

# Reserve Analysis Report

**Hide A Way Condominium Association**

Buzzards Bay, Massachusetts

Version 1

May 29, 2009



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# Hide A Way Condominium Association

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## 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 and reserve fund calculation methods. The following sections are included in this preface:

- **Introduction to Reserve Budgeting** page i
- **Understanding the Reserve Analysis** page i
- **Reserve Budget Calculation Methods** page vi
- **Glossary of Key Terms** page x

### ◆ ◆ 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.

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There are four key bits of information that a comprehensive reserve analysis should provide. These items include:

- **Budget**

Amount recommended to be transferred into the reserve account each month of 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 calculation models (i.e. Component Method, Minimum Cash Flow Method, etc.). The Board should have a clear understanding of the differences among these funding models 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 reserve analysis was prepared. Remember, “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.

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. All reserve analyses may not include all of the summaries or report formats described herein.

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.



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- Distribution of Current Reserve Funds**

Displays all reserve components, shown here in ascending “remaining life” order. Provides the remaining life, age and useful life of each component along with its theoretically ideal reserve balance as of the beginning of the fiscal year for which the reserve analysis was prepared. The far right-hand column displays the amount of money that was actually assigned to each component during the calculation process.

**Theoretically Ideal Reserves**  
Displays the ideal reserve balance for each component.

**Sample Community Association**  
Distribution of Current Reserve Funds  
Sorted by Remaining Life

	Remaining	Adjusted	Theoretically	Assigned	
	Life	Useful	Ideal		
	Age	Life	Balance	Reserves	
Cabana - Ceramic Tile, Exterior	7	13	20	\$1,018.37	\$1,018.37
Fencing - Wrought Iron, Perimeter	7	13	20	\$10,960.30	\$10,960.30
Fencing - Wrought Iron, Pool Area	7	13	20	\$6,833.90	\$6,833.90
Doors - Utility Closets	7	13	20	\$1,592.50	\$1,592.50
Monument Sign	7	13	20	\$4,853.88	\$4,853.88
Pool Area - Wood Patio Cover	7	13	20		
Decks - Resurface	8	2	10	\$19,648.00	\$19,648.00
Doors - Garages & Trash Enclosures	8	13	21	\$44,246.43	\$44,246.43
Lighting - Buildings	8	13	21	\$5,983.10	\$5,983.10
Streets - Asphalt, Overlay	9	13	22	\$30,949.45	\$30,949.45
Access - Gate Operator, Exit	9	1	10	\$206.00	\$206.00
Spa - Replaster & Tile Replace	9	1	10	\$149.23	\$149.23
Roofs - Flat, 1997	12	2	14	\$1,161.84	\$1,161.84
Lighting - Streets	12	13	25	\$7,254.00	\$7,254.00
Railing - Wrought Iron, Units	12	13	25	\$13,155.48	\$13,155.48
Roofs - Composition Shingle	12	13	25	\$107,094.00	\$34,442.50
Walls - Block, Repairs	12	13	25	\$2,663.93	\$2,663.93
Doors - Utility Closets, 1996	15	3	18	\$10,831.33	\$0.00
Cabana - Ceramic Tile, Interior	17	13	30	\$4,240.55	\$0.00
Cabana - Plumbing Fixtures	17	13	30	\$1,934.83	\$0.00
Contingency	n.a.			\$18,709.16	\$16,019.42
<b>Total</b>	<b>0 - 17</b>	<b>1 - 13</b>	<b>2 - 30</b>	<b>\$642,347.96</b>	<b>\$550,000.00</b>
<b>Percent Funded</b>					<b>85.62%</b>

**Reserve Components**  
All components are displayed (shown here in ascending “remaining life” order).

**Assigned Reserves**  
Displays the actual amount assigned to each component.

The total theoretically ideal reserves, assigned reserves and percent funded are provided at the bottom of this summary. Also shown is the range of reserve component remaining lives, ages and useful lives.

# Preface

## • Management / Accounting Summary and Charts

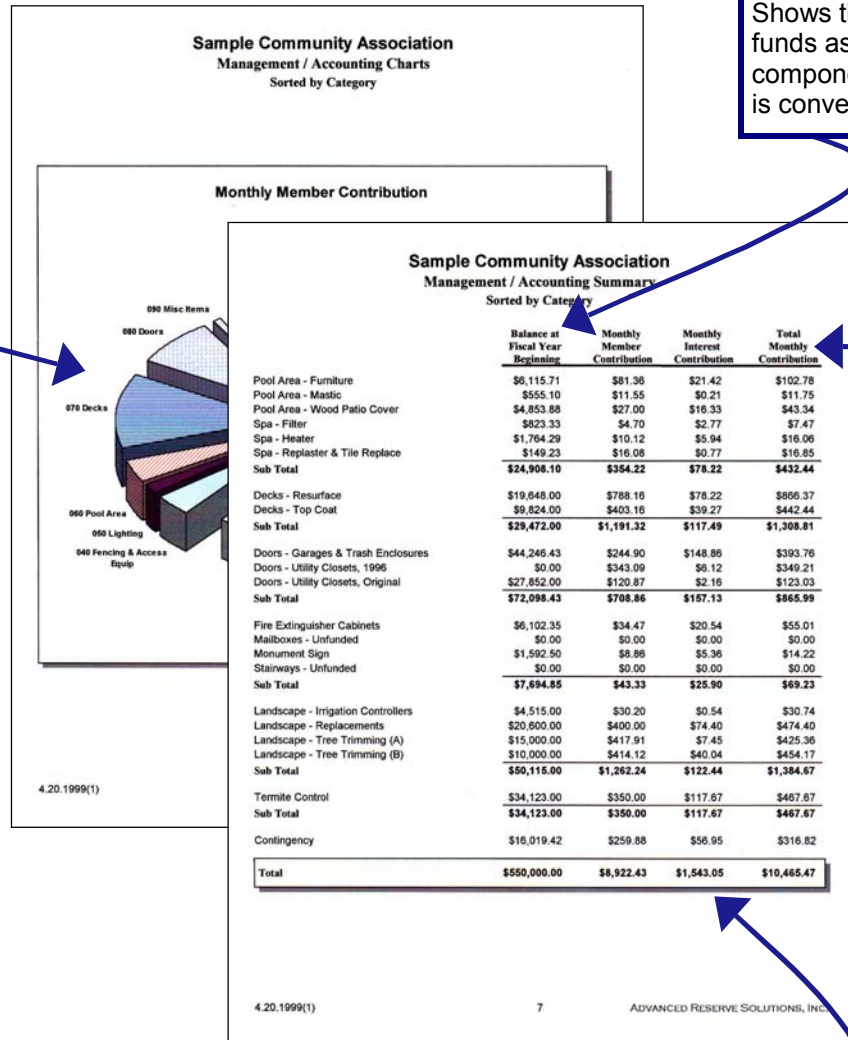
Summary displays all reserve components, shown here in “category” order. Provides the assigned reserve funds at the beginning of the fiscal year for which the reserve analysis was prepared along with the monthly member contribution, interest contribution and total contribution for each component and category. Three 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.

### Pie Charts

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

### Balance at FYB

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



### 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.

The total assigned reserves and monthly funding are provided at the bottom of this summary.

**Will your Treasurer or accountant ask for anything else?**



## Preface

### ◆ ◆ CALCULATION METHODS ◆ ◆

There are only a few *true* reserve funding calculation methods used by reserve analysis firms. Some articles in trade publications seem to indicate that there are dozens of “unique” and different reserve calculation methods (i.e. component, cash flow, pooling, front-loading, splitting, etc.). Most “unique” calculation methods are actually hybrid derivatives of either the component method or the cash flow method.

The following sections describe the calculation methods utilized most often for our clients.

- **Component Calculation Method**

This calculation method develops a funding plan for each individual reserve component included in the reserve analysis. The sum of the funding plans for each component equal the total funding plan for the association.

This calculation method is typically the most conservative. 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.

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 reported. For example, using this calculation method, the reserve analysis can indicate the amount of current reserve funds “in the bank” for the roofs and the amount of money being funded towards the roofs each month. Using other calculation methods, this information cannot be calculated and therefore, cannot be reported.

The following is a detailed description of the Component Calculation Method:

**Step 1:** Calculation of Theoretically Ideal Balance for each component

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

$$\text{Theoretically Ideal Balance} = \frac{\text{Age}}{\text{Useful Life}} \times \text{Current Cost}$$

**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 theoretically ideal balance as follows:

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*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 theoretically ideal balance, until reserves are exhausted.

*Pass 2:* If all components are assigned their theoretically ideal 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 “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:

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	<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.

- **Minimum Cash Flow Method**

This calculation method develops a funding plan based on current reserve funds and projected expenditures during a “window,” typically 30 years.

This calculation method is not as conservative as the Component Method and will typically produce a lower monthly reserve contribution. This method structures a funding plan that enables the association to pay for all reserve expenditures as they come due, but is not concerned with the ideal level of reserves through time. Consequently, this funding method can allow an association to become increasingly underfunded, while never running completely out of money during the “window.”

This calculation method structures a funding plan that is the “bare” minimum required to pay for all reserve expenditures as they come due during the “window.” This method disregards components that do not have an expenditure associated with them during the “window.” This method tests reserve contributions to determine the minimum contribution necessary, based on the association's beginning reserve balance and anticipated expenses through time, so that the reserve balance in any one year does not drop below \$0 (or some other threshold level).

- **Directed Cash Flow Method**

This calculation method is a hybrid of the Minimum Cash Flow Method which enables the development of “custom” or “non-traditional” funding plans which may include deferred contributions or special assessments.

This method is similar to the Minimum Cash Flow Method in the sense that it is making calculations

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based on all reserve expenditures during the “window.” This calculation method can be used to calculate a reserve contribution that enables the association to become “ideally funded” in time.

### ◆ ◆ GLOSSARY OF KEY TERMS ◆ ◆

- **Annual Contribution Increase Parameter**

The rate used in the calculation of the funding plan developed by the Component Calculation Method and Minimum Cash Flow Method. 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 “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 based on the Component Calculation Method.

Assigned Funds do not apply to the Minimum Cash Flow Calculation Method or the Directed Cash Flow Calculation Method.

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.

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The Component Calculation Method assigns funds to each component in the most efficient manner possible; assigning “fixed” reserves in this manner can have a detrimental impact on the association’s overall budget structure in the long run. A more detailed description of the actual calculation process is included in the “Calculation Methods” section of the preface.

- **Component Calculation Method (or Component Method)**

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

- **Contingency Parameter**

The rate used as a built-in buffer in the calculation of the funding plan developed by the Component Calculation Method. 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.

- **Directed Cash Flow Calculation Method (or Directed Cash Flow Method)**

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

- **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.

- **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 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 to the cost of goods and services relating to their Reserve Components to increase each year.

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- **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.

- **Minimum Cash Flow Calculation Method (or Minimum Cash Flow Method)**

Reserve funding calculation method developed based on total annual expenditures. A more detailed description of the actual calculation process is included in the "Calculation Methods" section of the preface.

- **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 based on the Component Calculation Method.

Monthly Contribution does not apply to the Minimum Cash Flow Calculation Method or the Directed Cash Flow Calculation Method.

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.

The Component Calculation Method funds each component in the most efficient manner possible; assigning a "fixed" contribution in this manner can have a detrimental impact on the association's overall budget structure in the long run. A more detailed description of the actual calculation process is included in the "Calculation Methods" section of the preface.

- **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 industrial developments.

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- **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 Theoretically Ideal Reserve Balance:

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

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.

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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.

- **Salvage Value**

The amount of money that is expected to be received at the point in time that a Reserve Component is replaced.

For example, the “trade-in allowance” received at the time a security vehicle is replaced should be considered as its Salvage Value.

- **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.

- **Theoretically Ideal 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. Ideal reserves are calculated for each Reserve Component based on the Current Replacement Cost, Age and Useful Life:

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

The Theoretically Ideal Reserve Balance is the sum of the Ideal Reserves for each Reserve Component.

An association that has accumulated the Theoretically Ideal 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.

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- **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.

# Hide A Way Condominium Association

## Executive Summary

### Component Calculation Method

#### Client Information:

Account Number	32600
Version Number	1
Analysis Date	5/29/2009
Fiscal Year	1/1/2010 to 12/31/2010
Number of Total	1
Phasing	1 of 1

#### Global Parameters:

Inflation Rate	4.00 %
Annual Contribution Increase	4.00 %
Investment Rate	3.00 %
Taxes on Investments	30.00 %
Contingency	3.00 %

#### Community Profile:

The Hide A Way Condominium Association is located in Buzzards Bay, MA. There are private drives, parking areas, pathways, beach, seawall, pump stations, back up generators, an office building, and a maintenance garage, and maintenance vehicles.

The community was declared a condominium in 1983. For budgeting purposes all original components will have a placed-in-service date of January 01, 1983. Other placed-in-service dates will be addressed throughout the report.

The Official ARS, Inc. On-site-inspection was performed on April 30th, 2009

The detail section of this reserve study will have information on all assets included in this report. Some assets may be listed for inventory purposes only, these assets will be listed under the Heading: Unfunded.

The anticipated reserve fund balance is based on current reserve fund & contribution information that was provided to ARS, Inc. by the client.

Asset repair & replacement costs are estimates based on National Data, Local Contractors, provided bid proposals from the client, and actual costs provided by the client.

#### Adequacy of Reserves as of January 1, 2010:

Anticipated Reserve Balance	<b>\$308,000.00</b>
Theoretically Ideal Reserve Balance	<b>\$401,817.99</b>
Percent Funded	<b>76.65%</b>

Recommended Funding for the 2010 Fiscal Year:	Annual	Monthly	Per Total
			Per Month
Member Contribution	<b>\$48,731</b>	<b>\$4,060.92</b>	<b>\$4,060.92</b>
Interest Contribution	<b>\$6,754</b>	<b>\$562.80</b>	<b>\$562.80</b>
Total Contribution	<b>\$55,485</b>	<b>\$4,623.73</b>	<b>\$4,623.73</b>

# Hide A Way Condominium Association

## Membership Disclosure Summary

Sorted by Category

Major Reserve Components	Current Cost	Assigned Reserves	Remaining Life Range	Useful Life Range
010 Streets	\$293,990	\$256,924	0-4	4-31
020 Roofs	\$13,940	\$790	6-21	20-25
070 Grounds	\$64,200	\$14,508	0-9	5-25
080 Exterior	\$17,470	\$5,236	3-36	25-40
090 Equipment	\$221,800	\$21,570	1-17	12-31
100 Unfunded	\$0	\$0	n.a.	n.a.
Contingency	n.a.	\$8,971	n.a.	n.a.
Total	\$611,400	\$308,000	0-36	4-40

# Hide A Way Condominium Association

## Preparer's Disclosure Statement

In March 2000, Michael Callahan was awarded the Reserve Specialist (RS) designation from Community Associations Institute (CAI). Mr. Callahan was the 48th person in the United States to receive this professional designation.

The RS designation was developed by CAI for professional reserve analysts who wish to confirm to their peers and/or clients that they have demonstrated a basic level of competency within the industry. The RS designation is awarded to reserve analysts who are dedicated to the highest standards of professionalism and reserve analysis preparation.

In 1999 Michael Callahan, RS was awarded the CAI-Community Association Professional of the Year Award. In 2003 Michael Callahan, RS was awarded the CAI-Association Professional Service Award.

Consultant certifies that:

- 1) Consultant has no other involvement with association which could result in actual or perceived conflicts of interest.
- 2) Consultant made field inspection of community on April 30th, 2009.

Component conditional assessments were developed by actual field observation.

- 3) Financial assumptions used in this analysis are listed on the Executive Summary.
- 4) Consultant is a Reserve Specialist (RS) designee.
- 5) This analysis is the first version prepared by ARS, Inc. for this Association. Future updates of this report performed by ARS, Inc. would range in cost from 1/2 to 2/3 the original cost to perform the reserve analysis. The Association is entitled one set of free revisions to the original report. A revision is not an update. A revision is to make changes adjustments to the original report after the client has had time to review the report. The changes/adjustments must be made available to ARS, Inc. within 90 days of receiving the first draft of the report. Revision changes/adjustments must be for past repairs/replacements, future repair/replacement adjustments/changes are considered an update if they are for the current fiscal year or future fiscal years.
- 6) There are no material issues known to consultant at this time which would cause a distortion of the association's situation.
- 7) It is assumed that all building assets/construction was built to code at the time of construction and was built with proper application, unless otherwise noted throughout the report and/or if information stating otherwise was provided to ARS, Inc. by the client. ARS, Inc. will not and did not do any testing for construction defects. No testing was done for any building codes.
- 8) The findings in this report are an opinion based on an actual visual on-site-inspection and from information provided to ARS, Inc. by the client. No testing of any kind was performed during the visual on-site-inspection. This report does not include destructive testing results. The visual on-site-inspection consists of a visual inspection of all accessible areas. Conditions or issues that could not be detected by a visual inspection are not the responsibility of ARS, Inc. or any consultant of ARS, Inc. ARS, Inc. is not required to report issues of any kind on any component.
- 9) No warranty, expressed or implied is made concerning services performed for this report, including the Consultant's findings, recommendations, or professional advice.

# Hide A Way Condominium Association

## Component Summary

### Sorted by Category

	Placed In Service Date	RL	UL	Inventory	Unit Cost	Current Cost	Theoreti- cally Ideal Balance	Assigned Reserves	Monthly Member Contrib	Monthly Interest Contrib	Total Monthly Contrib
<b>010 Streets</b>											
Streets - Asphalt, Overlay	1/1983	4	31	1 total	\$287,258.40	\$287,258	\$250,193	\$250,193	\$1,205	\$454	\$1,659
Streets - Asphalt, Repair	1/2006	0	4	185,328 sq. ft.	\$3.63	\$6,731	\$6,731	\$6,731	\$148	\$1	\$150
<b>Sub Total</b>		<b>0-4</b>	<b>4-31</b>			<b>\$293,990</b>	<b>\$256,924</b>	<b>\$256,924</b>	<b>\$1,354</b>	<b>\$455</b>	<b>\$1,809</b>
<b>020 Roofs</b>											
Garage - Door W/Glass	1/2006	21	25	1 total	\$520.00	\$520	\$83	\$0	\$3	\$0	\$3
Garage - Garage Doors	1/2006	21	25	1 total	\$2,600.00	\$2,600	\$416	\$0	\$13	\$0	\$13
Garage - Roof	1/2006	21	25	1 total	\$5,460.00	\$5,460	\$874	\$0	\$27	\$0	\$27
Office Building - Doors w/Glass	1/1991	6	25	1 total	\$1,040.00	\$1,040	\$790	\$790	\$5	\$1	\$6
Office Building - Roof	1/2005	15	20	1 total	\$4,320.00	\$4,320	\$1,080	\$0	\$28	\$0	\$28
<b>Sub Total</b>		<b>6-21</b>	<b>20-25</b>			<b>\$13,940</b>	<b>\$3,243</b>	<b>\$790</b>	<b>\$75</b>	<b>\$2</b>	<b>\$77</b>
<b>070 Grounds</b>											
Grounds - Pathways, Retaining Walls, & Stairw	1/1991	0	5	1 total	\$5,000.00	\$5,000	\$5,000	\$5,000	\$89	\$1	\$90
Grounds - Playground Equipment	1/1991	6	25	1 total	\$9,200.00	\$9,200	\$6,992	\$6,992	\$44	\$13	\$57
Grounds - Seawall, Repairs	1/2009	9	10	1 total	\$50,000.00	\$50,000	\$5,000	\$2,516	\$491	\$9	\$500
<b>Sub Total</b>		<b>0-9</b>	<b>5-25</b>			<b>\$64,200</b>	<b>\$16,992</b>	<b>\$14,508</b>	<b>\$623</b>	<b>\$23</b>	<b>\$646</b>
<b>080 Exterior</b>											
Garage - Wood Shingles & Clapboard	1/2006	36	40	1 total	\$4,920.00	\$4,920	\$492	\$0	\$16	\$0	\$16
Office Building - Deck Replacement	1/1988	3	25	1 total	\$5,950.00	\$5,950	\$5,236	\$5,236	\$29	\$10	\$38
Office Building - Wood Shingles	1/1983	13	40	1 total	\$6,600.00	\$6,600	\$4,455	\$0	\$49	\$0	\$49
<b>Sub Total</b>		<b>3-36</b>	<b>25-40</b>			<b>\$17,470</b>	<b>\$10,183</b>	<b>\$5,236</b>	<b>\$93</b>	<b>\$10</b>	<b>\$103</b>
<b>090 Equipment</b>											
Equipment - Back Up Generators, Schedule #1	1/1991	10	29	1 total	\$24,000.00	\$24,000	\$15,724	\$0	\$223	\$2	\$225
Equipment - Back Up Generators, Schedule #2	1/1991	11	30	1 total	\$24,000.00	\$24,000	\$15,200	\$0	\$205	\$2	\$207
Equipment - Back Up Generators, Schedule #3	1/1991	12	31	1 total	\$24,000.00	\$24,000	\$14,710	\$0	\$189	\$2	\$191
Equipment - Bobcat (Skid Steer)	1/1995	10	25	1 total	\$24,000.00	\$24,000	\$14,400	\$0	\$223	\$2	\$225

## Hide A Way Condominium Association

### Component Summary

#### Sorted by Category

	Placed In Service Date	RL	UL	Inventory	Unit Cost	Current Cost	Theoreti- cally Ideal Balance	Assigned Reserves	Monthly Member Contrib	Monthly Interest Contrib	Total Monthly Contrib
Equipment - GM Pick Up Truck	1/2002	10	18	1 total	\$25,000.00	\$25,000	\$11,111	\$0	\$233	\$2	\$235
Equipment - GM W4500 Dump Truck	1/2007	17	20	1 total	\$40,000.00	\$40,000	\$6,000	\$0	\$233	\$2	\$235
Garage - Heat Pump	1/2006	16	20	1 total	\$3,800.00	\$3,800	\$760	\$0	\$23	\$0	\$24
Grounds - Pump Stations, Pump Motors	1/2005	7	12	1 total	\$50,400.00	\$50,400	\$21,000	\$21,000	\$413	\$41	\$454
Office Building - AC Unit	1/1991	1	20	1 total	\$600.00	\$600	\$570	\$570	\$3	\$1	\$5
Office Building - Furnace	1/1991	11	30	1 total	\$4,800.00	\$4,800	\$3,040	\$0	\$41	\$0	\$41
Office Building - Hot Water Heater	1/2007	11	14	1 total	\$1,200.00	\$1,200	\$257	\$0	\$10	\$0	\$10
<b>Sub Total</b>		<b>1-17</b>	<b>12-31</b>			<b>\$221,800</b>	<b>\$102,772</b>	<b>\$21,570</b>	<b>\$1,797</b>	<b>\$56</b>	<b>\$1,853</b>
<b>100 Unfunded</b>											
Grounds - Pathways, Concrete, Comment	1/2009	n.a.	n.a.	1 comment	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0
<b>Sub Total</b>						<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Contingency							\$11,703	\$8,971	\$118	\$17	\$135
<b>Total</b>		<b>0-36</b>	<b>4-40</b>			<b>\$611,400</b>	<b>\$401,818</b>	<b>\$308,000</b>	<b>\$4,061</b>	<b>\$563</b>	<b>\$4,624</b>

NOTE: The dollar figures in this summary have been rounded to the nearest \$1.00. In some cases, the Sub Totals do not appear to "add up" due to a rounding error.

# Hide A Way Condominium Association

## Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Theoretically Ideal Balance
<b><u>010 Streets</u></b>				
Streets - Asphalt, Overlay	4	31	\$287,258.40	\$250,192.80
Streets - Asphalt, Repair	0	4	\$6,731.48	\$6,731.48
<b>Sub Total</b>	<b>0-4</b>	<b>4-31</b>	<b>\$293,989.88</b>	<b>\$256,924.28</b>
<b><u>020 Roofs</u></b>				
Garage - Door W/Glass	21	25	\$520.00	\$83.20
Garage - Garage Doors	21	25	\$2,600.00	\$416.00
Garage - Roof	21	25	\$5,460.00	\$873.60
Office Building - Doors w/Glass	6	25	\$1,040.00	\$790.40
Office Building - Roof	15	20	\$4,320.00	\$1,080.00
<b>Sub Total</b>	<b>6-21</b>	<b>20-25</b>	<b>\$13,940.00</b>	<b>\$3,243.20</b>
<b><u>070 Grounds</u></b>				
Grounds - Pathways, Retaining Walls, & Stairways	0	5	\$5,000.00	\$5,000.00
Grounds - Playground Equipment	6	25	\$9,200.00	\$6,992.00
Grounds - Seawall, Repairs	9	10	\$50,000.00	\$5,000.00
<b>Sub Total</b>	<b>0-9</b>	<b>5-25</b>	<b>\$64,200.00</b>	<b>\$16,992.00</b>
<b><u>080 Exterior</u></b>				
Garage - Wood Shingles & Clapboard	36	40	\$4,920.00	\$492.00
Office Building - Deck Replacement	3	25	\$5,950.00	\$5,236.00
Office Building - Wood Shingles	13	40	\$6,600.00	\$4,455.00
<b>Sub Total</b>	<b>3-36</b>	<b>25-40</b>	<b>\$17,470.00</b>	<b>\$10,183.00</b>
<b><u>090 Equipment</u></b>				
Equipment - Back Up Generators, Schedule #1	10	29	\$24,000.00	\$15,724.14
Equipment - Back Up Generators, Schedule #2	11	30	\$24,000.00	\$15,200.00
Equipment - Back Up Generators, Schedule #3	12	31	\$24,000.00	\$14,709.68
Equipment - Bobcat (Skid Steer)	10	25	\$24,000.00	\$14,400.00
Equipment - GM Pick Up Truck	10	18	\$25,000.00	\$11,111.11
Equipment - GM W4500 Dump Truck	17	20	\$40,000.00	\$6,000.00
Garage - Heat Pump	16	20	\$3,800.00	\$760.00
Grounds - Pump Stations, Pump Motors	7	12	\$50,400.00	\$21,000.00
Office Building - AC Unit	1	20	\$600.00	\$570.00
Office Building - Furnace	11	30	\$4,800.00	\$3,040.00
Office Building - Hot Water Heater	11	14	\$1,200.00	\$257.14
<b>Sub Total</b>	<b>1-17</b>	<b>12-31</b>	<b>\$221,800.00</b>	<b>\$102,772.07</b>

# Hide A Way Condominium Association

## Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Theoretically Ideal Balance
<b>100 Unfunded</b>				
Grounds - Pathways, Concrete, Comment	n.a.	n.a.	\$0.00	\$0.00
<b>Sub Total</b>	<b>n.a.</b>	<b>n.a.</b>	<b>\$0.00</b>	<b>\$0.00</b>
Contingency	n.a.	n.a.	n.a.	\$11,703.44
<b>Total</b>	<b>0-36</b>	<b>4-40</b>	<b>\$611,399.88</b>	<b>\$401,817.99</b>
<b>Anticipated Reserve Balance</b>				<b>\$308,000.00</b>
<b>Percent Funded</b>				<b>76.65%</b>

**Hide A Way Condominium Association**  
**Distribution of Current Reserve Funds**  
**Sorted by Remaining Life**

	<b>Remaining Life</b>	<b>Theoretically Ideal Balance</b>	<b>Assigned Reserves</b>
Grounds - Pathways, Retaining Walls, & Stairways	0	\$5,000.00	\$5,000.00
Streets - Asphalt, Repair	0	\$6,731.48	\$6,731.48
Office Building - AC Unit	1	\$570.00	\$570.00
Office Building - Deck Replacement	3	\$5,236.00	\$5,236.00
Streets - Asphalt, Overlay	4	\$250,192.80	\$250,192.80
Grounds - Playground Equipment	6	\$6,992.00	\$6,992.00
Office Building - Doors w/Glass	6	\$790.40	\$790.40
Grounds - Pump Stations, Pump Motors	7	\$21,000.00	\$21,000.00
Grounds - Seawall, Repairs	9	\$5,000.00	\$2,516.44
Equipment - Back Up Generators, Schedule #1	10	\$15,724.14	\$0.00
Equipment - Bobcat (Skid Steer)	10	\$14,400.00	\$0.00
Equipment - GM Pick Up Truck	10	\$11,111.11	\$0.00
Equipment - Back Up Generators, Schedule #2	11	\$15,200.00	\$0.00
Office Building - Furnace	11	\$3,040.00	\$0.00
Office Building - Hot Water Heater	11	\$257.14	\$0.00
Equipment - Back Up Generators, Schedule #3	12	\$14,709.68	\$0.00
Office Building - Wood Shingles	13	\$4,455.00	\$0.00
Office Building - Roof	15	\$1,080.00	\$0.00
Garage - Heat Pump	16	\$760.00	\$0.00
Equipment - GM W4500 Dump Truck	17	\$6,000.00	\$0.00
Garage - Door W/Glass	21	\$83.20	\$0.00
Garage - Garage Doors	21	\$416.00	\$0.00
Garage - Roof	21	\$873.60	\$0.00
Garage - Wood Shingles & Clapboard	36	\$492.00	\$0.00
Grounds - Pathways, Concrete, Comment	n.a.	\$0.00	\$0.00

# Hide A Way Condominium Association

## Distribution of Current Reserve Funds

Sorted by Remaining Life

	Remaining Life	Theoretically Ideal Balance	Assigned Reserves
Contingency	n.a.	\$11,703.44	\$8,970.87
<b>Total</b>	<b>0-36</b>	<b>\$401,817.99</b>	<b>\$308,000.00</b>
<b>Percent Funded</b>			<b>76.65%</b>

**Hide A Way Condominium Association**  
**Management / Accounting Summary**  
**Sorted by Category**

	<b>Balance at Fiscal Year Beginning</b>	<b>Monthly Member Contribution</b>	<b>Monthly Interest Contribution</b>	<b>Total Monthly Contribution</b>
<b><u>010 Streets</u></b>				
Streets - Asphalt, Overlay	\$250,192.80	\$1,205.42	\$453.75	\$1,659.17
Streets - Asphalt, Repair	\$6,731.48	\$148.43	\$1.44	\$149.86
<b>Sub Total</b>	<b>\$256,924.28</b>	<b>\$1,353.85</b>	<b>\$455.18</b>	<b>\$1,809.03</b>
<b><u>020 Roofs</u></b>				
Garage - Door W/Glass	\$0.00	\$2.54	\$0.02	\$2.56
Garage - Garage Doors	\$0.00	\$12.68	\$0.12	\$12.80
Garage - Roof	\$0.00	\$26.62	\$0.26	\$26.88
Office Building - Doors w/Glass	\$790.40	\$4.96	\$1.44	\$6.41
Office Building - Roof	\$0.00	\$28.00	\$0.27	\$28.27
<b>Sub Total</b>	<b>\$790.40</b>	<b>\$74.79</b>	<b>\$2.12</b>	<b>\$76.91</b>
<b><u>070 Grounds</u></b>				
Grounds - Pathways, Retaining Walls, & Stairwa	\$5,000.00	\$89.00	\$0.86	\$89.86
Grounds - Playground Equipment	\$6,992.00	\$43.89	\$12.78	\$56.67
Grounds - Seawall, Repairs	\$2,516.44	\$490.50	\$9.20	\$499.70
<b>Sub Total</b>	<b>\$14,508.44</b>	<b>\$623.39</b>	<b>\$22.84</b>	<b>\$646.23</b>
<b><u>080 Exterior</u></b>				
Garage - Wood Shingles & Clapboard	\$0.00	\$15.86	\$0.15	\$16.01
Office Building - Deck Replacement	\$5,236.00	\$28.93	\$9.53	\$38.46
Office Building - Wood Shingles	\$0.00	\$48.50	\$0.47	\$48.97
<b>Sub Total</b>	<b>\$5,236.00</b>	<b>\$93.29</b>	<b>\$10.15</b>	<b>\$103.44</b>
<b><u>090 Equipment</u></b>				
Equipment - Back Up Generators, Schedule #1	\$0.00	\$223.32	\$2.16	\$225.48
Equipment - Back Up Generators, Schedule #2	\$0.00	\$204.82	\$1.98	\$206.80
Equipment - Back Up Generators, Schedule #3	\$0.00	\$189.41	\$1.83	\$191.24
Equipment - Bobcat (Skid Steer)	\$0.00	\$223.32	\$2.16	\$225.48
Equipment - GM Pick Up Truck	\$0.00	\$232.63	\$2.25	\$234.88
Equipment - GM W4500 Dump Truck	\$0.00	\$232.76	\$2.25	\$235.02
Garage - Heat Pump	\$0.00	\$23.29	\$0.23	\$23.52
Grounds - Pump Stations, Pump Motors	\$21,000.00	\$413.11	\$41.11	\$454.22
Office Building - AC Unit	\$570.00	\$3.46	\$1.04	\$4.50
Office Building - Furnace	\$0.00	\$40.96	\$0.40	\$41.36
Office Building - Hot Water Heater	\$0.00	\$10.24	\$0.10	\$10.34

# Hide A Way Condominium Association

## Management / Accounting Summary

Sorted by Category

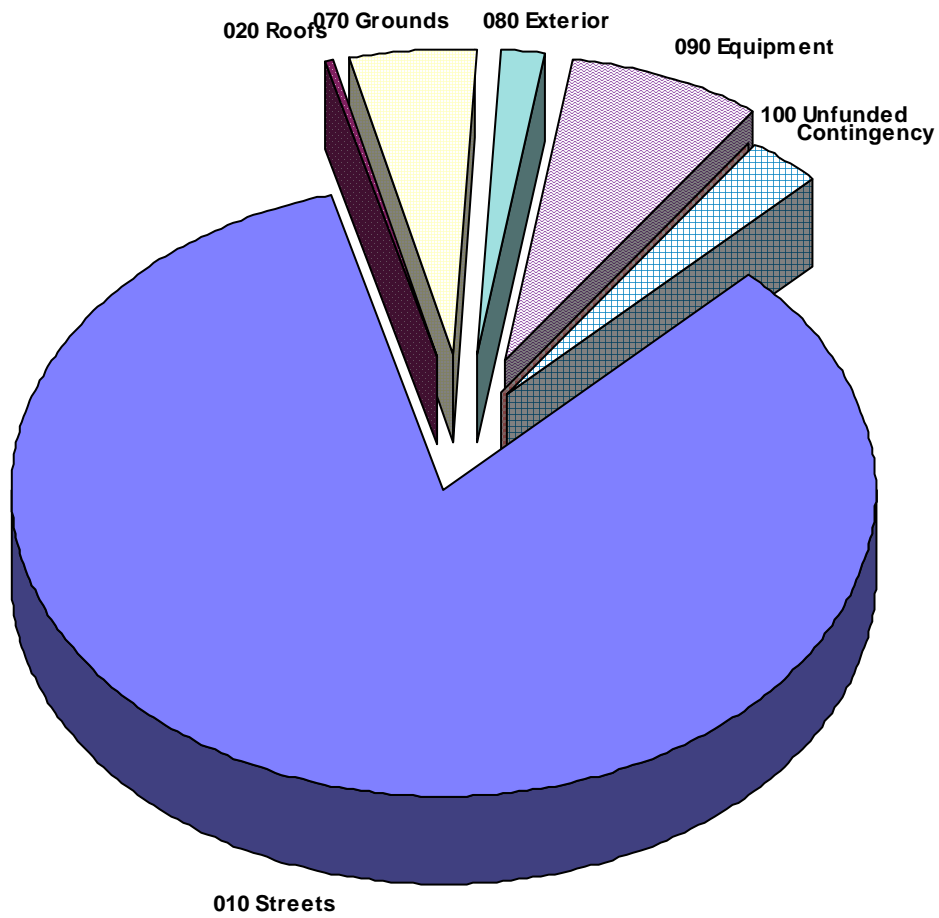
	<b>Balance at Fiscal Year Beginning</b>	<b>Monthly Member Contribution</b>	<b>Monthly Interest Contribution</b>	<b>Total Monthly Contribution</b>
<b>Sub Total</b>	<b>\$21,570.00</b>	<b>\$1,797.33</b>	<b>\$55.51</b>	<b>\$1,852.84</b>
<b><u>100 Unfunded</u></b>				
Grounds - Pathways, Concrete, Comment	\$0.00	\$0.00	\$0.00	\$0.00
<b>Sub Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Contingency	\$8,970.87	\$118.28	\$17.00	\$135.28
<b>Total</b>	<b>\$308,000.00</b>	<b>\$4,060.92</b>	<b>\$562.80</b>	<b>\$4,623.73</b>

# Hide A Way Condominium Association

## Management / Accounting Charts

Sorted by Category

### Distribution of Current Reserve Fund

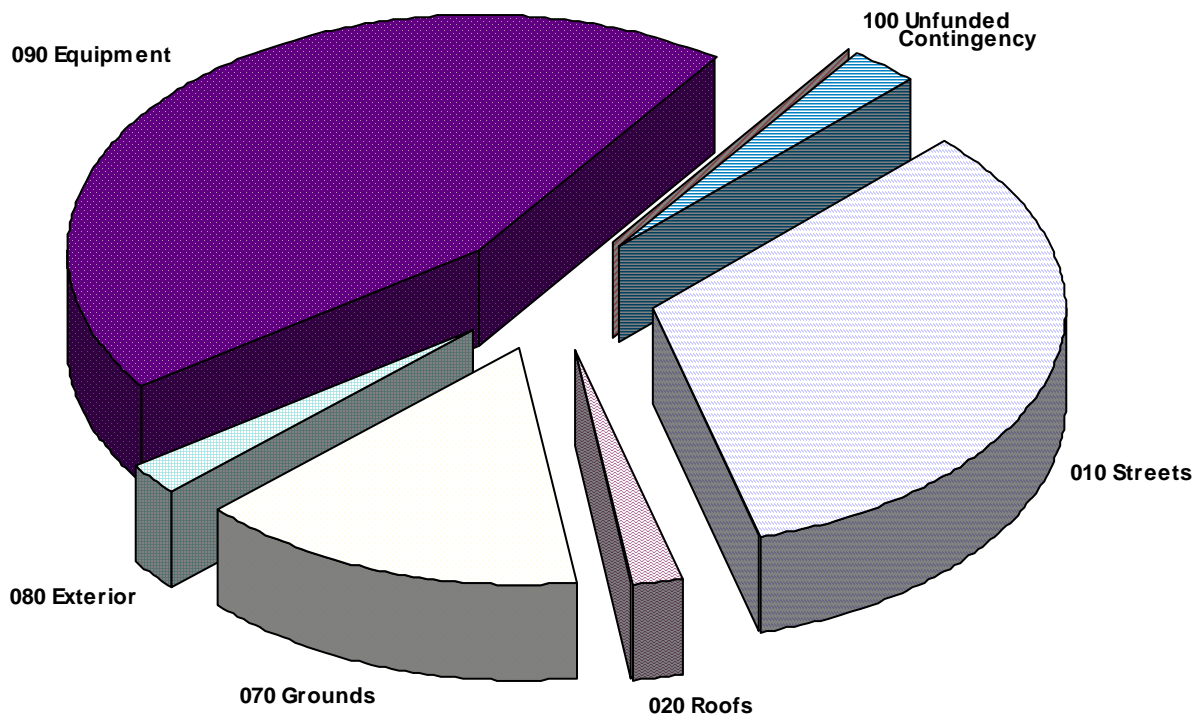


# Hide A Way Condominium Association

## Management / Accounting Charts

Sorted by Category

### Monthly Member Contribution



**Hide A Way Condominium Association**  
**Annual Expenditure Detail**  
**Sorted by Description**

<b>2010 Fiscal Year</b>		
Grounds - Pathways, Retaining Walls, & Stairways		\$5,000.00
Streets - Asphalt, Repair		\$6,731.48
<b>Sub Total</b>		<b>\$11,731.48</b>
<b>2011 Fiscal Year</b>		
Office Building - AC Unit		\$624.00
<b>Sub Total</b>		<b>\$624.00</b>
<b>2013 Fiscal Year</b>		
Office Building - Deck Replacement		\$6,692.94
<b>Sub Total</b>		<b>\$6,692.94</b>
<b>2014 Fiscal Year</b>		
Streets - Asphalt, Overlay		\$336,051.70
Streets - Asphalt, Repair		\$7,874.88
<b>Sub Total</b>		<b>\$343,926.58</b>
<b>2015 Fiscal Year</b>		
Grounds - Pathways, Retaining Walls, & Stairways		\$6,083.26
<b>Sub Total</b>		<b>\$6,083.26</b>
<b>2016 Fiscal Year</b>		
Grounds - Playground Equipment		\$11,640.94
Office Building - Doors w/Glass		\$1,315.93
<b>Sub Total</b>		<b>\$12,956.87</b>
<b>2017 Fiscal Year</b>		
Grounds - Pump Stations, Pump Motors		\$66,322.96
<b>Sub Total</b>		<b>\$66,322.96</b>
<b>2018 Fiscal Year</b>		
Streets - Asphalt, Repair		\$9,212.50
<b>Sub Total</b>		<b>\$9,212.50</b>
<b>2019 Fiscal Year</b>		
Grounds - Seawall, Repairs		\$71,165.59
<b>Sub Total</b>		<b>\$71,165.59</b>
<b>2020 Fiscal Year</b>		
Equipment - Back Up Generators, Schedule #1		\$35,525.86
Equipment - Bobcat (Skid Steer)		\$35,525.86

**Hide A Way Condominium Association**  
**Annual Expenditure Detail**  
**Sorted by Description**

Equipment - GM Pick Up Truck	\$37,006.11
Grounds - Pathways, Retaining Walls, & Stairways	\$7,401.22
<b>Sub Total</b>	<b>\$115,459.05</b>
<b>2021 Fiscal Year</b>	
Equipment - Back Up Generators, Schedule #2	\$36,946.90
Office Building - Furnace	\$7,389.38
Office Building - Hot Water Heater	\$1,847.34
<b>Sub Total</b>	<b>\$46,183.62</b>
<b>2022 Fiscal Year</b>	
Equipment - Back Up Generators, Schedule #3	\$38,424.77
Streets - Asphalt, Repair	\$10,777.32
<b>Sub Total</b>	<b>\$49,202.10</b>
<b>2023 Fiscal Year</b>	
Office Building - Wood Shingles	\$10,989.49
<b>Sub Total</b>	<b>\$10,989.49</b>
<b>2025 Fiscal Year</b>	
Grounds - Pathways, Retaining Walls, & Stairways	\$9,004.72
Office Building - Roof	\$7,780.08
<b>Sub Total</b>	<b>\$16,784.79</b>
<b>2026 Fiscal Year</b>	
Garage - Heat Pump	\$7,117.33
Streets - Asphalt, Repair	\$12,607.94
<b>Sub Total</b>	<b>\$19,725.27</b>
<b>2027 Fiscal Year</b>	
Equipment - GM W4500 Dump Truck	\$77,916.02
<b>Sub Total</b>	<b>\$77,916.02</b>
<b>2029 Fiscal Year</b>	
Grounds - Pump Stations, Pump Motors	\$106,185.20
Grounds - Seawall, Repairs	\$105,342.46
<b>Sub Total</b>	<b>\$211,527.66</b>
<b>2030 Fiscal Year</b>	
Grounds - Pathways, Retaining Walls, & Stairways	\$10,955.62
Streets - Asphalt, Repair	\$14,749.51

# Hide A Way Condominium Association

## Annual Expenditure Detail

Sorted by Description

<b>Sub Total</b>	<b>\$25,705.13</b>
<b>2031 Fiscal Year</b>	
Garage - Door W/Glass	\$1,184.96
Garage - Garage Doors	\$5,924.80
Garage - Roof	\$12,442.07
Office Building - AC Unit	\$1,367.26
<b>Sub Total</b>	<b>\$20,919.09</b>
<b>2034 Fiscal Year</b>	
Streets - Asphalt, Overlay	\$736,330.65
Streets - Asphalt, Repair	\$17,254.84
<b>Sub Total</b>	<b>\$753,585.49</b>
<b>2035 Fiscal Year</b>	
Grounds - Pathways, Retaining Walls, & Stairways	\$13,329.18
Office Building - Hot Water Heater	\$3,199.00
<b>Sub Total</b>	<b>\$16,528.19</b>
<b>2038 Fiscal Year</b>	
Equipment - GM Pick Up Truck	\$74,967.58
Office Building - Deck Replacement	\$17,842.28
Streets - Asphalt, Repair	\$20,185.72
<b>Sub Total</b>	<b>\$112,995.59</b>
<b>2039 Fiscal Year</b>	
Grounds - Seawall, Repairs	\$155,932.57
<b>Sub Total</b>	<b>\$155,932.57</b>

# Hide A Way Condominium Association

## Projections

### Component Calculation Method

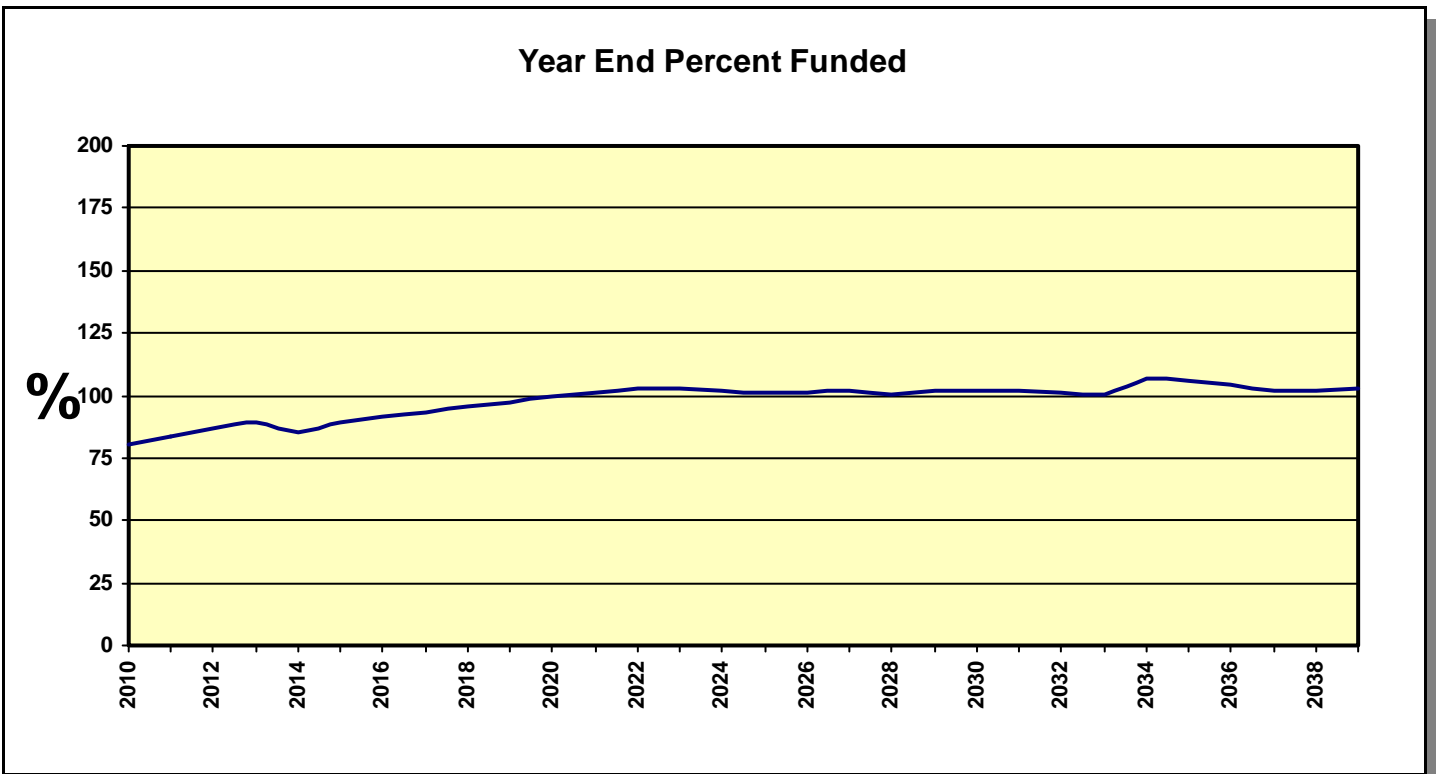
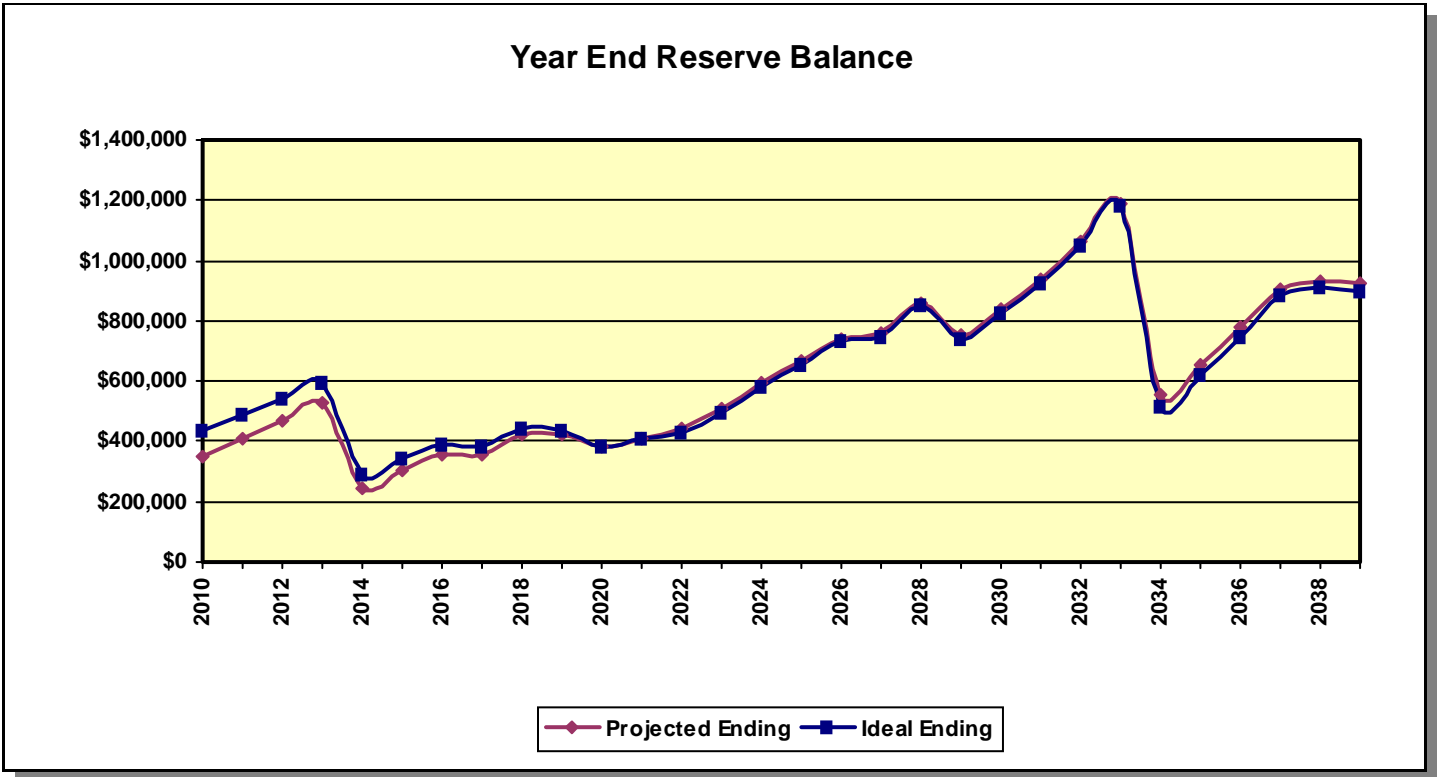
<b>Fiscal Year</b>	<b>Beginning Balance</b>	<b>Member Contribution</b>	<b>Interest Contribution</b>	<b>Expenditures</b>	<b>Ending Balance</b>	<b>Theoretically Ideal Ending Balance</b>	<b>Percent Funded</b>
2010	\$308,000	\$48,731	\$6,754	\$11,731	\$351,753	\$437,310	80%
2011	\$351,753	\$50,385	\$7,933	\$624	\$409,447	\$487,400	84%
2012	\$409,447	\$52,085	\$9,186	\$0	\$470,718	\$541,493	87%
2013	\$470,718	\$53,676	\$10,359	\$6,693	\$528,059	\$591,964	89%
2014	\$528,059	\$58,622	\$4,472	\$343,927	\$247,226	\$291,035	85%
2015	\$247,226	\$57,305	\$5,668	\$6,083	\$304,116	\$341,718	89%
2016	\$304,116	\$58,940	\$6,744	\$12,957	\$356,844	\$388,889	92%
2017	\$356,844	\$60,846	\$6,749	\$66,323	\$358,116	\$382,675	94%
2018	\$358,116	\$63,237	\$8,010	\$9,213	\$420,150	\$439,361	96%
2019	\$420,150	\$65,253	\$8,031	\$71,166	\$422,270	\$434,000	97%
2020	\$422,270	\$66,781	\$7,152	\$115,459	\$380,744	\$383,066	99%
2021	\$380,744	\$69,013	\$7,762	\$46,184	\$411,335	\$406,517	101%
2022	\$411,335	\$70,030	\$8,356	\$49,202	\$440,520	\$430,022	102%
2023	\$440,520	\$70,927	\$9,794	\$10,989	\$510,252	\$497,798	103%
2024	\$510,252	\$71,927	\$11,515	\$0	\$593,694	\$582,551	102%
2025	\$593,694	\$74,930	\$12,958	\$16,785	\$664,797	\$655,307	101%
2026	\$664,797	\$80,158	\$14,454	\$19,725	\$739,683	\$730,522	101%
2027	\$739,683	\$84,692	\$14,852	\$77,916	\$761,311	\$749,216	102%
2028	\$761,311	\$81,269	\$16,929	\$0	\$859,509	\$855,040	101%
2029	\$859,509	\$91,438	\$14,625	\$211,528	\$754,044	\$741,542	102%
2030	\$754,044	\$96,530	\$16,378	\$25,705	\$841,246	\$825,712	102%
2031	\$841,246	\$99,659	\$18,358	\$20,919	\$938,345	\$921,659	102%
2032	\$938,345	\$101,391	\$20,878	\$0	\$1,060,614	\$1,047,264	101%
2033	\$1,060,614	\$101,436	\$23,471	\$0	\$1,185,520	\$1,181,443	100%
2034	\$1,185,520	\$110,376	\$10,227	\$753,585	\$552,537	\$517,441	107%
2035	\$552,537	\$107,834	\$12,409	\$16,528	\$656,252	\$620,253	106%
2036	\$656,252	\$109,268	\$14,973	\$0	\$780,493	\$748,876	104%
2037	\$780,493	\$109,419	\$17,608	\$0	\$907,521	\$886,795	102%
2038	\$907,521	\$117,140	\$17,981	\$112,996	\$929,646	\$913,510	102%
2039	\$929,646	\$130,631	\$17,670	\$155,933	\$922,014	\$899,790	102%

NOTE: In some cases, the projected Ending Balance may exceed the Theoretically Ideal 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.

# Hide A Way Condominium Association

## Projection Charts

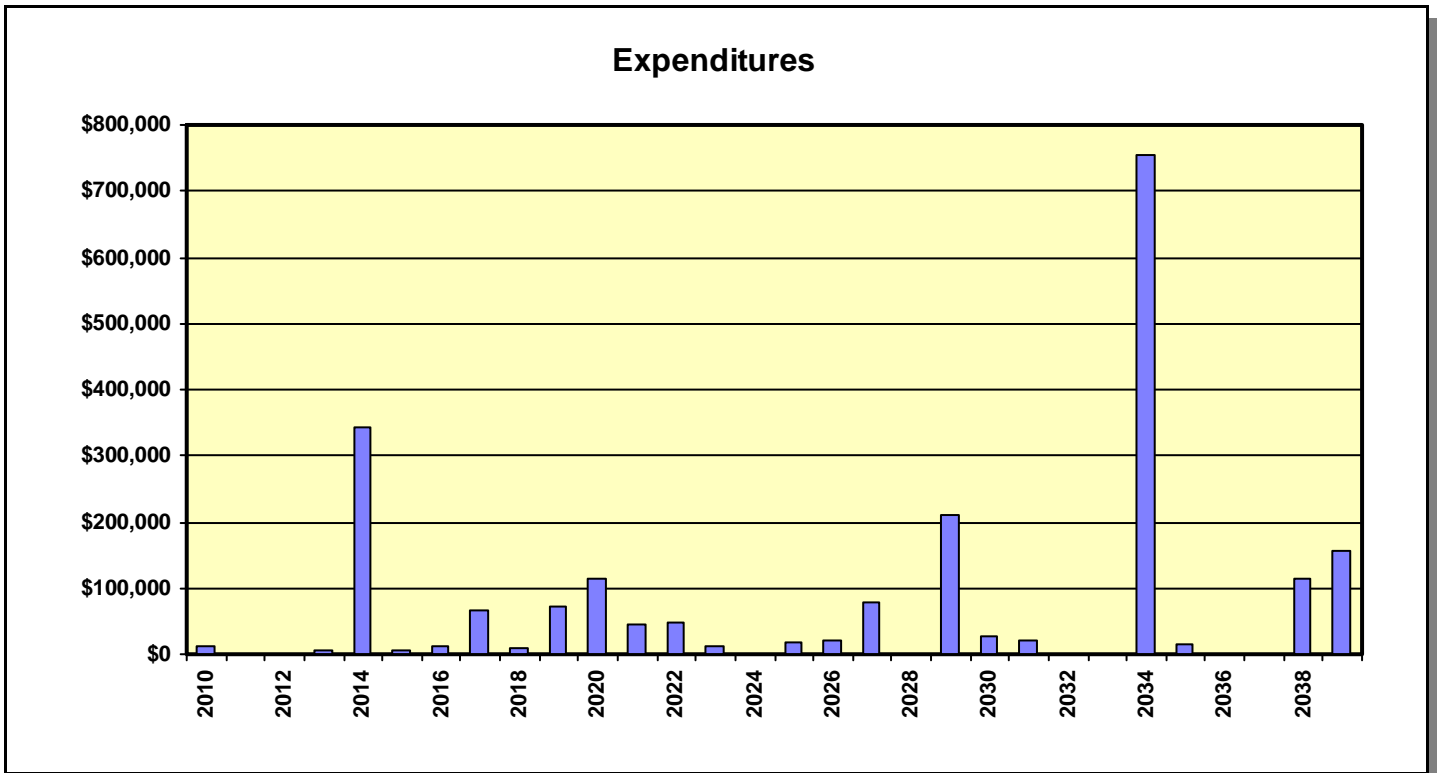
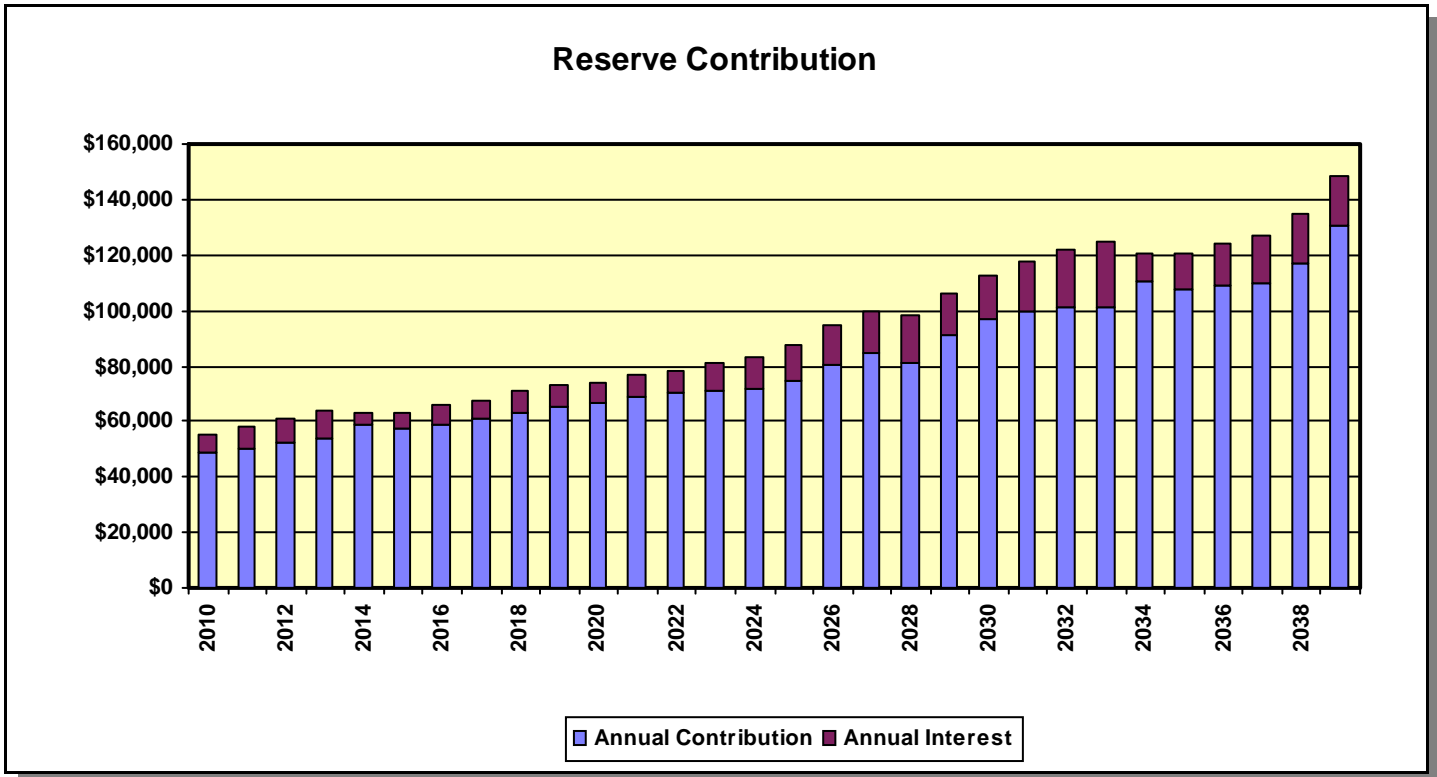
### Component Calculation Method



# Hide A Way Condominium Association

## Projection Charts

### Component Calculation Method



# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Streets - Asphalt, Overlay

Category	010 Streets	Quantity	1 total
Location	Grounds	Unit Cost	\$287,258.400
		% of Replacement	100.00%
		Current Cost	\$287,258.40
Placed In Service	01/83	Future Cost	\$336,051.70
Useful Life	20		
Adjustment	+11	Assigned Reserves at FYB	\$250,192.80
Remaining Life	4	Monthly Member Contribution	\$1,205.42
Replacement Year	2014	Monthly Interest Contribution	\$453.75
		Total Monthly Contribution	\$1,659.17

Comments:

The main issue with the asphalt is cracks. A line item for asphalt overlay repairs has been set up in this report.

Some areas could use some attention. ARS, Inc. has used January 01, 1983 as the placed-in-service date with a Remaining Life adjustment based on the overall condition of the asphalt. Most asphalt issues can be fixed between overlay replacements.

Most asphalt pavements are built on a gravel base which is generally at least as thick as the asphalt layer, although some 'full depth' pavements are built directly on the native subgrade. In areas with very soft or expansive subgrades such as clay or peat, thick gravel bases or stabilization of the subgrade with Portland cement or lime can be required. The actual material used in paving is termed HMA (Hot Mix Asphalt), and it is usually applied using a free floating screed.

Advantages of asphalt roadways include relatively low noise, relatively low cost compared with other paving methods, and ease of repair. Disadvantages include less durability than other paving methods, less tensile strength than concrete, the tendency to become slick and soft in hot weather and a certain amount of hydrocarbon pollution to soil and groundwater or waterways.

Although asphalt has been around for millions of years in crude oil, it doesn't last forever when used for paving roads. Few of us can have missed jolting over cracks and ruts in heavily trafficked roads. A number of factors impinge on the performance of asphalt. These include its composition and the crude oil source, the type and amount of aggregate used, the presence of moisture, the method of road construction, temperature, and, of course, the volume of traffic.

Ideally, asphalt used for paving roads should remain consistent in all weather conditions. However, many asphalt roads soften in summer and suffer from rutting, or permanent deformation, as it is also called. At low temperatures, neutral molecules in asphalt arrange themselves into more organized structural forms. As a result, the material hardens, becomes brittle, and cracks under the stress of heavy traffic loads. This is known as thermal and fatigue cracking.

Asphalts also lose their plasticity and therefore harden and crack or crumble when they lose their more volatile lower molecular weight constituents or when these constituents are oxidized. This process is known as aging. Moisture from rain and other sources can also invade and damage asphalts, particularly aged or oxidized asphalts.

185,328 sq.ft. of asphalt surface	@	\$1.55	=	\$287,258.40
		TOTAL	=	\$287,258.40

Most asphalt areas can be expected to last approximately 20 years before it will become necessary for an overlay to be

# Hide A Way Condominium Association

## Component Detail

### Sorted by Category

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.

As pavement systems primarily fail due to fatigue (in a manner similar to metals).

Several pavement design methods have been developed to determine the thickness and composition of pavement required to carry predicted traffic loads for a given period of time. Pavement design methods are continuously evolving. Heavily loaded trucks can do more than 10,000 times the damage done by a normal passenger car. Passenger cars are considered to have no practical effect on a pavement's service life.

### Streets - Asphalt, Repair

Category	010 Streets	Quantity	185,328 sq. ft.
Location	Streets	Unit Cost	\$3.632
		% of Replacement	1.00%
		Current Cost	\$6,731.48
Placed In Service	01/06	Future Cost	\$7,874.88
Useful Life	4		
		Assigned Reserves at FYB	\$6,731.48
Remaining Life	0	Monthly Member Contribution	\$148.43
Replacement Year	2010	Monthly Interest Contribution	\$1.44
		Total Monthly Contribution	\$149.86

#### 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.

The actual date this component was placed into service is not available. For budgeting purposes, this date has been estimated based on its condition at our most recent field inspection.

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Garage - Door W/Glass

Category	020 Roofs	Quantity	1 total
Location	Building	Unit Cost	\$520.00
		% of Replacement	100.00%
		Current Cost	\$520.00
Placed In Service	01/06	Future Cost	\$1,184.96
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	21	Monthly Member Contribution	\$2.54
Replacement Year	2031	Monthly Interest Contribution	\$0.02
		Total Monthly Contribution	\$2.56

Comments:

1 door w/glass	@	\$520.00	=	\$520.00
		TOTAL	=	\$520.00

### Garage - Garage Doors

Category	020 Roofs	Quantity	1 total
Location	Building	Unit Cost	\$2,600.00
		% of Replacement	100.00%
		Current Cost	\$2,600.00
Placed In Service	01/06	Future Cost	\$5,924.80
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	21	Monthly Member Contribution	\$12.68
Replacement Year	2031	Monthly Interest Contribution	\$0.12
		Total Monthly Contribution	\$12.80

Comments:

The estimate use does not include the replacement of electrical openers or the metal tracking system. It is for the replacement of the actual door only.

2 -9'x7' garage doors	@	\$1,300.00	=	\$2,600.00
		TOTAL	=	\$2,600.00

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Garage - Roof

Category	020 Roofs	Quantity	1 total
Location	Building	Unit Cost	\$5,460.00
		% of Replacement	100.00%
		Current Cost	\$5,460.00
Placed In Service	01/06	Future Cost	\$12,442.07
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	21	Monthly Member Contribution	\$26.62
Replacement Year	2031	Monthly Interest Contribution	\$0.26
		Total Monthly Contribution	\$26.88

Comments:

910 sq.ft of asphalt roofing	@	\$6.00	=	\$5,460.00	
		TOTAL	=	\$5,460.00	

### Office Building - Doors w/Glass

Category	020 Roofs	Quantity	1 total
Location	Building	Unit Cost	\$1,040.00
		% of Replacement	100.00%
		Current Cost	\$1,040.00
Placed In Service	01/91	Future Cost	\$1,315.93
Useful Life	25		
		Assigned Reserves at FYB	\$790.40
Remaining Life	6	Monthly Member Contribution	\$4.96
Replacement Year	2016	Monthly Interest Contribution	\$1.44
		Total Monthly Contribution	\$6.41

Comments:

2 door w/glass	@	\$520.00	=	\$1,040.00	
		TOTAL	=	\$1,040.00	

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Office Building - Roof

Category	020 Roofs	Quantity	1 total
Location	Building	Unit Cost	\$4,320.000
		% of Replacement	100.00%
		Current Cost	\$4,320.00
Placed In Service	01/05	Future Cost	\$7,780.08
Useful Life	20		
		Assigned Reserves at FYB	\$0.00
Remaining Life	15	Monthly Member Contribution	\$28.00
Replacement Year	2025	Monthly Interest Contribution	\$0.27
		Total Monthly Contribution	\$28.27

#### Comments:

Most residential roofs are covered with shingles. To apply shingles, roofers first lay, cut, and tack 3-foot strips of roofing felt lengthwise over the entire roof. Then, starting from the bottom edge, they staple or nail overlapping rows of shingles to the roof. Workers measure and cut the felt and shingles to fit intersecting roof surfaces and to fit around vent pipes and chimneys. Wherever two roof surfaces intersect, or shingles reach a vent pipe or chimney, roofers cement or nail flashing-strips of metal or shingle over the joints to make them watertight.

The roofing system used is an Asphalt Composition 3-tab Shingle. The system should consist of the following materials:

- Plywood sheathing. Sheathing is the base for the roofing application. The sheathing boards are nailed to the rafters.
- Asphalt Paper. Asphalt paper is a paper sheet that has been coated or saturated with asphalt to increase its toughness and its resistance to water. The paper is used to improve thermal insulation and weather protection. It also acts as a vapor barrier.
- Metal Flashing where needed.
- Drip Edge where needed.
- Ice & Snow shield. Ice & Snow shield is an adhesive, waterproof, rubberized membrane applied to the roof sheathing to seal nail holes, and protect the sheathing from backed up water. The membrane is usually made of a rubberized asphalt, polyethylene or bituthane. The membrane should be applied a minimum of six feet up the roof from the eave. This membrane is not always applied.
- Asphalt Shingles. Shingles manufactured from saturated roofing felts, coated with asphalt and having mineral granules on the side exposed to the weather. The granules act as a protection barrier for the shingles.

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.

The age of your roof is usually the major factor in determining when to replace it. Most roofs last many years if properly installed and often can be repaired rather than replaced. An isolated leak usually can be repaired. The average life expectancy of a typical residential roof is 15 to 30 years. Water damage to a home's interior or overhangs is commonly caused by leaks from a single weathered portion of the roof, poorly installed flashing, or from around chimneys and skylights. These problems do not necessarily mean you need a new roof.

Most issues can be repaired on an "as-needed" basis. However, the repairs will most likely not prolong the Useful/Remaining Life of the roof, they will only fix the issue.

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

720 sq.ft of asphalt roofing	@	\$6.00	=	\$4,320.00
		TOTAL	=	<u>\$4,320.00</u>

### Maintaining Your Roof

Maintenance includes cleaning the leaves and debris from the roof's valleys and gutters. Debris in the valleys can cause water to wick under the shingles and cause damage to the interior of the roof. Clogged rain gutters can cause water to flow back under the shingles on the eaves and cause damage. Whatever the roofing material may be including composition shingle, wood shake, tile or metal. The best way to preserve your roof is to stay off it. Also, seasonal changes in the weather are usually the most destructive forces.

Roofs should be monitored. It is recommended that the roofs be visually inspected twice a year. Once before the winter months, then again after the winter months. This type of inspection is a simple visual one.

Issues to look for during a visual inspection:

- Nail Pop Ups. This is when a nail under a shingle pops up and pushes the shingle above up. Nail needs to be re-set.
- Shingle Shifting. Shingle may have ripped away from nails. Nails rusted and broke. Improper nails used or not enough nails used. Re-set shingle.
- Shingle Curling. Shingles are aging. This is a symptom of over exposure due to age of shingle. It can also be a sign of poor quality shingles. Replace shingles that are curling.
- Rafter Sag. Improper rafter set up. Too far apart. Low quality Rafters. Roof overlay application can also cause rafter sag due to the extra weight. Add support to rafters. Check rafters at time of roof replacements. Replace damaged or weak rafters.
- Moss. Too much tree coverage too close to the roof line. Poor ventilation. Cut back the tree coverage allows enough sunlight in to help dry the roof. Increase ventilation with added gable vents or increased ridge vents.

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

<b>Grounds - Pathways, Retaining Walls, &amp; Stairways</b>
---

Category	070 Grounds	Quantity	1 total
Location	Grounds	Unit Cost	\$5,000.00
		% of Replacement	100.00%
		Current Cost	\$5,000.00
Placed In Service	01/91	Future Cost	\$6,083.26
Useful Life	5		
		Assigned Reserves at FYB	\$5,000.00
Remaining Life	0	Monthly Member Contribution	\$89.00
Replacement Year	2010	Monthly Interest Contribution	\$0.86
		Total Monthly Contribution	\$89.86

Comments:

It is estimated that a percentage of the common area wood pathways, retaining walls, & Stairways will require repair or replacement through time. The actual condition of these pathways, retaining walls, & stairways should be monitored and the percentage of replacement and remaining life estimates adjusted accordingly.

The client indicated that most of the common area pathways, retaining walls, & stairways are repaired and/or replaced on an 'as-needed' basis. Some of the sections on some of the stairways leading to the beach were replaced do to damage. Some pathways have also been repaired and/or replaced over time.

It is recommended that the client continue to maintain the pathways, retaining walls, & stairways in a good state of repair for safety reasons.

This line item is for added work to the pathways, retaining walls, & stairways that the cleint may feel is needed over time. This line item is above and beyond the 'as-needed' repairs and/or replacements.

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Grounds - Playground Equipment

Category	070 Grounds	Quantity	1 total
Location	Grounds	Unit Cost	\$9,200.00
		% of Replacement	100.00%
		Current Cost	\$9,200.00
Placed In Service	01/91	Future Cost	\$11,640.94
Useful Life	25		
		Assigned Reserves at FYB	\$6,992.00
Remaining Life	6	Monthly Member Contribution	\$43.89
Replacement Year	2016	Monthly Interest Contribution	\$12.78
		Total Monthly Contribution	\$56.67

Comments:

There is a playground located at the property.

1 swing set	@	\$3,800.00	=	\$3,800.00
1 jungle gym	@	\$3,600.00	=	\$3,600.00
1 slide	@	\$1,800.00	=	\$1,800.00
		TOTAL	=	\$9,200.00

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Grounds - Seawall, Repairs

Category	070 Grounds	Quantity	1 total
Location	Grounds	Unit Cost	\$50,000.00
		% of Replacement	100.00%
		Current Cost	\$50,000.00
Placed In Service	01/09	Future Cost	\$71,165.59
Useful Life	10		
		Assigned Reserves at FYB	\$2,516.44
Remaining Life	9	Monthly Member Contribution	\$490.50
Replacement Year	2019	Monthly Interest Contribution	\$9.20
		Total Monthly Contribution	\$499.70

#### Comments:

Typically, budgeting for the replacement of a seawall 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.

The seawall is made up of very large boulders set at an angle into the side of the natural bank. There are smaller filler rocks between the boulders to help with the water control. It is unlikely that the entire seawall would need to be replaced due to a useful life schedule. The wall could require replacement due to an unforeseen failure or unforeseen damage from a natural cause.

The seawall should be monitored for issues and needed repairs and/or replacements over time. Any area showing failure or the need for repairs and/or replacement should be addressed immediately to avoid further damage to the seawall and for safety reasons.

ARS, Inc. did not do any testing on the seawall. This line item is set up for minor repairs and/or replacement of the filler rocks.

The cost to completely rebuild a seawall of this design and size would be in the millions.

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

<b>Garage - Wood Shingles &amp; Clapboard</b>
---

Category	080 Exterior	Quantity	1 total
Location	Building	Unit Cost	\$4,920.00
		% of Replacement	100.00%
		Current Cost	\$4,920.00
Placed In Service	01/06	Future Cost	\$20,191.35
Useful Life	40		
		Assigned Reserves at FYB	\$0.00
Remaining Life	36	Monthly Member Contribution	\$15.86
Replacement Year	2046	Monthly Interest Contribution	\$0.15
		Total Monthly Contribution	\$16.01

Comments:

The cost for this component includes the removal and disposal of the existing material.

1 bldg.	@	\$4,920.00	=	\$4,920.00	
		TOTAL	=	\$4,920.00	

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Office Building - Deck Replacement

Category	080 Exterior	Quantity	1 total
Location	Building	Unit Cost	\$5,950.00
		% of Replacement	100.00%
		Current Cost	\$5,950.00
Placed In Service	01/88	Future Cost	\$6,692.94
Useful Life	25		
		Assigned Reserves at FYB	\$5,236.00
Remaining Life	3	Monthly Member Contribution	\$28.93
Replacement Year	2013	Monthly Interest Contribution	\$9.53
		Total Monthly Contribution	\$38.46

Comments:

This line item is for the complete replacement of the deck. It is not for just replacing floorboards and/or railing. The replacement includes framework, supports, floorboards, and railing.

1 deck	@	\$5,950.00	=	\$5,950.00
		TOTAL	=	\$5,950.00

Decks:

Some issues and things to look for in decks while they age:

- Separation of Ledger board and Building. This can happen if the lags become loose or the ledger board warps. If this happens it is best to replace the ledger board. If it is not replaced. The deck can become unsafe; water can get in behind the boards and run into the interior flooring causing rot.
- Collars Rusting. Improper collars. Simple replacement.
- Cracks & Splitting of wood. Over time the wood will crack and split due to getting wet and drying multiple times. This is common. However, if the cracks or splits are deep and in a support joist or support post this can make the deck unsafe. Simple replacement.
- Railing Bowing/Cracking. This can make the railing unstable and unsafe. Simple replacement.
- Wood Rot. If the wood is not properly protected from the elements it can become soft and rot could set in. Proper painting or staining as recommended by the deck builder.

The decks should be on a routine visual inspection for issues and damage. Any signs of the noted issues above or any other type that could cause damage to the deck, building, or makes the deck unsafe should be addressed immediately.

All routine repairs and/or replacements should be addressed on an 'as-needed' basis. The funding should come from the annual operational budget or the reserve contingency.

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

<b>Office Building - Wood Shingles</b>
--

Category	080 Exterior	Quantity	1 total
Location	Building	Unit Cost	\$6,600.00
		% of Replacement	100.00%
		Current Cost	\$6,600.00
Placed In Service	01/83	Future Cost	\$10,989.49
Useful Life	40		
		Assigned Reserves at FYB	\$0.00
Remaining Life	13	Monthly Member Contribution	\$48.50
Replacement Year	2023	Monthly Interest Contribution	\$0.47
		Total Monthly Contribution	\$48.97

Comments:

The cost for this component includes the removal and disposal of the existing material.

Routine repairs and/or replacements to the wood shingle siding should be done on an 'as-needed' basis. The funding for these repairs and/or replacements should come from either the annual operational budget or the reserve fund contingency.

1 bldg.	@	\$6,600.00	=	\$6,600.00
		TOTAL	=	\$6,600.00

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

<b>Equipment - Back Up Generators, Schedule #1</b>
--

Category	090 Equipment	Quantity	1 total
Location	Grounds	Unit Cost	\$24,000.00
		% of Replacement	100.00%
		Current Cost	\$24,000.00
Placed In Service	01/91	Future Cost	\$35,525.86
Useful Life	30		
Adjustment	-1	Assigned Reserves at FYB	\$0.00
Remaining Life	10	Monthly Member Contribution	\$223.32
Replacement Year	2020	Monthly Interest Contribution	\$2.16
		Total Monthly Contribution	\$225.48

Comments:

There are six back up generators located throughout the property. There was no actual placed-in-service date for these generators. The client estimated that they were replaced in 1991. For budgeting purposes. ARS, Inc. has used January 01, 1991 as the placed-in-service date.

It is unlikely that all the back up generators would need to be replaced all at once. Therefore ARS, Inc. has set up multiple scheduled replacements. Most back up generators are only used under emergency conditions. The generators are started and run on maintenance schedule to keep them in working condition. This type of set up can pro-long the useful life of a back up generator. Any failures with the back up generators before the scheduled replacements would need to be addressed immediately.

2 back up generators	@	\$12,000.00	=	\$24,000.00
		TOTAL	=	\$24,000.00

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Equipment - Back Up Generators, Schedule #2

Category	090 Equipment	Quantity	1 total
Location	Grounds	Unit Cost	\$24,000.00
		% of Replacement	100.00%
		Current Cost	\$24,000.00
Placed In Service	01/91	Future Cost	\$36,946.90
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$204.82
Replacement Year	2021	Monthly Interest Contribution	\$1.98
		Total Monthly Contribution	\$206.80

Comments:

2 back up generators	@	\$12,000.00	=	\$24,000.00
		TOTAL	=	\$24,000.00

### Equipment - Back Up Generators, Schedule #3

Category	090 Equipment	Quantity	1 total
Location	Grounds	Unit Cost	\$24,000.00
		% of Replacement	100.00%
		Current Cost	\$24,000.00
Placed In Service	01/91	Future Cost	\$38,424.77
Useful Life	30		
Adjustment	+1	Assigned Reserves at FYB	\$0.00
Remaining Life	12	Monthly Member Contribution	\$189.41
Replacement Year	2022	Monthly Interest Contribution	\$1.83
		Total Monthly Contribution	\$191.24

Comments:

2 back up generators	@	\$12,000.00	=	\$24,000.00
		TOTAL	=	\$24,000.00

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Equipment - Bobcat (Skid Steer)

Category	090 Equipment	Quantity	1 total
Location	Equipment	Unit Cost	\$24,000.00
		% of Replacement	100.00%
		Current Cost	\$24,000.00
Placed In Service	01/95	Future Cost	\$35,525.86
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	10	Monthly Member Contribution	\$223.32
Replacement Year	2020	Monthly Interest Contribution	\$2.16
		Total Monthly Contribution	\$225.48

Comments:

1 bobcat (skid steer)	@	\$24,000.00	=	\$24,000.00
		TOTAL	=	\$24,000.00

### Equipment - GM Pick Up Truck

Category	090 Equipment	Quantity	1 total
Location	Equipment	Unit Cost	\$25,000.00
		% of Replacement	100.00%
		Current Cost	\$25,000.00
Placed In Service	01/02	Future Cost	\$37,006.11
Useful Life	18		
		Assigned Reserves at FYB	\$0.00
Remaining Life	10	Monthly Member Contribution	\$232.63
Replacement Year	2020	Monthly Interest Contribution	\$2.25
		Total Monthly Contribution	\$234.88

Comments:

The truck is a 2002 GM 2500 Pick UP truck. The truck was bought in 2006 as a used truck.

1 truck	@	\$25,000.00	=	\$25,000.00
		TOTAL	=	\$25,000.00

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Equipment - GM W4500 Dump Truck

Category	090 Equipment	Quantity	1 total
Location	Equipment	Unit Cost	\$40,000.00
		% of Replacement	100.00%
		Current Cost	\$40,000.00
Placed In Service	01/07	Future Cost	\$77,916.02
Useful Life	20		
		Assigned Reserves at FYB	\$0.00
Remaining Life	17	Monthly Member Contribution	\$232.76
Replacement Year	2027	Monthly Interest Contribution	\$2.25
		Total Monthly Contribution	\$235.02

Comments:

The truck is a 2007 GM W4500 Dump truck.

1 dump truck	@	\$40,000.00	=	\$40,000.00
		TOTAL	=	\$40,000.00

### Garage - Heat Pump

Category	090 Equipment	Quantity	1 total
Location	Building	Unit Cost	\$3,800.00
		% of Replacement	100.00%
		Current Cost	\$3,800.00
Placed In Service	01/06	Future Cost	\$7,117.33
Useful Life	20		
		Assigned Reserves at FYB	\$0.00
Remaining Life	16	Monthly Member Contribution	\$23.29
Replacement Year	2026	Monthly Interest Contribution	\$0.23
		Total Monthly Contribution	\$23.52

Comments:

There is a heat pump unit located in the garage.

1 heat pump	@	\$3,800.00	=	\$3,800.00
		TOTAL	=	\$3,800.00

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

<b>Grounds - Pump Stations, Pump Motors</b>
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Category	090 Equipment	Quantity	1 total
Location	Grounds	Unit Cost	\$50,400.00
		% of Replacement	100.00%
		Current Cost	\$50,400.00
Placed In Service	01/05	Future Cost	\$66,322.96
Useful Life	12		
		Assigned Reserves at FYB	\$21,000.00
Remaining Life	7	Monthly Member Contribution	\$413.11
Replacement Year	2017	Monthly Interest Contribution	\$41.11
		Total Monthly Contribution	\$454.22

Comments:

According to the client these pump motors were replaced four years ago. There are two motors per pump station. There is a 1hp and a 2hp motor.

These types of motors can last a long time of fail at any time. Therefore there maybe the need for replacements of the motors before the scheduled replacements. The failed motors would be replaced immediately to avoid further damage to the septic pump system and for safety reasons. The funding for these unforeseen replacements should come from either the annual operational budget or the reserve fund contingency.

9 -1hp motors	@	\$2,200.00	=	\$19,800.00
9 -2hp motors	@	\$3,400.00	=	\$30,600.00
		TOTAL	=	\$50,400.00

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Office Building - AC Unit

Category	090 Equipment	Quantity	1 total
Location	Building	Unit Cost	\$600.00
		% of Replacement	100.00%
		Current Cost	\$600.00
Placed In Service	01/91	Future Cost	\$624.00
Useful Life	20		
		Assigned Reserves at FYB	\$570.00
Remaining Life	1	Monthly Member Contribution	\$3.46
Replacement Year	2011	Monthly Interest Contribution	\$1.04
		Total Monthly Contribution	\$4.50

Comments:

This line item is for the AC unit located at the office building.

1 AC unit	@	\$600.00	=	\$600.00
		TOTAL	=	\$600.00

### Office Building - Furnace

Category	090 Equipment	Quantity	1 total
Location	Building	Unit Cost	\$4,800.00
		% of Replacement	100.00%
		Current Cost	\$4,800.00
Placed In Service	01/91	Future Cost	\$7,389.38
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$40.96
Replacement Year	2021	Monthly Interest Contribution	\$0.40
		Total Monthly Contribution	\$41.36

Comments:

This line item is for the furnace located at the office building. The placed-in-service date has been estimated based on the current condition and the information supplied to ARS, Inc. by the client.

1 furnace	@	\$4,800.00	=	\$4,800.00
		TOTAL	=	\$4,800.00

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Office Building - Hot Water Heater

Category	090 Equipment	Quantity	1 total
Location	Building	Unit Cost	\$1,200.00
		% of Replacement	100.00%
		Current Cost	\$1,200.00
Placed In Service	01/07	Future Cost	\$1,847.34
Useful Life	14		
		Assigned Reserves at FYB	\$0.00
Remaining Life	11	Monthly Member Contribution	\$10.24
Replacement Year	2021	Monthly Interest Contribution	\$0.10
		Total Monthly Contribution	\$10.34

Comments:

This line item is for the hot water heater located at the office building.

1 hot water heater	@	\$1,200.00	=	\$1,200.00
		TOTAL	=	\$1,200.00

# Hide A Way Condominium Association

## Component Detail

Sorted by Category

### Grounds - Pathways, Concrete, Comment

Category	100 Unfunded	Quantity	1 comment
Location	Unfunded	Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/09	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:

Typically, 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. Should the client desire, funding for this component can be included.

Some of the common area pathway have been replaced with formed/poured concrete steps. This options seems to be working very well. There are also concrete patio block style walkways.

# Hide A Way Condominium Association

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Number of components included in this reserve analysis is 25.