REPAIR & REPLACEMENT RESERVE REPORT

AMBERFIELD HOMEOWNERS ASSOCIATION

Gaithersburg, Maryland 20878

Prepared For:
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AMBERFIELD HOMEOWNERS ASSOCIATION

EXECUTIVE STATEMENT

This Repair and Replacement Reserve Schedule Report has been developed for Amberfield HOA, 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 difference between the component method and cash flow method, the component method list all features of the property that will require repair or replacement over the normal useful life. The component annual contribution is based on the property's requirement to fund repairs or replacements at the time of the site analysis. This may result in short term higher contributions in an effort to catch up short falls in the reserve account. The component method has no means of readjusting the annual contribution after a component is repaired or replaced. For example, a roof requiring to be replaced within the next ten years will require an annual contribution of 10% for each year. After replaced a normal useful life of a roof system is 20 years, which results in an annual contribution of 5%. The cash flow method takes into account the activities on the property and the expenditures expected over the next 30 years. Thereby, allowing an adjustment to the annual contribution rather than over funding the reserve account.

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

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William D. Grimes
President

Understanding your reserve report

What is a reserve report?

A reserve report is a financial plan for commonly owned properties. Reserve reports are not to be treated as a budget it is a financial plan.

What does a reserve report include?

A reserve report identifies all common and limited common property owned by a community that will require replacement or refurbishment over the life of the property. The report quantifies all common property, identifies typical life spans of each component, projects remaining life spans of common components, estimates the cost to replace or refurbish each common component, evaluates current fund status of the property's reserve fund, and recommends annual contribution to meet property needs.

Why does a property need a reserve report?

- Community properties in some municipalities are required to have a reserve report. Virginia is one state that requires an updated reserve every five years, and requires reserve reports be given to prospective purchasers.
- Refinancing firms are requiring reserve reports be updated on a regular bases, and in some cases will not finance a mortgage if the report is not current or the property is not properly funded. These include Fannie Mae, Freddie Mac and FHA loans.
- Fiduciary responsibility is another concern. Present and past board members have been sued personally for not having proper management performed when it comes to properly assessing homeowners for future repairs.
- To maintain the community and protect owners investment.
- To prevent special assessments.
- Buyers are becoming more aware of how community properties are funded and are requesting a review of financial reports before purchasing.

What components go into a reserve report?

- Any common or limited common component that is not life of building will require replacement or repair over the life of the property and are not performed annually. Items such as landscaping are performed annually, but some properties may require a landscaping fund for major projects like removing trees.

- Depending on the size of the property financial limits are set to eliminate small items, which will be expended out of the general maintenance fund. For example, properties of 100 + units may exclude items under $1,000.00. Properties with 10 or less units may exclude items under $100.00.

- Most properties do not reserve for individual parts of components, such as motors for fans, ballast for lights or tubes for chillers for example.

How do we know how long a component will last?

In the financial plan, we use typical property historical information, industry documents such as AIA literature, ASHRAE literature, and manufactures literature, which list expected life of materials and components.

How do we know how much a repair or replacement cost?

Most companies use standard cost guild literature such as Means Construction Cost or The National Insurance Cost Guide. Property Diagnostics is regularly involved in property replacements and repairs, and has developed its own database of costs projections.

Component vs. Cash Flow

Component method is required to develop the list of components and cost, but most all properties use the cash flow method. The cash flow method calculates anticipated expenditures for the property over the next thirty years.

When to use funds from the reserve

Reserve funds should only be used when a component or a section of a component is replaced in full, or in part that will not be discarded when additional replacement occurs. Some examples of when to use reserve funds.

- Sectional concrete replacement
- Large sections of piping replacement
- Higher percentages of pointing work
- Large sections of painting
- Individual floor carpeting

Some examples of when not to use reserve funds

- Roof patching
- Asphalt patching
- Minor plumbing repairs
- Mechanical equipment repairs

How often should a reserve report be updated?

The APRA (Association of Professional Reserve Analysis) believes a reserve should be updated every year. Most properties should have the reserve updated by a professional every three to five years.

There are three levels of updating reserve reports.

- Level 1 is updating cost without a site visit.
- Level 2 is updating costs and reviewing remaining life of components with a site visit.
- Level 3 is developing an inventory, setting remaining life of components and developing cost projections.

Reserve reports are not budgets.

A budget is an itemized summary of estimated or intended expenditures for a given period along with proposals for financing them.

Reserve reports are a financial plan.

A financial plan is a forecast of the expected financial position, and the results of operations and cash flows based on expected conditions.

A reserve report does not anticipate exactly when monies will be used to repair or maintain components on a property. The reserve report anticipates when properties will likely or possibly require funds to maintain a component.

With every reserve report the components fall into one of three categories these are:

- Subjective
- Fixed
- Variable

Subjective items are items that are replaced depending on owners' preferences or tolerations. These components do not need to be replaced, but have been set with industry standard remaining life.

Examples of Subjective Components include items like:

- Carpeting
- Interior painting
- Elevator cab refurbishment
- Interior lighting

Fixed items are items that fail on regular bases having little variation between properties.

Examples of Fixed Components include items like:

- Roof systems
- Exterior painting
- Caulking
- Asphalt surfaces

Variable items are items that vary widely pertaining to life cycles on properties.

Examples of Variable Components include items like:

- Elevators
- Mechanical equipment
- Electrical switchgear
- Piping
- Fire alarm systems

Owners should be aware of these types of issues when reviewing their reserve reports, and engage with the reserve firm to tailor their plans to meet and suite their needs.

Is there a formula to state what an average per unit reserve should have on hand as a minimum?

The true answer to this question is no, but financial institutions have set a requirement that a community should have at least ten percent of the annual operating budget set aside in the reserve fund. Therefore, no property should be under the ten percent requirement.

The reason there is no set per unit amount determined as a baseline for minimum reserve is that properties or communities vary widely as to their common property.

Looking at four different 100-unit properties calling the properties A – D.

- Property A has 100 units, on this property there is typical common equipment, a swimming pool, exercise room, community room, limited common balconies, a roof deck, a large lobby with front desk, central heating and mechanical plant, and an underground garage.
- Property B has 100 units, on this property there is typical common equipment, an exercise room, community room, roof deck, central heating and mechanical plant, and an underground garage.
- Property C has 100 units, on this property there is typical common equipment, a roof deck, and a central heating and air conditioning plant.
- Property D has 100 units, on this property there is typical common equipment with nothing additional.

How can a property have confidence that their reserve report will meet their needs?

- Engage services from experienced certified professional firms. Choose local firms to perform services, which better understands the local market and local contractors. Local firms are also available to meet with owners and work closely with managers.
- Know what is common and limited common on your site.
- Report problems such as past piping leaks, roof leaks, and others.
- Report past replacement such as carpet replacement, exterior caulking replacement and others.
- Report plans for upgrades or planned projects.
- Report age of property and when the property was converted.
- Report contacts such as elevator service personnel, mechanical contractor, plumbing contractor and others.
- Know what the property owns such as fences, walls, walks and other.

What if you receive proposals for work significantly higher than the estimated reserve figure or contractors report significantly lower remaining life span than reported in your reserve?

Contact your reserve service provider. They may be very helpful in addressing issues. We had a client that we estimated the roof to have a remaining life of five years an estimated the cost to replace at $38,000.00. They received three proposals with the lowest quoting $78,000.00. They contacted our firm to ask how we could be so far off. Looking at the proposals we discovered the proposals included a lot of things the property did not need. Luckily, they contacted us and we solicited bids for the base roof replacement, which was replaced for $36,580.00.

The following items are considered life of building and are not included in your report.

Building framing

Interior doors

Drywall

Interior trim

Stair systems

As well as site specific items not reflected in this report considered by the inspector to be life of building.

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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 FUND	ANNUAL CONTRIBUTION
A.	Architectural Grounds	$1,356,194.00	$339,986.01	$1,016,207.99	$106,336.04
B.	Recreational Areas	430,190.00	21,121.99	409,068.01	38,917.11
C.	Mechanical/Plumbing/Electrical	102,840.00	4,000.00	98,840.00	9,741.31
TOTAL:		**$1,889,224.00**	**$365,108.00**	**$1,524,116.00**	**$154,994.47**

AMBERFIELD HOMEOWNERS ASSOCIATION
A. ARCHITECTURAL GROUNDS
PROPERTY DIAGNOSTICS, INC.

	ITEM	QUANTITY	NORMAL USEFUL LIFE (Years)	ESTIMATED REMAINING LIFE (Years)	CURRENT REPLACEMENT COST	CURRENT FUND	REQUIRED FUND	ANNUAL CONTRIBUTION
1.	**Asphalt**	13,188 SY	20	10	$197,820.00	$0.00	$197,820.00	$19,782.00
2.	**Concrete Curb & Gutter**	7,780 LF	50	13	147,820.00	109,386.80	38,433.20	2,956.40
3.	**Concrete Walks**	23,360 SF	50	19	210,240.00	130,348.80	79,891.20	4,204.80
4.	**Wood Retaining Walls**	11,720 SF	35	6	293,000.00	18,082.49	274,917.51	45,819.59
5.	**Stone Retaining Walls**	150 SF	50	10	5,200.00	0.00	5,200.00	520.00
6.	**Wood Sound Walls**	625 LF	25	5	36,250.00	29,000.00	7,250.00	1,450.00
7.	**Entrance Signs**	2 Ea	35	9	6,400.00	0.00	6,400.00	711.11
8.	**Wooden Privacy Fencing**	994 LF	25	4	51,688.00	43,417.92	8,270.08	2,067.52
9.	**Storm Water Management System**	LS	50	15	190,000.00	0.00	190,000.00	12,666.67
10.	**Wooden Split Rail Fencing**	680 LF	25	12	21,760.00	0.00	21,760.00	1,813.33
11.	**Slate Stone Areas**	1,078 SF	30	13	7,546.00	0.00	7,546.00	580.46
12.	**Parking Lot Striping**	550 Spaces	10	5	19,500.00	9,750.00	9,750.00	1,950.00
13.	**Mailboxes**	32 Ea	30	15	155,200.00	0.00	155,200.00	10,346.67
14.	**Dog Stations**	7 Ea	12	8	3,500.00	0.00	3,500.00	437.50
15.	**Street Signs**	29 Ea	35	15	4,350.00	0.00	4,350.00	290.00
16.	**Road Signs**	165 Ea	15	8	5,920.00	0.00	5,920.00	740.00
TOTAL:					**$1,356,194.00**	**$339,986.01**	**$1,016,207.99**	**$106,336.04**

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 alligatoring 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 toping 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 developer 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.
4.	Wood Retaining Walls	The estimated replacement cost for wood retaining walls is based on replacement of the existing wood retaining walls. New walls will be of the same treated wood material as existing.

A. REPAIR & REPLACEMENT RESERVE - ARCHITECTURAL GROUNDS

Item Number		Description
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.
9.	Storm Water Management System	The estimated cost includes replacing catch basins and rock swales as needed.

A. Repair & Replacement Reserve - Architectural Grounds

Item Number	Description
10. 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.
11. Paver areas	The estimated replacement cost is for replacing the existing paver areas with new pavers of similar style and quality.
12. Parking Lot Striping	The estimated cost is based on the cost to restripe the parking areas, which likely will be required between overlays.
13. Mailboxes	The estimated replacement cost is for replacement of the existing mailboxes with new mailboxes of similar style and quality.
14. Dog Stations	The estimated cost is for replacing the existing dog stations with new dog stations of similar style and quality.
15. Street Signs	There are many private street signs located on the property. The estimated replacement cost is for the full replacement of signs as needed. This is not to be considered a maintenance fund to maintain these fixtures.
16. Road Signs	There are many general parking and other typical signs located on the property. The estimated replacement cost is for the full replacement of signs as needed. This is not to be considered a maintenance fund to maintain these fixtures.

AMBERFIELD HOMEOWNERS ASSOCIATION
B. RECREATIONAL AREAS
PROPERTY DIAGNOSTICS, INC.

	ITEM	QUANTITY	NORMAL USEFUL LIFE (Years)	ESTIMATED REMAINING LIFE (Years)	CURRENT REPLACEMENT COST	CURRENT FUND	REQUIRED FUND	ANNUAL CONTRIBUTION
1.	**Tennis Courts**	12,100 SF	25	16	$40,000.00	$0.00	$40,000.00	$2,500.00
2.	**Tot Lots**	4 Ea	25	9	112,000.00	0.00	112,000.00	12,444.44
3.	**Pool White Coat**	LS	10	5	18,500.00	9,250.00	9,250.00	1,850.00
4.	**Pool Concrete Deck**	12,000 SF	50	16	114,000.00	0.00	114,000.00	7,125.00
5.	**Pool Furnishings**	106	15	3	14,840.00	11,871.99	2,968.01	989.34
6.	**Pool Building Roof**	1,650 SF	20	6	14,850.00	0.00	14,850.00	2,475.00
7.	**Pool Fencing**	540 SF	10	6	11,600.00	0.00	11,600.00	1,933.33
8.	**Tennis Court Fencing**	425 LF	30	24	13,600.00	0.00	13,600.00	566.67
9.	**Pool**	1	40	10	52,000.00	0.00	52,000.00	5,200.00
10.	**Pool House Painting Exterior**	Lot	10	8	9,500.00	0.00	9,500.00	1,187.50
11.	**Pool House Painting Interior**	Lot	10	8	9,500.00	0.00	9,500.00	1,187.50
12.	**Life Guard Stands**	Lot	30	20	10,500.00	0.00	10,500.00	525.00
13.	**Pool House Floor Coating**	Lot	18	8	3,800.00	0.00	3,800.00	475.00
14.	**Pool House Men & Ladies' Room**	1 Ea	20	12	5,500.00	0.00	5,500.00	458.33
TOTAL:					**$430,190.00**	**$21,121.99**	**$409,068.01**	**$38,917.11**

B. REPAIR & REPLACEMENT RESERVE – RECREATIONAL AREAS

Item Number		Description
1.	Tennis Court	The estimated replacement for the tennis court area is for renovation of the existing tennis court with new coatings and finishes of similar style and quality.
2.	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.
3.	Pool White Coat	It is anticipated at the time of needed re-white coating, and other miscellaneous repairs will be required. The estimated cost reflects the cost to re-white coat and make necessary repairs.
4.	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.
5.	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.
6.	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.
7.	Pool Fencing	The estimated cost is for replacing the existing aluminum fencing with a new fencing system of similar style and quality.

B. REPAIR & REPLACEMENT RESERVE – RECREATIONAL AREAS

Item Number		Description
8.	Tennis Court Fencing	The estimated cost is for replacing the existing fencing with a new fencing system of similar style and quality.
9.	Pool	The estimated replacement cost includes the heavy restoration of the pool which typically include the pool piping, beam repairs and other limited structural repairs
10.	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.
11.	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.
12.	Life Guard Stands	The estimated cost for the life guard stands is to repair the materials as needed.
13.	Pool House Floor Coating	The pool house men's and ladies' room floors are coated. The estimated cost is for the recoating the floors as needed.
14.	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
C. MECHANICAL/PLUMBING/ELECTRICAL
PROPERTY DIAGNOSTICS, INC.

	ITEM	QUANTITY	NORMAL USEFUL LIFE (Years)	ESTIMATED REMAINING LIFE (Years)	CURRENT REPLACEMENT COST	CURRENT FUND	REQUIRED FUND	ANNUAL CONTRIBUTION
1.	**Electrical Switchgear**	Lot	40	6	$8,500.00	$0.00	$8,500.00	$1,416.67
2.	**Domestic Water Heater**	1 Ea	20	8	9,500.00	0.00	9,500.00	1,187.50
3.	**Domestic Water Piping**	Lot	40	10	16,000.00	0.00	16,000.00	1,600.00
4.	**Waste Water Piping**	Lot	60	30	10,000.00	0.00	10,000.00	333.33
5.	**Plumbing Fixtures**	Lot	45	15	8,400.00	0.00	8,400.00	560.00
6.	**Main Pool Pump**	1 Ea	25	20	8,500.00	0.00	8,500.00	425.00
7.	**Wading Pool Pump**	1 Ea	25	5	5,000.00	4,000.00	1,000.00	200.00
8.	**Main Pool Filter**	Set	20	10	14,000.00	0.00	14,000.00	1,400.00
9.	**Wading Pool Filter**	1 Ea	20	10	3,200.00	0.00	3,200.00	320.00
10.	**Entry Sign Lights/Electrical Switchgear**	Lot	30	7	2,700.00	0.00	2,700.00	385.71
11.	**Pool House Light Poles**	8	30	7	9,600.00	0.00	9,600.00	1,371.43
12.	**Pool House Interior Lights**	18	30	12	3,240.00	0.00	3,240.00	270.00
13.	**Pool House Exterior Lights**	Lot	25	16	2,000.00	0.00	2,000.00	125.00
14.	**Camera System**	Lot	18	15	2,200.00	0.00	2,200.00	146.67
TOTAL:					**$102,840.00**	**$4,000.00**	**$98,840.00**	**$9,741.31**

C. REPAIR & REPLACEMENT RESERVE – MECHANICAL/PLUMBING/ELECTRICAL

Item Number		Description
1.	Electrical Switchgear	The estimated replacement cost is for replacement of the existing main switchgear with new switchgear of equal ratings and load capacity.
2.	Domestic Water Heater	The estimated replacement cost for hot water heater is based on the anticipated cost required to update the hot water heating system with a new system to properly handle the building.
3.	Domestic Piping	The estimated replacement cost of the domestic piping is based on replacement of the existing piping with new piping. It is not intended to be replaced at one time. We recommend that this be considered a draw fund and, as repairs are made, the reserve should be drawn on.
4.	Waste Piping	The estimated replacement cost of the waste piping is based on replacement of the existing piping with new piping. It is not intended to be replaced at one time. We recommend that this be considered a draw fund and, as repairs are made, the reserve should be drawn on.
5.	Plumbing Fixtures	The estimated cost is for the replacement of the existing plumbing fixtures in the men's and ladies' rooms when needed.
6.	Main Pool Pump	The estimated replacement cost is to install new pumps servicing the pool. The new pumps would be base mounts centrifugal pumps and of equal load capacity. The estimated replacement cost includes the necessary switchgear, piping, and valve changes for the installation of the new pumps.
7.	Wading Pool Pump	The estimated replacement cost is to install new pumps servicing the pool. The new pumps would be base mounts centrifugal pumps and of equal load capacity. The estimated replacement cost includes the necessary switchgear, piping, and valve changes for the installation of the new pumps.

C. REPAIR & REPLACEMENT RESERVE – MECHANICAL/PLUMBING/ELECTRICAL

Item Number		Description
8.	Main Pool Filter	The estimated replacement cost is based on the replacement of the existing pool filter with a new filter of equal demand load and a typical high-rate sand filter.
9.	Wadding Pool Filter	The estimated replacement cost is based on the replacement of the existing pool filter with a new filter of equal demand load and a typical high-rate sand filter.
10.	Entry Sign Lights/ Electrical Switchgear	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 light units as required.
11.	Pool House Light Poles	The estimated cost for pool house light poles is for restoration and new fixtures as required.
12.	Poole 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.
13.	Pool House Exterior 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.
14.	Camera System	The estimated cost is for replacement of the existing monitoring camera system with an upgraded system with new cameras and duplexing unit. There is great subjectivity in the options regarding the replacement system. The specific features and visibility of cameras and any recording and monitoring systems can greatly influence the ultimate cost. The price given is for replacement with similar components of the existing system.

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 provided to Property Diagnostics, Inc. is $365,108. The property's annual contribution is $60,648. The amount of funding does not meet the needs for this property. We have provided two methods of funding for the Board to consider.

The second cash flow chart on page 20 shows the replacement cost with an inflation rate of 1%, per year, and the current fund with an interest earned rate of 1%, per year. The total amount at the end of thirty years will be $681,926.

The third cash flow chart on page 21 shows the replacement cost with an inflation rate of 3%, per year, and the current fund with an interest earned rate of 2.3% per year. At the end of thirty years, the property will have $80,397.

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

UNINFLATED CASH FLOW BREAKDOWN

Year	Total Replacement Costs / 30yrs	Amberfield HOA's Yearly Contribution	Current Fund based on Amberfield HOA's Contribution	Option 1	Current Fund based on Option 1	Option 2	Current Fund based on Option 2
			$ 365,108		**$ 365,108**		**$ 365,108**
2017	$ -	$ 60,648	$ 425,756	$ 75,000	$ 440,108	$ 60,648	$ 425,756
2018	$ 23,126	$ 60,648	$ 463,278	$ 75,000	$ 491,982	$ 62,467	$ 465,097
2019	$ 34,057	$ 60,648	$ 489,869	$ 75,000	$ 532,925	$ 64,341	$ 495,382
2020	$ 51,688	$ 60,648	$ 498,829	$ 75,000	$ 556,237	$ 66,272	$ 509,966
2021	$ 94,070	$ 60,648	$ 465,407	$ 75,000	$ 537,167	$ 68,260	$ 484,155
2022	$ 355,281	$ 60,648	$ 170,774	$ 75,000	$ 256,886	$ 70,308	$ 199,182
2023	$ 34,473	$ 60,648	$ 196,949	$ 75,000	$ 297,413	$ 72,417	$ 237,126
2024	$ 41,720	$ 60,648	$ 215,877	$ 75,000	$ 330,693	$ 74,589	$ 269,995
2025	$ 135,500	$ 60,648	$ 141,025	$ 75,000	$ 270,193	$ 76,827	$ 211,322
2026	$ 288,220	$ 60,648	$ (86,547)	$ 75,000	$ 56,973	$ 79,132	$ 2,234
2027	$ 31,536	$ 60,648	$ (57,435)	$ 75,000	$ 100,437	$ 81,506	$ 52,204
2028	$ 55,629	$ 60,648	$ (52,416)	$ 75,000	$ 119,808	$ 83,951	$ 80,526
2029	$ 7,546	$ 60,648	$ 686	$ 75,000	$ 187,262	$ 86,470	$ 159,450
2030	$ 19,380	$ 60,648	$ 41,954	$ 75,000	$ 242,882	$ 89,064	$ 229,133
2031	$ 398,150	$ 60,648	$ (295,548)	$ 75,000	$ (80,268)	$ 91,736	$ (77,281)
2032	$ 89,341	$ 60,648	$ (324,241)	$ 75,000	$ (94,609)	$ 94,488	$ (72,134)
2033	$ 28,086	$ 60,648	$ (291,679)	$ 75,000	$ (47,695)	$ 97,322	$ (2,898)
2034	$ 33,840	$ 60,648	$ (264,871)	$ 75,000	$ (6,535)	$ 100,242	$ 63,504
2035	$ 21,660	$ 60,648	$ (225,883)	$ 75,000	$ 46,805	$ 103,249	$ 145,093
2036	$ 22,500	$ 60,648	$ (187,735)	$ 75,000	$ 99,305	$ 106,347	$ 228,939
2037	$ 39,946	$ 60,648	$ (167,033)	$ 75,000	$ 134,359	$ 109,537	$ 298,531
2038	$ 1,478	$ 60,648	$ (107,863)	$ 75,000	$ 207,881	$ 112,823	$ 409,876
2039	$ 5,920	$ 60,648	$ (53,135)	$ 75,000	$ 276,961	$ 116,208	$ 520,163
2040	$ 14,740	$ 60,648	$ (7,227)	$ 75,000	$ 337,221	$ 119,694	$ 625,118
2041	$ 38,000	$ 60,648	$ 15,421	$ 75,000	$ 374,221	$ 123,285	$ 710,402
2042	$ 32,352	$ 60,648	$ 43,717	$ 75,000	$ 416,869	$ 126,983	$ 805,034
2043	$ 4,435	$ 60,648	$ 99,930	$ 75,000	$ 487,434	$ 130,793	$ 931,392
2044	$ 28,500	$ 60,648	$ 132,078	$ 75,000	$ 533,934	$ 134,717	$ 1,037,609
2045	$ 55,108	$ 60,648	$ 137,618	$ 75,000	$ 553,826	$ 138,758	$ 1,121,259
2046	$ 266,270	$ 60,648	$ (68,004)	$ 75,000	$ 362,556	$ 142,921	$ 997,910

AMBERFIELD HOMEOWNERS ASSOCIATION

INFLATED CASH FLOW BREAKDOWN

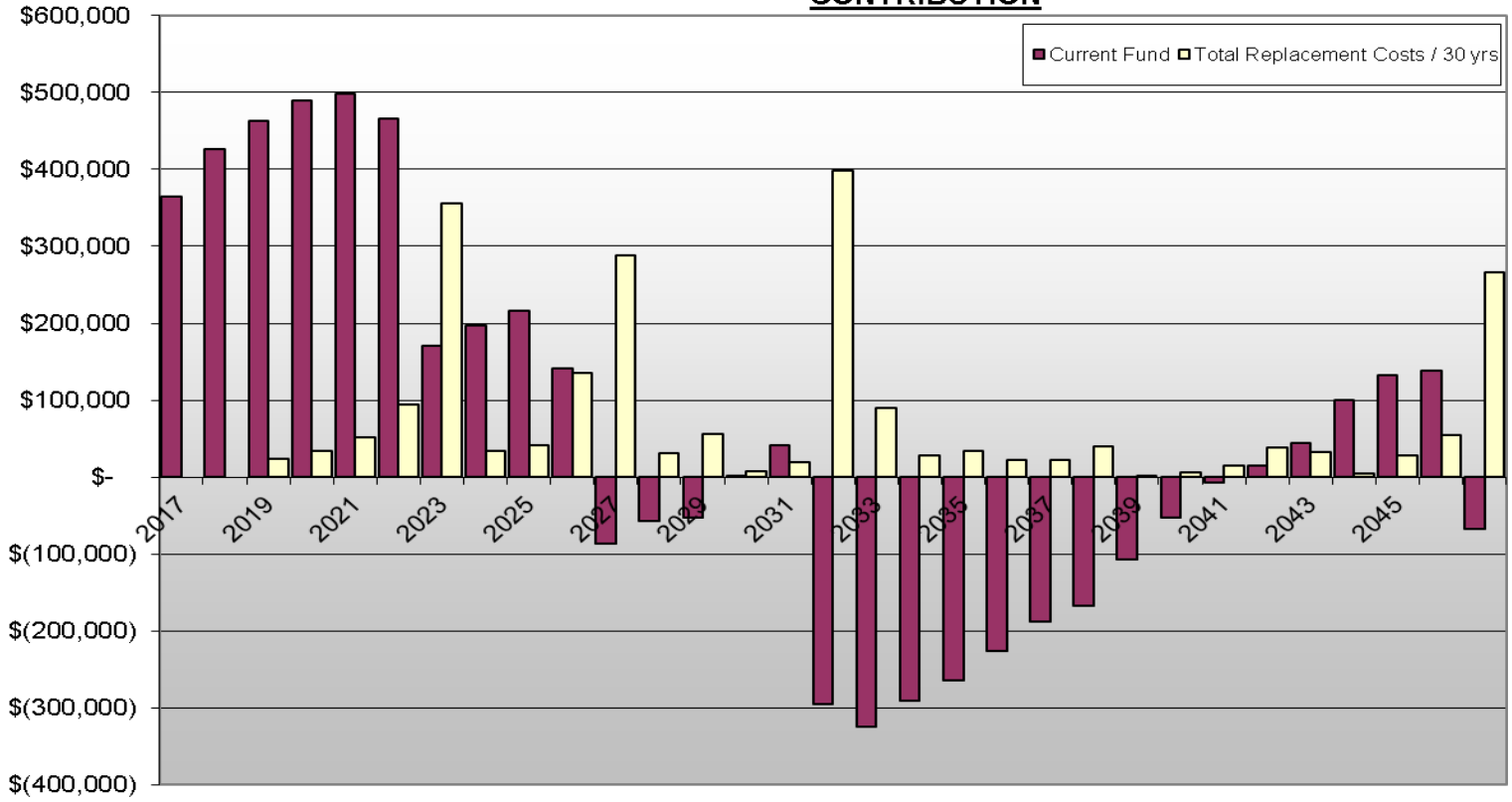
Year	Total Replacement Costs / 30yrs with 1% Inflation	Option 2's Yearly Contribution	Current Fund based on Option 2's Contribution	Current Fund based on Option 2's Contribution with 1% Interest Earned
			$ 365,108	
2017	$ -	$ 60,648	$ 425,756	$430,014
2018	$ 23,589	$ 62,467	$ 464,635	468,892
2019	$ 35,079	$ 64,341	$ 493,898	498,155
2020	$ 53,756	$ 66,272	$ 506,414	510,671
2021	$ 98,774	$ 68,260	$ 475,900	480,158
2022	$ 376,598	$ 70,308	$ 169,610	173,868
2023	$ 36,886	$ 72,417	$ 205,141	209,398
2024	$ 45,058	$ 74,589	$ 234,673	238,930
2025	$ 147,695	$ 76,827	$ 163,805	168,062
2026	$ 317,042	$ 79,132	$ (74,105)	(69,848)
2027	$ 35,005	$ 81,506	$ (27,605)	(23,347)
2028	$ 62,304	$ 83,951	$ (5,958)	(1,700)
2029	$ 8,527	$ 86,470	$ 71,985	76,242
2030	$ 22,093	$ 89,064	$ 138,955	143,213
2031	$ 457,873	$ 91,736	$ (227,182)	(222,924)
2032	$ 103,636	$ 94,488	$ (236,330)	(232,072)
2033	$ 32,861	$ 97,322	$ (171,868)	(167,611)
2034	$ 39,931	$ 100,242	$ (111,558)	(107,300)
2035	$ 25,775	$ 103,249	$ (34,084)	(29,826)
2036	$ 27,000	$ 106,347	$ 45,263	49,520
2037	$ 48,335	$ 109,537	$ 106,465	110,723
2038	$ 1,803	$ 112,823	$ 217,485	221,743
2039	$ 7,282	$ 116,208	$ 326,411	330,669
2040	$ 18,278	$ 119,694	$ 427,828	432,085
2041	$ 47,500	$ 123,285	$ 503,613	507,870
2042	$ 40,764	$ 126,983	$ 589,833	594,090
2043	$ 5,632	$ 130,793	$ 714,993	719,251
2044	$ 36,480	$ 134,717	$ 813,230	817,487
2045	$ 71,089	$ 138,758	$ 880,899	885,156
2046	$ 346,151	$ 142,921	$ 677,669	681,926

AMBERFIELD HOMEOWNERS ASSOCIATION

INFLATED CASH FLOW BREAKDOWN

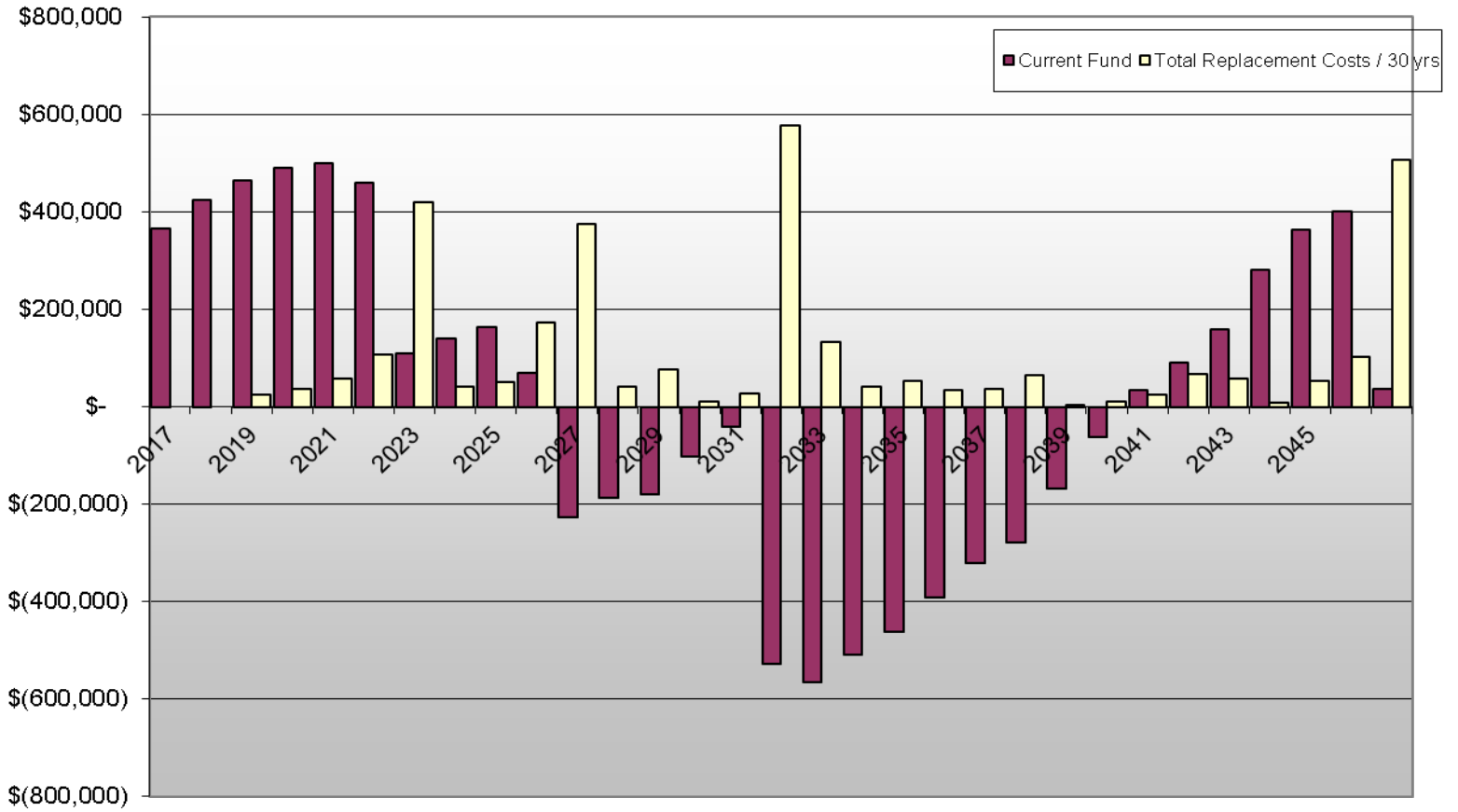
Year	Total Replacement Costs / 30yrs with 3% Inflation	Opton 2's Yearly Contribution	Current Fund based on Option 2's Contribution	Current Fund based on Option 2's Contribution with 2.3% Interest Earned
			$ 365,108	
2017	$ -	$ 60,648	$ 425,756	$ 435,548
2018	$ 24,514	$ 62,467	$ 463,710	$ 483,520
2019	$ 37,122	$ 64,341	$ 490,929	$ 521,860
2020	$ 57,891	$ 66,272	$ 499,310	$ 542,244
2021	$ 108,181	$ 68,260	$ 459,390	$ 514,795
2022	$ 419,232	$ 70,308	$ 110,466	$ 177,711
2023	$ 41,712	$ 72,417	$ 141,170	$ 212,503
2024	$ 51,733	$ 74,589	$ 164,027	$ 240,248
2025	$ 172,085	$ 76,827	$ 68,769	$ 150,515
2026	$ 374,686	$ 79,132	$ (226,785)	$ (141,577)
2027	$ 41,943	$ 81,506	$ (187,222)	$ (105,270)
2028	$ 75,655	$ 83,951	$ (178,927)	$ (99,396)
2029	$ 10,489	$ 86,470	$ (102,946)	$ (25,701)
2030	$ 27,520	$ 89,064	$ (41,402)	$ 35,251
2031	$ 577,318	$ 91,736	$ (526,984)	$ (449,520)
2032	$ 132,225	$ 94,488	$ (564,721)	$ (497,596)
2033	$ 42,410	$ 97,322	$ (509,809)	$ (454,128)
2034	$ 52,114	$ 100,242	$ (461,680)	$ (416,445)
2035	$ 34,006	$ 103,249	$ (392,437)	$ (356,780)
2036	$ 36,000	$ 106,347	$ (322,091)	$ (294,639)
2037	$ 65,112	$ 109,537	$ (277,666)	$ (256,991)
2038	$ 2,453	$ 112,823	$ (167,296)	$ (152,532)
2039	$ 10,005	$ 116,208	$ (61,093)	$ (49,837)
2040	$ 25,353	$ 119,694	$ 33,248	$ 43,358
2041	$ 66,500	$ 123,285	$ 90,033	$ 101,140
2042	$ 57,587	$ 126,983	$ 159,430	$ 172,863
2043	$ 8,027	$ 130,793	$ 282,196	$ 299,604
2044	$ 52,440	$ 134,717	$ 364,472	$ 388,772
2045	$ 103,052	$ 138,758	$ 400,179	$ 433,420
2046	$ 505,913	$ 142,921	$ 37,187	$ 80,397

CASH FLOW CHART BASED ON AMBERFIELD HOMEOWNERS ASSOCIATION'S YEARLY CONTRIBUTION



This is a graphical representation of annual contributions.

CASH FLOW CHART BASED ON OPTION 2'S YEARLY CONTRIBUTION WITH INFLATION



This is a graphical representation of annual contributions.

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2017		
	Total for 2017	**$0**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2018	Concrete Walks – 11%	$23,126
	Total for 2018	**$23,126**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2019	Pool Furnishings	$14,840
	Concrete Curb & Gutter – 13%	19,217
	Total for 2019	**$34,057**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2020	Wooden Privacy Fencing	$51,688
	Total for 2020	**$51,688**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2021	Wood Sound Walls	$36,250
	Parking Lot Striping	19,500
	Pool White Coat	18,500
	Wading Pool Pump	5,000
	Pool Concrete Deck – 13%	14,820
	Total for 2021	**$94,070**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2022	Wood Retaining Walls	$293,000
	Pool Building Roof	14,850
	Pool Fencing	11,600
	Electrical Switchgear	8,500
	Concrete Walks – 13%	27,331
	Total for 2022	**$355,281**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2023	Entry Sign Lights/Electrical Switchgear	$2,700
	Pool House Light Poles	9,600
	Concrete Curb & Gutter – 15%	22,173
	Total for 2023	**$34,473**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2024	Dog Stations	$3,500
	Road Signs	5,920
	Pool House Painting Exterior	9,500
	Pool House Painting Interior	9,500
	Pool House Floor Coating	3,800
	Domestic Water Heater	9,500
	Total for 2024	**$41,720**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2025	Entrance Signs	$6,400
	Tot Lots	112,000
	Pool Concrete Deck – 15%	17,100
	Total for 2025	**$135,500**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2026	Asphalt	$197,820
	Stone Retaining Walls	5,200
	Pool	52,000
	Domestic Water Piping	16,000
	Main Pool Filter	14,000
	Wading Pool Filter	3,200
	Total for 2026	**$288,220**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2027	Concrete Walks – 15%	$31,536
	Total for 2027	**$31,536**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2028	Wooden Split Rail Fencing	$21,760
	Pool House Men & Ladies' Room	5,500
	Pool House Interior Lights	3,240
	Concrete Curb & Gutter – 17%	25,129
	Total for 2028	**$55,629**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2029	Slate Stone Areas	$7,546
	Total for 2029	**$7,546**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2030	Pool Concrete Deck – 17%	$19,380
	Total for 2030	**$19,380**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2031	Storm Water Management System	$190,000
	Mailboxes	155,200
	Street Signs	4,350
	Parking Lot Striping	19,500
	Pool White Coat	18,500
	Plumbing Fixture	8,400
	Camera System	2,200
	Total for 2031	**$398,150**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2032	Tennis Courts	$40,000
	Pool Fencing	11,600
	Pool House Exterior Lights	2,000
	Concrete Walks – 17%	35,741
	Total for 2032	**$89,341**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2033	Concrete Curb & Gutter – 19%	$28,086
	Total for 2033	**$28,086**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2034	Pool Furnishings	$14,840
	Pool House Painting Exterior	9,500
	Pool House Painting Interior	9,500
	Total for 2034	**$33,840**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2035	Pool Concrete Deck – 19%	$21,660
	Total for 2035	**$21,660**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2036	Dog Stations	$3,500
	Life Guard Stands	10,500
	Main Pool Pump	8,500
	Total for 2036	**$22,500**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2037	Concrete Walks – 19%	$39,946
	Total for 2037	**$39,946**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2038	Concrete Curb & Gutter – 1%	$1,478
	Total for 2038	**$1,478**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2039	Road Signs	$5,920
	Total for 2039	**$5,920**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2040	Tennis Court Fencing	$13,600
	Pool Concrete Deck – 1%	1,140
	Total for 2040	**$14,740**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2041	Parking Lot Striping	$19,500
	Pool White Coat	18,500
	Total for 2041	**$38,000**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2042	Pool Building Roof	$14,850
	Pool Fencing	11,600
	Pool House Floor Coating	3,800
	Concrete Walks – 1%	2,102
	Total for 2042	**$32,352**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2043	Concrete Curb & Gutter – 3%	$4,435
	Total for 2043	**$4,435**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2044	Pool House Painting Exterior	$9,500
	Pool House Painting Interior	9,500
	Domestic Water Heater	9,500
	Total for 2044	**$28,500**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2045	Pool Concrete Deck – 3%	$3,420
	Wooden Privacy Fencing	51,688
	Total for 2045	**$55,108**

SUMMARY OF YEARLY EXPENDITURES

Year	Item to be Replaced	Cost of Replacement
2046	Asphalt	$197,820
	Wood Sound Walls	36,250
	Waste Water Piping	10,000
	Main Pool Filter	14,000
	Wading Pool Filter	3,200
	Wading Pool Pump	5,000
	Total for 2046	**$266,270**

III. INSPECTION OBSERVATIONS / PHOTOGRAPHS

	**Photo #1:** Pool housebuilding and roof
	**Photo #2:** There is a crack in the asphalt surface at the pool area, which we recommend be sealed with a hot liquid asphalt material.
	**Photo #3:** Main pool pump

	**Photo #4:** Main pool filters
	**Photo #5:** The electrical circuit panel box is oxidizing, which is not unusual in the high humidity pump rooms for pools. This should be monitored to ensure that a safe condition is maintained.
	**Photo #6:** Wading pool filter and pump

	**Photo #7:** The smoke detector in the pump room has been removed. We recommend that this be reinstalled.
	**Photo #8:** There is an open ceiling in the pool pump room where a domestic isolation valve has been installed. A proper access panel should be installed this location.
	**Photo #9:** Pool house emergency lighting

	**Photo #10:** Pool house men's room
	**Photo #11:** Last domestic water heater
	**Photo #12:** These mount has been removed from the pool house guard office.

	**Photo #13:** The sprinkler system for the pool house has been isolated, and the heads have been removed.
	**Photo #14:** New camera systems have been added to the pool housebuilding.
	**Photo #15:** Wading pool

	**Photo #16:** Pool house roof system
	**Photo #17:** Main pool
	**Photo #18:** The light fixtures are still operational. However, the finish of the fixture heads are worn and should be refinished.

	**Photo #19:** Main pool fence
	**Photo #20:** We noted several with damaged slats on the lounge chairs. These should be refurbished or new furniture should be scheduled.
	**Photo #21:** Pool house camera

	**Photo #22:** The picnic tables at the side of the pool house have been included in the reserve as part of the pool furniture. Some deterioration to the protective coating of the metalwork was noted.
	**Photo #23:** The entry door at the pool house is damaged where the metal is splitting. This should be sealed to retard deterioration.
	**Photo #24:** The management committee has had the concrete in some areas ground to prevent trip hazards.

	**Photo #25:** The tennis court fence has been refurbished as well as the tennis courts.
	**Photo #26:** The bulletin signboard at the pool area is included in the reserve as site signs.
	**Photo #27:** Management has replaced some of the damaged concrete on the property.

	**Photo #28:** Concrete paver area with stone retaining wall
	**Photo #29:** Consideration should be given to washing the retaining wall.
	**Photo #30:** Tennis court surfaces

	**Photo #31:** The basketball court has had the nets and poles removed and is no longer being used.
	**Photo #32:** Other than cosmetically removing the asphalt surface, we can recommend possibly using this for additional services.
	**Photo #33:** Some of the site signs do require replacement at this time.

	**Photo #34:** Pool house fence
	**Photo #35:** Site light fixtures are maintained by the utility.
	**Photo #36:** Site wood retaining wall

	**Photo #37:** Sound wall fence
	**Photo #38:** Some of the mailboxes on the site have been replaced.
	**Photo #39:** Site wood retaining wall

	**Photo #40:** Some of the mailboxes on the site have been replaced.
	**Photo #41:** The sound wall fence has had repairs made in a few areas.
	**Photo #42:** Site wood retaining wall

	**Photo #43:** Sound wall fence
	**Photo #44:** Some of the fences on top of the walls and some of the walls are deteriorated. These require repairs and restoration.
	**Photo #45:** Some of the fences on top of the walls and some of the walls are deteriorated. These require repairs and restoration.

	**Photo #46:** Some of the mailboxes on the property are original.
	**Photo #47:** Dog stations have been added to the property.
	**Photo #48:** Some of the original mailboxes have some deterioration of the base metal. We recommend these be addressed to prevent full deterioration.

	**Photo #49:** Site wood retaining wall
	**Photo #50:** There is a graveled walk along the drainage field. We recommend additional gravel be added. This would be considered a maintenance issue.
	**Photo #51:** The fence along this will walk is deteriorated and requires repair.

	**Photo #52:** The fence along this walk has deteriorated and requires repair.
	**Photo #53:** The fence along this walk has deteriorated and requires repair.
	**Photo #54:** The riprap is starting to have some overgrowth, which will reduce the efficiency of the riprap. The riprap does require some attention.

	**Photo #55:** The split rail fence by the drainage field is damaged, and deteriorated areas require some repair.
	**Photo #56:** Site tot lot
	**Photo #57:** Site tot lot

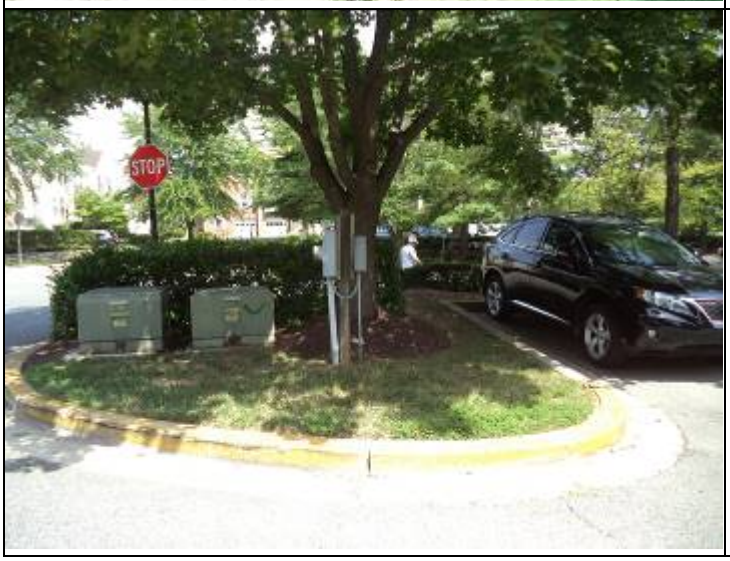
	**Photo #58:** Some of the split rail fence has been updated.
	**Photo #59:** Some of the split rail fence has been updated.
	**Photo #60:** Electrical service for the front entrance sign lighting.

	**Photo #61:** Entrance monument
	**Photo #62:** Entrance monument lights