

**SUMMERFIELD TOWNHOUSE SERVICE ASSOCIATION NO. 1**

**MAINTENANCE PLAN UPDATE**

**LEVEL II: UPDATE WITH VISUAL SITE INSPECTION**

**BUDGET YEAR**

**January 1, 2026 to December 31, 2026**

## **SUMMERFIELD TOWNHOUSE SERVICE ASSOCIATION NO. 1**

### **Executive Summary**

#### **Year of Report:**

January 1, 2026 to December 31, 2026

#### **Number of Units:**

54 Units

#### **Parameters:**

Beginning Balance: \$111,789

Year 2026 Suggested Contribution: \$115,000

Year 2026 Projected Interest Earned: \$2,767

Inflation: 3.00%

Annual Increase to Suggested Contribution: 3.00%

Lowest Cash Balance Over 30 Years (Threshold): \$84,166

Average Reserve Assessment per Unit: \$177.47

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**Summerfield Townhouse Service Association No. 1  
Maintenance Plan  
Reserve Study Update – Onsite  
Disclosure Information  
2026**

We have conducted an onsite reserve study update and maintenance plan update for Summerfield Townhouse Service Association No. 1 for the year beginning January 1, 2026, in accordance with guidelines established by the Community Associations Institute and the American Institute of Certified Public Accountants.

This reserve study and maintenance plan complies with the legislative changes made in 2007 to ORS Chapters 94 and 100.

In addition to providing the reserve study and maintenance plan, we also provide tax and review/audit services to the Association through an affiliate company.

Schwindt and Company believes that every association should have a complete building envelope inspection within 12 months of completion of all construction. This inspection must be performed by a licensed building envelope inspector. Ongoing inspections of the property should be performed by a licensed inspector, with the exception of a roof inspection which may be performed by a licensed roofing contractor.

Associations should have a complete building envelope study conducted every 3-5 years. If the Association chooses not to engage a qualified engineer or architect to perform a building envelope inspection, the Association should be 100% funded using the fully funded method of funding to ensure funds are available to pay for unexpected costs.

Assumptions used for inflation, interest, and other factors are detailed on page 17. Income tax factors were not considered due to the uncertainty of factors affecting net taxable income and the election of tax forms to be filed.

David T. Schwindt, the representative in charge of this report, is a designated Reserve Study Specialist and Certified Public Accountant licensed in the states of Oregon, Washington, California, and Arizona.

All information regarding the useful life and cost of reserve components was derived from the Association, local vendors, and/or from various construction pricing and scheduling manuals.

The terms *RS Means*, *National Construction Estimator*, and *Fannie Mae Expected Useful Life Tables and Forms* refer to construction industry estimating databases that are used throughout the industry to establish cost estimates and useful life estimates for common building components and products. We suggest that the Association obtain firm bids for these services.

### **Increases in Roofing and Painting Costs**

Over the last several years, roofing, painting, and other costs have increased at a dramatic pace. Schwindt and Company has noted this in our reserve studies. We were not sure if this was a temporary price increase or the new normal in pricing. We are now of the opinion that these increased prices will most likely continue. Roofing costs have nearly doubled and painting costs have increased 50%. It is still possible to keep the increases to a minimum if Associations can find a vendor that will perform the work at a reduced price, however, these vendors are becoming rare.

The main reason for increased prices aside from normal cost increases appears to be the availability of labor. Many workers left the industry during the downturn and have not reentered the job market thus driving up wage costs to attract qualified workers. Roofers and painters are also seeing increased demand for their services due to aging association property. These factors have created the perfect storm for increased prices.

These increases are being built into cost estimates and required contributions. Associations have seen an increase in the

suggested reserve contributions beginning with the 2018/2019 budget years and depending on the year the roofing and painting projects occur, the increases may be substantial. As of 2020, we are seeing the prices remain at the elevated rate.

In 2023, the average annual inflation rate was 4.12% and has reduced to 2.75% in November 2024 . At this time, Schwindt and Company is recommending an inflation rate of 3% in reserve studies. We will continue to monitor the inflation rate throughout this period. More information can be found at [https://inflationdata.com/Inflation/Inflation\\_Rate/HistoricalInflation.aspx](https://inflationdata.com/Inflation/Inflation_Rate/HistoricalInflation.aspx).

Currently, the price of oil has fluctuated greatly, and there are ongoing issues with the supply chain. As of now, it is unknown when these factors will be resolved, making it difficult to predict prices. We recommend the Association begin the replacement process several years out, including inspection, creation of a scope of work, and a competitive bidding process. For large projects, associations may choose to sign contracts a year before the work is to occur so that they can get scheduled during the spring and summer.

**Per Section 5.1(m) and (n) of the Association's amended and restated Bylaws, the plumbing study and electrical study has been removed from the reserve study. Per e-mail from the board of directors on September 23, 2019, each unit has its own electrical and plumbing connections.**

**Article V, Section 5.1 of the Association's Amended and Restated Bylaws states, the Association is responsible for the following upon each Residential Unit, which constitute common expenses of the Association:**

- a. **Paint, repair, and replace and maintain the roofs of both home and garage, roof flashings, vents, gutters, downspouts, exterior building surfaces including siding.**
- b. **Paint and repair signage of street address on garage.**
- c. **Replacement of light bulbs and glass/plastic panels for street post lamps (not street lights maintained by the city); installation of photo sensors controlling the light over mail slots. Installation of the photo sensors must be done by a licensed electrical contractor.**
- d. **Perform exterior repairs, maintenance and improvements as the Board of Directors determines from time to time to be necessary or appropriate. The Board shall be at all times authorized and empowered on behalf of the Association to contract for the performance of exterior maintenance in accordance with the Bylaws of the Association.**
- e. **Maintain landscaping and plantings on the Properties within backyards, areas in front of courtyards upon all lots, areas between adjacent lots, and areas adjacent to end units.**

**Article V, Section 5.2 of the Association's Amended and Restated Bylaws states, owners are responsible for all maintenance, repair and replacement of Owner's residential unit and to owner's lot for which the Association is not responsible under Section 5.1, including without limitation:**

- a. **The washing, maintenance and replacement of glass surfaces;**
- b. **Maintenance, replacement and painting of front lamp posts;**
- c. **Maintenance, repair and replacement of garage door. The cost of painting of the garage doors is borne by the Unit owner unless garage painting is required at the time of regular painting. (Paint is furnished by the Association.)**
- d. **Repair, maintenance and replacement of all concrete on owners lot, including curbs, sidewalks, planting strips, and driveways as required by City of Tigard.**
- e. **Golfing screens, fences, brick, wood, wrought iron, composite and attached gates. Chain link or wire fencing is not permitted.**
- f. **All owner-installed components, including but not limited to solar tubes, skylights, attic fans, windows, doors,**

**and antennas, as well as any resulting damage from such installation, performance, or any failure to maintain such owner-installed components.**

- g. Maintenance of decks and patios to include repair, replace and paint, except the Association shall be responsible for painting the stairway railings during the normal course of exterior building painting.**
- h. Maintenance of awnings to include repair and replacement.**
- i. Insect and pest control – interior and exterior.**
- j. Fireplace and chimney cleaning. Repair and maintenance of heating and air conditioning units.**
- k. Maintenance of smoke alarms and carbon monoxide alarms inside homes.**
- l. Maintenance of dryer vents.**
- m. Maintenance, repair or replacement of all underground utilities servicing the unit which fall between the street and the unit. This includes, but is not limited to, the electrical, gas, water, telephone, TV cable, electrical conductors to the street lamp, and storm and sanitary sewer lines.**
- n. Maintenance, repair or replacement of all wiring and plumbing inside home and garage, along with wiring and plumbing inside walls.**

An earthquake insurance deductible is not included in the reserve study.

Many reserve studies do not include components such as the structural building envelope, plumbing (including water supply and piping), electrical systems, and water/sewer systems because they are deemed to be beyond the usual 30-year threshold and reserve study providers are generally not experts in determining the estimated useful lives and replacement costs of such assets. Associations that are 20+ years in age should consider adding funding for these components because the eventual cost may be one of the largest expenditures in the study. Because the eventual replacement costs and determination of the estimated useful life of such components depend on several factors, it is advisable to hire experts to advise the Association on such matters. Schwindt and Company believes the best way to determine costs and lives associated with these components is to perform an inspection of the applicable components which should include information about the component, steps to take to lengthen the estimated useful life, projected estimated useful life, and estimated replacement costs. This inspection should be conducted by experts and should include a written report. This information will allow the reserve study provider and the Association to include appropriate costs, lives, and projected expenditures in the study. Schwindt and Company believes that the cost of these inspections should be included in the reserve study as a funded component.

We are not aware of any material issues which, if not disclosed, would cause a material distortion of this report.

Certain information, such as the beginning balance of reserve funds and other information as detailed on the component detail reports, was provided by Association representatives and is deemed to be reliable by us. This reserve study is a reflection of the information provided to us and cannot be used for the purpose of performing an audit, a quality/forensic analysis, or background checks of historical records.

Site visits should not be considered a project audit or quality inspection of the Association's property. A site visit does not evaluate the condition of the property to determine the useful life or needed repairs. Schwindt and Company suggests that the Association perform a building envelope inspection to determine the condition, performance, and useful life of all the components.

Certain costs outlined in the reserve study are subjective and, as a result, are for planning purposes only. The Association should obtain firm bids at the time of work. Actual costs will depend upon the scope of work as defined at the time the repair, replacement, or restoration is performed. All estimates relating to future work are good faith estimates and projections are based on the estimated inflation rate, which may or may not prove accurate. All future costs and life expectancies should be reviewed and adjusted annually.

This reserve study, unless specifically stated in the report, assumes no fungi, mold, asbestos, lead paint, urea-formaldehyde foam insulation, termite control substances, other chemicals, toxic wastes, radon gas, electro-magnetic radiation, other potentially hazardous materials (on the surface or sub-surface), or termites on the property. The existence of any of these substances may adversely affect the accuracy of this reserve study. Schwindt and Company assumes no responsibility regarding such conditions, as we are not qualified to detect substances, determine the impact, or develop remediation plans/costs.

Since destructive testing was not performed, this reserve study does not attempt to address latent and/or patent defects. Neither does it address useful life expectancies that are abnormally short due either to improper design, installation nor to subsequent improper maintenance. This reserve study assumes all components will be reasonably maintained for the remainder of their life expectancy.

Physical Analysis:

New projects generally include information provided by developers and/or refer to drawings.

Full onsite reserve studies generally include field measurements and do not include destructive testing. Drawings are usually not available for existing projects.

Onsite updates generally include observations of physical characteristics but do not include field measurements.

Please note that the Association has not had a complete building envelope inspection. The effects of not having information relating to this inspection are not known.

The client is considered to have deemed previously developed component quantities as accurate and reliable. The current work is reliant on the validity of prior reserve studies.

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.



**SUMMERFIELD TOWNHOUSE SERVICE ASSOCIATION NO. 1**

**MAINTENANCE PLAN UPDATE**

**BUDGET YEAR**

**January 1, 2026 to December 31, 2026**

**Summerfield Townhouse Service Association No. 1**  
**Executive Summary of Maintenance Plan**

Regular maintenance of common elements is necessary to ensure the maximum useful life and optimum performance of components. Of particular concern are items that may present a safety hazard to residents or guests if they are not maintained in a timely manner and components that perform a water-proofing function.

This maintenance plan is a cyclical plan that calls for maintenance at regular intervals. The frequency of the maintenance activity and the cost of the activity at the first instance follow a short descriptive narrative. This maintenance plan should be reviewed on an annual basis when preparing the annual operating budget for the Association.

Checklists, developed by Reed Construction Data, Inc., can be photocopied or accessed from the RS Means website:

<http://www.rsmeans.com/supplement/67346.asp>

They can be used to assess and document the existing condition of an Association's common elements and to track the carrying out of planned maintenance activities.

**Summerfield Townhouse Service Association No. 1  
Maintenance Plan  
2026**

**Pursuant to Oregon State Statutes Chapters 94 and 100, which require a maintenance plan as an integral part of the reserve study, the maintenance procedures are as follows:**

**The Board of Directors should refer to this maintenance plan each year when preparing the annual operating budget for the Association to ensure that annual maintenance costs are included in the budget for the years that they are scheduled.**

**Property Inspection**

Schwindt and Company recommends that a provision for the annual inspection of common area components be included in the maintenance plan for all associations. This valuable management tool will help to ensure that all components achieve a maximum useful life expectancy and that they function as intended throughout their lifespan.

The inspection should be performed by a qualified professional and should include a written summary of conclusions with specific recommendations for any needed repairs or maintenance.

We suggest that the Association obtain firm bids for this service.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

**Building Envelope Inspection**

Schwindt and Company recommends that all associations perform a building envelope inspection within 12 months of substantial completion of all construction or immediately upon detection of any water intrusion or mold problems. This inspection process may involve invasive testing if the problems detected are serious enough to warrant such measures.

The inspection should be performed by an architect, engineer, or state-licensed inspector who is specifically trained in forensic waterproofing analysis. The report should include a written summary of findings with recommendations for needed repairs or maintenance procedures.

All reserve studies and maintenance plans prepared by Schwindt & Company assume that any such recommendations will be followed and that all work will be performed by qualified professionals.

A complete envelope inspection will usually be required only one time although a visual review of the building exterior may be advisable on a periodic basis under certain circumstances. The Association should consult with the inspector(s) who performed the original assessment to determine the best course of action for their individual situation.

This expense should be included in the annual operating budget for the Association for the year in which it is scheduled. We suggest that the Association obtain firm bids for this service.

Frequency: Every 5 years

### **Roof Inspection**

Schwindt and Company recommends that a provision for the periodic inspection and maintenance of roofing and related components be included in the maintenance plan for all associations.

The frequency of this inspection will vary based on the age, condition, complexity, and remaining useful life of the roof system. As the roof components become older, the Association is well advised to consider increasing the frequency of this critical procedure.

The inspection should be performed by a qualified roofing professional and should include a written summary of conclusions with specific recommendations for any needed repairs or maintenance.

Recommended maintenance should be performed promptly by a licensed roofing contractor.

We suggest that the Association obtain firm bids for this service.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

### **Gutters & Downspouts**

Schwindt and Company recommends that all gutters and downspouts be cleaned, visually inspected, and repaired as required every 6 months in the spring and fall.

This important maintenance procedure will help to ensure that the gutters and downspouts are free-flowing at all times, thus preventing the backup of water within the drainage system. Such backup can lead to water ingress issues along the roof edges, around scuppers or other roof penetrations, and at sheet metal flashing or transition points that rely on quick and continuous discharge of water from surrounding roof surfaces to maintain a watertight building exterior.

The gutters have gutter guards, and the Association is cleaning the gutters annually.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

### **Exterior Walls**

The siding, trim, and other building components should be inspected for loose, missing, cracked or otherwise damaged components. Sealant joints should be checked for missing or cracked sealant.

Painted surfaces should be checked for paint deterioration, bubbling, or other signs of deterioration.

Dryer vents should be checked **twice a year** and cleared of lint. Also check operation of exhaust baffles to make sure they are present and that they move freely. Exhaust ducts should be cleared of debris **every 3 years**.

**The payment for maintenance and the performance of maintenance repair of dryer vents, exhaust baffles, and exhaust ducts is solely the responsibility of the owners.**

Any penetrations of the building envelope such as utility lines and light fixtures should be checked annually for signs of water intrusion. Hose bibs should be checked for leaks and other failures. Each hose bib should be shut off and drained during the winter to prevent damage from freezing.

**The payment for and performance of maintenance and repair of all outlets of utility service lines, including water, sewerage, gas or electricity is solely the responsibility of the Owners.**

Annual inspections to check for signs of water intrusion should be made of the building envelope interfaces such as where the windows intersect with the walls and where the walls intersect with the roof.

Deficiencies, required maintenance, and required repairs after completion of review should be noted by the maintenance contractors and/or Association representatives.

Inspections should be made by a qualified professional.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

### **Lawn Irrigation System**

Periodic maintenance to the lawn irrigation system should be anticipated with this type of component. These maintenance procedures will include replacement of the control mechanism, replacement of damaged piping, upgrading of sprinkler heads and valve components, and any other work that is advised by repair professionals.

In recent years, improvements have been made to this type of system which has increased the efficiency of the water distribution process. Such improvements can be expected to continue to be made and the owners of such systems are well advised to plan on periodic upgrades to maintain the efficiency of their systems.

Lawn irrigation systems also require periodic testing to ensure proper operation. Sometimes this testing is mandated by ordinance or building codes. All work on lawn irrigation systems must be performed by licensed contractors who specialize in this type of work.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

### **Exterior Siding Maintenance – Painting**

Maintenance of the exterior siding includes regularly scheduled cleaning and inspection of the surface areas for cracks, peeling paint or other sealants, deterioration of the base material, and failure of caulking or other sealant materials that serve a waterproofing function.

This maintenance provision is for the periodic painting of the exterior Hardi-plank siding. The siding should be cleaned, repaired as required, and primed and painted with premium quality exterior house paint in accordance with the siding manufacturer's specifications. The work should be performed by a qualified, licensed painting contractor.

This expense is included in the reserve study for the Association.

Frequency: Every 6 years

**This maintenance plan is designed to preserve and extend the useful life of assets and is dependent upon proper inspection and follow up procedures.**

**SUMMERFIELD TOWNHOUSE SERVICE ASSOCIATION NO. 1**

**LEVEL II: UPDATE WITH VISUAL SITE INSPECTION**

**BUDGET YEAR**

**January 1, 2026 to December 31, 2026**

**Summerfield Townhouse Service Association No. 1  
Category Detail Index**

Asset ID	Description	Replacement	Page
<b>Roofing</b>			
1007	Composition Roofs - Replacement I	2052	25 of 41
1020	Composition Roofs - Replacement II	2053	26 of 41
1021	Composition Roofs - Replacement III	2054	26 of 41
1022	Composition Roofs - Replacement IV	2055	27 of 41
1008	Membrane Roofs - Replacement	2030	32 of 41
1023	Membrane Roofs - Replacement(2022)	2042	32 of 41
<b>Painting</b>			
1003	Hardi-Plank Siding - Painting	2030	28 of 41
<b>Building Components</b>			
1006	Gutters and Downspouts - Partial Replacement	2030	27 of 41
1002	Hardi-Plank Siding - Partial Replacement	2044	28 of 41
1001	Vinyl Siding - Replacement	2030	33 of 41
1024	Vinyl Siding - Replacement(2026)	2026	34 of 41
1004	Wood Overhangs & Trim Above Decks- Partial Rep..	2044	34 of 41
<b>Grounds Components</b>			
1017	Irrigation System - Back Flow	2026	30 of 41
1016	Irrigation System - Contingency Repairs	2027	30 of 41
1009	Irrigation System - Controller	2026	31 of 41
1018	Irrigation System - Valves	2033	31 of 41
<b>Reserve Study</b>			
1025	Reserve Study Update - Onsite	2027	33 of 41
<b>Insurance Deductible</b>			
1012	Insurance Deductible	2026	29 of 41
<b>Inspection</b>			
1019	Building Envelope Inspection	2029	25 of 41
	Total Funded Assets	17	
	Total Unfunded Assets	<u>2</u>	
	Total Assets	19	

**Summerfield Townhouse Service Association No. 1**  
**Property Description**

Summerfield Townhouse Service Association No. 1 consists of 10 buildings with 54 units located in Tigard, Oregon. The buildings are one and two-stories and consists of composition and membrane roofs, vinyl and Hardi-plank siding. This property was constructed in 1974. The Association shall provide exterior improvements upon each unit, such as paint, maintenance, repair and replacement of roofs, gutters, downspouts, siding, and irrigation system. The individual homeowners are responsible for all maintenance and repairs of the interior of their home.

**Per Section 5.1(m) and (n) of the Association's amended and restated Bylaws, the plumbing study and electrical study has been removed from the reserve study. Per e-mail from the board of directors on September 23, 2019, each unit has its own electrical and plumbing connections.**

This study uses information supplied by vendors and various construction pricing and scheduling manuals to determine useful lives and replacement costs.

A site visit was performed by Schwindt and Company in 2015 and 2025. Schwindt and Company did not investigate components for defects, materials, design or workmanship. This would ordinarily be considered in a complete building envelope inspection. Our condition assessment considers if the component is wearing as intended. All components are considered to be in fair condition and appear to be wearing as intended unless noted otherwise in the component detail.

Funds are being accumulated in the replacement fund based on estimates of future need for repairs and replacement of common property components. Actual expenditures, investment income, and provisions for income taxes however, may vary from estimated amounts, and variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future funding needs.

If additional funds are needed, the Association has the right to increase regular assessments, levy special assessments, otherwise the Association may delay repairs or replacements until funds are available.

**Summerfield Townhouse Service Association No. 1**  
Tigard, Oregon  
**Cash Flow Method - Threshold Funding Model Summary**

Report Date	December 9, 2025
Account Number	2summf
Budget Year Beginning	January 1, 2026
Budget Year Ending	December 31, 2026
Total Units	54

<i>Report Parameters</i>	
Inflation	3.00%
Interest Rate on Reserve Deposit	2.00%
2026 Beginning Balance	\$111,789

**Threshold Funding  
Fully Reserved Model Summary**

- This study utilizes the cash flow method and the threshold funding model, which establishes a reserve funding goal that keeps the reserve balance above a specified dollar or percent funded amount. The threshold method assumes that the threshold method is funded with a positive threshold balance, therefore, "fully reserved".
- The following items were not included in the analysis because they have useful lives greater than 30 years: grading/drainage; foundation/footings; storm drains; telephone, cable, and internet lines.
- This funding scenario begins with a contribution of **\$115,000** in **2026** and increases **3.00%** each year until **2037**. In **2037**, the contribution is **\$159,187** and remains constant for the remaining years of the study. A minimum balance of **\$84,166** is maintained.
- The purpose of this study is to ensure that adequate replacement funds are available when components reach the end of their useful life. Components will be replaced as required, not necessarily in their expected replacement year. This analysis should be updated annually.

<i>Cash Flow Method - Threshold Funding Model Summary of Calculations</i>	
Required Monthly Contribution	\$9,583.33
<i>\$177.47 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$230.60</u>
Total Monthly Allocation to Reserves	\$9,813.93
<i>\$181.74 per unit monthly</i>	

**Summerfield Townhouse Service Association No. 1  
Cash Flow Method - Threshold Funding Model Projection**

Beginning Balance: \$111,789

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2026	115,000	2,767	36,796	192,760	874,278	22%
2027	118,450	5,125	2,832	313,502	951,990	33%
2028	122,003	7,658		443,163	1,064,265	42%
2029	125,664	9,936	18,777	559,986	1,163,079	48%
2030	129,434	487	605,741	84,166	670,285	13%
2031	133,317	3,088	3,188	217,382	786,223	28%
2032	137,316	5,884		360,582	911,896	40%
2033	141,435	8,387	21,458	488,947	1,022,301	48%
2034	145,679	11,088	18,284	627,430	1,142,441	55%
2035	150,049	14,227	3,588	788,118	1,284,572	61%
2036	154,550	17,543	2,414	957,797	1,435,521	67%
2037	159,187	20,991	3,807	1,134,169	1,593,012	71%
2038	159,187	24,628		1,317,983	1,762,699	75%
2039	159,187	27,828	25,234	1,479,764	1,915,143	77%
2040	159,187	26,729	241,482	1,424,198	1,853,191	77%
2041	159,187	30,395	4,284	1,609,495	2,037,573	79%
2042	159,187	33,833	19,256	1,783,259	2,216,062	80%
2043	159,187	37,637	4,545	1,975,538	2,419,174	82%
2044	159,187	20,856	1,028,218	1,127,363	1,577,264	71%
2045	159,187	24,393	4,822	1,306,120	1,768,533	74%
2046	159,187	28,033	3,244	1,490,096	1,971,632	76%
2047	159,187	31,708	5,116	1,675,875	2,183,499	77%
2048	159,187	35,562		1,870,624	2,411,730	78%
2049	159,187	38,808	33,913	2,034,705	2,616,759	78%
2050	159,187	34,284	422,106	1,806,071	2,433,130	74%
2051	159,187	38,073	5,758	1,997,573	2,678,008	75%
2052	159,187	31,697	513,178	1,675,279	2,412,926	69%
2053	159,187	27,451	401,211	1,460,706	2,260,710	65%
2054	159,187	19,563	577,453	1,062,004	1,928,059	55%
2055	159,187	13,992	454,762	780,421	1,717,629	45%

**Summerfield Townhouse Service Association No. 1  
Component Summary By Category**

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
<b>Roofing</b>								
Composition Roofs - Replacement I	2022	2052	30	0	26	1 Total	237,957.75	237,958
Composition Roofs - Replacement II	2023	2053	30	0	27	1 Total	163,173.85	163,174
Composition Roofs - Replacement III	2024	2054	30	0	28	1 Total	237,957.75	237,958
Composition Roofs - Replacement IV	2025	2055	30	0	29	1 Total	163,173.85	163,174
Membrane Roofs - Replacement	2012	2030	20	-2	4	12 Each	4,000.00	48,000
Membrane Roofs - Replacement(2022)	2022	2042	20	0	16	3 Each	4,000.00	<u>12,000</u>
Roofing - Total								\$862,263
<b>Painting</b>								
Hardi-Plank Siding - Painting	2015	2030	10	5	4	53,216 SF	3.00	<u>159,648</u>
Painting - Total								\$159,648
<b>Building Components</b>								
Gutters and Downspouts - Partial Replacement	2001	2030	25	4	4	7,499 LF	14.43@ 25%	27,053
Hardi-Plank Siding - Partial Replacement	2015	2044	30	-1	18	78,508 SF	24.54@ 25%	481,647
Vinyl Siding - Replacement	1996	2030	30	4	4	25,291 SF	12.00	303,492
Vinyl Siding - Replacement(2026)	1996	2026	30	0	0	1 Total	10,000.00	10,000
Wood Overhangs & Trim Above Decks- Part..	2019	2044	25	0	18	1 Total	107,889.87	<u>107,890</u>
Building Components - Total								\$930,081
<b>Grounds Components</b>								
Irrigation System - Back Flow								<i>Unfunded</i>
Irrigation System - Contingency Repairs								<i>Unfunded</i>
Irrigation System - Controller	2008	2026	10	0	0	1 Each	1,796.32	1,796
Irrigation System - Valves	2013	2033	20	0	7	18 Each	816.50	<u>14,697</u>
Grounds Components - Total								\$16,493
<b>Reserve Study</b>								
Reserve Study Update - Onsite	2025	2027	2	0	1	1 Total	2,750.00	<u>2,750</u>
Reserve Study - Total								\$2,750
<b>Insurance Deductible</b>								
Insurance Deductible	2015	2026	1	0	0	1 Total	25,000.00	<u>25,000</u>
Insurance Deductible - Total								\$25,000
<b>Inspection</b>								
Building Envelope Inspection	2024	2029	5	0	3	1 Total	14,433.43	<u>14,433</u>
Inspection - Total								\$14,433
Total Asset Summary								<u>\$2,010,669</u>

**Summerfield Townhouse Service Association No. 1  
Component Summary By Group**

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Insurance Deductible	2015	2026	1	0	0	1 Total	25,000.00	25,000
Irrigation System - Controller	2008	2026	10	0	0	1 Each	1,796.32	1,796
Vinyl Siding - Replacement(2026)	1996	2026	30	0	0	1 Total	10,000.00	10,000
Reserve Study Update - Onsite	2025	2027	2	0	1	1 Total	2,750.00	2,750
Building Envelope Inspection	2024	2029	5	0	3	1 Total	14,433.43	14,433
Gutters and Downspouts - Partial Replacement	2001	2030	25	4	4	7,499 LF	14.43@ 25%	27,053
Hardi-Plank Siding - Painting	2015	2030	10	5	4	53,216 SF	3.00	159,648
Membrane Roofs - Replacement	2012	2030	20	-2	4	12 Each	4,000.00	48,000
Vinyl Siding - Replacement	1996	2030	30	4	4	25,291 SF	12.00	303,492
Irrigation System - Valves	2013	2033	20	0	7	18 Each	816.50	14,697
Membrane Roofs - Replacement(2022)	2022	2042	20	0	16	3 Each	4,000.00	12,000
Hardi-Plank Siding - Partial Replacement	2015	2044	30	-1	18	78,508 SF	24.54@ 25%	481,647
Wood Overhangs & Trim Above Decks- Part..	2019	2044	25	0	18	1 Total	107,889.87	107,890
Composition Roofs - Replacement I	2022	2052	30	0	26	1 Total	237,957.75	237,958
Composition Roofs - Replacement II	2023	2053	30	0	27	1 Total	163,173.85	163,174
Composition Roofs - Replacement III	2024	2054	30	0	28	1 Total	237,957.75	237,958
Composition Roofs - Replacement IV	2025	2055	30	0	29	1 Total	163,173.85	163,174
Irrigation System - Back Flow	<i>Unfunded</i>							
Irrigation System - Contingency Repairs	<i>Unfunded</i>							
Total Asset Summary								\$2,010,669

**Summerfield Townhouse Service Association No. 1  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2026</b>	
Insurance Deductible	25,000
Irrigation System - Controller	1,796
Vinyl Siding - Replacement(2026)	10,000
<b>Total for 2026</b>	<u><b>\$36,796</b></u>
<b>Replacement Year 2027</b>	
Reserve Study Update - Onsite	2,832
<b>Total for 2027</b>	<u><b>\$2,832</b></u>
<i>No Replacement in 2028</i>	
<b>Replacement Year 2029</b>	
Building Envelope Inspection	15,772
Reserve Study Update - Onsite	3,005
<b>Total for 2029</b>	<u><b>\$18,777</b></u>
<b>Replacement Year 2030</b>	
Gutters and Downspouts - Partial Replacement	30,448
Hardi-Plank Siding - Painting	179,685
Membrane Roofs - Replacement	54,024
Vinyl Siding - Replacement	341,583
<b>Total for 2030</b>	<u><b>\$605,741</b></u>
<b>Replacement Year 2031</b>	
Reserve Study Update - Onsite	3,188
<b>Total for 2031</b>	<u><b>\$3,188</b></u>
<i>No Replacement in 2032</i>	
<b>Replacement Year 2033</b>	
Irrigation System - Valves	18,075
Reserve Study Update - Onsite	3,382
<b>Total for 2033</b>	<u><b>\$21,458</b></u>

**Summerfield Townhouse Service Association No. 1  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2034</b>	
Building Envelope Inspection	18,284
<b>Total for 2034</b>	<b><u>\$18,284</u></b>
<b>Replacement Year 2035</b>	
Reserve Study Update - Onsite	3,588
<b>Total for 2035</b>	<b><u>\$3,588</u></b>
<b>Replacement Year 2036</b>	
Irrigation System - Controller	2,414
<b>Total for 2036</b>	<b><u>\$2,414</u></b>
<b>Replacement Year 2037</b>	
Reserve Study Update - Onsite	3,807
<b>Total for 2037</b>	<b><u>\$3,807</u></b>
<i>No Replacement in 2038</i>	
<b>Replacement Year 2039</b>	
Building Envelope Inspection	21,196
Reserve Study Update - Onsite	4,038
<b>Total for 2039</b>	<b><u>\$25,234</u></b>
<b>Replacement Year 2040</b>	
Hardi-Plank Siding - Painting	241,482
<b>Total for 2040</b>	<b><u>\$241,482</u></b>
<b>Replacement Year 2041</b>	
Reserve Study Update - Onsite	4,284
<b>Total for 2041</b>	<b><u>\$4,284</u></b>
<b>Replacement Year 2042</b>	
Membrane Roofs - Replacement(2022)	19,256
<b>Total for 2042</b>	<b><u>\$19,256</u></b>

**Summerfield Townhouse Service Association No. 1  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2043</b>	
Reserve Study Update - Onsite	4,545
<b>Total for 2043</b>	<u>\$4,545</u>
<b>Replacement Year 2044</b>	
Building Envelope Inspection	24,572
Hardi-Plank Siding - Partial Replacement	819,971
Wood Overhangs & Trim Above Decks- Partial Replacement	183,675
<b>Total for 2044</b>	<u>\$1,028,218</u>
<b>Replacement Year 2045</b>	
Reserve Study Update - Onsite	4,822
<b>Total for 2045</b>	<u>\$4,822</u>
<b>Replacement Year 2046</b>	
Irrigation System - Controller	3,244
<b>Total for 2046</b>	<u>\$3,244</u>
<b>Replacement Year 2047</b>	
Reserve Study Update - Onsite	5,116
<b>Total for 2047</b>	<u>\$5,116</u>
<i>No Replacement in 2048</i>	
<b>Replacement Year 2049</b>	
Building Envelope Inspection	28,486
Reserve Study Update - Onsite	5,427
<b>Total for 2049</b>	<u>\$33,913</u>
<b>Replacement Year 2050</b>	
Hardi-Plank Siding - Painting	324,532
Membrane Roofs - Replacement	97,574
<b>Total for 2050</b>	<u>\$422,106</u>

**Summerfield Townhouse Service Association No. 1  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2051</b>	
Reserve Study Update - Onsite	5,758
<b>Total for 2051</b>	<u>\$5,758</u>
<b>Replacement Year 2052</b>	
Composition Roofs - Replacement I	513,178
<b>Total for 2052</b>	<u>\$513,178</u>
<b>Replacement Year 2053</b>	
Composition Roofs - Replacement II	362,456
Irrigation System - Valves	32,646
Reserve Study Update - Onsite	6,109
<b>Total for 2053</b>	<u>\$401,211</u>
<b>Replacement Year 2054</b>	
Building Envelope Inspection	33,023
Composition Roofs - Replacement III	544,430
<b>Total for 2054</b>	<u>\$577,453</u>
<b>Replacement Year 2055</b>	
Composition Roofs - Replacement IV	384,530
Gutters and Downspouts - Partial Replacement	63,751
Reserve Study Update - Onsite	6,481
<b>Total for 2055</b>	<u>\$454,762</u>

**Summerfield Townhouse Service Association No. 1  
Detail Report by Category**

**Building Envelope Inspection**

		1 Total	@ \$14,433.43
Asset ID	1019	Asset Actual Cost	\$14,433.43
	Non Capital	Percent Replacement	100%
Category	Inspection	Future Cost	\$15,771.80
Placed in Service	January 2024		
Useful Life	5		
Replacement Year	2029		
Remaining Life	3		

This provision is for a building envelope inspection. Generally, the life of the building envelope is greater than 30-years. We recommend the Association perform an inspection to determine the current condition of the system. Once the condition is known the reserve study should be updated. Industry specialists recommend a building envelope inspection every 3-5 years.

**Composition Roofs - Replacement I**

		1 Total	@ \$237,957.75
Asset ID	1007	Asset Actual Cost	\$237,957.75
	Capital	Percent Replacement	100%
Category	Roofing	Future Cost	\$513,177.60
Placed in Service	January 2022		
Useful Life	30		
Replacement Year	2052		
Remaining Life	26		

This provision provides funding to replace the composition roofs.

Schwindt & Company estimated 105,712 square feet of composition roofs.

In 2022 the following were done: 10100, 10110, 10120, 10130, 10140, 15700, 15710, 15720, 15730, 15740, 15750, 15760, 15770, 05780, 15790, and 15800. The cost was \$189,634. (2 five unit and 1 six unit building). The shingles used are a 50 year shingle.

According to the Association, the composition roofs were replaced in the year 2000. The cost of this work was \$241,565.50. The Association will need to obtain bids for this work.

The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

**Summerfield Townhouse Service Association No. 1  
Detail Report by Category**

<b>Composition Roofs - Replacement II</b>			1 Total @ \$163,173.85
Asset ID	1020	Asset Actual Cost	\$163,173.85
	Capital	Percent Replacement	100%
Category	Roofing	Future Cost	\$362,456.28
Placed in Service	January 2023		
Useful Life	30		
Replacement Year	2053		
Remaining Life	27		

This provision provides funding to replace the composition roofs.

Schwindt & Company estimated 105,712 square feet of composition roofs.

In 2023, the following were done: 15805, 15810, 15820, 15830, 15840, 15850, 15860, 15870, 15880, 15890, 15900, and 15910. The cost was \$153,807. (1 five unit and 1 6 unit building). The shingles used are a 50 year shingle.

According to the Association, the composition roofs were replaced in the year 2000. The cost of this work was \$241,565.50. The Association will need to obtain bids for this work.

The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

<b>Composition Roofs - Replacement III</b>			1 Total @ \$237,957.75
Asset ID	1021	Asset Actual Cost	\$237,957.75
	Capital	Percent Replacement	100%
Category	Roofing	Future Cost	\$544,430.12
Placed in Service	January 2024		
Useful Life	30		
Replacement Year	2054		
Remaining Life	28		

This provision provides funding to replace the composition roofs. It is assumed that 2 five unit buildings and 1 six unit building will be done.

Schwindt & Company estimated 105,712 square feet of composition roofs.

According to the Association, the composition roofs were replaced in the year 2000. The cost of this work was \$241,565.50. The Association will need to obtain bids for this work.

The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

**Summerfield Townhouse Service Association No. 1  
Detail Report by Category**

**Composition Roofs - Replacement IV**

		1 Total	@ \$163,173.85
Asset ID	1022	Asset Actual Cost	\$163,173.85
	Capital	Percent Replacement	100%
Category	Roofing	Future Cost	\$384,529.86
Placed in Service	January 2025		
Useful Life	30		
Replacement Year	2055		
Remaining Life	29		

This provision provides funding to replace the composition roofs. It is assumed that 1 five unit and 1 six unit building will be done.

Schwindt & Company estimated 105,712 square feet of composition roofs.

According to the Association, the composition roofs were replaced in the year 2000. The cost of this work was \$241,565.50. The Association will need to obtain bids for this work.

The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

**Gutters and Downspouts - Partial Replacement**

		7,499 LF	@ \$14.43
Asset ID	1006	Asset Actual Cost	\$27,052.64
	Non Capital	Percent Replacement	25%
Category	Building Components	Future Cost	\$30,447.99
Placed in Service	January 2001		
Useful Life	25		
Adjustment	4		
Replacement Year	2030		
Remaining Life	4		

This provision provides funding to partially replace the gutters and downspouts. A partial replacement is based on the expectation that most of the gutters and downspouts will be in good enough condition that a full replacement is not needed.

The Association may want to consider upgrading to larger gutters and downspouts with smooth bends and debris kick outs.

Schwindt & Company estimated 7,499 linear feet of gutters and downspouts.

The cost is based on a per lineal foot estimate provided by Great Northwest Gutters. The Association will need to obtain bids for this work.

The useful life assumption is based on estimates established on RS Means and/or The National

**Summerfield Townhouse Service Association No. 1  
Detail Report by Category**

*Gutters and Downspouts - Partial Replacement continued...*

Estimator.

<b>Hardi-Plank Siding - Painting</b>		53,216 SF	@ \$3.00
Asset ID	1003	Asset Actual Cost	\$159,648.00
	Non Capital	Percent Replacement	100%
Category	Painting	Future Cost	\$179,685.23
Placed in Service	January 2015		
Useful Life	10		
Adjustment	5		
Replacement Year	2030		
Remaining Life	4		

This provision provides funding to paint the Hardi-plank siding. This includes the trim.

During Schwindt & Company's 2015 site visit, the board advised that most of the siding has been replaced to Hardi-plank in 2013. Schwindt & Company estimated 53,216 square feet of Hardi-plank siding, and 25,292 square feet of vinyl siding. The total siding area is 78,508 square feet. The vinyl siding does not need to be painted. The Association will replace the vinyl siding to Hardi-plank when funds are available.

In 2023, the Association indicated the paint was in good shape and has delayed the painting until 2030 to occur at the same time as the vinyl siding replacement. We recommend the siding be inspected annually to ensure the paint and caulking is wearing as intended. The Association may consider doing some touch up painting.

The cost is based on a per square foot estimate from I and E Construction provided by the Association. The Association will need to obtain bids for this work.

The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

<b>Hardi-Plank Siding - Partial Replacement</b>		78,508 SF	@ \$24.54
Asset ID	1002	Asset Actual Cost	\$481,646.58
	Non Capital	Percent Replacement	25%
Category	Building Components	Future Cost	\$819,971.06
Placed in Service	January 2015		
Useful Life	30		
Adjustment	-1		
Replacement Year	2044		
Remaining Life	18		

This provision provides funding to partially replace the Hardi-plank siding. A partial

**Summerfield Townhouse Service Association No. 1  
Detail Report by Category**

*Hardi-Plank Siding - Partial Replacement continued...*

replacement is based on the expectation that most of the siding will be in good enough condition that a full replacement is not needed.

The Association advised that most of the siding has been replaced to Hardi-plank in 2015.

Schwindt & Company estimated 53,216 square feet of Hardi-plank siding, and 25,292 square feet of vinyl siding. The total siding area is 78,508 square feet. This component assumes that all vinyl siding will be replaced to Hardi-plank as scheduled.

The cost is based on a per square foot estimate provided by Jay of Lifetime Exteriors. The Association will need to obtain bids for this work.

The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

Insurance Deductible		1 Total	@ \$25,000.00
Asset ID	1012	Asset Actual Cost	\$25,000.00
Category	Non Capital	Percent Replacement	100%
Placed in Service	Insurance Deductible	Future Cost	\$25,000.00
Useful Life	January 2015		
Replacement Year	1		
Remaining Life	2026		
	0		

This provision is for the insurance deductible in the event of a claim.

Many Associations include the insurance deductible in the reserve study as a component. Generally, this amount is \$10,000 but can vary based on insurance coverages.

The insurance deductible component is only included as an expenditure in the first year of the study. This expenditure is not listed again during the 30-year cash flow projection. Boards have asked if the inclusion of an insurance deductible in the study as a component can increase the suggested annual reserve contribution. As long as the Association has a threshold amount of greater than \$10,000 in the reserve study as a contingency in the first year of the study, the inclusion of the insurance deductible should not affect the suggested reserve contribution. In other words, if the cash flow projection shows an amount greater than \$10,000 as a contingency balance in the reserve cash flow model without the insurance deductible, the inclusion of the insurance component should not affect the suggested reserve contribution.

**Summerfield Townhouse Service Association No. 1  
Detail Report by Category**

<b>Irrigation System - Back Flow</b>		1 Each	@ \$816.50
Asset ID	1017	Asset Actual Cost	\$816.50
	Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$816.50
Placed in Service	January 2008		
Useful Life	10		
Replacement Year	2026		
Remaining Life	0		

This provision funds for the replacement of the back flow.

According to Ken Shaddy, the Association's landscaper, there is 1 back flow. The estimated cost to replace the back flow is \$500. The cost includes labor and material.

The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

The Association will need to come up with a plan for replacement of the irrigation system.

<b>Irrigation System - Contingency Repairs</b>		1 Total	@ \$25,365.30
Asset ID	1016	Asset Actual Cost	\$25,365.30
	Non Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$26,126.26
Placed in Service	January 2017		
Useful Life	10		
Replacement Year	2027		
Remaining Life	1		

This provision funds for the replacement of pipes and/or any issues that may come up unexpectedly.

According to the Association, an upgrade to the irrigation system was done in 2017 for \$16,320 with funds from the operating budget. They will continue to use operating funds for irrigation repairs.

The Association will need to come up with a plan for replacement of the irrigation system.

**Summerfield Townhouse Service Association No. 1  
Detail Report by Category**

Irrigation System - Controller			
		1 Each	@ \$1,796.32
Asset ID	1009	Asset Actual Cost	\$1,796.32
	Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$1,796.32
Placed in Service	January 2008		
Useful Life	10		
Replacement Year	2026		
Remaining Life	0		

This provision funds for the replacement of the controller.

According to Ken Shaddy, the Association's landscaper, there is 1 controller. The controller is 7 years old. The estimated cost to replace the controller is \$1,100. The cost includes labor and material.

The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

The Association will need to come up with a plan for replacement of the irrigation system.

Irrigation System - Valves			
		18 Each	@ \$816.50
Asset ID	1018	Asset Actual Cost	\$14,697.00
	Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$18,075.46
Placed in Service	January 2013		
Useful Life	20		
Replacement Year	2033		
Remaining Life	7		

This provision funds for the replacement of valves.

According to Ken Shaddy, the Association's landscaper, there are 18 valves. The estimated cost to replace the valves is \$500 each. The cost includes labor and material. An estimated useful life of 20 years was provided.

According to the Association, many of the valves were replaced prior to 2013.

The Association will need to come up with a plan for replacement of the irrigation system.

**Summerfield Townhouse Service Association No. 1  
Detail Report by Category**

Membrane Roofs - Replacement		12 Each	@ \$4,000.00
Asset ID	1008	Asset Actual Cost	\$48,000.00
	Capital	Percent Replacement	100%
Category	Roofing	Future Cost	\$54,024.42
Placed in Service	January 2012		
Useful Life	20		
Adjustment	-2		
Replacement Year	2030		
Remaining Life	4		

This provision provides funding to replace the membrane roofs. According to the Association there are 15 sections of flat roofs. As of 2025, 3 have been repalced. Per an inspection in 2025, the roofs have 3-5 years of life.

- 15880: 2020
- 15855: 2022
- 15XXX: 2025

Schwindt & Company estimated 3,946 square feet of membrane roofs.

According to the Association, the membrane roofs were replaced in 2012.

The Association estimates the cost tobe \$4,000 each roof. This includes replacement of the drain. The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

Membrane Roofs - Replacement(2022)		3 Each	@ \$4,000.00
Asset ID	1023	Asset Actual Cost	\$12,000.00
	Capital	Percent Replacement	100%
Category	Roofing	Future Cost	\$19,256.48
Placed in Service	January 2022		
Useful Life	20		
Replacement Year	2042		
Remaining Life	16		

This provision provides funding to replace the membrane roofs. According to the Association there are 15 sections of flat roofs. As of 2025, 3 have been repalced. Per an inspection in 2025, the roofs have 3-5 years of life.

- 15880: 2020
- 15855: 2022
- 15730: 2025

Schwindt & Company estimated 3,946 square feet of membrane roofs.

**Summerfield Townhouse Service Association No. 1  
Detail Report by Category**

*Membrane Roofs - Replacement(2022) continued...*

According to the Association, the membrane roofs were replaced in 2012.

The Association estimates the cost to be \$4,000 each roof. This includes replacement of the drain. The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

Reserve Study Update - Onsite		1 Total	@ \$2,750.00
Asset ID	1025	Asset Actual Cost	\$2,750.00
	Non Capital	Percent Replacement	100%
Category	Reserve Study	Future Cost	\$2,832.50
Placed in Service	January 2025		
Useful Life	2		
Replacement Year	2027		
Remaining Life	1		

This provision is for an onsite reserve study update every 2 years,

Vinyl Siding - Replacement		25,291 SF	@ \$12.00
Asset ID	1001	Asset Actual Cost	\$303,492.00
	Capital	Percent Replacement	100%
Category	Building Components	Future Cost	\$341,582.92
Placed in Service	January 1996		
Useful Life	30		
Adjustment	4		
Replacement Year	2030		
Remaining Life	4		

This provision provides funding to replace the vinyl siding to Hardi-plank. In 2026, the Association plans to replace sections to determine if dry rot is occurring under the surface.

According to the Association, the vinyl siding was replaced in 1996. Most of the siding has been replaced to Hardi-plank in 2015. The remaining vinyl siding will be replaced to Hardi-plank. Schwindt & Company estimated 25,291 square feet of vinyl siding.

In 2015, Jay of Lifetime Exterior provided an estimated cost of \$200,000 or \$7.91 per square foot to replace the vinyl siding to Hardi-plank. The cost includes painting of the Hardi-plank siding and dry-rot replacements. Per the board's e-mail dated February 6, 2016, they would like to revise the cost to \$7.50 per square foot. The board's cost includes replacement of the vinyl siding of \$6.00 per square foot and painting of the Hardi-plank siding of \$1.13 per square foot.

**Summerfield Townhouse Service Association No. 1  
Detail Report by Category**

*Vinyl Siding - Replacement continued...*

The Association will need to obtain bids for this work. An onsite reserve study update should be conducted before this replacement occurs.

In 2023, I and E Construction provided an estimated cost of \$230,485.

The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

**Vinyl Siding - Replacement(2026)**

		1 Total	@ \$10,000.00
Asset ID	1024	Asset Actual Cost	\$10,000.00
	Capital	Percent Replacement	100%
Category	Building Components	Future Cost	\$10,000.00
Placed in Service	January 1996		
Useful Life	30		
Replacement Year	2026		
Remaining Life	0		

This provision provides funding to replace the vinyl siding to Hardi-plank. In 2026, the Association plans to replace sections to determine if dry rot is occurring under the surface.

According to the Association, the vinyl siding was replaced in 1996. Most of the siding has been replaced to Hardi-plank in 2015. The remaining vinyl siding will be replaced to Hardi-plank. Schwindt & Company estimated 25,291 square feet of vinyl siding.

The cost should be updated once a scope of work is determined. The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

**Wood Overhangs & Trim Above Decks- Partial Replacement**

		1 Total	@ \$107,889.87
Asset ID	1004	Asset Actual Cost	\$107,889.87
	Non Capital	Percent Replacement	100%
Category	Building Components	Future Cost	\$183,675.28
Placed in Service	January 2019		
Useful Life	25		
Replacement Year	2044		
Remaining Life	18		

This provision provides funding to partially replace the wood overhangs covering the decks and trim. A partial replacement is based on the expectation that most of the overhangs and trim

**Summerfield Townhouse Service Association No. 1**  
**Detail Report by Category**

*Wood Overhangs & Trim Above Decks- Partial Replacement continued...*

will be in good enough condition that a full replacement is not needed.

Schwindt & Company estimated 5,055 square feet of wood overhangs

This work was done in 2019 for 74,750 per the Association. The Association will need to obtain bids for this work.

The useful life assumption is based on estimates established on RS Means and/or The National Estimator.

# Additional Disclosures

## Levels of Service

The following three categories describe the various types of Reserve Studies from exhaustive to minimal.

**I. Full:** A Reserve Study in which the following five Reserve Study tasks are performed:

- Component Inventory
- Condition Assessment (based upon on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

**II. Update, With Site Visit/On-Site Review:** A Reserve Study update in which the following five Reserve Study tasks are performed:

- Component Inventory (verification only, not quantification)
- Condition Assessment (based on on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

**III. Update, No Site Visit/Off-Site Review:** A Reserve Study update with no on-site visual observations in which the following three Reserve Study tasks are performed:

- Life and Valuation Estimates
- Fund Status
- Funding Plan

**IV. Preliminary, Community Not Yet Constructed.** A reserve study prepared before construction, that is generally used for budget estimates. It is based on design documents such as the architectural and engineering plans. The following three tasks are performed to prepare this type of study:

- Component inventory
- Life and valuation estimates
- Funding Plan

## Terms and Definitions

**Adequate Reserves:** A replacement reserve fund and stable and equitable multiyear [funding plan](#) that together provide for the reliable and timely execution of the association's major repair and replacement projects as defined herein without reliance on additional supplemental funding.

**Capital Improvements:** Additions to the association's common area that previously did not exist. While

these components should be added to the reserve study for future replacement, the cost of construction or installation cannot be taken from the reserve fund.

**Cash Flow Method (also known as pooling):** A method of developing a reserve funding plan where funding of reserves is designed to offset the annual expenditures from the reserve fund.

*To determine the selected funding plan, different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.*

**Common Area:** The areas identified in the community association's master deed or declarations of covenant easements and restrictions that the association is obligated to maintain and replace or based on a well-established association precedent.

**Community Association:** A nonprofit entity that exists to preserve the nature of the community and protect the value of the property owned by members. Membership in the community association is mandatory and automatic for all owners. All owners pay mandatory lien-based assessments that fund the operation of the association and maintain the common area or elements, as defined in the governing documents. The community association is served and lead by an elected board of trustees or directors.

**Components:** The individually listed projects within the physical analysis which are determined for inclusion using the process described within the component inventory. These components form the building blocks for the reserve study. **Components are selected to be included in the reserve study based on the following three-part test:**

1. The association has the obligation to maintain or replace the existing element.
2. The need and schedule for this project can be reasonably anticipated.
3. The total cost for the project is material to the association, can be reasonably estimated, and includes all direct and related costs.

**Component Inventory:** The task of selecting and quantifying reserve components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, review of association precedents, and discussion with appropriate representative(s) of the association.

The Reserve Specialist, in coordination with the client, will determine the methodology for including these components in the study. Typical evaluation techniques for consideration include:

- Inclusion of long-life components with funding in the study.
- Addition of long-life components with funding at the time when they fall within the 30-year period from the date of study preparation.
- Identification of long-life components in the component inventory even when they are not yet being funded in the 30-year funding plan.

**Component Method (also known as Straight Line):** A method of developing a reserve funding plan where the total funding is based on the sum of funding for the individual components.

**Condition Assessment:** The task of evaluating the current condition of the component based on observed or reported characteristics. The assessment is limited to a visual, non-invasive evaluation.

**Effective Age:** The difference between [useful life](#) and estimated [remaining useful life](#). Not always equivalent to chronological age since some components age irregularly. Used primarily in computations.

**Financial Analysis:** The portion of a reserve study in which the current status of the reserves (measured as cash or [percent funded](#)) and a recommended reserve funding plan are derived, and the projected reserve income and expense over a period of time are presented. The financial analysis is one of the two parts of a reserve study. A minimum of 30 years of income and expense are to be considered.

**Fully Funded:** 100 percent funded. When the actual (or projected) [reserve balance](#) is equal to the fully funded balance.

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

FFB = Current Cost X Effective Age/Useful Life

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

**Fund Status:** The status of the reserve fund reported in terms of cash or [percent funded](#). The Association appears to be adequately funded as the threshold method, reducing the potential risk of special assessment.

### **Funding Goals:**

The three funding goals listed below range from the most aggressive to most conservative:

#### **Baseline Funding**

Establishing a reserve funding goal of allowing the reserve cash balance to approach but never fall below zero during the cash flow projection. This is the funding goal with the greatest risk of being prepared to fund future repair and replacement of major components, **and it is not recommended** as a long-term solution/plan.

Baseline funding may lead to project delays, the need for a [special assessment](#), and/or a line of credit for the community to fund needed repairs and replacement of major components.

#### **Threshold Funding**

Establishing a reserve funding goal of keeping the [reserve balance](#) above a specified dollar or percent funded amount. Depending on the threshold selected, this funding goal may be weaker or stronger than “fully funded” with respective higher risk or less risk of cash problems. In determining the threshold, many variables should be considered, including things such as

investment risk tolerance, community age, building type, components that are not readily inspected, and components with a [remaining useful life](#) of more than 30 years.

#### **Full Funding**

Setting a reserve funding goal to attain and maintain reserves at or near 100 percent funded. Fully funded is when the actual or projected reserve balance is equal to the fully funded balance.

*It should be noted that, in certain jurisdictions, there may be statutory funding requirements that would dictate the funding requirements. In all cases, these standards are considered the minimum to be referenced.*

**Funding Plan:** An association’s plan to provide income to a reserve fund to offset anticipated expenditures from that fund. The plan must be a minimum of 30 years of projected income and expenses.

**Funding Principles:** A funding plan addressing these principles. These funding principles are the basis for the recommendations included within the reserve study:

- Sufficient funds when required.
- Stable funding rate over the years.
- Equitable funding rate over the years.
- Fiscally responsible.

**Initial Year:** The first fiscal year in the financial analysis or funding plan.

**Life Estimates:** The task of estimating [useful life](#) and [remaining useful life](#) of the reserve components.

**Life Cycle Cost:** The ongoing cost of deterioration which must be offset in order to maintain and replace common area components at the end of their useful life. Note that the cost of preventive maintenance and corrective maintenance determined through periodic structural inspections (if required) are included in the calculation of life cycle costs and often result in overall net lower life cycle costs.

**Maintenance:** Maintenance is the process of maintaining or preserving something, or the state of being maintained. Maintenance is often defined in three ways: preventive maintenance, corrective maintenance, and deferred maintenance. Maintenance projects commonly fall short of “replacement” but may pass the defining test of a reserve component and be appropriate for reserve funding.

Maintenance types are categorized below:

**Preventive Maintenance:** Planned maintenance carried out proactively at predetermined intervals, aimed at reducing the performance degradation of the component such that it can attain, at minimum, its estimated useful life.

**Deferred Maintenance:** Maintenance which is not performed and leads to premature deterioration to the common areas due to lack of preventive maintenance.

*This results in a reduction in the remaining useful life of the reserve components and the potential of inadequate funding. Typically, deferred maintenance creates a need for corrective maintenance.*

**Corrective Maintenance:** Maintenance performed following the detection of a problem, with the goal of remediating the condition such that the intended function and life of the component or system is restored, preserved, or enhanced.

*Many corrective maintenance projects could be prevented with a proactive, preventive maintenance program. Note that when the scope is minor, these projects may fall below the threshold of cost significance and thus are handled through the operational budget. In other cases, the cost and timing should be included within the reserve study.*

**Percent Funded:** The ratio, at a particular point in time clearly identified as either the beginning or end of the association’s fiscal year, of the actual (or projected) [reserve balance](#) to the fully funded balance, expressed as a percentage.

*While percent funded is an indicator of an association’s reserve fund size, it should be viewed in the context of how it is changing due to the association’s reserve funding plan, in light of the association’s risk tolerance and is not by itself a measure of “adequacy.”*

**Periodic Structural Inspection:** [Structural system](#) inspections aimed at identifying issues when they become evident.

*Additional information and recommendations are included within the Condominium Safety Public Policy Report. [www.condosafety.com](http://www.condosafety.com)*

**Physical Evaluation:** The portion of the reserve study where the component inventory, condition assessment, and life and [valuation estimate](#) tasks are performed. This represents one of the two parts of the reserve study.

**Preventive Maintenance Schedule:** A summary of the preventive maintenance tasks included within a maintenance manual which should be performed such that the useful lives of the components are attained or exceeded. This schedule should include both the timing and the estimated cost of the task(s).

**Remaining Useful Life (RUL):** Also referred to as “remaining life” (RL). The estimated time, in years, that a component can be expected to serve its intended function, presuming timely preventive maintenance. Projects expected to occur in the initial year have zero remaining useful life.

**Replacement Cost:** The cost to replace, repair, or restore the component to its original functional condition during that particular year, including all related expenses (including but not limited to shipping, engineering, design, permits, installation, disposal, etc.).

**Reserve Balance:** Actual or projected funds, clearly identified as existing either at the beginning or end of the association’s fiscal year, which will be used to fund reserve component expenditures. The source of this information should be disclosed within the reserve study.

*Also known as beginning balance, reserves, reserve accounts, or cash reserves. This balance is based on information provided and not audited.*

**Reserve Study:** A reserve study is a budget planning tool which identifies the components that a community association is responsible to maintain or replace, the current status of the reserve fund, and a stable and equitable funding plan to offset the anticipated future major common area expenditures.

This limited evaluation is conducted for budget and cash flow purposes. Tasks outside the scope of a reserve study include, but are not limited to, design review, construction evaluation, intrusive or destructive testing, preventive maintenance plans, and structural or safety evaluations.

**Reserve Study Provider:** An individual who prepares reserve studies. In many instances, the reserve study provider will possess a specialized designation such as the Reserve Specialist® (RS) designation administered by Community Associations Institute (CAI). This designation indicates that the provider has shown the necessary skills to perform a reserve study that conforms to these standards. In some instances, qualifications in excess of the RS designation will be required if supplemental subject matter expertise is required.

**Reserve Study Provider Firm:** A company that prepares reserve studies as one of its primary business activities.

**Responsible Charge:** A Reserve Specialist (RS) in responsible charge of a reserve study shall render regular and effective supervision to those individuals’ performing services that directly and materially affect the quality and competence of services rendered by the Reserve Specialist. A Reserve Specialist shall maintain such records as are reasonably necessary to establish that the Reserve Specialist exercised regular and effective supervision of a reserve study of which he or she was in responsible charge. A Reserve Specialist engaged in any of the following acts or practices shall be deemed not to have rendered the regular and effective supervision required herein:

1. The regular and continuous absence from principal office premises from which professional services are rendered; except for performance of field work or presence in a field office maintained exclusively for a specific project;
2. The failure to personally inspect or review the work of subordinates where necessary and appropriate;
3. The rendering of a limited, cursory or perfunctory review of plans or projects in lieu of an appropriate detailed review; and
4. The failure to personally be available on a reasonable basis or with adequate advance notice for consultation and inspection where circumstances require personal availability.

**Site Visit:** A visual assessment of the accessible areas of the components included within the reserve study.

*The site visit includes tasks such as, but not limited to, on-site visual observations, a review of the association's design and governing documents, review of association precedents, and discussion with appropriate representative(s) of the association.*

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

*Special assessments, when used to make up for unplanned reserve fund shortfalls, may be an indicator of deferred maintenance, improper reserve project planning, and unforeseen catastrophes and accidents, as well as other surprises.*

**Structural System:** The structural components within a building that, by contiguous interconnection, form a path by which external and internal forces, applied to the building, are delivered to the ground. This is generally a combination of structural beams, columns, and bracing and is not included within the reserve study, although it is reviewed as part of the recommended periodic structural inspections.

*It is important to recognize that individual structural components which are not a part of the structural system, such as decks, balconies, and podium deck components may be included for reserve funding if they otherwise satisfy the three-part test.*

**Useful Life (UL):** The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed presuming proactive, planned, preventive maintenance.

*Best practice is that a component's Useful Life should reflect the actual preventive maintenance being performed (or not performed).*

**Valuation Estimates:** The task of estimating the current repair or [replacement costs](#) for the reserve components.