

**Year 2017
Reserve Study**

**Vintage Oaks Condominium
14019 NE 20th Avenue
Vancouver Washington**

PREPARED BY

Regenesis

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July 21, 2016

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RE: **Vintage Oaks Condominium**

Enclosed is the Reserve Study Update you requested which meets the requirements of RCW 64.34.382. I prepared this Reserve Study and am a reserve study professional.

SPECIAL NOTE: In an effort to provide the best and most useful information to the board, my reserve study software was revised to provide customizable funding plans and to better reflect the effect of inflation. Inflation impacts your Ideal Balance upward since more dollars are required to pay for future events. The Annual Contribution recommendation also better reflects the effects of inflation.

I recommend that Full (100%) Funding be pursued because it is most likely to avoid the need for special assessments and it shares costs fairly among all members along the 30 year time line. Due to fluctuating inflation rates, investment rates, component costs, starting balances and useful life adjustments, the Percent Funded level will fluctuate (sometimes dramatically) from year to year. The Recommended Funding Plan charts a course toward Full (100%) Funding.

Type of Reserve Study Performed (in bold).

Level I: Full reserve study with visual site inspection
Level II: Update with visual site inspection
Level III: Update with no visual site inspection

Washington Sales Tax. All component costs have sales tax built in.

Reserve Account Starting Balance: Effective January 1, 2017, based on information provided by the client, the **Starting Balance** is **\$65,000**.

Current Reserve Contribution. The client's 2016 annual contribution is unknown.

Year 2017 Reserve Contribution of **\$80,000** is recommended. (See Funding Plan for future year recommended contributions.)

Percent Funded Based on the Actual Starting Balance, this homeowner association is **13% Funded** which is the Actual Starting Balance divided by Ideal Balance (0-35%=Weak; 36-70%=Fair; 71-100%=Strong).

Innovative Homeowner Association Management Strategies

Funding Plan Summary. This is the recommended plan which adjusts the annual contributions in a linear fashion with a goal of attaining Full (100%) Funding in **20 years**, then maintaining 100% funded moving forward. This approach is the fairest to all members along the 30 year time line and is least likely to result in a special assessment.

Information needed by the board to comply with RCW 64.34.308 (Budget disclosure requirements) is located within the Funding Plan Summary. If the board plans to implement an Annual Contribution amount different than what is recommended in the Funding Plan Summary, the board must provide Regenesys with that amount in order to generate a revised funding plan.

State of Washington Required Funding Plan Reports. Based on Washington requirements, there are two additional Funding Plans:

- **Full Funding Plan** to achieve 100% funded reserves by the end of the 30 year study period.
- **Baseline Funding Plan** to maintain the reserve balance above zero throughout the 30 year study period without special assessments.

Special Assessments. Based on current information and assuming the board follows the **Recommended Funding Plan**, no special assessments should be required for the coming year to pay for reserve study related expenditures. The board has not informed me of any implemented or planned special assessments.

Interest Yield on Reserves. A **.1% Yield** is projected based on the current rate of return on your invested reserves. One of the benefits of the reserve study is it provides information needed to improve reserves investment returns. Investing reserves in CDs of differing maturities like 1 year, 3 year and 5 year based on when liquid funds will be needed will improve the average yield. A 1.5% average yield is achievable in the current market. If 1.5% was used in the projections, **\$297,469** in Interest Income would result over the 30 year projection period versus the **\$19,688** produced by the current yield. Bottom Line: Increased Interest Income will lower owner contributions.

Inflation Rate. **2.16%** was used based on the most recent 15 year average published by www.InflationData.com

Tax Rate. **30%** was used based on using Federal Tax Form 1120H versus 1120 which carries a 15% tax rate. Form 1120 is more complicated than 1120H and tax preparers charge more to complete it, however, if interest earnings are high enough, the additional preparation cost can be worth it. See your CPA for more information on tax filing options.

Reserve Study Disclosure Required by Washington Statute:

"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."

Annual Review & Update Service. An annual review and update of the Reserve Study is required by statute and necessary for continued accuracy. A review and update provides a new 30 year projection with current inflation factor, investment rates and any known component cost changes. **Attached is a Three Year Price Guarantee Proposal that will save considerable money. To take advantage of the savings, please approve by August 21, 2016.**

Regenesis Recommended Resources

- **The Regenesis Report** (FREE) Monthly newsletter considered to be the best HOA resource available. To subscribe, email info@regenesisis.net.
- www.Regenesisis.net Gold Subscribers enjoy the largest homeowner association information resource on the planet and a personalized Ask the HOA Expert service to address specific issues. *All for only \$99 a year.* To subscribe, go to www.Regenesisis.net and click on Subscriber Services.
- **Trade HOA Stress for Success** Written by The HOA Expert Richard Thompson, this highly rated by www.Amazon.com (4.5 of 5 stars) book contains essential advice for HOA volunteers and managers. Available in hardcopy for \$9.99 and Kindle version for \$4.99.

It's been my pleasure to provide this valuable financial planning information for your homeowner association. I am available to meet with the board for up to one hour to review this report.

Regards,



Richard L. Thompson PRA
PROFESSIONAL RESERVE ANALYST



Regenesis

Reserve Study

Table of Contents

METHODOLOGY

Explains the purpose of the reserve study, how the information was gathered and the sources used.

LIMITATIONS & ASSUMPTIONS

Explains what a Reserve Study does and does not do.

WORKSHEET REPORT

Alphabetical listing of the reserve components by type, cost, year put in service, useful life and replacement year

FUNDING PLAN SUMMARY REPORT

- **Percent Funded:** Starting Balance divided by the Ideal Balance
- **Ideal Balance:** Each component is measured, assessed for useful and remaining useful life plus cost of repair or replacement. Based on this analysis, each component should have a certain amount of money set aside as of the year in question. The Ideal Balance is the sum of all these component amounts as adjusted by the inflation factor.
- **Starting Balance:** Reserve funds total at beginning of each fiscal year
- **Annual Contribution:** Funds needed to meet the reserve schedule
- **Interest Income:** Yield on invested reserve funds
- **Tax Liability:** Federal taxes owed on investment interest earned

STATE OF WASHINGTON REQUIRED REPORTS

- Fully Funded in 30 Years Model
- Baseline Funding Model

ANNUAL EXPENDITURES REPORT

Chronological repair and replacement schedule

STARTING BALANCE FUNDS DISTRIBUTION

Allocates available funds to the components. If funds are insufficient to fully fund each component, funds are allocated to components that are scheduled to happen sooner.

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Reserve Study Methodology

DEFINITION

Reserve Study Identifies the components which will require maintenance, repair or replacement in more than one and less than thirty years and the cost of repair or replacement of each at recommended intervals. Site inspections are based on visual observation and no invasive testing was done. Representative sampling is used where visual inspection is not possible.

RESERVE STUDY CRITERIA

1. Identify current reserve funds balance
2. Identify components to be included
3. Establish reasonable useful life of each component
4. Establish remaining useful life of each component
5. Estimate current replacement or repair cost of each component
6. Assemble data in Reserve Study
7. Generate Reserve Funding Plan.

FUNDING PLAN CRITERIA

The Recommended Funding Plan is based on the Cashflow Method and includes Percent Funded, Inflation Adjusted Ideal Balance, Starting Balance, Annual Contribution, Interest Income, Tax Liability and Inflation Adjusted Expenditures. Inflation is based on the most recent 15 year average as determined by www.inflationdata.com

SOURCES OF INFORMATION (as applicable):

Original plans and specifications
Original builder and developer
Contractors and vendors
Industry Professionals (engineers, architects, construction managers, etc.)
Board Members
General Members
Property Manager
Resident Manager
Cost Estimating Services

To remain accurate, the Reserve Study must be updated annually.

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Reserve Study Limitations & Assumptions

1. The Reserve Study is intended for the sole use of the Client and is not to be construed as a guarantee, warranty or an opinion on the advisability of purchase.
2. The information provided by the Reserve Study is effective for one year from the completion date of the report. An annual review and update of this Reserve Study is required to adjust known cost changes and to maintain accuracy.
3. Consultant's financial liability for errors and omissions is limited to the charge made to Client to perform the Reserve Study.
4. The scope of the Reserve Study is expressly limited to the components included.
5. The useful life estimates of the Reserve Study assume normal weather conditions and do not factor in damage by flood, wind, storm, earthquake or other insurable events. The useful life estimates assume proper construction, installation, design and regular and adequate preventive maintenance. Improper construction, installation, design or failure to maintain will lead to shortened useful lives.
6. The cost estimates of the Reserve Study are based in current pricing for similar installations and materials and/or based in actual costs paid by Client. Future costs are subject to change according to supply and demand, material costs, effects of inflation and other factors which are not under Consultant's control.
7. The conclusions of the Reserve Study do not involve invasive testing of the components and were arrived at by either visual inspection and/or information provided by Client.
8. The Reserve Study is not intended to address or discover construction defects, asbestos, mold, water intrusion or lead paint. Client agrees to indemnify, defend and hold Consultant harmless from all related claims.

Item Description	# of Items	Unit	Current Item Cost	Future Replacement Cost	Year Built	Useful Life	Year Replace	Life Left	One Time?
Barkdust	1	Total	\$ 3,800.00	\$ 3,882	2015	2	2017	1	No
Comments: 2014: Completed by Landscape Management \$3,800 2012: Completed \$5,356									
Clubhouse-Air Conditioning Unit	1	Total	\$ 5,500.00	\$ 5,991	2005	15	2020	4	No
Clubhouse-Appliances	1	Total	\$ 2,250.00	\$ 2,451	2005	15	2020	4	No
Comments: Dishwasher \$500 Range 750 Microwave 250 Refrigerator 750									
Clubhouse-Bathrooms-Renovation	2	Each	\$ 1,500.00	\$ 3,000	2005	20	2025	9	No
Clubhouse-Drinking Fountain	1	Total	\$ 800.00	\$ 970	2005	20	2025	9	No
Clubhouse-Exercise Equipment	1	Total	\$ 3,300.00	\$ 3,832	2013	10	2023	7	No
Comments: Cost assumes purchasing used equipment as advised by board. Nautilus treadmill (2015-used) \$800 Nautilus recumbent (2015-used) 600 Nautilus elliptical NE3000 (2011) 600 Nautilus treadmill NHR800 (2005) 800 TV 500									
Clubhouse-Flooring-Carpet	132	Sq.Yd.	\$ 37.00	\$ 5,320	2005	15	2020	4	No
Clubhouse-Flooring-Tile	163	Sq.Ft.	\$ 10.00	\$ 1,976	2005	20	2025	9	No
Clubhouse-Furnace	1	Total	\$ 7,500.00	\$ 8,169	2005	15	2020	4	No
Clubhouse-Furniture	1	Total	\$ 12,500.00	\$ 13,615	2005	15	2020	4	No
Comments: Sofa, 2 end tables, coffee table, sofa table, 2 arm chairs, kitchen table with 4 chairs, 3 lamps, 1 guest chair, two 4 piece art sets, 2 hanging art sculptures, 10 large framed art pieces, 25 folding chairs, 3 folding tables, 2 office chairs									
Clubhouse-Hot Water Heater	1	Total	\$ 800.00	\$ 871	2005	15	2020	4	No
Clubhouse-Lights	1	Total	\$ 2,450.00	\$ 2,970	2005	20	2025	9	No
Comments: 6 ceiling fixtures @ \$150 \$900 8 ceiling can fixtures @ \$100 800 3 fluorescent fixtures @ \$150 450 2 bathroom fixtures @ \$150 300									

Item Description	# of Items	Unit	Current Item Cost	Future Replacement Cost	Year Built	Useful Life	Year Replace	Life Left	One Time?
Clubhouse-Office Equipment Comments: 2015: Replaced 1 computer and monitor 2012: Replaced 2 computers; 1 printer \$2,900	1	Total	\$ 2,900.00	\$ 3,159	2015	5	2020	4	No
Clubhouse-Paint-Interior Comments: 2014: Manager advised to move replacement year to 2016 2012: Completed in house.	1	Total	\$ 3,500.00	\$ 3,979	2012	10	2022	6	No
Clubhouse-Window Treatments Comments: Wood blinds on two windows.	1	Total	\$ 430.00	\$ 468	2005	15	2020	4	No
Concrete Safety Repair Comments: Inspect all walkways for tripping hazards. Grind down or remove and replace selected areas as needed. 2016: Observed trip hazard north end of "F" Building	74	Units	\$ 50.00	\$ 3,700	2012	5	2017	1	No
Construction Defect Repair-Phase 1 Comments: Board advised construction defect repairs to be completed at a rate of 3/year (\$400,000) starting in 2017 and completed by 2019. Work will include new exterior painting.	3	Bldg.	\$ -	\$ -	2015	2	2017	1	Yes
Construction Defect Repair-Phase 2 Comments: Board advised construction defect repairs to be completed 3/year starting in 2017 and completed by 2019. Work will include new exterior painting.	3	Bldg.	\$ -	\$ -	2015	3	2018	2	Yes
Construction Defect Repair-Phase 3 Comments: Board advised construction defect repairs to be completed 3/year starting in 2017 and completed by 2019. Work will include new exterior painting.	3	Bldg.	\$ -	\$ -	2015	4	2019	3	Yes
Dumpster Enclosures-Clean & Repair Comments: Cleaned yearly and paid from Operating Budget	5	Each	\$ -	\$ -	2016	50	2066	50	No
Fence-Perimeter-Chainlink-Vinyl-6'	4,991	Ln.Ft.	\$ 16.00	\$ 119,852	2005	30	2035	19	No
Garage Door-Maintenance	1	Total	\$ 750.00	\$ 909	2005	20	2025	9	No
Gate-Access System-Loops Comments: 2013: Information provided by Metro Access (7) total	1	Total	\$ 2,644.00	\$ 2,880	2005	15	2020	4	No
Gate-Entry Access System Comments: Cost and useful life provided by Metro Overhead Replace Elite ICON-26 when fails. Installed by Metro Security Access Control, Ph 503.595.4716.	1	Total	\$ 3,800.00	\$ 4,139	2005	15	2020	4	No

Item Description	# of Items	Unit	Current Item Cost	Future Replacement Cost	Year Built	Useful Life	Year Replace	Life Left	One Time?
Gate-Sensors	1	Total	\$ 2,000.00	\$ 2,043	2007	10	2017	1	No
Comments: 2013: Useful life of 10 years provided by Metro Access									
Gates-Swing-Entry	2	Each	\$ 8,000.00	\$ 21,580	2005	25	2030	14	No
Comments: Remove and replace. Cost and useful life provided by Metro Overhead 2013: Repair/replace entrance gate hinges by Metro Overhead \$3,300									
Gates-Swing-Entry-Operators	4	Each	\$ 2,500.00	\$ 10,892	2005	15	2020	4	No
Comments: Cost and useful life provided by Metro Overhead Remove and replace Elite high cycle swing gate 1/2 HP Model CSW-200 operators when they fail.									
Landscape Renovation	74	Units	\$ 100.00	\$ 7,400	2013	5	2018	2	No
Comments: Use this fund as needed for drainage correction and plant replacement; list year, work done and cost here. Budget cost provided by Yard n Garden. 2013: Replaced dead landscape shrub and trees by Yard n Garden \$3,600									
Lights-Exterior	1	Total	\$ 40,719.00	\$ 49,354	2005	20	2025	9	No
Comments: This component will serve as a budget fund for replacement as needed. Recommend that the board make efforts to perform work in lump sums in order to reduce varying useful life and contractor mobilization costs. Also, recommend at the time of replacement board consult vendors to perform a fixture replacement energy audit.									
12 L2 walkway pole lamps @ \$904	\$10,848								
8 L1 parking lot pole lamps @ \$1,263	10,104								
7 L3 wall pack lamps @ \$255	1,785								
60 breezeway can lamps @ \$150	9,000								
5 extra walkway pole lamps	1,110								
3 oak tree spotlights @ \$356	1,068								
extra entry wall packs	510								
Gate entry sign lighting	548								
5 clubhouse lights @ \$292	1,460								
3 L2 walkway lights	2,714								
5 site fixtures	1,572								
Mailboxes	74	Units	\$ 115.00	\$ 12,772	2005	30	2035	19	No
Comments: 2005: Installed \$7,549									

Item Description	# of Items	Unit	Current Item Cost	Future Replacement Cost	Year Built	Useful Life	Year Replace	Life Left	One Time?
Paint-Exterior	75	Units	\$ 2,200.00	\$ 213,233	2018	10	2028	12	No
Comments: 2016: Board advised painting to be completed as part of construction defect work being completed 2017 through 2019. Moving forward use 2018 as base year. Cost estimates received previously for painting entire complex was \$155,000 2014: Manager advised that construction defect lawsuit has settled and extent of exterior modifications is unknown. Advised to move Paint-Exterior to 2017.									
1. Remove all peeling paint by pressure washing, scraping or wire brush as appropriate. 2. Remove oil, grease and dirty by light pressure washing or with a commercial cleaner recommended for cleaning painted surfaces. 3. Remove all traces of mildew with a stiff brush and a commercial mildew cleaner or mix one quart of household bleach with three quarts warm water. Rinse well with clean water before painting. 4. Prime unpainted surfaces. 5. Cracks between siding and trim or open joints between building materials should be caulked with a 10 year warranty flexible caulking. 6. (If applies) On iron and steel, rust should be sanded or wire brushed away. 7. Sand rusty nail heads, then sink them slightly below the surface with a hammer and nail punch. Apply corrosion-resistant primer over the nail head and add putty if necessary. Then sand smooth. 8. Choose a time of day when morning dew is gone and when sunlight is not direct -- if paint dries too fast, lap marks will show. 9. When using latex paints the temperature should be above 50 degrees F. But, if the temperature is above 70 degrees, it is best to paint in shaded areas, following the sun around the building so that paint won't dry too quickly and leave lap marks.									
Paving-Asphalt-Overlay	68,500	Sq.Ft.	\$ 2.00	\$ 184,779	2005	25	2030	14	No

- Comments:** 1. Keep sprinkler system turned off (if applies) before and throughout process
2. Seal cracks with rubberized sealer
3. Remove and patch crumbled or alligatored areas
4. Apply 2" overlay of new material
5. After three months have elapsed, apply two coats of emulsified sealcoat 20 gallons per 1000 sf
6. Add 3 lbs of sand per gallon to first coat
7. Apply sealcoat in dry weather only with surface temperature of at least 60 degrees F
8. Allow first coat to dry to touch before applying second coat.
9. Wait 24 hours before driving on
10. Restripe to original pattern (if applies).

Item Description	# of Items	Unit	Current Item Cost	Future Replacement Cost	Year Built	Useful Life	Year Replace	Life Left	One Time?
Paving-Asphalt-Repair, Sealcoat & Restripe	68,500	Sq.Ft.	\$ 0.30	\$ 20,994	2012	5	2017	1	No
Comments: 2012: Completed by Sealskin LLC \$13,400 1. Keep sprinkler system (if applies) turned off before and throughout process 2. Thoroughly clean all asphalt surfaces removing moss, algae, oil, dirt, rocks and weeds 3. Seal cracks with rubberized sealer 4. Remove and patch crumbled or alligatored areas 5. Apply two coats of emulsified sealcoat according to the following application rates: a. Smooth surfaces (newer): 20 gallons per 1000 sf b. Medium surfaces (middle age): 30 gallons per 1000 sf c. Rough surfaces (older): 50 gallons per 1000 sf 6. Add 3 lbs of sand per gallon to first coat 7. Apply sealcoat in dry weather only with surface temperature of at least 60 degrees F 8. Allow first coat to dry to touch before applying second coat. 9. Restripe to original pattern (if applies). 10. Wait 24 hours before driving on.									
Pool-Cover-Loop Loc	1	Total	\$ 1,200.00	\$ 1,252	2006	12	2018	2	No
Pool-Deck-Resurface	1	Total	\$ 5,600.00	\$ 6,504	2013	10	2023	7	No
Comments: 2013: Completed by Key Property Services \$5,400									
Pool-Filter	1	Total	\$ 1,200.00	\$ 1,619	2015	15	2030	14	No
Comments: Purex-Triton TR-100 2015: Replaced, cost unknown.									
Pool-Furniture	1	Total	\$ 3,075.00	\$ 3,349	2015	5	2020	4	No
Comments: 3 Tables-Metal (2015-Costco) 8 Chairs-Metal (2015-Costco) 3 Umbrellas (2015-Costco) -----Total----- \$2,650 7 Chairs-Vinyl-Lounge (2006) @ \$50 350 3 Chairs (2006) @ \$25 75									
Pool-Heater	1	Total	\$ 3,200.00	\$ 3,486	2005	15	2020	4	No
Comments: Purex-Triton MiniMax NT									

Item Description	# of Items	Unit	Current Item Cost	Future Replacement Cost	Year Built	Useful Life	Year Replace	Life Left	One Time?
Pool-Pump-#1 Comments: 2015: Replaced by inhouse maintenance \$930	1	Total	\$ 950.00	\$ 1,151	2015	10	2025	9	No
Pool-Pump-#2 Comments: Purex-Triton Model 38468400	1	Total	\$ 950.00	\$ 971	2007	10	2017	1	No
Pool-Replaster & Tile Replacement Comments: Replaster 728 sf @ \$7/sf \$5,096 Replace 84 lf of tile @ \$28/lf 2,352 2014: Manager advised to move replacement year to 2016	1	Total	\$ 7,448.00	\$ 7,609	2005	12	2017	1	No
Roof-Composition-Asphalt	680	Squares	\$ 400.00	\$ 366,861	2005	25	2030	14	No
Roof-Gutters & Downspouts Comments: 2016: Installation of leaf guards scheduled for completion. Cost unknown	2,811	Ln.Ft.	\$ 7.00	\$ 26,539	2005	25	2030	14	No
Siding & Trim Repair Comments: Coordinate with Paint-Exterior.	74	Units	\$ 100.00	\$ 9,563	2018	10	2028	12	No
Siding-Inspection Comments: A siding assessment provides information regarding the performance of the building enclosure components, identifies areas of concern and provides the information needed to create appropriate planning for the maintenance and repair of a community's buildings. If it is deemed that a replacement of the siding (or portions of it) will be necessary within the next 30 years, a replacement line item should be added to the reserve budget.	1	Total	\$ 4,500.00	\$ 5,116	2017	5	2022	6	Yes
Sign-Entry-Clean & Repair Comments: Paid from Operating Budget	1	Total	\$ -	\$ -	2015	50	2065	49	Yes
Sign-Entry-Replace	1	Total	\$ 6,000.00	\$ 7,272	2005	20	2025	9	No
Signs-Building & Carport Comments: Remove and replace.	1	Total	\$ 3,000.00	\$ 3,268	2005	15	2020	4	No
Spa-Cover Comments: 2016: Cost and useful life provided by board	1	Total	\$ 800.00	\$ 817	2013	4	2017	1	No
Spa-Filter Comments: Purex-Triton TR-100	1	Total	\$ 1,200.00	\$ 1,307	2005	15	2020	4	No
Spa-Heater Comments: Raypak C-R206A-EN-C. Installed by Char-el Pool & Spa.	1	Total	\$ 3,200.00	\$ 3,412	2009	10	2019	3	No
Spa-Pumps Comments: Purex-Triton Models 38468300 & 38468800	2	Each	\$ 600.00	\$ 1,226	2007	10	2017	1	No

July 21, 2016

Worksheet

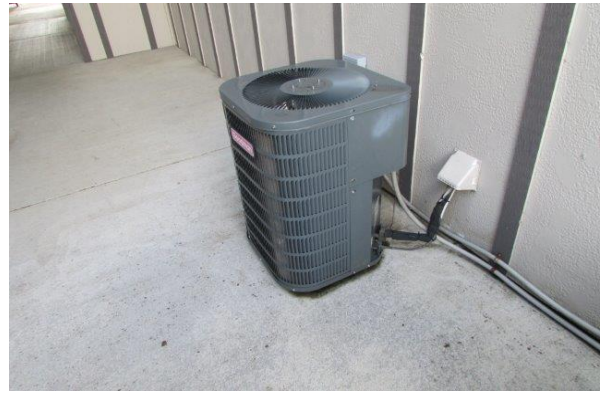
Vintage Oaks Condominium

Item Description	# of Items	Unit	Current Item Cost	Future Replacement Cost	Year Built	Useful Life	Year Replace	Life Left	One Time?
Spa-Replaster & Tile Replacement	1	Total	\$ 1,200.00	\$ 1,518	2015	12	2027	11	No
Comments: Replaster 160 sf @ \$7 \$1,120 Replace 32 linear feet of tile @ \$28 896 2015: Completed by Ad Tech NW \$1,200 2014: Manager advised to move replacement year to 2016									
Treework	1	Total	\$ 1,500.00	\$ 1,500	2016	3	2019	3	No
Comments: Have trees inspected by arborist and perform corrective pruning as needed to keep tree limbs at least 6' away from buildings. Tree limbs overhanging roofs and decks will damage and shorten the useful life of that component. Use this fund as needed over a 3 year period; list year, work done and cost here. Revise next cycle's budget according to arborist's recommendations. 2016: Scheduled for completion 2013: Tree pruning completed by Landscape Management \$2,600									

Number of Items = 54



Barkdust



Clubhouse-Air Conditioning Unit



Clubhouse-Appliances



Clubhouse-Bathrooms-Renovation



Clubhouse-Bathrooms-Renovation



Clubhouse-Drinking Fountain



Clubhouse-Exercise Equipment



Clubhouse-Exercise Equipment



Clubhouse-Flooring-Carpet



Clubhouse-Furnace



Clubhouse-Furniture



Clubhouse-Furniture



Clubhouse-Lights



Clubhouse-Lights



Clubhouse-Office Equipment



Concrete Safety Repair



Dumpster Enclosures-Clean & Repair



Fence-Perimeter-Chainlink-Vinyl-6'



Garage Door-Maintenance



Gate-Entry Access System



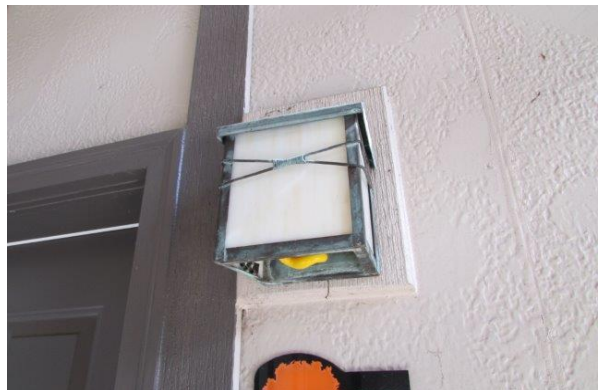
Gates-Swing-Entry



Gates-Swing-Entry-Operators



Landscape Renovation



Lights-Exterior



Lights-Exterior



Lights-Exterior



Mailboxes



Paint-Exterior



Paving-Asphalt-Repair, Sealcoat &
Resurfacing



Pool-Deck-Resurface



Pool-Filter



Pool-Furniture



Pool-Furniture



Pool-Heater



Pool-Pump-#1



Pool-Pump-#2



Pool-Replaster & Tile Replacement



Roof-Composition-Asphalt



Sign-Entry-Replace



Signs-Building & Carport



Spa-Cover



Spa-Filter



Spa-Heater



Treework

July 21, 2016

Funding Plan Summary

Vintage Oaks Condominium

Year	Percent Funded	Inflation Adjusted Ideal Balance	Starting Balance	Annual Contribution	Interest Income	Tax Liability	Inflation Adjusted Expenditures
2017	13%	492,056	65,000	80,000	105	(32)	(41,242)
2018	21%	502,275	103,832	82,328	145	(43)	(8,652)
2019	31%	567,393	177,609	84,723	220	(66)	(8,963)
2020	40%	632,370	253,523	87,189	297	(89)	(69,366)
2021	43%	638,675	271,553	89,726	316	(95)	(5,119)
2022	50%	709,339	356,382	92,337	403	(121)	(37,656)
2023	55%	747,065	411,344	95,023	459	(138)	(22,149)
2024	61%	800,640	484,540	97,788	533	(160)	0
2025	66%	876,364	582,701	100,634	633	(190)	(81,920)
2026	69%	872,173	601,859	103,562	654	(196)	0
2027	74%	949,902	705,878	106,576	759	(228)	(41,270)
2028	78%	987,214	771,715	109,677	827	(248)	(231,696)
2029	77%	839,408	650,274	112,868	707	(212)	(20,131)
2030	82%	903,641	743,505	116,152	802	(240)	(611,055)
2031	63%	394,153	249,164	119,532	309	(93)	(6,736)
2032	74%	489,098	362,176	123,010	424	(127)	(37,554)
2033	81%	553,995	447,929	126,590	511	(153)	(26,814)
2034	87%	630,082	548,062	130,273	613	(184)	(1,500)
2035	93%	731,483	677,265	134,064	744	(223)	(235,332)
2036	95%	605,568	576,518	137,965	646	(194)	0
2037	100%	714,984	714,935	109,965	770	(231)	(51,095)
2038	100%	774,343	774,343	116,445	833	(250)	(283,278)
2039	100%	608,093	608,093	116,869	667	(200)	(13,405)
2040	100%	712,023	712,023	117,021	771	(231)	(11,479)
2041	100%	818,105	818,105	117,428	877	(263)	(20,556)
2042	100%	915,592	915,592	118,364	975	(292)	(47,711)
2043	100%	986,927	986,927	118,839	1,046	(314)	(31,515)
2044	100%	1,074,984	1,074,984	118,778	1,134	(340)	0
2045	100%	1,194,556	1,194,556	121,823	1,255	(377)	(123,935)
2046	100%	1,193,322	1,193,322	122,595	1,255	(376)	(1,500)

Total	\$3,308,143	\$19,688	(\$5,906)	(\$2,071,629)
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0.10%	Investment Rate
30.00%	Tax Rate
2.16%	Inflation Rate
8.40%	State Tax

<div> <div>July 21, 2016</div> <div>Fully Funded at 30 Years Funding Plan Summary</div> <div>Vintage Oaks Condominium</div> </div>							
Year	Percent Funded	Inflation Adjusted Ideal Balance	Starting Balance	Annual Contribution	Interest Income	Tax Liability	Inflation Adjusted Expenditures
2017	13%	492,056	65,000	80,000	105	(32)	(41,242)
2018	21%	502,275	103,832	81,740	145	(43)	(8,652)
2019	31%	567,393	177,021	83,519	219	(66)	(8,963)
2020	40%	632,370	251,730	85,336	294	(88)	(69,366)
2021	42%	638,675	267,906	87,192	312	(93)	(5,119)
2022	49%	709,339	350,197	89,089	395	(118)	(37,656)
2023	54%	747,065	401,907	91,028	447	(134)	(22,149)
2024	59%	800,640	471,099	93,008	518	(155)	0
2025	64%	876,364	564,469	95,032	612	(184)	(81,920)
2026	66%	872,173	578,009	97,099	627	(188)	0
2027	71%	949,902	675,547	99,212	725	(218)	(41,270)
2028	74%	987,214	733,996	101,370	785	(235)	(231,696)
2029	72%	839,408	604,219	103,575	656	(197)	(20,131)
2030	76%	903,641	688,122	105,829	741	(222)	(611,055)
2031	47%	394,153	183,415	108,131	237	(71)	(6,736)
2032	58%	489,098	284,976	110,484	340	(102)	(37,554)
2033	65%	553,995	358,144	112,887	415	(124)	(26,814)
2034	71%	630,082	444,508	115,343	502	(151)	(1,500)
2035	76%	731,483	558,703	117,853	618	(185)	(235,332)
2036	73%	605,568	441,657	120,417	502	(151)	0
2037	79%	714,984	562,425	123,037	624	(187)	(51,095)
2038	82%	774,343	634,803	125,713	698	(209)	(283,278)
2039	79%	608,093	477,727	128,448	542	(163)	(13,405)
2040	83%	712,023	593,150	131,243	659	(198)	(11,479)
2041	87%	818,105	713,375	134,098	780	(234)	(20,556)
2042	90%	915,592	827,464	137,016	896	(269)	(47,711)
2043	93%	986,927	917,396	139,997	987	(296)	(31,515)
2044	95%	1,074,984	1,026,569	143,042	1,098	(329)	0
2045	98%	1,194,556	1,170,380	146,155	1,243	(373)	(123,935)
2046	100%	1,193,322	1,193,470	149,334	1,268	(380)	(1,500)
Total				\$3,336,228	\$17,989	(\$5,397)	(\$2,071,629)
		0.10%	Investment Rate				
		30.00%	Tax Rate				
		2.16%	Inflation Rate				
		8.40%	State Tax				

<i>July 21, 2016</i>		<i>Baseline Funding Plan Summary</i>				<i>Vintage Oaks Condominium</i>	
Year	Percent Funded	Inflation Adjusted Ideal Balance	Starting Balance	Annual Contribution	Interest Income	Tax Liability	Inflation Adjusted Expenditures
2017	13%	492,056	65,000	79,887	105	(31)	(41,242)
2018	21%	502,275	103,719	79,887	144	(43)	(8,652)
2019	31%	567,393	175,055	79,887	215	(64)	(8,963)
2020	39%	632,370	246,129	79,887	286	(86)	(69,366)
2021	40%	638,675	256,851	79,887	297	(89)	(5,119)
2022	47%	709,339	331,828	79,887	372	(112)	(37,656)
2023	50%	747,065	374,320	79,887	414	(124)	(22,149)
2024	54%	800,640	432,348	79,887	472	(142)	0
2025	58%	876,364	512,566	79,887	553	(166)	(81,920)
2026	59%	872,173	510,920	79,887	551	(165)	0
2027	62%	949,902	591,193	79,887	631	(189)	(41,270)
2028	64%	987,214	630,252	79,887	670	(201)	(231,696)
2029	57%	839,408	478,913	79,887	519	(156)	(20,131)
2030	60%	903,641	539,032	79,887	579	(174)	(611,055)
2031	2%	394,153	8,270	79,887	48	(14)	(6,736)
2032	17%	489,098	81,455	79,887	121	(36)	(37,554)
2033	22%	553,995	123,874	79,887	164	(49)	(26,814)
2034	28%	630,082	177,062	79,887	217	(65)	(1,500)
2035	35%	731,483	255,602	79,887	296	(89)	(235,332)
2036	17%	605,568	100,364	79,887	140	(42)	0
2037	25%	714,984	180,350	79,887	220	(66)	(51,095)
2038	27%	774,343	209,297	79,887	249	(75)	(283,278)
2039	1%	608,093	6,081	79,887	46	(14)	(13,405)
2040	10%	712,023	72,595	79,887	113	(34)	(11,479)
2041	17%	818,105	141,083	79,887	181	(54)	(20,556)
2042	22%	915,592	200,541	79,887	240	(72)	(47,711)
2043	24%	986,927	232,886	79,887	273	(82)	(31,515)
2044	26%	1,074,984	281,450	79,887	321	(96)	0
2045	30%	1,194,556	361,562	79,887	402	(120)	(123,935)
2046	27%	1,193,322	317,795	79,887	358	(107)	(1,500)
Total				\$2,396,625	\$9,197	(\$2,759)	(\$2,071,629)

0.10% **Investment Rate**
30.00% **Tax Rate**
2.16% **Inflation Rate**
8.40% **State Tax**

*July 21, 2016**Annual Expenditures**Vintage Oaks Condominium*

Year	Amount	Item Description
	3,882	Barkdust
	3,700	Concrete Safety Repair
	2,043	Gate-Sensors
	20,994	Paving-Asphalt-Repair, Sealcoat & Restripe
	971	Pool-Pump-#2
	7,609	Pool-Replaster & Tile Replacement
	817	Spa-Cover
	1,226	Spa-Pumps
2017	41,242	
	7,400	Landscape Renovation
	1,252	Pool-Cover-Loop Loc
2018	8,652	
	4,052	Barkdust
	3,412	Spa-Heater
	1,500	Treework
2019	8,963	
	5,991	Clubhouse-Air Conditioning Unit
	2,451	Clubhouse-Appliances
	5,320	Clubhouse-Flooring-Carpet
	8,169	Clubhouse-Furnace
	13,615	Clubhouse-Furniture
	871	Clubhouse-Hot Water Heater
	3,159	Clubhouse-Office Equipment
	468	Clubhouse-Window Treatments
	2,880	Gate-Access System-Loops
	4,139	Gate-Entry Access System
	10,892	Gates-Swing-Entry-Operators
	3,349	Pool-Furniture
	3,486	Pool-Heater
	3,268	Signs-Building & Carport
	1,307	Spa-Filter
2020	69,366	
	4,229	Barkdust
	890	Spa-Cover
2021	5,119	
	3,979	Clubhouse-Paint-Interior
	3,700	Concrete Safety Repair
	23,361	Paving-Asphalt-Repair, Sealcoat & Restripe
	5,116	Siding-Inspection

Year	Amount	Item Description
	1,500	Treework
2022	37,656	
	4,413	Barkdust
	3,832	Clubhouse-Exercise Equipment
	7,400	Landscape Renovation
	6,504	Pool-Deck-Resurface
2023	22,149	
	4,606	Barkdust
	3,000	Clubhouse-Bathrooms-Renovation
	970	Clubhouse-Drinking Fountain
	1,976	Clubhouse-Flooring-Tile
	2,970	Clubhouse-Lights
	3,515	Clubhouse-Office Equipment
	909	Garage Door-Maintenance
	49,354	Lights-Exterior
	3,727	Pool-Furniture
	1,151	Pool-Pump-#1
	7,272	Sign-Entry-Replace
	970	Spa-Cover
	1,500	Treework
2025	81,920	
	4,807	Barkdust
	3,700	Concrete Safety Repair
	2,530	Gate-Sensors
	25,996	Paving-Asphalt-Repair, Sealcoat & Restripe
	1,202	Pool-Pump-#2
	1,518	Spa-Pumps
	1,518	Spa-Replaster & Tile Replacement
2027	41,270	
	7,400	Landscape Renovation
	213,233	Paint-Exterior
	9,563	Siding & Trim Repair
	1,500	Treework
2028	231,696	
	5,017	Barkdust
	9,833	Pool-Replaster & Tile Replacement
	1,056	Spa-Cover
	4,225	Spa-Heater
2029	20,131	
	3,911	Clubhouse-Office Equipment
	21,580	Gates-Swing-Entry
	184,779	Paving-Asphalt-Overlay

Year	Amount	Item Description
	1,619	Pool-Cover-Loop Loc
	1,619	Pool-Filter
	4,147	Pool-Furniture
	366,861	Roof-Composition-Asphalt
	26,539	Roof-Gutters & Downspouts
2030	611,055	
	5,236	Barkdust
	1,500	Treework
2031	6,736	
	4,927	Clubhouse-Paint-Interior
	3,700	Concrete Safety Repair
	28,927	Paving-Asphalt-Repair, Sealcoat & Restripe
2032	37,554	
	5,465	Barkdust
	4,746	Clubhouse-Exercise Equipment
	7,400	Landscape Renovation
	8,053	Pool-Deck-Resurface
	1,150	Spa-Cover
2033	26,814	
	1,500	Treework
2034	1,500	
	5,703	Barkdust
	8,255	Clubhouse-Air Conditioning Unit
	3,377	Clubhouse-Appliances
	7,330	Clubhouse-Flooring-Carpet
	11,256	Clubhouse-Furnace
	18,761	Clubhouse-Furniture
	1,201	Clubhouse-Hot Water Heater
	4,352	Clubhouse-Office Equipment
	645	Clubhouse-Window Treatments
	119,852	Fence-Perimeter-Chainlink-Vinyl-6'
	3,968	Gate-Access System-Loops
	5,703	Gate-Entry Access System
	15,008	Gates-Swing-Entry-Operators
	12,772	Mailboxes
	4,615	Pool-Furniture
	4,803	Pool-Heater
	1,426	Pool-Pump-#1
	4,503	Signs-Building & Carport
	1,801	Spa-Filter
2035	235,332	
	5,952	Barkdust

Year	Amount	Item Description
	3,700	Concrete Safety Repair
	3,133	Gate-Sensors
	32,189	Paving-Asphalt-Repair, Sealcoat & Restripe
	1,488	Pool-Pump-#2
	1,253	Spa-Cover
	1,880	Spa-Pumps
	1,500	Treework
2037	51,095	
	7,400	Landscape Renovation
	264,036	Paint-Exterior
	11,842	Siding & Trim Repair
2038	283,278	
	6,212	Barkdust
	5,231	Spa-Heater
	1,962	Spa-Replaster & Tile Replacement
2039	13,405	
	4,843	Clubhouse-Office Equipment
	5,136	Pool-Furniture
	1,500	Treework
2040	11,479	
	6,483	Barkdust
	12,708	Pool-Replaster & Tile Replacement
	1,365	Spa-Cover
2041	20,556	
	6,101	Clubhouse-Paint-Interior
	3,700	Concrete Safety Repair
	35,819	Paving-Asphalt-Repair, Sealcoat & Restripe
	2,092	Pool-Cover-Loop Loc
2042	47,711	
	6,767	Barkdust
	5,876	Clubhouse-Exercise Equipment
	7,400	Landscape Renovation
	9,972	Pool-Deck-Resurface
	1,500	Treework
2043	31,515	
	7,062	Barkdust
	3,000	Clubhouse-Bathrooms-Renovation
	1,487	Clubhouse-Drinking Fountain
	3,029	Clubhouse-Flooring-Tile
	4,553	Clubhouse-Lights
	5,389	Clubhouse-Office Equipment

July 21, 2016**Annual Expenditures****Vintage Oaks Condominium**

Year	Amount	Item Description
	1,394	Garage Door-Maintenance
	75,673	Lights-Exterior
	2,230	Pool-Filter
	5,715	Pool-Furniture
	1,766	Pool-Pump-#1
	11,151	Sign-Entry-Replace
	1,487	Spa-Cover
2045	123,935	
	1,500	Treework
2046	1,500	
Total	2,071,629	

Item Description	Useful Life	Life Left	Year Replace	Future Replacement Cost	Ideal Balance	Actual Balance
Barkdust	2	1	2017	\$ 3,882	\$ 3,882	\$ 3,882
Clubhouse-Air Conditioning Unit	15	4	2020	\$ 5,991	\$ 4,793	\$ -
Clubhouse-Appliances	15	4	2020	\$ 2,451	\$ 1,961	\$ 1,961
Clubhouse-Bathrooms-Renovation	20	9	2025	\$ 3,000	\$ 1,800	\$ -
Clubhouse-Drinking Fountain	20	9	2025	\$ 970	\$ 582	\$ -
Clubhouse-Exercise Equipment	10	7	2023	\$ 3,832	\$ 1,533	\$ -
Clubhouse-Flooring-Carpet	15	4	2020	\$ 5,320	\$ 4,256	\$ -
Clubhouse-Flooring-Tile	20	9	2025	\$ 1,976	\$ 1,185	\$ -
Clubhouse-Furnace	15	4	2020	\$ 8,169	\$ 6,535	\$ -
Clubhouse-Furniture	15	4	2020	\$ 13,615	\$ 10,892	\$ -
Clubhouse-Hot Water Heater	15	4	2020	\$ 871	\$ 697	\$ 697
Clubhouse-Lights	20	9	2025	\$ 2,970	\$ 1,782	\$ -
Clubhouse-Office Equipment	5	4	2020	\$ 3,159	\$ 1,264	\$ 1,264
Clubhouse-Paint-Interior	10	6	2022	\$ 3,979	\$ 1,989	\$ -
Clubhouse-Window Treatments	15	4	2020	\$ 468	\$ 375	\$ 375
Concrete Safety Repair	5	1	2017	\$ 3,700	\$ 3,700	\$ 3,700
Construction Defect Repair-Phase 1	2	1	2017	\$ -	\$ -	\$ -
Construction Defect Repair-Phase 2	3	2	2018	\$ -	\$ -	\$ -
Construction Defect Repair-Phase 3	4	3	2019	\$ -	\$ -	\$ -
Dumpster Enclosures-Clean & Repair	50	50	2066	\$ -	\$ -	\$ -
Fence-Perimeter-Chainlink-Vinyl-6'	30	19	2035	\$ 119,852	\$ 47,941	\$ -
Garage Door-Maintenance	20	9	2025	\$ 909	\$ 545	\$ -
Gate-Access System-Loops	15	4	2020	\$ 2,880	\$ 2,304	\$ 2,304
Gate-Entry Access System	15	4	2020	\$ 4,139	\$ 3,311	\$ -
Gate-Sensors	10	1	2017	\$ 2,043	\$ 2,043	\$ 2,043
Gates-Swing-Entry	25	14	2030	\$ 21,580	\$ 10,358	\$ -
Gates-Swing-Entry-Operators	15	4	2020	\$ 10,892	\$ 8,714	\$ -
Landscape Renovation	5	2	2018	\$ 7,400	\$ 5,920	\$ 5,920
Lights-Exterior	20	9	2025	\$ 49,354	\$ 29,613	\$ -
Mailboxes	30	19	2035	\$ 12,772	\$ 5,109	\$ -
Paint-Exterior	10	12	2028	\$ 213,233	\$ -	\$ -
Paving-Asphalt-Overlay	25	14	2030	\$ 184,779	\$ 88,694	\$ -
Paving-Asphalt-Repair, Sealcoat & Restripe	5	1	2017	\$ 20,994	\$ 20,994	\$ 20,994
Pool-Cover-Loop Loc	12	2	2018	\$ 1,252	\$ 1,148	\$ 1,148
Pool-Deck-Resurface	10	7	2023	\$ 6,504	\$ 2,601	\$ -
Pool-Filter	15	14	2030	\$ 1,619	\$ 216	\$ -
Pool-Furniture	5	4	2020	\$ 3,349	\$ 1,340	\$ 1,340
Pool-Heater	15	4	2020	\$ 3,486	\$ 2,788	\$ 1,861
Pool-Pump-#1	10	9	2025	\$ 1,151	\$ 230	\$ -
Pool-Pump-#2	10	1	2017	\$ 971	\$ 971	\$ 971
Pool-Replaster & Tile Replacement	12	1	2017	\$ 7,609	\$ 7,609	\$ 7,609
Roof-Composition-Asphalt	25	14	2030	\$ 366,861	\$ 176,093	\$ -
Roof-Gutters & Downspouts	25	14	2030	\$ 26,539	\$ 12,739	\$ -
Siding & Trim Repair	10	12	2028	\$ 9,563	\$ -	\$ -
Siding-Inspection	5	6	2022	\$ 5,116	\$ -	\$ -
Sign-Entry-Clean & Repair	50	49	2065	\$ -	\$ -	\$ -
Sign-Entry-Replace	20	9	2025	\$ 7,272	\$ 4,363	\$ -

Item Description	Useful Life	Life Left	Year Replace	Future Replacement Cost	Ideal Balance	Actual Balance
Signs-Building & Carport	15	4	2020	\$ 3,268	\$ 2,614	\$ 2,614
Spa-Cover	4	1	2017	\$ 817	\$ 817	\$ 817
Spa-Filter	15	4	2020	\$ 1,307	\$ 1,046	\$ 1,046
Spa-Heater	10	3	2019	\$ 3,412	\$ 2,729	\$ 2,729
Spa-Pumps	10	1	2017	\$ 1,226	\$ 1,226	\$ 1,226
Spa-Replaster & Tile Replacement	12	11	2027	\$ 1,518	\$ 253	\$ -
Treework	3	3	2019	\$ 1,500	\$ 500	\$ 500
				\$ 1,169,521	\$ 492,056	\$ 65,000

Investment Rate 0.10%

Tax Rate 30.00%

Inflation Rate 2.16%

Contingency Rate 8.40%

Contingency \$ 41,333 \$ 5,460

Total \$ 533,389 \$ 70,460