BAYVIEW ON THE LAKE-BLDG B

Kirkland, Washington

Level 3 Reserve Study Update without a Site Visit

2024/2025 FUNDING RECOMMENDATIONS

Issued February, 2024 - Revised

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Next Update: **Level 3** study by February 2025

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CONTENTS

ABBREVIATION KEY

EA each
BLDG building(s)
FIXT fixture(s)
LF linear foot
LS lump sum
SF square feet
SQ roofing square
SY square yard
ZN zone

EXECUTIVE SUMMARY

This Reserve Study meets the requirements of the Washington Condominium Act and the Washington Uniform Common Interest Owner Act for a Level 3 Reserve Study Update without a Site Visit, and was prepared by an independent Reserve Study Professional.

Bayview on the Lake is a 40-unit residential community located in Kirkland, Washington. Building B is one of two residential buildings at Bayview on the Lake housing 28 units. The building has both wood and stucco siding and with a low sloped membrane roof. The units feature exterior decks or patios that look out onto Juanita Beach Park. Building A, the Common Area components and the Dock Reserves have separate reserves. Budgets for these components are not included in Building B's report.

BAYVIEW ON THE LAKE-BLDG B RESERVE FUND STATUS	
BAYVIEW ON THE LAKE-BLDG B'S FISCAL YEAR	April 1st - March 31st
PROJECTED RESERVE ACCOUNT BALANCE ON **MARCH 31, 2024**	$438,943 [1]
FULLY FUNDED BALANCE @ FISCAL YEAR-END 2024	$1,704,657 [2]
PERCENT FUNDED BALANCE @ FISCAL YEAR-END 2024	26% [3]
FUNDING STATUS – RISK OF SPECIAL ASSESSMENT @ FISCAL YEAR-END	Moderate Risk
2024 PLANNED OR IMPLEMENTED SPECIAL ASSESSMENT	$0
COMPONENT INCLUSION THRESHOLD VALUE	$2,763

BAYVIEW ON THE LAKE-BLDG B CURRENT AND RECOMMENDED RESERVE CONTRIBUTIONS	
CURRENT BUDGETED ANNUAL CONTRIBUTION TO RESERVES	$84,833
2024/2025 RECOMMENDED ANNUAL CONTRIBUTION RATE	**$183,000** [4]
2025/2026 ASSOCIATION PLANNED SPECIAL ASSESSMENT	$124,310 [4]
2024/2025 AVERAGE CONTRIBUTION PER UNIT PER YEAR	$6,536
2024/2025 AVERAGE CONTRIBUTION PER UNIT PER MONTH	$545
2024/2025 BASELINE FUNDING PLAN CONTRIBUTION RATE	$136,800
2024/2025 FULL FUNDING PLAN CONTRIBUTION RATE	$148,800

[1] The actual or projected total reserve fund balance presented in the Reserve Study is based on information provided by the Association representative and was not audited by RCL.

[2] The fully funded balance for each reserve component is calculated by multiplying the current replacement cost of that reserve component by its effective age, then dividing the result by that reserve component's useful life. The sum of all reserve components' fully funded balances is the association's fully funded balance as defined by Washington State law. The fully funded balance changes from year to year.

[3] The percent fully funded acts as a measuring tool to assess an association's ability to absorb unplanned expenses. These expenses could be emergency repairs not covered by insurance, or expenses that differ from the existing Reserve Study in terms of timing or cost.

[4] To help ensure there are appropriate funds for the anticipated expenses over the next 30 years, we recommend that the annual reserve contribution be adjusted to $178,201 in 2037. The Association reported a Special Assessment of $124,310 will be collected in 2025/2026 to raise funds for the roof replacement.

FULLY FUNDED BALANCE CALCULATION @ FISCAL YEAR END 2024

$1,704,657
Current Fully Funded Balance

$438,943
Current Reserve Fund Balance

26%
Current Percent Fully Funded

$$\text{FULLY FUNDED BALANCE} = \textit{THE SUM OF} \frac{\text{REPLACEMENT COST X EFFECTIVE AGE}}{\text{USEFUL LIFE}} \textit{FOR ALL RESERVE COMPONENTS}$$

FINANCIAL OVERVIEW FOR 2024/2025

$438,943
2024/2025 Estimated Starting Balance

20%
2024/2025 Estimated Percent Funded w/the Recommended Funding Plan

$319,300
2024/2025 Estimated Reserve Expenditures

RESERVE CONTRIBUTION COMPARISON 2024 VS 2025

2023/2024

$84,833
Association Budgeted Contribution

$250,000
Recommended Contribution to Reserves

34%
% of 2023 Recommended Contribution Budgeted In 2024

2024/2025

$183,000
Recommended Contribution to Reserves

116%
% Increase Between 2025 Recommended & 2024 Budgeted Contribution to Reserves

The recommended reserve contribution represents a Threshold Funding Plan to prevent special assessments over the course of the 30-year study **while maintaining a minimum reserve account balance of one year's contribution to reserves and the percent funded above 20%.** Washington State law requires an up-to-date Reserve Study with a current recommended reserve contribution rate.

ASSOCIATION OVERVIEW

Bayview on the Lake is a 40-unit residential community located in Kirkland, Washington. Building B is one of two residential buildings at Bayview on the Lake housing 28 units. The building has both wood and stucco siding and with a low sloped membrane roof. The units feature exterior decks or patios that look out onto Juanita Beach Park.

Refer to the Component List on the following page for a complete list of Bayview on the Lake-Bldg B's common components that are included in the reserve study analysis.

Michael Fitzgerald, the Association Manager, was identified as the representative who provided the information used to complete the reserve study analysis. A site visit was not completed with this reserve study update. Photos included in the report were taken at the last site visit.

COMMUNITY MAINTENANCE

According to Michael Fitzgerald, Bayview on the Lake-Bldg B has a preventative maintenance manual. It was reported that the manual is regularly referenced and maintenance is completed accordingly.

PROFESSIONAL INSPECTIONS

Michael Fitzgerald reported that Bayview on the Lake-Bldg B had a professional inspection completed in 2011. A exterior envelope inspection was completed by Pacific Engineering Technologies on Building B.

COMPONENT LIST

Each reserve component is evaluated to determine the current condition, the remaining useful life, and the estimated replacement cost. Reserve studies for condominiums are required to include roofing, painting, paving, decks, siding, plumbing, windows, and any other reserve component that would cost more than one percent of the annual budget for major maintenance, repair or replacement (RCW 64.34.382). While the law defines the inclusion threshold to be 1% of the operating budget, or $2,763 (1% of $276,320), components valued less than the legal threshold may be included to better capture reserve funding for Bayview on the Lake-Bldg B. The current replacement cost represents the total component cost in today's dollar value.

The component list is based on information provided by Bayview on the Lake-Bldg B. Reserve Consultants LLC does not provide legal interpretations of governing documents. It is the responsibility of Bayview on the Lake-Bldg B to ensure that the component list is complete and complies with their governing documents. Many factors may influence the actual costs that an association will experience. The quality of replacement materials of items can significantly impact cost, as well as the timing between replacements. The use of consultants to specify and oversee work may also cause additional expenses. Remaining balances due that are shown in the spreadsheet will appear in the list, but do not impact the fully funded balance.

COMPONENT DESCRIPTION	MAINT. CYCLE	REMAINING USEFUL LIFE	NEXT MAINT. YEAR	CURRENT REPLACEMENT COST
5.4.1 Breezeway Railings - Replace	40	24	2048	$89,870
5.4.2 Deck Railings - Replace	40	24	2048	$197,720
5.4.3 Walkway Railings - Replace	40	24	2048	$50,330
6.1.1 Breezeway Flooring - Resurface	4	3	2027	$2,020
6.1.2 Breezeway Flooring - Replace	20	16	2040	$45,800
6.2.1 Decks/Lanais - Inspect & Repair	5	2	2026	$51,940
6.3.1 Upper Decks - Replace	40	7	2031	$334,960
6.3.2 First Level Decks - Replace	25	20	2044	$29,930
6.4.1 Exterior Stucco - Inspect & Repair	20	5	2029	$71,750
6.4.2 Exterior Wood - Repair	10	2	2026	$6,810
7.2.1 Roof - Repair	5	6	2030	$10,860
7.2.2 Roof - Replace	20	2	2026	$177,500
8.2.1 Windows - Replace	45	23	2047	$666,320
8.2.2 Window Glazing - Repair Contingency	3	2	2026	$5,100
8.2.3 Sliding Glass Doors - Replace	45	23	2047	$524,080
8.2.4 Skylights - Replace	20	10	2034	$10,490
9.8.1 Exterior Painting - Repaint	10	4	2028	$87,950
10.5.1 Mailboxes - Replace	30	25	2049	$4,940
12.1.1 Carpet - Replace	20	17	2041	$3,390
12.8.1 Stairwell - Clean & Paint	20	17	2041	$4,280
14.1.1 Elevator Cab - Refurbish	20	1	2025	$35,000

COMPONENT LIST CONTINUED

COMPONENT DESCRIPTION	MAINT. CYCLE	REMAINING USEFUL LIFE	NEXT MAINT. YEAR	CURRENT REPLACEMENT COST
14.1.2 Elevator Equipment - Replace	40	1	2025	$275,000
15.1.1 Building Plumbing - Contingency	5	4	2028	$5,100
15.1.2 Plumbing System - Partial Replacement	50	19	2043	$101,940
16.3.1 Electrical System - Contingency	5	4	2028	$5,100
16.6.1 Exterior Lighting - Replace	25	2	2026	$18,080
18.1.1 Doors & Hardware - Repair Contingency	5	4	2028	$2,040

COMPONENTS EXCLUDED FROM THIS STUDY

Unless specifically noted, the components included within this study have an anticipated remaining useful life within 30 years from the time the filed observations used in preparing the study was performed. Components that individual unit owners are responsible to maintain, repair, and/or replace are not included in the study or funding projections. We recommend that common interest properties establish a clear definition of these components, as well as policies and processes regarding maintenance of these "owner responsibility" items.

OPERATING BUDGET

The following components may qualify for inclusion in the Reserve Study, but are excluded because the Association elects to maintain them with funds from the operating budget:

- decorative pots
- touch up painting
- rooftop vents
- fire alarm system
- minor roof repairs and roof inspection
- railing repairs

UNIT OWNER RESPONSIBILITY

There are items that individual unit owners are responsible to maintain and pay for, including, but not limited to:

- damage by residents or their pets
- window glazing (only if accidentally damaged)
- walking surface of decks
- interior finishes within the residence

ADJUSTMENTS TO COMPONENT RESERVE RECOMMENDATIONS

This reserve study provides updated information on the components from prior reserve studies. All cost estimates were adjusted to reflect the actual inflation rate for construction work in Washington State, and costs actually experienced by Bayview on the Lake-Bldg B or others in the area. To complete the report, we were provided with a record of recent expenditures on reserve components.

We use those figures, where applicable, for updating component cost projections, applying an appropriate inflation factor. Where updated figures from actual work performed are not available, cost projections from the previous reserve study are updated for inflation and rounded to the nearest $10, using the RS Means 2023 to 2024 inflation figure of 2.7% for construction work.

SIX YEARS AT A GLANCE (2024 - 2028/2029)

Below is a comprehensive list of reserve funded expenses that are expected to occur this fiscal year and the following five years at Bayview on the Lake-Bldg B.

2024 (YEAR 0) COMPLETED / ANTICIPATED MAINTENANCE	ESTIMATED COST
Total Estimated Expenses for 2024	**$0**

2024/2025 (YEAR 1) ANTICIPATED MAINTENANCE ESTIMATED COST	
14.1.1 Elevator Cab - Refurbish	**$36,050**
14.1.2 Elevator Equipment - Replace	**$283,250**
Total Estimated Expenses for 2024/2025	**$319,300**

2025/2026 (YEAR 2) ANTICIPATED MAINTENANCE ESTIMATED COST	
6.2.1 Decks/Lanais - Inspect & Repair	**$55,371**
6.4.2 Exterior Wood - Repair	**$7,260**
7.2.2 Roof - Replace	**$189,224**
8.2.2 Window Glazing - Repair Contingency	**$5,437**
16.6.1 Exterior Lighting - Replace	**$19,274**
Total Estimated Expenses for 2025/2026	**$276,566**

2026/2027 (YEAR 3) ANTICIPATED MAINTENANCE ESTIMATED COST	
6.1.1 Breezeway Flooring - Resurface	**$2,229**
Total Estimated Expenses for 2026/2027	**$2,229**

2027/2028 (YEAR 4) ANTICIPATED MAINTENANCE ESTIMATED COST	
9.8.1 Exterior Painting - Repaint	**$100,437**
15.1.1 Building Plumbing - Contingency	**$5,824**
16.3.1 Electrical System - Contingency	**$5,824**
18.1.1 Doors & Hardware - Repair Contingency	**$2,330**
Total Estimated Expenses for 2027/2028	**$114,415**

2028/2029 (YEAR 5) ANTICIPATED MAINTENANCE ESTIMATED COST	
6.4.1 Exterior Stucco - Inspect & Repair	**$84,805**
8.2.2 Window Glazing - Repair Contingency	**$6,028**
Total Estimated Expenses for 2028/2029	**$90,833**

PROJECTED RESERVE ACCOUNT BALANCE

FOR EACH FUNDING PLAN OVER NEXT 5 YEARS

$183,000 RECOMMENDED (THRESHOLD) FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2025)	$183,000	$0	$306,351	20%	Highest Risk
2 (2026)	$189,405	$124,310	$350,069	25%	Moderate Risk
3 (2027)	$196,034	$0	$555,049	35%	Moderate Risk
4 (2028)	$202,895	$0	$658,511	40%	Moderate Risk
5 (2029)	$209,997	$0	$795,627	47%	Moderate Risk

$84,833 CURRENT FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2025)	$84,833	$0	$207,693	14%	Highest Risk
2 (2026)	$87,802	$124,310	$147,627	10%	Highest Risk
3 (2027)	$90,875	$0	$241,072	15%	Highest Risk
4 (2028)	$94,056	$0	$226,485	14%	Highest Risk
5 (2029)	$97,348	$0	$238,744	14%	Highest Risk

$136,800 BASELINE FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2025)	$136,800	$0	$259,920	17%	Highest Risk
2 (2026)	$141,588	$124,310	$255,617	18%	Highest Risk
3 (2027)	$146,544	$0	$408,126	26%	Moderate Risk
4 (2028)	$151,673	$0	$456,053	28%	Moderate Risk
5 (2029)	$156,981	$0	$534,430	31%	Moderate Risk

$148,800 FULL FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2025)	$148,800	$0	$271,980	18%	Highest Risk
2 (2026)	$154,008	$124,310	$280,554	20%	Highest Risk
3 (2027)	$159,398	$0	$446,702	28%	Moderate Risk
4 (2028)	$164,977	$0	$509,064	31%	Moderate Risk
5 (2029)	$170,751	$0	$602,708	35%	Moderate Risk

PERCENT FUNDED

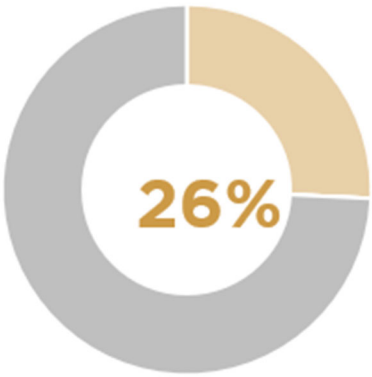
The "percent funded" is a measure of how much the Association should have saved in their reserve account compared to the projected cost for all the components the Association is responsible for and relates to the level of deterioration compared to the cost to repair or replace the component.

We typically recommend a contribution rate to meet a minimum reserve account balance (threshold) goal instead of a 100% funded rate.

We usually recommend that an association consider a threshold equal to the recommended annual reserve contribution because this is the average maintenance expense over the thirty years. However, each association must judge their unique risk tolerance.

The Fully Funded Balance for Bayview on the Lake-Bldg B is $1,704,657 . The actual current funding is $438,943 . The Association is approximately 26% funded.

This means that based on a straight-line savings for each reserve component, the Association saved 26% of the accumulated depreciation of the reserve components.



At 26% percent funded, Bayview on the Lake-Bldg B
is considered to be at
Moderate Risk for a special assessment.

EXAMPLE OF PERCENT FUNDED FOR ROOF REPLACEMENT

SCENARIO	ANALYSIS

For a deck membrane that lasts 10 years and costs $100,000 to replace:
• Save $10,000 each year, for 10 years
• Year 2, the membrane has deteriorated 20%.
  o If you have $20,000 saved it is fully funded.
  o If you have $10,000 saved it is 50% funded.
• Year 8, the membrane has deteriorated 80%.
  o If you have $80,000 saved it is fully funded.
  o If you have $20,000 saved it is 25% funded. If you have $10,000 saved it is 13% funded.
	A. In effect, the percent funded is a measure of how well an association can withstand the risk of unexpected expenses. Such unexpected expenses include: emergency expenses not covered by insurance, expenses that are higher than predicted, and expenses that are required earlier than anticipated.
	B. A higher percent funded means more money is in the bank which lowers the risk of special assessment if something unexpected occurs. A poorly funded Association has less cash on hand, therefore much higher risk of special assessment for unplanned expenses.
	C. By analyzing deterioration cycles and cash flow needs, we determine how much money should be steadily contributed, over a 30 year period, to fund the repair and replacement needs of the components included in the study. Budgeting to maintain a minimum balance, or threshold, helps to ensure that a special assessment will not be required if an unexpected expense arises.

DEFICIT OR SURPLUS IN RESERVE FUNDING

RCW 64.90.550 §2(l) requires that the reserve study include the amount of any current deficit or surplus in reserve funding expressed on a dollars per unit basis. This is calculated by subtracting the community's reserve account balance as of the date of the study from the fully funded balance, and then multiplying the result by the fraction or percentage of the common expenses of the community allocable to each unit.

The fully funded balance calculates how much money should be saved for future maintenance based on the age of each component and the cost for future maintenance. In other words, the fully funded balance assumes that money will be saved every year for the next maintenance of a component to ensure special assessments are not required to fund future maintenance. The intent of RCW 64.90.550 §2 (l) is to show each unit's "share" of the surplus or deficit in reserve funding.

If the reserve account balance is:

- **equal to** the fully funded balance, Bayview on the Lake-Bldg B would be considered as 100% fully funded. There would be neither a surplus nor deficit.
- **less than** the fully funded balance, there is a deficit meaning Bayview on the Lake-Bldg B would be thought behind on saving for future maintenance.
- **more than** the fully funded balance, there is a surplus meaning Bayview on the Lake-Bldg B would be deemed ahead on saving for future maintenance.

The Recommended Funding Plan is based on Threshold Funding, a reserve contribution rate that is constant (increasing annually with inflation) to provide funds for all anticipated reserve expenses for the life of the study but leaving a minimum level of reserves (the "threshold") at all times. The threshold provides a monetary cushion in the reserve account to help ensure that a special assessment is not required for the duration of the study, even in years when there are significant withdrawals from the reserve account. Primary consideration is given to cash needed to cover expenses and the threshold; the percent funded is typically targeted to be 80%.

SUMMARY	
PROJECTED RESERVE ACCOUNT BALANCE AS OF MARCH 31, 2024	$438,943
CURRENT FULLY FUNDED BALANCE	$1,704,657
RESERVE FUND (DEFICIT)	($1,265,714)
NUMBER OF UNITS	28
AVERAGE (DEFICIT) PER UNIT	($45,204)

RESERVE FUND (DEFICIT) PER UNIT

UNIT NUMBER	ALLOCATED INTEREST	(DEFICIT) PER UNIT	UNIT NUMBER	ALLOCATED INTEREST	(DEFICIT) PER UNIT	UNIT NUMBER	ALLOCATED INTEREST	(DEFICIT) PER UNIT
B104	4.0095%	($50,749)	B207	3.4389%	($43,527)	B310	3.4714%	($43,938)
B105	3.4389%	($43,527)	B208	3.4248%	($43,348)	B404	4.4064%	($55,773)
B106	3.4318%	($43,437)	B209	3.4191%	($43,276)	B405	3.5703%	($45,190)
B107	3.4121%	($43,187)	B210	3.4318%	($43,437)	B406	3.5449%	($44,868)
B108	3.3994%	($43,026)	B304	4.2087%	($53,270)	B407	3.5307%	($44,689)
B109	3.3923%	($42,937)	B305	3.5053%	($44,367)	B408	3.5307%	($44,689)
B110	3.4050%	($43,098)	B306	3.4982%	($44,278)	B409	3.5250%	($44,617)
B204	4.1423%	($52,430)	B307	3.4785%	($44,028)	B410	3.5378%	($44,778)
B205	3.4643%	($43,849)	B308	3.4643%	($43,849)			
B206	3.4587%	($43,777)	B309	3.4587%	($43,777)			
COLUMN TOTAL	**35.55%**	**($450,016)**	COLUMN TOTAL	**35.33%**	**($447,156)**	COLUMN TOTAL	**29.12%**	**($368,541)**
			GRAND TOTAL	**100.00%**	**($1,265,714)**			

FUNDING PLANS

THRESHOLD FUNDING PLAN $183,000	BASELINE FUNDING PLAN $136,800	FULL FUNDING PLAN $148,800
Special Assessment $124,310 in 2026 Contribution Accelerator Years 2 -10 : 0.0% Years 11 – 30 : 0.0% Contribution Adjustment $178,201 in 2037	Special Assessment $124,310 in 2026 Contribution Accelerator Years 2 -10 - None Years 11 – 30 - None Contribution Adjustment None	Special Assessment $124,310 in 2026 Contribution Accelerator Years 2 -10 - None Years 11 – 30 - None Contribution Adjustment None
RECOMMENDED	**OPTIONAL STRATEGY**	**100% FUNDED BY YEAR 30**
initial annual contribution of $183,000	initial annual contribution of $136,800	initial annual contribution of $148,800
meets yearly projected reserve expenses	meets annual reserve expenses with no minimum balance requirement	most flexibility for cost variables and unplanned expenses
maintains minimum reserve balance equal to annual contribution amount	less flexibility with cost variables and unplanned expenses	lowest risk for special assessment

The Threshold Funding Plan is the **RECOMMENDED FUNDING PLAN** for Bayview on the Lake-Bldg B, balancing cashflow and anticipated expenses over 30 years while maintaining a minimum reserve account balance of one year's contribution to reserves and the percent funded above 20%. Cost projection accuracy decreases into the distant future. Assumptions should be reconsidered and updated with each revision of the study.

ALTERNATIVE FUNDING STRATEGIES

In addition to an annual contribution to reserves that increases every year to keep up with inflation, a variety of funding strategies are available. These strategies are not typically employed but are options that provide additional flexibility in developing a custom funding plan to fit the unique needs of a community.

Special assessments – additional lump-sum contributions to either cover the cost of anticipated expenses, or to help increase the reserve account balance.

- Association planned special assessment: $124,310 in 2025/2026

Contribution accelerators – an additional increase to the annual reserve contribution above the applied inflation rate. Our system can accommodate up to two rates. The ranges are grouped with the same percentage increase in Years 2 - 10 and in Years 11 – 30.

- Budgeted accelerator in Years 2 -10 : 0.0%
- Budgeted accelerator in Years 11 – 30 : 0.0%

Contribution adjustments – stepped increase or decrease in the reserve contribution to provide appropriate funding over the 30-year span of the report.

- Allocated contribution adjustments: $178,201 in 2037

COMPARISON OF FULLY FUNDED BALANCE AND FUNDING PLANS

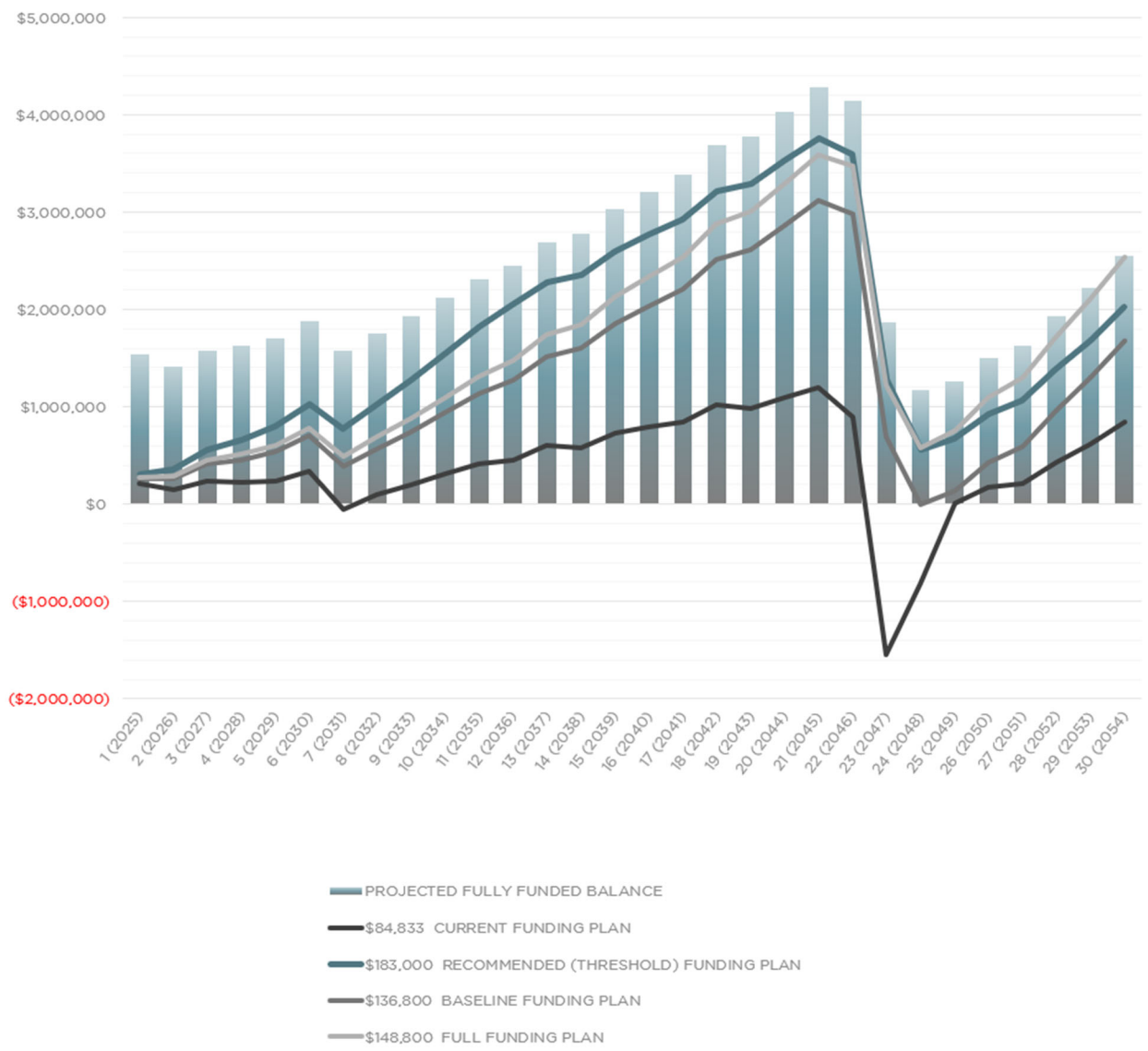
The following graph illustrates the projected Fully Funded Balance, along with the

- Current Budgeted Contribution to reserves (Current Funding Plan)
- Recommended Funding Plan (Threshold Funding Plan)
- Baseline Funding Plan
- Full Funding Plan

If any of the following special funding strategies are employed:

- **Special assessments** are calculated in all the funding plans.
- **Contribution accelerators** are only applied to the Recommended (Threshold) Funding Plan.
- **Contribution adjustments** are only applied to the Recommended (Threshold) Funding Plan.

Note: If the funding plans are similar or identical, only one line will be visible on some parts of the graph where the lines intersect.



PROJECTED RESERVE ACCOUNT BALANCES
FOR FUNDING PLANS OVER 30 YEARS

Per RCW 64.90.550 §2 (j) of the Washington Uniform Common Interest Ownership Act (WUCIOA), the projected reserve account balance for each of the funding plans over the next 30 years is provided, along with the current funding plan projections. The values in the Recommended Funding Plan include the previously mentioned recommended adjustment(s) in the annual reserve contribution, if applicable.

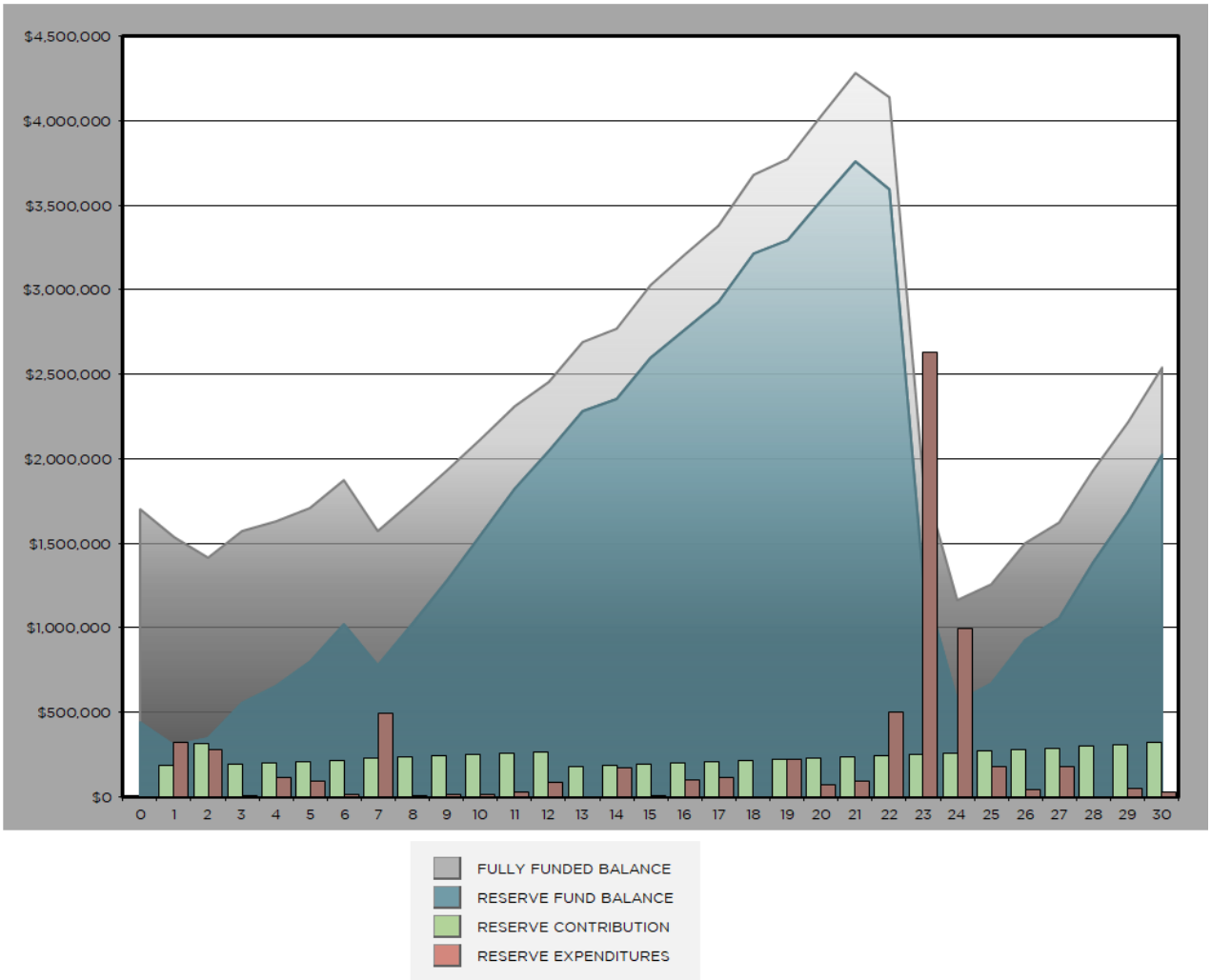
FISCAL YEAR END	$183,000 RECOMMENDED (THRESHOLD) FUNDING PLAN	$84,833 CURRENT FUNDING PLAN	$136,800 BASELINE FUNDING PLAN	$148,800 FULL FUNDING PLAN
1 (2025)	$306,351	$207,693	$259,920	$271,980
2 (2026)	$350,069	$147,627	$255,617	$280,554
3 (2027)	$555,049	$241,072	$408,126	$446,702
4 (2028)	$658,511	$226,485	$456,053	$509,064
5 (2029)	$795,627	$238,744	$534,430	$602,708
6 (2030)	$1,022,130	$333,275	$698,845	$783,261
7 (2031)	$776,869	($54,868)	$388,001	$489,463
8 (2032)	$1,025,262	$102,514	$567,158	$686,614
9 (2033)	$1,278,073	$201,373	$746,919	$885,361
10 (2034)	$1,547,642	$308,561	$939,457	$1,097,919
11 (2035)	$1,821,249	$410,987	$1,131,876	$1,311,438
12 (2036)	$2,047,843	$457,212	$1,272,942	$1,474,732
13 (2037)	$2,279,467	$598,433	$1,514,064	$1,739,258
14 (2038)	$2,351,470	$575,999	$1,596,810	$1,846,636
15 (2039)	$2,600,126	$726,024	$1,857,525	$2,133,265
16 (2040)	$2,766,178	$789,081	$2,037,021	$2,340,009
17 (2041)	$2,925,360	$840,729	$2,211,104	$2,542,735
18 (2042)	$3,212,786	$1,015,898	$2,514,962	$2,876,689
19 (2043)	$3,289,804	$975,747	$2,610,022	$3,003,361
20 (2044)	$3,531,370	$1,095,038	$2,871,326	$3,297,857
21 (2045)	$3,762,080	$1,198,159	$3,123,551	$3,584,920
22 (2046)	$3,594,636	$897,604	$2,979,490	$3,477,416
23 (2047)	$1,277,046	($1,550,677)	$687,246	$1,223,518
24 (2048)	$564,430	($808,365)	$2,035	$578,519
25 (2049)	$668,564	$13,507	$135,734	$754,372
26 (2050)	$928,125	$177,497	$427,126	$1,089,943
27 (2051)	$1,059,624	$208,264	$592,832	$1,301,938
28 (2052)	$1,388,395	$430,916	$958,300	$1,715,892
29 (2053)	$1,688,581	$619,363	$1,297,796	$2,106,163
30 (2054)	$2,024,939	$838,112	$1,676,196	$2,537,721

RESERVE STUDY PROJECTIONS USING INFLATED DOLLAR VALUES

The recommended contribution to reserves is primarily based on cashflow over thirty years to ensure that there will be enough funds in reserves to cover anticipated expenses without the need of a special assessment. Monitoring the Fully Funded Balance helps anticipate future financial liabilities and the community's potential risk for a special assessment. The inflated scenario includes annual increases in the reserve contribution to keep up with inflation.

- **Teal Area Graph:** The fiscal year-end running reserve fund balance is shown as a line graph in teal.
- **Grey Area Graph:** The anticipated fully funded balance is shown as a line graph in grey.
- **Mint Green Bars:** The annual reserve fund contributions are shown as mint green bars.
- **Brick Red Bars:** The anticipated yearly reserve expenditures are shown as brick red bars, depicting the anticipated expenses over the next 30 years.

RECOMMENDED FUNDING PLAN STARTING AT $183,000



RESERVE 30 YEAR SUMMARY AT THE RECOMMENDED FUNDING PLAN STARTING AT $183,000

INFLATION & INTEREST ASSUMPTIONS[1]

	CONTRIBUTION INFLATION	COMPONENT INFLATION	INTEREST
Years 0-1	0.0%	3.0%	1.0%
Years 2-10	3.5%	3.5%	2.5%
Years 11-30	3.5%	3.5%	2.5%

SPECIAL ASSESSMENT RISK

Nominal Risk	100% +
Low Risk	70% to 99%
Moderate Risk	25% to 69%
Highest Risk	0% to 24%

FISCAL YEAR END	FISCAL YEAR BEGINNING RESERVE BALANCE	RECOMMMENDED ANNUAL RESERVE CONTRIBUTION[2]	AVERAGE CONTRIBUTION PER UNIT PER MONTH[3]	PROJECTED RESERVE EXPENDITURES	SPECIAL ASSESSMENT	PROJECTED INTEREST EARNED	FISCAL YEAR END RESERVE BALANCE	PROJECTED FULLY FUNDED BALANCE	PERCENT FUNDED
1 (2025)	$438,943	$183,000	$545	($319,300)	$0	$3,708	$306,351	$1,535,585	20%
2 (2026)	$306,351	$189,405	$564	($276,566)	$124,310	$6,569	$350,069	$1,417,636	25%
3 (2027)	$350,069	$196,034	$583	($2,229)	$0	$11,174	$555,049	$1,573,566	35%
4 (2028)	$555,049	$202,895	$604	($114,415)	$0	$14,982	$658,511	$1,626,567	40%
5 (2029)	$658,511	$209,997	$625	($90,833)	$0	$17,952	$795,627	$1,708,937	47%
6 (2030)	$795,627	$217,347	$647	($13,285)	$0	$22,441	$1,022,130	$1,875,806	54%
7 (2031)	$1,022,130	$224,954	$670	($492,425)	$0	$22,210	$776,869	$1,573,589	49%
8 (2032)	$776,869	$232,827	$693	($6,683)	$0	$22,249	$1,025,262	$1,750,895	59%
9 (2033)	$1,025,262	$240,976	$717	($16,601)	$0	$28,436	$1,278,073	$1,929,001	66%
10 (2034)	$1,278,073	$249,410	$742	($14,726)	$0	$34,885	$1,547,642	$2,119,886	73%
11 (2035)	$1,547,642	$258,140	$768	($26,124)	$0	$41,591	$1,821,249	$2,310,887	79%
12 (2036)	$1,821,249	$267,174	$795	($88,347)	$0	$47,767	$2,047,843	$2,451,353	84%
13 (2037)	$2,047,843	$178,201	$530	($0)	$0	$53,424	$2,279,467	$2,690,259	85%
14 (2038)	$2,279,467	$184,438	$549	($169,607)	$0	$57,172	$2,351,470	$2,773,277	85%
15 (2039)	$2,351,470	$190,893	$568	($3,368)	$0	$61,131	$2,600,126	$3,030,988	86%
16 (2040)	$2,600,126	$197,574	$588	($97,773)	$0	$66,251	$2,766,178	$3,209,054	86%
17 (2041)	$2,766,178	$204,489	$609	($115,573)	$0	$70,266	$2,925,360	$3,381,494	87%
18 (2042)	$2,925,360	$211,646	$630	($0)	$0	$75,780	$3,212,786	$3,681,692	87%
19 (2043)	$3,212,786	$219,054	$652	($222,315)	$0	$80,279	$3,289,804	$3,776,446	87%
20 (2044)	$3,289,804	$226,721	$675	($69,366)	$0	$84,212	$3,531,370	$4,034,053	88%
21 (2045)	$3,531,370	$234,656	$698	($93,989)	$0	$90,043	$3,762,080	$4,282,871	88%
22 (2046)	$3,762,080	$242,869	$723	($501,137)	$0	$90,824	$3,594,636	$4,140,306	87%
23 (2047)	$3,594,636	$251,369	$748	($2,629,104)	$0	$60,144	$1,277,046	$1,872,088	68%
24 (2048)	$1,277,046	$260,167	$774	($995,517)	$0	$22,734	$564,430	$1,165,629	48%
25 (2049)	$564,430	$269,273	$801	($180,362)	$0	$15,222	$668,564	$1,257,423	53%
26 (2050)	$668,564	$278,698	$829	($38,849)	$0	$19,712	$928,125	$1,502,039	62%
27 (2051)	$928,125	$288,452	$858	($181,493)	$0	$24,540	$1,059,624	$1,620,954	65%
28 (2052)	$1,059,624	$298,548	$889	($0)	$0	$30,222	$1,388,395	$1,934,198	72%
29 (2053)	$1,388,395	$308,997	$920	($46,798)	$0	$37,987	$1,688,581	$2,220,587	76%
30 (2054)	$1,688,581	$319,812	$952	($29,301)	$0	$45,846	$2,024,939	$2,543,788	80%

[1] The long term nature of this study requires that certain assumptions and predictions be made about future events. Since there can be no guarantee that these future events will occur as assumed, this analysis must be viewed in light of the circumstances under which it was conducted. Reasonable effort has been made to ensure that the conclusions of this report are based on reliable information and sound reasoning.

[2] The Recommended Annual Reserve Contribution includes inflation and any applicable recommended adjustments.

[3] The Average Contribution Per Unit Per Month reflects the Recommended Annual Reserve Contribution divided by the total number of units in the community.

PURPOSE OF A RESERVE STUDY

The purpose of a Reserve Study is to recommend a reasonable annual reserve contribution rate made by a common interest community to its reserve account. Reserve accounts are established to fund major maintenance, repair, and replacement of common elements, including limited common elements, expected within the next thirty years. A Reserve Study is intended to project availability of adequate funds for the replacement or major repair of any significant component of the property as it becomes necessary without relying on special assessments. It is a budget planning tool which identifies the current status of the reserve account and a stable and equitable Funding Plan to offset the anticipated future major shared expenditures. Each reserve component is evaluated to determine the current condition, the remaining useful life, and the estimated replacement cost. This information is combined into a spreadsheet to determine funding requirements and establish the annual contribution rate needed to minimize the potential for special assessments. All costs and annual reserve fund balances are shown with adjustments for annual inflation and interest earned. Ideally, an even level of contributions is established that maintains a positive balance in the reserve account over the timeline the study examines. Annual updates are key to keeping up with current trends in component pricing, inflation and interest rates, actual timing of maintenance experienced and the community's risk tolerance.

A Reserve Study also calculates a theoretical "Fully Funded Balance". Fully Funded Balance is the sum total of the reserve components' depreciated value using a straight-line depreciation method.

To calculate each component's depreciated value:

$$Depreciated\ Value = Current\ Replacement\ Cost \times \frac{Effective\ Age}{Expected\ Useful\ Life}$$

By comparing the actual current reserve fund balance, to the theoretical Fully Funded Balance a Percent Fully Funded is derived.

OUR APPROACH TO A RESERVE STUDY

Reserve Consultants LLC employs a "Reasonable Approach" when evaluating reserve components to draft a study that is of greatest value to our clients. This means we attempt to predict, based on the costs involved and the client's objectives, what a reasonable person will decide to have done when maintenance, repairs, or replacement become necessary. For example, a reasonable person will not replace a fence when it only needs to be repainted. The benefit of this is that reserve contributions are minimized to allow for what is most likely to occur. Our studies are not based on a worst-case scenario, but rather on what we expect is most likely to occur. Our approach assumes minor repairs will be completed as they occur before they become major problems.

LEVELS OF RESERVE STUDIES

Level 1: The first level, an initial Reserve Study, must be based upon a visual site inspection conducted by a Reserve Study Professional. This is also known as a full Level 1 Reserve Study with a site visit.

Level 2: Thereafter at least every three years, an updated Reserve Study must be prepared, which again is based upon a visual site inspection conducted by a Reserve Study Professional. This is also known as a Level 2 update with a site visit.

Level 3: As noted earlier, the Association is required to update its Reserve Study every year. However, in two of the three years, the annual updates do not require a site visit. This is also known as a Level 3 update without a site visit.

Level 4: The Community Associations Institute defines a Level 4 reserve study for communities under construction as a Preliminary, Community Not Yet Constructed reserve study.

This study is a Level 3 Reserve Study Update without a Site Visit

The next required update for Bayview on the Lake-Bldg B is a **Level 3 study by February, 2025.**

SOURCES USED IN COMPILING THIS REPORT

Reserve Consultants LLC has provided reserve studies and construction services since 1992 and base component repair and replacement costs on this extensive experience and information provided by the Association. Sources used include:

- Review of previous reserve study report(s)
- Input provided by Michael Fitzgerald
- Review of a list of components the community is responsible for
- Generally accepted construction, maintenance, and repair guidelines

Measurements and take-offs used in the report are collected using a variety of methods. Our preference is to collect information from as-built drawings. If drawings are not available, measurements are taken from Google Earth and on-site; quantities of components are confirmed on-site. For updates, Bayview on the Lake-Bldg B is considered to have deemed previously developed component quantities as accurate and reliable.

Information provided by Bayview on the Lake-Bldg B regarding ongoing maintenance or repair being performed is included in the component summary notes. This information impacts estimated costs, maintenance cycles and useful life for the components.

The current replacement cost is an estimate and actual costs may vary. Material selection, timing of the work, and requirements for Architectural services or construction management can impact cost projections. Expenses related to common interest communities are typically higher than other multi-family construction types, often due to the elevated insurance requirements contractors must carry. All estimates assume that a licensed and bonded contractor will be utilized to complete the work due to liability issues. Regional cost factors are applied as appropriate.

GOVERNMENT REQUIREMENTS FOR A RESERVE STUDY

The Washington State government requires that the following disclosure be included in every Reserve Study (RCW 64.34.382§3 & RCW 64.38.070§3):

> **"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."**

The requirements of RCW 64.34 (Condo Act) and RCW 64.38 (Homeowners' Association Act) can be found on the Washington State Legislature's website. Effective July 1, 2018, the Washington Uniform Common Interest Ownership Act (WUCIOA) has impacted all common interest communities. Our reserve studies also comply with WUCIOA. WUCIOA requires the following disclosure in every Reserve Study (RCW 64.90.550 § 3):

> **"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."**

We understand that common interest properties are to follow the budget ratification process outlined in RCW 64.90.525. Specifically,

> "Within thirty days after adoption of any proposed budget for the common interest community, the board must provide a copy of the budget to all the unit owners and set a date for a meeting of the unit owners to consider ratification of the budget not less than fourteen nor more than fifty days after providing the budget. Unless at that meeting the unit owners of units to which a majority of the votes in the association are allocated or any larger percentage specified in the declaration reject the budget, the budget and the assessments against the units included in the budget are ratified, whether or not a quorum is present."

RCW 64.90.525 §2 states that the copy of the budget must include:

(d) the current amount of regular assessments budgeted for contribution to the reserve account;

(e) A statement of whether the association has a reserve study that meets the requirements of RCW 64.90.550 of this act and, if so, the extent to which the budget meets or deviates from the recommendations of that reserve study; and

(f) The current deficiency or surplus in reserve funding expressed on a per unit basis.

Reserve Consultants will prepare a Reserve Disclosure that covers the requirements of RCW 64.90.525 §2 (d) – (f) **if requested within one year of when the draft report of the Reserve Study was issued**. Once Bayview on the Lake-Bldg B has **provided the required information in RCL's format**, the Reserve Disclosure will be compiled at no additional charge for inclusion with the budget ratification package.

LIMITATIONS AND ASSUMPTIONS OF A RESERVE STUDY

This Reserve Study is not a report on the condition of the assets maintained by Bayview on the Lake-Bldg B, or a detailed report of necessary maintenance to the assets. It is also not an investigation into or comment on the quality of construction of the reserve components, or whether the construction complies with the building code or the requirements of Washington State requirements common interest properties, including the Washington Uniform Common Interest Ownership Act (WUCIOA).

The component list is based on information provided by Bayview on the Lake-Bldg B. Reserve Consultants LLC does not provide legal interpretations of governing documents or auditing services on account information provided.

Material issues that are not disclosed to Reserve Consultants LLC could cause a distortion of Bayview on the Lake-Bldg B's reserve fund standing. Furthermore, Reserve Consultants LLC can only be aware of preventative maintenance plans or programs that have been disclosed by Bayview on the Lake-Bldg B. An audit or evaluation of any maintenance plan or maintenance contract is outside the scope of services performed by a Reserve Specialist.

Necessary corrective maintenance costs and timing will be incorporated into the report if the most recent structural or other professional inspection reports are provided.

The observations made by Reserve Consultants LLC are limited to a visual inspection of a sample of the reserve components. Unless informed otherwise, our assumption is that the components are constructed in substantial compliance with the building code and to industry standards, and that it will receive ordinary and reasonable maintenance and repair by Bayview on the Lake-Bldg B. These assumptions include that most reserve components will achieve their normal useful lives for similar components in the Pacific Northwest, and that they will be replaced when necessary to prevent damage to other reserve components.

Conditions may exist that are outside the scope of work for a Reserve Specialist. When conditions outside the reserve study scope of work are noted, Reserve Consultants LLC will make a recommendation regarding further investigations by another professional in the Association Overview and/or Component Summary.

This Reserve Study assumes that the assets will be maintained to keep a good level of appearance, with a special emphasis on retaining the original appearance of the assets to the greatest possible extent. The analysis also assumes that Bayview on the Lake-Bldg B will replace materials as they are required with good quality materials, installed by qualified, licensed, contractors. We further assume that the assets will experience the full typical useful life for the new materials installed.

The long-term nature of this study requires that certain assumptions and predictions be made about future events. Since there can be no guarantee that these future events will occur as assumed, this analysis must be viewed considering the circumstances under which it was conducted. A reasonable effort has been made to ensure that the conclusions of this report are based on reliable information and sound reasoning.

This report should be updated annually with actual repair costs, reserve fund balances, etc. Every three years it should be updated with a site inspection and professional review. Regular updating will allow changes based on actual occurrences and adjustments for the cost of repairs to be incorporated into the annual reserve contributions. This will allow any savings or additional costs to be properly allocated among unit owners.

INFLATION AND INTEREST RATE PROJECTIONS

When making estimates on the future inflation and interest rates, we use a staggered approach for more flexibility in reflecting future economic projections. Inflation and interest rate projections are updated annually.

For inflation, we have historically followed the construction industry inflation rates published by RS Means, which differ from the consumer inflation index. For 2024 we have adjusted the RS Means published inflation index to reflect values that are more representative of inflation experienced in the Pacific Northwest, as indicated by recent construction bids and by publications by local contractors. The average annual construction inflation increase since 1993 is 3.47%.

We do not apply inflation to the recommended reserve contribution in Year 1 since this is the first year at the recommended contribution rate. Inflation applied to the components on the inflated spreadsheet is compounded annually; the values are listed for each year at the bottom of the inflated spreadsheet.

For interest rates, we analyze the historical data provided by the Board of Governors of the Federal Reserve. The average annual interest rate since 1993 is 2.48%. The interest for common interest properties is typically lower than average due to conservative investing options that are usually employed by common interest properties.

CONTRIBUTION & EXPENSE INFLATION AND INTEREST PROJECTIONS

YEARS APPLIED	CONTRIBUTION ACCELERATOR	RESERVE CONTRIBUTION INFLATION	RESERVE EXPENSE INFLATION	INTEREST RATE
Year 0 (2024)	0%	0%	0%	1.0%
Year 1 (2024/2025)	0%	0%	3.0%	1.0%
Year 2 (2025/2026) through Year 10	0%	3.5%	3.5%	2.5%
Year 11 (2034/2035) through Year 30	0%	3.5%	3.5%	2.5%

A contribution accelerator applies an additional annual increase to the reserve contribution above the inflation rate assumption to help increase the reserve fund balance without the need for a special assessment. This is not a strategy that is typically employed.

DISCLOSURES

1. Reserve Consultants LLC also provides construction inspection services for common interest properties and does design and construction oversight for major repair projects, including roofing, decks and building envelope replacement.
2. No shareholder or employee of Reserve Consultants LLC has any interest in, or obligation to, any construction company, management company, or development entity that creates common interest properties; nor is there any involvement with Bayview on the Lake-Bldg B which could result in a conflict of interest.
3. Reserve Consultants LLC has been a member of the Community Associations Institute since about 1993, and has worked with a variety of management companies, common interest properties, and other types of clients in Washington State.
4. This report and analysis are based upon observations of the visible and apparent condition of the building and its major components on the date of the inspection. Although care has been taken in the performance of this inspection, Reserve Consultants LLC (and/or its representatives) make no representations regarding latent or concealed defects which may exist, and no warranty or guarantee is expressed or implied. This report is made only in the best exercise of our ability and judgment. Conclusions in this report are based on estimates of the age and normal working life of various items of equipment and appliances. Predictions of life expectancy and the balance of useful life are necessarily based on industry and/or statistical comparisons. It is essential to understand that actual conditions can alter the useful life of any item. The previous use or misuse, irregularity of servicing, faulty manufacture, unfavorable conditions, acts of God, and unforeseen circumstances make it impossible to state precisely when each item would require replacement. The client herein should be aware that certain components within the above referenced property may function consistent with their purpose at the time of inspection, but due to their nature, are subject to deterioration without notice.
5. Unless otherwise noted, all reserve components are assumed to meet the building code requirements in force at the time of construction. Any on-site inspection should not be considered a project audit or quality inspection.
6. Conclusions reached in this report assume responsible ownership and competent management of the property. Information provided by others is believed to be reliable. Information provided by others was not audited; we assume no responsibility for accuracy thereof.
7. The reserve study reflects information provided to the consultant and assembled for Bayview on the Lake-Bldg B's use, not for the purpose of performing an audit, quality/forensic analyses, or background checks of historical record.
8. Reserve study updates are based on information collected for the previous reserve study analysis. It is assumed that quantities remain the same. Estimated costs and timing for maintenance are adjusted from the previous report according to inflation factors indicated and information provided by Michael Fitzgerald.
9. Reserve Consultants LLC shall incur no civil liability for performing the physical or financial portions of a reserve study.
10. Structural integrity evaluations are not included in the reserve study unless otherwise noted.
11. The Community Associations Institute (CAI) encourages every common interest community to have a preventative maintenance plan prepared in conjunction with the reserve study to positively impact life cycle costs and structural safety. The plan should include all applicable common elements, not just those components included in the reserve study.

GLOSSARY OF TERMS

Allocated Interests - the following interests allocated to each unit: (a) In a condominium, the undivided interest in the common elements, the common expense liability, and votes in the association; (b) In a cooperative, the common expense liability, the ownership interest, and votes in the association; and (c) In a plat community and miscellaneous community, the common expense liability and the votes in the association, and also the undivided interest in the common elements if owned in common by the unit owners rather than an association. RCW 64.90.010 §2.

Assessment - all sums chargeable by the association against a unit, including any assessments levied pursuant to RCW 64.90.480, fines or fees levied or imposed by the association pursuant to this chapter or the governing documents, interest and late charges on any delinquent account, and all costs of collection incurred by the association in connection with the collection of a delinquent owner's account, including reasonable attorneys' fees. RCW 64.90.010 §3.

Association or **Unit Owners Association** - the unit owners association organized under RCW 64.90.400 of WUCIOA and, to the extent necessary to construe sections of this chapter made applicable to common interest communities pursuant to RCW 64.90.080, 64.90.090, or 64.90.095 of WUCIOA, the association organized or created to administer such common interest communities. RCW §64.90.010 §4.

Baseline Funding Plan – A reserve contribution rate that is constant, increasing with inflation, to provide funds for all anticipated reserve expenses so that no special assessments are required for 30 years, but with no excess funds some years.

Board - the body, regardless of name, designated in the declaration, map, or organizational documents, with primary authority to manage the affairs of the association. RCW §64.90.010 §6.

Building Codes - Nationally recognized standards used to gauge the acceptability of a particular material or building procedure. Typically, if something is built to "code," it is acceptable to all concerned. Some often-used codes are International Building Code (IBC) (applicable to most multifamily housing), International Residential Code (IRC) (applicable to one- and two-family structures), Washington Energy Code, National Electric Code (NEC), Uniform Plumbing Code (UPC), and the National Fire Protection Association Standards (NFPA). These are usually amended slightly by each city or county.

Building Component – see "Reserve Component".

Component Number - A number assigned to each building component that allows grouping of like components. The numbers are based roughly on the Construction Specification Institute system.

Common Elements - (a) In a condominium or cooperative, all portions of the common interest community other than the units; (b) In a plat community or miscellaneous community, any real estate other than a unit within a plat community or miscellaneous community that is owned or leased either by the association or in common by the unit owners rather than an association; and (c) In all common interest communities, any other interests in real estate for the benefit of any unit owners that are subject to the declaration. RCW §64.90.010 §7.

Common Expense - any expense of the association, including allocations to reserves, allocated to all the unit owners in accordance with common expense liability. RCW §64.90.010 §8.

Common Expense Liability - the liability for common expenses allocated to each unit pursuant to RCW 64.90.235. RCW §64.90.010 §9.

Common Interest Community - real estate described in a declaration with respect to which a person, by virtue of the person's ownership of a unit, is obligated to pay for a share of real estate taxes, insurance premiums, maintenance, or improvement of, or services or other expenses related to, common elements, other units, or other real estate described in the declaration. "Common interest community" does not include an arrangement described in RCW 64.90.110 or RCW 64.90.115. A common interest community may be a part of another common interest community. RCW §64.90.010 §10.

Condition Assessment of Components - a visual, non-invasive evaluation of a sampling of the components, completed by a reserve professional during the site visit. The evaluation may also take into consideration information provided by the community representative. The last observed or reported condition will be used until another site visit is conducted.

Excellent – very close to new condition, recently installed, and/or no maintenance required prior to the end of typical maintenance cycle; the component should achieve a full useful life cycle.

Good – fit for the intended purpose, no visible damage, and/or meets expected performance standards within the maintenance cycle; the component is expected to attain a full useful life cycle.

Good/Fair – in working condition, minor damage visible, and/or minor maintenance anticipated within typical maintenance cycle; without maintenance the component may not achieve a full useful life cycle.

Fair – has been modified or repaired, and/ or effects of age/utilization requires shorter than typically specified maintenance cycle; without maintenance the component will not achieve a full useful life cycle.

Fair/Poor – requires general repairs and/or some replacement of minor elements at a shortened maintenance cycle; the component is close to the end of its useful life cycle.

Poor – visible damage, current condition does not meet expectations, and/or extensive repairs and replacement required; the component is at the end of its useful life cycle.

Not Observed – access was not available for a visible inspection, e.g. an exterior deck or pitched roof.

Serviceable – the component is not obsolete and can reasonably be repaired or maintained to achieve a full useful life cycle.

Reported Good – the representative reported the component to be in good/working condition; the reserve professional did not directly observe the component at the time of the site visit.

N/A – not applicable, e.g. an inspection or a component that is no longer budgeted in the report.

Contribution Rate - the amount contributed to the reserve account so that the association will have cash reserves to pay major maintenance, repair, or replacement costs without the need for a special assessment. RCW 64.34.020 (10), RCW 64.38.010 (6)

Constant Dollars - costs and contributions are provided in today's dollars, no matter how far in the future they occur. Inflation and interest are not factored in.

Effective Age - the difference between the useful life and the remaining useful life. RCW 64.34.020 §19, RCW 64.38.010 §7 & RCW §64.90.010 §21.

Full Funding Plan - a reserve funding goal of achieving one hundred percent fully funded reserves by the end of the thirty-year study period described under RCW64.90.550 of WUCIOA, in which the reserve account balance equals the sum of the estimated costs required to maintain, repair, or replace the deteriorated portions of all reserve components. RCW §64.90.010 §25.

Fully Funded Balance - the current value of the deteriorated portion, not the total replacement value, of all the reserve components. The fully funded balance for each reserve component is calculated by multiplying the current replacement cost of that reserve component by its effective age, then dividing the result by that reserve component's useful life. The sum of all reserve components' fully funded balances is the community's fully funded balance. RCW 64.34.020 §22, RCW 64.38.010 §10 & RCW §64.90.010 §26.

Inflated Dollars - as opposed to constant dollars, inflated dollars recognize that costs in the future will probably be higher than today because each dollar will buy fewer goods and services. A rate of inflation must be assumed and applied to all future costs. Also referred to as future cost.

Inflation Multiplier - 100% plus the assumed rate of inflation. Thus, for an assumed yearly inflation rate of 5%, the "multiplier" would be 105% or 1.05 if expressed as a decimal number rather than as a percentage. Each successive year the previous year's "multiplier" is multiplied by this number to arrive at the next year's "multiplier."

Interest Rate Multiplier - The assumed rate of interest earned on the average annual reserve bank account balance. Thus, 4% interest would be 0.04 expressed as a decimal number. A rate of interest earned must be assumed for all future years. Typically this is lower than the rate of inflation.

Limited Common Element - a portion of the common elements allocated by the declaration or by operation of RCW 64.90.210 §1(b) or §2 for the exclusive use of one or more, but fewer than all, of the unit owners. RCW §64.90.010 §30.

Unit owners may be responsible for the cost to repair and maintain limited common elements, so those costs may not appear in a Reserve Study.

Maintenance Cycle – the frequency of maintenance on a component to reach or extend its Useful Life. Often shorter than the full "Useful Life" for repairs that occur in lieu of complete replacement.

Next Repair – the next time the "Repair Cycle" starts with work on a component.

Nominal Reserve Costs – the current estimated total replacement costs of the reserve components are less than fifty percent of the annual budgeted expense of the association, excluding contributions to the reserve funds, for a condominium or cooperative containing horizontal unit boundaries and less than seventy five percent of the annual budgeted expenses of the association, excluding contributions to the reserve fund for all other common interest communities. RCW §64.90.010 §34.

Percent Fully Funded – The percentage of the "Fully Funded Balance" which the current condominium Reserve Account actually has in it.

RCL Database – A database of maintenance cycles and unit costs compiled and constantly updated by RCL, based on information gathered since 1992 from our reserve study and construction service clients.

RCW – the Revised Code of Washington.

RCW 64.34 is the Washington Condominium Act, the statute that governs 'New Act' common interest properties formed between July 1, 1990 and June 30, 2018.

RCW 64.38 is the Washington Homeowners' Act, the statute that governs homeowners' common interest properties formed prior to June 30, 2018.

RCW 64.90 is the Washington Uniform Common Interest Ownership Act (**WUCIOA**) and governs common interest properties formed after July 1, 2018 and requires all common interest properties in Washington State to comply with RCW 64.90.525.

Remaining useful life - the estimated time, in years, that a reserve component can be expected to continue to serve its intended function. RCW 64.34.020 §31, RCW 64.38.010 §15. Or the estimated time before a reserve component will require major maintenance, repair or replacement to perform its intended function. RCW §64.90.010 §44.

Replacement Cost - the current cost of replacing, repairing, or restoring a reserve component to its original functional condition. RCW 64.34.020 §32, RCW 64.38.010 §16.

Or the estimated total cost to maintain, repair, or replace a reserve component to its original functional condition. RCW §64.90.010 §45.

Reserve Account - Money set aside for future repair and replacement projects. For common interest properties, the RCW requires a separate Reserve Account to be maintained to hold reserves to fund repair or replacement of Reserve Components.

Reserve Component - common elements whose cost of maintenance, repair, or replacement is infrequent, significant, and impractical to include in an annual budget. RCW 64.34.020 §34, RCW 64.38.010 §18.

Or a physical component of the common interest community which the association is obligated to maintain, repair, or replace, which has an estimated useful life of less than thirty years, and for which the cost of such maintenance, repair or replacement is infrequent, significant, and impractical to include in an annual budget. RCW §64.90.010 §46.

Reserve Contribution Rate - The amount of money saved to fund replacement costs for maintenance and repairs of common elements. See "Contribution Rate". Current contributions and Recommended contributions may be different.

Reserve Specialist – A designation for those professionals who have met the standards established by Community Associations Institute (www.caionline.org) for Reserve Study providers.

Reserve Study - A physical assessment of a building and a subsequent report which estimates the anticipated major maintenance, repair, and replacement costs, whose infrequent and significant nature make them impractical to be included in an annual budget, which will need to be repaired or replaced over the next 30 years. It provides estimates of these replacement costs and details of expected annual expenditure. It is used to calculate the Reserve Contribution Rate required to maintain a facility in good condition both functionally and cosmetically. The Washington Condominium Act sets out requirements for annual reserve studies.

Reserve Study Professional - means an independent person suitably qualified by knowledge, skill, experience, training, or education to prepare a reserve study in accordance with RCW 64.34.020 §35, RCW 64.38.010 §17, RCW 64.90.545 and RCW 64.90.550. For the purposes of WUCIOA," independent" means a person who is not an employee, officer, or director, and has no pecuniary interest in the declarant, association, or any other party for whom the reserve study is prepared. RCW §64.90.010 §47.

Roofing Square - A roofing industry term meaning 100 square feet.

Special Assessment - A levy against all unit owners that is necessary when a needed repair/replacement/upgrade has not been planned for, and for which insufficient money has been saved.

Threshold Funding (contribution rate) – A Reserve Contribution Rate that is constant, increasing with inflation, to provide funds for all anticipated Reserve Expenses for the life of the study, but leaving a minimum level of Reserves (the "threshold") at all times. Our default minimum threshold is one year's contribution.

Typ. - Abbreviation for 'typical'; used on photographs and in text to refer to a condition that is shown or described once but applies to many locations.

Typical Life - An average expected life for an average building component. As in any statistical average, there is a range of years over which each individual item might fall.

Useful life - the estimated time, in years, that a reserve component can be expected to serve its intended function. RCW 64.34.020 §40 & RCW 64.38.010 §20 or the estimated time during which a reserve component is expected to perform its intended function without major maintenance, repair or replacement. RCW §64.90.010 §59.

Year End Reserve Balance or Reserve Fund Balance - What is projected to be left in the reserve account after the expected yearly expenses and contributions are added to the prior year's carryover balance. Assumes that the reserve contributions and expenses occur as predicted.

Yearly Expenses - The total labor and material costs associated with all the repairs/maintenance that are scheduled in that particular year.

30 Year Spreadsheet - A summary listing each building component and its yearly cost to maintain/repair over the next 30 years. It also lists the annual reserve fund balance, reserve contributions, reserve expenses and bank interest earned on the calculated reserve fund balance.

EVALUATORS' CREDENTIALS

Mahria Sooter

Principal
Reserve Consultants LLC

B.A. Springfield College, MA

Reserve Specialist, #380

Mahria joined Reserve Consultants in 2016. Mahria holds a Bachelor of Arts degree from Springfield College, MA. In 2019, the Condominium Associations Institute recognized Mahria as a 'Reserve Specialist.' She has over 20 years of experience with marketing and various aspects of integrated communication in the construction industry. In 2018, Mahria received a certificate of completion from the King County Dispute Resolution Center for Basic Mediation Training providing her the skills to assist Associations with identifying and effectively communicating interests and goals. Mahria's attention to detail lends well to providing clear and concise recommendations that clients can utilize to make informed decisions.

Kyle Michael

Associate
Reserve Consultants LLC

B.S. University of Portland, OR

Kyle recently joined the Reserve Consultants team as Project Manager and Reserve Professional. He holds a Bachelor of Science in Electrical Engineering from the University of Portland in Oregon. He served in the Air Force as a Civil Engineering Officer from 2018-2021. Kyle has managed various construction projects both stateside and in Africa.

APPENDIX A

BAYVIEW ON THE LAKE-BLDG B

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $183,000
AND COMPOUND INFLATION

							16-Feb-24
			STARTING RESERVE BALANCE	$438,943	$306,351	$350,069	$555,049	$658,511
			ANNUAL RESERVE CONTRIBUTION	$183,000	$189,405	$196,034	$202,895	$209,997
			ESTIMATED INTEREST EARNED	$3,708	$6,569	$11,174	$14,982	$17,952
			SPECIAL ASSESSMENT	$0	$124,310	$0	$0	$0
			ACCUMULATED CREDITS	**$625,651**	**$626,635**	**$557,278**	**$772,926**	**$886,460**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	1 **2024/ 2025**	2 **2025/ 2026**	3 **2026/ 2027**	4 **2027/ 2028**	5 **2028/ 2029**
5.4.1	Breezeway Railings - Replace	40	24					
5.4.2	Deck Railings - Replace	40	24					
5.4.3	Walkway Railings - Replace	40	24					
6.1.1	Breezeway Flooring - Resurface	4	3			$2,229		
6.1.2	Breezeway Flooring - Replace	20	16					
6.2.1	Decks/Lanais - Inspect & Repair	5	2		$55,371			
6.3.1	Upper Decks - Replace	40	7					
6.3.2	First Level Decks - Replace	25	20					
6.4.1	Exterior Stucco - Inspect & Repair	20	5					$84,805
6.4.2	Exterior Wood - Repair	10	2		$7,260			
7.2.1	Roof - Repair	5	6					
7.2.2	Roof - Replace	20	2		$189,224			
8.2.1	Windows - Replace	45	23					
8.2.2	Window Glazing - Repair Contingency	3	2		$5,437			$6,028
8.2.3	Sliding Glass Doors - Replace	45	23					
8.2.4	Skylights - Replace	20	10					
9.8.1	Exterior Painting - Repaint	10	4				$100,437	
10.5.1	Mailboxes - Replace	30	25					
12.1.1	Carpet - Replace	20	17					
12.8.1	Stairwell - Clean & Paint	20	17					
14.1.1	Elevator Cab - Refurbish	20	1	$36,050				
14.1.2	Elevator Equipment - Replace	40	1	$283,250				
15.1.1	Building Plumbing - Contingency	5	4				$5,824	
15.1.2	Plumbing System - Partial Replacement	50	19					
16.3.1	Electrical System - Contingency	5	4				$5,824	
16.6.1	Exterior Lighting - Replace	25	2		$19,274			
18.1.1	Doors & Hardware - Repair Contingency	5	4				$2,330	
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$319,300**	**$276,566**	**$2,229**	**$114,415**	**$90,833**
	ACCUMULATED CREDITS			$625,651	$626,635	$557,278	$772,926	$886,460
	ACCUMULATED DEBITS			$319,300	$276,566	$2,229	$114,415	$90,833
	YEAR-END BALANCE			**$306,351**	**$350,069**	**$555,049**	**$658,511**	**$795,627**

YEARS	**1**	**2-10**	**11-30**	1 (2025)	2 (2026)	3 (2027)	4 (2028)	5 (2029)
CONTRIBUTION INFLATION	0.0%	3.5%	3.5%	0.0%	3.5%	3.5%	3.5%	3.5%
COMPONENT COMPOUND INFLATION	3.0%	3.5%	3.5%	103.0%	106.6%	110.3%	114.2%	118.2%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	1.0%	2.5%	2.5%	2.5%	2.5%

APPENDIX A

BAYVIEW ON THE LAKE-BLDG B

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $183,000
AND COMPOUND INFLATION

							16-Feb-24
			STARTING RESERVE BALANCE	$795,627	$1,022,130	$776,869	$1,025,262	$1,278,073
			ANNUAL RESERVE CONTRIBUTION	$217,347	$224,954	$232,827	$240,976	$249,410
			ESTIMATED INTEREST EARNED	$22,441	$22,210	$22,249	$28,436	$34,885
			SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
			ACCUMULATED CREDITS	**$1,035,415**	**$1,269,294**	**$1,031,945**	**$1,294,674**	**$1,562,368**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	6 **2029/ 2030**	7 **2030/ 2031**	8 **2031/ 2032**	9 **2032/ 2033**	10 **2033/ 2034**
5.4.1	Breezeway Railings - Replace	40	24					
5.4.2	Deck Railings - Replace	40	24					
5.4.3	Walkway Railings - Replace	40	24					
6.1.1	Breezeway Flooring - Resurface	4	3		$2,558			
6.1.2	Breezeway Flooring - Replace	20	16					
6.2.1	Decks/Lanais - Inspect & Repair	5	2		$65,763			
6.3.1	Upper Decks - Replace	40	7		$424,104			
6.3.2	First Level Decks - Replace	25	20					
6.4.1	Exterior Stucco - Inspect & Repair	20	5					
6.4.2	Exterior Wood - Repair	10	2					
7.2.1	Roof - Repair	5	6	$13,285				
7.2.2	Roof - Replace	20	2					
8.2.1	Windows - Replace	45	23					
8.2.2	Window Glazing - Repair Contingency	3	2			$6,683		
8.2.3	Sliding Glass Doors - Replace	45	23					
8.2.4	Skylights - Replace	20	10					$14,726
9.8.1	Exterior Painting - Repaint	10	4					
10.5.1	Mailboxes - Replace	30	25					
12.1.1	Carpet - Replace	20	17					
12.8.1	Stairwell - Clean & Paint	20	17					
14.1.1	Elevator Cab - Refurbish	20	1					
14.1.2	Elevator Equipment - Replace	40	1					
15.1.1	Building Plumbing - Contingency	5	4				$6,917	
15.1.2	Plumbing System - Partial Replacement	50	19					
16.3.1	Electrical System - Contingency	5	4				$6,917	
16.6.1	Exterior Lighting - Replace	25	2					
18.1.1	Doors & Hardware - Repair Contingency	5	4				$2,767	
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$13,285**	**$492,425**	**$6,683**	**$16,601**	**$14,726**
	ACCUMULATED CREDITS			$1,035,415	$1,269,294	$1,031,945	$1,294,674	$1,562,368
	ACCUMULATED DEBITS			$13,285	$492,425	$6,683	$16,601	$14,726
	YEAR-END BALANCE			**$1,022,130**	**$776,869**	**$1,025,262**	**$1,278,073**	**$1,547,642**

YEARS	**1**	**2-10**	**11-30**	6 (2030)	7 (2031)	8 (2032)	9 (2033)	10 (2034)
CONTRIBUTION INFLATION	0.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
COMPONENT COMPOUND INFLATION	3.0%	3.5%	3.5%	122.3%	126.6%	131.0%	135.6%	140.4%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

APPENDIX A

BAYVIEW ON THE LAKE-BLDG B

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $183,000
AND COMPOUND INFLATION

							16-Feb-24
			STARTING RESERVE BALANCE	$1,547,642	$1,821,249	$2,047,843	$2,279,467	$2,351,470
			ANNUAL RESERVE CONTRIBUTION	$258,140	$267,174	$178,201	$184,438	$190,893
			ESTIMATED INTEREST EARNED	$41,591	$47,767	$53,424	$57,172	$61,131
			SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
			ACCUMULATED CREDITS	**$1,847,373**	**$2,136,190**	**$2,279,467**	**$2,521,077**	**$2,603,494**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	11 2034/ 2035	12 2035/ 2036	13 2036/ 2037	14 2037/ 2038	15 2038/ 2039
5.4.1	Breezeway Railings - Replace	40	24					
5.4.2	Deck Railings - Replace	40	24					
5.4.3	Walkway Railings - Replace	40	24					
6.1.1	Breezeway Flooring - Resurface	4	3	$2,935				$3,368
6.1.2	Breezeway Flooring - Replace	20	16					
6.2.1	Decks/Lanais - Inspect & Repair	5	2		$78,106			
6.3.1	Upper Decks - Replace	40	7					
6.3.2	First Level Decks - Replace	25	20					
6.4.1	Exterior Stucco - Inspect & Repair	20	5					
6.4.2	Exterior Wood - Repair	10	2		$10,241			
7.2.1	Roof - Repair	5	6	$15,779				
7.2.2	Roof - Replace	20	2					
8.2.1	Windows - Replace	45	23					
8.2.2	Window Glazing - Repair Contingency	3	2	$7,410			$8,215	
8.2.3	Sliding Glass Doors - Replace	45	23					
8.2.4	Skylights - Replace	20	10					
9.8.1	Exterior Painting - Repaint	10	4				$141,676	
10.5.1	Mailboxes - Replace	30	25					
12.1.1	Carpet - Replace	20	17					
12.8.1	Stairwell - Clean & Paint	20	17					
14.1.1	Elevator Cab - Refurbish	20	1					
14.1.2	Elevator Equipment - Replace	40	1					
15.1.1	Building Plumbing - Contingency	5	4				$8,215	
15.1.2	Plumbing System - Partial Replacement	50	19					
16.3.1	Electrical System - Contingency	5	4				$8,215	
16.6.1	Exterior Lighting - Replace	25	2					
18.1.1	Doors & Hardware - Repair Contingency	5	4				$3,286	
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$26,124**	**$88,347**	**$0**	**$169,607**	**$3,368**
	ACCUMULATED CREDITS			$1,847,373	$2,136,190	$2,279,467	$2,521,077	$2,603,494
	ACCUMULATED DEBITS			$26,124	$88,347	$0	$169,607	$3,368
	YEAR-END BALANCE			**$1,821,249**	**$2,047,843**	**$2,279,467**	**$2,351,470**	**$2,600,126**

YEARS	1	2-10	11-30	11 (2035)	12 (2036)	13 (2037)	14 (2038)	15 (2039)
CONTRIBUTION INFLATION	0.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
COMPONENT COMPOUND INFLATION	3.0%	3.5%	3.5%	145.3%	150.4%	155.6%	161.1%	166.7%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

APPENDIX A

BAYVIEW ON THE LAKE-BLDG B

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $183,000
AND COMPOUND INFLATION

							16-Feb-24
			STARTING RESERVE BALANCE	$2,600,126	$2,766,178	$2,925,360	$3,212,786	$3,289,804
			ANNUAL RESERVE CONTRIBUTION	$197,574	$204,489	$211,646	$219,054	$226,721
			ESTIMATED INTEREST EARNED	$66,251	$70,266	$75,780	$80,279	$84,212
			SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
			ACCUMULATED CREDITS	**$2,863,951**	**$3,040,933**	**$3,212,786**	**$3,512,119**	**$3,600,736**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	16 **2039/ 2040**	17 **2040/ 2041**	18 **2041/ 2042**	19 **2042/ 2043**	20 **2043/ 2044**
5.4.1	Breezeway Railings - Replace	40	24					
5.4.2	Deck Railings - Replace	40	24					
5.4.3	Walkway Railings - Replace	40	24					
6.1.1	Breezeway Flooring - Resurface	4	3				$3,865	
6.1.2	Breezeway Flooring - Replace	20	16	$79,033				
6.2.1	Decks/Lanais - Inspect & Repair	5	2		$92,765			
6.3.1	Upper Decks - Replace	40	7					
6.3.2	First Level Decks - Replace	25	20					$59,267
6.4.1	Exterior Stucco - Inspect & Repair	20	5					
6.4.2	Exterior Wood - Repair	10	2					
7.2.1	Roof - Repair	5	6	$18,740				
7.2.2	Roof - Replace	20	2					
8.2.1	Windows - Replace	45	23					
8.2.2	Window Glazing - Repair Contingency	3	2		$9,109			$10,099
8.2.3	Sliding Glass Doors - Replace	45	23					
8.2.4	Skylights - Replace	20	10					
9.8.1	Exterior Painting - Repaint	10	4					
10.5.1	Mailboxes - Replace	30	25					
12.1.1	Carpet - Replace	20	17		$6,055			
12.8.1	Stairwell - Clean & Paint	20	17		$7,644			
14.1.1	Elevator Cab - Refurbish	20	1					
14.1.2	Elevator Equipment - Replace	40	1					
15.1.1	Building Plumbing - Contingency	5	4				$9,757	
15.1.2	Plumbing System - Partial Replacement	50	19				$195,033	
16.3.1	Electrical System - Contingency	5	4				$9,757	
16.6.1	Exterior Lighting - Replace	25	2					
18.1.1	Doors & Hardware - Repair Contingency	5	4				$3,903	
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$97,773**	**$115,573**	**$0**	**$222,315**	**$69,366**
	ACCUMULATED CREDITS			$2,863,951	$3,040,933	$3,212,786	$3,512,119	$3,600,736
	ACCUMULATED DEBITS			$97,773	$115,573	$0	$222,315	$69,366
	YEAR-END BALANCE			**$2,766,178**	**$2,925,360**	**$3,212,786**	**$3,289,804**	**$3,531,370**

YEARS	1	2-10	11-30	16 (2040)	17 (2041)	18 (2042)	19 (2043)	20 (2044)
CONTRIBUTION INFLATION	0.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
COMPONENT COMPOUND INFLATION	3.0%	3.5%	3.5%	172.6%	178.6%	184.9%	191.3%	198.0%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

APPENDIX A

BAYVIEW ON THE LAKE-BLDG B

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $183,000
AND COMPOUND INFLATION

							16-Feb-24
			STARTING RESERVE BALANCE	$3,531,370	$3,762,080	$3,594,636	$1,277,046	$564,430
			ANNUAL RESERVE CONTRIBUTION	$234,656	$242,869	$251,369	$260,167	$269,273
			ESTIMATED INTEREST EARNED	$90,043	$90,824	$60,144	$22,734	$15,222
			SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
			ACCUMULATED CREDITS	**$3,856,069**	**$4,095,773**	**$3,906,150**	**$1,559,947**	**$848,926**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	21 **2044/ 2045**	22 **2045/ 2046**	23 **2046/ 2047**	24 **2047/ 2048**	25 **2048/ 2049**
5.4.1	**Breezeway Railings - Replace**	40	24				$204,211	
5.4.2	**Deck Railings - Replace**	40	24				$449,279	
5.4.3	**Walkway Railings - Replace**	40	24				$114,365	
6.1.1	**Breezeway Flooring - Resurface**	4	3			$4,435		
6.1.2	**Breezeway Flooring - Replace**	20	16					
6.2.1	**Decks/Lanais - Inspect & Repair**	5	2		$110,176			
6.3.1	**Upper Decks - Replace**	40	7					
6.3.2	**First Level Decks - Replace**	25	20					
6.4.1	**Exterior Stucco - Inspect & Repair**	20	5					$168,744
6.4.2	**Exterior Wood - Repair**	10	2		$14,445			
7.2.1	**Roof - Repair**	5	6	$22,257				
7.2.2	**Roof - Replace**	20	2		$376,516			
8.2.1	**Windows - Replace**	45	23			$1,462,877		
8.2.2	**Window Glazing - Repair Contingency**	3	2			$11,197		
8.2.3	**Sliding Glass Doors - Replace**	45	23			$1,150,595		
8.2.4	**Skylights - Replace**	20	10					
9.8.1	**Exterior Painting - Repaint**	10	4				$199,849	
10.5.1	**Mailboxes - Replace**	30	25					$11,618
12.1.1	**Carpet - Replace**	20	17					
12.8.1	**Stairwell - Clean & Paint**	20	17					
14.1.1	**Elevator Cab - Refurbish**	20	1	$71,732				
14.1.2	**Elevator Equipment - Replace**	40	1					
15.1.1	**Building Plumbing - Contingency**	5	4				$11,589	
15.1.2	**Plumbing System - Partial Replacement**	50	19					
16.3.1	**Electrical System - Contingency**	5	4				$11,589	
16.6.1	**Exterior Lighting - Replace**	25	2					
18.1.1	**Doors & Hardware - Repair Contingency**	5	4				$4,635	
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$93,989**	**$501,137**	**$2,629,104**	**$995,517**	**$180,362**
	ACCUMULATED CREDITS			$3,856,069	$4,095,773	$3,906,150	$1,559,947	$848,926
	ACCUMULATED DEBITS			$93,989	$501,137	$2,629,104	$995,517	$180,362
	YEAR-END BALANCE			**$3,762,080**	**$3,594,636**	**$1,277,046**	**$564,430**	**$668,564**

YEARS	**1**	**2-10**	**11-30**	21 (2045)	22 (2046)	23 (2047)	24 (2048)	25 (2049)
CONTRIBUTION INFLATION	0.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
COMPONENT COMPOUND INFLATION	3.0%	3.5%	3.5%	204.9%	212.1%	219.5%	227.2%	235.2%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

APPENDIX A

BAYVIEW ON THE LAKE-BLDG B

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $183,000
AND COMPOUND INFLATION

16-Feb-24

			STARTING RESERVE BALANCE	$668,564	$928,125	$1,059,624	$1,388,395	$1,688,581
			ANNUAL RESERVE CONTRIBUTION	$278,698	$288,452	$298,548	$308,997	$319,812
			ESTIMATED INTEREST EARNED	$19,712	$24,540	$30,222	$37,987	$45,846
			SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
			ACCUMULATED CREDITS	**$966,974**	**$1,241,117**	**$1,388,395**	**$1,735,379**	**$2,054,240**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	26 **2049/ 2050**	27 **2050/ 2051**	28 **2051/ 2052**	29 **2052/ 2053**	30 **2053/ 2054**
5.4.1	Breezeway Railings - Replace	40	24					
5.4.2	Deck Railings - Replace	40	24					
5.4.3	Walkway Railings - Replace	40	24					
6.1.1	Breezeway Flooring - Resurface	4	3		$5,089			
6.1.2	Breezeway Flooring - Replace	20	16					
6.2.1	Decks/Lanais - Inspect & Repair	5	2		$130,854			
6.3.1	Upper Decks - Replace	40	7					
6.3.2	First Level Decks - Replace	25	20					
6.4.1	Exterior Stucco - Inspect & Repair	20	5					
6.4.2	Exterior Wood - Repair	10	2					
7.2.1	Roof - Repair	5	6	$26,435				
7.2.2	Roof - Replace	20	2					
8.2.1	Windows - Replace	45	23					
8.2.2	Window Glazing - Repair Contingency	3	2	$12,414			$13,764	
8.2.3	Sliding Glass Doors - Replace	45	23					
8.2.4	Skylights - Replace	20	10					$29,301
9.8.1	Exterior Painting - Repaint	10	4					
10.5.1	Mailboxes - Replace	30	25					
12.1.1	Carpet - Replace	20	17					
12.8.1	Stairwell - Clean & Paint	20	17					
14.1.1	Elevator Cab - Refurbish	20	1					
14.1.2	Elevator Equipment - Replace	40	1					
15.1.1	Building Plumbing - Contingency	5	4				$13,764	
15.1.2	Plumbing System - Partial Replacement	50	19					
16.3.1	Electrical System - Contingency	5	4				$13,764	
16.6.1	Exterior Lighting - Replace	25	2		$45,550			
18.1.1	Doors & Hardware - Repair Contingency	5	4				$5,506	
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$38,849**	**$181,493**	**$0**	**$46,798**	**$29,301**
	ACCUMULATED CREDITS			$966,974	$1,241,117	$1,388,395	$1,735,379	$2,054,240
	ACCUMULATED DEBITS			$38,849	$181,493	$0	$46,798	$29,301
	YEAR-END BALANCE			**$928,125**	**$1,059,624**	**$1,388,395**	**$1,688,581**	**$2,024,939**

YEARS	**1**	**2-10**	**11-30**	26 (2050)	27 (2051)	28 (2052)	29 (2053)	30 (2054)
CONTRIBUTION INFLATION	0.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
COMPONENT COMPOUND INFLATION	3.0%	3.5%	3.5%	243.4%	251.9%	260.8%	269.9%	279.3%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

5.4.1 Breezeway Railings - Replace — Ext Envelope

Maintenance Cycle: 40 years
Next Maintenance: Year 24 (2048)
Quantity: 400 Linear Feet
Unit Cost: $203.88 / LF
Estimate: 400 LF X 100% X $203.88/LF = $81,552 + tax = $89,870
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The factory finished aluminum railings with glass inserts located at the breezeways on the east elevation of Building B appeared to be in good condition, with no issues reported by the Association. This component budgets funds to replace the railings at the end of their anticipated useful life. Periodic maintenance and repairs were reported to be paid for out of the operating budget. At the request of the Association the unit quantity has been updated.

FUTURE MAINTENANCE	
YEAR	COST
24 (2048)	$204,211

5.4.2 Deck Railings - Replace — Ext Envelope

Maintenance Cycle: 40 years
Next Maintenance: Year 24 (2048)
Quantity: 880 Linear Feet
Unit Cost: $203.89 / LF
Estimate: 880 LF X 100% X $203.89/LF = $179,423 + tax = $197,720
Cost Source: RCL Database
General Condition: Reported Good

2024 Notes: No new updates were reported.

Previous Notes: The factory finished fascia mounted aluminum railings with glass inserts located at the individual unit decks of Building B, along the west elevation were reported to be in good condition with no issues. This component budgets funds to replace the railings when they have reached the end of their anticipated useful life. Periodic maintenance and repairs were reported to be paid for out of the operating budget.

FUTURE MAINTENANCE	
YEAR	COST
24 (2048)	$449,279

5.4.3 Walkway Railings - Replace — Ext Envelope

Maintenance Cycle: 40 years
Next Maintenance: Year 24 (2048)
Quantity: 320 Linear Feet
Unit Cost: $142.72 / LF
Estimate: 320 LF X 100% X $142.72/LF = $45,670 + tax = $50,330
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The factory finished aluminum railings located along the ground level walkways appeared in good condition with no issues reported by the Association. This component budgets funds to replace the railings at the end of their anticipated useful life. Periodic maintenance and repairs are expected to be paid for out of the operating budget.

FUTURE MAINTENANCE	
YEAR	COST
24 (2048)	$114,365

6.1.1 Breezeway Flooring - Resurface — Ext Envelope

Maintenance Cycle: 4 years
Next Maintenance: Year 3 (2027)
Quantity: 4,160 Square Feet
Unit Cost: $0.44 / SF
Estimate: 4,160 SF X 100% X $0.44/SF = $1,830 + tax = $2,020
Cost Source: RCL Database
General Condition: Good/Fair

2024 Notes: At the request of the Association representative the next maintenance year was moved to 2026/2027.

Previous Notes: The breezeway flooring of Building B is a Westcoat ALX system that appeared to be in good condition with no issues reported by the Association. This component budgets funds to resurface the acrylic top coat every maintenance cycle. It is recommend by the manufacture to apply a new top coat every 4-5 years to help the system reach its expected useful life. The Westcoat ALX system was installed in 2018/2019.

FUTURE MAINTENANCE	
YEAR	COST
3 (2027)	$2,229
7 (2031)	$2,558
11 (2035)	$2,935
15 (2039)	$3,368
19 (2043)	$3,865
Repeat Every 4 Years	

6.1.2 Breezeway Flooring - Replace — Ext Envelope

Maintenance Cycle: 20 years
Next Maintenance: Year 16 (2040)
Quantity: 4,160 Square Feet
Unit Cost: $9.99 / SF
Estimate: 4,160 SF X 100% X $9.99/SF = $41,558 + tax = $45,800
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The breezeway flooring of Building B is a Westcoat ALX system that appeared to be in good condition with no issues reported by the Association. This component budgets funds to replace the Westcoat ALX system when it reaches its anticipated useful life. It is recommend by the manufacture to apply a new top coat every 4-5 years to help the system reach its expected useful life. The Westcoat ALX system was installed in 2018/2019.

FUTURE MAINTENANCE	
YEAR	COST
16 (2040)	$79,033

6.2.1 Decks/Lanais - Inspect & Repair — Ext Envelope

Maintenance Cycle: 5 years
Next Maintenance: Year 2 (2026)
Quantity: 28 Each
Unit Cost: $16,833.03 / EA
Estimate: 28 EA X 10% X $16,833.03/EA = $47,132 + tax = $51,940
Cost Source: RCL Database
General Condition: Reported Good

2024 Notes: No new updates were reported.

Previous Notes: The decks and lanais located at Building B were reported to be in good condition with no issues. This component budgets funds for inspections and repairs to the structure and associated flashings of the decks of all the decks/lanais to prevent major issues and reduce the costs in the future. At the request of the Association the unit quantity has been updated to reflect all of the decks and lanais at Building B. It was reported that the decks on the south end of the building had structural issues that were addressed in 2020 with other exterior repairs completed that year. It is our understanding that the walking surface of the decks is the unit owner's responsibility to maintain.

FUTURE MAINTENANCE	
YEAR	COST
2 (2026)	$55,371
7 (2031)	$65,763
12 (2036)	$78,106
17 (2041)	$92,765
22 (2046)	$110,176
Repeat Every 5 Years	

6.3.1 Upper Decks - Replace — Ext Envelope

Maintenance Cycle: 40 years
Next Maintenance: Year 7 (2031)
Quantity: 21 Each
Unit Cost: $16,830.37 / EA
Estimate: 21 EA X 86% X $16,830.37/EA = $303,956 + tax = $334,960
Cost Source: Community Representative
General Condition: Good/Fair

2024 Notes: No new updates were reported.

Previous Notes: Out of all of the 28 Building B unit decks, 21 are cantilevered lanais. The lanais of Building B were reported to be in good condition with no issues. In 2020, all of the ground floor decks and 3 cantilevered lianas (204, 303, 404) were replaced. The Association anticipates that within the next 10 years the remaining 18 cantilevered lanais will require replacement at an expected cost of $16,000 each. This component budgets funds to replace the remaining 18 cantilevered lanais at the end of their anticipated useful life. Funds may be used sooner if deemed appropriate.

FUTURE MAINTENANCE	
YEAR	COST
7 (2031)	$424,104

6.3.2 First Level Decks - Replace — Ext Envelope

Maintenance Cycle: 25 years
Next Maintenance: Year 20 (2044)
Quantity: 720 Square Feet
Unit Cost: $37.72 / SF
Estimate: 720 SF X 100% X $37.72/SF = $27,158 + tax = $29,930
Cost Source: RCL Database
General Condition: Reported Good

2024 Notes: No new updates were reported.

Previous Notes: The ground floor decks of Building B were reported to be in great condition with no issues. This component budgets funds for future replacement of the ground floor decks. The first level decks were reported to be replaced as part of the exterior repairs completed in 2020. We understand that the decks were replaced with a composite material for low maintenance. Future maintenance assumes that the decks have a composite material such as Trex on the walking surface and pressure treated structural elements.

FUTURE MAINTENANCE	
YEAR	COST
20 (2044)	$59,267

6.4.1 Exterior Stucco - Inspect & Repair — Ext Envelope

Maintenance Cycle: 20 years
Next Maintenance: Year 5 (2029)
Quantity: 23,000 Square Feet
Unit Cost: $28.31 / SF
Estimate: 23,000 SF X 10% X $28.31/SF = $65,113 + tax = $71,750
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The exterior stucco on Building B appeared to be in good condition with no issues reported. This component budgets funds for inspections and repairs to approximately 10% of the stucco every maintenance cycle. It was recommended during the 2018/2019 site visit to have the stucco inspected to determine areas of rot, it was not reported if an inspection has been completed.

FUTURE MAINTENANCE	
YEAR	COST
5 (2029)	$84,805
25 (2049)	$168,744

6.4.2 Exterior Wood - Repair — Ext Envelope

Maintenance Cycle: 10 years
Next Maintenance: Year 2 (2026)
Quantity: 20,000 Lump Sum
Unit Cost: $6,810.00 / LS
Estimate: $6,810
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The exterior wood on Building B appeared to be in good condition with no issues reported by the Association. This component budgets funds for selective repairs to the wood, that has been aligned with each paint cycle, when damage is most likely to be found. The exterior of the building has wood columns, roof fascia, railings, siding throughout the walkways, and sections of siding on the east side. Based on the current condition of the exterior paint the next maintenance year has been moved to 2025/2026.

FUTURE MAINTENANCE	
YEAR	COST
2 (2026)	$7,260
12 (2036)	$10,241
22 (2046)	$14,445

7.2.1 Roof - Repair — Ext Envelope

Maintenance Cycle: 5 years
Next Maintenance: Year 6 (2030)
Quantity: 158 Roofing Squares
Unit Cost: $2,079.07 / SQ
Estimate: 158 SQ X 3% X $2,079.07/SQ = $9,855 + tax = $10,860
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The next roof repair for Building B is budgeted 5 years after the completion of the roof replacement project. It was reported that the Association pays for an annual maintenance contract for roof inspections and maintenance, with funds out of the operating budget. This component budgets funds for repairs beyond regular maintenance outside the contract to help ensure the roof reaches its full anticipated useful life. It was reported that $6,800 was spent on repairs.

FUTURE MAINTENANCE	
YEAR	COST
6 (2030)	$13,285
11 (2035)	$15,779
16 (2040)	$18,740
21 (2045)	$22,257
26 (2050)	$26,435
Repeat Every 5 Years	

7.2.2 Roof - Replace — Ext Envelope

Maintenance Cycle: 20 years
Next Maintenance: Year 2 (2026)
Quantity: 158 Roofing Squares
Unit Cost: $1,019.44 / SQ
Estimate: 158 SQ X 100% X $1,019.44/SQ = $161,072 + tax = $177,500
Cost Source: Bid
General Condition: Fair

2024 Notes: The Association reported plans for the roof replacement in 2025/2026. The Association reported a Special Assessment of $124,310 will be collected in 2025/2026 to raise funds for the roof replacement.
Previous Notes: During the site visit it was noted that there was significant water pooling and cracked caulking around the vents on the roof of Building B. The roof is reaching the end of its anticipated useful life and the Association is planning to apply an 80 mil TPO single ply thermoplastic layer over the current roof, and an insulation board mechanically fastened to the roof surface. This will be just be a layer applied over the existing roof and not a complete roof replacement. This component budgets funds for a new roof layer over the existing roof. The cost of the roof replacement was estimated by taking the mean cost of a new roof, applying an inflation factor of 20% in four years, and an additional 20% contingency that the board recommended. The Association indicated that about $40,000 of the proposed budget is deemed to be in Building B Reserves, with the remaining $124,310 to be assessed either through the regular reserve contributions beginning April 1, 2022 ($3,413 per month) or through a special assessment. For budgeting purposes we show a single special assessment in 2024/2025 in the amount of $124,310.

FUTURE MAINTENANCE	
YEAR	COST
2 (2026)	$189,224
22 (2046)	$376,516

8.2.1 Windows - Replace — Ext Envelope

Maintenance Cycle: 45 years
Next Maintenance: Year 23 (2047)
Quantity: 178 Each
Unit Cost: $3,396.89 / EA
Estimate: 178 EA X 100% X $3,396.89/EA = $604,646 + tax = $666,320
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The windows of Building B appeared to be in good condition with no issues reported by the Association. This component budgets funds to replace the windows once they have been in service for 45 years. Windows are typically replaced because they are not operating properly, to update their appearance and/or to capture better energy efficiency. Records indicate that the windows were replaced in 2002. We expect that failed insulated glazing units will be replaced as needed with funds from the operating budget.

FUTURE MAINTENANCE	
YEAR	COST
23 (2047)	$1,462,877

8.2.2 Window Glazing - Repair Contingency — Ext Envelope

Maintenance Cycle: 3 years
Next Maintenance: Year 2 (2026)
Quantity: 1 Lump Sum
Unit Cost: $5,100.00 / LS
Estimate: $5,100
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: At the request of the Association a new component has been added to budget funds for periodic window glazing repairs. This component budgets contingency funds to repair window glazing as needed by the Association. The component has been set to budget $5,000 every 3 years.

FUTURE MAINTENANCE	
YEAR	COST
2 (2026)	$5,437
5 (2029)	$6,028
8 (2032)	$6,683
11 (2035)	$7,410
14 (2038)	$8,215
Repeat Every 3 Years	

8.2.3 Sliding Glass Doors - Replace — Ext Envelope

Maintenance Cycle: 45 years
Next Maintenance: Year 23 (2047)
Quantity: 28 Each
Unit Cost: $16,984.70 / EA
Estimate: 28 EA X 100% X $16,984.70/EA = $475,572 + tax = $524,080
Cost Source: RCL Database
General Condition: Reported Good

2024 Notes: No new updates were reported.

Previous Notes: The sliding glass doors were reported to have no issues. This component budgets funds to replace the sliding glass doors once the doors have been in service approximately 45 years. Similar to windows, sliding glass doors are typically replaced because they are not operating properly, to update their appearance and/or to capture better energy efficiency. Records indicate that the sliding glass doors were replaced in 2002. We expect that failed insulated glazing units will be replaced as needed with funds from the operating budget.

FUTURE MAINTENANCE	
YEAR	COST
23 (2047)	$1,150,595

8.2.4 Skylights - Replace — Ext Envelope

Maintenance Cycle: 20 years
Next Maintenance: Year 10 (2034)
Quantity: 7 Each
Unit Cost: $1,359.87 / EA
Estimate: 7 EA X 100% X $1,359.87/EA = $9,519 + tax = $10,490
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The skylights appeared to be in good condition with no issues reported by the Association. This component budgets funds to replace the skylights, this is typically done with the roof replacement so that they can be tied into the roof properly. However, the next roof replacement will be just adding a layer and is not replacing the whole roof, so the skylights will be replaced either with the following roof replacement or when they reach their anticipated end of useful life. The skylights were installed on July 15, 2014.

FUTURE MAINTENANCE	
YEAR	COST
10 (2034)	$14,726
30 (2054)	$29,301

9.8.1 Exterior Painting - Repaint — Ext Envelope

Maintenance Cycle: 10 years
Next Maintenance: Year 4 (2028)
Quantity: 23,000 Square Feet
Unit Cost: $3.47 / SF
Estimate: 23,000 SF X 100% X $3.47/SF = $79,810 + tax = $87,950
Cost Source: RCL Database
General Condition: Good

2024 Notes: At the request of the Association the next exterior painting has been moved to 2027/2028.

Previous Notes: The exterior paint appeared to be weathering as expected with no issues reported. This component budgets funds for painting the wood and stucco siding. The stucco components do not require painting to protect the siding, and are often painted for aesthetic reasons. However, the wood trim and siding does require regular paint applications to protect the material from water. The exterior of the building was painted in 2015 at a cost of $74,100. Based on the current conditions the next painting has been moved to 2025/2026 to allow the Association to focus on other expenses.

FUTURE MAINTENANCE

YEAR	COST
4 (2028)	$100,437
14 (2038)	$141,676
24 (2048)	$199,849

10.5.1 Mailboxes - Replace — Specialties

Maintenance Cycle: 30 years
Next Maintenance: Year 25 (2049)
Quantity: 2 Each
Unit Cost: $2,241.38 / EA
Estimate: 2 EA X 100% X $2,241.38/EA = $4,483 + tax = $4,940
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The mailboxes appeared in good condition with no issues reported by the Association. This component budgets funds to replace the mailboxes at the end of their anticipated useful life. The mailboxes were replaced in 2019/2020 in conjunction with the exterior repairs.

FUTURE MAINTENANCE

YEAR	COST
25 (2049)	$11,618

12.1.1 Carpet - Replace — Finishes/Furnishings

Maintenance Cycle: 20 years
Next Maintenance: Year 17 (2041)
Quantity: 55 Square Yards
Unit Cost: $55.93 / SY
Estimate: 55 SY X 100% X $55.93/SY = $3,076 + tax = $3,390
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The stairwell carpet appeared in good condition with no issues reported by the Association. This component budgets funds to replace the carpet, replacement of the carpet is primarily an aesthetic consideration based on the Association's tolerance for wear and tear. The Association indicated that stairwell carpet was replaced in 2020/2021 at a cost of $1,760.

FUTURE MAINTENANCE

YEAR	COST
17 (2041)	$6,055

12.8.1 Stairwell - Clean & Paint — Finishes/Furnishings

Maintenance Cycle: 20 years
Next Maintenance: Year 17 (2041)
Quantity: 2,000 Square Feet
Unit Cost: $1.94 / SF
Estimate: 2,000 SF X 100% X $1.94/SF = $3,880 + tax = $4,280
Cost Source: Bid
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The stairwell walls appeared clean and the paint was in good condition. This component budgets funds to clean and paint the stairwells. The stairwell was reportedly repainted at a cost of $3,746 in 2020/2021.

FUTURE MAINTENANCE

YEAR	COST
17 (2041)	$7,644

14.1.1 Elevator Cab - Refurbish — Elevator

Maintenance Cycle: 20 years
Next Maintenance: Year 1 (2025)
Quantity: 1 Lump Sum
Unit Cost: $35,000.00 / LS
Estimate: $35,000
Cost Source: Community Representative
General Condition: Serviceable

2024 Notes: The Association representative reported the cab may be refurbished shortly after completion of the elevator upgrade project in 2024/2025.

Previous Notes: The elevator cab appeared out dated and coming due for a refurbishment. The Association plans to refurbish the elevator cab in 2023/2024. They have already collected a Special Assessment of $320,000 in order to pay for the project. The cost has been updated based on the cost the Association experienced refurbishing Building A's elevator cab. This component budgets funds to refurbish the elevator cab of Building B. Similar to the carpet replacement, this is an aesthetic consideration that should be updated to meet the needs of the Association.

FUTURE MAINTENANCE	
YEAR	COST
1 (2025)	$36,050
21 (2045)	$71,732

14.1.2 Elevator Equipment - Replace — Elevator

Maintenance Cycle: 40 years
Next Maintenance: Year 1 (2025)
Quantity: 1 Lump Sum
Unit Cost: $275,000.00 / LS
Estimate: $275,000
Cost Source: Community Representative
General Condition: Serviceable

2024 Notes: The Association reported that work on the elevator for Building B will begin in April 2024. According to the manager the project cost is about $275,000.

Previous Notes: The elevator equipment appeared out dated and coming due for a major upgrade. The Association plans to upgrade the elevator in 2023/2024. They have already collected a Special Assessment of $275,000 in order to pay for the project. This component budgets funds for major upgrades to the elevator equipment of Building B. It is intended to cover the cost of major repairs and replacements not covered under a typical full service contract, such as replacing the hydraulic cylinder. The Association's elevator is on a full service contract that keeps it operational at all times.

FUTURE MAINTENANCE	
YEAR	COST
1 (2025)	$283,250

15.1.1 Building Plumbing - Contingency — Life Safety

Maintenance Cycle: 5 years
Next Maintenance: Year 4 (2028)
Quantity: 1 Lump Sum
Unit Cost: $5,100.00 / LS
Estimate: $5,100
Cost Source: RCL Database
General Condition: Reported Good

2024 Notes: No new updates were reported.

Previous Notes: A plumbing contingency was added to the reserves in 2023. This component budgets contingency funds to be used to repair leaks, replace damaged pipes, or pay for plumbing inspections to maintain the plumbing components of Building B.

FUTURE MAINTENANCE	
YEAR	COST
4 (2028)	$5,824
9 (2033)	$6,917
14 (2038)	$8,215
19 (2043)	$9,757
24 (2048)	$11,589
Repeat Every 5 Years	

15.1.2 Plumbing System - Partial Replacement — Life Safety

Maintenance Cycle: 50 years
Next Maintenance: Year 19 (2043)
Quantity: 1 Lump Sum
Unit Cost: $101,940.00 / LS
Estimate: $101,940
Cost Source: Community Representative
General Condition: Not Observed

2024 Notes: No new updates were reported.

Previous Notes: A plumbing system partial replacement component was added to the reserve study in 2023 to financially prepare the Association for the major expense of replacing the plumbing system. This component budgets funds to replace a portion of Building B's plumbing when it has reached the end of its anticipated useful life. A place holder amount of $100,000 has been set and will be updated when more information is provided about the amount of plumbing needed to be replaced.

FUTURE MAINTENANCE	
YEAR	COST
19 (2043)	$195,033

16.3.1 Electrical System - Contingency — Life Safety

Maintenance Cycle: 5 years
Next Maintenance: Year 4 (2028)
Quantity: 1 Lump Sum
Unit Cost: $5,100.00 / LS
Estimate: $5,100
Cost Source: RCL Database
General Condition: Not Observed

2024 Notes: No new updates were reported.

Previous Notes: At the request of the Association an electrical contingency fund has been added. This component budgets contingency funds to be used to replace the housing units for the meter boxes and any additional electrical components in Building B.

FUTURE MAINTENANCE	
YEAR	COST
4 (2028)	$5,824
9 (2033)	$6,917
14 (2038)	$8,215
19 (2043)	$9,757
24 (2048)	$11,589
Repeat Every 5 Years	

16.6.1 Exterior Lighting - Replace — Life Safety

Maintenance Cycle: 25 years
Next Maintenance: Year 2 (2026)
Quantity: 70 Each
Unit Cost: $234.38 / EA
Estimate: 70 EA X 100% X $234.38/EA = $16,407 + tax = $18,080
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: The exterior lighting appeared in good condition with no issues reported by the Association. This component budgets funds for replacement of the wall mounted fixtures located at the entry doors, exterior decks and in the walkways when they reach the end of their anticipated useful life or if the Association wants to update the look of their building. The next maintenance year has been updated to align the exterior lighting replacement with painting the exterior.

FUTURE MAINTENANCE	
YEAR	COST
2 (2026)	$19,274
27 (2051)	$45,550

18.1.1 Doors & Hardware - Repair Contingency — Security

Maintenance Cycle: 5 years
Next Maintenance: Year 4 (2028)
Quantity: 56 Lump Sum
Unit Cost: $2,040.00 / LS
Estimate: $2,040
Cost Source: RCL Database
General Condition: Good

2024 Notes: No new updates were reported.

Previous Notes: No issues were reported with the unit entry and common area doors and hardware. This component budgets funds to replace up to 3 doors and hardware sets per maintenance cycle since it is unlikely that all of the doors will be replaced at once. This includes entry doors, doors to decks and stairwells. The next anticipated maintenance has been reset one full cycle.

FUTURE MAINTENANCE	
YEAR	COST
4 (2028)	$2,330
9 (2033)	$2,767
14 (2038)	$3,286
19 (2043)	$3,903
24 (2048)	$4,635
Repeat Every 5 Years	