

REPAIR & REPLACEMENT RESERVE REPORT

AMBERFIELD HOMEOWNERS ASSOCIATION

Gaithersburg, Maryland 20878



**Prepared For:
Board of Directors,
Amberfield Homeowners Association
c/o: Ms. Shireen Ambush
Abaris Realty, Inc.
12009 Nebel Street
Rockville, MD 20852**

Project #310040

DATE OF DRAFT REPORT: AUGUST 16, 2010

DATE OF FINAL REPORT:

Prepared by:

**PROPERTY DIAGNOSTICS, INC.
P.O. Box 3453
Crofton, Maryland 21114**

AMBERFIELD HOMEOWNERS ASSOCIATION

EXECUTIVE STATEMENT

This Repair and Replacement Reserve Schedule Report has been developed for the Amberfield Homeowners Association, Board of Directors, for the specific purpose of reviewing the major components and developing a Repair and Replacement Reserve Schedule based on our research and observation of the property. Our report contains two different methods of reserve analysis. The first section presents the Component Method and the second section presents the Cash Flow Method.

The analysis for both methods involved visits to the property with a walk-through of all accessible common areas of the site. Specific areas included the grounds, walkways, roofing, building exterior, mechanical, plumbing and electrical equipment, and interior common spaces.

The examination was made following generally accepted visual inspection standards and did not include testing of any equipment or physical conditions, unless specific reference is made to such testing. Unless otherwise stated, we have reported only on those items that we were able to observe visually. The inspection did not include removing portions of construction in order to expose concealed conditions. The report is intended to fairly present our professional opinion of the condition of the facility and the component parts to which reference is made in the report, as of the date of this inspection. The report is based upon the visual observations and information provided to us of the age, materials, equipment, and construction techniques that were used subject to the qualifications expressed in this report.

Based on the findings in each of the specific areas reviewed, professional judgment was used in forecasting the remaining life expectancy of the systems and components scheduled in the body of this report. The estimated cost of each component has been identified. The same basis and judgment was used in describing any existing conditions based on estimated cost of all necessary or recommended repairs. This report, therefore, does not constitute or represent a warranty of the property's condition and should not be viewed as such. Rather, the report reflects our professional opinion based on the methodology specified above.

PROPERTY DIAGNOSTICS, INC.

William D. Grimes

William D. Grimes
President

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I. COMPONENT METHOD

The Chart of Repair & Replacement Reserves is a compilation of architectural, structural, mechanical, and electrical elements, which represent estimated replacement and/or major repair items and their present day dollar value.

The charting of items identifies and quantifies the component items, the estimated cost to repair or replace those items, and the target date with which those repairs or replacements are projected to take place. The annual contribution is the total cost for repair or replacement, divided by the repair cycle or target date. This cost has been presented in today's dollars and has not been extrapolated to a future date. *Note: Monies escrowed for future repairs or replacement earns interest, which offsets additional costs caused by inflation.*

The chart delineates Reserve/Replacement items. Some items of work or systems must be totally replaced in a given year. However, many of the items, in practice, will be repaired or replaced in phases. An example would be a reserve figure to replace concrete walls shown as a total amount to be spent in ten years; in reality sectional replacement is likely.

Items listed in the Reserve/Replacement column are intended solely as conceptual estimates and overview of the project's physical facilities, and do not represent detailed estimates of system(s) based upon bid documents or other detailed engineering or architectural analysis or physical surveys.

Column #1, entitled "Item", is a brief identification of site components. For a more detailed explanation of the work task, see the narrative description of work items that follows each categorical chart. The description is an explanation of the logic involved in the preparation of the estimated costs for repair or replacement.

Column #2, entitled "Quantity", refers to the quantity of a material or system furnished and installed. Following the quantity is a unit's abbreviation, which is as follows:

Ea = Each or portion of total system.

SQ = Square of roof or 100 S.F.

SF = Square Foot

LF = Linear Foot

SY = Square Yard

LS = Lump Sum-Total costs of those items required to make the description (task) operational when finite quantities are not defined.

Lot = Entire system where quantities are not defined or are inter-dependent.

Unit = Each or portion of total system.

Sys = Mechanical system complete, including attendant mechanical work to make system function.

LOB = Life of Building

Column #3, entitled “Normal Useful Life”, this figure represents a conceptual number of years, which a given item or system can be expected to last at the time of installation. This figure is derived by using professional judgment and through observations made in the field.

Column #4, entitled “Estimated Remaining Life”, this figure represents the estimated time that an existing item or system can be expected to remain useful. This figure is derived by using professional judgment where items or systems show unusual wear or unusual preservation, or if the items are new by subtracting actual age of the existing item or system from the “Normal Useful Life”.

Column #5, entitled “Current Replacement Cost”, reflects the estimated cost to replace and install an item or system or to perform the described work task. This figure is calculated using industry-accepted standards, comparing various industry sources and using professional judgment. Property Diagnostics, Inc. refers to Means price guides, Dodge price guides, and our in-house database. These figures are for conceptual purposes only and are not based upon detailed engineering or architectural analysis, bid documents, or detailed physical surveys.

Column #6, entitled “Current Fund”, reflects monies presently assigned to replacement of the indicated system or item in the Replacement Reserve Fund. This figure is derived by those parties responsible for allocating funds or by Property Diagnostics, Inc. as directed by those responsible parties.

Column #7, entitled “Required Fund”, represents those funds required to reach the Current Replacement Cost. The figure is calculated using the “Current Replacement Cost” less the “Current Fund”.

Column #8, entitled “Annual Contribution”, reflects those monies that should be set aside on an annual basis in order to have the item or system fully funded at completion of the expected useful life period. This figure is calculated by dividing the “Required Fund” by the “Estimated Remaining Life”.

AMBERFIELD HOMEOWNERS ASSOCIATION REPAIR AND REPLACEMENT RESERVE - SUMMARY PROPERTY DIAGNOSTICS, INC.				
ITEM	CURRENT REPLACEMENT COST	CURRENT FUND	REQUIRED	ANNUAL CONTRIBUTION
A. Architectural Grounds	\$968,692.00	\$235,225.37	\$733,466.63	\$106,175.40
B. Recreational Areas	507,755.00	64,720.00	443,035.00	47,485.54
C. Maintenance	40,138.00	5,740.00	34,398.00	3,146.29
TOTAL:	\$1,516,585.00	\$305,685.37	\$1,210,899.63	\$156,807.22

AMBERFIELD HOMEOWNERS ASSOCIATION REPAIR AND REPLACEMENT RESERVES - ARCHITECTURAL GROUNDS PROPERTY DIAGNOSTICS, INC.							
ITEM	QUANTITY	NORMAL USEFUL LIFE (Years)	ESTIMATED REMAINING LIFE	CURRENT REPLACEMENT COST	CURRENT FUND	REQUIRED FUND	ANNUAL CONTRIBUTION
1. Asphalt	13,188 SY	25	4	\$145,283.00	\$0.00	\$145,283.00	\$36,320.75
2. Concrete Curb & Gutter	7,780 LF	50	15	140,040.00	98,028.00	42,012.00	2,800.80
3. Concrete Walks	23,360 SF	50	23	198,560.00	107,222.40	91,337.60	3,971.20
4. Wood Retaining Walls	11,720 SF	35	6	175,800.00	0.00	175,800.00	29,300.00
5. Stone Retaining Walls	150 SF	50	15	4,800.00	0.00	4,800.00	320.00
6. Wood Sound Walls	5,000 SF	25	3	31,650.00	27,852.00	3,798.00	1,266.00
7. Entrance Signs	2 Ea	35	15	4,800.00	0.00	4,800.00	320.00
8. Wooden Privacy Fencing	7,400 SF	25	4	29,600.00	1,098.97	28,501.03	7,125.26
9. Chain Link Fencing	4,440 SF	25	5	11,990.00	0.00	11,990.00	2,398.00
10. Storm Water Management System	LS	50	10	204,000.00	0.00	204,000.00	20,400.00
11. Wooden Split Rail Fencing	680 LF	25	10	14,960.00	0.00	14,960.00	1,496.00
12. Metal Rails	64 LF	10	2	1,280.00	1,024.00	256.00	128.00
13. Slate Stone Areas	1,078 SF	30	18	5,929.00	0.00	5,929.00	329.39
TOTAL:				\$968,692.00	\$235,225.37	\$733,466.63	\$106,175.40

A. REPAIR & REPLACEMENT RESERVE – ARCHITECTURAL GROUNDS

Item Number	Description
1. Asphalt	The estimated replacement cost in the asphalt section represents the cost to remove all loose materials from existing surfaces, and repair alligating and potholes. Deteriorated areas should be removed with a minimum of a 4" base to reach firm support. The removed areas should extend at least 1' into good pavement outside the damaged areas. It is anticipated that approximately 10% of the loose asphalt material will require this type of removal; holes will require being back-filled with dense graded hot asphalt plant mix; and a topcoat will be required to be applied to vertical surfaces. Large cracks will be cleaned and filled with fine sand and asphalt mix. After all surfaces are prepared, a new application of 2" asphalt topping should be applied.
2. Concrete Curb & Gutter	Located throughout the grounds of the Association are monolithic concrete curb and gutter systems. It is considered that over a normal useful life of 50 years sectional replacement of the existing units will occur in an as needed basis. The replacement reserve cost estimate has been developed to consider the removal of the units in place and the installation of new monolithic concrete curb and gutter systems of similar dimension and grade.
3. Concrete Walks	The estimated replacement cost for concrete walks includes removal of the existing concrete and replacement of new concrete. New concrete will be reinforced with a rebar material and rated for 3,000 psi. The concrete line item replacement fund should be considered a draw fund. Concrete never requires full replacement at one time. However, it does require sectional replacement. Over the life span of the concrete, it is anticipated that all concrete will be renewed at least once.

A. REPAIR & REPLACEMENT RESERVE – ARCHITECTURAL GROUNDS

Item Number	Description
4. Wood Retaining Walls	The estimated replacement cost for wood retaining walls is based on replacement of the existing wood retaining walls with similar wood retaining walls.
5. Stone Retaining Walls	These stone walls will never require replacement. However, over time, due to deterioration and movement of these stonewalls, restoration will be required. The estimated replacement cost is based on the reconditioning of the stone retaining walls on an “as needed” basis in the timeframe stated within the reserve for remaining life. It is anticipated that approximately 30% of the wall will need to be addressed.
6. Wood Sound Walls	Located between the Amberfield HOA and Great Seneca Highway is a wooden sound wall. It is considered that by the end of the normal useful life as reflected in our Replacement Reserve Report the Association will desire a major renewal of the system. The scope of work includes but is not limited to the removal of the horizontal wooden timbers and the replacement of the vertical support units on an as needed basis. The new wooden timbers are to be of a similar dimension and grade.
7. Entrance Signs	The estimated replacement cost for entrance signs is to replace the existing entrance signs with new signs of similar style and quality. Sign replacements are subjective, in that a replacement sign can vary due to the size and quality the property wants to present. Should the property desire a more elaborate sign system, the estimated replacement cost should be adjusted accordingly.
8. Wooden Privacy Fencing	The estimated replacement cost for wood fence is based on replacement of the existing wood fencing system with a new fencing system of equal style and quality.

A. REPAIR & REPLACEMENT RESERVE – ARCHITECTURAL GROUNDS

Item Number	Description
9. Chain Link Fencing	The estimated replacement cost is based on the replacement of the chain link webbing. The poles should be maintained in good order, and have a normal useful life well beyond 25 years. It is anticipated that new webbing will be coated.
10. Storm Water Management System	The estimated cost includes replacing catch basins and rock swales as needed.
11. Wooden Split Rail Fencing	It is considered that by the end of the normal useful life span, as reflected in our replacement reserve report, the property will sectionally replace defective wooden timbers on an as needed basis. Typically, total replacement of the wooden fencing does not occur at one given time. Therefore, this becomes a continuous draw fund for renewals as needed.
12. Metal Rails	Metal rails are thought to be life of building. However, they will require repair and restoration within the remaining life. The estimated cost anticipates re-welding and minor repairs to 30% of the metal rail system. It is not anticipated that all the railing will require repairs at any given time. As such, this item should be viewed as a draw fund to make corrections as needed.
13. Slate Stone Areas	The estimated replacement cost is for replacing the existing slate stone areas with new stones of similar style and quality.

AMBERFIELD HOMEOWNERS ASSOCIATION REPAIR & REPLACEMENT RESERVES - RECREATIONAL AREAS PROPERTY DIAGNOSTICS, INC.							
ITEM	QUANTITY	NORMAL USEFUL LIFE (Years)	ESTIMATED REMAINING LIFE	CURRENT REPLACEMENT COST	CURRENT FUND	REQUIRED FUND	ANNUAL CONTRIBUTION
1. Tennis Courts	12,100 SF	25	8	\$32,000.00	\$0.00	\$32,000.00	\$4,000.00
2. Basketball Court	6,100 SF	25	12	10,844.00	0.00	10,844.00	903.67
3. Tot Lots	5 Ea	25	12	130,000.00	0.00	130,000.00	10,833.33
4. Pool White Coat	LS	10	6	15,340.00	0.00	15,340.00	2,556.67
5. Pool Concrete Deck	12,000 SF	50	22	102,000.00	57,120.00	44,880.00	2,040.00
6. Pool Equipment	LS	15	8	22,739.00	0.00	22,739.00	2,842.38
7. Pool Furnishings	106	15	6	8,480.00	0.00	8,480.00	1,413.33
8. Pool Building Roof	1,650 SF	20	10	10,200.00	0.00	10,200.00	1,020.00
9. Pool Electrical	LS	25	8	15,000.00	0.00	15,000.00	1,875.00
10. Pool Building Mechanical	LS	35	8	9,500.00	0.00	9,500.00	1,187.50
11. Pool Fencing	2,972 SF	10	6	47,552.00	0.00	47,552.00	7,925.33
12. Tennis Court Fencing	425 LF	30	7	11,900.00	0.00	11,900.00	1,700.00
13. Entry Sign Lights	2	25	8	500.00	0.00	500.00	62.50
14. Pool	1	40	10	52,000.00	0.00	52,000.00	5,200.00
15. Pool House Painting Exterior	Lot	10	8	9,500.00	0.00	9,500.00	1,187.50
16. Pool House Painting Interior	Lot	10	2	9,500.00	7,600.00	1,900.00	950.00
17. Pool House Light Poles	8	30	12	7,600.00	0.00	7,600.00	633.33
18. Pool House Interior Lights	18	30	12	2,700.00	0.00	2,700.00	225.00
19. Diving Board	1	40	15	1,500.00	0.00	1,500.00	100.00
20. Life Guard Stands	3	40	15	2,700.00	0.00	2,700.00	180.00
21. Pool House Floor Cover	Lot	18	8	3,200.00	0.00	3,200.00	400.00
22. Pool House Men & Ladies' Room	1 Ea	20	12	3,000.00	0.00	3,000.00	250.00
TOTAL:				\$507,755.00	\$64,720.00	\$443,035.00	\$47,485.54

B. REPAIR & REPLACEMENT RESERVE – RECREATIONAL AREAS

Item Number	Description
1. Tennis Court	The estimated replacement for the tennis court area is for replacing the existing equipment with new equipment of similar style and quality.
2. Basketball Court	The cost given is for the complete removal and replacement of the existing basketball pole system with a new steel pole, painted metal backboard, metal hoop, and nylon net.
3. Tot Lots	The estimated replacement cost is for the replacement of the existing equipment with new equipment of equal quantity and quality. Tot-lots are a very subjective part of the replacement reserve as the property may elect to reduce the quantity of the equipment, or increase the quantity and quality of the equipment. If the property elects to do this, the reserve figures should be adjusted accordingly.
4. Pool White Coat	It is anticipated at the time of needed re-white coating, repairs to capping, beam and other miscellaneous repairs will be required. The estimated cost reflects the cost to re-white coat and make necessary repairs.
5. Pool Concrete Deck	The estimated replacement cost for concrete pool decking includes the removal of the existing concrete and replacement of new concrete. New concrete will be reinforced with a rebar material and rated for 3,000 psi. The concrete decking line item replacement fund should be considered a draw fund. Concrete never requires full replacement at one time. However, it does require sectional replacement. Over the life span of the concrete, it is anticipated that all concrete will be renewed at least once. It has also been presumed that saturation with chemically treated water will reduce the life expectancy of the concrete, as compared with concrete not so exposed.
6. Pool Equipment	The estimated replacement cost includes but not limited to three filter systems, pool pump motors, interconnecting piping, skimmers and an electrically operated hot water heater.

B. REPAIR & REPLACEMENT RESERVE – RECREATIONAL AREAS

Item Number	Description
7. Pool Furnishings	The estimated replacement cost for pool furnishings if for the replacement of the existing pool furniture with new furniture of similar style and quantity.
8. Pool Building Roof	The estimated replacement cost for pool house roof is for the replacement of the existing roof with a new roof of similar materials to include flashing of roof drainage systems.
9. Pool Electrical	Located in the pool house and surrounding pool area there are a number of electrical circuits and components. These included but are not limited to decorative pool lighting systems, illuminated exit signs and an electrical panel and various other devices.
10. Pool Building Mechanical	The estimated cost is for repair and/or replacement of defective piping joints, valves, and fittings on an as needed basis.
11. Pool Fencing	The estimated cost is for replacing the existing aluminum fencing with a new fencing system of similar style and quality.
12. Tennis Court Fencing	The estimated cost is for replacing the existing fencing with a new fencing system of similar style and quality.
13. Entry Signs Lights	The estimated replacement cost for entry signs anticipates the replacement requirement of the existing lighting units after the normal useful life. The replacement will include the removal of the existing units and the installation of newer similar units as required.
14. Pool	The estimated replacement cost includes the removal and replacement of all pumps, filters and valves, and partial replacement of the piping system.
15. Pool House Painting Exterior	The estimated replacement cost for exterior painting is based on replacement of the existing paint and finish on the exterior windows, building trim and metal work with a single coat of exterior paint.

B. REPAIR & REPLACEMENT RESERVE – RECREATIONAL AREAS

Item Number	Description
16. Pool House Painting Interior	Interior painting includes the interior finish areas. The estimated cost reflects the cost to replace the existing finish with a new single coat of paint.
17. Pool House Light Poles	The estimated cost for pool house light poles is for restoration and new fixtures as required.
18. Pool House Interior Lights	The estimated replacement cost for pool house lighting is based on the replacement of the existing light fixtures with new light fixtures of similar style and quality.
19. Diving Board	The estimated cost for the diving board is to repair the materials as needed.
20. Life Guard Stands	The estimated cost for the life guard stands is to repair the materials as needed.
21. Pool House Floor Cover	The estimated cost is for replacing the existing floor cover with a new floor cover of similar style and quality.
22. Pool House Men & Ladies' Room	The estimated replacement cost for the men and ladies' room is for the restoration of the men and ladies' room, as needed.

AMBERFIELD HOMEOWNERS ASSOCIATION REPAIR AND REPLACEMENT RESERVE - MAINTENANCE PROPERTY DIAGNOSTICS, INC.							
ITEM	QUANTITY	NORMAL USEFUL LIFE (Years)	ESTIMATED REMAINING LIFE	CURRENT REPLACEMENT COST	CURRENT FUND	REQUIRED FUND	ANNUAL CONTRIBUTION
1. Asphalt Sealing	118,690 SF	10	14	\$29,673.00	\$0.00	\$29,673.00	\$2,119.50
2. Parking Lot Striping	550 Spaces	10	2	4,925.00	3,940.00	985.00	492.50
3. Tennis Courts	12,100 SF	10	7	3,740.00	0.00	3,740.00	534.29
4. Basketball Court	3,200 SF	10	1	1,800.00	1,800.00	0.00	0.00
TOTAL:				\$40,138.00	\$5,740.00	\$34,398.00	\$3,146.29

C. REPAIR & REPLACEMENT RESERVE – MAINTENANCE

Item Number	Description
1. Asphalt Sealing	The estimated cost of replacement for asphalt topping is for seal coating for the surfaces. Seal coating is not required, areas without deterioration. Any properties using seal coating to enhance the property. Seal coat will not extend the life of the asphalt within sound condition.
2. Parking Lot Striping	The estimated cost given is to reline parking spaces on the concrete surfaces. The cost anticipates that the new markings will be placed over existing markings and that the removal of existing marks will be minimal.
3. Tennis Courts	In a cyclic fashion we recommend that the tennis court surfaces be refinished to protect the structure of the playing field. The scope of work considers the cleaning of the tennis court areas and the application of a new court surfacing compound.
4. Basketball Court	Located on the property, there is a basketball court. It is considered that in a cyclic fashion the property will consider the application of an asphaltic topping and the re-striping of the basketball court area.

II. CASH FLOW METHOD

The Cash Flow Method incorporates the repair and replacement needs of the property over the next thirty years, to include anticipated repair/replacement of components and materials that are performed sectionally. A percentage of these items are ascribed to the Cash Flow Chart throughout the thirty-year chart. The Cash Flow Method allows the property owners to reserve funds to maintain the property based on the limited estimated requirements over the next thirty years.

The Cash Flow Section of the report extrapolates requirements stated in the Component Method section of the report.

The Cash Flow Breakdown chart outlines the first column in years, the second column shows total expenditures for each year, column three shows the property's yearly contribution, column four shows cash on hand or total property reserve, column five shows Property Diagnostics, Inc.'s annual contribution recommendation, and column six shows cash on hand or total property reserve based on Property Diagnostics, Inc.'s recommendation. The first year of column three shows the reported current property reserve balance.

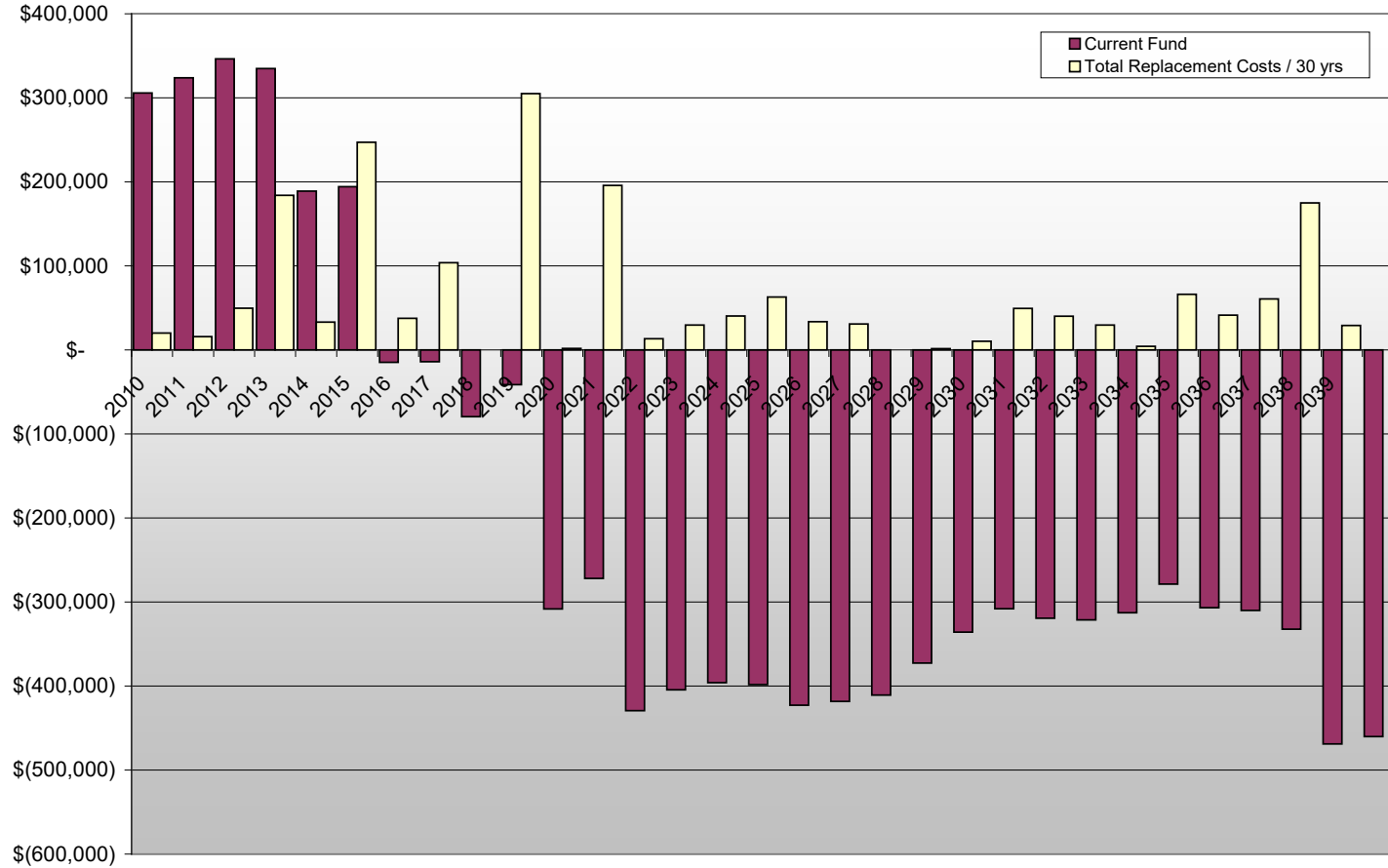
The current reserve fund given to Property Diagnostics, Inc. as of July 2010 is \$305,685. The property's annual contribution is \$38,168. The amount of funding does not meet the needs for this property. Therefore, we suggest increasing the yearly contribution to \$66,000. Based on our calculations, the property will have \$374,912 at the end of thirty years.

We recommend the property update the reserve study every three to five years. This update would readjust the reserve requirements for the property based on actual experiences and conditions.

The first bar chart shows graphically the cash expenditures and cash on hand based on property's yearly contribution. The second bar chart shows graphically the cash expenditures and cash on hand based on Property Diagnostics, Inc.'s recommendation. The following section of the report identifies specifically items to be repaired/replaced for each year and the method or component which is specified.

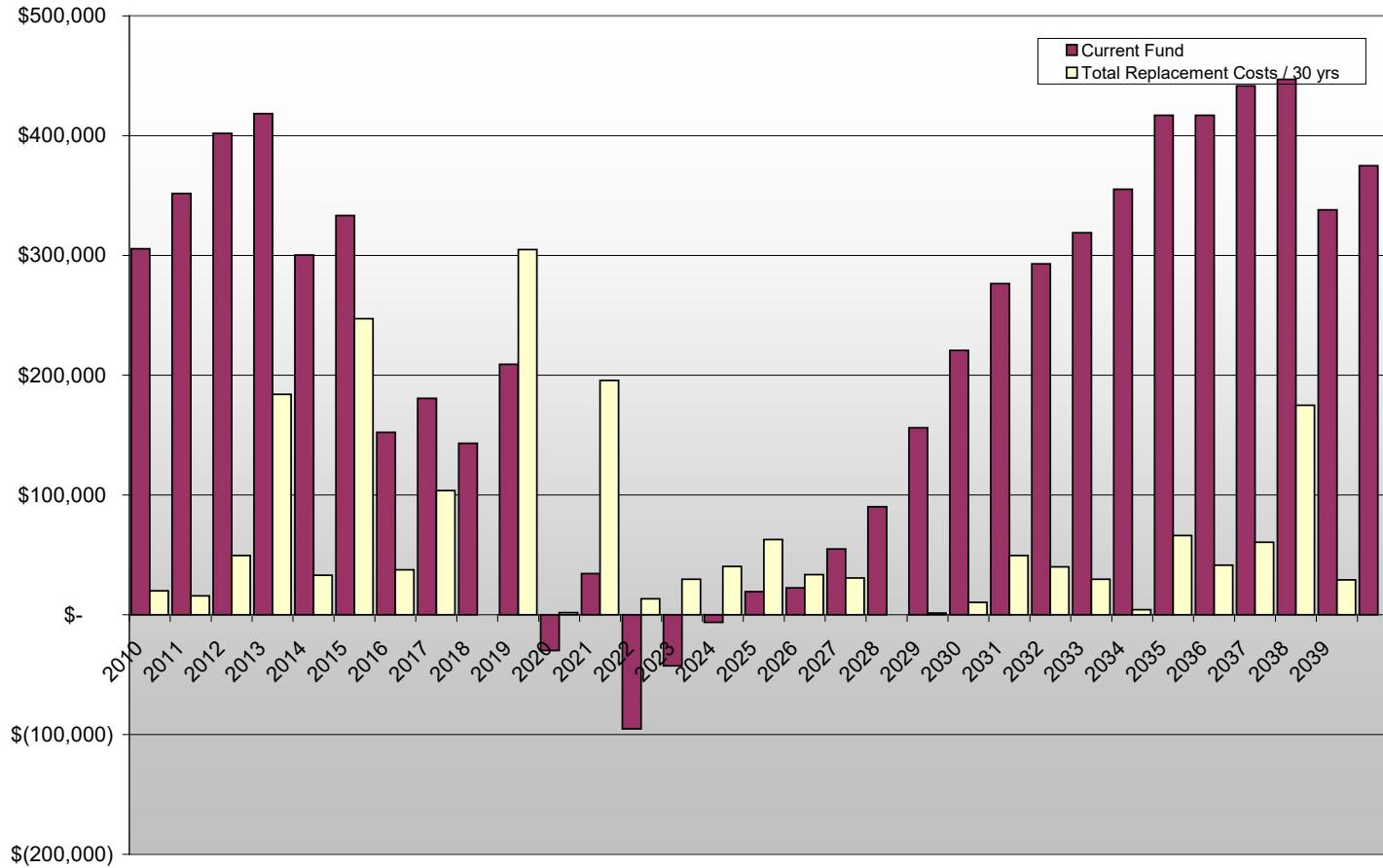
AMBERFIELD HOMEOWNERS ASSOCIATION					
CASH FLOW BREAKDOWN					
Year	Total Replacement Costs / 30yrs	Amberfield HOA's Yearly Contribution	Current Fund based on Amberfield HOA's Contribution	PDI's Yearly Contribution Recommendation	Current Fund based on PDI's Recommendation
			\$ 305,685		\$ 305,685
2010	\$ 20,005	\$ 38,168	\$ 323,848	\$ 66,000	\$ 351,680
2011	\$ 15,705	\$ 38,168	\$ 346,311	\$ 66,000	\$ 401,975
2012	\$ 49,520	\$ 38,168	\$ 334,959	\$ 66,000	\$ 418,455
2013	\$ 184,063	\$ 38,168	\$ 189,064	\$ 66,000	\$ 300,392
2014	\$ 32,996	\$ 38,168	\$ 194,236	\$ 66,000	\$ 333,396
2015	\$ 247,172	\$ 38,168	\$ (14,768)	\$ 66,000	\$ 152,224
2016	\$ 37,482	\$ 38,168	\$ (14,082)	\$ 66,000	\$ 180,742
2017	\$ 103,659	\$ 38,168	\$ (79,573)	\$ 66,000	\$ 143,083
2018	\$ -	\$ 38,168	\$ (41,405)	\$ 66,000	\$ 209,083
2019	\$ 304,967	\$ 38,168	\$ (308,204)	\$ 66,000	\$ (29,884)
2020	\$ 1,800	\$ 38,168	\$ (271,836)	\$ 66,000	\$ 34,316
2021	\$ 195,662	\$ 38,168	\$ (429,330)	\$ 66,000	\$ (95,346)
2022	\$ 13,260	\$ 38,168	\$ (404,422)	\$ 66,000	\$ (42,606)
2023	\$ 29,673	\$ 38,168	\$ (395,927)	\$ 66,000	\$ (6,279)
2024	\$ 40,408	\$ 38,168	\$ (398,167)	\$ 66,000	\$ 19,313
2025	\$ 62,892	\$ 38,168	\$ (422,891)	\$ 66,000	\$ 22,421
2026	\$ 33,524	\$ 38,168	\$ (418,247)	\$ 66,000	\$ 54,897
2027	\$ 30,729	\$ 38,168	\$ (410,808)	\$ 66,000	\$ 90,168
2028	\$ -	\$ 38,168	\$ (372,640)	\$ 66,000	\$ 156,168
2029	\$ 1,400	\$ 38,168	\$ (335,872)	\$ 66,000	\$ 220,768
2030	\$ 10,280	\$ 38,168	\$ (307,984)	\$ 66,000	\$ 276,488
2031	\$ 49,460	\$ 38,168	\$ (319,276)	\$ 66,000	\$ 293,028
2032	\$ 40,079	\$ 38,168	\$ (321,187)	\$ 66,000	\$ 318,949
2033	\$ 29,673	\$ 38,168	\$ (312,692)	\$ 66,000	\$ 355,276
2034	\$ 4,201	\$ 38,168	\$ (278,725)	\$ 66,000	\$ 417,075
2035	\$ 66,092	\$ 38,168	\$ (306,649)	\$ 66,000	\$ 416,983
2036	\$ 41,466	\$ 38,168	\$ (309,947)	\$ 66,000	\$ 441,517
2037	\$ 60,530	\$ 38,168	\$ (332,309)	\$ 66,000	\$ 446,987
2038	\$ 174,883	\$ 38,168	\$ (469,024)	\$ 66,000	\$ 338,104
2039	\$ 29,192	\$ 38,168	\$ (460,048)	\$ 66,000	\$ 374,912

CASH FLOW BASED ON AMBERFIELD HOMEOWNERS ASSOCIATION'S YEARLY CONTRIBUTION



This is a graphical representation of annual contributions.

CASH FLOW BASED ON PDI'S RECOMMENDATION



This is a graphical representation of annual contributions.

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2010	Basketball Court	\$1,800
	Concrete Curb & Gutter – 13%	18,205
	Total for 2010	\$20,005

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2011	Metal Rails	\$1,280
	Pool House Painting Interior	9,500
	Parking Lot Striping	4,925
	Total for 2011	\$15,705

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2012	Wood Sound Walls	\$31,650
	Concrete Walks – 9%	17,870
	Total for 2012	\$49,520

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2013	Asphalt	\$145,283
	Wooden Privacy Fencing	29,600
	Pool Concrete Deck – 9%	9,180
	Total for 2013	\$184,063

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2014	Chain Link Fencing	\$11,990
	Concrete Curb & Gutter – 15%	21,006
	Total for 2014	\$32,996

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2015	Wood Retaining Walls	\$175,800
	Pool White Coat	15,340
	Pool Furnishings	8,480
	Pool Fencing	47,552
	Total for 2015	\$247,172

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2016	Tennis Court Fencing	\$11,900
	Tennis Court	3,740
	Concrete Walks – 11%	21,842
	Total for 2016	\$37,482

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2017	Tennis Court	\$32,000
	Pool Equipment	22,739
	Pool Electrical	15,000
	Pool Building Mechanical	9,500
	Entry Sign Lights	500
	Pool House Painting	
	Exterior	9,500
	Pool House Floor Cover	3,200
	Pool Concrete Deck – 11%	11,220
	Total for 2017	\$103,659

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2018		
	Total for 2018	\$0

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2019	Storm Water Management System	\$204,000
	Wooden Split Rail Fencing	14,960
	Pool Building Roof	10,200
	Pool	52,000
	Concrete Curb & Gutter – 17%	23,807
	Total for 2019	\$304,967

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2020	Basketball Court	\$1,800
	Total for 2020	\$1,800

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2021	Metal Rails	\$1,280
	Basketball Court	10,844
	Tot Lots	130,000
	Pool House Light Poles	7,600
	Pool House Interior Lights	2,700
	Pool House Men & Ladies' Room	3,000
	Pool House Painting Interior	9,500
	Parking Lot Striping	4,925
	Concrete Walks – 13%	25,813
	Total for 2021	\$195,662

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2022	Pool Concrete Deck – 13%	\$13,260
	Total for 2022	\$13,260

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2023	Asphalt Sealing	\$29,673
	Total for 2023	\$29,673

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2024	Stone Retaining Walls	\$4,800
	Entrance Signs	4,800
	Diving Board	1,500
	Life Guard Stands	2,700
	Concrete Curb & Gutter – 19%	26,608
	Total for 2024	\$40,408

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2025	Pool White Coat	\$15,340
	Pool Fencing	47,552
	Total for 2025	\$62,892

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2026	Tennis Court	\$3,740
	Concrete Walks – 15%	29,784
	Total for 2026	\$33,524

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2027	Slate Stone Areas	\$5,929
	Pool House Painting Exterior	9,500
	Pool Concrete Deck – 15%	15,300
	Total for 2027	\$30,729

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2028		
	Total for 2028	\$0

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2029	Concrete Curb & Gutter – 1%	\$1,400
	Total for 2029	\$1,400

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2030	Pool Furnishings	\$8,480
	Basketball Court	1,800
	Total for 2030	\$10,280

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2031	Metal Rails	\$1,280
	Pool House Painting Interior	9,500
	Parking Lot Striping	4,925
	Concrete Walks – 17%	33,755
	Total for 2031	\$49,460

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2032	Pool Equipment	\$22,739
	Pool Concrete Deck – 17%	17,340
	Total for 2032	\$40,079

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2033	Asphalt Sealing	\$29,673
	Total for 2033	\$29,673

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2034	Concrete Curb & Gutter – 3%	\$4,201
	Total for 2034	\$4,201

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2035	Pool House Floor Cover	\$3,200
	Pool White Coat	15,340
	Pool Fencing	47,552
	Total for 2035	\$66,092

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2036	Tennis Court	\$3,740
	Concrete Walks – 19%	37,726
	Total for 2036	\$41,466

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2037	Wood Sound Walls	\$31,650
	Pool House Painting Exterior	9,500
	Pool Concrete Deck – 19%	19,380
	Total for 2037	\$60,530

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2038	Asphalt	\$145,283
	Wooden Privacy Fencing	29,600
	Total for 2038	\$174,883

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2039	Chain Link Fencing	\$11,990
	Pool Building Roof	10,200
	Concrete Curb & Gutter – 5%	7,002
	Total for 2039	\$29,192

III. INSPECTION OBSERVATIONS

1. It was noted that on the front left side of the pool house the downspout boot is missing and causing minor erosion. We recommend that a new boot for the downspout be installed. (see photo #1)
2. In the pool house it appears that previously there was a small sprinkler system which has been disconnected. Consideration should be given to reinstalling the system as needed. This may have been disconnected due to potential freezing in the winter months.
3. The basketball court is missing a back board and hoop as well as some damage to the surface. If the owners wish to have a basketball court these will require repair. (see photos #6, 7, 8 & 9)
4. One of the tennis court nets is damaged. We recommend this net be repaired as needed.
5. There is a paver sitting area by the tennis courts. It was noted that some of the pavers have settled in this area. We recommend this be repaired as needed.
6. At the rear of 606 Suffield there is a tree growing close to the large retaining wall and causing movement of the retaining wall. This tree is not needed and should be removed to prevent damage to the wall.
7. At 601 Suffield there is a tree damaging the wood retaining wall. Consideration should be given to removing the wood from this area and installing a dry set stone wall, which can be adjusted as the tree grows.
8. It was noted that some of the fire curbs painted finish is deteriorated and should be considered for refinishing.
9. At 412 Twisted Stalk Drive there is a sink hole by the concrete curb drain box. We recommend this be filled with earth to prevent a hazardous condition.
10. At 202 Twisted Stalk Drive there is some walkway that has been raised by tree roots. This is minor at this point and not considered a trip hazard. However, this should be monitored to ensure that this does not create a hazardous condition.

11. At 221 Lazy Hollow there are concrete stairs that are settling. This presents a hazardous condition as the stair sets are uneven. This could be considered a liable condition. Also, the railing posts for the stair system are depressed and collecting water at the iron post that is causing damage. We recommend that the stair system be replaced as needed. (see photos #24 & 25)
12. It was noted that the picnic tables are in varies states from New to old and damaged. Some repairs to the picnic tables are required. (see photos #29 & 30)
13. Consideration should be given to identifying the breakers at the pool mechanical room as these are badly fading and will not be readable in the rear future.
14. Throughout the property we noted deteriorated retaining walls and fencing. We averaged out the retaining walls and fencing as there are other materials that have been recently replaced or are in good condition.
15. Additional items were identified and observed during the property inspection. These additional items are illustrated and described in the images that can be found in the photograph section of this report.

IV. PHOTOGRAPHS



Photo #1: Downspout boot missing



Photo #2: Pool filter system for wading pool



Photo #3: Main pool pump



Photo #4: Main pool filter



Photo #5: Pool office with sprinkler head removed



Photo #6: Basketball missing backboard



Photo #7: Basketball missing hoop



Photo #8: Basketball court damage



Photo #9: Basketball court damage



Photo #10: Wood retaining walls



Photo #11: Wood retaining walls

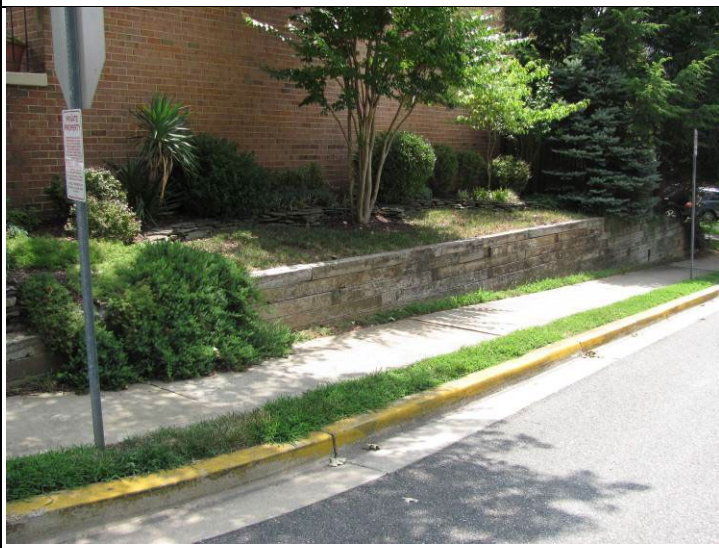


Photo #12: Wood retaining walls



Photo #13: Wood retaining walls



Photo #14: Wood retaining walls



Photo #15: Wood fence



Photo #16: Wood retaining walls



Photo #17: Wood retaining walls and fence



Photo #18: Wood retaining walls



Photo #19: Rip rap area covered under storm management



Photo #20: Wood fence



Photo #21: Wood fence and wood retaining walls



Photo #22: Sink hole by drain curb



Photo #23: Stair system settling



Photo #24: Stair post set depressed



Photo #25: Tot lot



Photo #26: Tot lot



Photo #27: Tot lot



Photo #28: Picnic table



Photo #29: Picnic tables

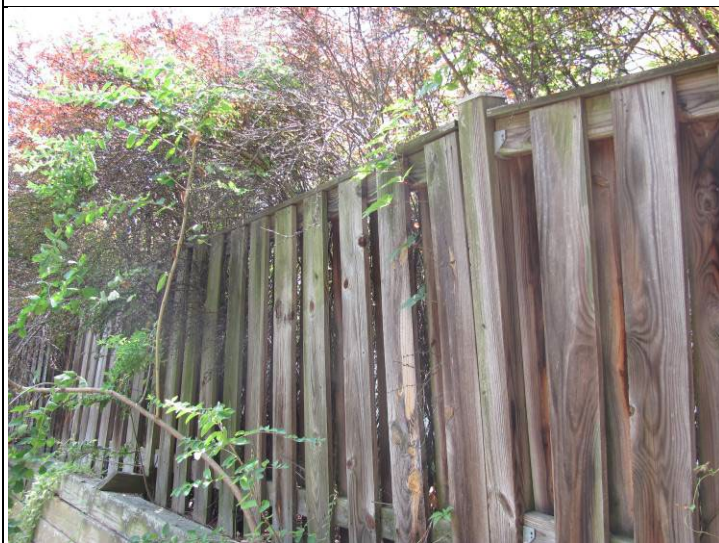


Photo #30: Wood fence