

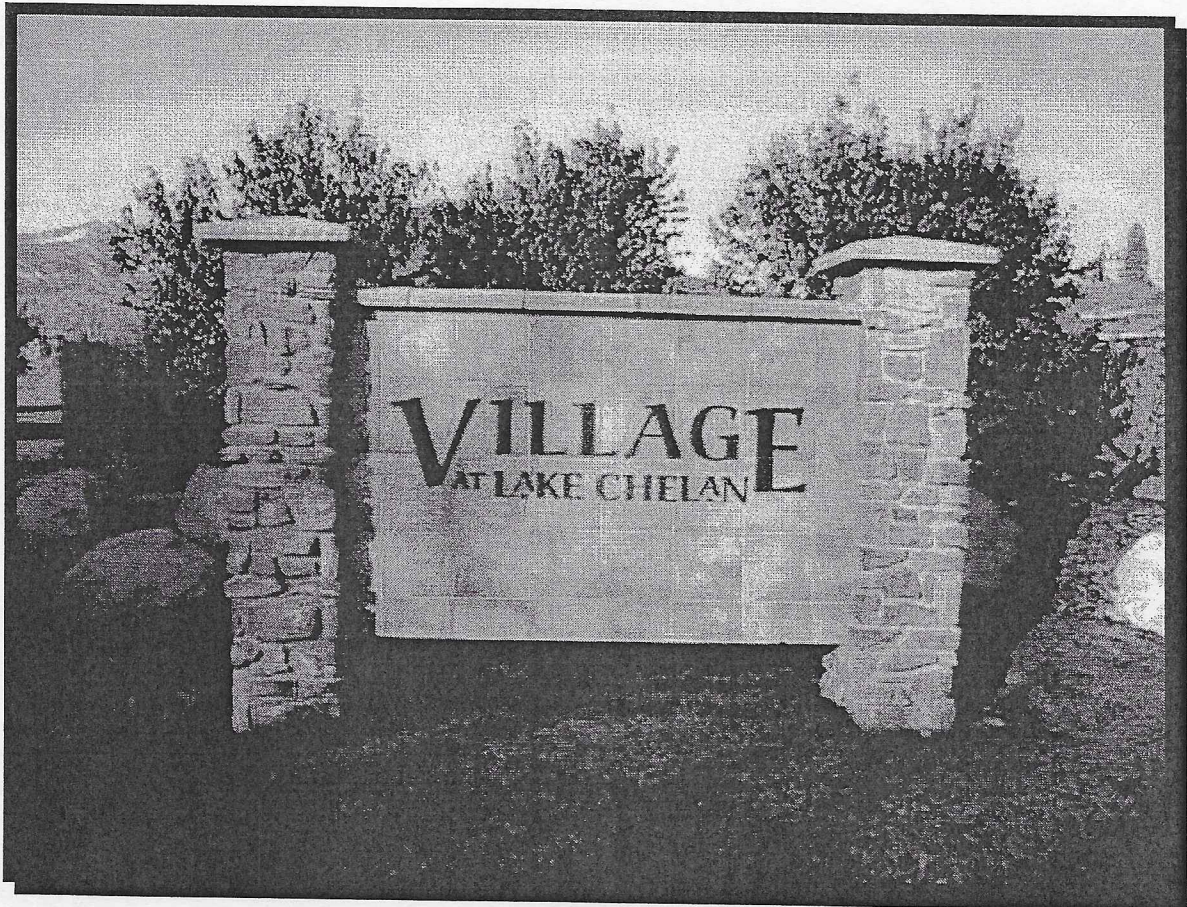
Full Reserve Study

Village at Lake Chelan

Manson, WA

12/30/2011

Report #1011



RS

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Village at Lake Chelan

Client Info:

REPORT #:	1011
STUDY TYPE:	Full Reserve Study
INSPECTION DATE:	11/25/2011
REPORT PERIOD:	1/1/2012-12/31/2012
NUMBER OF UNITS:	108

Parameters:

ANNUAL INFLATION RATE:	3%
ANNUAL CONTRIBUTION INCREASE:	3%
NET ANNUAL INVESTMENT RATE:	0.40%

Results:

PROJECTED STARTING RESERVE BALANCE:	\$146,348
THEORETICALLY IDEAL RESERVE BALANCE:	\$90,514
PERCENT FUNDED:	162%
MOST RECENT MONTHLY RESERVE CONTRIBUTION:	\$1,212
RECOMMENDED 2012 MONTHLY CONTRIBUTION:	\$2,000
BASELINE MONTHLY CONTRIBUTION	\$1,120
RECOMMENDED SPECIAL ASSESSMENT:	\$0

- This document is a Full Reserve Study that meets all requirements of chapter 64.34 RCW Article 3, Section 2. Information was gathered for this Reserve Study during our site inspection on 11/25/2011. A Reserve Study Professional performed this Reserve Study.
- The Association currently contributes \$1,212 per month to the reserve account. Based on the findings of our report, we suggest increasing the monthly reserve contribution to \$2,000 in fiscal year 2012.
- Please refer to the Photo Component Section for detailed component information regarding our funding decisions.

Funded Component Chart

Component	Quantity	Useful Life	Remaining Useful Life	Replacement Cost	
				Low	High
Asphalt - Seal	Approx 146,700 square feet	7	3	\$29,340	\$44,010
Asphalt - Overlay	Approx 146,700 square feet	35	31	\$278,730	\$308,070
Mailbox Clusters - Replace	(3) clusters	25	21	\$3,600	\$4,800
Wood Fence - Replace	Approx 3,330 linear feet	15	11	\$66,400	\$83,250
Gate Operator - Replace	(2) Elite	12	8	\$6,000	\$10,000
Bathroom/Pumphouse Exterior - Paint	Approx 800 GSF	8	4	\$800	\$1,800
Pool Deck - Resurface	Approx 4,290 square feet	30	26	\$51,480	\$68,640
Pool - Resurface	Approx 1,030 square feet	15	11	\$10,000	\$15,000
Bathroom/Pumphouse Roof - Replace	Approx 510 square feet	25	21	\$1,790	\$2,040
Covered Patio Roof - Replace	Approx 870 square feet	30	26	\$3,050	\$3,480

Site Inspection:

Our site inspection was conducted on 11/25/2011. We compiled a photographic record and visually inspected all of the common and limited common elements. We noted current condition, materials, and exposure to weather elements. The Association contact informed us of any items that are being handled from the Operational budget, not Reserves.

Reserve Funds Analysis:

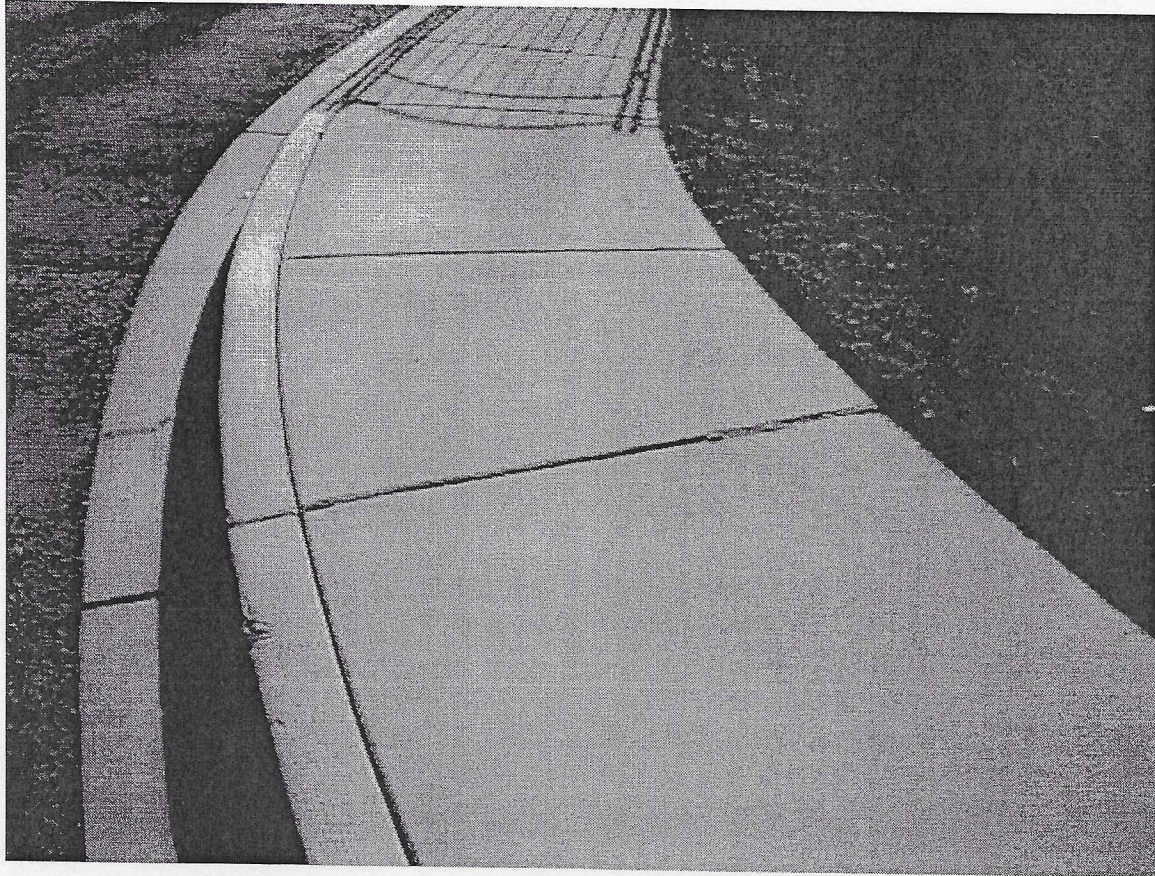
The Reserve Fund balance is projected to be \$146,348 as-of the start of your fiscal year on 1/1/2012. This is based on your actual balance provided to us by the Association contact. As of 1/1/2012, your Ideal Reserve Balance is figured to be \$90,514 making your reserves 162% funded.

Recommendations:

The Association currently contributes \$1,212 per month to the reserve account. Based on the findings of our report, we suggest increasing the monthly reserve contribution to \$2,000 in fiscal year 2012.

PHOTO COMPONENT SECTION

Component: Concrete – Repair/Replace



Comments: Fair condition with no damage or unexpected deterioration observed. We suggest regularly inspections of concrete, with repair as needed to prevent water penetration and damage. Periodically pressure wash for appearance and repair any trip hazards immediately to ensure safety. We do not expect large-scale or total replacement within the scope of this study. No reserve funding suggested.

Quantity: Moderate Square Feet

Useful Life:

Remaining Useful Life:

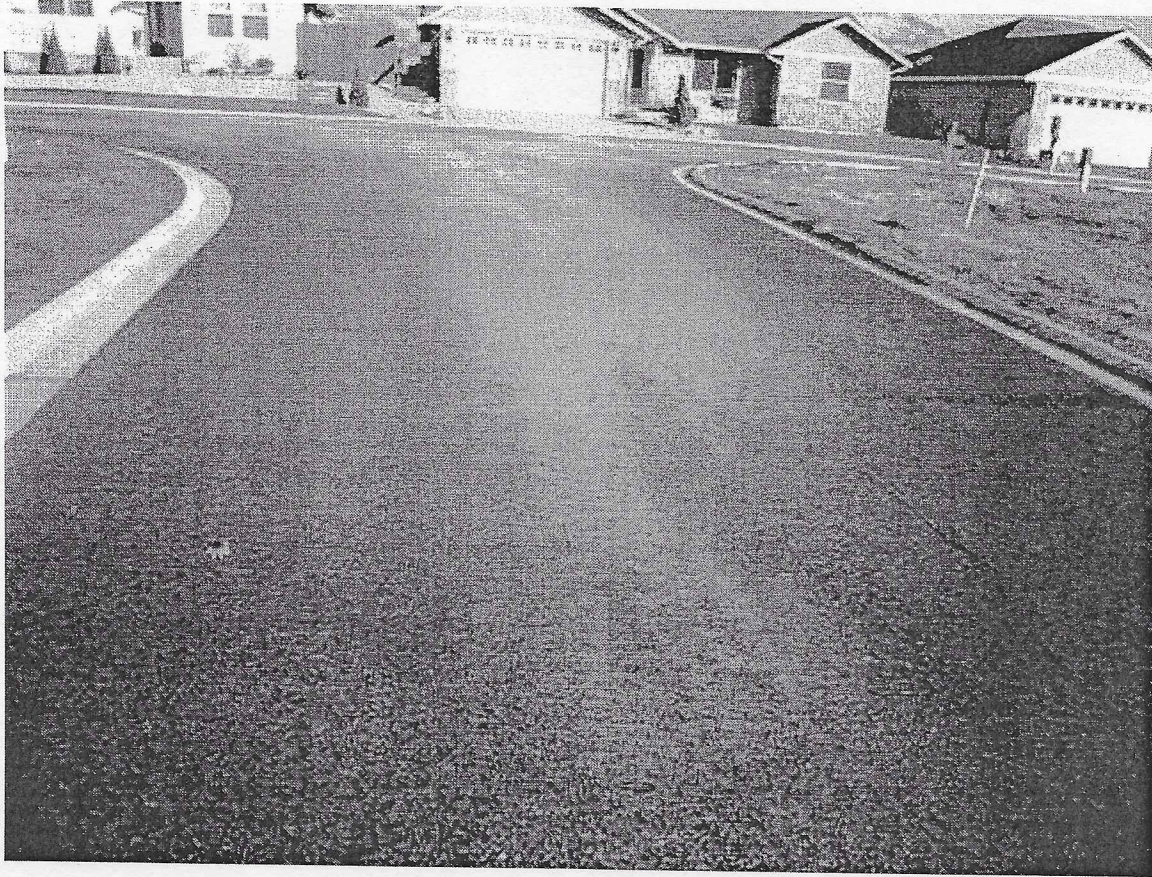
Low Cost:

High Cost:

Low Project Cost:

High Project Cost:

Component: Asphalt – Seal/Repair



Comments: Fair Condition with general wear and deterioration observed. Seal coating protects the asphalt from the weather elements and provides a uniform appearance. Incorporate any striping and curb repair into this project. Plan for regular seal coat cycles at the interval below.

Quantity: Approximately 146,700 Square Feet

Useful Life: 7 Years

Remaining Useful Life: 3 Years

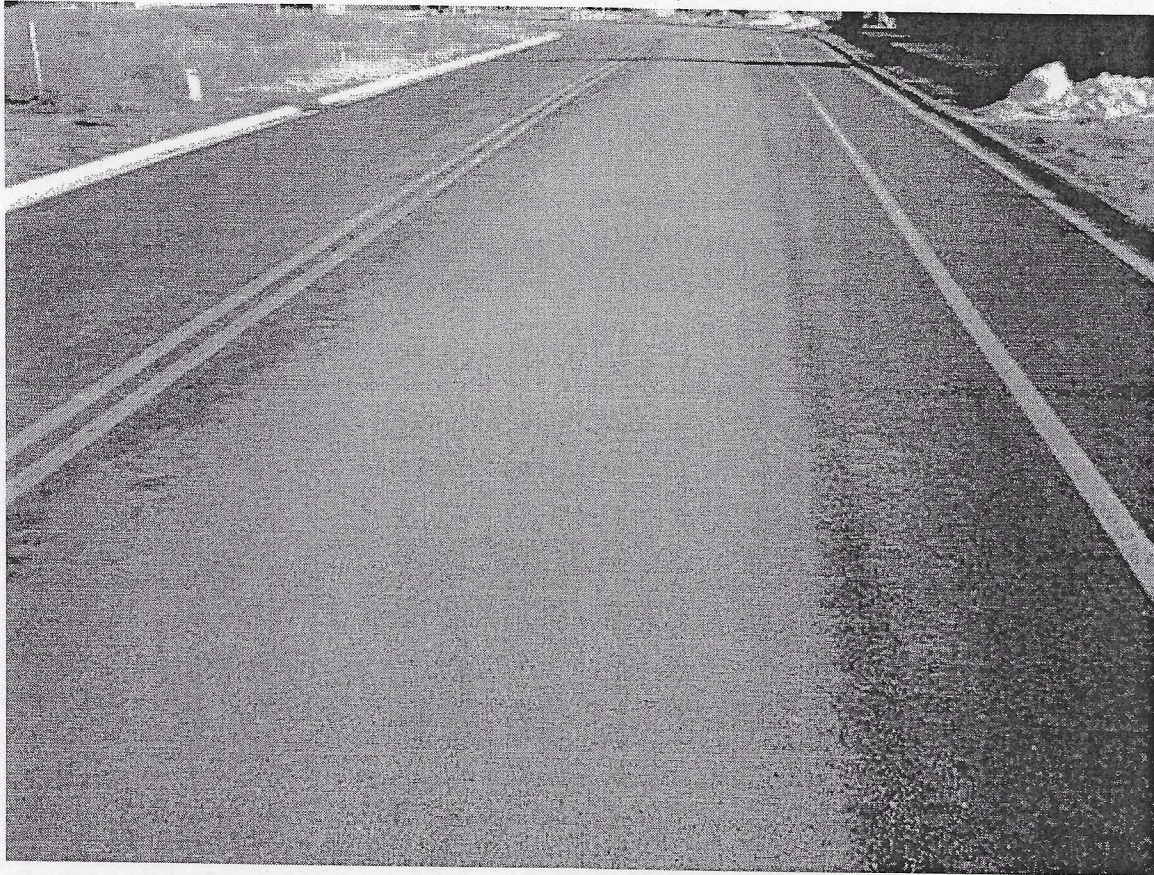
Low Cost: \$.20/Sq Ft

High Cost: \$.30/Sq Ft

Low Project Cost: \$29,340

High Project Cost: \$44,010

Component: Asphalt – Resurface



Comments: Fair condition with no cracking or settling observed. We suggest a seal coat every five years to obtain maximum life of asphalt surface. Repair cracks, clean oil stains promptly and ensure that drains are clear. Best to plan to overlay asphalt at roughly the time frame below.

Quantity: Approximately 146,700 Square Feet

Useful Life: 35 Years

Remaining Useful Life: 31 Years

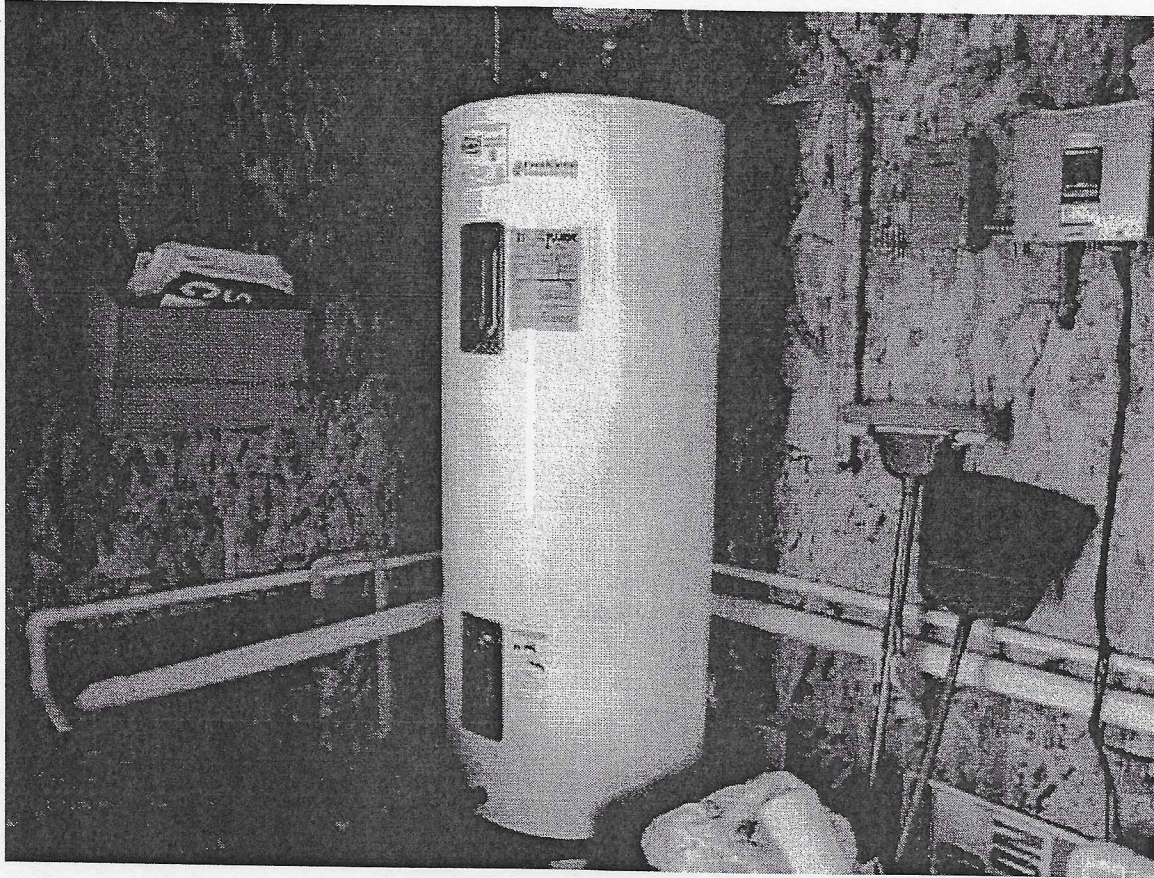
Low Cost: \$1.90/Sq Ft

High Cost: \$2.10/Sq Ft

Low Project Cost: \$278,730

High Project Cost: \$308,070

Component: Water Heater – Replace



Comments: No reported or observed problems. We assume the water heater to be in operating order. Have a professional inspect, maintain and repair as needed. Too small an expense to merit reserve funding, replace as needed from operating budget.

Quantity: (1) Rudd

Useful Life:

Remaining Useful Life:

Low Cost:

High Cost:

Low Project Cost:

High Project Cost:

Component: Exterior Lights – Replace



Comments: Fair condition of assorted exterior lights. They are assumed to be in functional operating condition. Regularly inspect and change bulbs as needed. We do not expect large-scale replacement within the scope of this study. Replace as needed from general operating funds. No reserve funding suggested.

Quantity: Approximately (20) Assorted Fixtures

Useful Life:

Remaining Useful Life:

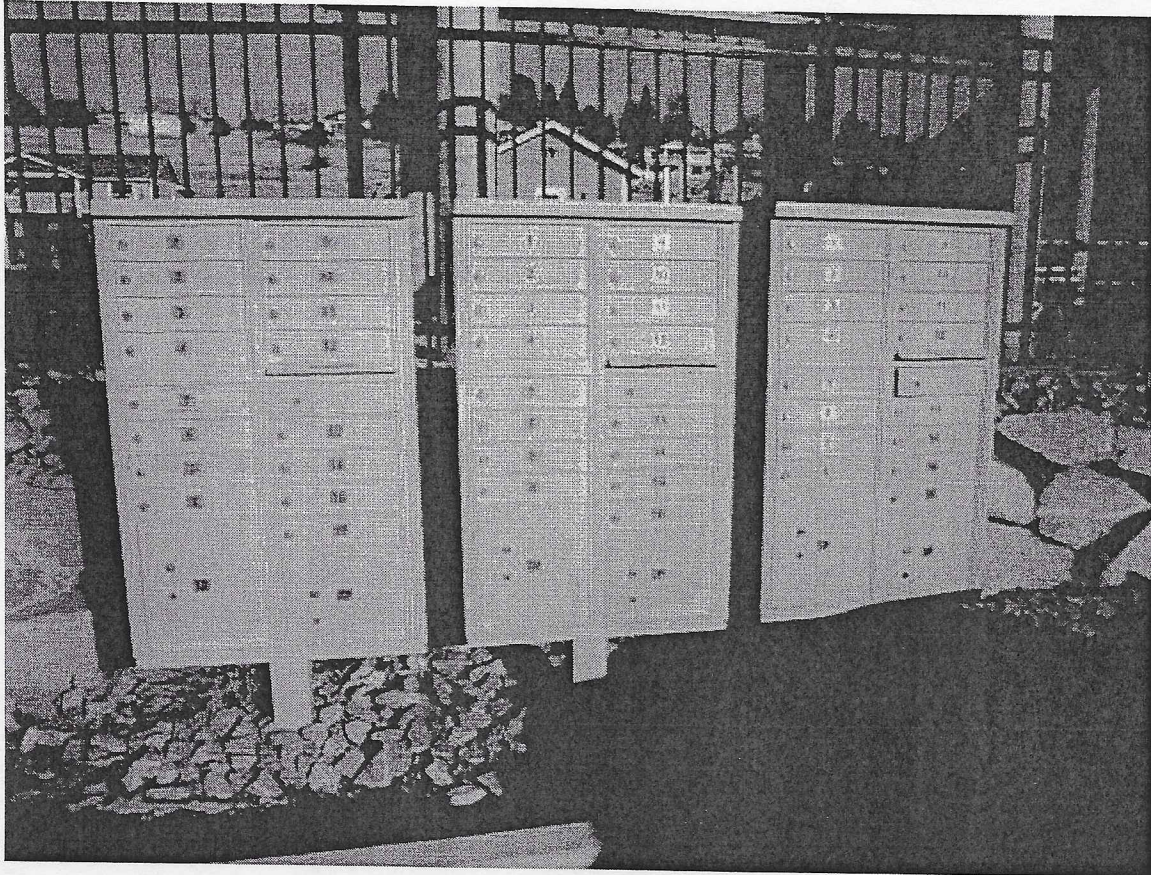
Low Cost:

High Cost:

Low Project Cost:

High Project Cost:

Component: Mailbox Clusters – Replace



Comments: Fair condition observed. Inspect regularly, clean and repair as needed from general maintenance budget. Best to plan for total replacement at roughly the time frame below due to constant usage and wear over time.

Quantity: (3) Metal Clusters

Useful Life: 25 Years

Remaining Useful Life: 21 Years

Low Cost: \$1,200/each

High Cost: \$1,600/each

Low Project Cost: \$3,600

High Project Cost: \$4,800