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Level III No Site Visit Reserve Study Report For Fiscal Year Beginning January 1, 2025



The Mediterranean Villas

Pasco, WA
April 22, 2024





Reserve Study Summary for The Mediterranean Villas

228 Units

For Fiscal Year Beginning January 1, 2025

Overview	
Starting Reserve Balance	\$1,076,860
Fully Funded Balance	\$1,705,420
Percent Funded	63%
Reserve Fund Strength (Weak, Fair or Strong)	Fair
Total Surplus or (Deficit) of Reserve Funding	\$(628,560)
Surplus or (Deficit) on a Per Unit Average Basis***	\$(2,757)
Current Reserve Contribution Based on Last Approved Budget	
Current Reserve Contribution Rate, Annually	\$81,870
Current Special Assessment For Reserves, Annually	n/a
Is the Current Contribution Rate Within Range Provided by Study Below?	No
Reserve Study Funding Plan Options Beginning January 1, 2025	
100% Full Funding Contribution Rate, Annually	\$111,200
Baseline Funding Contribution Rate, Annually	\$103,400
Recommended Annual Special Assessment	n/a

Study Description & Assumptions

This is a Level III No-Site-Visit reserve study. No site visit was performed as part of this report. This report assumes a 3% annual inflation rate and 1% interest rate. Taxes on interest income and other outside factors are not included.

Property Description

The Mediterranean Villas consists of 228 units located in Pasco, WA. It was constructed in or around 2010.

Recommended Funding Plan

We recommend that the association budget for annual reserve contributions of \$111,200 per year in 2025. The current contribution rate is not anticipated to be sufficient to maintain a reserve balance above zero over time.

Recommended Special Assessment(s)

No special assessments are recommended at this time.

Other Notes

None.

***Current surplus or deficit is calculated on an average per unit. If the association calculates its assessments based on a fraction or percentage that varies by unit, it should calculate the current deficit or surplus based on that schedule. To do so, subtract the association's starting reserve balance above from the fully funded balance, and multiply the resulting number by the fraction or percentage allocable to each unit.

**The Mediterranean Villas
Component List**

Asset ID	Description	Useful Life	Adjustment	Remaining Life	Current Cost
Grounds					
1000	Concrete - Repair Allotment	5		3	\$2,500
1005	Stamped Concrete - Repair Allotment	10		8	\$3,000
1010	Pavers - Repair	Unfunded			
1015	Asphalt - Repair & Sealcoat	5		4	\$10,150
1020	Asphalt - Grind & Overlay	25	1	4	\$101,500
1025	Metal Signs - Replace	Unfunded			
1030	Monument Signage - Refurb/Replace	30		8	\$14,000
1035	Monument Lighting - Replace	30		8	\$4,000
1040	Mailboxes - Replace (Older)	25		5	\$30,000
1041	Mailboxes - Replace (Newer)	25		5	\$15,000
1050	RV Lot Gravel - Replenish	Unfunded			
1070	RV Lot Wood Fence - Replace	20		5	\$43,725
1071	RV Lot Wood Fence - Repair & Stain	5		0	\$9,540
1075	RV Lot Gates - Replace	40		25	\$6,000
1080	CMU Wall - Repair Allotment	10		8	\$5,000
1085	Privacy Fence - Replace	Unfunded			
1135	Landscape - Refurbish Allotment	Unfunded			
1155	Irrigation System - Repair Allotment	5		3	\$3,500
1160	Drainage System - Maintain	Unfunded			
1175	Pole Lights - Replace	Unfunded			
1205	Retaining Walls - Repair	Unfunded			
Recreation					
2005	Pavilion - Refurbish	30		8	\$8,000
2010	Outdoor Furniture - Replace	Unfunded			
2015	Pet Stations - Replace	Unfunded			
2185	Palazzo Interior - Renovate	25		5	\$15,000
2190	Palazzo Furniture - Replace	Unfunded			
2195	Palazzo Windows/Doors - Replace	25		5	\$7,800
2200	Palazzo/Pavilion Roof - Replace	30		10	\$11,050
2205	Palazzo Exterior Lighting - Replace	Unfunded			
Building Exterior					
4000	Unit Roofs - Replace	Unfunded			

**The Mediterranean Villas
Component List**

Asset ID	Description	Useful Life	Adjustment	Remaining Life	Current Cost
<i>Building Exterior continued...</i>					
4005	Stucco Siding - Replace	Unfunded			
4010	Stucco Siding - Repair/Recoat Phase 1	20	8	7	\$378,349
4015	Stucco Siding - Repair/Recoat Phase 2	20	7	7	\$418,178
4020	Stucco Siding - Repair/Recoat Phase 3 (a)	20		14	\$368,436
4021	Stucco Siding - Repair/Recoat Phase 3 (b)	20	3	6	\$368,436
4025	Stucco Siding - Repair/Recoat Phase 4	20	3	9	\$408,281
4030	Stucco Siding - Repair/Recoat Phase 5	20		10	\$328,608
4035	Stucco Siding - Repair/Recoat Palazzo/Pavilion	20	8	7	\$5,623
4065	Trim - Repair & Paint Phase 1	10		7	\$46,350
4070	Trim - Repair & Paint Phase 2	10		7	\$47,380
4075	Trim - Repair & Paint Phase 3 (a)	10		4	\$32,960
4076	Trim - Repair & Paint Phase 3 (b)	10		6	\$32,960
4080	Trim - Repair & Paint Phase 4	10		9	\$49,440
4085	Trim - Repair & Paint Phase 5	10		0	\$27,810
4090	Trim - Repair & Paint Palazzo/Pavilion	Unfunded			
4100	Windows/Doors/Garage Doors - Replace	Unfunded			
4105	Unit Exterior Lighting - Replace	Unfunded			
Equipment & Mechanical					
5000	Electrical System - Repair/Replace	Unfunded			
5005	Plumbing System - Repair/Replace	Unfunded			
5010	HVAC Equip - Repair/Replace	Unfunded			
Professional					
6000	Building Envelope Investigation	10		8	\$5,000
6010	Reserve Study - Annual Update	Unfunded			

An Introduction to Your Reserve Study

The Purpose of Your Reserve Study

The purpose of your reserve study is to develop a budgetary model to assist the association with preparing for the maintenance, repair and replacement of the assets which are under the association's responsibility. The report provides both estimated timeframes in which these projects are expected to occur as well as a cost allowance for the project. A reserve study consists of two parts; the physical analysis and the financial analysis. The physical analysis includes the component inventory and associated information including useful life, remaining useful life and cost allowances. The financial analysis includes the association's current reserve fund status (the percent funded) and funding recommendations.

Reserve Study Standards

This report is prepared in accordance with the National Reserve Study Standards (NRSS) by Community Associations Institute (CAI). First published in 1998, the NRSS provides guidelines related to the preparation of reserve studies including what information is included and how calculations are prepared. The full NRSS can be viewed at [National Reserve Study Standards](#) and an explanation of the NRSS is available at [NRSS Explanation](#).

Types of Reserve Studies

There are four types of reserve studies under National Reserve Study Standards:

- **Level I Full** – This is the initial report prepared by the association. This report includes a site visit in which a non-intrusive basic visual review is conducted and association assets are counted, measured and/or quantified. A useful life, remaining useful life and cost allowances are assigned to the association's assets and a funding plan is developed accordingly. A Full study is typically only prepared once as the quantities and other data can be used in future reports.
- **Level II With-Site-Visit** – This report includes a site visit in which a non-intrusive basic visual review is conducted. No assets are quantified as this process was previously completed during the Full study process. The remaining useful life and cost allowances are updated for the association's assets and the funding plan is updated accordingly. After the initial full study, most associations perform a with-site-visit report every third year; this cycle is required for Washington State associations with significant assets.
- **Level III No-Site-Visit** – This report does not include a site visit. The remaining useful life and cost allowances are updated for the association's assets and the funding plan is updated. The No-Site-Visit update is primarily based on the current reserve account balance, projects completed since the last report, current industry costs, and any proposals the association may have received for upcoming projects.
- **Level IV Preliminary, Community Not Yet Constructed** – This report is prepared for communities that are in the development phase and have not yet been constructed. The component list is typically developed using building and site plans along with details provided by the developer. A useful life, remaining useful life and cost allowances are assigned to the association's assets and a funding plan is developed accordingly.

What Components are Included

National Reserve Study Standards provide for a three-part test to determine which items are funded within a reserve study. First, the component needs to be an item that the association is responsible to maintain, repair and replace. It cannot be an item that an owner or other party is responsible for. Next, the item must be "predictable" in that it has a predictable useful life (i.e. we need to be able to determine how long, on average, the item will last), and a remaining useful life (i.e. we need to be able to determine how much longer until that item requires replacement). Lastly, the cost to maintain, repair and replace the component must be above a minimum cost which is typically defined as 1% or more of the annual operating budget, however some associations may opt to define a different funding threshold. Using 1% of the annual operating budget, an association with a \$100,000 annual budget would have a \$1,000 reserve funding

threshold.

One consideration that is not included within the NRSS three-part test are significant expenses which occur annually. Some associations opt to include annual expenses that exceed the 1% funding threshold in their study, however it is our opinion that these expenses are best handled through the operating budget. From an administrative and practical standpoint it is most advantageous to budget and pay for those expenses through the operating account, particularly in states such as Washington State which feature statutory limitations regarding reserve fund disbursements.

The intent of funding for reserve components is to maintain, repair or replace those exact components in the future. Capital improvements are not included within a reserve study and reserve funds should not be used accordingly. A capital improvement is the addition of an item that does not previously exist, such as installing a swimming pool when one was not previously present. Repurposing an existing item into something new is also considered a capital improvement; an example would be converting a janitorial closet in the clubhouse into an additional restroom. Replacing an existing item with an upgraded but like-kind product is not considered a capital improvement and reserve funds may be used in this instance; an example would be replacement of a wood deck with a composite (Trex®) material.

How Are Costs Determined

The cost allowances within a reserve study are determined in a number of ways. First, the association's prior cost history or recent vendor proposals are generally the best predictor of future costs as they are specific to your community. When a cost history is unavailable, a number of methods to determine costs may be used by the reserve study provider including, but not limited to research with vendors (including the association's vendors) and/or industry average costs. When industry average costs are used, they are adjusted based on the geographical location and current economical market of each client.

Fully Funded Balance Calculation

One of the most common questions related to a reserve study is how the fully funded balance is calculated. Contrary to popular belief, the fully funded balance is *not* the cost to replace all the association's assets today. Rather, it is the total accumulated deterioration of the association's assets. Let's take the example of a roof. If the roof lasts 30 years and costs \$30,000 to replace, the association would save \$1,000 per year so that it would have the \$30,000 it needs to replace the roof by the 30th year. If the roof is two years old, the association would need \$2,000 on hand to be 100% funded, meaning that it had the exact amount of cash on hand that the roof had deteriorated to date. If the association only saved \$1,000 by the second year, it would then be 50% funded instead. The reserve study calculates the deterioration of each of the association's assets through the date of the study, taking into consideration their age and replacement cost allowances, and the cumulative total of those numbers is the association's fully funded balance.

Reserve Fund Strength, Also Known As Percent Funded

The association's percent funded is calculated by comparing the association's current reserve balance against the fully funded balance, which we defined above. Generally speaking, an association that is less than 30% funded is considered to have a weak reserve account balance and thus a high risk of requiring a special assessment. Associations which are between 30% and 69% funded are considered to have a moderate funding position and therefore a medium risk of a special assessment. Association's which are 70% or more funded have a strong funding position and a low risk of requiring a special assessment. One of the many goals of your reserve study is to help the association achieve, and keep, a strong funding position with a low risk of a special assessment.

How to Pay for Reserve Projects

The question of reserve expenses is not if they will occur, but when they will occur. The best and most cost-effective way to ensure that funds are available for these expenses is to save for future projects through regular contributions to the reserve fund. This not only ensures that funds are available as projects arise, thus reducing the chances of deferred

maintenance, but it is also the most equitable to ownership groups over time. If a person owns a unit for one year, they contribute toward one year of reserves. The same goes for a person who owns their unit for five years, or for 30 years. If the association does not fund the reserve account through regular contributions and instead assesses a special assessment or takes out a loan for the project, the current ownership group is unfairly burdened with paying the full project cost even though previous owners enjoyed the use of those assets.

Properly reserving for anticipated maintenance, repair and replacement projects also results in lower overall costs to the association. Inadequate reserve funds often result in deferred maintenance, which can cause higher project costs and risk potential damage to association assets. For example, deferring an exterior paint project may result in increased future costs due to the additional prep work required to address peeling paint, repairs to exposed wood which has started to decay, etc. There are also administrative expenses associated with levying a special assessment and interest expenses associated with taking out a loan, both of which are avoided when adequate reserve funds are available.

Preventive Maintenance Manual

Preventive maintenance is a critical aspect of properly maintaining association assets and achieving their longest useful life. National Reserve Study Standards (NRSS) recommends that a preventive maintenance manual be prepared by each community and updated regularly. Preparation of such manual is beyond the scope of standard reserve study services and should be prepared independently by the association. Additional resources are available within Community Associations Institute's Best Practices: Community Association Maintenance at www.condosafety.com. The preventive maintenance manual should incorporate maintenance of all common elements, not just those included within the reserve study. Some preventive maintenance projects, such as asphalt sealcoating for example, may be funded within the association's reserve study. Other projects, such as gutter cleaning, are most commonly funded through the annual operating budget. Additional preventive maintenance projects identified by the maintenance manual may be added to the reserve study as needed provided they are significant in cost and do not occur annually, as annual expenditures are generally best handled through the annual operating budget. Any preventive maintenance contracts reported by client are notated on the appropriate components within the component detail inventory toward the rear of this report; common contracts include the maintenance of pool equipment, elevators, fire alarm/sprinkler equipment and HVAC equipment.

Report Sections

This report was designed to provide clear, distinct chapters for the different funding plan options so the association can easily compare and select a funding plan to follow. Your report includes separate sections detailing the Full Funding plan, 70% Funding plan, Baseline Funding plan, as well as data illustrating the reserve funding projections based on the association's current contribution rate. The different funding options are also summarized in the Report Summary at the beginning of this study. In rare instances, associations with unique funding scenarios may not have a 70% Funding option available; in those cases the 70% Funding chapter has been omitted.



Annual Expenditure Charts

The data within this section represents the association's projected expenses over the 30 year scope of this report. These expenses are projected to occur independent of which funding plan the association chooses to follow (Full, 70% or Baseline), and the charts are particularly helpful to the association in planning near term projects (i.e. within the next 1-5 years).

This section also includes a deterioration summary, which shows the total deterioration of the association's assets on an annual basis. It is important that the association consider this data when selecting an annual reserve contribution, as contributing significantly less than the annual deterioration rate means that the association's assets are deteriorating at a faster rate than the association is reserving.

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Grounds										
1000 Concrete - Repair Allotment				2,732					3,167	
1005 Stamped Concrete - Repair Allotment									3,800	
1010 Pavers - Repair	<i>Unfunded</i>									
1015 Asphalt - Repair & Sealcoat					11,424					13,243
1020 Asphalt - Grind & Overlay					114,239					
1025 Metal Signs - Replace	<i>Unfunded</i>									
1030 Monument Signage - Refurb/Replace									17,735	
1035 Monument Lighting - Replace									5,067	
1040 Mailboxes - Replace (Older)						34,778				
1041 Mailboxes - Replace (Newer)						17,389				
1050 RV Lot Gravel - Replenish	<i>Unfunded</i>									
1070 RV Lot Wood Fence - Replace						50,689				
1071 RV Lot Wood Fence - Repair & Stain	9,540					11,059				
1075 RV Lot Gates - Replace										
1080 CMU Wall - Repair Allotment									6,334	
1085 Privacy Fence - Replace	<i>Unfunded</i>									
1135 Landscape - Refurbish Allotment	<i>Unfunded</i>									
1155 Irrigation System - Repair Allotment				3,825					4,434	
1160 Drainage System - Maintain	<i>Unfunded</i>									
1175 Pole Lights - Replace	<i>Unfunded</i>									
1205 Retaining Walls - Repair	<i>Unfunded</i>									
Grounds Total:	9,540			6,556	125,663	113,916			40,537	13,243
Recreation										
2005 Pavilion - Refurbish									10,134	
2010 Outdoor Furniture - Replace	<i>Unfunded</i>									
2015 Pet Stations - Replace	<i>Unfunded</i>									
2185 Palazzo Interior - Renovate						17,389				
2190 Palazzo Furniture - Replace	<i>Unfunded</i>									
2195 Palazzo Windows/Doors - Replace						9,042				
2200 Palazzo/Pavilion Roof - Replace										

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<i>Recreation continued...</i>										
2205 Palazzo Exterior Lighting - Replace	<i>Unfunded</i>									
Recreation Total:						26,431			10,134	
Building Exterior										
4000 Unit Roofs - Replace	<i>Unfunded</i>									
4005 Stucco Siding - Replace	<i>Unfunded</i>									
4010 Stucco Siding - Repair/Recoat Phase 1								465,321		
4015 Stucco Siding - Repair/Recoat Phase 2								514,306		
4020 Stucco Siding - Repair/Recoat Phase 3 (a)										
4021 Stucco Siding - Repair/Recoat Phase 3 (b)							439,932			
4025 Stucco Siding - Repair/Recoat Phase 4										532,714
4030 Stucco Siding - Repair/Recoat Phase 5										
4035 Stucco Siding - Repair/Recoat Palazzo/Pavilion								6,915		
4065 Trim - Repair & Paint Phase 1								57,005		
4070 Trim - Repair & Paint Phase 2								58,271		
4075 Trim - Repair & Paint Phase 3 (a)					37,097					
4076 Trim - Repair & Paint Phase 3 (b)							39,356			
4080 Trim - Repair & Paint Phase 4										64,508
4085 Trim - Repair & Paint Phase 5	27,810									
4090 Trim - Repair & Paint Palazzo/Pavilion	<i>Unfunded</i>									
4100 Windows/Doors/Garage Doors - Replace	<i>Unfunded</i>									
4105 Unit Exterior Lighting - Replace	<i>Unfunded</i>									
Building Exterior Total:	27,810				37,097		479,288	1,101,818		597,222
Equipment & Mechanical										
5000 Electrical System - Repair/Replace	<i>Unfunded</i>									
5005 Plumbing System - Repair/Replace	<i>Unfunded</i>									
5010 HVAC Equip - Repair/Replace	<i>Unfunded</i>									
Professional										
6000 Building Envelope Investigation									6,334	
6010 Reserve Study - Annual Update	<i>Unfunded</i>									
Professional Total:									6,334	

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Year Total:	37,350			6,556	162,760	140,348	479,288	1,101,818	57,005	610,466

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Grounds										
1000 Concrete - Repair Allotment				3,671					4,256	
1005 Stamped Concrete - Repair Allotment									5,107	
1010 Pavers - Repair	<i>Unfunded</i>									
1015 Asphalt - Repair & Sealcoat					15,353					17,798
1020 Asphalt - Grind & Overlay										
1025 Metal Signs - Replace	<i>Unfunded</i>									
1030 Monument Signage - Refurb/Replace										
1035 Monument Lighting - Replace										
1040 Mailboxes - Replace (Older)										
1041 Mailboxes - Replace (Newer)										
1050 RV Lot Gravel - Replenish	<i>Unfunded</i>									
1070 RV Lot Wood Fence - Replace										
1071 RV Lot Wood Fence - Repair & Stain	12,821					14,863				
1075 RV Lot Gates - Replace										
1080 CMU Wall - Repair Allotment									8,512	
1085 Privacy Fence - Replace	<i>Unfunded</i>									
1135 Landscape - Refurbish Allotment	<i>Unfunded</i>									
1155 Irrigation System - Repair Allotment				5,140					5,959	
1160 Drainage System - Maintain	<i>Unfunded</i>									
1175 Pole Lights - Replace	<i>Unfunded</i>									
1205 Retaining Walls - Repair	<i>Unfunded</i>									
Grounds Total:	12,821			8,811	15,353	14,863			23,834	17,798
Recreation										
2005 Pavilion - Refurbish										
2010 Outdoor Furniture - Replace	<i>Unfunded</i>									
2015 Pet Stations - Replace	<i>Unfunded</i>									
2185 Palazzo Interior - Renovate										
2190 Palazzo Furniture - Replace	<i>Unfunded</i>									
2195 Palazzo Windows/Doors - Replace										
2200 Palazzo/Pavilion Roof - Replace	14,850									

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
<i>Recreation continued...</i>										
2205 Palazzo Exterior Lighting - Replace	<i>Unfunded</i>									
Recreation Total:	14,850									
Building Exterior										
4000 Unit Roofs - Replace	<i>Unfunded</i>									
4005 Stucco Siding - Replace	<i>Unfunded</i>									
4010 Stucco Siding - Repair/Recoat Phase 1										
4015 Stucco Siding - Repair/Recoat Phase 2										
4020 Stucco Siding - Repair/Recoat Phase 3 (a)					557,293					
4021 Stucco Siding - Repair/Recoat Phase 3 (b)										
4025 Stucco Siding - Repair/Recoat Phase 4										
4030 Stucco Siding - Repair/Recoat Phase 5	441,621									
4035 Stucco Siding - Repair/Recoat Palazzo/Pavilion										
4065 Trim - Repair & Paint Phase 1								76,609		
4070 Trim - Repair & Paint Phase 2								78,312		
4075 Trim - Repair & Paint Phase 3 (a)					49,855					
4076 Trim - Repair & Paint Phase 3 (b)							52,891			
4080 Trim - Repair & Paint Phase 4										86,693
4085 Trim - Repair & Paint Phase 5	37,374									
4090 Trim - Repair & Paint Palazzo/Pavilion	<i>Unfunded</i>									
4100 Windows/Doors/Garage Doors - Replace	<i>Unfunded</i>									
4105 Unit Exterior Lighting - Replace	<i>Unfunded</i>									
Building Exterior Total:	478,995				607,148		52,891	154,921		86,693
Equipment & Mechanical										
5000 Electrical System - Repair/Replace	<i>Unfunded</i>									
5005 Plumbing System - Repair/Replace	<i>Unfunded</i>									
5010 HVAC Equip - Repair/Replace	<i>Unfunded</i>									
Professional										
6000 Building Envelope Investigation									8,512	
6010 Reserve Study - Annual Update	<i>Unfunded</i>									
Professional Total:									8,512	

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Year Total:	506,667			8,811	622,501	14,863	52,891	154,921	32,346	104,491

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Grounds										
1000 Concrete - Repair Allotment				4,934					5,720	
1005 Stamped Concrete - Repair Allotment									6,864	
1010 Pavers - Repair	<i>Unfunded</i>									
1015 Asphalt - Repair & Sealcoat					20,633					23,919
1020 Asphalt - Grind & Overlay										239,191
1025 Metal Signs - Replace	<i>Unfunded</i>									
1030 Monument Signage - Refurb/Replace										
1035 Monument Lighting - Replace										
1040 Mailboxes - Replace (Older)										
1041 Mailboxes - Replace (Newer)										
1050 RV Lot Gravel - Replenish	<i>Unfunded</i>									
1070 RV Lot Wood Fence - Replace						91,550				
1071 RV Lot Wood Fence - Repair & Stain	17,230					19,975				
1075 RV Lot Gates - Replace						12,563				
1080 CMU Wall - Repair Allotment									11,440	
1085 Privacy Fence - Replace	<i>Unfunded</i>									
1135 Landscape - Refurbish Allotment	<i>Unfunded</i>									
1155 Irrigation System - Repair Allotment				6,908					8,008	
1160 Drainage System - Maintain	<i>Unfunded</i>									
1175 Pole Lights - Replace	<i>Unfunded</i>									
1205 Retaining Walls - Repair	<i>Unfunded</i>									
Grounds Total:	17,230			11,842	20,633	124,088			32,031	263,111
Recreation										
2005 Pavilion - Refurbish										
2010 Outdoor Furniture - Replace	<i>Unfunded</i>									
2015 Pet Stations - Replace	<i>Unfunded</i>									
2185 Palazzo Interior - Renovate										
2190 Palazzo Furniture - Replace	<i>Unfunded</i>									
2195 Palazzo Windows/Doors - Replace										
2200 Palazzo/Pavilion Roof - Replace										

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
<i>Recreation continued...</i>										
2205 Palazzo Exterior Lighting - Replace	<i>Unfunded</i>									
Recreation Total:										
Building Exterior										
4000 Unit Roofs - Replace	<i>Unfunded</i>									
4005 Stucco Siding - Replace	<i>Unfunded</i>									
4010 Stucco Siding - Repair/Recoat Phase 1							840,422			
4015 Stucco Siding - Repair/Recoat Phase 2							928,893			
4020 Stucco Siding - Repair/Recoat Phase 3 (a)										
4021 Stucco Siding - Repair/Recoat Phase 3 (b)						794,566				
4025 Stucco Siding - Repair/Recoat Phase 4										962,142
4030 Stucco Siding - Repair/Recoat Phase 5										
4035 Stucco Siding - Repair/Recoat Palazzo/Pavilion							12,489			
4065 Trim - Repair & Paint Phase 1							102,957			
4070 Trim - Repair & Paint Phase 2							105,245			
4075 Trim - Repair & Paint Phase 3 (a)					67,001					
4076 Trim - Repair & Paint Phase 3 (b)							71,081			
4080 Trim - Repair & Paint Phase 4										116,509
4085 Trim - Repair & Paint Phase 5	50,228									
4090 Trim - Repair & Paint Palazzo/Pavilion	<i>Unfunded</i>									
4100 Windows/Doors/Garage Doors - Replace	<i>Unfunded</i>									
4105 Unit Exterior Lighting - Replace	<i>Unfunded</i>									
Building Exterior Total:	50,228				67,001		865,648	1,990,006		1,078,650
Equipment & Mechanical										
5000 Electrical System - Repair/Replace	<i>Unfunded</i>									
5005 Plumbing System - Repair/Replace	<i>Unfunded</i>									
5010 HVAC Equip - Repair/Replace	<i>Unfunded</i>									
Professional										
6000 Building Envelope Investigation									11,440	
6010 Reserve Study - Annual Update	<i>Unfunded</i>									
Professional Total:									11,440	

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Year Total:	67,458			11,842	87,634	124,088	865,648	1,990,006	43,471	1,341,761

The Mediterranean Villas
Pasco, WA
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2025	
RV Lot Wood Fence - Repair & Stain	9,540
Trim - Repair & Paint Phase 5	27,810
Total for 2025	\$37,350
 <i>No Replacement in 2026</i>	
<i>No Replacement in 2027</i>	
 Replacement Year 2028	
Concrete - Repair Allotment	2,732
Irrigation System - Repair Allotment	3,825
Total for 2028	\$6,556
 Replacement Year 2029	
Asphalt - Repair & Sealcoat	11,424
Trim - Repair & Paint Phase 3 (a)	37,097
Asphalt - Grind & Overlay	114,239
Total for 2029	\$162,760
 Replacement Year 2030	
RV Lot Wood Fence - Repair & Stain	11,059
RV Lot Wood Fence - Replace	50,689
Mailboxes - Replace (Newer)	17,389
Mailboxes - Replace (Older)	34,778
Palazzo Interior - Renovate	17,389
Palazzo Windows/Doors - Replace	9,042
Total for 2030	\$140,348
 Replacement Year 2031	
Trim - Repair & Paint Phase 3 (b)	39,356
Stucco Siding - Repair/Recoat Phase 3 (b)	439,932
Total for 2031	\$479,288
 Replacement Year 2032	
Trim - Repair & Paint Phase 1	57,005

The Mediterranean Villas
Pasco, WA
Annual Expenditure Detail

Description	Expenditures
<i>Replacement Year 2032 continued...</i>	
Trim - Repair & Paint Phase 2	58,271
Stucco Siding - Repair/Recoat Palazzo/Pavilion	6,915
Stucco Siding - Repair/Recoat Phase 1	465,321
Stucco Siding - Repair/Recoat Phase 2	514,306
Total for 2032	\$1,101,818
Replacement Year 2033	
Concrete - Repair Allotment	3,167
Irrigation System - Repair Allotment	4,434
Building Envelope Investigation	6,334
CMU Wall - Repair Allotment	6,334
Stamped Concrete - Repair Allotment	3,800
Monument Lighting - Replace	5,067
Monument Signage - Refurb/Replace	17,735
Pavilion - Refurbish	10,134
Total for 2033	\$57,005
Replacement Year 2034	
Asphalt - Repair & Sealcoat	13,243
Trim - Repair & Paint Phase 4	64,508
Stucco Siding - Repair/Recoat Phase 4	532,714
Total for 2034	\$610,466
Replacement Year 2035	
RV Lot Wood Fence - Repair & Stain	12,821
Trim - Repair & Paint Phase 5	37,374
Stucco Siding - Repair/Recoat Phase 5	441,621
Palazzo/Pavilion Roof - Replace	14,850
Total for 2035	\$506,667
<i>No Replacement in 2036</i>	
<i>No Replacement in 2037</i>	
Replacement Year 2038	
Concrete - Repair Allotment	3,671

The Mediterranean Villas
Pasco, WA
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2038 continued...	
Irrigation System - Repair Allotment	5,140
Total for 2038	\$8,811
Replacement Year 2039	
Asphalt - Repair & Sealcoat	15,353
Trim - Repair & Paint Phase 3 (a)	49,855
Stucco Siding - Repair/Recoat Phase 3 (a)	557,293
Total for 2039	\$622,501
Replacement Year 2040	
RV Lot Wood Fence - Repair & Stain	14,863
Total for 2040	\$14,863
Replacement Year 2041	
Trim - Repair & Paint Phase 3 (b)	52,891
Total for 2041	\$52,891
Replacement Year 2042	
Trim - Repair & Paint Phase 1	76,609
Trim - Repair & Paint Phase 2	78,312
Total for 2042	\$154,921
Replacement Year 2043	
Concrete - Repair Allotment	4,256
Irrigation System - Repair Allotment	5,959
Building Envelope Investigation	8,512
CMU Wall - Repair Allotment	8,512
Stamped Concrete - Repair Allotment	5,107
Total for 2043	\$32,346
Replacement Year 2044	
Asphalt - Repair & Sealcoat	17,798
Trim - Repair & Paint Phase 4	86,693
Total for 2044	\$104,491

The Mediterranean Villas
Pasco, WA
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2045	
RV Lot Wood Fence - Repair & Stain	17,230
Trim - Repair & Paint Phase 5	50,228
Total for 2045	\$67,458
 <i>No Replacement in 2046</i>	
<i>No Replacement in 2047</i>	
 Replacement Year 2048	
Concrete - Repair Allotment	4,934
Irrigation System - Repair Allotment	6,908
Total for 2048	\$11,842
 Replacement Year 2049	
Asphalt - Repair & Sealcoat	20,633
Trim - Repair & Paint Phase 3 (a)	67,001
Total for 2049	\$87,634
 Replacement Year 2050	
RV Lot Wood Fence - Repair & Stain	19,975
RV Lot Wood Fence - Replace	91,550
RV Lot Gates - Replace	12,563
Total for 2050	\$124,088
 Replacement Year 2051	
Trim - Repair & Paint Phase 3 (b)	71,081
Stucco Siding - Repair/Recoat Phase 3 (b)	794,566
Total for 2051	\$865,648
 Replacement Year 2052	
Trim - Repair & Paint Phase 1	102,957
Trim - Repair & Paint Phase 2	105,245
Stucco Siding - Repair/Recoat Palazzo/Pavilion	12,489
Stucco Siding - Repair/Recoat Phase 1	840,422
Stucco Siding - Repair/Recoat Phase 2	928,893
Total for 2052	\$1,990,006

The Mediterranean Villas
Pasco, WA
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2053	
Concrete - Repair Allotment	5,720
Irrigation System - Repair Allotment	8,008
Building Envelope Investigation	11,440
CMU Wall - Repair Allotment	11,440
Stamped Concrete - Repair Allotment	6,864
Total for 2053	\$43,471
Replacement Year 2054	
Asphalt - Repair & Sealcoat	23,919
Trim - Repair & Paint Phase 4	116,509
Stucco Siding - Repair/Recoat Phase 4	962,142
Asphalt - Grind & Overlay	239,191
Total for 2054	\$1,341,761

**The Mediterranean Villas
Deterioration Summary**

Asset ID	Description	Useful Life	Current Cost	Annual Deterioration
1000	Concrete - Repair Allotment	5	\$2,500	\$500
1005	Stamped Concrete - Repair Allotment	10	\$3,000	\$300
1010	Pavers - Repair	Unfunded		
1015	Asphalt - Repair & Sealcoat	5	\$10,150	\$2,030
1020	Asphalt - Grind & Overlay	25	\$101,500	\$4,060
1025	Metal Signs - Replace	Unfunded		
1030	Monument Signage - Refurb/Replace	30	\$14,000	\$467
1035	Monument Lighting - Replace	30	\$4,000	\$133
1040	Mailboxes - Replace (Older)	25	\$30,000	\$1,200
1041	Mailboxes - Replace (Newer)	25	\$15,000	\$600
1050	RV Lot Gravel - Replenish	Unfunded		
1070	RV Lot Wood Fence - Replace	20	\$43,725	\$2,186
1071	RV Lot Wood Fence - Repair & Stain	5	\$9,540	\$1,908
1075	RV Lot Gates - Replace	40	\$6,000	\$150
1080	CMU Wall - Repair Allotment	10	\$5,000	\$500
1085	Privacy Fence - Replace	Unfunded		
1135	Landscape - Refurbish Allotment	Unfunded		
1155	Irrigation System - Repair Allotment	5	\$3,500	\$700
1160	Drainage System - Maintain	Unfunded		
1175	Pole Lights - Replace	Unfunded		
1205	Retaining Walls - Repair	Unfunded		
2005	Pavilion - Refurbish	30	\$8,000	\$267
2010	Outdoor Furniture - Replace	Unfunded		
2015	Pet Stations - Replace	Unfunded		
2185	Palazzo Interior - Renovate	25	\$15,000	\$600
2190	Palazzo Furniture - Replace	Unfunded		
2195	Palazzo Windows/Doors - Replace	25	\$7,800	\$312
2200	Palazzo/Pavilion Roof - Replace	30	\$11,050	\$368
2205	Palazzo Exterior Lighting - Replace	Unfunded		
4000	Unit Roofs - Replace	Unfunded		
4005	Stucco Siding - Replace	Unfunded		
4010	Stucco Siding - Repair/Recoat Phase 1	20	\$378,349	\$18,917
4015	Stucco Siding - Repair/Recoat Phase 2	20	\$418,178	\$20,909
4020	Stucco Siding - Repair/Recoat Phase 3 (a)	20	\$368,436	\$18,422
4021	Stucco Siding - Repair/Recoat Phase 3 (b)	20	\$368,436	\$18,422
4025	Stucco Siding - Repair/Recoat Phase 4	20	\$408,281	\$20,414

**The Mediterranean Villas
Deterioration Summary**

Asset ID	Description	Useful Life	Current Cost	Annual Deterioration
4030	Stucco Siding - Repair/Recoat Phase 5	20	\$328,608	\$16,430
4035	Stucco Siding - Repair/Recoat Palazzo/Pavilion	20	\$5,623	\$281
4065	Trim - Repair & Paint Phase 1	10	\$46,350	\$4,635
4070	Trim - Repair & Paint Phase 2	10	\$47,380	\$4,738
4075	Trim - Repair & Paint Phase 3 (a)	10	\$32,960	\$3,296
4076	Trim - Repair & Paint Phase 3 (b)	10	\$32,960	\$3,296
4080	Trim - Repair & Paint Phase 4	10	\$49,440	\$4,944
4085	Trim - Repair & Paint Phase 5	10	\$27,810	\$2,781
4090	Trim - Repair & Paint Palazzo/Pavilion	Unfunded		
4100	Windows/Doors/Garage Doors - Replace	Unfunded		
4105	Unit Exterior Lighting - Replace	Unfunded		
5000	Electrical System - Repair/Replace	Unfunded		
5005	Plumbing System - Repair/Replace	Unfunded		
5010	HVAC Equip - Repair/Replace	Unfunded		
6000	Building Envelope Investigation	10	\$5,000	\$500
6010	Reserve Study - Annual Update	Unfunded		
Total Annual Deterioration of Association Assets				\$154,267



Full Funding Model

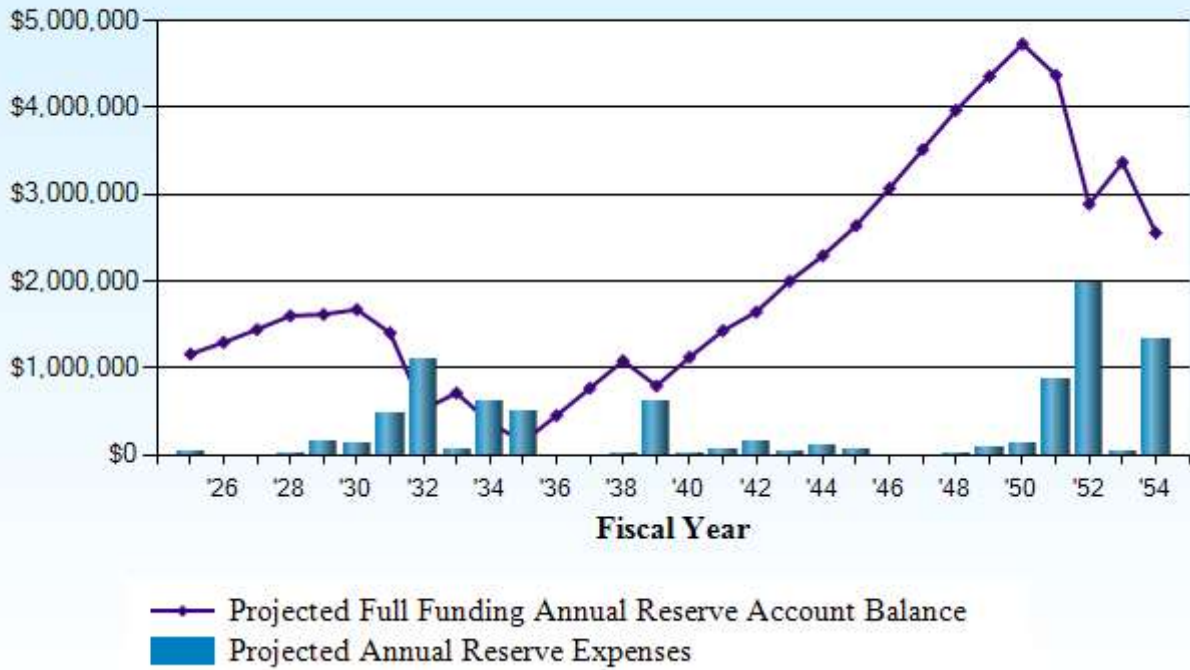
The data within this section represents the 100% full funding model. In this model the association works to fund the reserve account to a level in which the reserve account balance equals the fully funded balance, thus achieving 100% funding. This is accomplished over the 30 year scope of the report. Following this funding model is recommended, as it puts the association at the lowest risk of requiring a special assessment should a project occur earlier than projected or cost more than anticipated.

**The Mediterranean Villas
Full Funding Model Projection**

Beginning Balance: \$1,076,860

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	2,807,575	111,200	11,507	37,350	1,162,217	1,860,396	62%
2026	2,891,802	122,320	12,845		1,297,382	2,062,759	63%
2027	2,978,556	134,552	14,319		1,446,254	2,275,590	64%
2028	3,067,913	148,007	15,877	6,556	1,603,582	2,492,581	64%
2029	3,159,950	162,808	16,036	162,760	1,619,666	2,560,038	63%
2030	3,254,749	179,089	16,584	140,348	1,674,991	2,657,413	63%
2031	3,352,391	196,998	13,927	479,288	1,406,628	2,416,509	58%
2032	3,452,963	216,697	5,215	1,101,818	526,722	1,546,179	34%
2033	3,556,552	238,367	7,081	57,005	715,166	1,731,659	41%
2034	3,663,249	262,204	3,669	610,466	370,573	1,362,150	27%
2035	3,773,146	288,424	1,523	506,667	153,854	1,094,689	14%
2036	3,886,340	297,077	4,509		455,440	1,347,478	34%
2037	4,002,931	305,989	7,614		769,043	1,614,448	48%
2038	4,123,019	315,169	10,754	8,811	1,086,155	1,887,148	58%
2039	4,246,709	324,624	7,883	622,501	796,161	1,542,929	52%
2040	4,374,110	334,363	11,157	14,863	1,126,817	1,821,461	62%
2041	4,505,334	344,394	14,183	52,891	1,432,503	2,076,607	69%
2042	4,640,494	354,725	16,323	154,921	1,648,630	2,241,965	74%
2043	4,779,708	365,367	19,817	32,346	2,001,467	2,546,415	79%
2044	4,923,100	376,328	22,733	104,491	2,296,037	2,793,804	82%
2045	5,070,793	387,618	26,162	67,458	2,642,359	3,095,118	85%
2046	5,222,916	399,246	30,416		3,072,021	3,483,562	88%
2047	5,379,604	411,224	34,832		3,518,077	3,892,528	90%
2048	5,540,992	423,561	39,298	11,842	3,969,095	4,310,699	92%
2049	5,707,222	436,267	43,177	87,634	4,360,905	4,672,758	93%
2050	5,878,439	449,355	46,862	124,088	4,733,035	5,017,821	94%
2051	6,054,792	462,836	43,302	865,648	4,373,526	4,619,409	95%
2052	6,236,435	476,721	28,602	1,990,006	2,888,844	3,061,237	94%
2053	6,423,528	491,023	33,364	43,471	3,369,760	3,471,839	97%
2054	6,616,234	505,754	25,338	1,341,761	2,559,090	2,568,426	100%

Annual Expenditures Compared to Full Funding Model



This chart compares the projected yearly reserve balance within the full funding plan against the cumulative expenses anticipated within that year.



Baseline Funding Model

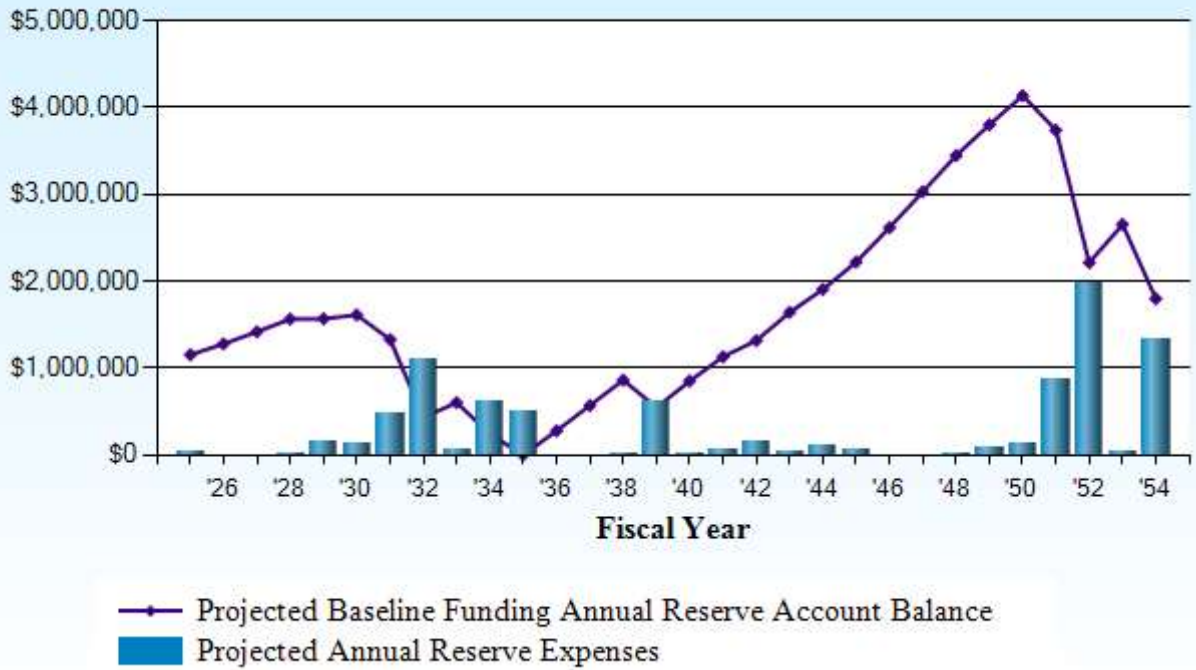
The data within this section represents the baseline funding model. In this model, the association funds reserves at a level in which the reserve balance is not projected to drop below zero over the 30 year scope of this report. Baseline funding has the highest risk of a special assessment. Under this model, if a project comes in just slightly over budget, or occurs earlier than anticipated, the association has a high risk of requiring a special assessment.

**The Mediterranean Villas
Baseline Funding Model Projection**

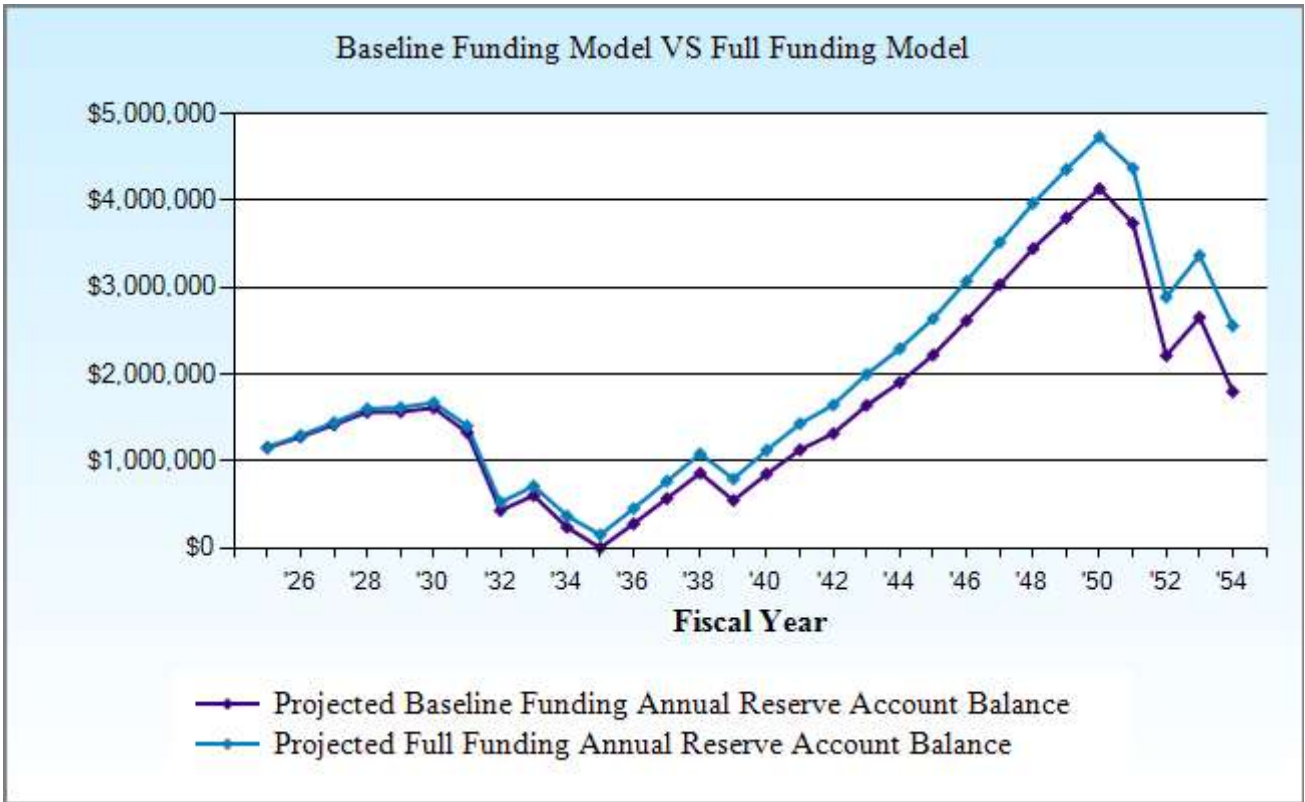
Beginning Balance: \$1,076,860

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	2,807,575	103,400	11,429	37,350	1,154,339	1,860,396	62%
2026	2,891,802	113,740	12,681		1,280,760	2,062,759	62%
2027	2,978,556	125,114	14,059		1,419,933	2,275,590	62%
2028	3,067,913	137,625	15,510	6,556	1,566,512	2,492,581	63%
2029	3,159,950	151,388	15,551	162,760	1,570,691	2,560,038	61%
2030	3,254,749	166,527	15,969	140,348	1,612,839	2,657,413	61%
2031	3,352,391	183,179	13,167	479,288	1,329,898	2,416,509	55%
2032	3,452,963	201,497	4,296	1,101,818	433,873	1,546,179	28%
2033	3,556,552	221,647	5,985	57,005	604,501	1,731,659	35%
2034	3,663,249	243,812	2,378	610,466	240,225	1,362,150	18%
2035	3,773,146	268,193	18	506,667	1,769	1,094,689	0%
2036	3,886,340	276,239	2,780		280,788	1,347,478	21%
2037	4,002,931	284,526	5,653		570,967	1,614,448	35%
2038	4,123,019	293,062	8,552	8,811	863,769	1,887,148	46%
2039	4,246,709	301,854	5,431	622,501	548,554	1,542,929	36%
2040	4,374,110	310,909	8,446	14,863	853,046	1,821,461	47%
2041	4,505,334	320,236	11,204	52,891	1,131,595	2,076,607	54%
2042	4,640,494	329,844	13,065	154,921	1,319,582	2,241,965	59%
2043	4,779,708	339,739	16,270	32,346	1,643,245	2,546,415	65%
2044	4,923,100	349,931	18,887	104,491	1,907,571	2,793,804	68%
2045	5,070,793	360,429	22,005	67,458	2,222,547	3,095,118	72%
2046	5,222,916	371,242	25,938		2,619,727	3,483,562	75%
2047	5,379,604	382,379	30,021		3,032,127	3,892,528	78%
2048	5,540,992	393,850	34,141	11,842	3,448,277	4,310,699	80%
2049	5,707,222	405,666	37,663	87,634	3,803,972	4,672,758	81%
2050	5,878,439	417,836	40,977	124,088	4,138,698	5,017,821	82%
2051	6,054,792	430,371	37,034	865,648	3,740,455	4,619,409	81%
2052	6,236,435	443,282	21,937	1,990,006	2,215,669	3,061,237	72%
2053	6,423,528	456,581	26,288	43,471	2,655,067	3,471,839	76%
2054	6,616,234	470,278	17,836	1,341,761	1,801,420	2,568,426	70%

Annual Expenditures Compared to Baseline Funding Model



This chart compares the projected yearly reserve balance within the Baseline Funding model against the cumulative expenses anticipated within that year.



This chart compares the projected annual reserve account balances between the Baseline Funding model and the Full Funding model.



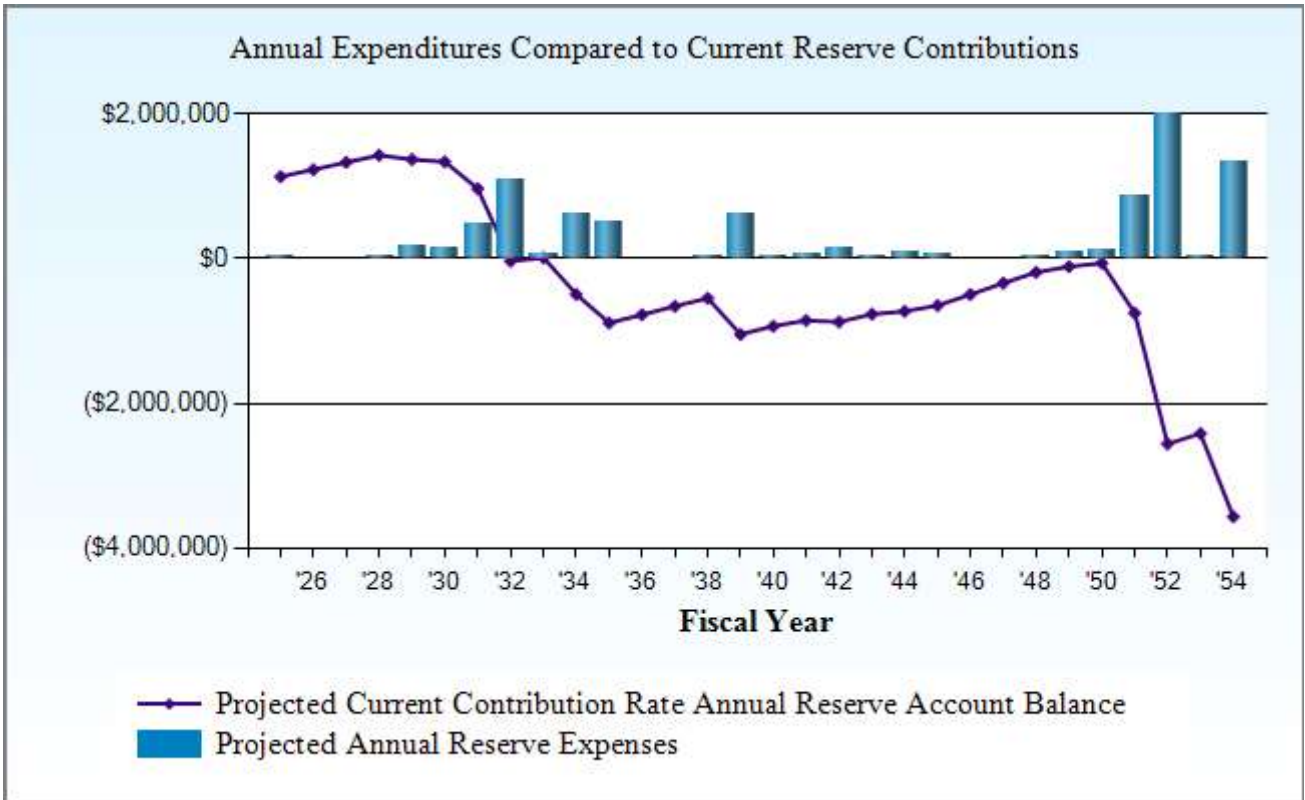
Current Funding Model

The data within this section represents the association's current funding model, based on the most recent annual budget. This data is helpful in determining whether current contribution rates are sufficient to meet the association's funding goals over time.

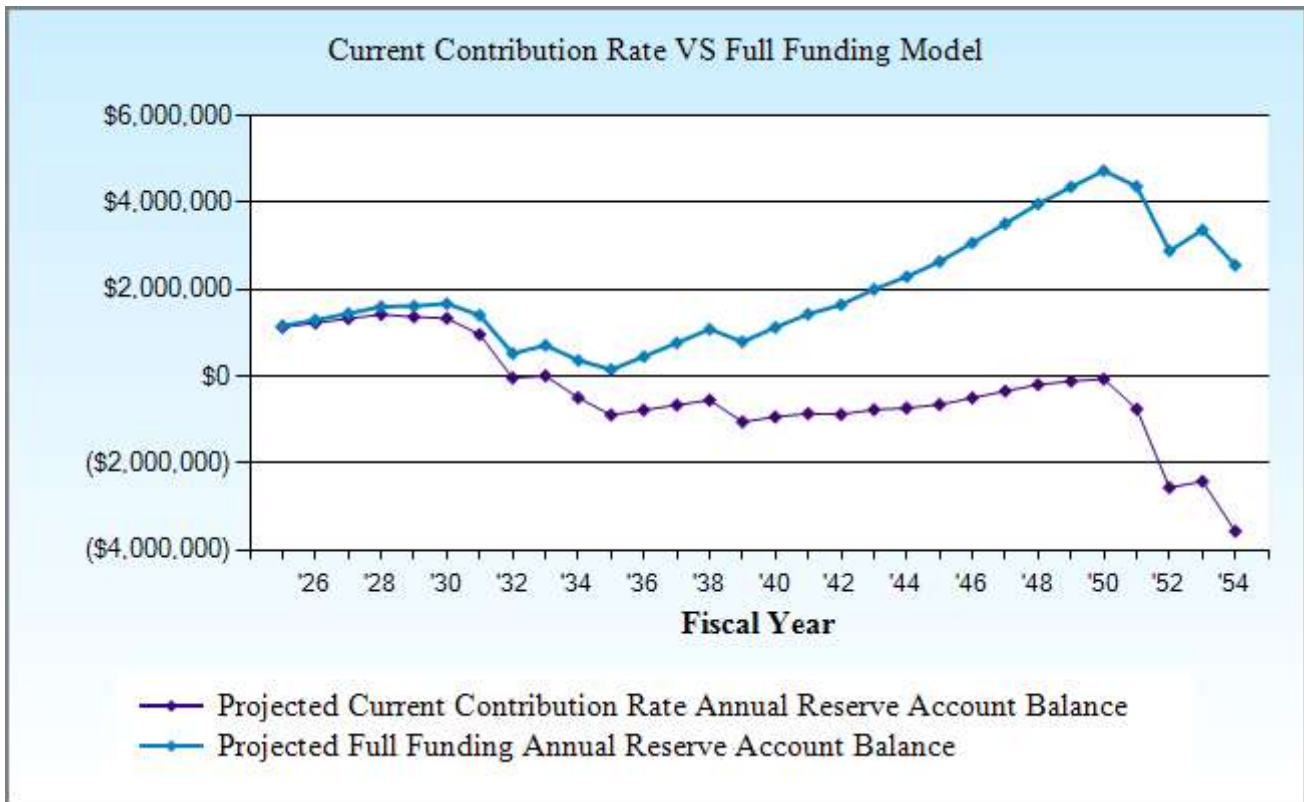
**The Mediterranean Villas
Current Funding Model Projection**

Beginning Balance: \$1,076,860

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	2,807,575	81,870	11,214	37,350	1,132,594	1,860,396	61%
2026	2,891,802	84,326	12,169		1,229,089	2,062,759	60%
2027	2,978,556	86,856	13,159		1,329,104	2,275,590	58%
2028	3,067,913	89,462	14,120	6,556	1,426,130	2,492,581	57%
2029	3,159,950	92,145	13,555	162,760	1,369,070	2,560,038	53%
2030	3,254,749	94,910	13,236	140,348	1,336,869	2,657,413	50%
2031	3,352,391	97,757	9,553	479,288	964,891	2,416,509	40%
2032	3,452,963	100,690		1,101,818	-36,237	1,546,179	
2033	3,556,552	103,710	105	57,005	10,574	1,731,659	1%
2034	3,663,249	106,822		610,466	-493,070	1,362,150	
2035	3,773,146	110,026		506,667	-889,710	1,094,689	
2036	3,886,340	113,327			-776,383	1,347,478	
2037	4,002,931	116,727			-659,656	1,614,448	
2038	4,123,019	120,229		8,811	-548,238	1,887,148	
2039	4,246,709	123,836		622,501	-1,046,903	1,542,929	
2040	4,374,110	127,551		14,863	-934,216	1,821,461	
2041	4,505,334	131,377		52,891	-855,729	2,076,607	
2042	4,640,494	135,319		154,921	-875,332	2,241,965	
2043	4,779,708	139,378		32,346	-768,300	2,546,415	
2044	4,923,100	143,560		104,491	-729,232	2,793,804	
2045	5,070,793	147,866		67,458	-648,824	3,095,118	
2046	5,222,916	152,302			-496,522	3,483,562	
2047	5,379,604	156,871			-339,650	3,892,528	
2048	5,540,992	161,578		11,842	-189,914	4,310,699	
2049	5,707,222	166,425		87,634	-111,123	4,672,758	
2050	5,878,439	171,418		124,088	-63,793	5,017,821	
2051	6,054,792	176,560		865,648	-752,881	4,619,409	
2052	6,236,435	181,857		1,990,006	-2,561,030	3,061,237	
2053	6,423,528	187,313		43,471	-2,417,188	3,471,839	
2054	6,616,234	192,932		1,341,761	-3,566,016	2,568,426	



This chart compares the projected yearly reserve balance at the association's current contribution rate against the cumulative expenditures anticipated within that year.



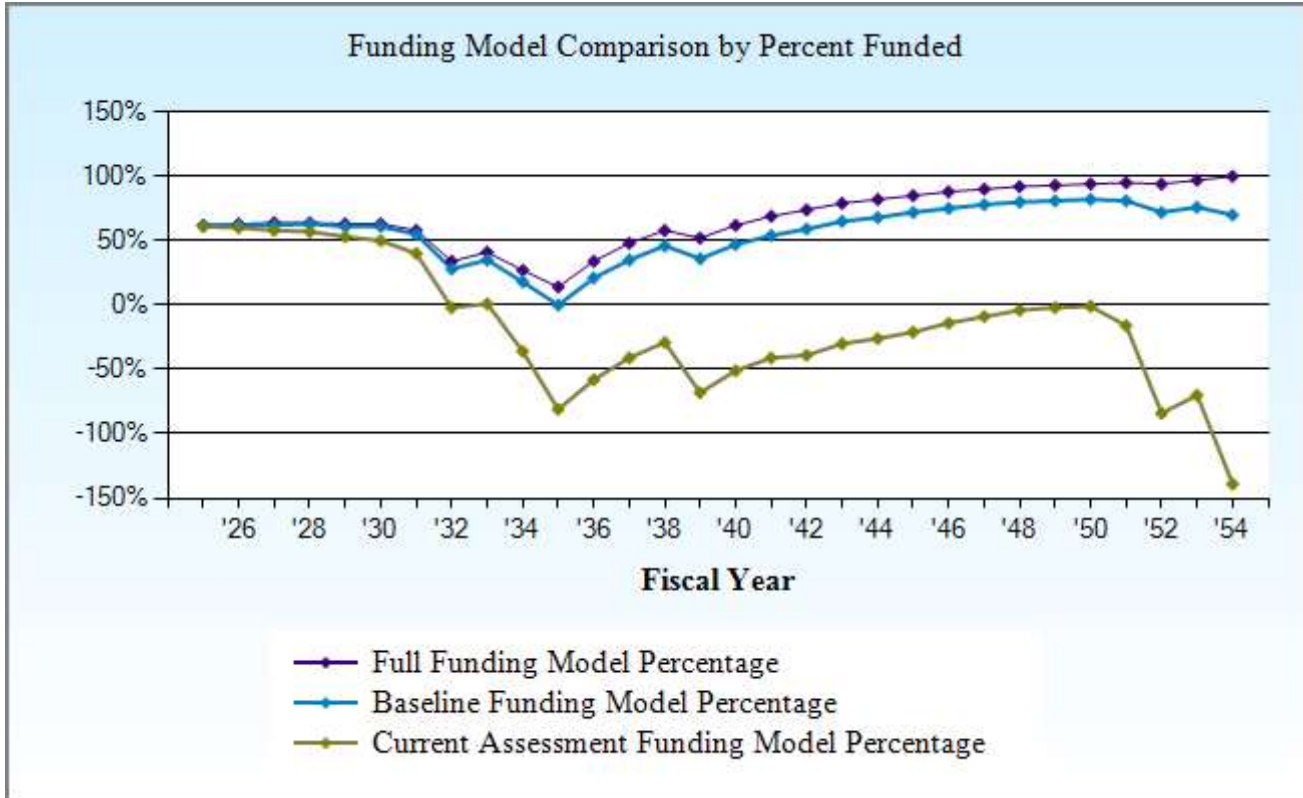
This chart compares the projected annual reserve account balances between the association's current contribution rate and the Full Funding model.



Comparison Charts

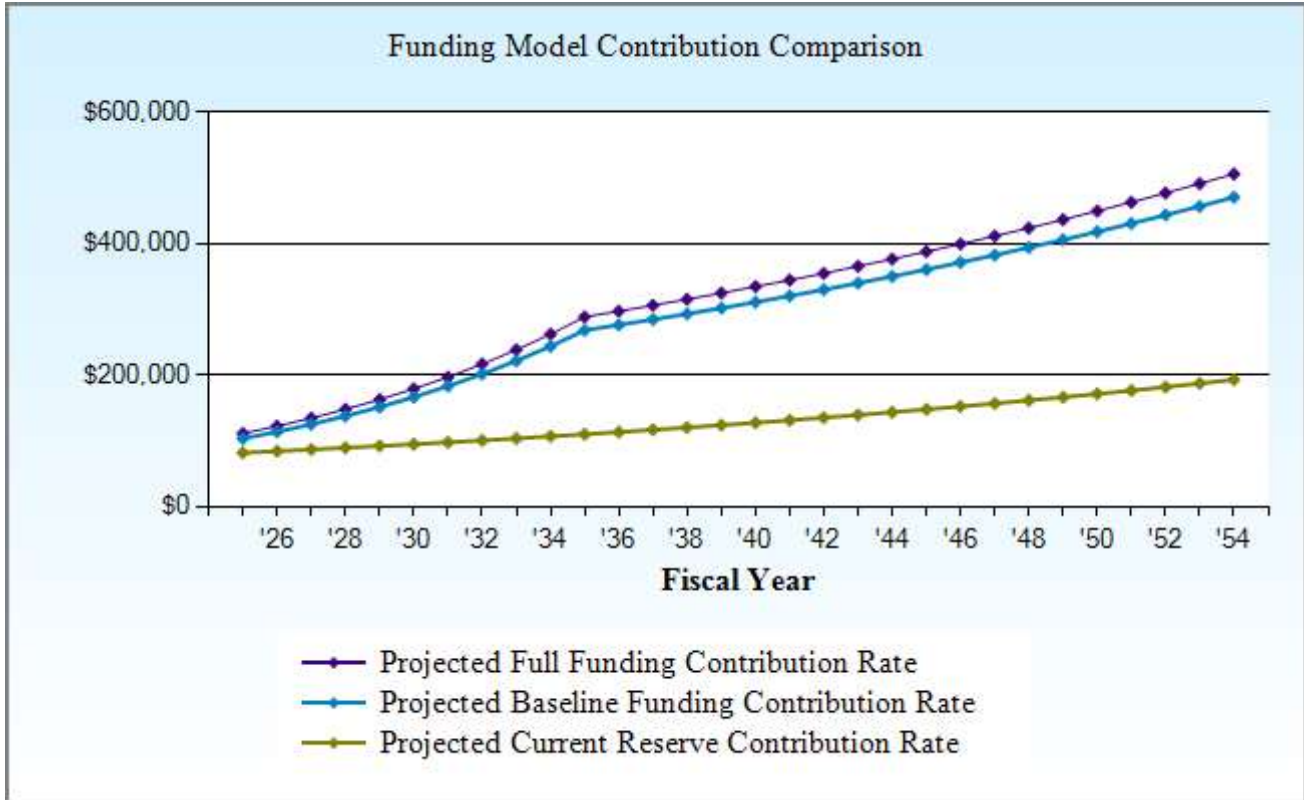
The charts within this section represent a visual comparison of the funding models included within this report. Each chart features a descriptive title indicating the data which is being compared and are extremely helpful for the association in comparing its current funding plan to the plans included within the study.

**The Mediterranean Villas
Funding Model Comparison by Percent Funded**



This chart compares the association's projected percent funded on an annual basis between the Full and Baseline funding models, along with the association's current contribution rate, over 30 years.

The Mediterranean Villas
Funding Model Assessment Comparison Chart



This chart compares the projected contribution rate between the Full and Baseline funding models, along with the association's current contribution rate, over 30 years.



Component Detail Report

The following section features a detailed breakdown of each of the association's reserve components. This section details component history, quantities, useful life, remaining useful life and cost breakdowns, among other important data. For Level I Full and Level II With-Site-Visit reports, this section also features maintenance recommendations and photographs of the components.

**The Mediterranean Villas
Index of Funded Components**

Asset ID	Description	Replacement	Page
1000	Concrete - Repair Allotment	2028	41
1005	Stamped Concrete - Repair Allotment	2033	42
1010	Pavers - Repair	2025	43
1015	Asphalt - Repair & Sealcoat	2029	44
1020	Asphalt - Grind & Overlay	2029	45
1025	Metal Signs - Replace	2025	46
1030	Monument Signage - Refurb/Replace	2033	47
1035	Monument Lighting - Replace	2033	48
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**The Mediterranean Villas
Detail Report by Category**

Concrete - Repair Allotment - 2028

Asset ID	1000	1 Allowance	@ \$2,500.00
Category	Grounds	Asset Actual Cost	\$2,500.00
Placed in Service	January 2023	Percent Replacement	100%
Useful Life	5	Future Cost	\$2,731.82
Replacement Year	2028		
Remaining Life	3		



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Common area curbs, walkways, pad at pavilion, etc. (unit patios, driveways, walkways, etc. are reportedly owner responsibility)

Component History: No history reported, an estimated in-service date of 2023 has been used as no current repair needs reported

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Stamped Concrete - Repair Allotment - 2033

			1 Allowance	@ \$3,000.00
Asset ID	1005		Asset Actual Cost	\$3,000.00
			Percent Replacement	100%
Category	Grounds		Future Cost	\$3,800.31
Placed in Service	January 2023			
Useful Life	10			
Replacement Year	2033			
Remaining Life	8			



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Pedestrian paths at 2 of the 3 parking lots and at park off Majestia Lane

Component History: Installed between 2006 & 2009 per satellite imagery, reportedly repaired ~ 2023

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Pavers - Repair

Asset ID	1010	1 Allowance Asset Actual Cost	
Category	Grounds	Percent Replacement	100%
Placed in Service	January 2003	Future Cost	
No Useful Life			



Location: Adjacent to parking area within Phase 1

Component History: Assumed installed ~ 2003 with Phase 1 construction

There is no predictable basis to expect complete replacement of paver areas, therefore no reserve funding included.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Asphalt - Repair & Sealcoat - 2029

		29,000 GSF	@ \$0.35
Asset ID	1015	Asset Actual Cost	\$10,150.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$11,423.91
Placed in Service	January 2024		
Useful Life	5		
Replacement Year	2029		
Remaining Life	4		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Parking areas within association

Component History: 2014 per prior study, planned for 2024 (no bids available as of this report)

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Asphalt - Grind & Overlay - 2029

		29,000 GSF	@ \$3.50
Asset ID	1020	Asset Actual Cost	\$101,500.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$114,239.14
Placed in Service	January 2003		
Useful Life	25		
Adjustment	1		
Replacement Year	2029		
Remaining Life	4		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Parking areas within association

Component History: Installed ~ 2003

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Metal Signs - Replace

Asset ID	1025	1 Allowance	
Category	Grounds	Asset Actual Cost	
Placed in Service	January 2003	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Scattered common area locations

Component History: No history reported

There is no predictable basis to anticipate wide scale replacement of signage at this time and cost of individual replacement is projected to be too small for reserve funding, therefore maintain, repair and replace individual signs on an as-needed basis through the annual operating budget.

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Monument Signage - Refurb/Replace - 2033

Asset ID	1030	4 Each	@ \$3,500.00
Category	Grounds	Asset Actual Cost	\$14,000.00
Placed in Service	January 2003	Percent Replacement	100%
Useful Life	30	Future Cost	\$17,734.78
Replacement Year	2033		
Remaining Life	8		



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Adjacent to entrances to community

Component History: Lettering at 3 signs planned for replacement 2024 as operating expense \$5,220.21

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Monument Lighting - Replace - 2033

			1 Allowance	@ \$4,000.00
Asset ID	1035		Asset Actual Cost	\$4,000.00
			Percent Replacement	100%
Category	Grounds		Future Cost	\$5,067.08
Placed in Service	January 2003			
Useful Life	30			
Replacement Year	2033			
Remaining Life	8			



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Adjacent to entry monuments

Component History: No history reported

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Mailboxes - Replace (Older) - 2030

		10 Each	@ \$3,000.00
Asset ID	1040	Asset Actual Cost	\$30,000.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$34,778.22
Placed in Service	January 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	5		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Adjacent to roadways throughout community

Component History: ~ 2005 manufacture date

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Mailboxes - Replace (Newer) - 2030

		5 Each	@ \$3,000.00
Asset ID	1041	Asset Actual Cost	\$15,000.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$17,389.11
Placed in Service	January 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	5		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Adjacent to roadways throughout community

Component History: ~ 2008 & 2009 manufacture date

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

RV Lot Gravel - Replenish

Asset ID	1050	1 Allowance	
Category	Grounds	Asset Actual Cost	
Placed in Service	January 2010	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Within RV parking area at southeast corner of property

Component History: No history reported

Cost to replenish RV parking area gravel is projected to be too small to qualify for reserve funding therefore replenish as needed through annual operating budget.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

RV Lot Wood Fence - Replace - 2030

		795 LF	@ \$55.00
Asset ID	1070	Asset Actual Cost	\$43,725.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$50,689.26
Placed in Service	January 2010		
Useful Life	20		
Replacement Year	2030		
Remaining Life	5		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Perimeter of RV parking lot, located at southeast corner of property

Component History: Installed between 2009 & 2011 per satellite imagery

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

RV Lot Wood Fence - Repair & Stain - 2025

		795 LF	@ \$12.00
Asset ID	1071	Asset Actual Cost	\$9,540.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$9,540.00
Placed in Service	January 2020		
Useful Life	5		
Replacement Year	2025		
Remaining Life	0		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Perimeter of RV parking lot, located at southeast corner of property

Component History: Partial staining 2020

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

RV Lot Gates - Replace - 2050

		2 Each	@ \$3,000.00
Asset ID	1075	Asset Actual Cost	\$6,000.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$12,562.67
Placed in Service	January 2010		
Useful Life	40		
Replacement Year	2050		
Remaining Life	25		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Perimeter of RV parking lot, located at southeast corner of property

Component History: Installed between 2009 & 2011 per satellite imagery

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

CMU Wall - Repair Allotment - 2033

			1 Allowance	@ \$5,000.00
Asset ID	1080		Asset Actual Cost	\$5,000.00
			Percent Replacement	100%
Category	Grounds		Future Cost	\$6,333.85
Placed in Service	January 2023			
Useful Life	10			
Replacement Year	2033			
Remaining Life	8			



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Perimeter of property

Component History: Original wood fencing replaced with CMU wall in phases with last phase completed in 2023 for \$188,124

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Privacy Fence - Replace

Asset ID	1085	1 Allowance	
Category	Grounds	Asset Actual Cost	
Placed in Service	January 2003	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Privacy fencing at individual units

Component History: No history reported

Documentation previously provided by client indicates that privacy fencing at individual units is the responsibility of the unit owner therefore no reserve funding included.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Landscape - Refurbish Allotment

Asset ID	1135	1 Allowance	
		Asset Actual Cost	
		Percent Replacement	100%
Category	Grounds	Future Cost	
Placed in Service	January 2003		
No Useful Life			



Location: Common area landscaping

Component History: No history reported

Client previously reported that all landscape work is handled through the annual operating budget. There is no predictable basis to expect wide scale expenses affecting reserves at this time, therefore no funding included.

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Irrigation System - Repair Allotment - 2028

			1 Allowance	@ \$3,500.00
Asset ID	1155		Asset Actual Cost	\$3,500.00
			Percent Replacement	100%
Category	Grounds		Future Cost	\$3,824.54
Placed in Service	January 2023			
Useful Life	5			
Replacement Year	2028			
Remaining Life	3			



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Within common area landscaping

Component History: No history reported, an estimated in-service date of 2023 has been used as no current repair needs reported

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Drainage System - Maintain

Asset ID	1160	1 Allowance	
Category	Grounds	Asset Actual Cost	
Placed in Service	January 2003	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Common area drainage

Component History: No history reported

When properly installed with no known defects or deficiencies, there is no predictable basis to expect maintenance, repair or replacement of the drainage system within the scope of this report, therefore no reserve funding included.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Pole Lights - Replace

Asset ID	1175	1 Allowance Asset Actual Cost	
Category	Grounds	Percent Replacement	100%
Placed in Service	January 2003	Future Cost	
No Useful Life			



Location: Adjacent to roadways throughout community

Component History: No history reported

Pole lights are labeled by utility provider therefore it is presumed that the association is not responsible for the maintenance, repair or replacement of lighting.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Retaining Walls - Repair

Asset ID	1205	1 Allowance	
Category	Grounds	Asset Actual Cost	
Placed in Service	January 2003	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Scattered common area locations

Component History: No history reported

When properly constructed, there is no predictable basis to expect complete replacement of retention wall within the scope of this report, therefore no reserve funding included.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Pavilion - Refurbish - 2033

Asset ID	2005	1 Allowance	@ \$8,000.00
Category	Recreation	Asset Actual Cost	\$8,000.00
Placed in Service	January 2003	Percent Replacement	100%
Useful Life	30	Future Cost	\$10,134.16
Replacement Year	2033		
Remaining Life	8		



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Central common area at intersection of Mia Lane and Vincenzo Drive

Component History: No history reported

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Outdoor Furniture - Replace

Asset ID	2010	1 Allowance	
Category	Recreation	Asset Actual Cost	
Placed in Service	January 2003	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Scattered throughout common areas, primarily at Pavilion and community park at corner of Majestia Lane

Component History: No history reported

Concrete products tend to have an extended useful life which exceeds the scope of this report therefore no reserve funding included. Replace individually as needed through annual operating budget.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Pet Stations - Replace

Asset ID	2015	5 Each	
Category	Recreation	Asset Actual Cost	
Placed in Service	January 2003	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Scattered common area locations

Component History: No history reported

Most communities replace pet stations on an as-needed basis, therefore there is no predictable basis to expect complete replacement in wide scale.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Palazzo Interior - Renovate - 2030

Asset ID	2185	1 Allowance	@ \$15,000.00
Category	Recreation	Asset Actual Cost	\$15,000.00
Placed in Service	January 2005	Percent Replacement	100%
Useful Life	25	Future Cost	\$17,389.11
Replacement Year	2030		
Remaining Life	5		



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Central common area at intersection of Mia Lane and Vincenzo Drive

Component History: No history reported

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Palazzo Furniture - Replace

Asset ID	2190	1 Allowance	
Category	Recreation	Asset Actual Cost	
Placed in Service	January 2005	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Furniture within interior of Palazzo

Component History: No history reported

Cost to replace Palazzo furniture is projected to be too small to qualify for reserves therefore replace as needed through annual operating budget.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Palazzo Windows/Doors - Replace - 2030

		6 Each	@ \$1,300.00
Asset ID	2195	Asset Actual Cost	\$7,800.00
		Percent Replacement	100%
Category	Recreation	Future Cost	\$9,042.34
Placed in Service	January 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	5		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at Palazzo

Component History: No history reported

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Palazzo/Pavilion Roof - Replace - 2035

		1,700 Allowance	@ \$6.50
Asset ID	2200	Asset Actual Cost	\$11,050.00
		Percent Replacement	100%
Category	Recreation	Future Cost	\$14,850.28
Placed in Service	January 2005		
Useful Life	30		
Replacement Year	2035		
Remaining Life	10		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Rooftop of Palazzo and Pavilion

Component History: No history reported

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Palazzo Exterior Lighting - Replace

Asset ID	2205	4 Each	
Category	Recreation	Asset Actual Cost	
Placed in Service	January 2005	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Exterior walls at Palazzo

Component History: No history reported

Cost to replace this small quantity of lighting is projected to be too inexpensive to qualify for reserve funding therefore replace as needed through annual operating budget.

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Unit Roofs - Replace

Asset ID	4000	1 Allowance	
Category	Building Exterior	Asset Actual Cost	
Placed in Service	January 2003	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Rooftop of residential units

Component History: Presumed original to 2003-2016

Documentation provided by client indicates that roof maintenance, repair and replacement is the responsibility of the unit owner therefore no reserve funding included.

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Replace

Asset ID	4005	698,575 GSF	
Category	Building Exterior	Asset Actual Cost	
Placed in Service	January 2003	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Exterior building walls

Component History: Presumed original to 2003-2016 construction

When properly installed, well maintained stucco has a useful life which exceeds the scope of this report therefore there is no predictable basis to expect wide scale replacement of stucco siding and no reserve funding is included.

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Phase 1 - 2032

Asset ID	4010	116,415 GSF	@ \$3.25
Category	Building Exterior	Asset Actual Cost	\$378,348.75
Placed in Service	January 2004	Percent Replacement	100%
Useful Life	20	Future Cost	\$465,321.24
Adjustment	8		
Replacement Year	2032		
Remaining Life	7		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at units within Phase 1

Component History: Presumed original to construction which was completed around 2004 per satellite imagery

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Phase 2 - 2032

		128,670 GSF	@ \$3.25
Asset ID	4015	Asset Actual Cost	\$418,177.50
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$514,305.58
Placed in Service	January 2005		
Useful Life	20		
Adjustment	7		
Replacement Year	2032		
Remaining Life	7		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at units within Phase 2

Component History: Presumed original to construction which was completed around 2005 per satellite imagery

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Phase 3 (a) - 2039

		113,365 GSF	@ \$3.25
Asset ID	4020	Asset Actual Cost	\$368,436.25
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$557,292.89
Placed in Service	January 2019		
Useful Life	20		
Replacement Year	2039		
Remaining Life	14		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at units within Phase 3 (Northern half)

Component History: Painted 2019 \$39,622.71

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Phase 3 (b) - 2031

Asset ID	4021	113,365 GSF	@ \$3.25
Category	Building Exterior	Asset Actual Cost	\$368,436.25
Placed in Service	January 2008	Percent Replacement	100%
Useful Life	20	Future Cost	\$439,932.15
Adjustment	3		
Replacement Year	2031		
Remaining Life	6		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at units within Phase 3 (Southern half)

Component History: Presumed original to construction which was completed around 2008 per satellite imagery

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Phase 4 - 2034

		125,625 GSF	@ \$3.25
Asset ID	4025	Asset Actual Cost	\$408,281.25
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$532,714.43
Placed in Service	January 2011		
Useful Life	20		
Adjustment	3		
Replacement Year	2034		
Remaining Life	9		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at units within Phase 4

Component History: Presumed original to construction which was completed around 2011 per satellite imagery

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Phase 5 - 2035

		101,110 GSF	@ \$3.25
Asset ID	4030	Asset Actual Cost	\$328,607.50
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$441,621.00
Placed in Service	January 2015		
Useful Life	20		
Replacement Year	2035		
Remaining Life	10		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at units within Phase 5

Component History: Presumed original to construction which was completed around 2015 per satellite imagery

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Palazzo/Pavilion - 2032

		1,730 GSF	@ \$3.25
Asset ID	4035	Asset Actual Cost	\$5,622.50
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$6,914.97
Placed in Service	January 2004		
Useful Life	20		
Adjustment	8		
Replacement Year	2032		
Remaining Life	7		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at Palazzo and Pavilion

Component History: Presumed original to construction which was completed around 2004 per satellite imagery

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Phase 1 - 2032

		45 Units	@ \$1,030.00
Asset ID	4065	Asset Actual Cost	\$46,350.00
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$57,004.65
Placed in Service	January 2022		
Useful Life	10		
Replacement Year	2032		
Remaining Life	7		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Inflated client cost history

Location: Exterior trim at Phase 1 units

Component History: Phases 1 & 2 painted 2022 \$72,494.29 (80 units total)

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Phase 2 - 2032

		46 Units	@ \$1,030.00
Asset ID	4070	Asset Actual Cost	\$47,380.00
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$58,271.42
Placed in Service	January 2022		
Useful Life	10		
Replacement Year	2032		
Remaining Life	7		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Inflated client cost history

Location: Exterior trim at Phase 2 units

Component History: Phases 1 & 2 painted 2022 \$72,494.29 (80 units total)

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Phase 3 (a) - 2029

		32 Each	@ \$1,030.00
Asset ID	4075	Asset Actual Cost	\$32,960.00
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$37,096.77
Placed in Service	January 2019		
Useful Life	10		
Replacement Year	2029		
Remaining Life	4		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Inflated client cost history, extrapolated from Phase 1 & 2 costs

Location: Exterior trim at Phase 3 units (Northern half)

Component History: Northern half of Phase 3 painted 2019 \$39,622.71 (including building bodies)

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Phase 3 (b) - 2031

			32 Each	@ \$1,030.00
Asset ID	4076	Asset Actual Cost		\$32,960.00
		Percent Replacement		100%
Category	Building Exterior	Future Cost		\$39,355.96
Placed in Service	January 2021			
Useful Life	10			
Replacement Year	2031			
Remaining Life	6			



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Inflated client cost history, extrapolated from Phase 1 & 2 costs

Location: Exterior trim at Phase 3 units (Southern half)

Component History: Southern half of Phase 3 painted 2021 \$26,464.96

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Phase 4 - 2034

		48 Units	@ \$1,030.00
Asset ID	4080	Asset Actual Cost	\$49,440.00
	(null)	Percent Replacement	100%
Category	Building Exterior	Future Cost	\$64,507.99
Placed in Service	January 2024		
Useful Life	10		
Replacement Year	2034		
Remaining Life	9		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Inflated client cost history, extrapolated from Phase 1 & 2 costs

Location: Exterior trim at Phase 4 units

Component History: Presumed original to ~ 2011 construction, planned for 2024 (no bids available as of this report)

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Phase 5 - 2025

		27 Units	@ \$1,030.00
Asset ID	4085	Asset Actual Cost	\$27,810.00
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$27,810.00
Placed in Service	January 2015		
Useful Life	10		
Replacement Year	2025		
Remaining Life	0		



Cost Range: The cost range within this component could deviate by 10% from the cost used here and in some cases may vary by a larger degree. Factors affecting cost may include, but are not limited to, the actual scope of work, association specific site conditions, contractor and material availability, levels of maintenance and economic factors.

Cost Source: Inflated client cost history, extrapolated from Phase 1 & 2 costs

Location: Exterior trim at Phase 5 units

Component History: Presumed original to ~ 2015 construction

Note 1: Photo is intended to be representative and may not be of exact phasing.

Note 2: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Palazzo/Pavilion

Asset ID	4090	2 Each	
Category	Building Exterior	Asset Actual Cost	
Placed in Service	January 2005	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Trim at Palazzo and Pavilion

Component History: Painted 2022 in conjunction with Phase 1 & 2 trim paint project

Cost to paint the limited amount of trim at the Palazzo and Pavilion are projected to be too small to qualify for reserve funding therefore paint as needed through annual operating budget or combine with larger building trim painting projects.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Windows/Doors/Garage Doors - Replace

	Asset ID	4100	1 Allowance Asset Actual Cost	
	Category	Building Exterior	Percent Replacement	100%
	Placed in Service	January 2003	Future Cost	
	No Useful Life			



Location: Windows, doors and garage doors at individual units

Component History: Presumed majority original to ~ 2003-2016 construction

Documentation previously provided by client indicates that windows, doors and garage doors are the responsibility of the unit owner therefore no reserve funding included.

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Unit Exterior Lighting - Replace

Asset ID	4105	1 Allowance	
Category	Building Exterior	Asset Actual Cost	
Placed in Service	January 2003	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Exterior lighting at individual units

Component History: Presumed majority original to ~ 2003-2016 construction

Documentation previously provided by client indicates that exterior lighting is the responsibility of the unit owner therefore no reserve funding included.

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Electrical System - Repair/Replace

Asset ID	5000	1 Allowance	
		Asset Actual Cost	
		Percent Replacement	100%
Category	Equipment & Mechanical	Future Cost	
Placed in Service	January 2003		
No Useful Life			



Location: Common area electrical (individual unit electrical is reportedly owner responsibility)

Component History: No history reported

Generally, if installed without defect, there is no predictable basis to expect complete replacement of electrical system within the scope of this report therefore no reserve funding included.

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Plumbing System - Repair/Replace

	Asset ID	5005	1 Allowance	
			Asset Actual Cost	
			Percent Replacement	100%
	Category	Equipment & Mechanical	Future Cost	
	Placed in Service	January 2003		
	No Useful Life			



Location: Common area plumbing (plumbing at individual units is reportedly owner responsibility)

Component History: No history reported

Generally, if installed without defect, there is no predictable basis to expect complete replacement of plumbing system within the scope of this report, therefore no reserve funding included.

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

HVAC Equip - Repair/Replace

	Asset ID	5010	1 Allowance	
			Asset Actual Cost	
			Percent Replacement	100%
	Category	Equipment & Mechanical	Future Cost	
	Placed in Service	January 2003		
	No Useful Life			



Location: HVAC equipment at individual units

Component History: No history reported

Documentation previously provided by client indicates that unit HVAC equipment is the responsibility of the unit owner therefore no reserve funding included.

Note: Photo is from site visit performed for the association's 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Building Envelope Investigation - 2033

			1 Allowance	@ \$5,000.00
Asset ID	6000		Asset Actual Cost	\$5,000.00
			Percent Replacement	100%
Category	Professional		Future Cost	\$6,333.85
Placed in Service	January 2023			
Useful Life	10			
Replacement Year	2033			
Remaining Life	8			



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior building envelope (stucco siding)

Component History: No history reported

Note: Photo is from site visit performed for the association’s 2024 reserve study and may no longer be representative of current condition.

**The Mediterranean Villas
Detail Report by Category**

Reserve Study - Annual Update

Asset ID	6010	1 Ann Update	
Category	Professional	Asset Actual Cost	
Placed in Service	January 2025	Percent Replacement	100%
No Useful Life		Future Cost	



Time for your annual update, contact us today!

Component History: 2014 NSV, 2017 Unknown Report Type, 2018 Unknown Report Type, 2019 Unknown Report Type, 2024 WSV, 2025 NSV

It is recommended that this study is updated annually. Some states, including Washington and Oregon, feature statutes which require that studies be updated on an annual basis for many communities (consult with your legal counsel if you have questions about whether an update is required for your community). Some governing documents may also require that the study be updated annually. Regardless of any state requirements for updates, it is prudent to update your report annually to adjust for constantly changing information including, but not limited to, actual reserve account balance, actual project costs, vendor estimates, economic and market changes, etc. The cost to update your study annually is best treated through the operating budget, therefore no reserve funding included.

Key:

FULL = Level 1 Full Reserve Study

WSV = Level 2 With-Site-Visit Reserve Study

NSV = Level 3 No-Site-Visit Reserve Study

PCNYC = Level 4 Preliminary, Community Not Yet Constructed Reserve Study

Common Terms & Definitions

A portion of this information is from the National Reserve Study Standards (NRSS) published by Community Associations Institute, dated 07/2023. A link to the full National Reserve Study Standards document can be found here: [National Reserve Study Standards](#)

ADEQUATE RESERVES	A replacement reserve fund and equitable multi-year funding plan which together provide for the reliable and timely execution of major repair and replacement projects as defined within National Reserve Study Standards without reliance on additional supplemental funding.
ALLOWANCE (QUANTITY)	When used in reference to quantity, the term allowance means that the component could not be reasonably quantified to assign a unit cost and therefore a flat cost allowance has been used.
ALLOWANCE (COST)	When used in reference to cost, the term allowance refers to the cost range assigned to that component. For example, the cost allowance for replacement of a roof may be \$4.00 per square foot to \$6.00 per square foot.
CAPITAL IMPROVEMENT	Additions to the association's common elements that previously did not exist. While these components should be added to the reserve study for future replacement, the cost of construction should not be taken from the reserve fund.
CASH FLOW METHOD	A method of developing a reserve funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.
COMMON AREA	Areas identified within the association's governing documents that the association is obligated to maintain, repair or replace.
COMPONENT	The individual line items in the reserve study developed or updated in the physical analysis. These elements form the building blocks for the reserve study. These components comprise the common elements of the community and typically are: 1. association responsibility, 2. predictable in nature, and 3. above a minimum threshold cost. It should be noted that in certain jurisdictions there may be statutory requirements for including components or groups of components in the reserve study.
COMPONENT INVENTORY	The task of selecting and quantifying reserve components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, review of association precedents, and discussion with appropriate representative(s) of the association.
COMPONENT METHOD	A method of developing a reserve funding plan where the total contribution is based on the sum of contributions for the individual components.
CONDITION ASSESSMENT	The task of evaluating the current condition of the component based on

observed or reported characteristics.

CY

Cubic yards.

EFFECTIVE AGE

The difference between useful life and remaining useful life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

FINANCIAL ANALYSIS

The portion of a reserve study where the current status of the reserves (measured as cash or percent funded) and a recommended reserve contribution rate (funding plan) are derived, and the projected reserve income and expense over a period of time are presented. The financial analysis is one of the two parts of a reserve study.

FULLY FUNDED

100 percent funded. When the actual (or projected) reserve balance is equal to the fully funded balance.

FULLY FUNDED BALANCE (FFB)

An indicator against which the actual (or projected) reserve balance can be compared. The reserve balance that is in direct proportion to the fraction of life “used up” of the current repair or replacement cost. This number is calculated for each component, and then summed for an association total.

$$\text{FFB} = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$$

Example: For a component with a \$10,000 current replacement cost, a 10-year useful life and effective age of 4 years the fully funded balance would be \$4,000.

FUND STATUS

The status of the reserve fund reported in terms of cash or percent funded.

FUNDING GOALS

Independent of methodology used, the following represent the basic categories of funding plan goals. They are presented in order of greatest risk to least risk. Risk includes, but is not limited to, cash problems, special assessments, and deferred maintenance.

- **Baseline Funding:** Establishing a reserve funding goal of allowing the reserve cash balance to never be below zero during the cash flow projection. This is the funding goal with the greatest risk due to the variabilities encountered in the timing of component replacements and repair and replacement costs.
- **Threshold Funding:** Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount. Depending on the threshold selected, this funding goal may be weaker or stronger than “Fully Funded” with respective higher risk or less risk of cash problems.
- **Full Funding:** Setting a reserve funding goal to attain and maintain reserves at or near 100 percent funded. This is the most conservative funding goal.

It should be noted that in certain jurisdictions there may be statutory funding requirements that would dictate the minimum requirements for funding.

FUNDING PLAN	An association's plan to provide income to a reserve fund to offset anticipated expenditures from that fund. The plan must be a minimum of twenty (20) years.
FUNDING PRINCIPLES	The reserve study must provide a funding plan addressing these principles: <ul style="list-style-type: none">• Sufficient funds when required.• Stable contribution rate over the years.• Equitable contribution rate over the years.• Fiscally responsible.
GSF	Gross square feet.
GSY	Gross square yards.
INITIAL YEAR	The first fiscal year of the financial analysis or funding plan.
LIFE ESTIMATES	The task of estimating the useful life and remaining useful life of the reserve components.
LF	Lineal feet.
MAINTENANCE	Maintenance is the process of maintaining or preserving an item, or the state of being maintained. Maintenance is often defined in three ways, preventive maintenance, corrective maintenance and deferred maintenance.
PERCENT FUNDED	The ratio, at a particular point in time related to the fiscal year end, of the actual (or projected) reserve balance to the fully funded balance, expressed as a percentage. While percent funded is an indicator of an association's reserve fund size, it should be viewed in the context of how it is changing due to the association's reserve funding plan in light of the association's risk tolerance.
PERIODIC STRUCTURAL INSPECTION	Structural system inspections aimed at identifying issues when they become evident. This inspection is outside of the scope of a reserve study and is to be conducted by client independently, with the results of such inspection incorporated in the reserve study as applicable.
PHYSICAL ANALYSIS	The portion of the reserve study where the component inventory, condition assessment, and life and valuation estimate tasks are performed. This represents one of the two parts of the reserve study.
REMAINING USEFUL LIFE (RUL)	Also referred to as "remaining life" (RL). The estimated time, in years, that a reserve component can be expected to serve its intended function. Projects expected to occur in the initial year have zero remaining useful life.
REPLACEMENT COST	The cost to replace, repair, or restore the component to its original functional condition during that particular year, including all related expenses (including

but not limited to shipping, engineering and design, permits, installation, disposal, etc.).

RESERVE BALANCE

Actual or projected funds, as of a particular point in time that the association has identified, to defray the future repair or replacement cost of those major components that the association is obligated to maintain or replace. Also known as reserves, reserve accounts, cash reserves. Based on information provided and not audited.

RESERVE PROVIDER

An individual who prepares reserve studies. In many instances the reserve provider will possess a specialized designation such as the Reserve Specialist (RS) designation provided by Community Associations Institute (CAI). This designation indicates that the provider has shown the necessary skills to perform a reserve study that conforms to these standards.

RESERVE STUDY

A budget planning tool which identifies the components that the association is responsible to maintain, repair or replace, the current status of the reserve fund, and a stable and equitable funding plan to offset the anticipated future major common area expenditures. The reserve study is conducted for budget and cash flow purposes only and tasks outside the scope of a reserve study include, but are not limited to, construction evaluation, intrusive or destructive testing, preventive maintenance plans and structural or safety evaluations.

SPECIAL ASSESSMENT

A temporary assessment levied on the members of an association in addition to regular assessments. Note that special assessments are often regulated by governing documents or local statutes.

USEFUL LIFE (UL)

The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed in its present application or installation.

VALUATION ESTIMATES

The task of estimating the current cost for the reserve components.

Disclosures

The report was prepared by, or with the oversight of, Karen McDonald, CMCA, AMS, PCAM, RS, Reserve Study Specialist (RS) # 355 through Community Associations Institute, on behalf of Accurate Reserve Professionals, LLC ("ARP") and is subject to all terms, conditions, limitations and disclaimers of any contracts between client and ARP regarding this report and the services provided by ARP for client in connection with this report.

As of the date of this report, there are no known conflicts of interest involving ARP and the client for which this report was prepared. ARP has no familial or marital relationship with client, no ownership interest in client, and no ongoing business relationship with client.

Any site visit work performed in the process of preparing this report included a limited non-invasive visual walk through of areas identified by client, and reliance by ARP upon client's representations that such areas constituted a representative sampling of the organization's common areas. No destructive testing was performed. Unless otherwise noted, and in addition to any information provided directly by client, the component list and quantities for Level IV Preliminary Community Not Yet Constructed reports are developed using plans and drawings. Level I Full report component lists are developed using field measurements, other technology available (satellite imagery, etc.) and data provided by client. All quantities are an approximate estimate and may not be exact. Any site visit is not considered a site inspection, project audit or quality inspection of any areas or projects. Structural integrity evaluations are beyond the scope of a reserve study and were not performed as part of this report. ARP lacks information to incorporate necessary corrective maintenance costs and timing for structural work, if any, unless provided by client.

If this report is an update of a prior reserve study, it is reliant on the validity of the prior study(s) and ARP cannot guarantee the accuracy of this report.

This report attempts to include all reserve components identified by client, including best efforts to note any unfunded components within the inventory appendix.

Any information provided by client regarding financial information, physical conditions, quantities, historical issues, components, designs, and current and prior reserve projects, is relied upon by ARP as accurate, true and correct, in preparing this report (the "**Provided Information**"). ARP can only be aware of preventive maintenance plans or programs that have been disclosed by the client. This report is for the client's sole use and shall not be used by or relied upon by third parties for any purpose. Use of the Provided Information by ARP is not intended to validate the accuracy of such information and this report is not an audit, quality/forensics analysis or a background check of the client's historical records, preventive maintenance plan(s) or the Provided Information.

The actual or projected starting balance within this Reserve Study is based upon information provided by client and was not audited or verified in any way. To the best of ARP's knowledge and based upon the information provided to ARP by client, at the time of generating this report there are no known material issues excluded from this report which would affect the data provided.

For Level II With-Site-Visit and Level III No-Site-Visit reports, the client is considered to have deemed the previously developed component quantities as accurate and reliable. This data is not audited or verified in any way for these reports.

The report is for client's internal use and based on the Provided information and may not be relied upon by third parties for any reason. Visual inspections are to verify existence and appearance of assets. ARP does not

guarantee the accuracy of the information in the reports, and Client may not fully rely on the final figures in the report, due to a variety of factors outside of ARP's control and knowledge, including but not limited to reliance on information provided by Client and other third parties that may be inaccurate, incomplete, or inadequate, hidden damages, latent defects, economic factors, labor and material costs, environmental factors, deferred maintenance, and other such factors.

Washington State Client Disclosures

This reserve study report meets the requirements of RCW 64.34.382, 64.38.070 and 64.90.550.

Washington State Client Disclosure for Clients Under RCW 64.34.682 and 64.38.070

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

Washington State Client Disclosure for Clients Under RCW 64.90.550

"This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require the association to (1) defer major maintenance, repair, or replacement, (2) increase future reserve contributions, (3) borrow funds to pay for major maintenance, repair, or replacement, or (4) impose special assessments for the cost of major maintenance, repair, or replacement."