.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take

Roof - Boathouse - Replace continued...

into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Roof - Maintenance Building - Maintenance

		990 Square Feet	@ $3.53
Asset ID	1041	Asset Cost	$349.57
	Capital	Percent Replacement	10%
	Roofing	Future Cost	$374.98
Placed in Service	October 2017	Assigned Reserves	$69.91
Useful Life	5		
Replacement Year	2022	Monthly Assessment	$5.76
Remaining Life	4	Interest Contribution	$0.09
		Reserve Allocation	$5.85

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Roof, painting and dry rot repairs occurred in 2017 at a total cost of $5122.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the maintenance of the asphalt composition roof on the auxiliary building. Roof was replaced in 2008 and is in good to fair condition. In order to maximize the life expectancy, the roof should be inspected and maintained at least every 3-5 years. This line item is to fund this activity.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

Roof - Maintenance Building - Maintenance continued...

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Roof - Maintenance Building - Replace

		990 Square Feet	@ $3.53
Asset ID	1009	Asset Cost	$3,495.69
	Capital	Percent Replacement	100%
	Roofing	Future Cost	$4,878.75
Placed in Service	October 2017	Assigned Reserves	*none*
Useful Life	20		
Replacement Year	2037	Monthly Assessment	$17.90
Remaining Life	19	Interest Contribution	$0.10
		Reserve Allocation	$17.99

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Roof, painting and dry rot repairs occurred in 2017 at a total cost of $5122.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the replacement of the asphalt composition roof on the maintenance auxiliary building. Roof was replaced in 2008 and is in good to fair condition. In order to maximize the life expectancy, the roof should be inspected and maintained at least every 3-5 years.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

Roof - Maintenance Building - Replace continued...

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Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Roofing - Total Current Cost	**$5,714**
Assigned Reserves	**$116**
Fully Funded Reserves	**$373**

Painting - Recreation/Boathouse & Storage Buildings

		1 Project	@ $875.00
Asset ID	1024	Asset Cost	$875.00
	Non Capital	Percent Replacement	100%
	Painting	Future Cost	$989.34
Placed in Service	July 2017	Assigned Reserves	$109.37
Useful Life	8		
Replacement Year	2025	Monthly Assessment	$9.29
Remaining Life	7	Interest Contribution	$0.14
		Reserve Allocation	$9.44

Notes for 2018 Reserve Study Update:

Cost per information provided by Property Solutions NW as presented to us by the Board of Directors. Analyst submits that this cost is provided by the Board of Directors which is performed at or near actual cost. Therefore, it is extremely unlikely that this cost will be matched if this project was put out for a competitive bid.

Notes for 2015 Reserve Study Update:

This line item is for the repainting of the exterior siding at the recreation/bathhouse and the storage annex building every 8 years or as needed. Square footage of painted surface is based on a visual estimate and includes; trim, siding, fascia boards, soffits, doors, and gutters. Painted surfaces appears to be in fair to poor condition in some areas. Analyst recommends repaint during the 2015 fiscal year. (see rightmost photo)

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or

Painting - Recreation/Boathouse & Storage Buildings continued...

three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Painting - Total Current Cost	**$875**
Assigned Reserves	**$109**
Fully Funded Reserves	**$109**

Gates: Vehicle - Automation

		1 Lump Sum	@ $8,141.60
Asset ID	1038	Asset Cost	$8,141.60
	Capital	Percent Replacement	100%
	Fencing/Security	Future Cost	$10,408.46
Placed in Service	October 2017	Assigned Reserves	$542.77
Useful Life	15		
Replacement Year	2032	Monthly Assessment	$50.05
Remaining Life	14	Interest Contribution	$0.73
		Reserve Allocation	$50.78



Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Some gate automation occured in 2017 in the amount of $2053. Additional work is planned for 2017 at an estimated amount of $3500.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. John Krueger affirms this cost. John Krueger reports that preventive maintenance was recently performed at a cost of $180. This is scheduled four times per year according to John Krueger. Timing moved to 2020 per the Board of Directors.

Notes for 2015 Reserve Study Update:

This line item is per a proposal from Metro Access Control dated 2/20/2015 which reads as follows:

* AVERAGE LIFE OF AUTOMATION: 15 YEARS
* AVERAGE LIFE OF IRON WORK: 30 YEARS
* ESTIMATED AGE: 15 YEARS OLD

COST FOR REPLACEMENT - AUTOMATION:
INSTALL: 2) FAAC 400 HYDRAULIC MOTORS
1) FAAC 450 MPS CONTROL BOARD
1) INFRARED PHOTO CELL NON-CONTACT SENSOR IR-55 WITH HEATER

Gates: Vehicle - Automation continued...

1) CARD READER
1) FIRE BOX
2) VEHICLE PRESENCE LOOPS - KEEPS GATE FROM CLOSING IF VEHICLE IS PRESENT
1) FREE EXIT LOOP - ALLOW ALL VEHICLES TO EXIT
BUDGET: $8000

COST FOR REPLACEMENT - IRON WORK:
INSTALL: 1) ORNAMENTAL STEEL DOUBLESWING GATE 20' X 6' WITH A 2" X 2" FRAME, 3/4" PICKETS AT 6" ON CENTER, SEMI-GLOSS BLACK POWDERCOAT FINISH
4) HEAVY DUTY POWERHINGES WITH 3,000 LB. LOAD CAPACITY
4) FAAC BRACKETS
BUDGET: $5800

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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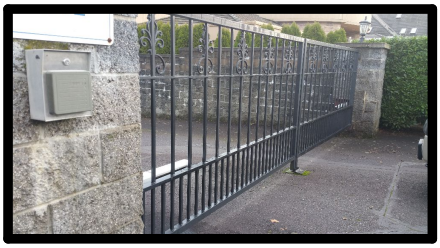
Gates: Vehicle - Iron Work

		1 Lump Sum	@ $5,902.66
Asset ID	1039	Asset Cost	$5,902.66
	Capital	Percent Replacement	100%
	Fencing/Security	Future Cost	$7,414.89
Placed in Service	July 2000	Assigned Reserves	$3,427.35
Useful Life	30		
Adjustment	1	Monthly Assessment	$20.34
Replacement Year	2031	Interest Contribution	$2.98
Remaining Life	13	Reserve Allocation	$23.32



Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. John Krueger reports that preventive maintenance was recently performed at a cost of $180. This is scheduled four times per year according to John Krueger.

Notes for 2015 Reserve Study Update:

This line item is per a proposal from Metro Access Control dated 2/20/2015 which reads as follows:

* AVERAGE LIFE OF AUTOMATION: 15 YEARS
* AVERAGE LIFE OF IRON WORK: 30 YEARS
* ESTIMATED AGE: 15 YEARS OLD

COST FOR REPLACEMENT - AUTOMATION:
INSTALL: 2) FAAC 400 HYDRAULIC MOTORS
1) FAAC 450 MPS CONTROL BOARD
1) INFRARED PHOTO CELL NON-CONTACT SENSOR IR-55 WITH HEATER
1) CARD READER
1) FIRE BOX
2) VEHICLE PRESENCE LOOPS - KEEPS GATE FROM CLOSING IF VEHICLE IS PRESENT

Gates: Vehicle - Iron Work continued...

1) FREE EXIT LOOP - ALLOW ALL VEHICLES TO EXIT
BUDGET: $8000

COST FOR REPLACEMENT - IRON WORK:
INSTALL: 1) ORNAMENTAL STEEL DOUBLESWING GATE 20' X 6' WITH A 2" X 2" FRAME, 3/4" PICKETS AT 6" ON CENTER, SEMI-GLOSS BLACK POWDERCOAT FINISH
4) HEAVY DUTY POWERHINGES WITH 3,000 LB. LOAD CAPACITY
4) FAAC BRACKETS
BUDGET: $5800

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Fencing/Security - Total Current Cost	**$14,044**
Assigned Reserves	**$3,970**
Fully Funded Reserves	**$3,970**

Lighting - Outdoor / Indoor - Allowance

		1 Provision	@ $763.27
Asset ID	1022	Asset Cost	$763.27
	Capital	Percent Replacement	100%
	Lighting	Future Cost	$818.77
Placed in Service	June 2017	Assigned Reserves	$152.65
Useful Life	5		
Replacement Year	2022	Monthly Assessment	$12.58
Remaining Life	4	Interest Contribution	$0.20
		Reserve Allocation	$12.77



Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. Event moved to 2017 per the Board of Directors.

Notes for 2015 Reserve Study Update:

This line item is a five year provision for the various light fixtures which may require replacement from time-to-time and includes the cost of an electrician to install fixtures in accordance with local codes. Bulbs from burnt out fixtures should be replaced in a timely manner for safety purposes.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Lighting - Outdoor / Indoor - Allowance continued...

changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Lighting - Total Current Cost	**$763**
Assigned Reserves	**$153**
Fully Funded Reserves	**$153**

Barbeque - Replenish / Rebuild

		3 Each	@ $400.00
Asset ID	1012	Asset Cost	$1,200.00
	Capital	Percent Replacement	100%
	Recreation	Future Cost	$1,405.27
Placed in Service	August 2017	Assigned Reserves	$120.00
Useful Life	10		
Replacement Year	2027	Monthly Assessment	$10.43
Remaining Life	9	Interest Contribution	$0.16
		Reserve Allocation	$10.59

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

BBQ was renovated at a cost of $1284 in 2017. Total of $1200 per the Board.

Notes for 2018 Reserve Study Update:

Included all three BBQ units/rebuild per the Board of Directors. Work/rebuild/replacement expected during 2017 subsequent to the publication of this reserve study, but prior to the commencement of the 2018 fiscal year. Cost provided by the Board of Directors.

Notes for 2015 Reserve Study Update:

This line item is for one of the three BBQ pits in the common area.

Per the Board, 2 of the 3 BBQ pits will be decommissioned. According to most governing documents, the process of removing an asset from the common area typically requires by the entire Association. Often times, this vote must be a supermajority approval or unanimous approval. This line item does not contemplate the process or outcome of any vote that may or may not be required. Nor are there any funds provided for the costs to facilitate any demolition. This line item simply funds only one barbeque per the Board.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in

Barbeque - Replenish / Rebuild continued...

order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Basketball Goal - Backboard/Hoop/Mounting Hardware

		1 Each	@ $686.95
Asset ID	1030	Asset Cost	$686.95
	Capital	Percent Replacement	100%
	Recreation	Future Cost	$749.93
Placed in Service	July 2003	Assigned Reserves	$515.21
Useful Life	20		
Replacement Year	2023	Monthly Assessment	$3.31
Remaining Life	5	Interest Contribution	$0.45
		Reserve Allocation	$3.76

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the tear-down, disposal, replacement of the basketball goal, hoop, and associated mounting hardware. Costs are based upon similar units found at Big 5 Sports and installation. Hoop and goal appear to be in fair condition.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in

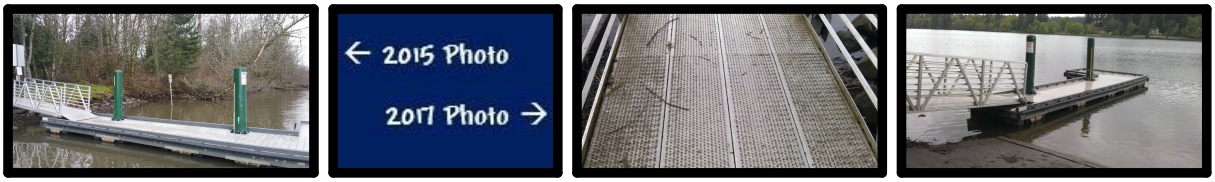
Basketball Goal - Backboard/Hoop/Mounting Hardware continued...

any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Boat - Dock - Major Rebuild/Replace

		2 Each	@ $25,442.50
Asset ID	1026	Asset Cost	$50,885.00
	Capital	Percent Replacement	100%
	Recreation	Future Cost	$68,568.70
Placed in Service	July 2010	Assigned Reserves	$16,283.20
Useful Life	25		
Replacement Year	2035	Monthly Assessment	$209.03
Remaining Life	17	Interest Contribution	$14.77
		Reserve Allocation	$223.80



Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the replacement of the boat dock every 25 years as necessary. Dock is constructed mainly of a Trex composite building material which is more durable than the original deck. Board is strongly encouraged to investigate the longevity of this material and the other components related to the deck as these components may fail sooner.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Boat - Dock - Major Rebuild/Replace continued...

prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Boat Ramp

		1 Project	@ $6,000.00
Asset ID	1044	Asset Cost	$6,000.00
	Non Capital	Percent Replacement	100%
	Recreation	Future Cost	$8,373.88
Placed in Service	July 2017	Assigned Reserves	*none*
Useful Life	20		
Replacement Year	2037	Monthly Assessment	$30.72
Remaining Life	19	Interest Contribution	$0.17
		Reserve Allocation	$30.89


Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Some work was completed on the boat launch in the amount of $3152. Revised cost of $6000 per the Board.

Notes for 2018 Reserve Study Update:

This is a new item per the Board of Directors. The existing boat launch has had the underling rock sediment eroded away by unknown factors, but may be due to water level shifts and water slapping and carrying away the sediment, thus creating a gap underneath the slab. Remediation for this issue is expected in 2017 at an estimated cost of $10,000 by a local engineering firm.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection(s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Exercise Equipment: Rebuild / Major Repairs

		1 Lump Sum	@ $800.00
Asset ID	1043	Asset Cost	$800.00
	Capital	Percent Replacement	100%
	Recreation	Future Cost	$800.00
Placed in Service	July 2011	Assigned Reserves	$800.00
Useful Life	5		
Adjustment	2	Monthly Assessment	$13.02
Replacement Year	2018	Interest Contribution	$0.74
Remaining Life	0	Reserve Allocation	$13.76

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Project postponed to 2018 per the Board. Cost of $800 per the Board.

Notes for 2018 Reserve Study Update:

According to the Board of Directors, minor repairs performed in 2017 at a cost of $650.

Notes for 2015 Reserve Study Update:

This line item is for the major rebuild and replacement of portions of the various playground structures, fitness equipment including any cedar chips. Scope of work to be determined by the Board.

Suitable replacement parts may become difficult or impossible to find as overall system ages.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

Exercise Equipment: Rebuild / Major Repairs continued...

Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Playground Equipment: Rebuild / Major Repairs

		1 Lump Sum	@ $5,000.00
Asset ID	1031	Asset Cost	$5,000.00
	Capital	Percent Replacement	100%
	Recreation	Future Cost	$5,000.00
Placed in Service	July 2017	Assigned Reserves	$5,000.00
Useful Life	5		
Adjustment	-4	Monthly Assessment	$81.35
Replacement Year	2018	Interest Contribution	$4.63
Remaining Life	0	Reserve Allocation	$85.98

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Project scheduled for 2018 per the Board. Cost of $5000 per the Board.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. Timing moved to 2022 per the Board of Directors. Some minor repairs occurred to the existing playground equipment in 2017. Exercise equipment has a new line item per the Board of Directors.

Notes for 2015 Reserve Study Update:

This line item is for the major rebuild and replacement of portions of the various playground structures, fitness equipment including any cedar chips. Scope of work to be determined by the Board.

Suitable replacement parts may become difficult or impossible to find as overall system ages.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association.

Playground Equipment: Rebuild / Major Repairs continued...

Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Site Furniture - Benches/Tables & Miscellaneous

		1 Lump Sum	@ $2,035.40
Asset ID	1027	Asset Cost	$2,035.40
	Capital	Percent Replacement	100%
	Recreation	Future Cost	$2,222.02
Placed in Service	July 2013	Assigned Reserves	$1,017.70
Useful Life	7		
Adjustment	3	Monthly Assessment	$17.95
Replacement Year	2023	Interest Contribution	$0.95
Remaining Life	5	Reserve Allocation	$18.89

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Scheduled in 2017 for replacement in 2023, per the Board.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for a provision for the replacement of the outdoor furniture such as the picnic benches in the common area from time-to-time. Total is based on a lump sum, therefore "Placed in Service" date is an approximation to properly commence the funding for this line item based on an overall average visual condition of components contained. Furniture appears to be in good overall condition. Cost based upon similar equipment available at Home Depot.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

Site Furniture - Benches/Tables & Miscellaneous continued...

Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Recreation - Total Current Cost	**$66,607**
Assigned Reserves	**$23,736**
Fully Funded Reserves	**$24,036**

Maintenance Equipment - Miscellaneous

		1 Provision	@ $3,561.95
Asset ID	1020	Asset Cost	$3,561.95
	Capital	Percent Replacement	100%
	Equipment	Future Cost	$3,561.95
Placed in Service	January 2013	Assigned Reserves	$3,561.95
Useful Life	4		
Replacement Year	2018	Monthly Assessment	$71.54
Remaining Life	0	Interest Contribution	$3.37
		Reserve Allocation	$74.91

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the various miscellaneous maintenance and related grounds-keeping equipment which is located in the storage building. The "Placed is Service" date is not an exact date, but rather represents a commencement date for a disbursement of needed funds for the replacement of items on a 4 year cycle.

The prior reserve study planned for disbursements every 3 years as described in line item 5.3.b in the amount of $2,750. We increased this cycle from 3 years to every four years beginning in 2017. The intent in a line item allowance is to have funds available "just in time" to fund an unspecified and unpredictable replacement of a multitude of similar assets while maintaining reserve study funding equilibrium.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will

Maintenance Equipment - Miscellaneous continued...

significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Mower: Riding - Replace

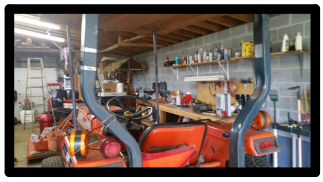
		1 Each	@ $1,749.63
Asset ID	1046	Asset Cost	$1,749.63
	Capital	Percent Replacement	100%
	Equipment	Future Cost	$2,122.09
Placed in Service	May 2017	Assigned Reserves	$145.80
Useful Life	12		
Replacement Year	2029	Monthly Assessment	$12.97
Remaining Life	11	Interest Contribution	$0.19
		Reserve Allocation	$13.17

Notes for 2018 Reserve Study Update:

Cost per information provided by the Board of Directors. Lifespan assumes that the mower is maintained in accordance with manufacturer's specifications. Board of Directors should affirm the replacement timing with their vendor. Item is in "new" condition.

Tractor - Kubota "L" Series

		1 Each	@ $2,544.25
Asset ID	1019	Asset Cost	$2,544.25
	Capital	Percent Replacement	100%
	Equipment	Future Cost	$2,979.46
Placed in Service	December 1990	Assigned Reserves	$1,925.38
Useful Life	25		
Adjustment	12	Monthly Assessment	$7.57
Replacement Year	2027	Interest Contribution	$1.65
Remaining Life	9	Reserve Allocation	$9.22



Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the replacement Kubota "L" Series diesel 4-cylinder liquid cooled tractor with a much smaller light duty Sears/John Deere type unit. This is due to the fact that the Kubota tractor is seldom used and was utilized when there were multiple vacant lots in the development and a soccer field that required maintenance. Now that the lots are built out, only a small tractor mower with one or two implements will be required.

The units Kubota were manufactured and sold between 1985 to 1990. An exact manufacture and acquisition date could not be established at the time of publication. According to various Kubota owner enthusiast comment forums on the internet, these tractors have a life expectancy of between 2500-4000 service hours or longer when properly maintained. It is possible that at some point in the future that parts may not be available anywhere, either from Kubota directly, or an aftermarket solution. The Board of Directors have indicated that the tractor will not be replaced with the same tractor when the service life has been exhausted. Rather, the Board intends to replace the unit with a smaller Sears tractor unit (around $2500) when necessary.

Most interpretations of the governing documents, the process of removing an asset from the component inventory typically requires by the entire Association. Often times, this vote must be a supermajority approval or unanimous approval. This line item does not contemplate the

Tractor - Kubota L Series continued...

process or outcome of any vote that may or may not be required. The Board purports that it is not sensible replace the tractor with a similar unit. This line item only funds a $2500 Sears/John Deere yard tractor.

This line item is per the immediate direction of the Board. Reserve analyst makes no claim that a new smaller tractor will accomplish the scope of work with the same efficiently as the Kubota unit.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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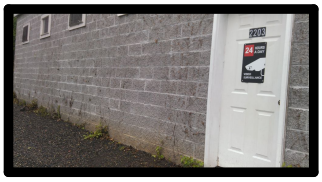
Equipment - Total Current Cost	**$7,856**
Assigned Reserves	**$5,633**
Fully Funded Reserves	**$5,633**

Doors & Windows

		1 Lump Sum	@ $5,597.35
Asset ID	1032	Asset Cost	$5,597.35
	Capital	Percent Replacement	100%
	Building Components	Future Cost	$6,670.83
Placed in Service	July 1988	Assigned Reserves	$4,198.01
Useful Life	30		
Adjustment	10	Monthly Assessment	$15.76
Replacement Year	2028	Interest Contribution	$3.60
Remaining Life	10	Reserve Allocation	$19.36





Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is a provision for the replacement of windows and doors in the year 2028. Doors and windows are in good condition at this time. Therefore, we have extended the life by 10 additional years from the original anticipated replacement date. Should the Board determine that this approach is insufficient, the Reserve Analyst will adjust the report accordingly.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Doors & Windows continued...

prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

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Building Components - Total Current Cost	**$5,597**
Assigned Reserves	**$4,198**
Fully Funded Reserves	**$4,198**

Steps & Pathway

		1 Lump Sum	@ $5,000.00
Asset ID	1015	Asset Cost	$5,000.00
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	$5,958.92
Placed in Service	January 2008	Assigned Reserves	$2,500.00
Useful Life	20		
Replacement Year	2028	Monthly Assessment	$24.27
Remaining Life	10	Interest Contribution	$2.22
		Reserve Allocation	$26.49

This line item "Step Replacement & Restabilization" has been removed (and unfunded) from this reserve study as the wooden railroad ties have been since replaced with a concrete pathway. This line item is a placeholder and serves notification to the reader that the line item has been removed from this reserve study.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Grounds Components - Total Current Cost	**$5,000**
Assigned Reserves	**$2,500**
Fully Funded Reserves	**$2,500**

Gutters & Downspouts - Boathouse

		155 Linear Feet	@ $4.83
Asset ID	1011	Asset Cost	$749.27
	Capital	Percent Replacement	100%
	Gutters and Downspouts	Future Cost	$892.97
Placed in Service	January 2008	Assigned Reserves	$374.63
Useful Life	20		
Replacement Year	2028	Monthly Assessment	$3.64
Remaining Life	10	Interest Contribution	$0.33
		Reserve Allocation	$3.97

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the gutters and downspouts on the bathhouse building. Gutters should be cleaned every year. Gutters were recently repaired and are in fair condition.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection

Gutters & Downspouts - Boathouse continued...

(s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Gutters & Downspouts - Maintenance Building

		135 Linear Feet	@ $4.83
Asset ID	1010	Asset Cost	$652.59
	Capital	Percent Replacement	100%
	Gutters and Downspouts	Future Cost	$777.75
Placed in Service	January 2008	Assigned Reserves	$326.29
Useful Life	20		
Replacement Year	2028	Monthly Assessment	$3.17
Remaining Life	10	Interest Contribution	$0.29
		Reserve Allocation	$3.46

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the gutters and downspouts on the maintenance building. Gutters should be cleaned every year. Gutters were recently repaired and are in fair condition.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Gutters & Downspouts - Maintenance Building continued...

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Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Gutters and Downspouts - Total Current Cost	**$1,402**
Assigned Reserves	**$701**
Fully Funded Reserves	**$701**

Mailbox - Replacement

		30 Total	@ $1,373.89
Asset ID	1016	Asset Cost	$2,679.10
	Capital	Percent Replacement	6.5%
	Mailboxes	Future Cost	$2,976.51
Placed in Service	January 2008	Assigned Reserves	$1,674.43
Useful Life	5		
Adjustment	11	Monthly Assessment	$15.65
Replacement Year	2024	Interest Contribution	$1.49
Remaining Life	6	Reserve Allocation	$17.13

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Mailbox project scheduled for 2024, per the Board.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. Project moved from 2018 to 2019 per the Board of Directors.

Notes for 2015 Reserve Study Update:

This line item is for the occasional "here and there" replacement of mailboxes in the community. With proper ongoing maintenance mailboxes typically have an estimated life expectancy exceeding thirty years. However, some do fail from time to time; especially with a quantity as high as more than 30 total gang-cluster boxes, one or two (or more) clusters may fail every 5 years or so.

This line item assumes the replacement of 2 gang-cluster boxes every 5 years. This number may vary according to a variety of factors; some factors outside of the direct control of the Association such as vandalism or theft.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in

Mailbox - Replacement continued...

order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Mailboxes - Total Current Cost	**$2,679**
Assigned Reserves	**$1,674**
Fully Funded Reserves	**$1,674**

Street Signs [Removed]

		1 Lump Sum	@ $814.16
Asset ID	1040	Asset Cost	$814.16
	Capital	Percent Replacement	100%
	Signs	Future Cost	$843.24
Placed in Service	January 2008	Assigned Reserves	*none*
Useful Life	12		
Replacement Year	2020	Monthly Assessment	No Assessment
Remaining Life	2	Interest Contribution	
		Reserve Allocation	

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Funded in the operating account, per the Board.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is a contingency for the ongoing replacement of the various signs including street signs in the community. DOT signs should be manufactured with a reflective coating to insure visibility.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection

Street Signs [Removed] continued...

(s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Signs - Total Current Cost	**$0**
Assigned Reserves	**$0**
Fully Funded Reserves	**$0**

Arborist - Tree Work

		1 Provision	@ $2,035.40
Asset ID	1029	Asset Cost	$2,035.40
	Non Capital	Percent Replacement	100%
	Tree Trimming	Future Cost	$2,261.35
Placed in Service	July 2017	Assigned Reserves	$290.77
Useful Life	7		
Replacement Year	2024	Monthly Assessment	$24.44
Remaining Life	6	Interest Contribution	$0.38
		Reserve Allocation	$24.82

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Some tree work is planned for 2017 in the amount of approximately $2000.

Notes for 2018 Reserve Study Update:

Trees at the entrance were trimmed or removed in 2016 according to the Board of Directors. Additional tree work is planned for 2017 which will occur subsequent to the publication of this report, but prior to the commencement of the reserve study fiscal year. Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. The Board should review this cost.

Notes for 2015 Reserve Study Update:

This line item is for any major tree work that is beyond the scope of the landscaping contract. Cost include but not limited to; tree replacements, stump grinding, tree replacements, and major pruning.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied.

Arborist - Tree Work continued...

Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Tree Trimming - Total Current Cost	**$2,035**
Assigned Reserves	**$291**
Fully Funded Reserves	**$291**

Underground Utilities

		1 Allowance	@ $5,088.50
Asset ID	1007	Asset Cost	$5,088.50
	Capital	Percent Replacement	100%
	Underground Utilities	Future Cost	$7,890.13
Placed in Service	January 2008	Assigned Reserves	*none*
Useful Life	35		
Replacement Year	2043	Monthly Assessment	$21.77
Remaining Life	25	Interest Contribution	$0.12
		Reserve Allocation	$21.89

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is per the prior reserve study and is included in this reserve study report for the underground domestic water & sewer piping in the common and other areas which is not owned and maintained by a utility company. This line item may include storm drains, underground pipes, electrical conduits and wiring.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in

Underground Utilities continued...

any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Underground Utilities - Total Current Cost	**$5,088**
Assigned Reserves	**$0**
Fully Funded Reserves	**$1,454**

Perimeter Wall - Maintenance

		1 Provision	@ $5,088.50
Asset ID	1005	Asset Cost	$5,088.50
	Capital	Percent Replacement	100%
	Walls	Future Cost	$5,270.23
Placed in Service	January 2008	Assigned Reserves	$4,240.42
Useful Life	10		
Adjustment	2	Monthly Assessment	$38.40
Replacement Year	2020	Interest Contribution	$3.76
Remaining Life	2	Reserve Allocation	$42.15

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Timing per the Board of Directors.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the proper ongoing maintenance of all walls which are the responsibility of the Assentation including any mortar work.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection

Perimeter Wall - Maintenance continued...

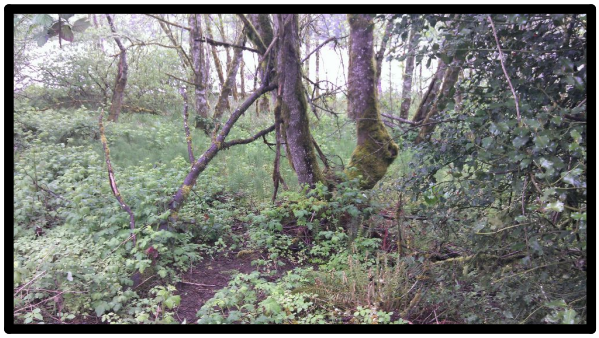
(s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Walls - Total Current Cost	**$5,088**
Assigned Reserves	**$4,240**
Fully Funded Reserves	**$4,240**

Storm Drainage System

		1 Project	@ $35,000.00
Asset ID	1045	Asset Cost	$35,000.00
	Non Capital	Percent Replacement	100%
	Environmental Remediation	Future Cost	$35,000.00
Placed in Service	July 2017	Assigned Reserves	$35,000.00
Useful Life	10		
Adjustment	-9	Monthly Assessment	$303.07
Replacement Year	2018	Interest Contribution	$30.95
Remaining Life	0	Reserve Allocation	$334.02



Revised 11/03/2017 Notes for 2018 Reserve Study Update:

Renamed from "Wetland Renovation" to "Storm Drainage System". Moved to 2018. Cost changed to $35,000. Category changed to "Environmental Remediation". The preceding is per the Board's instruction.

Notes for 2018 Reserve Study Update:

This is a new item per the Board of Directors. Board is working with the City of Camas to gain approval to remove volunteer trees which have grown up on the community bio filter. The Board has obtained two estimates for removing these trees at a cost of $30,000. Project expected to be complete in 2017.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein,

Storm Drainage System continued...

this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Storm Water Discharge Pond - Cleaning

Asset ID	1036	1 Event	@ $10,177.00
	Non Capital	Asset Cost	$10,177.00
	Environmental Remediation	Percent Replacement	100%
Placed in Service	June 2015	Future Cost	$10,357.13
Useful Life	5	Assigned Reserves	$7,632.75
Adjustment	-1		
Replacement Year	2019	Monthly Assessment	$214.91
Remaining Life	1	Interest Contribution	$7.56
		Reserve Allocation	$222.47

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Revised timing per the Board of Directors.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. Work completed in 2015 at a total cost of $6328.45 per the Board of Directors. Project moved to 2020 per the Board.

Notes for 2015 Reserve Study Update:

This line item is for the major cleaning of the storm water discharge pond. Cost, timing, scope of work provided by Board. The Board of Directors purports that the scope of work conforms with all DEQ requirements.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take

Storm Water Discharge Pond - Cleaning continued...

into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Stormwater Facility Swale Maintenance

Asset ID	1035	1 Event	@ $5,088.50
	Non Capital	Asset Cost	$5,088.50
	Environmental Remediation	Percent Replacement	100%
Placed in Service	June 2014	Future Cost	$5,178.57
Useful Life	5	Assigned Reserves	$4,070.80
Replacement Year	2019	Monthly Assessment	$86.96
Remaining Life	1	Interest Contribution	$3.88
		Reserve Allocation	$90.84

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

Per notes on file from Stephen Nelson:

The swale around the common-area soccer field treats runoff captured by the street drains around the neighborhood. These waters originally contained sediments and hydrocarbons and metals leached from the streets and from treated wood. As the neighborhood matured the impact to these water shifted from sediment to fertilizers, while the hydrocarbons and metals remained much the same.

The swale uses plants to "bio-filter" the runoff. This involves both the filtration of any sediment by the vegetative mass that comes to fill the swale as well as destruction and sequestration of the hydrocarbons and metals by the indigenous microbes and vegetation.

During discussions with Anita Ashton (City of Camas) regarding the subject facility it was

Stormwater Facility Swale Maintenance continued...

agreed that the first two thirds of the stormwater swale would be cleaned-up this year. Anita agreed that the focus was to remove vegetative root-mass while also deepening the swale. Anita also agreed to the need to raise the edge of the swale where the swale turns to run along the walking trail. Specifically Anita agreed to raising the bank by 18 inches at its low spot, and to removing sufficient vegetative matter to deepen the channel at least 6 inches at the corner, tapering to 0 inches at the inlet to the swale and 3 inches at the end of the planned excavation (near the sign on the trail), thereby cleaning up roughly 2/3 of the swale. Within this framework it was understood that the goal was to remove most of the vegetative root mass in the swale.

It was agreed that the discharge pond would be left untouched this year to assure treatment of waters that would have otherwise been cleaned up by the swale. Evidence of this shift in treatment activity was very evident as soon as the vegetation was cut back in preparation for excavation: The plants floating on the surface of the pond increased dramatically within a week of clearing the swale of vegetation. This also showed that the pond was remediating fertilizers (nitrates and phosphates) that had previously been removed in the swale.

The Board chose to have Kinkaid Construction do the excavation work on a time and material basis. This decision was based on meetings with three contractors. Two of the contractors were recommended by the city (a third was too busy to get this work done this year), the third contractor was recommended by the folks who maintain the grounds here in the neighborhood. Thank you Doug and Julie.

Of the three contractors who reviewed the project, one declined the work as beyond their scope, one bid $14K. The initial estimate for Kinkaid was less than $10K. Actual cost was just over $6K. As detailed below, the actual material removed encompassed perhaps 5 times the initially proposed volume.

A hay-bale silt-dam was installed before work was commenced. The dam was located at the end of the swale, where the swale drains into the discharge pond. Inspection during and after excavation showed that the silt-dam was very effective in removing suspended silt and solids.

Effort were made to detour folks walking the trail to the far side of the common area. These efforts were pretty much ignored.

Stormwater Facility Swale Maintenance continued...

Kinkaid mobilized on 9/8/14. Exploratory trenches at the corner and near the sign on the trail (the end of the initially planned excavation) showed that there was roughly 18 inches of vegetative mass at the corner, and 8 inches in the trench near the sign. Kinkaid's equipment operator (Mark) indicated he could "feel the bottom" of the original excavation as he was digging the test trenches. His track-hoe was equipped with a roughly ¼ cubic yard muck bucket – this is a bucket with a wide, rounded lip. In previous digs I have seen experienced operators use such equipment to do an excellent job of delineating and excavating waste pits. I was confident that Mark was in fact finding the bottom of the original excavation.

The final excavation depths for the first 2/3 of the trench was roughly 6 inches near the inlet, 18 inches at the bend, and 8 inches at the sign. Visual inspection post excavation showed minimal ponding, any ponding that was evident was due to the unevenness of the bottom of the excavated swale and can be readily addressed (with a hand-rake) when the bottom of the swale is covered with an erosion-resistant mesh.

It became evident by the middle of the second day of excavation that Kinkaid would be finished that day. Given the original funding authorization, and the excellent progress, the Board decided to extend the project to include cleaning up the final third of the swale. Roughly 8 inches of vegetative mass and muck was removed the length of this final third of the swale.

The next step in this ongoing cleanup will be to lay down a geo-mat to minimize erosion from water flow until the vegetation is reestablished. It is anticipated that the discharge pond will be cleaned out next fall.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Stormwater Facility Swale Maintenance continued...

changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Environmental Remediation - Total Current Cost	**$50,265**
Assigned Reserves	**$46,704**
Fully Funded Reserves	**$46,704**

Irrigation Controllers & Valves

		1 Provision	@ $3,053.10
Asset ID	1006	Asset Cost	$3,053.10
	Capital	Percent Replacement	100%
	Landscaping	Future Cost	$3,218.11
Placed in Service	January 2008	Assigned Reserves	$2,348.54
Useful Life	10		
Adjustment	3	Monthly Assessment	$21.41
Replacement Year	2021	Interest Contribution	$2.08
Remaining Life	3	Reserve Allocation	$23.49

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is an ongoing provision for the replacement of the irrigation controllers and valves in the common areas of the community.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Irrigation Controllers & Valves continued...

changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Landscape - Renovation

		1 Provision	@ $10,177.00
Asset ID	1028	Asset Cost	$10,177.00
	Non Capital	Percent Replacement	100%
	Landscaping	Future Cost	$10,177.00
Placed in Service	July 2017	Assigned Reserves	$10,177.00
Useful Life	15		
Adjustment	-14	Monthly Assessment	$62.52
Replacement Year	2018	Interest Contribution	$8.86
Remaining Life	0	Reserve Allocation	$71.38

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Revised timing to occur in 2018 and 2033.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. According to the Board, this project was completed in 2017.

Notes for 2015 Reserve Study Update:

This line item is for any major rework of planter beds in the common areas excluding the drainage swales and wetlands. Landscaping appears to be in good to fair condition. Timing and cost based on information from prior reserve study.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or

Landscape - Renovation continued...

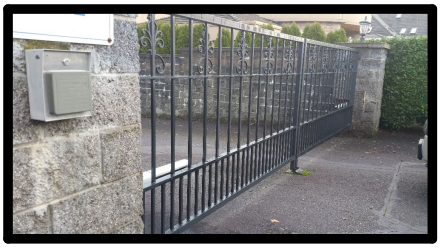
three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Landscaping - Total Current Cost	**$13,230**
Assigned Reserves	**$12,526**
Fully Funded Reserves	**$12,526**

Tuck-Pointing - Gate/Entry

		40 Square Feet	@ $25.44
Asset ID	1018	Asset Cost	$1,017.68
	Non Capital	Percent Replacement	100%
	Masonry	Future Cost	$1,072.68
Placed in Service	January 2008	Assigned Reserves	$782.83
Useful Life	10		
Adjustment	3	Monthly Assessment	$7.14
Replacement Year	2021	Interest Contribution	$0.69
Remaining Life	3	Reserve Allocation	$7.83



Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Revised timing per the Board.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the repointing of the masonry at the gate. Masonry appears to be in fair condition. Analyst recommends reevaluating this condition on an annual basis; by either the Board or an on-site reserve analyst, but preferably a professional mason.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

Tuck-Pointing - Gate/Entry continued...

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Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Tuck-Pointing - Recreation/Boathouse & Storage Buildings

		1 Provision	@ $3,561.95
Asset ID	1023	Asset Cost	$3,561.95
	Non Capital	Percent Replacement	100%
	Masonry	Future Cost	$3,754.46
Placed in Service	January 2008	Assigned Reserves	$2,739.96
Useful Life	10		
Adjustment	3	Monthly Assessment	$24.98
Replacement Year	2021	Interest Contribution	$2.43
Remaining Life	3	Reserve Allocation	$27.41

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Revised timing per the Board.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the repointing of the exterior and interior masonry at the recreation/bathhouse and the storage annex building every 10 years or as needed. Masonry appears to be in fair condition. Analyst recommends reevaluating this condition on an annual basis; by either the Board or an on-site reserve analyst, but preferably a professional mason.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

Tuck-Pointing - Recreation/Boathouse & Storage Buildings continued...

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Masonry - Total Current Cost	**$4,580**
Assigned Reserves	**$3,523**
Fully Funded Reserves	**$3,523**

Concrete - Common Areas - Provision

		6,970 Square Feet	@ $12.43
Asset ID	1017	Asset Cost	$4,330.46
	Capital	Percent Replacement	5%
	Concrete	Future Cost	$4,727.52
Placed in Service	January 2017	Assigned Reserves	$721.74
Useful Life	5		
Adjustment	1	Monthly Assessment	$60.04
Replacement Year	2023	Interest Contribution	$0.93
Remaining Life	5	Reserve Allocation	$60.97

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. Some work was completed in 2017. (see attached photo) Board moves to the next occurrence of this event to the year 2023.

It is anticipated that any repairs required will be addressed immediately due to obvious ongoing safety concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point where they would become a major expense. Minor repairs, as needed, may be covered by the operational budget, operational contingency or reserve contingency.

Notes for 2015 Reserve Study Update:

This line item is a contingency for the concrete surfaces in the community including concrete floors, flatwork, driveway aprons, curbs, vehicle stops, and other areas as needed. This contingency only funds 5% replacement of all estimated concrete surfaces in the community.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this

component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Concrete - Sport Court

		6,970 Square Feet	@ $12.43
Asset ID	1013	Asset Cost	$8,660.92
	Capital	Percent Replacement	10%
	Concrete	Future Cost	$14,405.81
Placed in Service	August 2017	Assigned Reserves	*none*
Useful Life	30		
Replacement Year	2047	Monthly Assessment	$32.82
Remaining Life	29	Interest Contribution	$0.18
		Reserve Allocation	$33.00

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Some work on the sport cort concrete is planned for 2017 in the amount of approximately $1500.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. According to the Board of Directors, concrete slab repairs anticipated in the year 2017 at an estimated cost of $1500.

It is anticipated that any repairs required will be addressed immediately due to obvious ongoing safety concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point where they would become a major expense. Minor repairs, as needed, may be covered by the operational budget, operational contingency or reserve contingency.

Notes for 2015 Reserve Study Update:

This line item is for the replacement of the concrete sport court every 30 years, or as needed. Sport court appears to be in good condition.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in

Concrete - Sport Court continued...

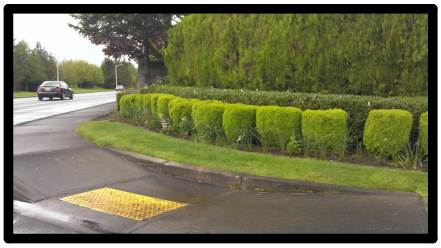
order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Concrete Flatwork - Maintenance/Replace

		3,960 Square Feet	@ $12.43
Asset ID	1004	Asset Cost	$2,460.35
	Capital	Percent Replacement	5%
	Concrete	Future Cost	$2,685.93
Placed in Service	January 2008	Assigned Reserves	$1,640.23
Useful Life	5		
Adjustment	10	Monthly Assessment	$15.19
Replacement Year	2023	Interest Contribution	$1.46
Remaining Life	5	Reserve Allocation	$16.65



Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

It is anticipated that any repairs required will be addressed immediately due to obvious ongoing safety concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point where they would become a major expense. Minor repairs, as needed, may be covered by the operational budget, operational contingency or reserve contingency.

Notes for 2015 Reserve Study Update:

This line item is for any possible concrete work which may be needed in the common areas every 5 years, or as necessary. Approximately 375 additional square feet of concrete was added since the prior reserve study in 2004 because of removal of a staircase constructed of railroad ties. We have increased the square footage accordingly to compensate. Concrete typically has a life expectancy exceeding thirty years, however from time-to-time, some repair may be necessary. Concrete surfaces are currently in fair condition, however this situation should be constantly monitored as cracks and lifts develop in the surface and can present a trip-and-fall hazard.

Concrete Flatwork - Maintenance/Replace continued...

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

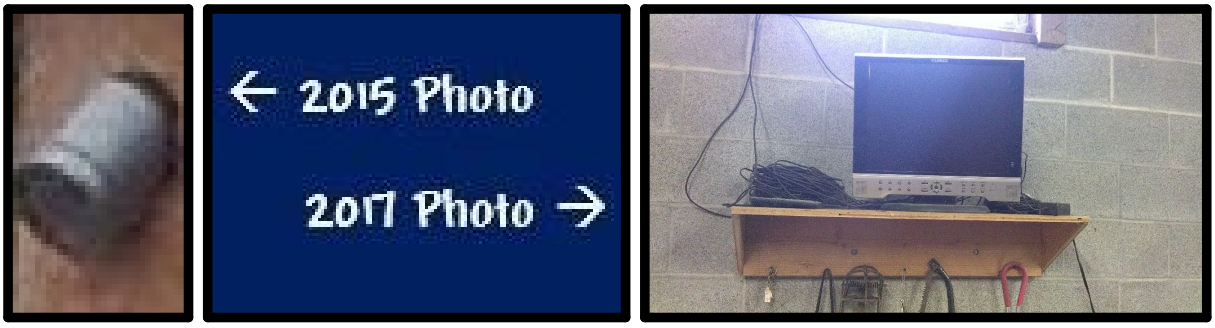
ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Concrete - Total Current Cost	**$15,452**
Assigned Reserves	**$2,362**
Fully Funded Reserves	**$2,651**

Surveillance Equipment

		1 Lump Sum	@ $1,017.70
Asset ID	1014	Asset Cost	$1,017.70
	Capital	Percent Replacement	100%
	Surveillance Equipment	Future Cost	$1,054.05
Placed in Service	January 2008	Assigned Reserves	$848.08
Useful Life	12		
Replacement Year	2020	Monthly Assessment	$7.68
Remaining Life	2	Interest Contribution	$0.75
		Reserve Allocation	$8.43



Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the video surveillance equipment and related components serving the community. Current equipment is operating and in fair condition. Specific details about the model, cameras, and central location has been deliberately redacted from this report as a security measure as this reserve study document is readily available to the general public.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or three estimates and/or competitive bids to affirm this estimate. As with any component listed in

Surveillance Equipment continued...

any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Surveillance Equipment - Total Current Cost	**$1,018**
Assigned Reserves	**$848**
Fully Funded Reserves	**$848**

Restroom Refurbishment - Provision

		2 Provision	@ $4,579.65
Asset ID	1021	Asset Cost	$9,159.30
	Capital	Percent Replacement	100%
	Restrooms	Future Cost	$11,709.52
Placed in Service	October 2017	Assigned Reserves	$610.62
Useful Life	15		
Replacement Year	2032	Monthly Assessment	$56.31
Remaining Life	14	Interest Contribution	$0.82
		Reserve Allocation	$57.13

Revised 10/29/2017 Notes for 2018 Reserve Study Update:

Restrooms were partially refurbished and / or repaired in 2017 at a cost of $1744. Additionally, some repairs to the restroom floors is planned in the amount of $250.

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for replacement of the various fixtures, in the restrooms. Analyst concedes that equipment will have a variable life expectancy; depending on a variety of external factors such as hours of use, security and possible vandalism. (or lack thereof)

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

ReserveStudyUpdate.com, LLC strongly recommends that the Board obtain at least two or

Restroom Refurbishment - Provision continued...

three estimates and/or competitive bids to affirm this estimate. As with any component listed in any of our reserve studies, should the Board and/or management find that these cost projection (s) need to be revised, ReserveStudyUpdate.com, LLC is more than happy to make these changes to the electronic file (PDF) and provide the updated report completely free of charge prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Restrooms - Total Current Cost	**$9,159**
Assigned Reserves	**$611**
Fully Funded Reserves	**$611**

Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings

		2,850 Square Feet	@ $8.71
Asset ID	1025	Asset Cost	$1,241.17
	Capital	Percent Replacement	5%
	Siding	Future Cost	$1,403.37
Placed in Service	January 2017	Assigned Reserves	$155.15
Useful Life	8		
Replacement Year	2025	Monthly Assessment	$13.18
Remaining Life	7	Interest Contribution	$0.20
		Reserve Allocation	$13.38

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report. Board anticipates some repairs to occur in 2017 during the painting cycle. Scope of work includes replacement of 2 man doors on SW building as well as roll up door trim and weather-stripping. Work anticipated to be performed by Property Solutions NW at a cost of $1240. This cost may be increased if this service is performed by other vendors. Cost affirmed by the Board of Directors.

Notes for 2015 Reserve Study Update:

This line item is for the dry-rot of the exterior siding at the recreation/bathhouse and the storage annex building every 8 years or as needed during the paint cycle. Square footage of wooden surface is based on a visual estimate and includes; trim, siding, fascia boards, soffits, and doors. Painted surfaces appears to be in fair to poor condition in some areas so priority should be given to this line item and the painting line item in order to mitigate this condition. Analyst recommends repaint during the 2015 fiscal year. (see rightmost photo)

This line item replaces "Wood Trim & Siding" (line item 4.3e) from prior reserve study.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in

Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings continued...

order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Siding - Total Current Cost	**$1,241**
Assigned Reserves	**$155**
Fully Funded Reserves	**$155**

Monument - Entry: Lettering

		2 Each	@ $2,544.25
Asset ID	1037	Asset Cost	$5,088.50
	Capital	Percent Replacement	100%
	Monument	Future Cost	$5,363.51
Placed in Service	July 2009	Assigned Reserves	$3,816.37
Useful Life	12		
Replacement Year	2021	Monthly Assessment	$38.33
Remaining Life	3	Interest Contribution	$3.40
		Reserve Allocation	$41.73

Notes for 2018 Reserve Study Update:

Component cost has been increased in order to compensate for the inflation since the most recent (2015) reserve study update report.

Notes for 2015 Reserve Study Update:

This line item is for the replacement of the entry monument lettering due to theft, vandalism, or general wear. It is impossible to predict vandalism intervals or the scope of replacement required in such an event. This line item is an allowance in the event that replacement is needed for some or all of the letters.

The Association should obtain a bid from a local certified, licensed, and bonded contractor in order to determine if this estimate and timing is sufficient to meet the needs of the Association. Cost presented herein assume that the full quantity specified will be addressed simultaneously in order to avoid possible overlap in mobilization charges and fees. The useful life of this component is predicated on the assumption the component was properly installed or applied. Costs projected assume that maintenance is performed on a periodic basis, which will significantly aid in components reaching the estimated life expectancy. These costs do not take into consideration any possible future increase in permit costs and fees that may be required.

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Monument - Entry: Lettering continued...

prior to or during the fiscal year that the study is prepared for. This measure will aid in maintaining proper reserve funding equilibrium and aid in proper contribution to reserves.

Note: This line item is a provision for an anticipated expense. Should the Association determine that the cost of this item is less than or greater than the amount provided for herein, this reserve study should be updated to reflect the actual component cost. This cost is an estimate and will be updated when the full scope of work is known.

Monument - Total Current Cost	**$5,088**
Assigned Reserves	**$3,816**
Fully Funded Reserves	**$3,816**

Detail Report Summary

Total of All Assets

Assigned Reserves	$148,326.58
Monthly Contribution	$2,122.24
Monthly Interest	$91.42
Monthly Allocation	$2,213.66

Contingency at 3.00%

Assigned Reserves	$4,587.42
Monthly Contribution	$65.64
Monthly Interest	$2.83
Monthly Allocation	$68.46

Grand Total

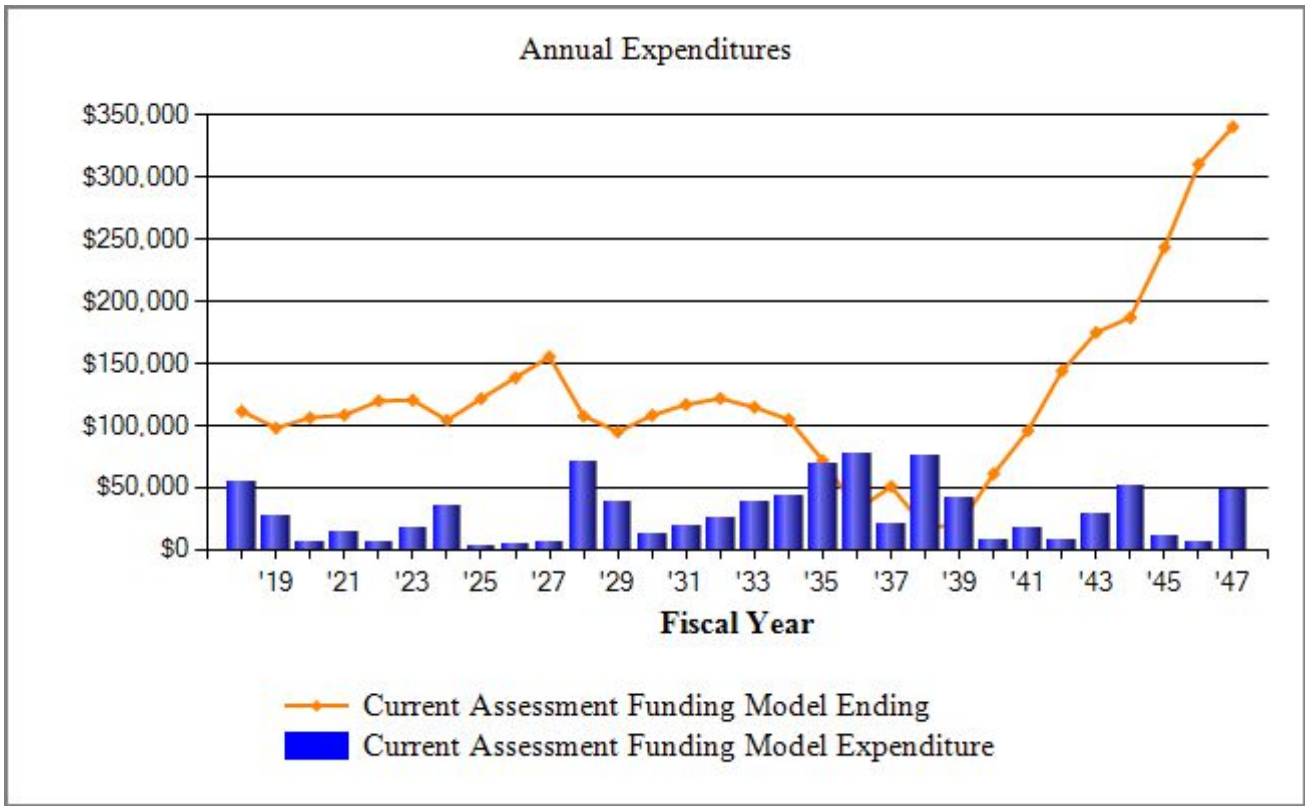
Assigned Reserves	$152,914.00
Monthly Contribution	$2,187.88
Monthly Interest	$94.24
Monthly Allocation	$2,282.12

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Category Detail Index

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Category Detail Index

Total Funded Assets	43
Total Unfunded Assets	1
Total Assets	44

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Annual Expenditure Chart



Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Spread Sheet

Description	2018	2019	2020	2021	2022	2023	2024	2025	2026
Arborist - Tree Work							2,261		
Asphalt Overlay									
Asphalt Repairs		4,460					4,869		
Asphalt Seal Coat		7,114					7,767		
Barbeque - Replenish / Rebuild									
Basketball Goal - Backboard/Hoop/Mounting Hardware									
						750			
Boat - Dock - Major Rebuild/Replace									
Boat Ramp									
Concrete - Common Areas - Provision						4,728			
Concrete - Sport Court									
Concrete Flatwork - Maintenance/Replace						2,686			
Doors & Windows									
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings									
								1,403	
Exercise Equipment: Rebuild / Major Repairs	800					873			
Gates: Vehicle - Automation									
Gates: Vehicle - Iron Work									
Gutters & Downspouts - Boathouse									
Gutters & Downspouts - Maintenance Building									
Irrigation Controllers & Valves				3,218					
Landscape - Renovation	10,177								
Lighting - Outdoor / Indoor - Allowance					819				
Mailbox - Replacement							2,977		
Maintenance Equipment - Miscellaneous	3,562				3,821				4,099
Monument - Entry: Lettering				5,364					
Mower: Riding - Replace									
Painting - Recreation/Boathouse & Storage Buildings									
								989	
Perimeter Wall - Maintenance			5,270						
Playground Equipment: Rebuild / Major Repairs	5,000					5,458			
Restroom Refurbishment - Provision									
Roof - Boathouse - Maintenance					246				
Roof - Boathouse - Replace									

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Spread Sheet

Description	2018	2019	2020	2021	2022	2023	2024	2025	2026
Roof - Maintenance Building - Maintenance					375				
Roof - Maintenance Building - Replace									
Site Furniture - Benches/Tables & Miscellaneous						2,222			
Steps & Pathway									
Storm Drainage System	35,000								
Storm Water Discharge Pond - Cleaning		10,357					11,307		
Stormwater Facility Swale Maintenance		5,179					5,653		
Street Signs [Removed]	*Unfunded*								
Surveillance Equipment			1,054						
Tractor - Kubota "L" Series									
Tuck-Pointing - Gate/Entry				1,073					
Tuck-Pointing - Recreation/Boathouse & Storage Buildings				3,754					
Underground Utilities									
Year Total:	**54,539**	**27,110**	**6,324**	**13,409**	**5,260**	**16,717**	**34,834**	**2,393**	**4,099**

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Spread Sheet

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035
Arborist - Tree Work					2,557				
Asphalt Overlay									
Asphalt Repairs			5,316					5,803	
Asphalt Seal Coat			8,479					9,256	
Barbeque - Replenish / Rebuild	1,405								
Basketball Goal - Backboard/Hoop/Mounting Hardware									
Boat - Dock - Major Rebuild/Replace									68,569
Boat Ramp									
Concrete - Common Areas - Provision		5,161					5,634		
Concrete - Sport Court									
Concrete Flatwork - Maintenance/Replace		2,932					3,201		
Doors & Windows		6,671							
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings							1,615		
Exercise Equipment: Rebuild / Major Repairs		953					1,041		
Gates: Vehicle - Automation						10,408			
Gates: Vehicle - Iron Work					7,415				
Gutters & Downspouts - Boathouse		893							
Gutters & Downspouts - Maintenance Building		778							
Irrigation Controllers & Valves					3,835				
Landscape - Renovation							13,241		
Lighting - Outdoor / Indoor - Allowance	894					976			
Mailbox - Replacement			3,249					3,547	
Maintenance Equipment - Miscellaneous				4,397				4,716	
Monument - Entry: Lettering							6,620		
Mower: Riding - Replace			2,122						
Painting - Recreation/Boathouse & Storage Buildings							1,138		
Perimeter Wall - Maintenance				6,281					
Playground Equipment: Rebuild / Major Repairs		5,959					6,505		
Restroom Refurbishment - Provision						11,710			
Roof - Boathouse - Maintenance	268					293			
Roof - Boathouse - Replace									

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Spread Sheet

Description	2027	2028	2029	2030	2031	2032	2033	2034	2035
Roof - Maintenance Building - Maintenance	409					447			
Roof - Maintenance Building - Replace									
Site Furniture - Benches/Tables & Miscellaneous				2,512					
Steps & Pathway		5,959							
Storm Drainage System		41,712							
Storm Water Discharge Pond - Cleaning			12,343					13,475	
Stormwater Facility Swale Maintenance			6,172					6,738	
Street Signs [Removed]	*Unfunded*								
Surveillance Equipment						1,301			
Tractor - Kubota "L" Series	2,979								
Tuck-Pointing - Gate/Entry					1,278				
Tuck-Pointing - Recreation/Boathouse & Storage Buildings					4,475				
Underground Utilities									
Year Total:	**5,956**	**71,018**	**37,681**	**13,190**	**19,560**	**25,135**	**38,996**	**43,536**	**68,569**

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Spread Sheet

Description	2036	2037	2038	2039	2040	2041	2042	2043	2044
Arborist - Tree Work			2,891						
Asphalt Overlay	77,268								
Asphalt Repairs				6,335					6,916
Asphalt Seal Coat				10,105					11,031
Barbeque - Replenish / Rebuild		1,675							
Basketball Goal - Backboard/Hoop/Mounting Hardware								1,065	
Boat - Dock - Major Rebuild/Replace									
Boat Ramp		8,374							
Concrete - Common Areas - Provision			6,151					6,715	
Concrete - Sport Court									
Concrete Flatwork - Maintenance/Replace			3,495					3,815	
Doors & Windows									
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings						1,858			
Exercise Equipment: Rebuild / Major Repairs			1,136					1,240	
Gates: Vehicle - Automation									
Gates: Vehicle - Iron Work									
Gutters & Downspouts - Boathouse									
Gutters & Downspouts - Maintenance Building									
Irrigation Controllers & Valves						4,571			
Landscape - Renovation									
Lighting - Outdoor / Indoor - Allowance		1,065					1,163		
Mailbox - Replacement				3,873					4,228
Maintenance Equipment - Miscellaneous			5,059				5,427		
Monument - Entry: Lettering									
Mower: Riding - Replace						2,619			
Painting - Recreation/Boathouse & Storage Buildings						1,310			
Perimeter Wall - Maintenance					7,486				
Playground Equipment: Rebuild / Major Repairs			7,102					7,753	
Restroom Refurbishment - Provision									
Roof - Boathouse - Maintenance							349		
Roof - Boathouse - Replace		2,289							

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Spread Sheet

Description	2036	2037	2038	2039	2040	2041	2042	2043	2044
Roof - Maintenance Building - Maintenance							533		
Roof - Maintenance Building - Replace		4,879							
Site Furniture - Benches/Tables & Miscellaneous		2,841							3,212
Steps & Pathway									
Storm Drainage System			49,712						
Storm Water Discharge Pond - Cleaning				14,711					16,060
Stormwater Facility Swale Maintenance				7,355					8,030
Street Signs [Removed]	*Unfunded*								
Surveillance Equipment									1,606
Tractor - Kubota "L" Series									
Tuck-Pointing - Gate/Entry						1,524			
Tuck-Pointing - Recreation/Boathouse & Storage Buildings						5,333			
Underground Utilities								7,890	
Year Total:	**77,268**	**21,122**	**75,546**	**42,379**	**7,486**	**17,215**	**7,472**	**28,478**	**51,082**

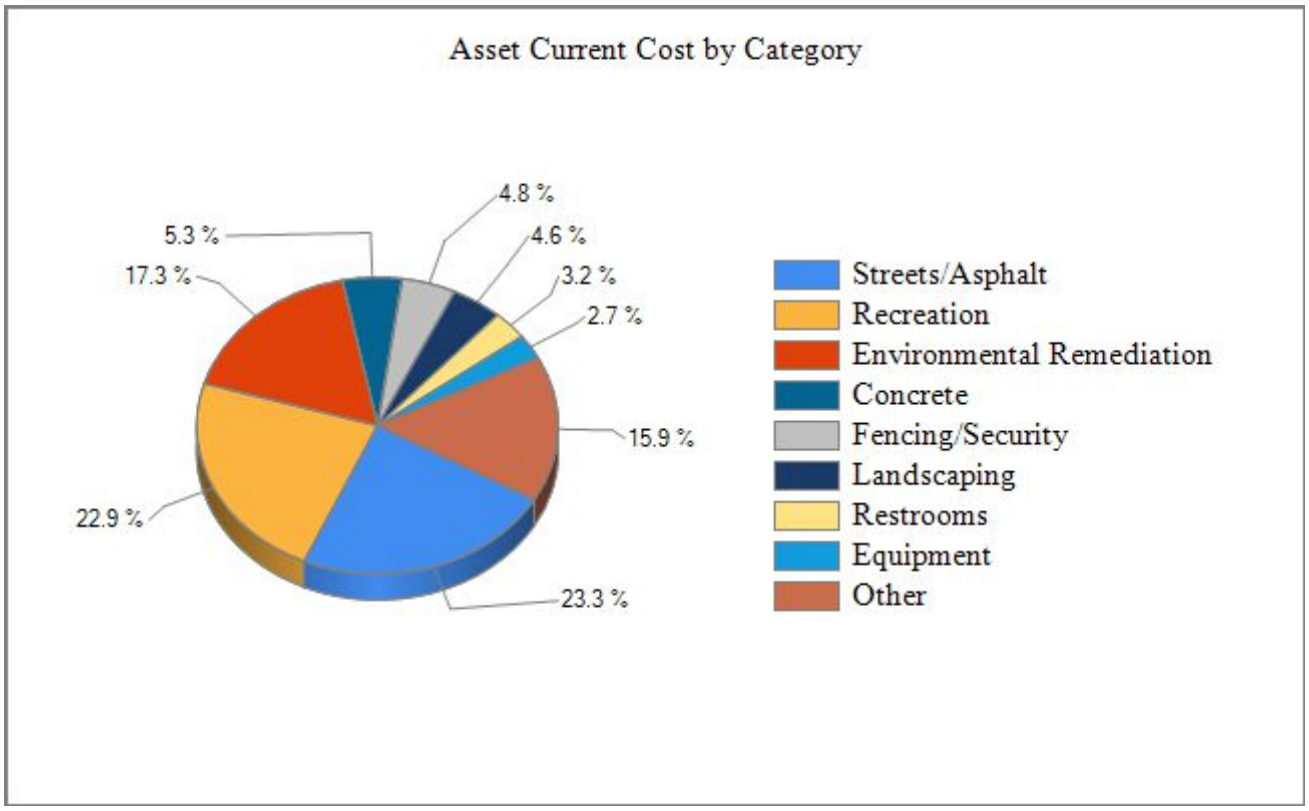
Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Spread Sheet

Description	2045	2046	2047
Arborist - Tree Work	3,269		
Asphalt Overlay			
Asphalt Repairs			
Asphalt Seal Coat			
Barbeque - Replenish / Rebuild			1,996
Basketball Goal - Backboard/Hoop/Mounting Hardware			
Boat - Dock - Major Rebuild/Replace			
Boat Ramp			
Concrete - Common Areas - Provision			
Concrete - Sport Court			14,406
Concrete Flatwork - Maintenance/Replace			
Doors & Windows			
Dry-Rot Repairs - Recreation/Boathouse & Maintenance Buildings			
Exercise Equipment: Rebuild / Major Repairs			
Gates: Vehicle - Automation			13,542
Gates: Vehicle - Iron Work			
Gutters & Downspouts - Boathouse			
Gutters & Downspouts - Maintenance Building			
Irrigation Controllers & Valves			
Landscape - Renovation			
Lighting - Outdoor / Indoor - Allowance			1,270
Mailbox - Replacement			
Maintenance Equipment - Miscellaneous		5,822	
Monument - Entry: Lettering	8,172		
Mower: Riding - Replace			
Painting - Recreation/Boathouse & Storage Buildings			
Perimeter Wall - Maintenance			
Playground Equipment: Rebuild / Major Repairs			
Restroom Refurbishment - Provision			15,235
Roof - Boathouse - Maintenance			381
Roof - Boathouse - Replace			

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Spread Sheet

Description	2045	2046	2047
Roof - Maintenance Building - Maintenance			581
Roof - Maintenance Building - Replace			
Site Furniture - Benches/Tables & Miscellaneous			
Steps & Pathway			
Storm Drainage System			
Storm Water Discharge Pond - Cleaning			
Stormwater Facility Swale Maintenance			
Street Signs [Removed]	*Unfunded*		
Surveillance Equipment			
Tractor - Kubota "L" Series			
Tuck-Pointing - Gate/Entry			
Tuck-Pointing - Recreation/Boathouse & Storage Buildings			
Underground Utilities			
Year Total:	**11,441**	**5,822**	**47,410**

Lacamas Shores Homeowners Association
ReserveStudyUpdate.com, LLC Asset Current Cost by Category



This is the distribution of reserves by category

IRS Revenue Ruling 70-604 Revenue Ruling is often considered one of the most powerful tax planning tools available to an association. The objective of the IRS Revenue Ruling 70-604 is to allow condominium/homeowner associations to avoid taxation on excess membership income by either carrying over the excess income to the following tax year or refunding the excess income back to association members. IRS Revenue Ruling 70-604 Revenue Ruling is applicable only to those associations that file as a regular corporation (Form 1120).

IRS guidelines allow condominium/homeowner associations the option to elect filing taxes as a regular corporation (Form 1120) or as a homeowners association (Form 1120-H). The most significant difference between these two forms is that Form 1120 taxes the association on all excess income at a graduated rate starting at 15%. Form 1120-H taxes the association on all non-exempt income at a fixed rate of 30%. Exempt income on an 1120-H would include revenue generated to maintain the common property and pay for the general operations of the association. Non-exempt income includes revenue such as interest generated from investment accounts, special user fees, and laundry/vending machine income.

ReserveStudyUpdate.com, LLC does not offer legal or tax advice. However, it is generally recommended by virtually all CPAs that most associations should make a 70-604 election every year even if they later determine they will not elect to be taxed as a regular corporation. If circumstances dictate that this election would not apply in a given year, the resolution is simply ignored.

An association must strictly comply with the requirements of the IRS Revenue Ruling 70-604 to make this election. These requirements are as follows:

1. It must be adopted by vote from the association's membership prior to the filing of the tax return.

2. Election must be noted in writing as part of the board meeting minutes.

In addition, the attached resolution indicates that any excess membership income will be applied to next year's dues, which is in lieu of returning the excess money to the individual association members.

(continued on next page)

ASSOCIATION RESOLUTION FOR REVENUE RULING 70-604 ELECTION EXCESS INCOME APPLIED TO THE FOLLOWING YEAR'S ASSESSMENTS

RESOLUTION MUST BE VOTED ON BY THE MEMBERSHIP AT THE ANNUAL MEETING ANNUAL RESOLUTION OF THE Lacamas Shores Homeowners Association ASSOCIATION

ANNUAL RESOLUTION OF THE (Association) Lacamas Shores Homeowners Association .

RE: EXCESS INCOME APPLIED TO THE FOLLOWING YEAR'S ASSESSMENTS REVENUE RULING 70-604

WHEREAS, The (Association) Lacamas Shores Homeowners Association is a (State) Washington corporation duly organized and existing under the laws of the State of (State) Washington ;

and

WHEREAS, The members desire that the corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Service;

and

NOW, THEREFORE, the members hereby adopt the following resolution by and on behalf of the (Association) Lacamas Shores Homeowners Association :

RESOLVED, that any excess of membership income over membership expenses for the year ending _____20__ shall be applied against the subsequent tax year member assessment as provided by IRS Revenue Ruling 70-604.

This resolution was voted on and made a part of the minutes of the annual meeting of (Association) Lacamas Shores Homeowners Association .

BY: _____
(President)

ATTESTED: _____
(Secretary)

Form compliant with IRS Ruling 70-604

Part III - Maintenance Plan Item Inventory - Lacamas Shores Homeowners Association

#1 - Asphalt - Overlay *Frequency: 35-50 Years*

Upon replacing the asphalt surface, the surface preparation, materials, and thickness of the overlay should be designed for the climate and traffic anticipated. The surface preparation should be dictated by the distresses that are prevalent in the existing pavement, the degree of roughness, or considerations for curb reveal or surface drainage. A tack coat should always be applied in preparation of a thin overlay on an un-milled surface, although it may not be essential on a milled surface. It may be either modified or unmodified, and the rate of application will be dictated by existing surface requirements. Materials for the overlay should be selected carefully the mixture should be dictated by the planned thickness. Planned seal coat per the manufactures specification may result in an overlay which is viable for thirty years or longer.

#2 - Asphalt Seal Coat & Repairs *Frequency: 3-6 Years*

Maintenance of asphalt paving includes the periodic application of an asphalt emulsion sealer or seal coat. Seal coating typically maximizes the life expectancy of the underlying overlay. This process is characteristically performed every 4 to 7 years depending on a variety of factors that can affect the useful life of the sealer. Vehicle traffic is one such variable that carries considerable vehicle traffic should consider a maintenance program that calls for seal coating of asphalt driving surfaces as frequently as every 4 years. This maintenance procedure involves thoroughly cleaning all pavements, filling of any surface cracks, and patching of any locally damaged pavement surfaces. The emulsion sealer is then applied. Parking area demarcation lines will need to be renewed each time a seal coat is applied. The component expense includes the cost of this work as well as the seal coating cost. This work should be performed by a licensed and bonded paving contractor.

#3 - Backflow Device - Irrigation *Frequency: TBD Years*

The backflow prevent or is the single most expensive part of your irrigation system. It is also the first item to be damaged if a system is not properly winterized. A certified professional backflow inspector should examine and provide necessary documentation of the test results as required by many municipal jurisdictions. Typically a properly inspected and maintained backflow device has a life expectancy exceeding 30 years.

#4 - Backflow Device - Testing

Frequency: 12 Months

The law requires that the community association notify the local water provider before removing a backflow assembly. A water provider inspector will need to inspect the plumbing to verify the cross connection has been eliminated. A plumbing permit may be required to perform this type of work. All backflow assembly testing should be performed annually and by a certified contractor.

#5 - Barbeque

Frequency: 10 Years

Test and inspect the grill systems and disassemble the main grill parts and thoroughly clean each one, remove deposits from walls and scrub off grease, soot and surface rust. Reassemble the grill and test repeatedly to make sure it's working in an optimal manner. The exterior should be washed and polished to maintain an optimal appearance. Fire will oxidize/rust metals including stainless steel. Eventually components require replacement.

#6 - Bark Dust

Frequency: 12-24 Months

For weed control and aesthetic purposes, it is recommended to refresh the bark dust beds in the common areas every 2 years or so. Immediately adjacent homeowners should be notified in advance because some people may have an adverse reaction to any bark particles which may fly in the air.

#7 - Basketball Standard

Frequency: 14-20 Years

Basketball systems are designed specifically to withstand all types of climate. Parts are designed to handle both hot and cold temperatures, so there really isn't much maintenance needed to prepare your system for weather changes. However, it is usually a smart idea to take down the nylon net when the system is not being used during winter months so it does not deteriorate over time.

#8 - Bench - Outdoor

Frequency: 7-10 Years

Inspect the outdoor benches in the common area for wear and safety concerns. Benches should be cleaned routinely and fasteners inspected as these components may become loose creating a safety hazard. Depending on manufacturer, and placement in the community, expect replacement every 8 – 12 years. Benches may last longer with proper care.

#9 - Boat Docks

Frequency: 15-20 Years

Utilize environmentally safe cleaners to clean the boat dock. With a wood boat dock, a 3 to 1 mixture of olive oil and white vinegar makes an optimal cleanser for mineral salts and stains. On oil-stained areas, carefully scrub in a paste of water and baking soda and rinse it off when dry. Apply a cleaning agent such as baking soda to clean steel and aluminum attachments to the boat dock such as ladders. Avoid using pressure washers as they may lift off wood splinters and tiny metal flakes from bolts and fasteners, depositing them into the water.

Trex boards offer a terrific, low maintenance option for decks. Although the boards require less maintenance than regular wood, they do require some attention to keep them looking their best. The cleaning methods are simple and do not require the use of specialized equipment. Pressure washers are not recommended by the Trex Company. Using a pressure washer with high pressure or too closely will result in voiding the warranty. There are bleach-free deck washes available such as Corte-Clean Composite Deck Cleaner that will remove mold from Trex.

Frequent cleaning is necessary to keep mold from returning, however unlike wood, the mold simply grows on the Trex surface and doesn't cause significant damage. Cleaning the boards frequently with water and soap removes pollen, leaves, needles, and dirt which is a deterrent for mold regrowth.

Inspect the boat dock at the beginning and conclusion of every season for sound overall structure. Replace any rotted, dried out or splintered/cracked wood slats on the top of the dock as soon as possible. Inspect all of the nuts, bolts, nails and other metal fasteners used in the dock for corrosion and rust and replace them if they are causing the dock frame or top to loosen. Examine the connection of the dock to the shoreline, reinforcing it with environmentally sound materials as needed.

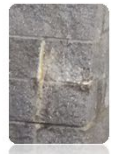
#10 - Brick & Masonry - Maintenance

Frequency: 8-10 Years

Bricks typically have a life expectancy exceeding thirty hears. However bricks tend to "move" over time and require periodic work and cleaning. Bricks may be pushed up by tree roots or just shifted thanks to water runoff and erosion. Bricks should ideally be cleaned carefully with a power washer or a cleaning agent such as 30 Second Cleaner to avoid buildup of moss and algae.

#11 - Brick Masonry – Clean & Tuck Repoint

Frequency: 8-10 Years



Repointing is the process of removing deteriorated mortar from the joints of a masonry wall and replacing it with new mortar. Repointing restores the visual and physical integrity of the masonry. Disintegrating mortar, cracks in mortar joints, loose bricks or stones, damp walls, and/or damaged plasterwork may prompt the decision to repoint. Facing the deterioration such as leaking roofs or gutters, differential settlement of the building, capillary action causing rising damp, or extreme weather exposure should always be dealt with prior to the commencement work.

It is essential to ensure that the proposed repointing work is both physically and visually appropriate to the building. Analysis of un-weathered sections of the historic mortar to which the new mortar will be matched can suggest appropriate mixes for the repointing mortar. This measure is critical as to avoid damage to the building because it is excessively strong or vapor impermeable.

The relationship of repointing to other labors proposed on the building must be recognized. For example, if paint removal or cleaning is anticipated, and if the mortar joints are basically sound and need only selective repointing, it is generally better to postpone repointing until after completion of these projects. However, if the mortar has eroded significantly, allowing moisture to penetrate deeply into the wall, repointing should be accomplished before cleaning. Anticipated work, such as roof repairs or structural, should be scheduled so that they do not interfere with repointing. It is important to optimize projects planning in order take maximum advantage of erected scaffolding.

All brickwork and other repairs and maintenance to the brick surface should be performed by a licensed and certified professional.

#12 - Catch Basin / Storm Drain Cleaning

Frequency: 12 Months

It is important to maintain catch basins to prevent storm sewer blockages and minimize the amount of pollutants entering storm sewers which may eventually discharge into local streams and waterways. Clogged catch basins can result in the ponding of water along streets and parking lots causing a nuisance to motorists, pedestrians and businesses. Improper maintenance of catch basins can lead to mosquito infestations. Clean catch basins on a periodic basis and at least annually. Work should be performed by a properly qualified vendor.

#13 - Concrete Maintenance

Frequency: TBD Years

Concrete is used as a building material in several areas throughout the association including but not limited to; driveway aprons, sidewalks, entry walks, and trash enclosures. Concrete is very durable and is usually very low maintenance as long as it is protected from misuse including but not limited to repeated hosing, radiator overflow, fertilizers or pesticides, and ice-melting agents.

Only use products designed to be used with concrete to melt snow and ice. Avoid using salt or other chemicals not approved for this purpose to melt ice on concrete surfaces. Salt or other chemicals may damage the concrete and shorten its useful life If the association elects to use such products, the association needs to plan accordingly for possible earlier repairs or replacement.

Schedule and perform concrete surface inspections every season to determine if cracking, fissures, or settlement have occurred. Check for lifting and tripping hazards. Cordon off safety hazards until appropriate repairs have been made. Correct sources of cracking problems such as tree roots and drainage situations. A certified contractor should grind down and replace sections as needed.

#14 - Dry-Rot Repairs/Prevention

Frequency: 6-10 Years

Wood should be properly finished with a paint, stain, or clear sealer. When left unprotected, it's susceptible to decay and rot caused by moisture. Wood expands and contracts with normal changes in humidity and temperature. These fluctuations may cause paint finishes to chip and crack, and over time puts unnecessary stress on caulked seams around doors, windows, and at corners. If the caulk separates and fails to keep out moisture, wood rot will likely develop. Even species of wood that have a natural resistance to rot, such as cypress, redwood, and cedar, may decay if not properly protected from the elements.

#15 - Exterior Doors

Frequency: 30 Years

Hinges should be well greased and checked on a regular basis for proper lubrication. ReserveStudyUpdate.com, LLC highly recommends that hinges used in commercial, high-frequency applications or those in extreme environmental conditions be lubricated annually to ensure quiet operation and long life. Standard hinges are best lubricated by removing the pin, applying a generous coating of lithium grease, and reinserting the pin by driving it completely down to the shoulder of the pin head. Door knobs and locks should be checked and verified that they are working properly. Weather-stripping features should be analyzed to insure proper operation. Doors will wear out at different intervals due to a variety of factors.

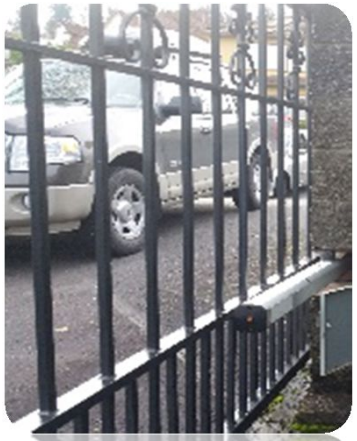
#16 - Gate Keypad Callbox w/ Screen

Frequency: 10-15 Years

This entry system is designed to utilize a building's existing telephone wiring and to address a variety of building entry applications. These units typically have very few moving components and therefore require little maintenance; however it is necessary from time to time to inspect door components including the locks and hinge system to insure proper closer and operation. For security reasons master entry codes provided to residents should be changed from time to time and the entry instructions should be provided to occupants in ample time.

#17 - Gates-Entry-Operators

Frequency: 12-18 Years



On the "actuator" type of opener is sometimes necessary spray silicon spray directly to the inner tube that travels in and out of the arm. It is not recommended to use any type of spray oils or penetrating oils as these just collect dirt and grime. This helps keep the inner seal pliable and it does a much better job of keeping the moisture out of the arm therefore keeping the arm from "freezing up" when the temperatures drop below freezing.

The hinge areas require maintenance as well. Most hinges for ornamental swing gates have grease fittings on them which should be greased at least several times a year. It would not hurt to periodically remove the arm from the gate and swing the gate by hand to check that it is working properly. It is also advisable to make sure all hinges are still tight and solid. Check for any cracks around the joints and welds and have them repaired as soon as possible.

For the other "pad mount" type of operator there is very little need for maintenance; however they do have a couple of "pivot points" that should be checked for lubrication. On these, a heavy oil or grease should be applied to the joints to keep them moving as freely as possible.

For chain drive slide gates, it is imperative to oil the chain from time to time. Chains need to flexible and if not oiled from time to time will freeze up and cause significant problems for the gate operators down the road.

#18 - Ground Loop

Frequency: TBD Years

Ground loops are magnetic field generators that are able to detect metal when it passes into the field. The detector gives a signal to the gates, either causing the gates to open or preventing the gates from closing. Loops can be installed using two different types of loop; pre-form or saw cut. Pre-form loops come with the wire already cut to length, twisted, and inside of a protective sheath or a flexible conduit for the sensing portion of the loop. Pre-form loops are used for roads that are unpaved or for roads prior to paving or concrete pours. A trench is dug one to six inches below the finish grade of the road in the case of asphalt paving with the loop inserted and then covered and run back to the gate operator. On concrete surfaced, the loop is tied to the rebar structure before the pour.

#19 - Gutter Cleaning

Frequency: 8-12 Months

Depending on adjacent tree cover, gutters may require gutter cleaning at varying intervals; some require cleaning as much as three times during the fall, others may not require cleaning for several years. For landscape areas such as gazebos, gutters can be cleaned easily by a landscaper or volunteer. Gutters on structures greater than 12 feet should be cleaned by a licensed and certified contractor. If the gutters are covered, clean off debris on top and then carefully lift the screens or guard to remove debris in the gutters. Some screens care built into the gutters and cannot be removed.

Once the gutters are clean, use a garden hose to run water down them. Check that the water flows in the right direction and free of sags or blockages, check for leaks and check that all downspouts are draining properly.

#20 - Gutters and Downspouts-Replace

Frequency: 20-25 Years

Most gutters should be cleaned twice a year; however frequency will vary depending on the environment and amount of debris accumulating in gutters. This project should be completed in early spring to clear out any left over ice and debris that has accumulated during the winter. It is advised to also go through cleaning your gutters in late fall. This is perhaps the most important time of year to clean the gutters because it is necessary to clear out all the falling leaves and things that gather in the gutter system during fall before the melting snows of winter begin to tax the gutters and downspouts.

Gutter professionals will also make sure your gutters are attached firmly to the building so there is no separation. Gutters are typically attached to the home with special hangers and the gutter cleaning service will replace them if necessary. They will also level the gutter system so that they are at the proper angles to maximize efficiency. It is recommended to completely replace the gutter system during the roofing cycle.

#21 - Irrigation Controllers & Valves

Frequency: TBD Years

When an electrical impulse is transmitted to the solenoid, an electromagnetic field causes a small metal plunger in the solenoid to move upward. When the plunger moves upward, a small hole in the valve is uncovered which allows the water in the chamber above the closing mechanism to flow through the port and out of the valve, relieving water pressure needed to hold the valve closed. The pressure of the incoming flow of water is greater than the pressure in the chamber above the piston, and the force of the water pushing up underneath the piston opens the valve. When the solenoid is de-energized, the plunger moves down, closing the small port. Water flowing through a small hole in the closing mechanism refills the chamber above the piston and builds up pressure. The increased pressure forces the piston downward, thus closing the valve. All valves have a range of pressure and water flow that must be maintained in order to work properly.

#22 - Landscape Renovation

Frequency: TBD Years

Expect major rework and major improvements in the common area landscaping on a periodic basis. This may include major upgrades the grading to facilitate a water efficiency plan to minimize runoff of irrigation water. All work should be performed by a qualified vendor.

#23 - Lighting - Exterior

Frequency: 18-25 Years

Outdoor lighting maintenance involves much more than simply replacing burnt out light bulbs. Lighting maintenance involves optimizing existing equipment configurations so that homeowners can receive the best return on their financial investment possible and maintain the highest value that outdoor lighting brings to their property.

Start by replacing bulbs that have burned out. An easy, fairly low-cost solution is to replace any medium-base incandescent lamps with screw-base CFLs. However, in cold climates CFLs may be less effective as these bulbs require a higher operating temperature.

Consider replacing the fixture with long-lasting HID or LED lamps as their long lifetimes mean they require less frequent replacement, and the ensuing labor savings and lower energy consumption justify the slightly higher initial investment.

#24 - Lights-Interior-Florescent Tube Style *Frequency: 20-25 Years*

Fluorescent ballasts come in two designs--magnetic and electronic. In the late 1970's, electronic ballasts became the standard for fluorescent bulb designs. Prior to this, the long tube designs found in older bulbs used magnetic ballasts. For magnetic ballasts to work, a chemical material called polychlorinated biphenyls, or PCBs, acts as a sealant inside the ballast's capacitor mechanism. This chemical poses little to no threat during normal bulb operation, but when a bulb breaks or explodes, PCBs can leak through, causing adverse physical effects to the environment. A PCB leak appears as a black, clear or yellow liquid.

Bulbs should be disposed of in a proper manner. Often times local agencies offer bulb recycling for a small fee. It is critical to keep bulbs covered with protective covers and/or appropriate explosion proof tubes.

#25 - Mailbox - Maintenance *Frequency: 3-5 Years*

Assess overall condition and function of locks, proper lubrication of moving components, cleanliness and appearance of face plates, security of housing, in compliance with current postal regulations, accuracy and visibility of signage/accessibility of lettering, where required, and condition and proper function of slots and depositories for outgoing mail and packages. Evaluate paint on the gang-style cluster mailbox along with the supporting pedestal. Many times the paint is removed on one quadrant of cluster style mailbox pedestals because of dogs urinating on these specific sections.

If replacement is necessary, check with postmaster for proper placement as many times older mailboxes are grandfathered in terms of sidewalk placement but may have stipulations which require movement upon mailbox replacement. All replacements should be coordinated with residents and the postmaster.

#26 - Mailbox - Replace *Frequency: 25-50 Years*

Properly maintained mailboxes typically have a life expectancy exceeding thirty years, however if replacement is necessary check with postmaster for proper placement as many times older mailboxes are grandfathered in terms of sidewalk placement but may have stipulations which require movement upon mailbox replacement. All replacements should be coordinated with residents and the postmaster. A clear plan should be in place for key replacement and/or locksmith services in the event that keys are not interchangeable with the new mailbox units. Homeowners should be notified in writing far in advance in order to avoid any confusion.

#27 - Paint - Exterior

Frequency: 6-10 Years

Before painting begins, the landscaper should be notified and surrounding vegetation should be trimmed and pruned back in order to minimize overspray. Plants that cannot be pruned should be reasonably covered. Hinges and other components that should not be painted should be taped or temporarily removed. Homeowners should be contacted several days in advance so owners can move the vehicles out of the path of any possible overspray.

Maintenance of the exterior painted surfaces includes regularly scheduled cleaning and inspection of the surface areas for cracks, peeling paint or other sealants, deterioration of the base material, and failure of caulking or other sealant materials which serve a waterproofing function. The surfaces should be cleaned, repaired as required, and primed and painted with premium quality exterior house paint in accordance with the builder's specifications.

#28 - Paint-Entry Gates

Frequency: 6-10 Years

Wrought iron railings and fences have been a classically elegant feature of homes for decades. Over time, exposed to the elements, wrought iron can become pitted and rusty and require refinishing. Even if wrought iron pieces look good, components can painted a different color to add a personal touch and contemporary style to what is usually a traditional element of your building or structure. Since different factory painting treatments have varying life expectancies, it is recommended to consult with an expert painter to determine the proper painting approach.

#29 - Parking Area Striping & Graphics

Frequency: 3-6 Years

During the seal coat cycle or as needed, the curbs and parking spaces should be painted with a DOT approved paint. Words should be re-stenciled on curbs and other areas of the property as determined appropriate.

#30 - Playground Equipment

Frequency: TBD Years

Maintenance routines should be determined for each specific playground. The Association should establish maintenance plans based on manufacturer's recommendations, local and state statues.

Equipment should be free of deterioration and all wood equipment should be free of splinters and other hazards. Metal equipment should be free of rust and plastic equipment should be free of cracks. S-hooks should be closed and there should be no openings from 3.5"-9" where children's head or body trappings could occur. There should be no open areas at the top of slides where strings could get caught and cause strangulation. Proper drainage in the playground area should be present.

#31 - Pruning - Major Tree Work

Frequency: 5-8 Years

The first pruning of young trees and shrubs always consists of removing broken, crossing, and weak-structured branches. The recommendation to remove one-third of the top to compensate for root loss of balled and bur lapped material at transplanting has been revised. Prune these plants for structural integrity and cosmetic reasons only. Plenty of water during establishment will take care of the root loss problem. Trees with a central leader, such as cedar, sweet gum, or pin oak, may need little or no pruning except to eliminate branches competing with the central leader; these should be shortened. Some pruning may be necessary to maintain desired shape and shorten extra-vigorous shoots on trees that spread. Depending on the species and the desired impact, the height of the lowest branch can be a few inches above the ground.

#32 - Restroom Plumbing Fixtures

Frequency: 15 Years

Despite the bathroom's water tight capabilities, water is still able to find a crack or and work its way in and wreaking havoc. Maintaining water tight surfaces is key which includes tile repair, and laminate upkeep. If water damage does occur, fix it as soon as possible to cut down on the chance that mold and rot will begin infesting. Older or overworked piping systems can leak or burst, especially during extreme weather.

The shower, tub, sink and toilet are all designed to deal with certain stressors. Oftentimes, these stressors are exceeded in some way and the fixture becomes a hindrance to comfort. Proper routine maintenance of these fixtures will ensure that your bathroom remains an ally in maintaining comfort. This maintenance can include faucet repair, shower head servicing or replacement, and leaky toilet maintenance.

#33 - Roof - Tear-Off

Frequency: TBD Years

Sometimes it may is possible to merely place the new shingles over the older layer instead of tearing off a roof. A professional contractor can advise whether this is possible. The contractor will likely be familiar with local building codes, weather patterns, and other variables that help determine the answer to this question.

#34 - Roof-Asphalt Composition

Frequency: 20-30 Years

An asphalt shingle is a type of roof shingle. They are one of the most widely used roofing covers because they are relatively inexpensive and fairly simple to install.

Granules are applied to the weather face/exterior portion of the shingle to provide resistance to ultraviolet light. Granules have a particle size distribution which permits them to be applied directly to the asphalt coating in a manner so as to minimize exposed coating. In addition to this technical function, granules provide weight to the shingle and allow the product to be blended in a wide variety of colors.

Roofs should ideally be inspected every 3-5 years or during the biannual building envelope inspection (water intrusion inspection) where applicable.

#35 - Roof-Repairs

Frequency: 3-5 Years

Many times roofs develop leaks several years before the entire roof needs replacing. Usually leaks are caused by localized damage, such as cracked or missing shingles or shakes, or on a flat roof, a blistered or cracked area. The hardest part to repairing this type of damage is locating it. Delay in repairing leaks in a timely manner often results in serious damage such as dry rot. Dry rot describes wood and timber that has been eaten away by fungi. The fungi feed on the wood particles eventually breaking it down and making it either brittle or soft. There are two forms of fungi that are responsible for dry rot. Both forms of fungi require a certain level of water or moisture to grow and survive. Dry rot is the product of elevated levels of moisture trapped on or around the surface of wood.

Roofs should ideally be inspected every 3-5 years or during the biannual building envelope inspection (water intrusion inspection) where applicable. All work performed should be by a certified professional.

#36 - Security Cameras

Frequency: 10-14 Years

Maintaining security cameras can be as simple as purchasing a can of compressed air and once a month blowing the dust away from the lens. Wiping the lens with a cloth should be avoided, although you could buy a camera lens cloth and use it very carefully to clean the lens. Frequently surveillance cameras will not need to be focused unless someone was tampering with the camera, in which case you may need to call in a professional, but it is usually a relatively inexpensive visit and the professional can look over your entire close circuit television system at the same time.

#37 - Sensor-Infrared-Gate

Frequency: 10-15 Years

Infrared light is used in industrial, scientific, and medical applications. Night-vision devices using active near-infrared illumination allow people or animals to be observed without the observer being detected. Infrared sensors aid in the detection of vehicles which protects the gate and vehicles from collisions resulting from the gate closing prematurely.

#38 - Signage-Common Area/Monument

Frequency: 10-14 Years

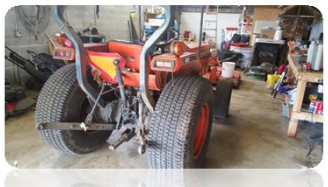
Most of the outdoor street will require replacement within 10 – 15 years depending on a variety of factors including but not limited to; theft, graffiti, sun fade, and other considerations. Signs are essential at times of emergency as these assets help guide first responders to the proper address, especially at night.

#39 - Tractor

Frequency: TBD Years

Properly maintaining a tractor will add years to its useful life. There is a multitude of different types and brands of tractors, there is no comprehensive maintenance manual that's universally applicable to all types of tractors, however the following these steps should help.

Review the owner's manual. The manufacturer has specific instructions for elementary care of the equipment, and contains the expertise to give you the best advice on how to do it. It is important to find the proper tools for the job. Typically, these tools are larger in size verses the tools needed for automobile maintenance.



Protecting the tractor from the elements, especially tractors that don't have a cabin to protect the seat and instrument panel. Keep rain and snow out of the combustion and exhaust system.

Check the fluids regularly. Tractor usage is measured in hours, not miles. Also, verify the proper tire pressure in the manual.

If the tractor is outfitted with a hydraulic system, the tractor may it has high pressure hoses and/or tubing, and failure of this fluid conduit can cause hydraulic pump failure, loss of steering, or other problems. Monitor belts and hoses and other components in accordance with the owner's manual.

#40 - Utilities - Underground

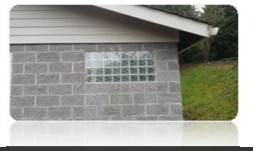
Frequency: TBD Years

This line item is for any ongoing maintenance and/or repairs needed for the various catch basins in the community, private utility lines, catch basins, and other related components.

#41 - Walls/Windows

Frequency: 30-40 Years

For optimal performance, wood frames should be finished or painted as soon as possible after installation. Finishing is necessary because by nature, wood is porous. Painting and finishing seals porous surfaces, maintains, protects and enhances the beauty of the product by keeping it less susceptible to debris and easier to clean.



#42 - Water Quality Tract Area

Frequency: TBD Years

Bioswales are landscape components are designed to remove silt and pollution from water runoff. Bioswales normally consist of a swale drainage course with gently sloped sides and filled with vegetation, compost and/or riprap. The water's flow path, along with the wide and shallow ditch, is designed to maximize the time water spends in the swale, which facilitates the trapping of pollutants and silt.

If installed properly, rip rap typically does not require much maintenance, however, inspect rip rap before and after major rain events and at least bimonthly during dry periods for areas of washout or other types of failure. Repair major problems immediately as problems may lead to slope failure.