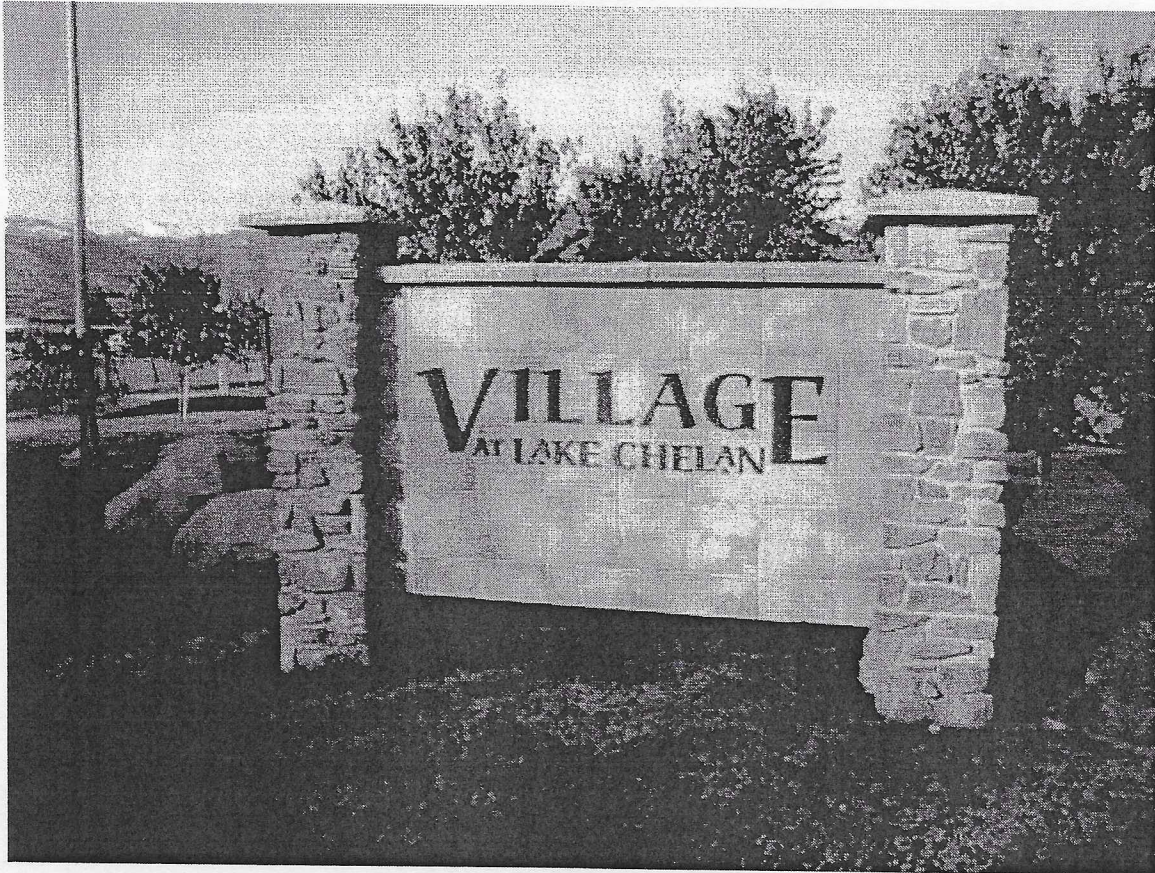


Component: Entry Monument – Replace



Comments: Fair condition with no significant fading or deterioration apparent. Clean and apply touch up paint for appearance as needed. Make minor repairs from operating budget. No anticipation of total replacement within the scope of this report. No reserve funding suggested.

Quantity: (1) Monument

Useful Life:

Remaining Useful Life:

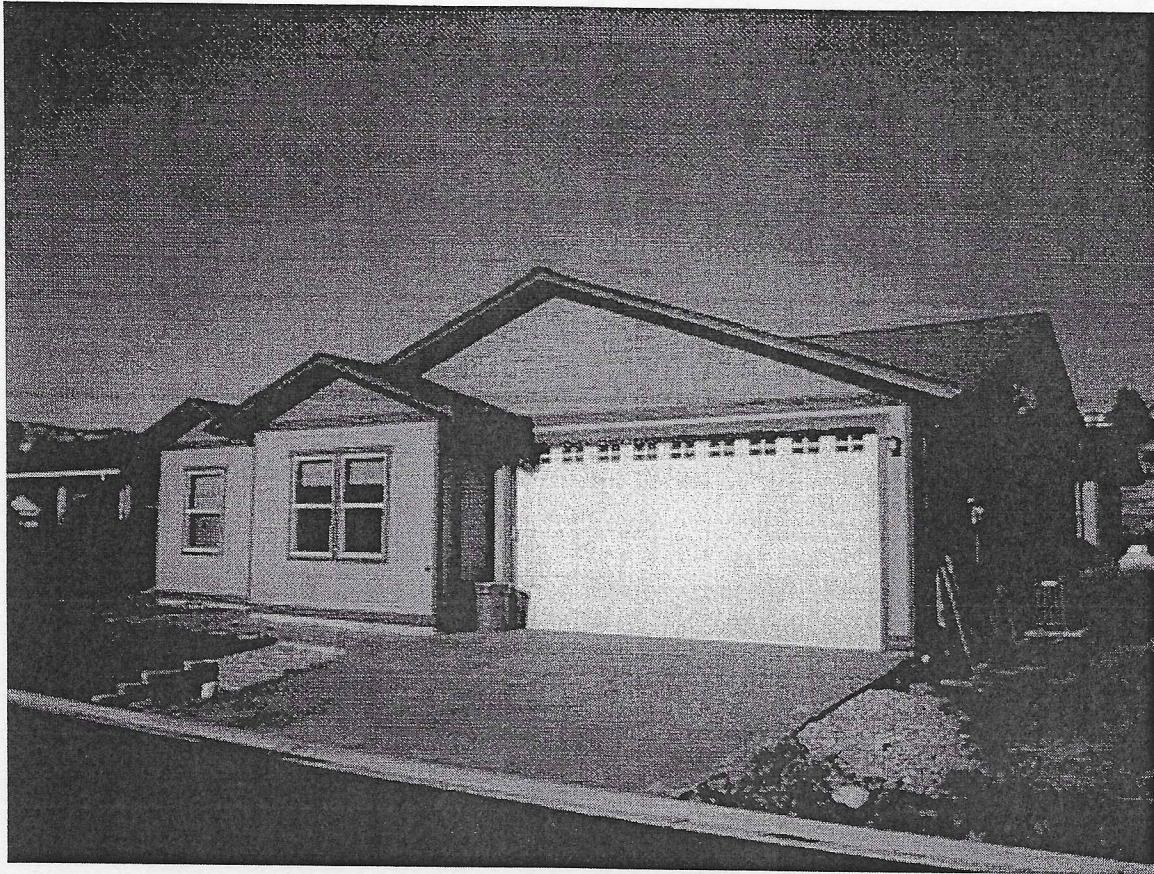
Low Cost:

High Cost:

Low Project Cost:

High Project Cost:

Component: Building Exteriors – Repair/Replace



Comments: The structures on the lots are reportedly the responsibility of the individual lot owners to maintain, repair and replace. No reserve funding required.

Quantity: Extensive Square Feet

Useful Life:

Remaining Useful Life:

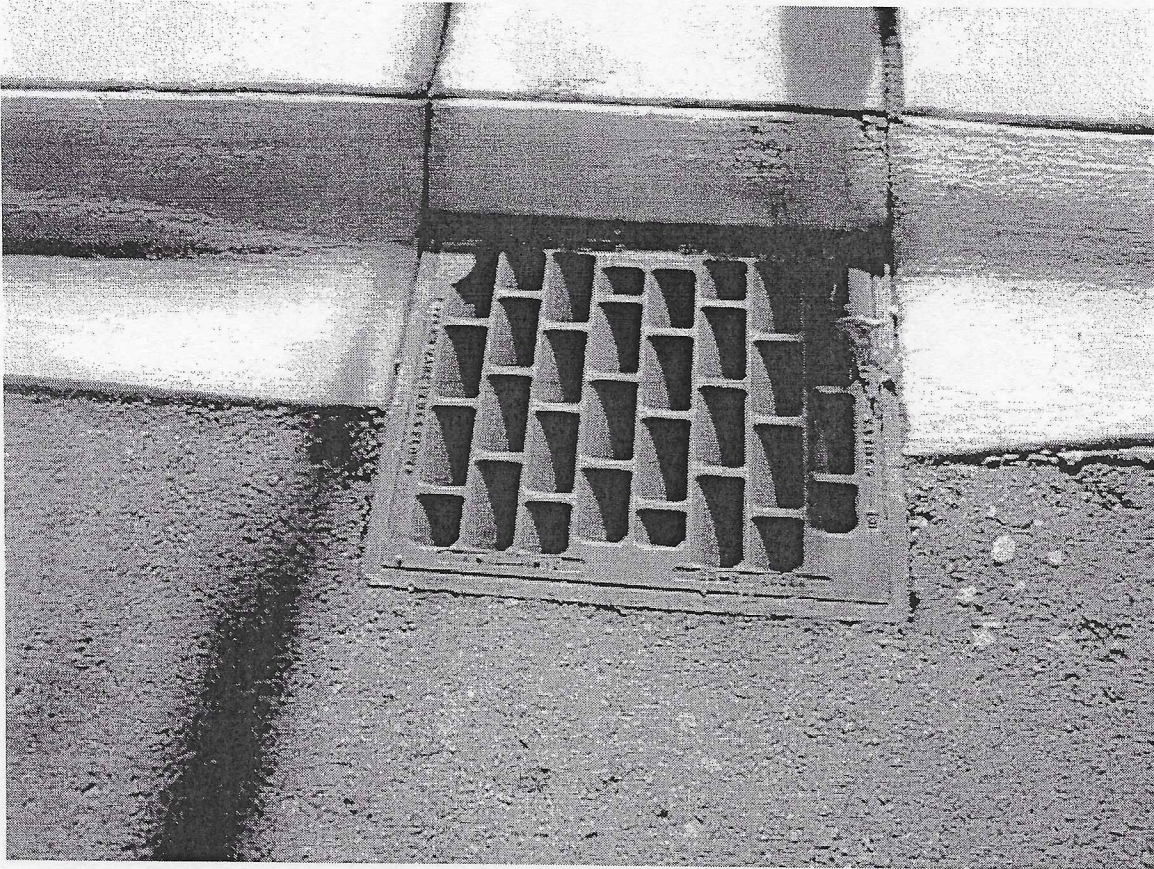
Low Cost:

High Cost:

Low Project Cost:

High Project Cost:

Component: Drainage System – Repair/Refurbish



Comments: Fair condition with no reported problems at this time. We assumed the community was properly designed with adequate provisions for drainage. As routine maintenance, inspect regularly and keep drains and grates free of debris to ensure water is evacuating as designed. Pump out sediments if needed utilizing mobile evacuator service fund from the maintenance budget. We do not expect any large-scale expenses within the scope of this study. No reserve funding suggested.

Quantity: Extensive System

Useful Life:

Remaining Useful Life:

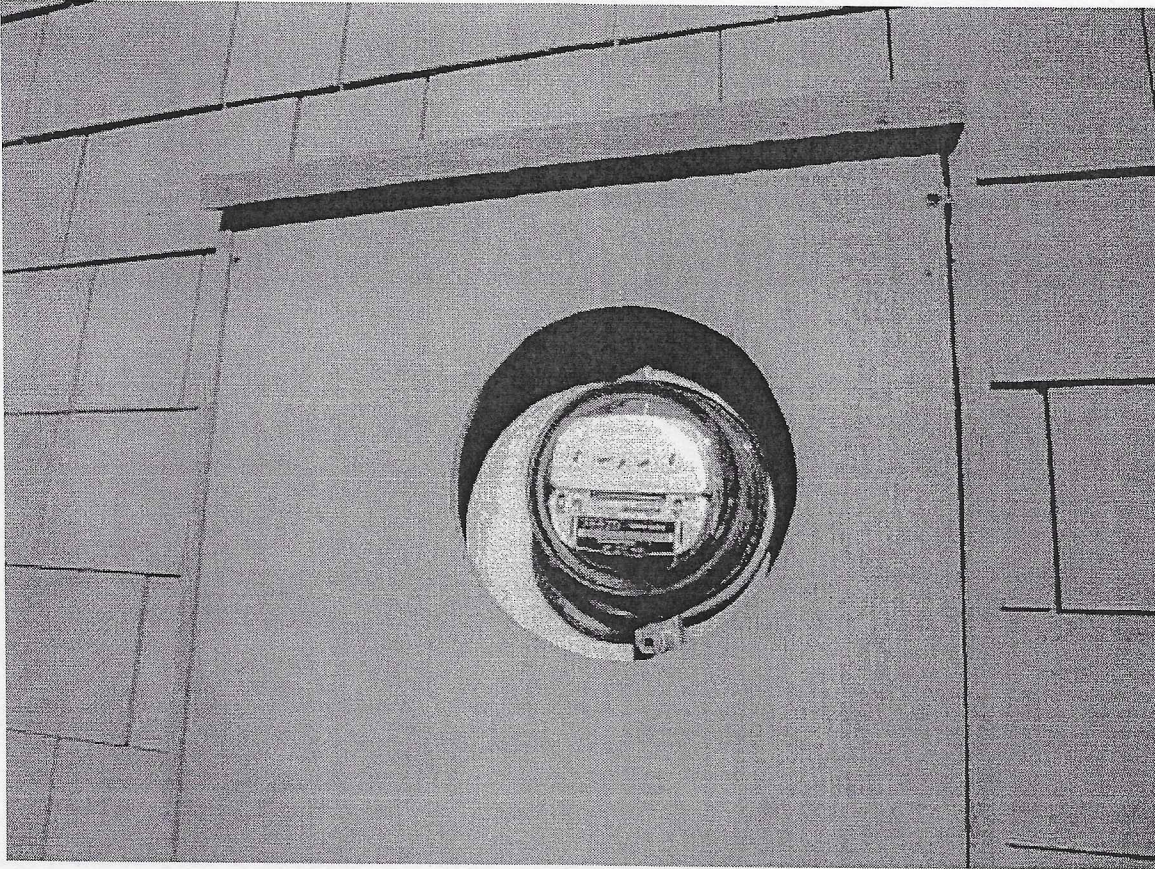
Low Cost:

High Cost:

Low Project Cost:

High Project Cost:

Component: Electrical System – Repair/Replace



Comments: Analysis of electrical system is beyond the scope of a reserve study. There is no predictable time frame for large-scale repair/replacement expenses within the scope of our report. Treat minor repairs as ongoing maintenance expense. No basis for reserve funding at this time.

Quantity: Extensive System

Useful Life:

Remaining Useful Life:

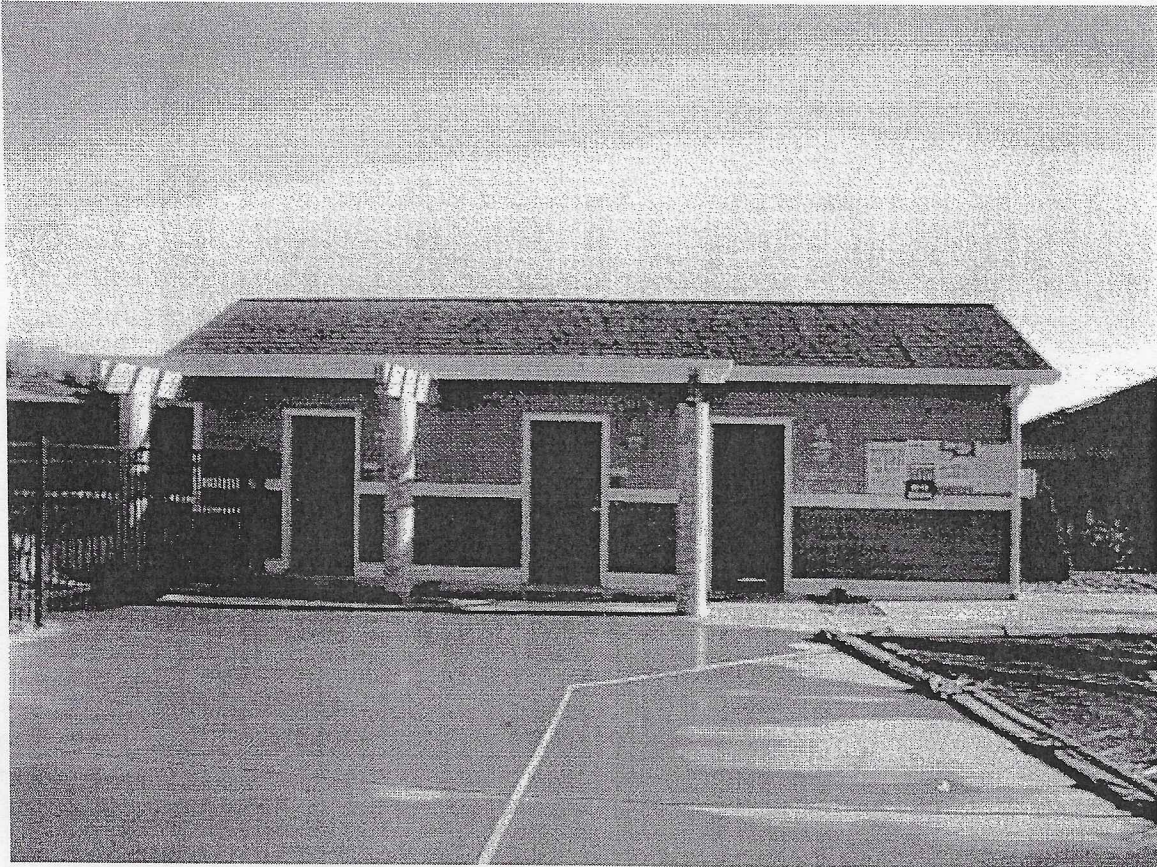
Low Cost:

High Cost:

Low Project Cost:

High Project Cost:

Component: Plumbing – Repair/Replace



Comments: No reported problems at this time. Analysis of plumbing system is beyond the scope of a reserve study. There is no predictable time frame for large-scale repair/replacement expenses within the scope of our report. If leaks, poor flow/water quality, etc... become evident, have qualified plumber or engineer inspect closely and develop scope of repair/replacement. Treat minor repairs as an ongoing maintenance expense. No basis for reserve funding at this time.

Quantity: Extensive Throughout

Useful Life:

Remaining Useful Life:

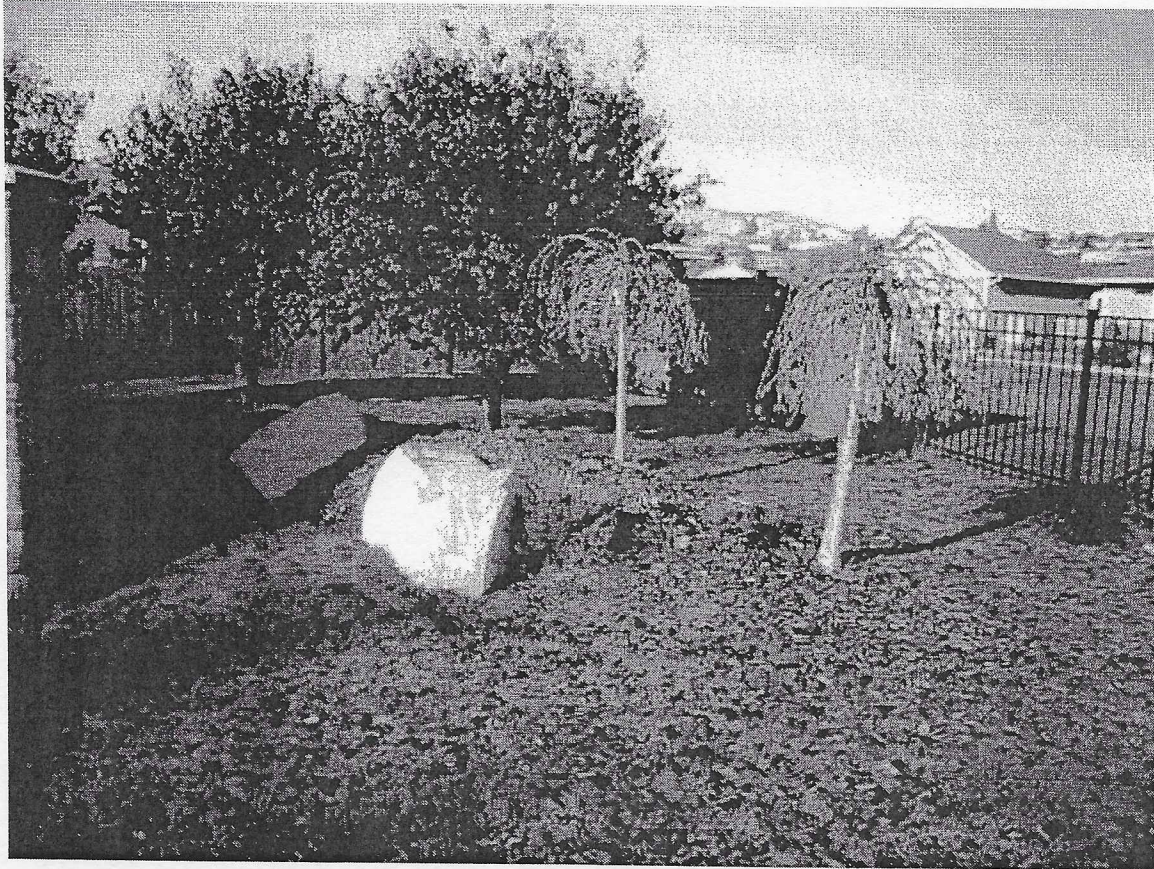
Low Cost:

High Cost:

Low Project Cost:

High Project Cost:

Component: Landscaping – Refurbish



Comments: This component may be utilized for setting aside funds for larger expenses that do not occur on an annual basis, such as: large-scale plantings, bark mulch or landscape improvement projects. No reserve funding suggested at this time.

Quantity: Extensive Square Feet

Useful Life:

Remaining Useful Life:

Low Cost:

High Cost:

Low Project Cost:

High Project Cost:

Component: Reserve Study – With Site Visit



Comments: Per Washington law, chapter 64.34 RCW Article 3, Section 1 reserve study updates with site inspections are to occur every three years to assess changes in condition and the resulting effect on the community's long-term reserve plan. This expense should be factored within the operating budget, not reserves.

Quantity: Every Three Years

Useful Life:

Remaining Useful Life:

Low Cost:

High Cost:

Low Project Cost:

High Project Cost:

Year-By-Year Summary Chart

Year	Starting Reserve Balance	Ideal Reserve Balance	Percent Funded	Rating	Annual Reserve Contributions	Special Assessments	Interest Income	Projected Reserve Expenses
2012	\$146,348	\$90,514	161.7%	Surplus	\$24,000	\$0	\$635	\$0
2013	\$170,983	\$116,536	146.7%	Surplus	\$24,720	\$0	\$735	\$0
2014	\$196,437	\$144,039	136.4%	Surplus	\$25,462	\$0	\$838	\$0
2015	\$222,737	\$173,087	128.7%	Strong	\$26,225	\$0	\$865	\$40,076
2016	\$209,752	\$162,470	129.1%	Strong	\$27,012	\$0	\$892	\$1,463
2017	\$236,192	\$192,069	123.0%	Strong	\$27,823	\$0	\$1,002	\$0
2018	\$265,017	\$224,851	117.9%	Strong	\$28,657	\$0	\$1,119	\$0
2019	\$294,794	\$259,427	113.6%	Strong	\$29,517	\$0	\$1,240	\$0
2020	\$325,551	\$295,874	110.0%	Strong	\$30,402	\$0	\$1,345	\$10,134
2021	\$347,165	\$323,837	107.2%	Strong	\$31,315	\$0	\$1,454	\$0
2022	\$379,933	\$363,963	104.4%	Strong	\$32,254	\$0	\$1,488	\$49,288
2023	\$364,388	\$355,438	102.5%	Strong	\$33,222	\$0	\$1,285	\$120,878
2024	\$278,016	\$273,860	101.5%	Strong	\$34,218	\$0	\$1,179	\$1,853
2025	\$311,559	\$313,397	99.4%	Strong	\$35,245	\$0	\$1,319	\$0
2026	\$348,123	\$357,026	97.5%	Strong	\$36,302	\$0	\$1,468	\$0
2027	\$385,893	\$402,991	95.8%	Strong	\$37,391	\$0	\$1,621	\$0
2028	\$424,906	\$451,393	94.1%	Strong	\$38,513	\$0	\$1,780	\$0
2029	\$465,199	\$502,336	92.6%	Strong	\$39,668	\$0	\$1,822	\$60,618
2030	\$446,071	\$493,493	90.4%	Strong	\$40,858	\$0	\$1,869	\$0
2031	\$488,799	\$547,977	89.2%	Strong	\$42,084	\$0	\$2,043	\$0
2032	\$532,926	\$605,285	88.0%	Strong	\$43,347	\$0	\$2,189	\$16,797
2033	\$561,665	\$648,239	86.6%	Strong	\$44,647	\$0	\$2,317	\$11,376
2034	\$597,254	\$699,327	85.4%	Strong	\$45,986	\$0	\$2,486	\$0
2035	\$645,726	\$764,966	84.4%	Strong	\$47,366	\$0	\$2,683	\$0
2036	\$695,774	\$833,914	83.4%	Strong	\$48,787	\$0	\$2,737	\$74,553
2037	\$672,745	\$829,521	81.1%	Strong	\$50,251	\$0	\$2,797	\$0
2038	\$725,792	\$903,207	80.4%	Strong	\$51,758	\$0	\$2,361	\$324,890
2039	\$455,021	\$645,930	70.4%	Strong	\$53,311	\$0	\$1,930	\$0
2040	\$510,263	\$717,080	71.2%	Strong	\$54,910	\$0	\$2,149	\$2,974
2041	\$564,347	\$788,854	71.5%	Strong	\$56,558	\$0	\$2,375	\$0

Disclosures

Washington State disclosure, per Senate Bill 6215:

“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.”

This Reserve Study is based on observations and data obtained from the on-site visit, field measurements, general age of the property and its components, information provided by the association on recent repairs, replacements and maintenance of the common and limited common areas of the site.

Reserve Solutions relied upon the Association contact to provide the current reserve balance and the rate of interest earnings. In addition, we have considered the Association and the Association vendor's representation of current and historical reserve projects reliable.

No destructive or intrusive inspections of any of the common or limited common area elements were performed. The estimated replacement and maintenance values in the reserve study are derived from appropriate local industry sources (such as contractors, service providers, etc.), the association historic records, and/or professional experience. The anticipated useful life of each component is based on industry standards, manufacturer warranties or recommended maintenance and/or replacement.



Phone: 253-241-8151

E-mail: jeremy@reservesolutions.net

www.reservesolutions.net