

RESERVE ANALYSIS REPORT

Big Trout Condominiums

Liberty Lake, Washington

Version 1

Saturday, August 05, 2017



ADVANCED RESERVE SOLUTIONS

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Big Trout Condominiums

Table of Contents

	Page
Preface	i
Executive Summary	1
Membership Disclosure Summary	2
Disclosure Statement	3
Calculation of Percent Funded	5
Management Summary	7
Management Charts	9
Annual Expenditure Detail	11
Projections	16
Projection Charts	17
Component Detail	19
Index	60

Preface

This preface is intended to provide an introduction to the enclosed reserve analysis as well as detailed information regarding the reserve analysis report format, reserve fund goals/objectives and calculation methods. The following sections are included in this preface:

Introduction to Reserve Budgeting	page i
Understanding the Reserve Analysis	page i
Reserve Funding Goals / Objectives	page ii
Reserve Funding Calculation Methods	page ii
Reading the Reserve Analysis	page v
Glossary of Key Terms	page x
Limitations of Reserve Analysis	page xiii

◆ ◆ ◆ ◆ INTRODUCTION TO RESERVE BUDGETING ◆ ◆ ◆ ◆

The Board of Directors of an association has a legal and fiduciary duty to maintain the community in a good state of repair. Individual unit property values are significantly impacted by the level of maintenance and upkeep provided by the association as well as the amount of the regular assessment charged to each owner.

A prudent plan must be implemented to address the issues of long-range maintenance, repair and replacement of the common areas. Additionally, the plan should recognize that the value of each unit is affected by the amount of the regular assessment charged to each unit.

There is a fine line between “not enough,” “just right” and “too much.” Each member of an association should contribute to the reserve fund for their proportionate amount of “depreciation” (or “use”) of the reserve components. Through time, if each owner contributes his “fair share” into the reserve fund for the depreciation of the reserve components, then the possibility of large increases in regular assessments or special assessments will be minimized.

An accurate reserve analysis and a “healthy” reserve fund are essential to protect and maintain the association's common areas and the property values of the individual unit owners. A comprehensive reserve analysis is one of the most significant elements of any association's long-range plan and provides the critical link between sound business judgment and good fiscal planning. The reserve analysis provides a “financial blueprint” for the future of an association.

◆ ◆ ◆ ◆ UNDERSTANDING THE RESERVE ANALYSIS ◆ ◆ ◆ ◆

In order for the reserve analysis to be useful, it must be understandable by a variety of individuals. Board members (from seasoned, experienced Board members to new Board members), property managers, accountants, attorneys and even homeowners may ultimately review the reserve analysis. The reserve analysis must be detailed enough to provide a comprehensive analysis, yet simple enough to enable less experienced individuals to understand the results.

There are four key bits of information that a comprehensive reserve analysis should provide: Budget, Percent Funded, Projections and Inventory. This information is described as follows:

Budget

Amount recommended to be transferred into the reserve account for the fiscal year for which the reserve analysis was prepared. In some cases, the reserve analysis may present two or more funding plans based on different goals/objectives. The Board should have a clear understanding of the differences among these funding goals/objectives prior to implementing one of them in the annual budget.

Percent Funded

Measure of the reserve fund “health” (expressed as a percentage) as of the beginning of the fiscal year for which the

Preface

reserve analysis was prepared. This figure is the ratio of the actual reserve fund on hand to the fully funded balance. A reserve fund that is “100% funded” means the association has accumulated the proportionately correct amount of money, to date, for the reserve components it maintains.

Projections

Indicate the “level of service” the association will provide the membership as well as a “road map” for the fiscal future of the association. The projections define the timetables for repairs and replacements, such as when the buildings will be painted or when the asphalt will be seal coated. The projections also show the financial plan for the association – when an underfunded association will “catch up” or how a properly funded association will remain fiscally “healthy.”

Inventory

Complete listing of the reserve components. Key bits of information are available for each reserve component, including placed-in-service date, useful life, remaining life, replacement year, quantity, current cost of replacement, future cost of replacement and analyst’s comments.

◆ ◆ ◆ ◆ RESERVE FUNDING GOALS / OBJECTIVES ◆ ◆ ◆ ◆

There are four reserve funding goals/objectives which may be used to develop a reserve funding plan that corresponds with the risk tolerance of the association: Full Funding, Baseline Funding, Threshold Funding and Statutory Funding. These goals/objectives are described as follows:

Full Funding

Describes the goal/objective to have reserves on hand equivalent to the value of the deterioration of each reserve component. The objective of this funding goal is to achieve and/or maintain a 100% percent funded reserve fund. The component calculation method or cash flow calculation method is typically used to develop a full funding plan.

Baseline Funding

Describes the goal/objective to have sufficient reserves on hand to never completely run out of money. The objective of this funding goal is to simply pay for all reserve expenses as they come due without regard to the association’s percent funded. The cash flow calculation method is typically used to develop a baseline funding plan.

Threshold Funding

Describes the goal/objective other than the 100% level (full funding) or just staying cash-positive (baseline funding). This threshold goal/objective may be a specific percent funded target or a cash balance target. Threshold funding is often a value chosen between full funding and baseline funding. The cash flow calculation method is typically used to develop a threshold funding plan.

Statutory Funding

Describes the pursuit of an objective as described or required by local laws or codes. The component calculation method or cash flow calculation method is typically used to develop a statutory funding plan.

◆ ◆ ◆ ◆ RESERVE FUNDING CALCULATION METHODS ◆ ◆ ◆ ◆

There are two funding methods which can be used to develop a reserve funding plan based on a reserve funding goal/objective: Component Calculation Method and Cash Flow Calculation Method. These calculation methods are described as follows:

Component Calculation Method

This calculation method develops a funding plan for each individual reserve component. The sum of the funding plan for each component equals the total funding plan for the association. This method is often referred to as the “straight line”

Preface

method and is widely believed to be the most conservative reserve funding method. This method structures a funding plan that enables the association to pay all reserve expenditures as they come due, enables the association to achieve the ideal level of reserves in time, and then enables the association to maintain the ideal level of reserves through time. The following is a detailed description of the component calculation method:

Step 1: Calculation of fully funded balance for each component

The fully funded balance is calculated for each component based on its age, useful life and current cost. The actual formula is as follows:

$$\text{Fully Funded Balance} = \frac{\text{Age}}{\text{Useful Life}} \times \text{Current Cost}$$

Step 2: Distribution of current reserve funds

The association's current reserve funds are assigned to (or distributed amongst) the reserve components based on each component's remaining life and fully funded balance as follows:

Pass 1: Components are organized in remaining life order, from least to greatest, and the current reserve funds are assigned to each component up to its fully funded balance, until reserves are exhausted.

Pass 2: If all components are assigned their fully funded balance and additional funds exist, they are assigned in a "second pass." Again, the components are organized in remaining life order, from least to greatest, and the remaining current reserve funds are assigned to each component up to its current cost, until reserves are exhausted.

Pass 3: If all components are assigned their current cost and additional funds exist, they are assigned in a "third pass." Components with a remaining life of zero years are assigned double their current cost.

Distributing, or assigning, the current reserve funds in this manner is the most efficient use of the funds on hand – it defers the make-up period of any underfunded reserves over the lives of the components with the largest remaining lives.

Step 3: Developing a funding plan

After step 2, all components have a "starting" balance. A calculation is made to determine what funding would be required to get from the starting balance to the future cost over the number of years remaining until replacement. The funding plan incorporates the annual contribution increase parameter to develop a "stair stepped" contribution.

For example, if an association needs to accumulate \$100,000 in ten years, \$10,000 could be contributed each year. Alternatively, the association could contribute \$8,723 in the first year and increase the contribution by 3% each year thereafter until the tenth year.

In most cases, this rate should match the inflation parameter. Matching the annual contribution increase parameter to the inflation parameter indicates, in theory, that member contributions should increase at the same rate as the cost of living (inflation parameter). Due to the "time value of money," this creates the most equitable distribution of member contributions through time.

Using an annual contribution increase parameter that is greater than the inflation parameter will reduce the burden to the current membership at the expense of the future membership. Using an annual contribution increase parameter that is less than the inflation parameter will increase the burden to the current membership to the benefit of the future membership. The following chart shows a comparison:

Preface

	<u>0% Increase</u>	<u>3% Increase</u>	<u>10% Increase</u>
Year 1	\$10,000.00	\$8,723.05	\$6,274.54
Year 2	\$10,000.00	\$8,984.74	\$6,901.99
Year 3	\$10,000.00	\$9,254.28	\$7,592.19
Year 4	\$10,000.00	\$9,531.91	\$8,351.41
Year 5	\$10,000.00	\$9,817.87	\$9,186.55
Year 6	\$10,000.00	\$10,112.41	\$10,105.21
Year 7	\$10,000.00	\$10,415.78	\$11,115.73
Year 8	\$10,000.00	\$10,728.25	\$12,227.30
Year 9	\$10,000.00	\$11,050.10	\$13,450.03
Year 10	\$10,000.00	\$11,381.60	\$14,795.04
TOTAL	<u>\$100,000.00</u>	<u>\$100,000.00</u>	<u>\$100,000.00</u>

This parameter is used to develop a funding plan only; it does not mean that the reserve contributions must be raised each year. There are far more significant factors that will contribute to a total reserve contribution increase or decrease from year to year than this parameter.

One of the major benefits of using this calculation method is that for any single component (or group of components), the accumulated balance and reserve funding can be precisely calculated. For example, using this calculation method, the reserve analysis can indicate the exact amount of current reserve funds "in the bank" for the roofs and the amount of money being funded towards the roofs each month. This information is displayed on the Management / Accounting Summary and Charts as well as elsewhere within the report.

The component calculation method is typically used for well-funded associations (greater than 65% funded) with a goal/objective of full funding.

Cash Flow Calculation Method

This calculation method develops a funding plan based on current reserve funds and projected expenditures during a specific timeframe (typically 30 years). This funding method structures a funding plan that enables the association to pay for all reserve expenditures as they come due, but is not necessarily concerned with the ideal level of reserves through time.

This calculation method tests reserve contributions against reserve expenditures through time to determine the minimum contribution necessary (baseline funding) or some other defined goal/objective (full funding, threshold funding or statutory funding).

Unlike the component calculation method, this calculation method cannot precisely calculate the reserve funding for any single component (or group of components). In order to work-around this issue to provide this bookkeeping information, a formula has been applied to component method results to calculate a reasonable breakdown. This information is displayed on the Management / Accounting Summary and Charts as well as elsewhere within the report.

The cash flow calculation method is typically used for under-funded associations (less than 65% funded) with a goal/objective of full funding, threshold funding, baseline funding or statutory funding.

Preface

◆ ◆ ◆ ◆ READING THE RESERVE ANALYSIS ◆ ◆ ◆ ◆

In some cases, the reserve analysis may be a lengthy document of one hundred pages or more. A complete and thorough review of the reserve analysis is always a good idea. However, if time is limited, it is suggested that a thorough review of the summary pages be made. If a “red flag” is raised in this review, the reader should then check the detail information, of the component in question, for all relevant information. In this section, a description of most of the summary or report sections is provided along with comments regarding what to look for and how to use each section.

Executive Summary

Provides general information about the client, global parameters used in the calculation of the reserve analysis as well as the core results of the reserve analysis.

Client Information

Provides various client information including fiscal year for which the reserve analysis was prepared, number of units, phasing, etc.

Global Parameters

Displays the calculation parameters that were used to calculate the reserve analysis including inflation, annual contribution increase, investment rate, tax rate and contingency.

Community Profile

Provides brief description of the community, as well as other “global” type comments.

Budget

Provides recommended funding for the fiscal year for which the reserve analysis was prepared. Indicates the reserve funding from the membership, anticipated interest contribution and the total contribution

Sample Homeowners Association
Executive Summary
Component Calculation Method

Client Information:		Global Parameters:	
Account Number	00000	Inflation Rate	2.00%
Version Number	1	Annual Contribution Increase	2.00%
Analysis Date	3/18/2014	Investment Rate	1.00%
Fiscal Year	6/1/2014 to 5/31/2015	Taxes on Investment	30.00%
Number of Units	167	Contingency	3.00%
Phasing	8 of 8		

Community Profile:
This community consists of 167 attached units with private roadways, pool area and extensive landscaped areas. For budgeting purposes, unless otherwise indicated, we have used June 1995 as the average placed-in-service date for aging the original components in this community.
ARS site visits: March 1, 2014; January 2011; February 2009; April 2006; March 2005; March 2003; March 2002; April 2001 and March 2000

Adequacy of Reserves as of June 1, 2014:

Anticipated Reserve Balance	\$865,450.00
Fully Funded Reserve Balance	\$1,011,228.83
Percent Funded	85.58%

Recommended Funding for the 2014-2015 Fiscal Year:

	Annual	Monthly	Per Unit Per Month
Member Contribution	\$110,659	\$9,221.58	\$55.22
Interest Contribution	\$5,977	\$498.09	\$2.98
Total Contribution	\$116,636	\$9,719.66	\$58.20

3.18.2014(1) 1 ADVANCED RESERVE SOLUTIONS, INC.

Adequacy of Reserves

Displays the results of calculations with regard to the “health” of the reserve fund as of the beginning of the fiscal year for which the reserve analysis was prepared. Provides the anticipated reserve balance, fully funded reserve balance and the percent funded.

Preface

Calculation of Percent Funded

Summary displays all reserve components, shown here in “category” order. Provides the remaining life, useful life, current cost and the fully funded balance at the beginning of the fiscal year for which the reserve analysis was prepared.

Reserve Components

All components are displayed (shown here in “category” order).

Lifespans

Remaining life and useful life are displayed. And, these columns are conveniently sub totaled to show range.

**Sample Homeowners Association
Calculation of Percent Funded
Sorted by Category**

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
010 Streets				
Streets - Asphalt, Overlay / Major Rehab	8	27	\$101,867.50	\$71,564.91
Streets - Asphalt, Repair	0	4	\$3,621.75	\$3,621.75
Streets - Asphalt, Seal Coat	0	4	\$5,926.50	\$5,926.50
Streets - Concrete, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Sub Total	0-8	4-27	\$111,245.75	\$81,113.16
020 Roads				
Roads - Tile				
Sub Total				
030 Painting				
Painting - Cabana Interior				
Painting - Red Curbs				
Painting - Stucco				
Painting - Woodwork & Trim				
Painting - Wrought Iron, Buildings				
Painting - Wrought Iron, Pool Area				
Sub Total				
040 Fencing				
Fencing - Wrought Iron, Pool Area				
Railing - Wrought Iron, Buildings				
Sub Total				
050 Lighting				
Lighting - Buildings				
Lighting - Grounds				
Sub Total				
060 Pool Area				
Cabana - Ceramic Tile				
Cabana - Doors				
Cabana - Plumbing Fixtures				
Cabana - Restroom Partitions				
Cabana - Water Heater				
Pool - Filter				
Pool - Heater				
Pool - Replaster & Tile Replace				
Pool Area - Barbecues				
Sub Total				
3.18.2014(1)				

**Sample Homeowners Association
Calculation of Percent Funded
Sorted by Category**

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
Pool Area - Ceramic Tile	2	21	\$8,501.63	\$7,773.38
Pool Area - Concrete Deck, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Pool Area - Furniture (Refurbish)	0	12	\$9,255.00	\$9,255.00
Pool Area - Furniture (Replace)	6	25	\$17,315.00	\$13,159.40
Pool Area - Mastic	0	4	\$5,131.50	\$5,131.50
Spa - Filter	0	13	\$1,350.00	\$1,350.00
Spa - Heater	0	10	\$3,050.00	\$3,050.00
Spa - Replaster & Tile Replace	3	8	\$5,250.00	\$3,126.40
Sub Total	0-6	4-25	\$91,747.38	\$71,964.53
070 Decks				
Decks - Clean & Top Coat	2	5	\$30,480.00	\$18,288.00
Decks - Resurface	2	13	\$65,227.20	\$54,720.81
Sub Total	2	5-13	\$95,707.20	\$73,008.81
080 Misc (Buildings)				
Fire Extinguisher Cabinets	2	21	\$27,625.00	\$24,994.05
Utility Closet Doors	2	21	\$73,900.00	\$69,801.90
Sub Total	2	21	\$101,525.00	\$94,855.95
090 Misc (Grounds)				
Landscape - Irrigation Controllers	0	12	\$29,000.00	\$29,000.00
Landscape - Renovation, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Mailboxes	2	21	\$37,200.00	\$33,657.14
Sub Total	0-2	12-21	\$66,200.00	\$62,657.14
100 Termite Control				
Termite Control	n.a.	n.a.	\$0.00	\$100,000.00
Sub Total	n.a.	n.a.	\$0.00	\$100,000.00
Contingency	n.a.	n.a.	n.a.	\$29,453.27
Total	0-11	2-30	\$1,091,533.70	\$1,011,228.83
Anticipated Reserve Balance				\$865,456.00
Percent Funded				85.58%
3.18.2014(1)				

Current Cost

Displays the current cost to replace or otherwise maintain each component. This column is conveniently sub totaled.

Fully Funded Balance

Displays the fully funded balance for each component. This column is conveniently sub totaled.

The total current cost to replace or otherwise maintain all components, total fully funded balance, anticipated reserve balance and percent funded are provided at the bottom of this summary. Also shown is the range of reserve component remaining lives and useful lives.

Preface

Management / Accounting Summary and Charts

Summary displays all reserve components, shown here in “category” order. Provides the assigned reserve funds at the beginning of the fiscal year for which the reserve analysis was prepared along with the monthly member contribution, interest contribution and total contribution for each component and category. Pie charts show graphically how the total reserve fund is distributed amongst the reserve component categories and how each category is funded on a monthly basis.

Balance at FYB
Shows the amount of reserve funds assigned to each reserve component. And, this column is conveniently sub totaled.

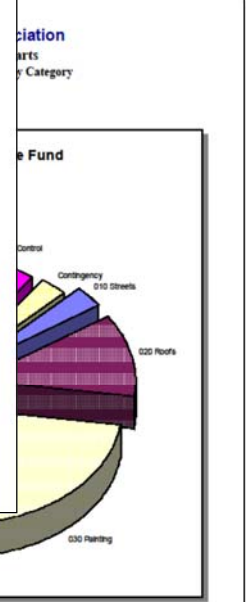
Sample Homeowners Association
Management / Accounting Summary
Component Calculation Method; Sorted by Category

	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
010 Streets				
Streets - Asphalt, Overlay / Major Rehab	\$17,837.90	\$949.09	\$13.37	\$963.07
Streets - Asphalt, Repair	\$3,821.75	\$78.20	\$0.25	\$78.45
Streets - Asphalt, Seal Coat	\$5,928.50	\$127.96	\$0.41	\$128.37
Streets - Concrete, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Sub Total	\$27,586.15	\$1,155.84	\$14.04	\$1,169.88
020 Roofs				
Roofs - Tile				
Sub Total				
030 Painting				
Painting - Cabana Interior				
Painting - Red Curbs				
Painting - Stucco				
Painting - Woodwork & Trim				
Painting - Wrought Iron, Buildings				
Painting - Wrought Iron, Pool Area				
Sub Total				
040 Fencing				
Fencing - Wrought Iron, Pool Area				
Railing - Wrought Iron, Buildings				
Sub Total				
050 Lighting				
Lighting - Buildings				
Lighting - Grounds				
Sub Total				
060 Pool Area				
Cabana - Ceramic Tile				
Cabana - Doors				
Cabana - Plumbing Fixtures				
Cabana - Restroom Partitions				
Cabana - Water Heater				
Pool - Filter				
Sub Total				
070 Decks				
Decks - Clean & Top Coat	\$18,288.00	\$539.52	\$12.44	\$551.96
Decks - Resurfacing	\$94,720.81	\$306.93	\$33.65	\$340.58
Sub Total	\$73,008.81	\$1,046.45	\$46.09	\$1,092.54
080 Misc (Buildings)				
Fire Extinguisher Cabinets	\$24,994.05	\$139.11	\$15.07	\$154.19
Utility Closet Doors	\$95,881.90	\$372.15	\$40.32	\$412.47
Sub Total	\$91,855.95	\$511.26	\$55.40	\$566.66
090 Misc (Grounds)				
Landscape - Irrigation Controllers	\$20,000.00	\$219.48	\$0.71	\$220.19
Landscape - Renovation, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Mailboxes	\$33,657.14	\$187.33	\$20.30	\$207.63
Sub Total	\$62,657.14	\$406.82	\$21.00	\$427.82
100 Termite Control				
Termite Control	\$100,000.00	\$0.00	\$58.52	\$58.52
Sub Total	\$100,000.00	\$0.00	\$58.52	\$58.52
Contingency	\$25,207.28	\$268.59	\$15.61	\$284.20
Total	\$865,450.00	\$9,221.58	\$498.09	\$9,719.66

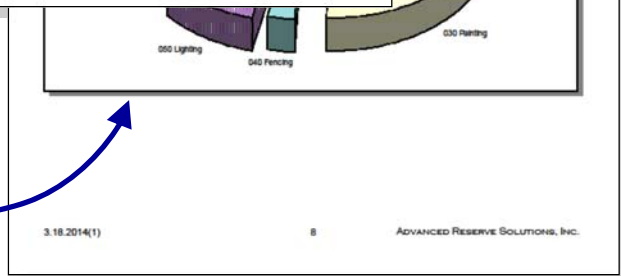
Monthly Funding
Displays the monthly funding for each component from the members and interest. Total monthly funding is also indicated. And, these columns are conveniently sub totaled.

Sample Homeowners Association
Management / Accounting Summary
Component Calculation Method; Sorted by Category

	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
Pool - Heater	\$3,250.00	\$24.60	\$0.08	\$24.68
Pool - Replaster & Tile Replace	\$7,070.58	\$146.76	\$4.61	\$151.37
Pool Area - Barbecues	\$1,010.00	\$26.98	\$0.69	\$30.67
Pool Area - Ceramic Tile	\$7,773.38	\$43.27	\$4.69	\$47.96
Pool Area - Concrete Deck, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Pool Area - Furniture (Refurbish)	\$9,255.00	\$70.05	\$0.23	\$70.27
Pool Area - Furniture (Replace)	\$13,159.40	\$74.78	\$7.94	\$82.70
Pool Area - Mastic	\$5,131.50	\$110.79	\$0.36	\$111.15
Spa - Filter	\$1,350.00	\$12.11	\$0.04	\$12.15
Spa - Heater	\$2,200.00	\$27.36	\$0.09	\$27.44
Spa - Replaster & Tile Replace	\$3,128.40	\$54.12	\$2.04	\$56.15
Sub Total	\$71,964.53	\$716.19	\$30.10	\$746.28
070 Decks				
Decks - Clean & Top Coat	\$18,288.00	\$539.52	\$12.44	\$551.96
Decks - Resurfacing	\$94,720.81	\$306.93	\$33.65	\$340.58
Sub Total	\$73,008.81	\$1,046.45	\$46.09	\$1,092.54
080 Misc (Buildings)				
Fire Extinguisher Cabinets	\$24,994.05	\$139.11	\$15.07	\$154.19
Utility Closet Doors	\$95,881.90	\$372.15	\$40.32	\$412.47
Sub Total	\$91,855.95	\$511.26	\$55.40	\$566.66
090 Misc (Grounds)				
Landscape - Irrigation Controllers	\$20,000.00	\$219.48	\$0.71	\$220.19
Landscape - Renovation, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Mailboxes	\$33,657.14	\$187.33	\$20.30	\$207.63
Sub Total	\$62,657.14	\$406.82	\$21.00	\$427.82
100 Termite Control				
Termite Control	\$100,000.00	\$0.00	\$58.52	\$58.52
Sub Total	\$100,000.00	\$0.00	\$58.52	\$58.52
Contingency	\$25,207.28	\$268.59	\$15.61	\$284.20
Total	\$865,450.00	\$9,221.58	\$498.09	\$9,719.66



Pie Charts
Show graphically how the reserve fund is distributed amongst the reserve components and how the components are funded.



Preface

Projections and Charts

Summary displays projections of beginning reserve balance, member contribution, interest contribution, expenditures and ending reserve balance for each year of the projection period (shown here for 30 years). The two columns on the right-hand side provide the fully funded ending balance and the percent funded for each year. Charts show the same information in an easy-to-understand graphic format.

**Sample Homeowners Association
Projections
Component Calculation Method**

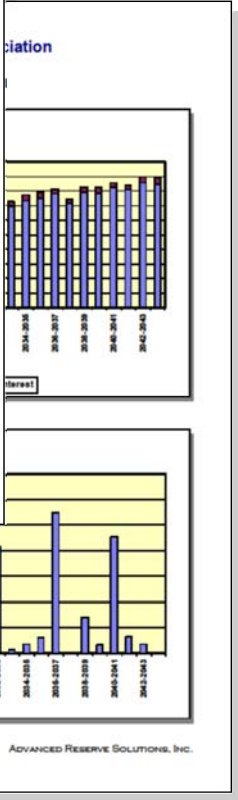
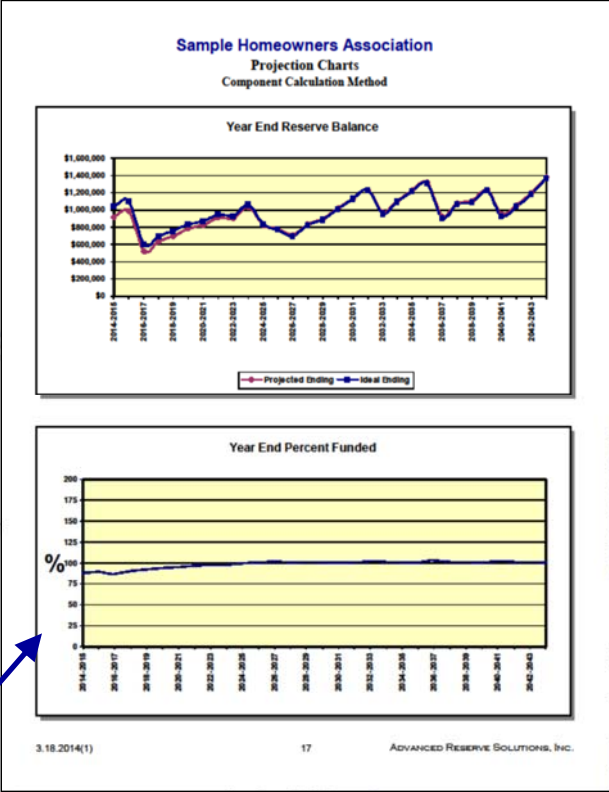
Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2014-2015	\$865,450	\$110,659	\$5,977	\$54,980	\$917,106	\$1,046,139	88%
2015-2016	\$917,106	\$111,857	\$6,482	\$45,317	\$990,127	\$1,104,098	90%
2016-2017	\$990,127	\$116,806	\$3,175	\$591,549	\$518,559	\$598,939	87%
2017-2018	\$518,559	\$115,807	\$3,900	\$7,715	\$630,610	\$698,915	90%
2018-2019	\$630,610	\$116,508	\$4,431	\$52,973	\$698,577	\$755,512	92%
2019-2020	\$698,577	\$116,723	\$5,037	\$34,701	\$785,578	\$834,243	94%
2020-2021	\$785,578	\$118,645	\$5,331	\$80,731	\$828,821	\$896,179	92%
2021-2022	\$828,821	\$121,028	\$5,925	\$40,530	\$915,241	\$949,147	96%
2022-2023	\$915,241	\$123,506					
2023-2024	\$907,080	\$125,898					
2024-2025	\$1,037,322	\$126,436					
2025-2026	\$825,894	\$127,755					
2026-2027	\$780,089	\$125,648					
2027-2028	\$713,358	\$119,373					
2028-2029	\$631,867	\$131,699					
2029-2030	\$696,194	\$131,038					
2030-2031	\$1,013,798	\$137,575					
2031-2032	\$1,130,018	\$141,510					
2032-2033	\$1,237,543	\$143,162					
2033-2034	\$973,366	\$138,561					
2034-2035	\$1,104,489	\$147,134					
2035-2036	\$1,222,996	\$149,242					
2036-2037	\$1,317,743	\$150,808					
2037-2038	\$926,826	\$142,178					
2038-2039	\$1,078,962	\$157,813					
2039-2040	\$1,102,377	\$157,111					
2040-2041	\$1,234,862	\$165,390					
2041-2042	\$952,363	\$161,588					
2042-2043	\$1,056,301	\$171,747					
2043-2044	\$1,200,105	\$169,299					

NOTE: In some cases, the projected Ending Balance Expenditures. This is a result of the provision of contingency is continually adjusted according to

3.18.2014(1)

Improved format makes the numbers as easy to read and understand as possible. The color-coded bar indicates the reserve fund status:

Green: Good
Yellow: Fair
Red: Poor



Charts
Show graphically the reserve funding plan through time.

Preface

◆ ◆ ◆ ◆ GLOSSARY OF KEY TERMS ◆ ◆ ◆ ◆

Annual Contribution Increase Parameter

The rate used in the calculation of the funding plan. This rate is used on an annual compounding basis. This rate represents, in theory, the rate the association expects to increase contributions each year.

In most cases, this rate should match the inflation parameter. Matching the annual contribution increase parameter to the inflation parameter indicates, in theory, that member contributions should increase at the same rate as the cost of living (inflation parameter). Due to the “time value of money,” this creates the most equitable distribution of member contributions through time.

This parameter is used to develop a funding plan only; it does not mean that the reserve contributions must be raised each year. There are far more significant factors that will contribute to a total reserve contribution increase or decrease from year to year than this parameter. See the description of “reserve funding calculation methods” in this preface for more detail on this parameter.

Anticipated Reserve Balance (or Reserve Funds)

The amount of money, as of a certain point in time, held by the association to be used for the repair or replacement of reserve components. This figure is “anticipated” because it is calculated based on the most current financial information available as of the analysis date, which is almost always prior to the fiscal year beginning date for which the reserve analysis is prepared.

Assigned Funds (and “Fixed” Assigned Funds)

The amount of money, as of the fiscal year beginning date for which the reserve analysis is prepared, that a reserve component has been assigned.

The assigned funds are considered “fixed” when the normal calculation process is bypassed and a specific amount of money is assigned to a reserve component. For example, if the normal calculation process assigns \$10,000 to the roofs, but the association would like to show \$20,000 assigned to roofs, “fixed” funds of \$20,000 can be assigned.

Cash Flow Calculation Method

Reserve funding calculation method developed based on total annual expenditures. A more detailed description of the actual calculation process is included in the “reserve funding calculation methods” section of the preface.

Component Calculation Method

Reserve funding calculation method developed based on each individual component. A more detailed description of the actual calculation process is included in the “reserve funding calculation methods” section of the preface.

Contingency Parameter

The rate used as a built-in buffer in the calculation of the funding plan. This rate will assign a percentage of the reserve funds, as of the fiscal year beginning, as contingency funds and will also determine the level of funding toward the contingency each month.

Current Replacement Cost

The amount of money, as of the fiscal year beginning date for which the reserve analysis is prepared, that a reserve component is expected to cost to replace.

Fiscal Year

Indicates the budget year for the association for which the reserve analysis was prepared. The fiscal year beginning (FYB) is the first day of the budget year; the fiscal year end (FYE) is the last day of the budget year.

Fully Funded Reserve Balance (or Ideal Reserves)

The amount of money that should theoretically have accumulated in the reserve fund as of a certain point in time. Fully funded reserves are calculated for each reserve component based on the current replacement cost, age and useful life:

Preface

$$\text{Fully Funded Reserves} = \frac{\text{Age}}{\text{Useful Life}} \times \text{Current Replacement Cost}$$

The fully funded reserve balance is the sum of the fully funded reserves for each reserve component.

An association that has accumulated the fully funded reserve balance does not have all of the funds necessary to replace all of its reserve components immediately; it has the proportionately appropriate reserve funds for the reserve components it maintains, based on each component's current replacement cost, age and useful life.

Future Replacement Cost

The amount of money, as of the fiscal year during which replacement of a reserve component is scheduled, that a reserve component is expected to cost to replace. This cost is calculated using the current replacement cost compounded annually by the inflation parameter.

Global Parameters

The financial parameters used to calculate the reserve analysis. See also "inflation parameter," "annual contribution increase parameter," "investment rate parameter" and "taxes on investments parameter."

Inflation Parameter

The rate used in the calculation of future costs for reserve components. This rate is used on an annual compounding basis. This rate represents the rate the association expects the cost of goods and services relating to their reserve components to increase each year.

Interest Contribution

The amount of money contributed to the reserve fund by the interest earned on the reserve fund and member contributions.

Investment Rate Parameter

The gross rate used in the calculation of interest contribution (interest earned) from the reserve balance and member contributions. This rate (net of the taxes on investments parameter) is used on a monthly compounding basis. This parameter represents the weighted average interest rate the association expects to earn on their reserve fund investments.

Membership Contribution

The amount of money contributed to the reserve fund by the association's membership.

Monthly Contribution (and "Fixed" Monthly Contribution)

The amount of money, for the fiscal year which the reserve analysis is prepared, that a reserve component will be funded.

The monthly contribution is considered "fixed" when the normal calculation process is bypassed and a specific amount of money is funded to a reserve component. For example, if the normal calculation process funds \$1,000 to the roofs each month, but the association would like to show \$500 funded to roofs each month, a "fixed" contribution of \$500 can be assigned.

Number of Units (or other assessment basis)

Indicates the number of units for which the reserve analysis was prepared. In "phased" developments (see phasing), this number represents the number of units, and corresponding common area components, that existed as of a certain point in time.

For some associations, assessments and reserve contributions are based on a unit of measure other than the number of units. Examples include time-interval weeks for timeshare resorts or lot acreage for commercial/industrial developments.

Preface

One-Time Replacement

Used for components that will be budgeted for only once.

Percent Funded

A measure, expressed as a percentage, of the association's reserve fund "health" as of a certain point in time. This number is the ratio of the anticipated reserve fund balance to the fully funded reserve balance:

$$\text{Percent Funded} = \frac{\text{Anticipated Reserve Fund Balance}}{\text{Fully Funded Reserve Balance}}$$

An association that is 100% funded does not have all of the reserve funds necessary to replace all of its reserve components immediately; it has the proportionately appropriate reserve funds for the reserve components it maintains, based on each component's current replacement cost, age and useful life.

Percentage of Replacement

The percentage of the reserve component that is expected to be replaced.

For most reserve components, this percentage should be 100%. In some cases, this percentage may be more or less than 100%. For example, fencing which is shared with a neighboring community may be set at 50%.

Phasing

Indicates the number of phases for which the reserve analysis was prepared and the total number of phases expected at build-out (i.e. Phase 4 of 7). In phased developments, the first number represents the number of phases, and corresponding common area components, that existed as of a certain point in time. The second number represents the number of phases that are expected to exist at build-out.

Placed-In-Service Date

The date (month and year) that the reserve component was originally put into service or last replaced.

Remaining Life

The length of time, in years, until a reserve component is scheduled to be replaced.

Remaining Life Adjustment

The length of time, in years, that a reserve component is expected to last in excess (or deficiency) of its useful life for the current cycle of replacement.

If the current cycle of replacement for a reserve component is expected to be greater than or less than the "normal" life expectancy, the reserve component's life should be adjusted using a remaining life adjustment.

For example, if wood trim is painted normally on a 4 year cycle, the useful life should be 4 years. However, when it comes time to paint the wood trim and it is determined that it can be deferred for an additional year, the useful life should remain at 4 years and a remaining life adjustment of +1 year should be used.

Replacement Year

The fiscal year that a reserve component is scheduled to be replaced.

Reserve Components

Line items included in the reserve analysis.

Taxes on Investments Parameter

The rate used to offset the investment rate parameter in the calculation of the interest contribution. This parameter represents the marginal tax rate the association expects to pay on interest earned by the reserve funds and member contributions.

Preface

Total Contribution

The sum of the membership contribution and interest contribution.

Useful Life

The length of time, in years, that a reserve component is expected to last each time it is replaced. See also “remaining life adjustment.”

◆ ◆ ◆ ◆ LIMITATIONS OF RESERVE ANALYSIS ◆ ◆ ◆ ◆

This reserve analysis is intended as a tool for the association’s Board of Directors to be used in evaluating the association’s current physical and financial condition with regard to reserve components. The results of this reserve analysis represent the independent opinion of the preparer. There is no implied warranty or guarantee of this work product.

For the purposes of this reserve analysis, it has been assumed that all components have been installed properly, no construction defects exist and all components are operational. Additionally, it has been assumed that all components will be maintained properly in the future.

The representations set forth in this reserve analysis are based on the best information and estimates of the preparer as of the date of this analysis. These estimates are subject to change. This reserve analysis includes estimates of replacement costs and life expectancies as well as assumptions regarding future events. Some estimates are projections of future events based on information currently available and are not necessarily indicative of the actual future outcome. The longer the time period between the estimate and the estimated event, the more likely the possibility of error and/or discrepancy. For example, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the preparation of this reserve analysis. Therefore, the actual replacement costs and remaining lives may vary from this reserve analysis and the variation may be significant. Additionally, inflation and other economic events may impact this reserve analysis, particularly over an extended period of time and those events could have a significant and negative impact on the accuracy of this reserve analysis and, further, the funds available to meet the association’s obligation for repair, replacement or other maintenance of major components during their estimated useful life. Furthermore, the occurrence of vandalism, severe weather conditions, earthquakes, floods, acts of nature or other unforeseen events cannot be predicted and/or accounted for and are excluded when assessing life expectancy, repair and/or replacement costs of the components.

Big Trout Condominiums

Executive Summary

Directed Cash Flow Calculation Method

Client Information:

Account Number	70079
Version Number	1
Analysis Date	08/05/2017
Fiscal Year	1/1/2017 to 12/31/2017
Number of Units	224
Phasing	1 of 1

Global Parameters:

Inflation Rate	3.00 %
Annual Contribution Increase	3.00 %
Investment Rate	1.50 %
Taxes on Investments	30.00 %
Contingency	3.00 %

Community Profile:

The Villas at Big Trout consisting of 14 residential buildings with 224 units, fitness area and pool was constructed in 1998.

For budgeting purposes, unless otherwise indicated, we have used January, 1998 as the average placed-in-service date for aging the original components included in this analysis. Many of the components in this analysis have been repaired, replaced or otherwise maintained since original installation. When known, the date of the last repair, replacement or other maintenance has been used as the placed-in-service date for aging each component; when this date is unknown, it has been estimated based on the component's condition at our most recent field inspection.

ARS field inspection on April 3, 2013
 ARS update field inspection on July 9, 2017

Adequacy of Reserves as of January 1, 2017:

Anticipated Reserve Balance	\$632,253.00
Fully Funded Reserve Balance	\$1,167,440.18
Percent Funded	54.16%

Recommended Funding for the 2017 Fiscal Year:	Annual	Monthly	Per Unit Per Month
Member Contribution	\$121,830	\$10,152.50	\$45.32
Interest Contribution	\$7,204	\$600.32	\$2.68
Total Contribution	\$129,034	\$10,752.82	\$48.00

Big Trout Condominiums

Membership Disclosure Summary

Sorted by Category

Major Reserve Components	Current Cost	Assigned Reserves	Remaining Life Range	Useful Life Range
010 Streets & Drives	\$281,393	\$191,727	4-6	5-25
020 Roofs	\$612,854	\$377,511	6	25
030 Painting	\$167,502	\$9,192	2-7	5-10
040 Lighting	\$28,520	\$874	1-11	20-30
050 Buildings	\$668,835	\$0	21	40
060 Fitness Pool House	\$34,420	\$3,565	0-11	6-30
070 Fencing	\$43,578	\$0	11	30
080 Grounds	\$32,500	\$24,592	1-6	12-25
090 Pools & Spas	\$52,921	\$6,377	0-11	6-15
100 Unfunded	\$0	\$0	11	30
Contingency	n.a.	\$18,415	n.a.	n.a.
Total	\$1,922,523	\$632,253	0-21	5-40

Big Trout Condominiums

Preparer's Disclosure Statement

PREPARER'S DISCLOSURE STATEMENT

The level of Reserve Study performed: Update with visual site inspection Level II

Your reserve consultant for this job is: Jim Moore

Jim Moore is a designated Reserve Specialist (RS). He worked as a project manager on large commercial and residential projects and was the President of his own company before becoming a Reserve Specialist. He is experienced in cost estimating and preparing budgets for construction projects as well as non-profit organizations.

Consultant advises that:

1. Consultant has no other involvement with this association which could result in an actual or perceived conflict of interest.
2. Consultant made a field inspection of this property on July 6, 2017 . Component inventories were developed by actual field inventory, representative sampling or were provided by the association's previous reserve analysis.
3. Component conditional assessments were developed by actual field observations and representative sampling.
4. Financial assumptions used in this analysis are listed on the Executive Summary and further explained in the Preface of this report.
5. There are no material issues known to consultant at this time which would cause a distortion of the association's situation.
6. Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection.

WA STATE SENATE BILL 6215 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.

Big Trout Condominiums

Preparer's Disclosure Statement

PREPARER'S DISCLOSURE STATEMENT

The level of Reserve Study performed: "Full" Reserve Study Level I

Your reserve consultant for this job is: Jim Moore

Jim Moore is a licensed General Contractor and has over 30 years of experience in the construction business. He has been the project manager on many large commercial and residential projects and is experienced in cost estimating and budgeting. He has performed building inspections for real estate professionals. Mr. Moore is currently working to obtain his RS Designation as well as his APRA designation. All Advanced Reserve Solutions, Inc. reserve studies are prepared under the direct supervision of a Designated Reserve Specialist.

Consultant advises that:

1. Consultant has no other involvement with this association which could result in an actual or perceived conflict of interest.
2. Consultant made a field inspection of this property on April, 3 2013 . Component inventories were developed by actual field inventory, representative sampling or were provided by the association's previous reserve analysis.
3. Component conditional assessments were developed by actual field observations and representative sampling.
4. Financial assumptions used in this analysis are listed on the Executive Summary and further explained in the Preface of this report.
5. There are no material issues known to consultant at this time which would cause a distortion of the association's situation.

WA STATE SENATE BILL 6215 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.

Big Trout Condominiums

Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
<u>010 Streets & Drives</u>				
Streets - Asphalt, Overlay	6	25	\$246,415.00	\$187,275.40
Streets - Asphalt, Repairs	4	5	\$8,443.05	\$1,074.57
Streets - Asphalt, Seal Coating	4	5	\$26,535.30	\$3,377.22
Sub Total	4-6	5-25	\$281,393.35	\$191,727.19
<u>020 Roofs</u>				
Roofs - Composition Shingle	6	25	\$612,854.25	\$465,769.23
Sub Total	6	25	\$612,854.25	\$465,769.23
<u>030 Painting</u>				
Painting - Pool Metal Fencing	2	5	\$1,960.00	\$1,104.73
Painting - Exterior, Trim	7	10	\$153,982.00	\$41,508.19
Painting - Interior	5	10	\$3,639.60	\$1,819.80
Painting - Metal Fencing	2	10	\$7,920.00	\$6,267.13
Sub Total	2-7	5-10	\$167,501.60	\$50,699.85
<u>040 Lighting</u>				
Lighting - Fitness/Pool House, Exterior	1	20	\$920.00	\$874.00
Lighting - Fitness/Pool House, Interior	11	30	\$600.00	\$380.00
Lighting - Streets / Pool Area	11	30	\$27,000.00	\$17,100.00
Sub Total	1-11	20-30	\$28,520.00	\$18,354.00
<u>050 Buildings</u>				
Buildings - Siding, Vinyl	21	40	\$668,835.00	\$317,696.63
Sub Total	21	40	\$668,835.00	\$317,696.63
<u>060 Fitness Pool House</u>				
Fitness/Pool House - Access System	1	10	\$600.00	\$540.00
Fitness/Pool House - Air Conditioner	6	15	\$600.00	\$353.14
Fitness/Pool House - Appliances	0	17	\$800.00	\$800.00
Fitness/Pool House - Doors, Pedestrian	11	30	\$2,250.00	\$1,425.00
Fitness/Pool House - Fitness Equipment	6	6	\$9,500.00	\$0.00
Fitness/Pool House - Interior, Heating	11	30	\$1,400.00	\$886.67
Fitness/Pool House - Interior, Vinyl Flooring	6	25	\$1,212.75	\$921.69
Fitness/Pool House - Plumbing Fixtures	11	30	\$6,350.00	\$4,021.67
Fitness/Pool House - Restroom Partitions	11	30	\$2,307.53	\$1,461.44
Fitness/Pool House - Water Heater	0	16	\$950.00	\$950.00
Fitness/Pool House - Windows	11	30	\$8,450.00	\$5,351.67

Big Trout Condominiums

Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
Sub Total	0-11	6-30	\$34,420.28	\$16,711.27
<u>070 Fencing</u>				
Fencing - Metal	11	30	\$43,578.00	\$27,599.40
Sub Total	11	30	\$43,578.00	\$27,599.40
<u>080 Grounds</u>				
Grounds - Mailboxes	6	25	\$21,800.00	\$16,568.00
Grounds - Signage	1	20	\$5,000.00	\$4,750.00
Landscape - Irrigation System	5	12	\$5,700.00	\$3,274.47
Sub Total	1-6	12-25	\$32,500.00	\$24,592.47
<u>090 Pools & Spas</u>				
Pool - Cover	3	15	\$1,700.00	\$1,360.00
Pool - Filter	3	12	\$1,472.00	\$1,104.00
Pool - Heater	7	12	\$4,000.00	\$1,666.67
Pool - Replaster & Retile	8	12	\$21,660.00	\$6,807.43
Pool Area - Furniture	7	12	\$7,479.00	\$3,116.25
Pool Area - Mastic	2	6	\$715.00	\$462.65
Spa - Chemical Controller	11	12	\$4,208.00	\$211.91
Spa - Filter	7	12	\$1,400.00	\$583.33
Spa - Heater	0	10	\$3,450.00	\$3,450.00
Spa - Replaster & Retile	9	12	\$6,837.00	\$1,524.80
Sub Total	0-11	6-15	\$52,921.00	\$20,287.04
<u>100 Unfunded</u>				
Unfunded - Building Balconies	n.a.	n.a.	\$0.00	\$0.00
Unfunded - Grounds (Concrete Installations)	n.a.	n.a.	\$0.00	\$0.00
Unfunded - Pool Area (Concrete Deck)	n.a.	n.a.	\$0.00	\$0.00
Unfunded Buildings - Windows	11	30	\$0.00	\$0.00
Sub Total	11	30	\$0.00	\$0.00
Contingency	n.a.	n.a.	n.a.	\$34,003.11
Total	0-21	5-40	\$1,922,523.48	\$1,167,440.18
Anticipated Reserve Balance				\$632,253.00
Percent Funded				54.16%

Big Trout Condominiums

Management / Accounting Summary

Directed Cash Flow Calculation Method; Sorted by Category

	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
<u>010 Streets & Drives</u>				
Streets - Asphalt, Overlay	\$187,275.40	\$889.41	\$165.87	\$1,055.28
Streets - Asphalt, Repairs	\$1,074.57	\$122.84	\$1.68	\$124.52
Streets - Asphalt, Seal Coating	\$3,377.22	\$386.06	\$5.31	\$391.37
Sub Total	\$191,727.19	\$1,398.31	\$172.86	\$1,571.18
<u>020 Roofs</u>				
Roofs - Composition Shingle	\$377,511.07	\$3,094.03	\$342.53	\$3,436.56
Sub Total	\$377,511.07	\$3,094.03	\$342.53	\$3,436.56
<u>030 Painting</u>				
Painting - Pool Metal Fencing	\$1,104.73	\$29.02	\$1.13	\$30.15
Painting - Exterior, Trim	\$0.00	\$1,492.67	\$9.35	\$1,502.02
Painting - Interior	\$1,819.80	\$26.44	\$1.72	\$28.17
Painting - Metal Fencing	\$6,267.13	\$61.09	\$5.74	\$66.84
Sub Total	\$9,191.66	\$1,609.23	\$17.94	\$1,627.18
<u>040 Lighting</u>				
Lighting - Fitness/Pool House, Exterior	\$874.00	\$4.01	\$0.77	\$4.78
Lighting - Fitness/Pool House, Interior	\$0.00	\$3.84	\$0.02	\$3.86
Lighting - Streets / Pool Area	\$0.00	\$172.84	\$1.08	\$173.92
Sub Total	\$874.00	\$180.69	\$1.87	\$182.56
<u>050 Buildings</u>				
Buildings - Siding, Vinyl	\$0.00	\$2,455.12	\$15.36	\$2,470.48
Sub Total	\$0.00	\$2,455.12	\$15.36	\$2,470.48
<u>060 Fitness Pool House</u>				
Fitness/Pool House - Access System	\$540.00	\$4.50	\$0.49	\$4.99
Fitness/Pool House - Air Conditioner	\$353.14	\$3.19	\$0.32	\$3.51
Fitness/Pool House - Appliances	\$800.00	\$4.74	\$0.03	\$4.77
Fitness/Pool House - Doors, Pedestrian	\$0.00	\$14.40	\$0.09	\$14.49
Fitness/Pool House - Fitness Equipment	\$0.00	\$106.44	\$0.66	\$107.10
Fitness/Pool House - Interior, Heating	\$0.00	\$8.96	\$0.06	\$9.02
Fitness/Pool House - Interior, Vinyl Flooring	\$921.69	\$4.38	\$0.82	\$5.20
Fitness/Pool House - Plumbing Fixtures	\$0.00	\$40.65	\$0.25	\$40.90
Fitness/Pool House - Restroom Partitions	\$0.00	\$14.77	\$0.10	\$14.87
Fitness/Pool House - Water Heater	\$950.00	\$6.63	\$0.04	\$6.67

Big Trout Condominiums

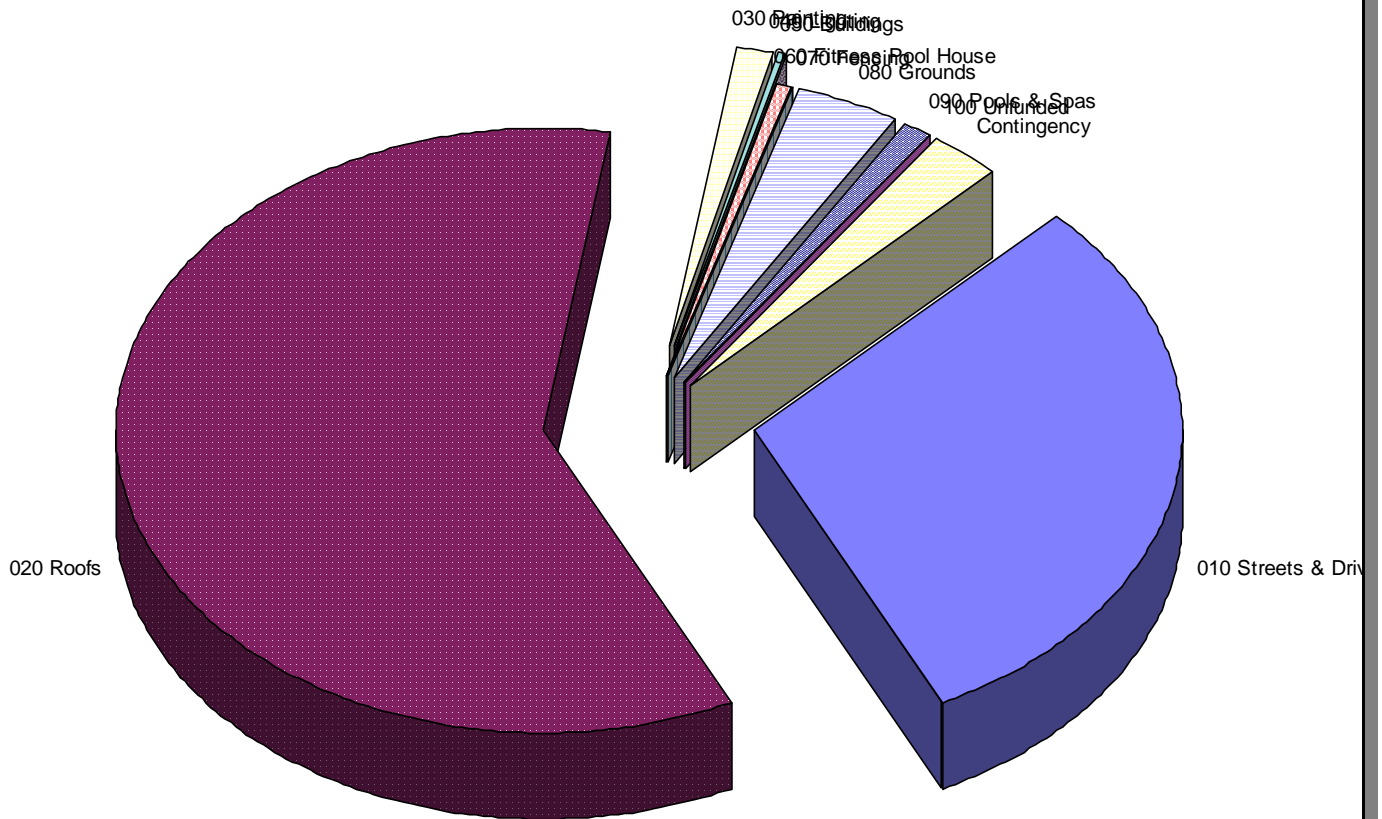
Management / Accounting Summary

Directed Cash Flow Calculation Method; Sorted by Category

	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
Fitness/Pool House - Windows	\$0.00	\$54.09	\$0.34	\$54.43
Sub Total	\$3,564.83	\$262.76	\$3.19	\$265.95
<u>070 Fencing</u>				
Fencing - Metal	\$0.00	\$278.97	\$1.74	\$280.71
Sub Total	\$0.00	\$278.97	\$1.74	\$280.71
<u>080 Grounds</u>				
Grounds - Mailboxes	\$16,568.00	\$78.68	\$14.67	\$93.36
Grounds - Signage	\$4,750.00	\$21.79	\$4.21	\$25.99
Landscape - Irrigation System	\$3,274.47	\$36.27	\$3.03	\$39.30
Sub Total	\$24,592.47	\$136.74	\$21.91	\$158.65
<u>090 Pools & Spas</u>				
Pool - Cover	\$1,360.00	\$9.05	\$1.22	\$10.27
Pool - Filter	\$1,104.00	\$9.35	\$1.00	\$10.36
Pool - Heater	\$0.00	\$38.78	\$0.24	\$39.02
Pool - Replaster & Retile	\$0.00	\$185.44	\$1.16	\$186.60
Pool Area - Furniture	\$0.00	\$72.50	\$0.46	\$72.96
Pool Area - Mastic	\$462.65	\$8.73	\$0.45	\$9.18
Spa - Chemical Controller	\$0.00	\$26.94	\$0.17	\$27.10
Spa - Filter	\$0.00	\$13.57	\$0.09	\$13.66
Spa - Heater	\$3,450.00	\$24.07	\$0.15	\$24.22
Spa - Replaster & Retile	\$0.00	\$52.52	\$0.33	\$52.85
Sub Total	\$6,376.65	\$440.95	\$5.26	\$446.20
<u>100 Unfunded</u>				
Unfunded - Building Balconies	\$0.00	\$0.00	\$0.00	\$0.00
Unfunded - Grounds (Concrete Installations)	\$0.00	\$0.00	\$0.00	\$0.00
Unfunded - Pool Area (Concrete Deck)	\$0.00	\$0.00	\$0.00	\$0.00
Unfunded Buildings - Windows	\$0.00	\$0.00	\$0.00	\$0.00
Sub Total	\$0.00	\$0.00	\$0.00	\$0.00
Contingency	\$18,415.14	\$295.70	\$17.61	\$313.32
Total	\$632,253.00	\$10,152.50	\$600.32	\$10,752.82

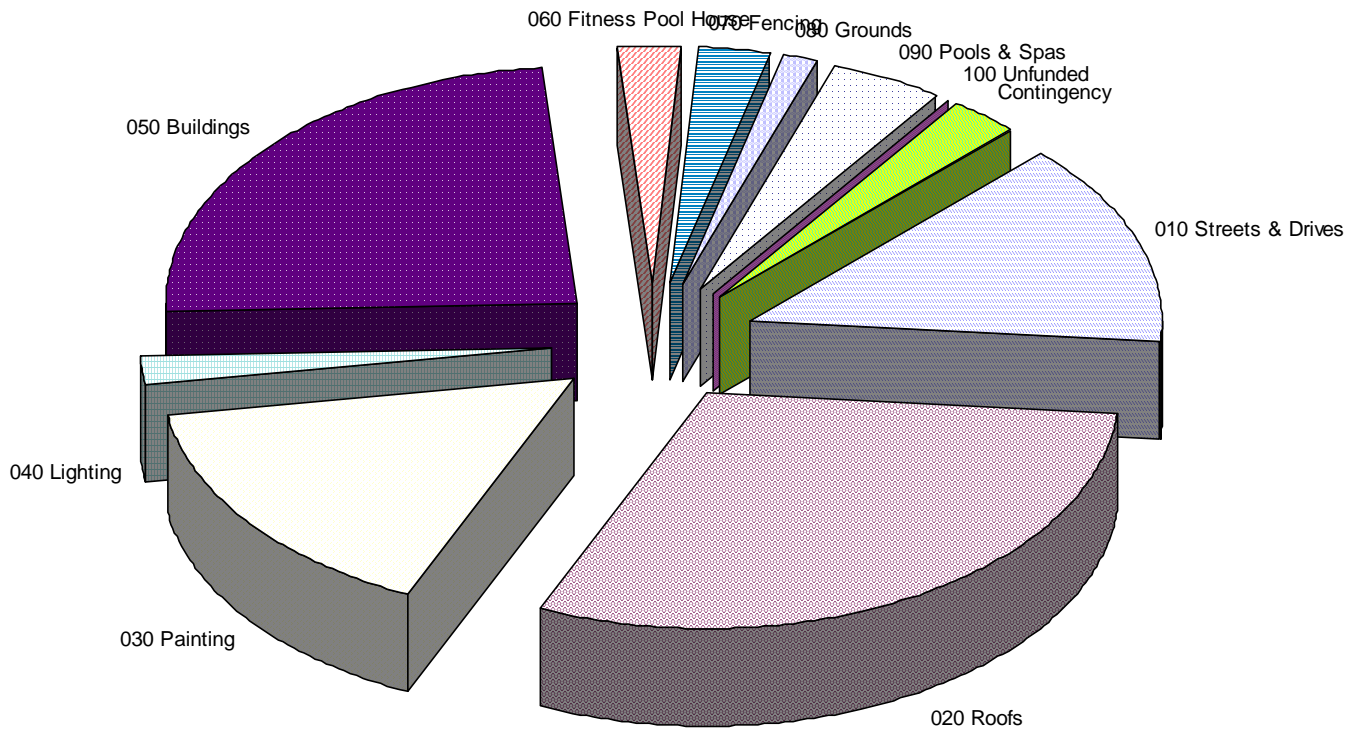
Big Trout Condominiums
Management / Accounting Charts
 Directed Cash Flow Calculation Method; Sorted by Category

Distribution of Current Reserve Fund



Big Trout Condominiums
Management / Accounting Charts
Directed Cash Flow Calculation Method; Sorted by Category

Monthly Member Contribution



Big Trout Condominiums

Annual Expenditure Detail

Sorted by Description

2017 Fiscal Year

Fitness/Pool House - Appliances	\$800.00
Fitness/Pool House - Water Heater	\$950.00
Spa - Heater	\$3,450.00

Sub Total	\$5,200.00
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2018 Fiscal Year

Fitness/Pool House - Access System	\$618.00
Grounds - Signage	\$5,150.00
Lighting - Fitness/Pool House, Exterior	\$947.60

Sub Total	\$6,715.60
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2019 Fiscal Year

Painting - Pool Metal Fencing	\$2,079.36
Painting - Metal Fencing	\$8,402.33
Pool Area - Mastic	\$758.54

Sub Total	\$11,240.24
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2020 Fiscal Year

Pool - Cover	\$1,857.64
Pool - Filter	\$1,608.49

Sub Total	\$3,466.13
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2021 Fiscal Year

Streets - Asphalt, Repairs	\$9,502.73
Streets - Asphalt, Seal Coating	\$29,865.71

Sub Total	\$39,368.44
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2022 Fiscal Year

Landscape - Irrigation System	\$6,607.86
Painting - Interior	\$4,219.29

Sub Total	\$10,827.16
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2023 Fiscal Year

Fitness/Pool House - Air Conditioner	\$716.43
Fitness/Pool House - Fitness Equipment	\$11,343.50
Fitness/Pool House - Interior, Vinyl Flooring	\$1,448.09
Grounds - Mailboxes	\$26,030.34
Roofs - Composition Shingle	\$731,780.02
Streets - Asphalt, Overlay	\$294,232.40

Big Trout Condominiums

Annual Expenditure Detail

Sorted by Description

Sub Total	\$1,065,550.78
 2024 Fiscal Year	
Painting - Pool Metal Fencing	\$2,410.55
Painting - Exterior, Trim	\$189,378.44
Pool - Heater	\$4,919.50
Pool Area - Furniture	\$9,198.23
Spa - Filter	\$1,721.82
Sub Total	\$207,628.54
 2025 Fiscal Year	
Pool - Replaster & Retile	\$27,438.24
Pool Area - Mastic	\$905.74
Sub Total	\$28,343.98
 2026 Fiscal Year	
Spa - Replaster & Retile	\$8,920.73
Streets - Asphalt, Repairs	\$11,016.27
Streets - Asphalt, Seal Coating	\$34,622.55
Sub Total	\$54,559.55
 2027 Fiscal Year	
Fitness/Pool House - Water Heater	\$1,276.72
Spa - Heater	\$4,636.51
Sub Total	\$5,913.23
 2028 Fiscal Year	
Fencing - Metal	\$60,322.14
Fitness/Pool House - Access System	\$830.54
Fitness/Pool House - Doors, Pedestrian	\$3,114.53
Fitness/Pool House - Interior, Heating	\$1,937.93
Fitness/Pool House - Plumbing Fixtures	\$8,789.89
Fitness/Pool House - Restroom Partitions	\$3,194.16
Fitness/Pool House - Windows	\$11,696.78
Lighting - Fitness/Pool House, Interior	\$830.54
Lighting - Streets / Pool Area	\$37,374.31
Spa - Chemical Controller	\$5,824.86
Sub Total	\$133,915.67
 2029 Fiscal Year	
Fitness/Pool House - Appliances	\$1,140.61

Big Trout Condominiums

Annual Expenditure Detail

Sorted by Description

Fitness/Pool House - Fitness Equipment	\$13,544.73
Painting - Pool Metal Fencing	\$2,794.49
Painting - Metal Fencing	\$11,292.03
Sub Total	\$28,771.85
 2031 Fiscal Year	
Pool Area - Mastic	\$1,081.50
Streets - Asphalt, Repairs	\$12,770.87
Streets - Asphalt, Seal Coating	\$40,137.02
Sub Total	\$53,989.39
 2032 Fiscal Year	
Painting - Interior	\$5,670.38
Pool - Filter	\$2,293.33
Sub Total	\$7,963.71
 2034 Fiscal Year	
Landscape - Irrigation System	\$9,421.23
Painting - Pool Metal Fencing	\$3,239.58
Painting - Exterior, Trim	\$254,508.78
Sub Total	\$267,169.60
 2035 Fiscal Year	
Fitness/Pool House - Fitness Equipment	\$16,173.11
Pool - Cover	\$2,894.14
Sub Total	\$19,067.25
 2036 Fiscal Year	
Pool - Heater	\$7,014.02
Pool Area - Furniture	\$13,114.47
Spa - Filter	\$2,454.91
Streets - Asphalt, Repairs	\$14,804.94
Streets - Asphalt, Seal Coating	\$46,529.81
Sub Total	\$83,918.15
 2037 Fiscal Year	
Fitness/Pool House - Water Heater	\$1,715.81
Pool - Replaster & Retile	\$39,120.37
Pool Area - Mastic	\$1,291.37
Spa - Heater	\$6,231.08

Big Trout Condominiums

Annual Expenditure Detail

Sorted by Description

Sub Total	\$48,358.63
 2038 Fiscal Year	
Buildings - Siding, Vinyl	\$1,244,230.12
Fitness/Pool House - Access System	\$1,116.18
Fitness/Pool House - Air Conditioner	\$1,116.18
Fitness/Pool House - Interior, Vinyl Flooring	\$2,256.07
Grounds - Signage	\$9,301.47
Lighting - Fitness/Pool House, Exterior	\$1,711.47
Spa - Replaster & Retile	\$12,718.83
Sub Total	\$1,272,450.32
 2039 Fiscal Year	
Painting - Pool Metal Fencing	\$3,755.56
Painting - Metal Fencing	\$15,175.54
Sub Total	\$18,931.10
 2040 Fiscal Year	
Spa - Chemical Controller	\$8,304.85
Sub Total	\$8,304.85
 2041 Fiscal Year	
Fitness/Pool House - Appliances	\$1,626.24
Fitness/Pool House - Fitness Equipment	\$19,311.54
Streets - Asphalt, Repairs	\$17,162.98
Streets - Asphalt, Seal Coating	\$53,940.80
Sub Total	\$92,041.56
 2042 Fiscal Year	
Painting - Interior	\$7,620.51
Sub Total	\$7,620.51
 2043 Fiscal Year	
Pool Area - Mastic	\$1,541.96
Sub Total	\$1,541.96
 2044 Fiscal Year	
Painting - Pool Metal Fencing	\$4,353.73
Painting - Exterior, Trim	\$342,038.52
Pool - Filter	\$3,269.74
Sub Total	\$349,661.99

Big Trout Condominiums

Annual Expenditure Detail

Sorted by Description

2046 Fiscal Year

Landscape - Irrigation System	\$13,432.42
Streets - Asphalt, Repairs	\$19,896.60
Streets - Asphalt, Seal Coating	\$62,532.17
Sub Total	\$95,861.20

Big Trout Condominiums

Projections

Directed Cash Flow Calculation Method

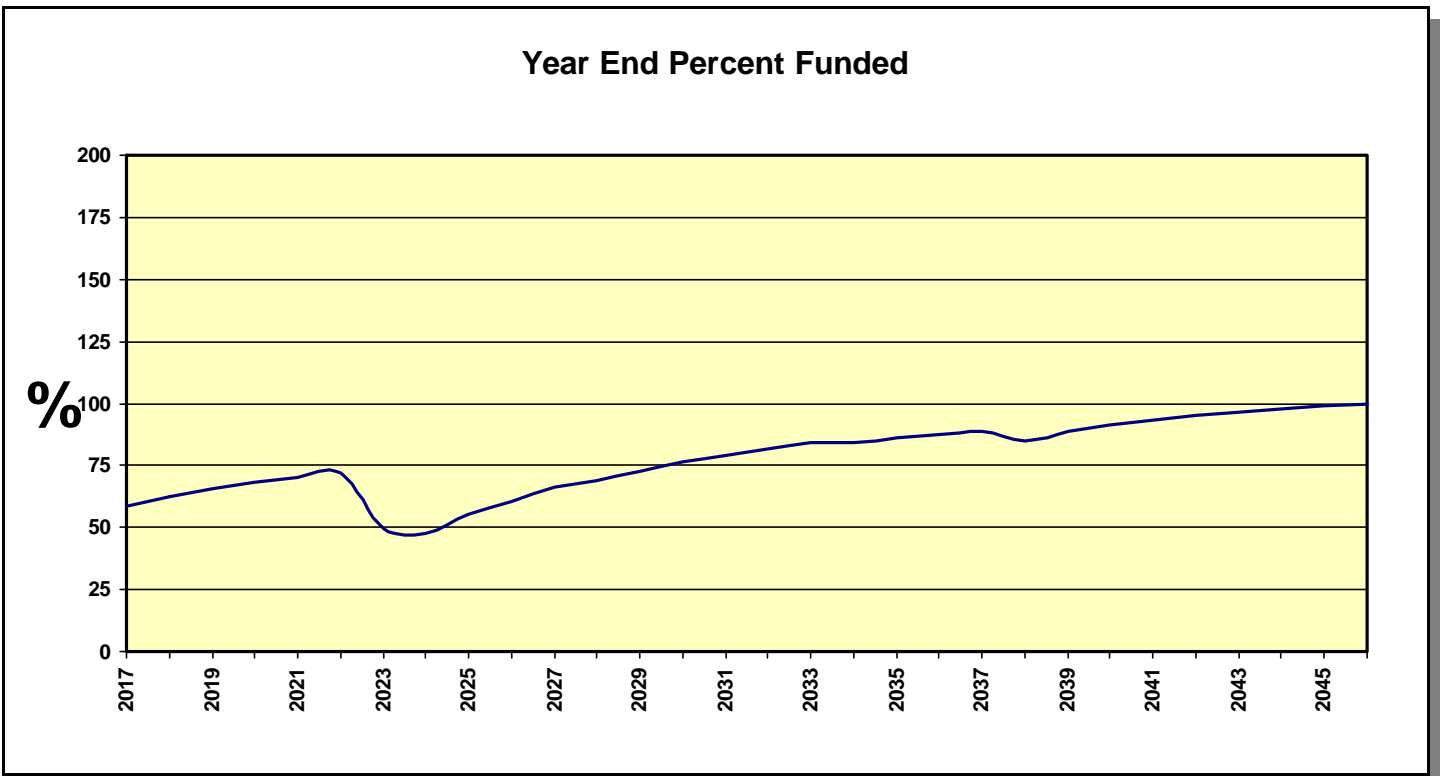
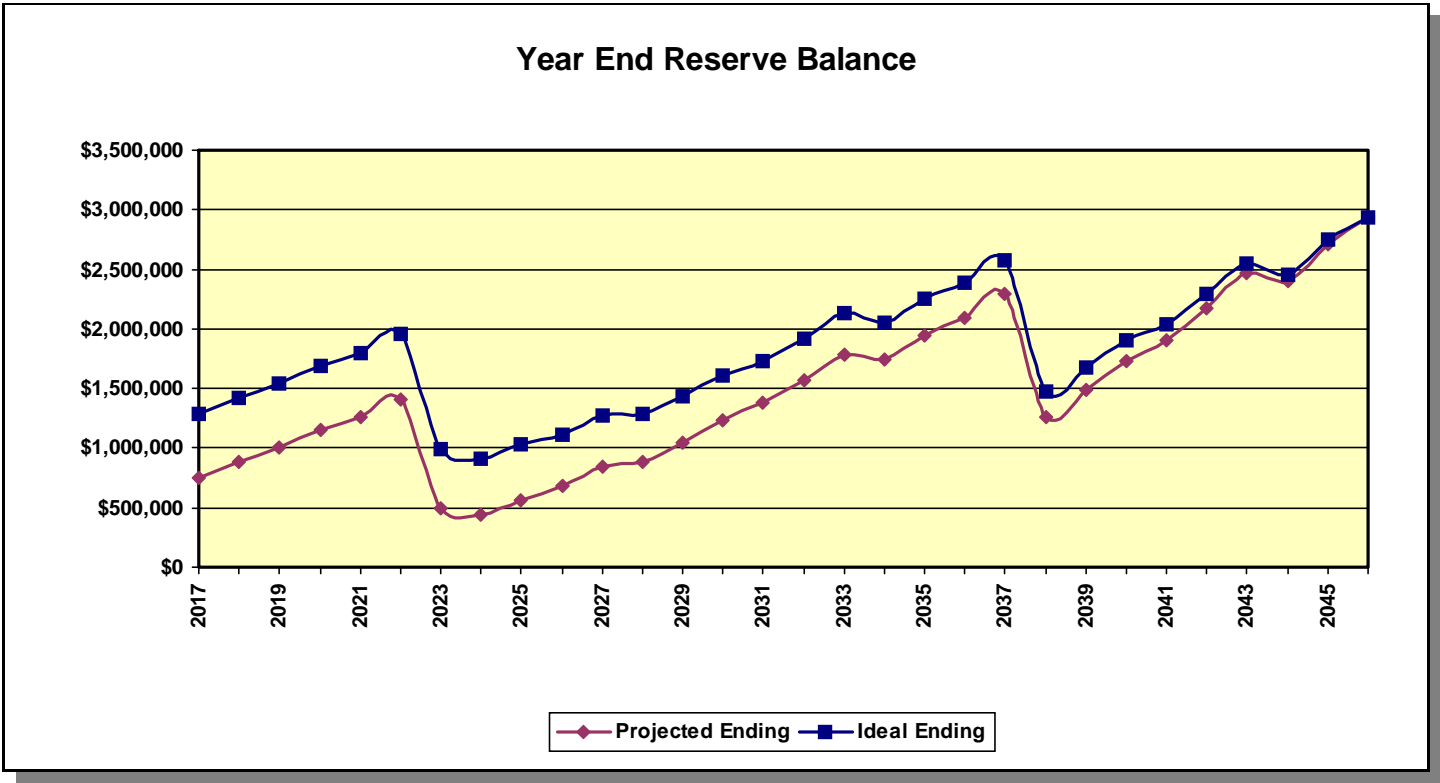
Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2017	\$632,253	\$121,830	\$7,204	\$5,200	\$756,087	\$1,289,267	59%
2018	\$756,087	\$125,485	\$8,512	\$6,716	\$883,368	\$1,416,686	62%
2019	\$883,368	\$129,249	\$9,825	\$11,240	\$1,011,203	\$1,545,916	65%
2020	\$1,011,203	\$133,127	\$11,275	\$3,466	\$1,152,138	\$1,690,229	68%
2021	\$1,152,138	\$137,121	\$12,402	\$39,368	\$1,262,293	\$1,803,073	70%
2022	\$1,262,293	\$141,234	\$13,885	\$10,827	\$1,406,586	\$1,952,686	72%
2023	\$1,406,586	\$145,471	\$4,300	\$1,065,551	\$490,807	\$990,931	50%
2024	\$490,807	\$149,836	\$3,711	\$207,629	\$436,725	\$912,923	48%
2025	\$436,725	\$154,331	\$5,054	\$28,344	\$567,765	\$1,026,085	55%
2026	\$567,765	\$158,961	\$6,182	\$54,560	\$678,348	\$1,118,276	61%
2027	\$678,348	\$163,729	\$7,885	\$5,913	\$844,049	\$1,268,421	67%
2028	\$844,049	\$168,641	\$8,306	\$133,916	\$887,080	\$1,290,939	69%
2029	\$887,080	\$173,700	\$9,894	\$28,772	\$1,041,903	\$1,429,477	73%
2030	\$1,041,903	\$178,911	\$11,856	\$0	\$1,232,671	\$1,606,604	77%
2031	\$1,232,671	\$184,279	\$13,325	\$53,989	\$1,376,286	\$1,735,796	79%
2032	\$1,376,286	\$189,807	\$15,353	\$7,964	\$1,573,482	\$1,921,840	82%
2033	\$1,573,482	\$195,501	\$17,545	\$0	\$1,786,528	\$2,126,186	84%
2034	\$1,786,528	\$201,366	\$17,002	\$267,170	\$1,737,727	\$2,057,624	84%
2035	\$1,737,727	\$207,407	\$19,134	\$19,067	\$1,945,202	\$2,254,749	86%
2036	\$1,945,202	\$213,630	\$20,669	\$83,918	\$2,095,582	\$2,393,656	88%
2037	\$2,095,582	\$220,039	\$22,662	\$48,359	\$2,289,923	\$2,579,264	89%
2038	\$2,289,923	\$226,640	\$11,829	\$1,272,450	\$1,255,942	\$1,476,755	85%
2039	\$1,255,942	\$233,439	\$14,178	\$18,931	\$1,484,628	\$1,676,131	89%
2040	\$1,484,628	\$240,442	\$16,737	\$8,305	\$1,733,501	\$1,898,016	91%
2041	\$1,733,501	\$247,655	\$18,514	\$92,042	\$1,907,629	\$2,043,134	93%
2042	\$1,907,629	\$255,085	\$21,278	\$7,621	\$2,176,371	\$2,287,742	95%
2043	\$2,176,371	\$262,738	\$24,214	\$1,542	\$2,461,781	\$2,551,879	96%
2044	\$2,461,781	\$270,620	\$23,590	\$349,662	\$2,406,329	\$2,460,534	98%
2045	\$2,406,329	\$278,738	\$26,734	\$0	\$2,711,801	\$2,743,497	99%
2046	\$2,711,801	\$287,100	\$28,986	\$95,861	\$2,932,026	\$2,939,524	100%

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

Big Trout Condominiums

Projection Charts

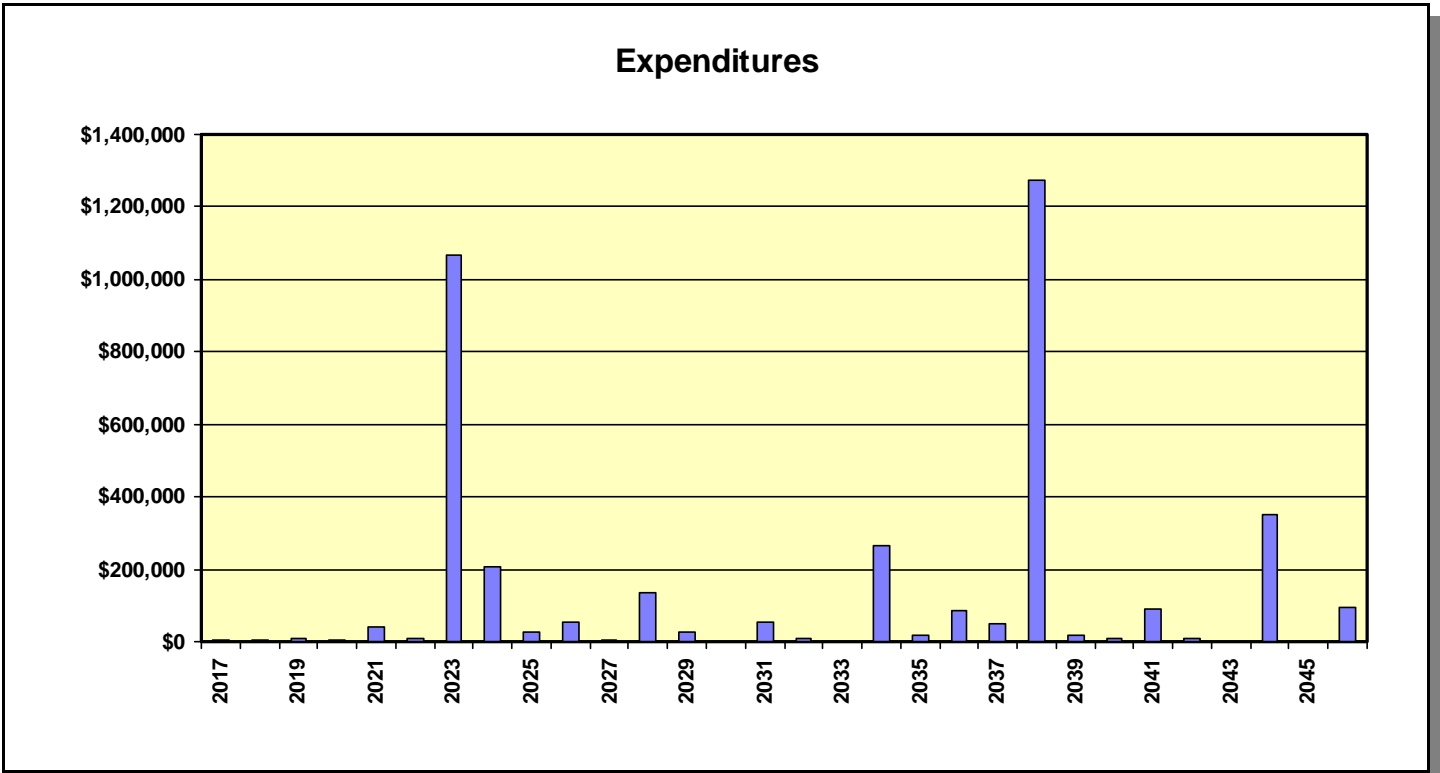
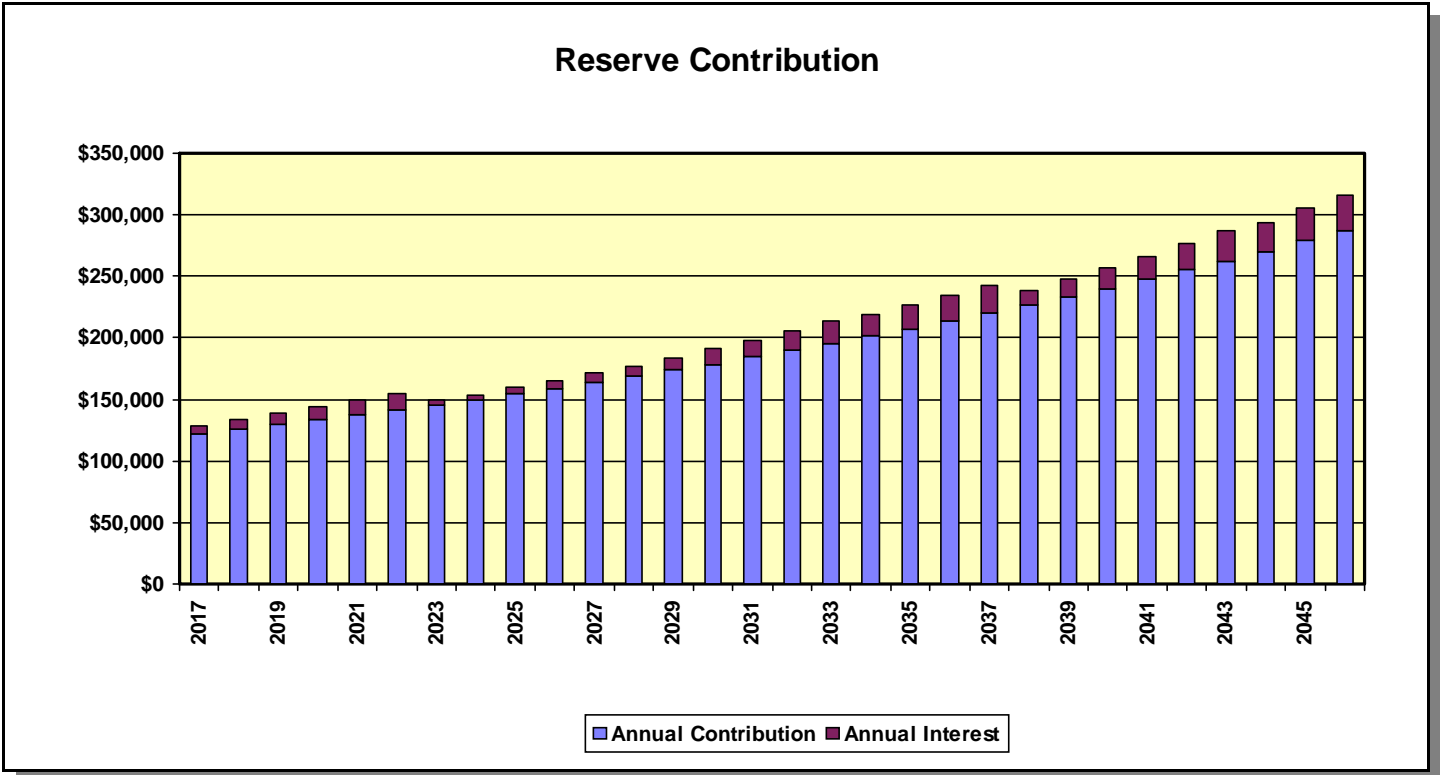
Directed Cash Flow Calculation Method



Big Trout Condominiums

Projection Charts

Directed Cash Flow Calculation Method



Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Streets - Asphalt, Overlay

Category	010 Streets & Drives	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$246,415.00
		% of Replacement	100.00%
		Current Cost	\$246,415.00
Placed In Service	01/98	Future Cost	\$294,232.40
Useful Life	25		
		Assigned Reserves at FYB	\$187,275.40
Remaining Life	6	Monthly Member Contribution	\$889.41
Replacement Year	2023	Monthly Interest Contribution	\$165.87
		Total Monthly Contribution	\$1,055.28

Comments:



9 - manhole cover adjustments	@	\$340.00	=	\$3,060.00
160,820 - sq. ft. of asphalt overlay	@	\$1.55	=	\$249,271.00
17 - valve cover adjustments	@	\$125.00	=	\$2,125.00
		TOTAL	=	<u>\$254,456.00</u>

Most asphalt areas can be expected to last approximately 20-25 years before it will become necessary for an overlay to be applied. This can double the life of the surface upon application. It will be necessary to adjust manhole and valve covers at the time the overlay is applied. Deflection testing should be conducted by an independent consultant near the end of the estimated useful life to determine the condition of the asphalt and estimated remaining life before the overlay is required.

In addition to this service, a consultant may be obtained to prepare the application specifications and to work with the contractor during actual installation. It is recommended that the client obtain bids for such a consultation near the end of the estimated useful life. As costs vary, a provision for this consulting has not been included in this cost estimate. Should the client request, this cost can be incorporated into this analysis.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Streets - Asphalt, Repairs

Category	010 Streets & Drives	Quantity	160,820 sq. ft.
Photo Date	July 6, 2017	Unit Cost	\$3.500
		% of Replacement	1.50%
		Current Cost	\$8,443.05
Placed In Service	06/16	Future Cost	\$9,502.73
Useful Life	5		
		Assigned Reserves at FYB	\$1,074.57
Remaining Life	4	Monthly Member Contribution	\$122.84
Replacement Year	2021	Monthly Interest Contribution	\$1.68
		Total Monthly Contribution	\$124.52

Comments:



It is estimated that a percentage of the asphalt areas will require repair or replacement. The actual condition of the asphalt should be monitored through time and these estimates adjusted accordingly.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Streets - Asphalt, Seal Coating

Category	010 Streets & Drives	Quantity	160,820 sq. ft.
Photo Date	July 6, 2017	Unit Cost	\$0.165
		% of Replacement	100.00%
		Current Cost	\$26,535.30
Placed In Service	06/16	Future Cost	\$29,865.71
Useful Life	5		
		Assigned Reserves at FYB	\$3,377.22
Remaining Life	4	Monthly Member Contribution	\$386.06
Replacement Year	2021	Monthly Interest Contribution	\$5.31
		Total Monthly Contribution	\$391.37

Comments:



The association had the asphalt seal coated and crack fill in 2016 at a cost of \$26,205.00.

Asphalt surfaces should be seal coated within 5 years of their initial installation. Thereafter, a 3 to 5 year cycle should be observed and adjusted according to the client's particular needs.

The unit cost includes any restriping that may be necessary.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Roofs - Composition Shingle

Category	020 Roofs	Quantity	172,635 sq. ft.
Photo Date	July 6, 2017	Unit Cost	\$3.550
		% of Replacement	100.00%
		Current Cost	\$612,854.25
Placed In Service	01/98	Future Cost	\$731,780.02
Useful Life	25		
		Assigned Reserves at FYB	\$377,511.07
Remaining Life	6	Monthly Member Contribution	\$3,094.03
Replacement Year	2023	Monthly Interest Contribution	\$342.53
		Total Monthly Contribution	\$3,436.56

Comments:



These are the composition roofs:

housing buildings	147,890 sq. ft.
carports	22,420 sq. ft.
pool house	2,325 sq. ft.
	<u>172,635 sq. ft.</u>

In order to ensure a high quality installation, the client may wish to obtain the services of an independent roofing consultant to work with the client and the roofing contractor providing installation. Consultants are available for the preparation of installation specifications and, if desired, to work with the contractor during the installation process. Fees for these services vary based on the size of the project and detail required by the client and have not been included in the cost used for this component. Should the client desire, a provision for a consultant can be incorporated into this analysis.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Painting - Pool Metal Fencing

Category	030 Painting	Quantity	1,225 sq. ft.
Photo Date	July 6, 2017	Unit Cost	\$1.600
		% of Replacement	100.00%
		Current Cost	\$1,960.00
Placed In Service	06/14	Future Cost	\$2,079.36
Useful Life	5		
		Assigned Reserves at FYB	\$1,104.73
Remaining Life	2	Monthly Member Contribution	\$29.02
Replacement Year	2019	Monthly Interest Contribution	\$1.13
		Total Monthly Contribution	\$30.15

Comments:



This is for painting of the metal fencing surfaces located throughout the community:

- 5ft pool fencing	1,225 sq. ft.
	1,225 sq. ft.

The association had the residential buildings, fitness center, pool house and fencing around pool stained and painted in 2014 at a cost of \$155,942.00.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Painting - Exterior, Trim

Category	030 Painting	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$153,982.00
		% of Replacement	100.00%
		Current Cost	\$153,982.00
Placed In Service	06/14	Future Cost	\$189,378.44
Useful Life	10		
		Assigned Reserves at FYB	\$0.00
Remaining Life	7	Monthly Member Contribution	\$1,492.67
Replacement Year	2024	Monthly Interest Contribution	\$9.35
		Total Monthly Contribution	\$1,502.02

Comments:



This is for painting of the exterior trim & railings:

housing buildings	55,875 sq. ft.
pool house	960 sq. ft.
carports	4,580 sq. ft.
	61,415 sq. ft.

The association had the residential buildings, fitness center, pool house and fencing around pool stained and painted in 2014 at a cost of \$155,942.00.

Paint life cycle is dependent upon the type of material being applied to, surface preparation, quality of paint, site and weather conditions. Repair, replace and re-caulk any damaged siding or trim.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Painting - Interior

Category	030 Painting	Quantity	3,033 sq. ft.
Photo Date	July 6, 2017	Unit Cost	\$1.200
		% of Replacement	100.00%
		Current Cost	\$3,639.60
Placed In Service	01/12	Future Cost	\$4,219.29
Useful Life	10		
		Assigned Reserves at FYB	\$1,819.80
Remaining Life	5	Monthly Member Contribution	\$26.44
Replacement Year	2022	Monthly Interest Contribution	\$1.72
		Total Monthly Contribution	\$28.17

Comments:



This is for interior painting of the fitness center & pool house.

Paint life cycle is dependent upon the type of material being applied to, surface preparation, quality of paint, site and weather conditions. Repair, replace and re-caulk any damaged siding or trim.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Painting - Metal Fencing

Category	030 Painting	Quantity	4,950 sq. ft.
Photo Date	July 6, 2017	Unit Cost	\$1.600
		% of Replacement	100.00%
		Current Cost	\$7,920.00
Placed In Service	06/09	Future Cost	\$8,402.33
Useful Life	10		
		Assigned Reserves at FYB	\$6,267.13
Remaining Life	2	Monthly Member Contribution	\$61.09
Replacement Year	2019	Monthly Interest Contribution	\$5.74
		Total Monthly Contribution	\$66.84

Comments:



This is for painting of the metal fencing surfaces located throughout the community:

- 3ft property line fencing	4,950 sq. ft.
	<u>4,950 sq. ft.</u>

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Lighting - Fitness/Pool House, Exterior

Category	040 Lighting	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$920.00
		% of Replacement	100.00%
		Current Cost	\$920.00
Placed In Service	01/98	Future Cost	\$947.60
Useful Life	20		
		Assigned Reserves at FYB	\$874.00
Remaining Life	1	Monthly Member Contribution	\$4.01
Replacement Year	2018	Monthly Interest Contribution	\$0.77
		Total Monthly Contribution	\$4.78

Comments:



These are the exterior lights located at the fitness/pool house:

10 - porch & patio lights*	@	\$80.00	=	\$800.00
1 - sensored flood lights*	@	\$120.00	=	\$120.00
		TOTAL	=	\$920.00

* Our cost is for the fixtures only.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Lighting - Fitness/Pool House, Interior

Category	040 Lighting	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$600.00
		% of Replacement	100.00%
		Current Cost	\$600.00
Placed In Service	01/98	Future Cost	\$830.54
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$3.84
Replacement Year	2028	Monthly Interest Contribution	\$0.02
		Total Monthly Contribution	\$3.86

Comments:



These are the interior lights located at the fitness/pool house:

6 - florecent lights	@	\$100.00	=	\$600.00
		TOTAL	=	<u>\$600.00</u>

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Lighting - Streets / Pool Area

Category	040 Lighting	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$27,000.00
		% of Replacement	100.00%
		Current Cost	\$27,000.00
Placed In Service	01/98	Future Cost	\$37,374.31
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$172.84
Replacement Year	2028	Monthly Interest Contribution	\$1.08
		Total Monthly Contribution	\$173.92

Comments:



These are the street lights located throughout the community:

13 - metal post street lights*	@	\$1,500.00	=	\$19,500.00
5 - metal post pool lights*	@	\$1,500.00	=	\$7,500.00
		TOTAL	=	<u>\$27,000.00</u>

Typically, budgeting for landscape and street lighting as a reserve component is excluded as it is anticipated that any repairs required will be addressed immediately due to safety concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point that they would become a major expense. Minor repairs, as needed, should be addressed immediately as a maintenance issue using the client's operating and/or reserve contingency funds. Should the client desire, funding for this component can be included.

* Our cost is for the fixtures only.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Buildings - Siding, Vinyl

Category	050 Buildings	Quantity	148,630 sq. ft.
Photo Date	July 6, 2017	Unit Cost	\$4.500
		% of Replacement	100.00%
		Current Cost	\$668,835.00
Placed In Service	01/98	Future Cost	\$1,244,230.12
Useful Life	40		
		Assigned Reserves at FYB	\$0.00
Remaining Life	21	Monthly Member Contribution	\$2,455.12
Replacement Year	2038	Monthly Interest Contribution	\$15.36
		Total Monthly Contribution	\$2,470.48

Comments:



This is for the vinyl siding located throughout the community:

housing buildings	136,160 sq. ft.
fitness center / pool house	2,950 sq. ft.
carports	9,520 sq. ft.
	<u>148,630 sq. ft.</u>

For the purpose of this report we assume the vinyl siding was installed to the Vinyl Manufacturers recommended installation standards.

Properly installed vinyl siding typically has a 50 year warranty against defects.

It is our experience that vinyl siding with southern and western exposure to UV light. May fade and or make the vinyl siding brittle, shortening its life expectance. Replacing damaged siding often leaves the building with a mis match appearance reducing the value of the property. For this reason we have reduced the life of this component.

As with any material, vinyl siding requires periodic maintenance to avoid water infiltration. In addition, periodic cleaning (power washing) should be planned for. Deficient fastening of the siding may cause additional warping in some sections.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Periodic inspections of the siding's weathering abilities should be made and compared to the warranty.

Fitness/Pool House - Access System

Category	060 Fitness Pool House	Quantity	3 entry keypad
Photo Date	July 6, 2017	Unit Cost	\$200.000
		% of Replacement	100.00%
		Current Cost	\$600.00
Placed In Service	01/08	Future Cost	\$618.00
Useful Life	10	Assigned Reserves at FYB	\$540.00
Remaining Life	1	Monthly Member Contribution	\$4.50
Replacement Year	2018	Monthly Interest Contribution	\$0.49
		Total Monthly Contribution	\$4.99

Comments:



These are the Schlage entry keypads located at the fitness center and pool house.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fitness/Pool House - Air Conditioner

Category	060 Fitness Pool House	Quantity	1 air conditioner
Photo Date	July 6, 2017	Unit Cost	\$600.000
		% of Replacement	100.00%
		Current Cost	\$600.00
Placed In Service	06/08	Future Cost	\$716.43
Useful Life	15		
		Assigned Reserves at FYB	\$353.14
Remaining Life	6	Monthly Member Contribution	\$3.19
Replacement Year	2023	Monthly Interest Contribution	\$0.32
		Total Monthly Contribution	\$3.51

Comments:



This is the wall mounted Frigidaire Air Conditioner located in the fitness center.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fitness/Pool House - Appliances

Category	060 Fitness Pool House	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$800.00
		% of Replacement	100.00%
		Current Cost	\$800.00
Placed In Service	01/98	Future Cost	\$1,140.61
Useful Life	12		
Adjustment	+5	Assigned Reserves at FYB	\$800.00
Remaining Life	0	Monthly Member Contribution	\$4.74
Replacement Year	2017	Monthly Interest Contribution	\$0.03
		Total Monthly Contribution	\$4.77

Comments:



This is the refrigerator located in the fitness center, office/storage room:

1 refrigerator	@	\$800.00	=	\$800.00
		TOTAL	=	\$800.00

The remaining life of this component has been extended due to its condition at our most recent site visit.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fitness/Pool House - Doors, Pedestrian

Category	060 Fitness Pool House	Quantity	1 doors
Photo Date	July 6, 2017	Unit Cost	\$2,250.00
		% of Replacement	100.00%
		Current Cost	\$2,250.00
Placed In Service	01/98	Future Cost	\$3,114.53
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$14.40
Replacement Year	2028	Monthly Interest Contribution	\$0.09
		Total Monthly Contribution	\$14.49

Comments:



These are the exterior doors located at the fitness center and pool house:

3 - 3' x 6'8" metal doors	@	\$350.00	=	\$1,050.00
2 - 3' x 6'8" fiberglass doors	@	\$600.00	=	\$1,200.00
		TOTAL	=	\$2,250.00

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fitness/Pool House - Fitness Equipment

Category	060 Fitness Pool House	Quantity	1 provision
Photo Date	July 6, 2017	Unit Cost	\$9,500.00
		% of Replacement	100.00%
		Current Cost	\$9,500.00
Placed In Service	06/17	Future Cost	\$11,343.50
Useful Life	6		
		Assigned Reserves at FYB	\$0.00
Remaining Life	6	Monthly Member Contribution	\$106.44
Replacement Year	2023	Monthly Interest Contribution	\$0.66
		Total Monthly Contribution	\$107.10

Comments:



These are the exercise equipment located in the fitness center:

- 1 - Precor EFX534i Elliptical
- 1 - Nautilus NE 3000 Elliptical
- 1 - Sports Art 530R Bike
- 1 - True PS900 Tread Mill
- 1 - Tuff Stuff Apollo 5 Weight Station

It is likely that this equipment will never require complete replacement at the same time. For the purposes of this analysis, we have provided a provision for a portion of this equipment to be replaced or augmented on a reasonably short cycle.

The association purchased a treadmill in 2016 at a cost of 3,359.00.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fitness/Pool House - Interior, Heating

Category	060 Fitness Pool House	Quantity	1 heaters
Photo Date	July 6, 2017	Unit Cost	\$1,400.00
		% of Replacement	100.00%
		Current Cost	\$1,400.00
Placed In Service	01/98	Future Cost	\$1,937.93
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$8.96
Replacement Year	2028	Monthly Interest Contribution	\$0.06
		Total Monthly Contribution	\$9.02

Comments:



These are the electric heaters located in the fitness center and pool house:

3 - cadet electric heaters	@	\$300.00	=	\$900.00
2 - baseboard electric heaters	@	\$250.00	=	\$500.00
		TOTAL	=	\$1,400.00

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fitness/Pool House - Interior, Vinyl Flooring

Category	060 Fitness Pool House	Quantity	210 sq. ft.
Photo Date	July 6, 2017	Unit Cost	\$5.500
		% of Replacement	105.00%
		Current Cost	\$1,212.75
		Future Cost	\$1,448.09
Placed In Service	01/98		
Useful Life	15		
Adjustment	+10	Assigned Reserves at FYB	\$921.69
Remaining Life	6	Monthly Member Contribution	\$4.38
Replacement Year	2023	Monthly Interest Contribution	\$0.82
		Total Monthly Contribution	\$5.20

Comments:



This is the vinyl flooring located at the office/storage in the fitness center.

The remaining life of this component has been extended due to its apparent infrequent use.

The measurement indicated represents the actual area to be replaced. The percentage of replacement has been increased above 100% to allow for a waste factor which should be considered when replacing this component.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fitness/Pool House - Plumbing Fixtures

Category	060 Fitness Pool House	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$6,350.00
		% of Replacement	100.00%
		Current Cost	\$6,350.00
Placed In Service	01/98	Future Cost	\$8,789.89
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$40.65
Replacement Year	2028	Monthly Interest Contribution	\$0.25
		Total Monthly Contribution	\$40.90

Comments:



These are the plumbing fixtures located at the pool house restrooms:

2 - toilets, tank type	@	\$525.00	=	\$1,050.00
2 - sinks, wall hung	@	\$550.00	=	\$1,100.00
2 - showers, ada	@	\$2,100.00	=	\$4,200.00
		TOTAL	=	\$6,350.00

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fitness/Pool House - Restroom Partitions

Category	060 Fitness Pool House	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$2,307.532
		% of Replacement	100.00%
		Current Cost	\$2,307.53
Placed In Service	01/98	Future Cost	\$3,194.16
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$14.77
Replacement Year	2028	Monthly Interest Contribution	\$0.10
		Total Monthly Contribution	\$14.87

Comments:



These are restroom partitions located in the pool house:

2 - toilet partitions	@	\$1,153.77	=	\$2,307.53
		TOTAL	=	\$2,307.53

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fitness/Pool House - Water Heater

Category	060 Fitness Pool House	Quantity	1 water heaters
Photo Date	July 6, 2017	Unit Cost	\$950.00
		% of Replacement	100.00%
		Current Cost	\$950.00
Placed In Service	01/98	Future Cost	\$1,276.72
Useful Life	10		
Adjustment	+6	Assigned Reserves at FYB	\$950.00
Remaining Life	0	Monthly Member Contribution	\$6.63
Replacement Year	2017	Monthly Interest Contribution	\$0.04
		Total Monthly Contribution	\$6.67

Comments:



This is the electric water heater located in the pool house mechanical room:

1 - 52 gallon electric water heater	@	\$950.00	=	\$950.00
		TOTAL	=	\$950.00

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fitness/Pool House - Windows

Category	060 Fitness Pool House	Quantity	13 window
Photo Date	July 6, 2017	Unit Cost	\$650.000
		% of Replacement	100.00%
		Current Cost	\$8,450.00
Placed In Service	01/98	Future Cost	\$11,696.78
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$54.09
Replacement Year	2028	Monthly Interest Contribution	\$0.34
		Total Monthly Contribution	\$54.43

Comments:



This is for the fitness/pool house windows. Cost is based off of an average of the window dimensions. Labor replacement is included in replacement cost.

Vinyl windows are considered to be a lifetime component if properly installed and maintained. Periodic window inspections and ongoing maintenance may prevent the necessity of a total building window replacement.

Window repairs, as needed, should be addressed immediately as a maintenance issue using the client's operating and/or reserve contingency fund.

For the purpose of this analysis we have budgeted for a total replacement of the windows.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Fencing - Metal

Category	070 Fencing	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$43,578.000
		% of Replacement	100.00%
		Current Cost	\$43,578.00
Placed In Service	01/98	Future Cost	\$60,322.14
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$278.97
Replacement Year	2028	Monthly Interest Contribution	\$1.74
		Total Monthly Contribution	\$280.71

Comments:



This is the metal fencing located throughout the community:

243	- lin. ft. of 5 ft. fence - pool area	@	\$28.00	=	\$6,804.00
1,675	- lin. ft. of 3 ft. fence - property line	@	\$26.00	=	\$43,550.00
			TOTAL	=	<u>\$50,354.00</u>

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Grounds - Mailboxes

Category	080 Grounds	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$21,800.00
		% of Replacement	100.00%
		Current Cost	\$21,800.00
Placed In Service	01/98	Future Cost	\$26,030.34
Useful Life	25		
		Assigned Reserves at FYB	\$16,568.00
Remaining Life	6	Monthly Member Contribution	\$78.68
Replacement Year	2023	Monthly Interest Contribution	\$14.67
		Total Monthly Contribution	\$93.36

Comments:



These are the pedestal metal mailbox sets located throughout the community:

12 - 16 box units	@	\$1,400.00	=	\$16,800.00
4 - 12 box units	@	\$1,250.00	=	\$5,000.00
		TOTAL	=	<u>\$21,800.00</u>

The mailbox sets currently installed may no longer be available. Our cost is for a similar product.

In some cases, the mailboxes currently installed may be the property of the U.S. Postal Service. However, the current policy of the U.S. Postal Service does not include replacement of these mailboxes.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Grounds - Signage

Category	080 Grounds	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$5,000.00
		% of Replacement	100.00%
		Current Cost	\$5,000.00
Placed In Service	01/98	Future Cost	\$5,150.00
Useful Life	20		
		Assigned Reserves at FYB	\$4,750.00
Remaining Life	1	Monthly Member Contribution	\$21.79
Replacement Year	2018	Monthly Interest Contribution	\$4.21
		Total Monthly Contribution	\$25.99

Comments:



These are the various signs located throughout the community:

2 - entry monuments - refurbish	@	\$2,500.00	=	\$5,000.00
		TOTAL	=	\$5,000.00

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Landscape - Irrigation System

Category	080 Grounds	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$5,700.000
		% of Replacement	100.00%
		Current Cost	\$5,700.00
Placed In Service	04/10	Future Cost	\$6,607.86
Useful Life	12		
		Assigned Reserves at FYB	\$3,274.47
Remaining Life	5	Monthly Member Contribution	\$36.27
Replacement Year	2022	Monthly Interest Contribution	\$3.03
		Total Monthly Contribution	\$39.30

Comments:



For the purposes of this analysis, we have budgeted for this equipment using general estimates based on our experience with similar equipment.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Pool - Cover

Category	090 Pools & Spas	Quantity	1 pool cover
Photo Date	July 6, 2017	Unit Cost	\$1,700.00
		% of Replacement	100.00%
		Current Cost	\$1,700.00
Placed In Service	01/05	Future Cost	\$1,857.64
Useful Life	15		
		Assigned Reserves at FYB	\$1,360.00
Remaining Life	3	Monthly Member Contribution	\$9.05
Replacement Year	2020	Monthly Interest Contribution	\$1.22
		Total Monthly Contribution	\$10.27

Comments:



This is for the winter pool cover.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Pool - Filter

Category	090 Pools & Spas	Quantity	1 filter
Photo Date	July 6, 2017	Unit Cost	\$1,472.00
		% of Replacement	100.00%
		Current Cost	\$1,472.00
Placed In Service	01/08	Future Cost	\$1,608.49
Useful Life	12		
		Assigned Reserves at FYB	\$1,104.00
Remaining Life	3	Monthly Member Contribution	\$9.35
Replacement Year	2020	Monthly Interest Contribution	\$1.00
		Total Monthly Contribution	\$10.36

Comments:



This is the Hayward Pro S360SX Sand Filter.

The association had the sand/gravel replaced in 2012 for a total of \$783.06

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Pool - Heater

Category	090 Pools & Spas	Quantity	1 heater
Photo Date	July 6, 2017	Unit Cost	\$4,000.000
		% of Replacement	100.00%
		Current Cost	\$4,000.00
Placed In Service	01/12	Future Cost	\$4,919.50
Useful Life	12		
		Assigned Reserves at FYB	\$0.00
Remaining Life	7	Monthly Member Contribution	\$38.78
Replacement Year	2024	Monthly Interest Contribution	\$0.24
		Total Monthly Contribution	\$39.02

Comments:



This is the Jandy LRZ400ENC 399,000 BTU pool heater.

The pool heater was replaced in 2012 at a cost of \$4,000.16.

The cost for this component has been provided by the client and incorporated into this analysis.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Pool - Replaster & Retile

Category	090 Pools & Spas	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$21,660.00
		% of Replacement	100.00%
		Current Cost	\$21,660.00
Placed In Service	05/13	Future Cost	\$27,438.24
Useful Life	12		
		Assigned Reserves at FYB	\$0.00
Remaining Life	8	Monthly Member Contribution	\$185.44
Replacement Year	2025	Monthly Interest Contribution	\$1.16
		Total Monthly Contribution	\$186.60

Comments:



This is for the replaster and retile of the pool:

1,630 - sq. ft. of replaster	@	\$12.00	=	\$19,560.00
140 - lin. ft. of trim tile	@	\$15.00	=	\$2,100.00
		TOTAL	=	<u>\$21,660.00</u>

The association had the pool refurbished May, 2013 for a cost of \$24,066.18.

The refurbishing included repairing cracks in the bottom of the pool, resurfacing the entire pool, replacing tile and cutting an expansion joint between the brick pool coping and the concrete pool deck.

The association had the grout replaced on the pool tile in 2016 at a cost of 3,032.00.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Pool Area - Furniture

Category	090 Pools & Spas	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$7,479.00
		% of Replacement	100.00%
		Current Cost	\$7,479.00
Placed In Service	01/12	Future Cost	\$9,198.23
Useful Life	12		
		Assigned Reserves at FYB	\$0.00
Remaining Life	7	Monthly Member Contribution	\$72.50
Replacement Year	2024	Monthly Interest Contribution	\$0.46
		Total Monthly Contribution	\$72.96

Comments:



This is the furniture located at the pool area:

16 - brunch chairs	@	\$110.00	=	\$1,760.00
12 - chaise lounges	@	\$240.00	=	\$2,880.00
4 - tea tables	@	\$85.00	=	\$340.00
3 - brunch tables	@	\$85.00	=	\$255.00
3 - garbage containers	@	\$150.00	=	\$450.00
2 - gas barbeques	@	\$762.00	=	\$1,524.00
1 - table umbrella	@	\$270.00	=	\$270.00
		TOTAL	=	\$7,479.00

The association had the barbecue's replaced in 2017 at a cost of \$1,512.00.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Pool Area - Mastic

Category	090 Pools & Spas	Quantity	130 lin. ft.
Photo Date	July 6, 2017	Unit Cost	\$5.500
		% of Replacement	100.00%
		Current Cost	\$715.00
Placed In Service	05/13	Future Cost	\$758.54
Useful Life	6		
		Assigned Reserves at FYB	\$462.65
Remaining Life	2	Monthly Member Contribution	\$8.73
Replacement Year	2019	Monthly Interest Contribution	\$0.45
		Total Monthly Contribution	\$9.18

Comments:



The pool was originally built without an expansion joint between the pool coping and concrete pool deck. Part of the pool refurbishing in 2013 was cutting in an expansion joint in the pool deck.

Mastic material (deck caulking) prevents moisture from seeping through the expansion joints in the concrete pool deck, which otherwise could result in cracking these surfaces. The mastic material should be carefully monitored for deterioration and replaced as soon as waterproofing integrity is lost.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Spa - Chemical Controller

Category	090 Pools & Spas	Quantity	1 Chemical Controller
Photo Date	July 6, 2017	Unit Cost	\$4,208.00
		% of Replacement	100.00%
		Current Cost	\$4,208.00
Placed In Service	06/16	Future Cost	\$5,824.86
Useful Life	12		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$26.94
Replacement Year	2028	Monthly Interest Contribution	\$0.17
		Total Monthly Contribution	\$27.10

Comments:



The association replaced the spa chemical controller in 2016 at a cost of \$4,208.00.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Spa - Filter

Category	090 Pools & Spas	Quantity	1 filter
Photo Date	July 6, 2017	Unit Cost	\$1,400.00
		% of Replacement	100.00%
		Current Cost	\$1,400.00
Placed In Service	01/12	Future Cost	\$1,721.82
Useful Life	12		
		Assigned Reserves at FYB	\$0.00
Remaining Life	7	Monthly Member Contribution	\$13.57
Replacement Year	2024	Monthly Interest Contribution	\$0.09
		Total Monthly Contribution	\$13.66

Comments:



This is the Pentair CCP 320 spa filter.

The spa filter was replaced in 2012 at a cost of \$1,400.00.

The cost for this component has been provided by the client and incorporated into this analysis.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Spa - Heater

Category	090 Pools & Spas	Quantity	1 heater
Photo Date	July 6, 2017	Unit Cost	\$3,450.00
		% of Replacement	100.00%
		Current Cost	\$3,450.00
Placed In Service	01/05	Future Cost	\$4,636.51
Useful Life	10		
		Assigned Reserves at FYB	\$3,450.00
Remaining Life	0	Monthly Member Contribution	\$24.07
Replacement Year	2017	Monthly Interest Contribution	\$0.15
		Total Monthly Contribution	\$24.22

Comments:



This is the Laars Lite 2 LD250NX spa heater.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Spa - Replaster & Retile

Category	090 Pools & Spas	Quantity	1 total
Photo Date	July 6, 2017	Unit Cost	\$6,837.00
		% of Replacement	100.00%
		Current Cost	\$6,837.00
Placed In Service	06/14	Future Cost	\$8,920.73
Useful Life	12		
		Assigned Reserves at FYB	\$0.00
Remaining Life	9	Monthly Member Contribution	\$52.52
Replacement Year	2026	Monthly Interest Contribution	\$0.33
		Total Monthly Contribution	\$52.85

Comments:



This is for the retile of the spa.

The tile and grout lines should be periodically inspected and any damaged grout lines refilled and sealed to help maintain the integrity of the component.

The association had the spa retiled in 2014 at a cost of \$6,837.00.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Unfunded - Building Balconies

Category	100 Unfunded	Quantity	1 comment
Photo Date	July 6, 2017	Unit Cost	\$0.00
		% of Replacement	100.00%
		Current Cost	\$0.00
Placed In Service	01/98	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



At our July 6, 2017 site visit many of the metal balconies need to be painted to protect the metal.

Balconies are considered a Limited Common Area. Big Trout Condominiums Association CC&Rs Article 3 section 3.5. Repair and Maintenance states "to the extent that the Limited Common Elements are maintained by individual Unit Owners pursuant to Section 5.2

Balcony decks are subject to premature aging and deterioration due to numerous causes. It is recommended that the client have the decks inspected periodically by a qualified licensed contractor specializing in decks to determine condition and to obtain recommendations for current and future maintenance.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Unfunded - Grounds (Concrete Installations)

Category	100 Unfunded	Quantity	1 comment
Photo Date	July 6, 2017	Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/98	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



Please refer to our comments in the Consultant's Disclosure regarding unfunded components.

These are the typical sidewalks, curbs, and drainage swales located throughout the community.

In some cases, the concrete installations may be owned and maintained by others.

Normally, budgeting for concrete repairs as a reserve component is excluded as it is anticipated that any repairs required will be addressed immediately due to safety concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point that they would become a major expense. Minor repairs, as needed, should be addressed immediately as a maintenance issue using the client's operating and/or reserve contingency funds.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Unfunded - Pool Area (Concrete Deck)

Category	100 Unfunded	Quantity	1 comment
Photo Date	July 6, 2017	Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/98	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



Please refer to our comments in the Consultant's Disclosure regarding unfunded components.

Typically, budgeting for concrete pool decks as a reserve component is excluded as it is anticipated that any repairs required will be addressed immediately due to safety concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point that they would become a major expense. Minor repairs, as needed, should be addressed immediately as a maintenance issue using the client's operating and/or reserve contingency funds.

Big Trout Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Unfunded Buildings - Windows

Category	100 Unfunded	Quantity	1 comment
Photo Date	July 6, 2017	Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/98	Future Cost	\$0.00
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$0.00
Replacement Year	2028	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



Windows are considered a Limited Common Area. Big Trout Condominiums Association CC&Rs Article 3 section 3.5. Repair and Maintenance states "to the extent that the Limited Common Elements are maintained by individual Unit Owners pursuant to Section 5.2

Vinyl windows are considered to be a lifetime component if properly installed and maintained. Periodic window inspections and ongoing maintenance may prevent the necessity of a total building window replacement.

Window repairs, as needed, should be addressed immediately as a maintenance issue using the client's operating and/or reserve contingency fund.

Big Trout Condominiums

Detail Report Index

	Page
Buildings - Siding, Vinyl	30
Fencing - Metal	42
Fitness/Pool House - Access System	31
Fitness/Pool House - Air Conditioner	32
Fitness/Pool House - Appliances	33
Fitness/Pool House - Doors, Pedestrian	34
Fitness/Pool House - Fitness Equipment	35
Fitness/Pool House - Interior, Heating	36
Fitness/Pool House - Interior, Vinyl Flooring	37
Fitness/Pool House - Plumbing Fixtures	38
Fitness/Pool House - Restroom Partitions	39
Fitness/Pool House - Water Heater	40
Fitness/Pool House - Windows	41
Grounds - Mailboxes	43
Grounds - Signage	44
Landscape - Irrigation System	45
Lighting - Fitness/Pool House, Exterior	27
Lighting - Fitness/Pool House, Interior	28
Lighting - Streets / Pool Area	29
Painting - Pool Metal Fencing	23
Painting - Exterior, Trim	24
Painting - Interior	25
Painting - Metal Fencing	26
Pool - Cover	46
Pool - Filter	47
Pool - Heater	48
Pool - Replaster & Retile	49
Pool Area - Furniture	50
Pool Area - Mastic	51
Roofs - Composition Shingle	22
Spa - Chemical Controller	52
Spa - Filter	53
Spa - Heater	54
Spa - Replaster & Retile	55
Streets - Asphalt, Overlay	19
Streets - Asphalt, Repairs	20
Streets - Asphalt, Seal Coating	21
Unfunded - Building Balconies	56
Unfunded - Grounds (Concrete Installations)	57
Unfunded - Pool Area (Concrete Deck)	58
Unfunded Buildings - Windows	59

Big Trout Condominiums

Detail Report Index

Page

Number of components included in this reserve analysis is 41.