

2020 Reserve Study & Maintenance Plan

Pebble Creek Condominiums

Vancouver, Washington

Prepared By:

Regenesis Reserves

Report Issued Date:

July 30, 2019

Site Inspection Date:

No Site Inspection Completed

July 30, 2019

Adna Trnjanin
Phone (360) 695-1538

RE: Pebble Creek Condominiums

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

RESERVE FUNDING OPTIONS

In an effort to provide the best and most useful information to the board, our reserve study software offers customizable funding plans. That means if the board has a different funding plan in mind than the one we recommend, we can produce that plan.

There are many approaches to funding reserves but it is recommended that Full (100%) Funding be pursued because it is most likely to avoid special assessments and it shares costs fairly among all members along the 30-year time line. Due to fluctuating inflation rates, investment rates, component costs, starting balances and useful life adjustments, the Percent Funded level will fluctuate (sometimes dramatically) from year to year. The Funding Plan takes these factors into consideration, make adjustment to the Annual Contribution and charts a new course toward Full (100%) Funding.

Type of Reserve Study Performed

A Level III Reserve Study Update with No Site Inspection was performed for this report.

Reserve Account Starting Balance

Effective the start of the 2020 fiscal year, based on information provided by client, the Projected Starting Reserve Balance is **\$30,430** versus the Fully Funded/Ideal Starting Balance is **\$1,310,901**.

Percent Funded

This homeowner association is currently **2% Funded** (Actual Starting Balance divided by Ideal Starting Balance.) 0-35%=Weak; 36-70%=Fair; 71-100%=Strong

Recommended Funding Plan Summary

A contribution of **\$320,000** is recommended for the **2020 Fiscal Year** (See funding plan for future year recommendations). Following this Recommended Funding Plan will adjust the level of reserves to **100% funded in 10 years**, then maintain 100% funded moving forward.

Information needed by the board to comply with RCW 64.34.308 (Budget disclosure requirements) is located within the Funding Plan Summary. If the board plans to implement an Annual Contribution

amount different than what is recommended in the Funding Plan Summary, the board must provide Regenesi s with that amount in order to generate a revised funding plan.

State of Washington Required Funding Plan Reports

Based on Washington requirements, there are two additional Funding Plans:

1. **Full Funding Plan** to achieve 100% funded reserves by the end of the 30 year study period. See Fully Funded at 30 Years worksheet.
2. **Baseline Funding Plan** to maintain the reserve balance above zero throughout the 30 year study period without special assessments. See Baseline Funding worksheet.

Special Assessments

Based on current information, and assuming the board follows the Recommended Funding Plan Contributions, a Special Assessment is not anticipated; however, this will require a significant increase in yearly contributions to the Reserves. Fully funding the Reserves can be achieved in several ways: Special Assessment, increase in annual contributions, financial loan, or a combination of any of the three. It is important to note that bank loans for associations are considered “commercial loans” and carry a relatively high interest rate, they also position the board to become debt collectors and therefore should only be considered if necessary.

The projections show significant, and needed, modifications (most notably siding replacement) in the coming years. We highly recommend that an assessment of the existing siding be conducted to determine the urgency and associated costs as this is a driving factor in what needs to be reserved. We anticipate the results of such investigation will coincide with our projections and as such MAJOR expenditures are anticipated in the next 10 years. Please review the assumptions, our Recommended Contributions and anticipated upcoming Expenditures. Lastly, I recommend that the board take advantage of our offer to discuss the results of this report (included in the current contract with Regenesi s Reserves).

Reserve Study Disclosure Required by Washington Statute:

“This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special assessment your share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.”

Interest Yield on Reserves

A **0.05% Yield** is projected based on the current rate of return on your invested reserves. One of the benefits of the reserve study is it provides information needed to improve reserves investment returns. Investing reserves in CDs of differing maturities like 1 year, 3 year and 5 year based on when liquid funds will be needed will improve the average yield. A 1.5% average yield is achievable in the

REGENESIS RESERVES

Reserve Study Consultants
Oregon | Washington

current market. If this rate was used in the projections, **\$258,688** in Interest Income would result over the 30 year projection period versus **\$8,623** produced by the current yield. Bottom Line: Increased Interest Income will lower owner contributions.

Inflation Rate

2.11% inflation rate was used based on the most recent 15-year average published by www.inflationdata.com

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

Washington Sales Tax

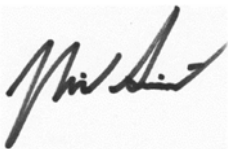
All component costs have sales tax built in.

Annual Review & Update Service. An annual review and update of the Reserve Study is required by statute and necessary for continued accuracy. A review and update provides a new 30-year projection with current inflation factor, investment rates and any known component cost changes. **The board has approved a 2021 No Site Inspection Update for \$599. Please remember to include this cost in the annual budget.**

The Regenes Report (FREE) Monthly newsletter considered to be the best HOA resource available. To subscribe, email info@regenes.net.

It's been my pleasure to provide this valuable financial and maintenance planning information. I can be available by teleconference, for up to one hour, to review this reserve study, answer questions and make revisions that are indicated. Tuesday, Wednesday or Thursday are generally my best available days. Please contact me to arrange a meeting.

Regards,



Michael B. Stewart PRA
PROFESSIONAL RESERVE ANALYST



Reserve Study

Table of Contents

METHODOLOGY

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

LIMITATIONS & ASSUMPTIONS

Explains what a Reserve Study does and does not do.

WORKSHEET REPORT

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

FUNDING PLAN SUMMARY REPORT

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

ANNUAL EXPENDITURES REPORT

Chronological repair and replacement schedule

STARTING BALANCE FUNDS DISTRIBUTION

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

Reserve Study Methodology

DEFINITION

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

RESERVE STUDY CRITERIA

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

FUNDING PLAN CRITERIA

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

SOURCES OF INFORMATION (as applicable):

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

To remain accurate, the Reserve Study must be updated annually

Reserve Study

Limitations & Assumptions

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

| Item Description | # of Items | Unit | Current Item Cost | Future Replacement Cost | Year Built | Useful Life | Year Replace | Life Left | One Time? |
|--|------------|--------|-------------------|-------------------------|------------|-------------|--------------|-----------|-----------|
| Barkdust | 1 | Total | \$ 6,000.00 | \$ 6,127 | 2017 | 3 | 2020 | 1 | No |
| Comments: 2018: Originally scheduled for 2018. Base year "Year Built" reflected is start of repair budget cycle. | | | | | | | | | |
| Concrete Safety Repair | 1 | Total | \$ 5,000.00 | \$ 5,550 | 2019 | 5 | 2024 | 5 | No |
| Comments: Use this fund as needed over a 5 year period to Inspect all flatwork and sidewalks for tripping hazards of 3/8" or more. Grind down or remove and replace selected sections as needed over a 5 year period; list year, work done and cost here. 2019: Sidewalk repair completed by Key Property Services at a cost of \$63. 2018: Manger reported that repairs to be completed due to observations from insurance risk assessment. Cost of work unknown at this time. | | | | | | | | | |
| Crawlspace-Repair-2019 | 1 | Total | \$ - | \$ - | 2019 | 50 | 2069 | 50 | Yes |
| Comments: Work completed is assumed to have addressed all repair needs, no reports of future work to be completed. Cost is considered a one time item. 2019: Completed at a cost of \$4,045. | | | | | | | | | |
| Deck-Entry-Wood-Rails | 1,404 | Sq.Ft. | \$ 12.00 | \$ 37,251 | 2017 | 40 | 2057 | 38 | No |
| Deck-Entry-Wood-Sub Structure | 3,536 | Sq.Ft. | \$ 12.00 | \$ 61,791 | 2017 | 20 | 2037 | 18 | No |
| Deck-Entry-Wood-Top Boards | 3,536 | Sq.Ft. | \$ 15.00 | \$ 77,238 | 2017 | 20 | 2037 | 18 | No |
| Comments: 26 total entry decks. 2016-2017: Entry decks replaced at an average cost of \$4,500/each | | | | | | | | | |
| Deck-Rear-Wood-Rails | 780 | Ln.Ft. | \$ 12.00 | \$ 20,695 | 2017 | 40 | 2057 | 38 | No |
| Deck-Rear-Wood-Sub Structure | 2,400 | Sq.Ft. | \$ 12.00 | \$ 41,939 | 2017 | 20 | 2037 | 18 | No |
| Deck-Rear-Wood-Top Boards | 2,400 | Sq.Ft. | \$ 15.00 | \$ 52,424 | 2017 | 20 | 2037 | 18 | No |
| Comments: 30 total rear decks. 2016-2017: Rear decks replaced at an average cost of \$2,500/each | | | | | | | | | |

| Item Description | # of Items | Unit | Current Item Cost | Future Replacement Cost | Year Built | Useful Life | Year Replace | Life Left | One Time? |
|--|------------|--------|-------------------|-------------------------|------------|-------------|--------------|-----------|-----------|
| Fence-Chainlink-48" Comments: Located at central garden | 174 | Ln.Ft. | \$ 29.00 | \$ 6,349 | 1990 | 40 | 2030 | 11 | No |
| Fence-Vinyl-2 Rail | 625 | Ln.Ft. | \$ 30.00 | \$ 24,597 | 2007 | 25 | 2032 | 13 | No |
| Fence-Wood | 164 | Ln.Ft. | \$ 37.00 | \$ 6,327 | 2001 | 20 | 2021 | 2 | No |
| Garage Doors | 6 | Total | \$ 800.00 | \$ 5,673 | 1997 | 30 | 2027 | 8 | No |
| Garden Shed Comments: Located at central garden | 1 | Total | \$ 2,500.00 | \$ 3,146 | 1990 | 40 | 2030 | 11 | No |
| Handrail-Wood Comments: Located throughout the property at concrete stairs. Recommend replacement with metal hand rails. Cost here reflects wood, if metal is desired, revise budget cost accordingly. 2018: Manger reported that repairs/replacements to be completed due to observations from insurance risk assessment. Cost of work unknown at this time. | 83 | Ln.Ft. | \$ 25.00 | \$ 3,085 | 2018 | 20 | 2038 | 19 | No |
| Landscape Renovation Comments: For landscape projects outside regular maintenance needs such as plant removal/replacement or drainage correction. Renovation work should be recorded here including description of work, year completed and cost to assist with estimating future needs. | 1 | Total | \$ 4,000.00 | \$ 4,259 | 2017 | 5 | 2022 | 3 | No |
| Landscape-Irrigation-System Comments: Repairs and replacements of individual components of the irrigation system are completed as needed by landscape duties and are paid for out of Operating Budget. An irrigation system replacement generally is not warranted, as the system as a whole does not fail. If it is determined that a new irrigation system is warranted, or a major repair/renovation is needed, add the cost and replacement date here. | 1 | Total | \$ - | \$ - | 2017 | 50 | 2067 | 48 | No |

| Item Description | # of Items | Unit | Current Item Cost | Future Replacement Cost | Year Built | Useful Life | Year Replace | Life Left | One Time? |
|---|------------|----------|-------------------|-------------------------|------------|-------------|--------------|-----------|-----------|
| Lights-Exterior | 86 | Fixtures | \$ - | \$ - | 2017 | 50 | 2067 | 48 | No |
| <p>Comments: This component will serve as a budget fund for replacement of remaining light fixtures as needed. Recommend that the board make efforts to perform work in lump sums in order to reduce varying useful life and contractor mobilization costs. Also, recommend at the time of replacement board consult vendors to perform a fixture replacement energy audit. 2017: Reported that fixtures being replaced as needed. Approximately 1/3 have been replaced.</p> | | | | | | | | | |
| Lights-Exterior-Carport | 40 | Fixtures | \$ 75.00 | \$ 3,063 | 1990 | 30 | 2020 | 1 | No |
| Lights-Exterior-Pole/Globe | 18 | Fixtures | \$ 150.00 | \$ 2,875 | 1997 | 25 | 2022 | 3 | No |
| Mailboxes | 52 | Units | \$ 140.00 | \$ 12,793 | 2016 | 30 | 2046 | 27 | No |
| Mold Remediation | 1 | Total | \$ - | \$ - | 2019 | 50 | 2069 | 50 | Yes |
| <p>Comments: Work completed is assumed to have addressed all repair needs, no reports of future work to be completed. Cost is considered a one time item. 2019: Completed by Odoms Home Remediation at a cost of \$1,626.</p> | | | | | | | | | |
| Paint-Exterior-Building-2021 | 52 | Units | \$ 2,200.00 | \$ 119,279 | 2011 | 10 | 2021 | 2 | Yes |
| <p>Comments: Originally scheduled for completion in 2019. Next paint cycle included with the siding replacement see Siding-Replacement. Includes all paintable surfaces on buildings, carports and garage To occur after siding repairs in 2018. Next paint cycle (2026) included with siding replacement budget. 2018: Scheduled for completion.</p> | | | | | | | | | |
| Paint-Exterior-Building-After New Siding | 52 | Units | \$ 2,200.00 | \$ 214,030 | 2041 | 8 | 2049 | 30 | No |
| <p>Comments: Includes all paintable surfaces on buildings, carports and garage This budget paint cycle begins after siding replacement in 2026</p> | | | | | | | | | |
| Paint-Exterior-Carport & Garage | 52 | Units | \$ 200.00 | \$ 10,844 | 2011 | 10 | 2021 | 2 | No |
| <p>Comments: Originally scheduled for completion in 2019</p> | | | | | | | | | |

| Item Description | # of Items | Unit | Current Item Cost | Future Replacement Cost | Year Built | Useful Life | Year Replace | Life Left | One Time? |
|---|------------|---------|-------------------|-------------------------|------------|-------------|--------------|-----------|-----------|
| Parking Stops | 1 | Total | \$ 1,500.00 | \$ 1,700 | 2019 | 6 | 2025 | 6 | No |
| <p>Comments: Budget to repair/replace as needed over next 6 year period. If a global replacement is warranted, revise the reserve budget accordingly.</p> <p>2019: Parking stops were added per insurance request on the main carport. Cement parking stops were damaged and replaced with rubber stops. Replaced 3 rubber stops at visitor parking and 6 on the carport at a cost of \$1,495.</p> | | | | | | | | | |
| Paving-Asphalt-Overlay-Phase 1 | 3,900 | Sq.Ft. | \$ 2.50 | \$ 14,198 | 2007 | 30 | 2037 | 18 | No |
| <p>Comments: Approximately 3,900 sf of paving appears to have been overlaid within the last 10 years.</p> | | | | | | | | | |
| Paving-Asphalt-Overlay-Phase 2 | 16,071 | Sq.Ft. | \$ 2.50 | \$ 47,482 | 1997 | 30 | 2027 | 8 | No |
| Paving-Asphalt-Repair, & Sealcoat-Shared | 19,971 | Sq.Ft. | \$ 0.30 | \$ 6,247 | 2016 | 5 | 2021 | 2 | No |
| <p>Comments: Originally scheduled for completion in 2019</p> <p>Asphalt is a porous material that is deteriorated by water, dirt, oil and sunlight. To protect it from the elements, a sealcoating should be applied as paint is applied to siding. Sealcoating will seal against water, protect against UV rays which break it down, keep the asphalt from drying out and extend its useful life. It is highly recommended that two coats be applied to achieve the estimated useful life. Restriping (if applicable) included in the cost.</p> | | | | | | | | | |
| Paving-Shared-Overlay | 4,221 | Sq.Ft. | \$ 2.50 | \$ 13,277 | 2000 | 30 | 2030 | 11 | No |
| Paving-Shared-Repair & Sealcoat | 4,221 | Sq.Ft. | \$ 0.30 | \$ 1,320 | 2016 | 5 | 2021 | 2 | No |
| <p>Comments: Originally scheduled for completion in 2019</p> | | | | | | | | | |
| Rails-Metal-Paint | 182 | Ln.Ft. | \$ 11.00 | \$ 2,044 | 2012 | 8 | 2020 | 1 | No |
| <p>Comments: Originally scheduled for completion in 2019</p> | | | | | | | | | |
| Rails-Metal-Replace | 182 | Ln.Ft. | \$ 65.00 | \$ 18,341 | 2000 | 40 | 2040 | 21 | No |
| Roof-Chimney Caps | 52 | Units | \$ 325.00 | \$ 17,257 | 1990 | 30 | 2020 | 1 | No |
| Roof-Composition-Building | 325 | Squares | \$ 450.00 | \$ 149,336 | 1990 | 30 | 2020 | 1 | No |
| <p>Comments: Budget cost of replacement is based on removal and replacement of single layer roof with a 30 year composition shingle.</p> <p>2018: Roof repairs scheduled for completion. Scope of work and contractor unknown, cost estimated at \$25,000.</p> <p>2017: Roof quantity obtained using satellite imagery (Eagle View Technology) of a typical building extrapolated to derive a total quantity.</p> | | | | | | | | | |
| Roof-Composition-Carport & Garage | 114 | Squares | \$ 400.00 | \$ 46,562 | 1990 | 30 | 2020 | 1 | No |

| Item Description | # of Items | Unit | Current Item Cost | Future Replacement Cost | Year Built | Useful Life | Year Replace | Life Left | One Time? |
|--|------------|--------|-------------------|-------------------------|------------|-------------|--------------|-----------|-----------|
| Roof-Gutters & Downspouts | 5,908 | Ln.Ft. | \$ 6.50 | \$ 39,212 | 1990 | 30 | 2020 | 1 | No |
| <p>Comments: Includes all buildings, carports and garage. Gutters: 3,484 lf Downspouts: 2,424 lf 2017: Gutter and downspout quantity obtained using satellite imagery (Eagle View Technology) of a typical building extrapolated to derive a total quantity.</p> | | | | | | | | | |
| Siding & Trim Repair | 52 | Units | \$ 250.00 | \$ 15,363 | 2019 | 8 | 2027 | 8 | No |
| <p>Comments: 2019: Siding repair and dry rot repair completed by Key Property Services at a total cost of \$12,548 (\$241/unit). Scope of work includes paint. 2018: Siding repairs scheduled for completion this year. Extent of work and cost unknown. 2017: Manager reported siding and trim repair scheduled for completion in 2017 & 2018 at an estimated amount of \$15,000/year, intent to postpone a siding replacement until the next paint cycle.</p> | | | | | | | | | |
| Siding-Inspection | 1 | Total | \$ 3,500.00 | \$ 3,574 | 2018 | 2 | 2020 | 1 | Yes |
| <p>Comments: A siding assessment provides information regarding the performance of the building enclosure components, identifies areas of concern and provides the information needed to create appropriate planning for the building's maintenance and repair. If it is deemed that a replacement of the siding (or portions of it) will be necessary within the next 30 years, a replacement line item should be added to the reserve budget.</p> | | | | | | | | | |

| Item Description | # of Items | Unit | Current Item Cost | Future Replacement Cost | Year Built | Useful Life | Year Replace | Life Left | One Time? |
|------------------|------------|-------|-------------------|-------------------------|------------|-------------|--------------|-----------|-----------|
| Siding-Replace | 52 | Units | \$ 14,000.00 | \$ 935,299 | 1971 | 60 | 2031 | 12 | Yes |

Comments: Base year "Year Built" reflected is start of repair budget cycle.

IMPORTANT! This is a Budget only. Cost of siding replacement can vary greatly contingent on the extent of work to be completed. Board should solicit budget estimates and update the budget accordingly. Highly recommend that a siding inspection be completed to identify extent of damage and remaining useful life (see Siding-Inspection component).

Siding has a long useful life, however, the siding underlayment will eventually lose its protective properties due to water that is able to get behind the exterior cladding. The decision to replace siding is typically driven by either an aesthetical desire or a cost-benefit analysis of installing a superior cladding. As such, the remaining useful life is subject to change based on conditions and the board's desires. Siding replacement typically is warranted after 40-60 years.

2018: Siding repairs being completed as needed.

2017: Observed dry rot and siding failures throughout property. Management advised siding is being repaired as needed.

| | | | | | | | | | |
|-------------------------|-----|--------|--------------|-----------|------|----|------|----|-----|
| Sign-Entry | 2 | Total | \$ 900.00 | \$ 2,040 | 2005 | 20 | 2025 | 6 | No |
| Stairs-Concrete-Parking | 1 | Total | \$ 20,000.00 | \$ 21,293 | 2017 | 5 | 2022 | 3 | Yes |
| Trash Enclosures | 124 | Ln.Ft. | \$ 36.00 | \$ 8,352 | 2019 | 30 | 2049 | 30 | No |

Comments: Replace boards only. Posts are metal and in good condition. Recommend replacement with Chainlink (w/vinyl slat) at time of replacement.

2019: Replaced with a chainlink fence by The Fenceman at a cost of \$4,508 (\$36/lf).

2018: Manager advised board considering replacement with new system to deter transients. Material type and construction method undetermined at this time. Replacement year revised to 2019 in anticipation of work to be completed.

| Item Description | # of Items | Unit | Current Item Cost | Future Replacement Cost | Year Built | Useful Life | Year Replace | Life Left | One Time? |
|---|------------|-------|-------------------|-------------------------|------------|-------------|--------------|-----------|-----------|
| Treework | 1 | Total | \$ 4,000.00 | \$ 4,259 | 2019 | 3 | 2022 | 3 | No |
| <p>Comments: Have trees inspected by arborist and perform corrective pruning as needed to keep tree limbs at least 6' away from buildings. Tree limbs overhanging roofs and decks will damage and shorten the useful life of that component. Use this fund as needed over a 3 year period; list year, work done and cost here. Revise next cycle's budget according to arborist's recommendations. 2019: Tree removal completed by All American Landscaping at a cost of \$217. 2015: Treework completed \$7,000</p> | | | | | | | | | |

Number of Items = 44

Weak (0-35%) Fair (36-70%) Strong (71-100%)

Baseline
Funding Plan Summary **Pebble Creek Condominiums**

| Year | Percent Funded | Inflation Adjusted Ideal Balance | Starting Balance | Annual Contribution | Interest Income | Tax Liability | Inflation Adjusted Expenditures |
|------|----------------|----------------------------------|------------------|---------------------|-----------------|---------------|---------------------------------|
| 2020 | 2% | 1,310,901 | 30,430 | 247,901 | 77 | (23) | (267,175) |
| 2021 | 1% | 1,120,968 | 11,210 | 253,131 | 69 | (21) | (144,016) |
| 2022 | 12% | 1,042,848 | 120,373 | 258,472 | 125 | (37) | (32,685) |
| 2023 | 32% | 1,072,064 | 346,248 | 79,034 | 193 | (58) | (6,523) |
| 2024 | 37% | 1,127,584 | 418,894 | 80,701 | 230 | (69) | (5,550) |
| 2025 | 42% | 1,184,198 | 494,206 | 82,404 | 268 | (80) | (8,274) |
| 2026 | 46% | 1,238,276 | 568,523 | 84,143 | 305 | (92) | (15,344) |
| 2027 | 50% | 1,285,619 | 637,536 | 85,918 | 340 | (102) | (73,245) |
| 2028 | 51% | 1,277,057 | 650,447 | 87,731 | 347 | (104) | (7,243) |
| 2029 | 55% | 1,334,657 | 731,178 | 89,582 | 388 | (116) | (13,554) |
| 2030 | 58% | 1,386,240 | 807,478 | 91,472 | 427 | (128) | (22,772) |
| 2031 | 61% | 1,429,301 | 876,477 | 93,403 | 462 | (138) | (965,051) |
| 2032 | 1% | 515,163 | 5,152 | 95,373 | 26 | (8) | (37,716) |
| 2033 | 12% | 529,320 | 62,827 | 97,386 | 56 | (17) | 0 |
| 2034 | 28% | 581,192 | 160,252 | 38,127 | 90 | (27) | (12,310) |
| 2035 | 30% | 621,023 | 186,132 | 38,932 | 103 | (31) | (26,537) |
| 2036 | 31% | 647,221 | 198,599 | 39,753 | 109 | (33) | (13,205) |
| 2037 | 33% | 687,043 | 225,223 | 40,592 | 123 | (37) | (261,425) |
| 2038 | 1% | 485,408 | 4,476 | 41,448 | 13 | (4) | (12,007) |
| 2039 | 6% | 533,463 | 33,926 | 42,323 | 28 | (8) | (7,592) |
| 2040 | 12% | 586,101 | 68,676 | 43,216 | 45 | (14) | (24,542) |
| 2041 | 14% | 622,521 | 87,381 | 44,128 | 55 | (16) | (47,058) |
| 2042 | 13% | 664,267 | 84,490 | 45,059 | 54 | (16) | (6,466) |
| 2043 | 16% | 746,748 | 123,120 | 46,010 | 73 | (22) | (30,536) |
| 2044 | 17% | 805,843 | 138,645 | 46,980 | 81 | (24) | (21,914) |
| 2045 | 19% | 874,041 | 163,768 | 47,972 | 94 | (28) | (3,098) |
| 2046 | 22% | 961,135 | 208,708 | 48,984 | 117 | (35) | (32,576) |
| 2047 | 22% | 1,019,555 | 225,197 | 50,017 | 125 | (38) | (22,788) |
| 2048 | 23% | 1,088,284 | 252,514 | 51,073 | 139 | (42) | 0 |
| 2049 | 26% | 1,179,802 | 303,684 | 52,150 | 165 | (49) | (242,026) |

| | | | | |
|--------------|--------------------|----------------|------------------|----------------------|
| Total | \$2,443,415 | \$4,724 | (\$1,417) | (\$2,363,228) |
|--------------|--------------------|----------------|------------------|----------------------|

| | |
|--------|------------------------|
| 0.05% | Investment Rate |
| 30.00% | Tax Rate |
| 2.11% | Inflation Rate |
| 0.00% | State Tax |

| Year | Amount | Item Description |
|-------------|----------------|--|
| | 6,127 | Barkdust |
| | 3,063 | Lights-Exterior-Carport |
| | 2,044 | Rails-Metal-Paint |
| | 17,257 | Roof-Chimney Caps |
| | 149,336 | Roof-Composition-Building |
| | 46,562 | Roof-Composition-Carport & Garage |
| | 39,212 | Roof-Gutters & Downspouts |
| | 3,574 | Siding-Inspection |
| 2020 | 267,175 | |
| | 6,327 | Fence-Wood |
| | 119,279 | Paint-Exterior-Building-2021 |
| | 10,844 | Paint-Exterior-Carport & Garage |
| | 6,247 | Paving-Asphalt-Repair, & Sealcoat-Shared |
| | 1,320 | Paving-Shared-Repair & Sealcoat |
| 2021 | 144,016 | |
| | 4,259 | Landscape Renovation |
| | 2,875 | Lights-Exterior-Pole/Globe |
| | 21,293 | Stairs-Concrete-Parking |
| | 4,259 | Treework |
| 2022 | 32,685 | |
| | 6,523 | Barkdust |
| 2023 | 6,523 | |
| | 5,550 | Concrete Safety Repair |
| 2024 | 5,550 | |
| | 1,700 | Parking Stops |
| | 2,040 | Sign-Entry |
| | 4,534 | Treework |
| 2025 | 8,274 | |
| | 6,944 | Barkdust |
| | 6,934 | Paving-Asphalt-Repair, & Sealcoat-Shared |
| | 1,466 | Paving-Shared-Repair & Sealcoat |

| Year | Amount | Item Description |
|-------------|----------------|--|
| 2026 | 15,344 | |
| | 5,673 | Garage Doors |
| | 4,727 | Landscape Renovation |
| | 47,482 | Paving-Asphalt-Overlay-Phase 2 |
| | 15,363 | Siding & Trim Repair |
| 2027 | 73,245 | |
| | 2,416 | Rails-Metal-Paint |
| | 4,827 | Treework |
| 2028 | 7,243 | |
| | 7,393 | Barkdust |
| | 6,161 | Concrete Safety Repair |
| 2029 | 13,554 | |
| | 6,349 | Fence-Chainlink-48" |
| | 3,146 | Garden Shed |
| | 13,277 | Paving-Shared-Overlay |
| 2030 | 22,772 | |
| | 13,361 | Paint-Exterior-Carport & Garage |
| | 1,927 | Parking Stops |
| | 7,697 | Paving-Asphalt-Repair, & Sealcoat-Shared |
| | 1,627 | Paving-Shared-Repair & Sealcoat |
| | 935,299 | Siding-Replace |
| | 5,139 | Treework |
| 2031 | 965,051 | |
| | 7,871 | Barkdust |
| | 24,597 | Fence-Vinyl-2 Rail |
| | 5,247 | Landscape Renovation |
| 2032 | 37,716 | |
| | 6,839 | Concrete Safety Repair |
| | 5,471 | Treework |
| 2034 | 12,310 | |
| | 8,380 | Barkdust |
| | 18,157 | Siding & Trim Repair |

| Year | Amount | Item Description |
|-------------|----------------|--|
| 2035 | 26,537 | |
| | 8,544 | Paving-Asphalt-Repair, & Sealcoat-Shared |
| | 1,806 | Paving-Shared-Repair & Sealcoat |
| | 2,855 | Rails-Metal-Paint |
| 2036 | 13,205 | |
| | 61,791 | Deck-Entry-Wood-Sub Structure |
| | 77,238 | Deck-Entry-Wood-Top Boards |
| | 41,939 | Deck-Rear-Wood-Sub Structure |
| | 52,424 | Deck-Rear-Wood-Top Boards |
| | 5,825 | Landscape Renovation |
| | 2,184 | Parking Stops |
| | 14,198 | Paving-Asphalt-Overlay-Phase 1 |
| | 5,825 | Treework |
| 2037 | 261,425 | |
| | 8,922 | Barkdust |
| | 3,085 | Handrail-Wood |
| 2038 | 12,007 | |
| | 7,592 | Concrete Safety Repair |
| 2039 | 7,592 | |
| | 18,341 | Rails-Metal-Replace |
| | 6,201 | Treework |
| 2040 | 24,542 | |
| | 9,498 | Barkdust |
| | 9,606 | Fence-Wood |
| | 16,464 | Paint-Exterior-Carport & Garage |
| | 9,485 | Paving-Asphalt-Repair, & Sealcoat-Shared |
| | 2,005 | Paving-Shared-Repair & Sealcoat |
| 2041 | 47,058 | |
| | 6,466 | Landscape Renovation |
| 2042 | 6,466 | |
| | 2,476 | Parking Stops |
| | 21,458 | Siding & Trim Repair |

| Year | Amount | Item Description |
|--------------|------------------|--|
| | 6,602 | Treework |
| 2043 | 30,536 | |
| | 10,112 | Barkdust |
| | 8,427 | Concrete Safety Repair |
| | 3,374 | Rails-Metal-Paint |
| 2044 | 21,914 | |
| | 3,098 | Sign-Entry |
| 2045 | 3,098 | |
| | 12,793 | Mailboxes |
| | 10,528 | Paving-Asphalt-Repair, & Sealcoat-Shared |
| | 2,225 | Paving-Shared-Repair & Sealcoat |
| | 7,029 | Treework |
| 2046 | 32,576 | |
| | 10,766 | Barkdust |
| | 7,177 | Landscape Renovation |
| | 4,845 | Lights-Exterior-Pole/Globe |
| 2047 | 22,788 | |
| | 9,354 | Concrete Safety Repair |
| | 214,030 | Paint-Exterior-Building-After New Siding |
| | 2,806 | Parking Stops |
| | 8,352 | Trash Enclosures |
| | 7,484 | Treework |
| 2049 | 242,026 | |
| Total | 2,363,228 | |

| Item Description | Useful Life | Life Left | Year Replace | Future Replacement Cost | Ideal Balance | Actual Balance |
|--|-------------|-----------|--------------|-------------------------|---------------|----------------|
| Barkdust | 3 | 1 | 2020 | \$ 6,127 | \$ 6,127 | \$ 6,127 |
| Concrete Safety Repair | 5 | 5 | 2024 | \$ 5,550 | \$ 1,110 | \$ - |
| Crawlspace-Repair-2019 | 50 | 50 | 2069 | \$ - | \$ - | \$ - |
| Deck-Entry-Wood-Rails | 40 | 38 | 2057 | \$ 37,251 | \$ 2,794 | \$ - |
| Deck-Entry-Wood-Sub Structure | 20 | 18 | 2037 | \$ 61,791 | \$ 9,269 | \$ - |
| Deck-Entry-Wood-Top Boards | 20 | 18 | 2037 | \$ 77,238 | \$ 11,586 | \$ - |
| Deck-Rear-Wood-Rails | 40 | 38 | 2057 | \$ 20,695 | \$ 1,552 | \$ - |
| Deck-Rear-Wood-Sub Structure | 20 | 18 | 2037 | \$ 41,939 | \$ 6,291 | \$ - |
| Deck-Rear-Wood-Top Boards | 20 | 18 | 2037 | \$ 52,424 | \$ 7,864 | \$ - |
| Fence-Chainlink-48" | 40 | 11 | 2030 | \$ 6,349 | \$ 4,762 | \$ - |
| Fence-Vinyl-2 Rail | 25 | 13 | 2032 | \$ 24,597 | \$ 12,791 | \$ - |
| Fence-Wood | 20 | 2 | 2021 | \$ 6,327 | \$ 6,010 | \$ - |
| Garage Doors | 30 | 8 | 2027 | \$ 5,673 | \$ 4,349 | \$ - |
| Garden Shed | 40 | 11 | 2030 | \$ 3,146 | \$ 2,359 | \$ - |
| Handrail-Wood | 20 | 19 | 2038 | \$ 3,085 | \$ 309 | \$ - |
| Landscape Renovation | 5 | 3 | 2022 | \$ 4,259 | \$ 2,555 | \$ - |
| Landscape-Irrigation-System | 50 | 48 | 2067 | \$ - | \$ - | \$ - |
| Lights-Exterior | 50 | 48 | 2067 | \$ - | \$ - | \$ - |
| Lights-Exterior-Carport | 30 | 1 | 2020 | \$ 3,063 | \$ 3,063 | \$ 3,063 |
| Lights-Exterior-Pole/Globe | 25 | 3 | 2022 | \$ 2,875 | \$ 2,645 | \$ - |
| Mailboxes | 30 | 27 | 2046 | \$ 12,793 | \$ 1,706 | \$ - |
| Mold Remediation | 50 | 50 | 2069 | \$ - | \$ - | \$ - |
| Paint-Exterior-Building-2021 | 10 | 2 | 2021 | \$ 119,279 | \$ 107,351 | \$ - |
| Paint-Exterior-Building-After New Siding | 8 | 30 | 2049 | \$ 214,030 | \$ - | \$ - |
| Paint-Exterior-Carport & Garage | 10 | 2 | 2021 | \$ 10,844 | \$ 9,759 | \$ - |
| Parking Stops | 6 | 6 | 2025 | \$ 1,700 | \$ 283 | \$ - |
| Paving-Asphalt-Overlay-Phase 1 | 30 | 18 | 2037 | \$ 14,198 | \$ 6,153 | \$ - |
| Paving-Asphalt-Overlay-Phase 2 | 30 | 8 | 2027 | \$ 47,482 | \$ 36,403 | \$ - |
| Paving-Asphalt-Repair, & Sealcoat-Shared | 5 | 2 | 2021 | \$ 6,247 | \$ 4,997 | \$ - |
| Paving-Shared-Overlay | 30 | 11 | 2030 | \$ 13,277 | \$ 8,851 | \$ - |
| Paving-Shared-Repair & Sealcoat | 5 | 2 | 2021 | \$ 1,320 | \$ 1,056 | \$ - |
| Rails-Metal-Paint | 8 | 1 | 2020 | \$ 2,044 | \$ 2,044 | \$ 2,044 |
| Rails-Metal-Replace | 40 | 21 | 2040 | \$ 18,341 | \$ 9,170 | \$ - |
| Roof-Chimney Caps | 30 | 1 | 2020 | \$ 17,257 | \$ 17,257 | \$ 15,622 |
| Roof-Composition-Building | 30 | 1 | 2020 | \$ 149,336 | \$ 149,336 | \$ - |
| Roof-Composition-Carport & Garage | 30 | 1 | 2020 | \$ 46,562 | \$ 46,562 | \$ - |
| Roof-Gutters & Downspouts | 30 | 1 | 2020 | \$ 39,212 | \$ 39,212 | \$ - |
| Siding & Trim Repair | 8 | 8 | 2027 | \$ 15,363 | \$ 1,920 | \$ - |
| Siding-Inspection | 2 | 1 | 2020 | \$ 3,574 | \$ 3,574 | \$ 3,574 |
| Siding-Replace | 60 | 12 | 2031 | \$ 935,299 | \$ 763,828 | \$ - |
| Sign-Entry | 20 | 6 | 2025 | \$ 2,040 | \$ 1,530 | \$ - |
| Stairs-Concrete-Parking | 5 | 3 | 2022 | \$ 21,293 | \$ 12,776 | \$ - |
| Trash Enclosures | 30 | 30 | 2049 | \$ 8,352 | \$ 278 | \$ - |
| Treework | 3 | 3 | 2022 | \$ 4,259 | \$ 1,420 | \$ - |

| Item Description | Useful Life | Life Left | Year Replace | Future Replacement Cost | Ideal Balance | Actual Balance |
|------------------|-------------|-----------|--------------|-------------------------|---------------|----------------|
| | | | | \$ 2,066,491 | \$ 1,310,901 | \$ 30,430 |

Investment Rate 0.05%
Tax Rate 30.00%
Inflation Rate 2.11%
Contingency Rate 0.00%

| | | |
|--------------|---------------------|------------------|
| Contingency | \$ - | \$ - |
| Total | \$ 1,310,901 | \$ 30,430 |