

MERCER PARK
BELLEVUE, WASHINGTON

STATUTORY MINIMUM RESERVE STUDY WITHOUT SITE VISIT
JANUARY, 2012

Last Site Visit: JANUARY, 2009



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EXECUTIVE SUMMARY

Name:	Mercer Park
Date:	January, 2012
Level of Reserve Study:	Level III – Update without Visit
Number of Units:	122
Current Reserve Account Balance at Time of Study:	\$663,000
Fully Funded Balance:	\$969,082
Percent Funded at Time of Study:	68%
Funding Status:	Well Funded
Planned or Implemented Special Assessment:	None
Interest / Inflation Assumption (Yr 0-1):	2% / 3%
Interest / Inflation Assumption (Yr 2-30):	4% / 5%
Annual Budgeted Contribution Rate (2012):	\$164,500
Recommended 2013 Contribution:	\$134,100
Recommended Special Assessment:	None
2013 Baseline Funding Plan Contribution Rate:	\$127,700
2013 Full Funding Plan Contribution Rate:	\$134,700

Reserve Consultants, Ltd performed an initial Reserve Study for Mercer Park in 2009. Reserve Consultants prepared an update without site visit in May, 2010. This update was completed without a site visit to comply with the Reserve Study Amendment to the Washington Condominium Act and adjust the funding projections for actual conditions. The Association has 122 units and was constructed in about 1990.

The recommended contribution is to obtain or maintain a level of threshold funding where one year's reserve contribution is kept in the reserve account at all times. The study's fiscal year is a calendar year. A Baseline Funding Plan is the minimum contribution necessary to keep a reserve balance above zero. A Full Funding Plan is the minimum contribution to achieve 100% funded within 30 years.

Generally, associations that are:

- 60% or more "Funded" are considered reasonably well funded;
- 25% to 60% "Funded" are considered adequately funded;
- 25% or less "Funded" are considered at high risk for special assessment.

The Association's starting reserve fund balance was provided by the Association.

Several sources were used to prepare cost estimates, including:

- RS Means Building Construction Cost Data from the study year;
- Actual bids or costs experienced by the Association as provided by its representatives;
- Costs experienced by similar associations in the Greater Puget Sound area;
- Experience and professional judgment.

This Reserve Study meets the requirements of the Washington Condominium Act, and was prepared by a Reserve Study Professional.



The Washington Condominium Act (RCW 64.34.382) required content is:

- (a) A reserve component list, including quantities and estimates for useful life of each reserve component, remaining useful life of each reserve component, and current repair and replacement cost for each component;
- (b) The date of the study and a statement that the study meets the requirements of this section;
- (c) The level of reserve study performed: (i) Level I: Full reserve study funding analysis and plan; (ii) Level II: Update with visual site inspection; (iii) Level III: Update with no visual site inspection;
- (d) The association's reserve account balance;
- (e) The percentage of the fully funded balance that the reserve account is funded;
- (f) Special assessments already implemented or planned;
- (g) Interest and inflation assumptions;
- (h) Current reserve account contribution rate;
- (i) Recommended reserve account contribution rate;
- (j) Projected reserve account balance for thirty years and a funding plan to pay for projected costs from those reserves without reliance on future unplanned special assessments; and
- (k) Whether the reserve study was prepared with the assistance of a reserve study professional.

The Washington Condominium Act requires the following disclosure in every reserve study:

"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."

Many sources have been used in compiling this report. These include:

1. Site visit and inspection of facilities.
2. Conference with management personnel and/or board members.
3. Review of architectural plans of the buildings if made available.
4. Review of the declaration for the condominium.
5. Generally accepted construction, maintenance and repair guidelines.

This Reserve Study is not a report on the condition of the buildings maintained by the Association, nor a detailed report of repairs necessary to the building. This Reserve Study is also not an investigation into or comment on the quality of the construction of the condominium, nor whether the construction complies with the building code or the requirements of the Washington Condominium Act.



The observations made by Reserve Consultants are limited to a visual inspection of a sample of the building's components. Unless informed otherwise, our assumption is that the condominium is constructed in substantial compliance with the building code and industry standards, and that it will receive ordinary and reasonable maintenance and repair by the Association. These assumptions include that most building components will achieve their normal useful lives for like components in the Puget Sound area, and that they will be replaced when necessary to prevent damage to other building components.

It is important to note that the long term nature of this study requires that certain assumptions and predictions be made about future events. Since there can be no guarantees that these future events will actually occur as assumed, it is important that this analysis be viewed in light of the circumstances under which it was conducted. Reasonable effort has been made to insure that the conclusions of this report are based on reliable information and sound reasoning.

COMPONENTS INCLUDED IN THE RESERVE STUDY:

For Condominiums, Reserve Studies are required to include the follow components: roofing, painting, paving, decks, siding, plumbing, windows, and any other reserve component that would cost more than one percent of the annual budget for major maintenance, repair, or replacement (RCW 64.34.382).

For Homeowners Associations, Reserve Studies are required to include any component that would cost more than one percent of the annual budget, not including reserve funding (RCW 64.38).

The list of included components may be found on the Fully Funded Balance Table or on the 30-year spreadsheets. If one of these reserve components is not included, the study should include commentary explaining its exclusion.

COMPONENTS EXCLUDED FROM THE RESERVE STUDY:

The following components qualify for inclusion, but have been excluded for the following reasons:

Component 6.1.2, Exterior Decks - Surfaces – Responsibility of Owners

Component 8.3.1, Garage Doors – Responsibility of Owners

Component 8.5.1, Exterior Windows – Responsibility of Owners

Component 2.9.1, Lawns & Landscape – Maintained annually through operating budget

Component 6.1.2, Exterior Doors – Expected to last longer than the 30-year reserve timeline



2011 Changes in State Law Relating to Reserve Studies and Budgets for “New Act” Condominiums and HOAs

In April 2011, the Washington State government made changes to the Condominium Act and the Homeowners’ Association Act (ESHB 1309). The changes affect the content within Reserve Studies, add reporting of the Reserve Study results as part of the budgeting summary to owners, and extend the Reserve Study requirements to homeowners’ associations with significant assets.

What follows are summaries for each section of the law to help those familiar with the current requirements learn what has changed in the amendments. It is not a substitute for legal advice from an attorney. The entire original act as passed may be found here (Session Law): <http://dlr.leg.wa.gov/bills/summary/default.aspx?year=2011&bill=1309> You may also contact us for a copy of the changed law.

There are 15 sections of the new law, which is brief:

- Sec. 1: Adding/modifying definitions of terms in the Condominium Act
- Sec. 2: Requiring Reserve Study information to be part of Condominium budget summaries provided to owners
- Sec. 3: Establishing a Condominium’s reserve account is optional, but must be in the association’s name if made
- Sec. 4: Changing required content in Condominium Reserve Studies
- Sec. 5: Allowing Condominiums to make an unscheduled withdrawal of reserve funds to pay for maintenance requirements
- Sec. 6: Housekeeping changes to reflect changes in section numbers
- Sec. 7: Adding/modifying definitions of terms in the Homeowners’ Association Act
- Sec. 8: Requiring Reserve Study information to be part of the HOA budget summaries provided to owners
- Sec. 9: Requiring HOAs to obtain and update reserve studies annually, like Condominiums
- Sec. 10: Setting the required content in HOA Reserve Studies
- Sec. 11: Allowing unscheduled withdrawal of reserve funds to pay for maintenance requirements and allowing for other purposes if the HOA adopts a payback plan and notifies owners
- Sec. 12: Allowing HOA owners to demand a Reserve Study
- Sec. 13: Removing liability for association representatives (boards/officers/advisors/etc) who fail to comply with these requirements
- Sec. 14: Exempting HOAs who meet certain conditions from these changes
- Sec. 15: Making this act a requirement as of January 1, 2012

The legend for reading the law:

... -- Content omitted either because of no change, only grammar changes, or only changes because of section renumbering due to insertion or deletion

((Example)) – Example would have been deleted in the new version of the act

Example – Example would have been added in the new version of the act



DISCLOSURES

1 – RESERVE CONSULTANTS ALSO PROVIDES CONSTRUCTION INSPECTION SERVICES FOR CONDOMINIUMS, AND DOES DESIGN AND CONSTRUCTION OVERSIGHT FOR MAJOR REPAIR PROJECTS INCLUDING ROOFING, DECKS, AND BUILDING ENVELOPE REPLACEMENT.

2 – KEN HARER, A PRINCIPAL OF RESERVE CONSULTANTS, LTD., IS ALSO THE MANAGING MEMBER OF CONDOMINIUM LAW GROUP, PLLC, A LAW FIRM THAT PROVIDES LEGAL SERVICES TO CONDOMINIUMS AND OTHER COMMUNITY ASSOCIATIONS.

3 – NO SHAREHOLDER OR EMPLOYEE OF RESERVE CONSULTANTS, LTD., HAS ANY INTEREST IN, OR OBLIGATION TO ANY CONSTRUCTION COMPANY, MANAGEMENT COMPANY, OR DEVELOPMENT ENTITY THAT CREATES CONDOMINIUMS.

4 – RESERVE CONSULTANTS HAS BEEN A MEMBER OF COMMUNITY ASSOCIATION INSTITUTE SINCE ABOUT 1993, AND HAS PERFORMED WORK FOR MANY ASSOCIATION MANAGERS.

5 – THE REPORT ONLY COMPLIES WITH THE REQUIREMENTS FOR RESERVE STUDIES AS SET FORTH BY WASHINGTON STATE LAW. THE REPORT MAY NOT COMPLY WITH NATIONAL STANDARDS FOR RESERVE STUDIES AS SET FORTH BY THE COMMUNITY ASSOCIATION INSTITUTE OR THE ASSOCIATION OF PROFESSIONAL RESERVE ANALYSTS.

6 – THIS REPORT AND ANALYSIS IS BASED UPON OBSERVATIONS OF THE VISIBLE AND APPARENT CONDITION OF THE BUILDING AND ITS MAJOR COMPONENTS ON THE DATE OF THE INSPECTION. ALTHOUGH CARE HAS BEEN TAKEN IN THE PERFORMANCE OF THIS INSPECTION, RESERVE CONSULTANTS, LTD. (AND/OR ITS REPRESENTATIVES) MAKE NO REPRESENTATIONS REGARDING LATENT OR CONCEALED DEFECTS WHICH MAY EXIST AND NO WARRANTY OR GUARANTEE IS EXPRESSED OR IMPLIED. THIS REPORT IS MADE ONLY IN THE BEST EXERCISE OF OUR ABILITY AND JUDGMENT. CONCLUSIONS IN THIS REPORT ARE BASED ON ESTIMATES OF THE AGE AND NORMAL WORKING LIFE OF VARIOUS ITEMS OF EQUIPMENT AND APPLIANCES. PREDICTIONS OF LIFE EXPECTANCY AND THE BALANCE OF USEFUL LIFE ARE NECESSARILY BASED ON INDUSTRY AND/OR STATISTICAL COMPARISONS. IT IS ESSENTIAL TO UNDERSTAND THAT ACTUAL CONDITIONS CAN ALTER THE USEFUL LIFE OF ANY ITEM. THE PREVIOUS USE/MISUSE, IRREGULARITY OF SERVICING, FAULTY MANUFACTURE, UNFAVORABLE CONDITIONS, ACTS OF GOD AND UNFORESEEN CIRCUMSTANCES MAKE IT IMPOSSIBLE TO STATE PRECISELY WHEN EACH ITEM WOULD REQUIRE REPLACEMENT. THE CLIENT HEREIN SHOULD BE AWARE THAT CERTAIN COMPONENTS WITHIN THE ABOVE REFERENCED PROPERTY MAY FUNCTION CONSISTENT WITH THEIR PURPOSE AT THE TIME OF THE INSPECTION, BUT DUE TO THEIR NATURE ARE SUBJECT TO DETERIORATION WITHOUT NOTICE.

7 – UNLESS OTHERWISE NOTED, ALL BUILDING COMPONENTS ARE ASSUMED TO MEET THE BUILDING CODE REQUIREMENTS IN FORCE AT THE TIME OF CONSTRUCTION. INFORMATION PROVIDED BY THE CLIENT IS ASSUMED TO BE ACCURATE AND RELIABLE.

8 – CONCLUSIONS REACHED IN THIS REPORT ASSUME RESPONSIBLE OWNERSHIP AND COMPETENT MANAGEMENT OF THE PROPERTY. INFORMATION PROVIDED TO US BY OTHERS IS BELIEVED TO BE RELIABLE, BUT WE ASSUME NO RESPONSIBILITY FOR ACCURACY THEREOF. INACCURACIES, OR MATERIAL ISSUES NOT DISCLOSED FOR THE PREPARATION OF THIS REPORT, MAY CAUSE A DISTORTION OF THE ASSOCIATION'S SITUATION.



COMPONENT DESCRIPTION	Quantity	Unit	REPAIR CYCLE	REMAINING USEFUL LIFE	CURRENT REPLACE COST	FULLY FUNDED BALANCE
ASPHALT PAVING	55620	SF	6	3	\$ 23,503	\$ 11,751
SITE FIXTURES - FOUNTAIN REPAIR	1	LS	5	4	\$ 5,000	\$ 1,000
LAWNS/LANDSCAPE	1	LS	0	0	\$ -	\$ -
ROCKERY WALLS	1	LS	10	2	\$ 6,757	\$ 5,406
CONCRETE PAVING	8165	SF	6	3	\$ 5,263	\$ 2,631
TRASH ENCLOSURES	5	EA	6	0	\$ 4,279	\$ 4,279
EXTERIOR DECKS - SURFACES	7925	SF	0	0	\$ -	\$ -
EXTERIOR DECKS - STRUCTURAL	7925	SF	5	4	\$ 11,000	\$ 2,200
VINYL SIDING - REPAIRS	120000	SF	7	2	\$ 52,703	\$ 37,645
VINYL SIDING - REPLACE	120000	SF	40	23	\$ 1,317,590	\$ 559,976
EXTERIOR STAIRS	36	EA	4	3	\$ 52,878	\$ 13,219
GUTTERS/DOWNSPOUTS - REPAIR	7420	LF	5	0	\$ 6,164	\$ 6,164
GUTTERS/DOWNSPOUTS - REPLACE	7420	LF	25	10	\$ 61,638	\$ 36,983
ROOFING - REPAIRS	696	SQ	5	3	\$ 19,902	\$ 7,961
ROOFING - REPLACE	696	SQ	25	18	\$ 398,025	\$ 111,447
GARAGE DOORS	0	EA	0	0	\$ -	\$ -
UNIT ENTRY DOORS	122	UNITS	0	0	\$ -	\$ -
EXTERIOR WINDOWS	122	UNITS	0	0	\$ -	\$ -
DOORS/WINDOWS	515	SF	30	9	\$ 19,139	\$ 13,397
EXTERIOR PAINT	122	UNITS	7	2	\$ 112,614	\$ 80,439
CHIMNEYS - REPAIR	32	EA	7	19	\$ 5,141	\$ -
CHIMNEYS - REPLACE	32	EA	20	12	\$ 51,409	\$ 20,564
SIGNAGE	1	LS	8	5	\$ 8,472	\$ 3,177
MAILBOXES	122	EA	20	7	\$ 6,909	\$ 4,491
CABANA INTERIOR - PARTIAL	1	LS	20	7	\$ 10,745	\$ 6,984
CABANA INTERIOR - FULL	1	LS	20	17	\$ 21,490	\$ 3,223
CABANA FURNISHINGS	1	LS	10	2	\$ 5,631	\$ 4,504
PLUMBING	1	LS	6	1	\$ 7,883	\$ 6,569
FIRE PROTECTION	1	LS	7	1	\$ 5,631	\$ 4,826
ELECTRICAL	17	BLDG	7	0	\$ 13,401	\$ 13,401
EXTERIOR LIGHTING	122	EA	10	7	\$ 15,800	\$ 4,740
RESERVE STUDY	1	LS	3	0	\$ 2,101	\$ 2,101
FULLY FUNDED BALANCE					Total	\$ 969,082

ACTUAL RESERVE BALANCE = \$ 663,000

PERCENT FULLY FUNDED = 68%

1/19/2012

ABBREVIATION KEY

EA each	LS lump sum	SQ roofing square
BLDG building	SF square foot	SY square yard
LF linear foot		





Reserve Study Projections
Reserve Consultants, Ltd.

MERCER PARK

30-YEAR SPREADSHEET ALLOWING FOR INFLATION

DATE: 19-Jan-12

#	COMPONENT NAME	REPAIR CYCLE	NEXT EXP	PER YEAR EXPENSES (adjusted for inflation)										
				0	1	2	3	4	5	6	7	8	9	10
				2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
2.6.1	ASPHALT PAVING	6	3				\$28,689	\$5,962						\$35,766
2.8.1	SITE FIXTURES - FOUNTAIN REPAIR	5	4											\$7,609
2.9.1	LAWNS/LANDSCAPE	10	2			\$7,308								
3.2.1	ROCKERY WALLS	6	3				\$5,976							\$8,009
3.3.1	CONCRETE PAVING	6	0	\$4,279						\$5,626				
6.1.1	TRASH ENCLOSURES	6	0											\$16,740
6.1.2	EXTERIOR DECKS - SURFACES	5	4					\$13,116						\$80,203
6.2.1	EXTERIOR DECKS - STRUCTURAL	7	2			\$56,999								
6.2.1	VINYL SIDING - REPAIRS	40	23											
6.4.1	EXTERIOR STAIRS	4	3											
7.3.1	GUTTERS/DOWNSPOUTS - REPAIR	5	0	\$6,164			\$60,047		\$7,718		\$72,987			\$9,850
7.3.1	GUTTERS/DOWNSPOUTS - REPLACE	25	10											\$98,490
7.4.1	ROOFING - REPAIRS	5	3				\$22,600							
7.4.1	ROOFING - REPLACE	25	18									\$28,844		
8.3.1	GARAGE DOORS													
8.4.1	UNIT ENTRY DOORS													
8.5.1	EXTERIOR WINDOWS	30	9										\$29,126	
8.5.2	DOORS/WINDOWS	7	2			\$121,792							\$171,374	
9.8.1	EXTERIOR PAINT													
10.3.1	CHIMNEYS - REPAIR													
10.3.1	CHIMNEYS - REPLACE	20	12											
10.4.1	SIGNAGE	8	5											
10.5.1	MAIL BOXES	20	7						\$10,607					
12.6.1	CABANA INTERIOR - PARTIAL	20	7										\$9,537	
12.6.1	CABANA INTERIOR - FULL	20	17										\$14,832	
12.6.2	CABANA FURNISHINGS	10	2			\$6,089								
15.2.1	PLUMBING	6	1	\$6,120										
15.4.1	FIRE PROTECTION	7	1	\$5,800										\$8,161
16.3.1	ELECTRICAL	7	0											\$18,488
16.6.1	EXTERIOR LIGHTING	10	7	\$2,101										\$21,809
20.1.1	RESERVE STUDY	5	0	\$2,101										\$3,198
TOTAL EXPENDED BY YEAR				\$25,947	\$13,919	\$192,188	\$117,698	\$19,078	\$18,324	\$8,388	\$148,544	\$37,005	\$352,023	\$108,340
CARRY OVER RESERVES				\$663,000	\$816,199	\$953,905	\$939,651	\$1,007,987	\$1,187,190	\$1,382,246	\$1,603,552	\$1,699,481	\$1,922,181	\$1,842,094
ANNUAL RESERVE CONTRIB				\$164,500	\$134,100	\$140,805	\$147,845	\$155,238	\$162,999	\$171,149	\$179,707	\$188,692	\$198,127	\$208,033
RESERVE EXPENDITURES				\$25,947	\$13,919	\$192,188	\$117,698	\$19,078	\$18,324	\$8,388	\$148,544	\$37,005	\$352,023	\$108,340
ACCUMULATED RESERVES				\$801,553	\$936,380	\$902,523	\$969,798	\$1,144,147	\$1,331,865	\$1,545,007	\$1,634,715	\$1,851,168	\$1,768,285	\$1,941,788
INTEREST EARNED				\$14,646	\$17,526	\$37,129	\$38,189	\$43,043	\$50,381	\$58,545	\$64,765	\$71,013	\$73,809	\$75,678
YEAR END BALANCE				\$816,199	\$953,905	\$939,651	\$1,007,987	\$1,187,190	\$1,382,246	\$1,603,552	\$1,699,481	\$1,922,181	\$1,842,094	\$2,017,465
YRS:				0-1	2-30									
INFLATION MULTIPLIER				1.03	1.05									
INTEREST RATE MULTIPLIER				0.02	0.04									

NOTES:
 1. Year zero carry over balance is the current actual reserve balance as reported to Reserve Consultants Ltd.
 2. Year zero reserve contribution is that estimated for the remainder of the year, following preparation of this report.
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MERCER PARK

30-YEAR SPREADSHEET ALLOWING FOR INFLATION

DATE: 19-Jan-12

#	COMPONENT NAME	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
2.6.1	ASPHALT PAVING				\$9,711	\$47,930							\$12,394
2.8.1	SITE FIXTURES - FOUNTAIN REPAIR												
2.9.1	LAWNS/LANDSCAPE												
3.2.1	ROCKERY WALLS		\$11,903										
3.3.1	CONCRETE PAVING					\$10,733							
6.1.1	TRASH ENCLOSURES		\$7,539							\$10,103			
6.1.2	EXTERIOR DECKS - SURFACES												
6.1.2	EXTERIOR DECKS - STRUCTURAL				\$21,364								\$27,267
6.2.1	VINYL SIDING - REPAIRS						\$112,853						
6.2.1	VINYL SIDING - REPLACE												
6.4.1	EXTERIOR STAIRS	\$88,716				\$107,835						\$131,074	
7.3.1	GUTTERS/DOWNSPOUTS - REPAIR					\$12,571							\$16,044
7.3.1	GUTTERS/DOWNSPOUTS - REPLACE												
7.4.1	ROOFING - REPAIRS			\$36,813									
7.4.1	ROOFING - REPLACE												
8.3.1	GARAGE DOORS												
8.4.1	UNIT ENTRY DOORS												
8.5.1	EXTERIOR WINDOWS												
8.5.2	DOORS/WINDOWS												
9.8.1	EXTERIOR PAINT												
10.3.1	CHIMNEYS - REPAIR		\$90,564				\$241,140						\$12,744
10.4.1	SIGNAGE				\$15,671								
10.5.1	MAILBOXES												
12.6.1	CABANA INTERIOR - PARTIAL									\$48,316			
12.6.1	CABANA INTERIOR - FULL												
12.6.2	CABANA FURNISHINGS		\$9,919	\$14,582									\$19,541
15.2.1	PLUMBING												
15.4.1	FIRE PROTECTION				\$26,029				\$11,463				
16.3.1	ELECTRICAL												
16.6.1	EXTERIOR LIGHTING												
20.1.1	RESERVE STUDY		\$3,702			\$4,285		\$35,524					
	TOTAL EXPENDED BY YEAR	\$88,716	\$123,627	\$67,066	\$57,104	\$194,837	\$355,993	\$83,841	\$1,001,698	\$203,020	\$16,044		
	CARRY OVER RESERVES	\$2,017,465	\$2,230,477	\$2,427,540	\$2,701,875	\$3,009,626	\$3,202,097	\$3,253,468	\$3,596,667	\$3,032,309	\$3,275,703	\$3,275,703	\$3,275,703
	ANNUAL RESERVE CONTRIB	\$218,435	\$229,357	\$240,824	\$252,866	\$265,509	\$278,784	\$292,723	\$307,360	\$322,728	\$338,864	\$355,993	\$373,703
	RESERVE EXPENDITURES	\$88,716	\$123,627	\$67,066	\$57,104	\$194,837	\$353,993	\$83,841	\$1,001,698	\$203,020	\$16,044		
	ACCUMULATED RESERVES	\$2,147,184	\$2,336,206	\$2,601,298	\$2,897,636	\$3,080,299	\$3,126,888	\$3,152,017	\$3,152,017	\$3,152,017	\$3,152,017	\$3,152,017	\$3,152,017
	INTEREST EARNED	\$83,293	\$91,334	\$100,577	\$111,990	\$121,799	\$126,580	\$134,316	\$129,980	\$123,687	\$137,485	\$137,485	\$137,485
	YEAR END BALANCE	\$2,230,477	\$2,427,540	\$2,701,875	\$3,009,626	\$3,202,097	\$3,253,468	\$3,596,667	\$3,032,309	\$3,275,703	\$3,275,703	\$3,275,703	\$3,275,703
	YRS:												
	INFLATION MULTIPLIER	1.68	1.76	1.85	1.94	2.04	2.14	2.25	2.36	2.48	2.60		
	INTEREST RATE MULTIPLIER												

NOTES: 1. Year zero carry over balance is the current actual reserve balance as reported to Reserve Consultants Ltd.
 2. Year zero reserve contribution is that estimated for the remainder of the year, following preparation of this report.



MERCER PARK *Reserve Consultants, Ltd.*
30-YEAR SPREADSHEET ALLOWING FOR INFLATION

DATE: 19-Jan-12

#	COMPONENT NAME	21	22	23	24	25	26	27	28	29	30
		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
2.6.1	ASPHALT PAVING	\$69,230			\$15,818			\$86,075			\$20,189
2.8.1	SITE FIXTURES - FOUNTAIN REPAIR		\$19,389								
2.9.1	LAWNS/LANDSCAPE										
3.2.1	ROCKERY WALLS										
3.3.1	CONCRETE PAVING	\$14,383					\$19,274				
6.1.1	TRASH ENCLOSURES										\$18,143
6.1.2	EXTERIOR DECKS - SURFACES				\$13,539						
6.1.2	EXTERIOR DECKS - STRUCTURAL				\$34,800					\$44,415	
6.2.1	VINYL SIDING - REPAIRS			\$158,796							
6.2.1	VINYL SIDING - REPLACE			\$3,969,923							
6.4.1	EXTERIOR STAIRS			\$159,321							
7.3.1	GUTTERS/DOWNSPOUTS - REPAIR					\$20,477					
7.3.1	GUTTERS/DOWNSPOUTS - REPLACE										
7.4.1	ROOFING - REPAIRS			\$59,965					\$76,532		
7.4.1	ROOFING - REPLACE										
8.3.1	GARAGE DOORS										
8.4.1	UNIT ENTRY DOORS										
8.5.1	EXTERIOR WINDOWS										
8.5.2	DOORS/WINDOWS										
9.8.1	EXTERIOR PAINT										
10.3.1	CHIMNEYS - REPAIR			\$339,308			\$17,931				\$477,441
10.4.1	SIGNAGE										
10.5.1	MILBOYES	\$23,155									
12.6.1	CABANA INTERIOR - PARTIAL							\$25,304			\$34,207
12.6.1	CABANA INTERIOR - FULL							\$39,353			
12.6.2	CABANA FURNISHINGS		\$16,157								
13.2.1	PLUMBING					\$26,187					
13.4.1	FIRE PROTECTION										
16.3.1	ELECTRICAL	\$56,625									
16.6.1	EXTERIOR LIGHTING								\$51,535		
20.1.1	RESERVE STUDY	\$5,743									
	TOTAL EXPENDED BY YEAR	\$144,134	\$51,704	\$4,687,314	\$70,805	\$46,664	\$17,931	\$429,224	\$128,067	\$121,546	\$8,509
	CARRY OVER RESERVES	\$3,736,007	\$4,101,355	\$4,593,741	\$396,553	\$760,323	\$1,184,274	\$1,676,548	\$1,792,153	\$2,243,881	\$2,745,862
	ANNUAL RESERVE CONTRIB	\$355,807	\$373,598	\$392,277	\$411,891	\$432,486	\$454,110	\$476,816	\$500,656	\$525,689	\$551,974
	RESERVE EXPENDITURES	\$144,134	\$51,704	\$4,687,314	\$70,805	\$46,664	\$17,931	\$429,224	\$128,067	\$121,546	\$754,069
	ACCUMULATED RESERVES	\$3,947,681	\$4,423,249	\$298,705	\$737,639	\$1,146,145	\$1,620,453	\$1,724,139	\$2,164,743	\$2,648,024	\$2,543,767
	INTEREST EARNED	\$153,674	\$170,492	\$97,849	\$22,684	\$38,129	\$56,095	\$68,014	\$79,138	\$97,838	\$105,793
	YEAR END BALANCE	\$4,101,355	\$4,593,741	\$396,553	\$760,323	\$1,184,274	\$1,676,548	\$1,792,153	\$2,243,881	\$2,745,862	\$2,649,559
	INFLATION MULTIPLIER		2.73	3.01	3.16	3.32	3.49	3.66	3.85	4.04	4.24
	INTEREST RATE MULTIPLIER										

NOTES:
1. Year zero carry over balance is the current actual reserve balance as reported to Reserve Consultants Ltd.
2. Year zero reserve contribution is that estimated for the remainder of the year, following preparation of this report.

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