



RESERVE STUDY

Level 2 – Update Study with Site Visit



May Creek Club HOA

Gold Bar, WA

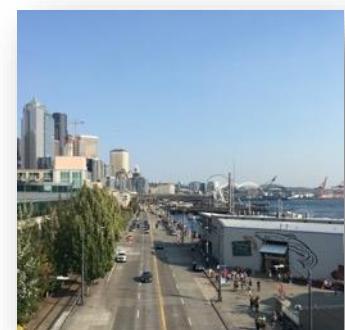
Fiscal Year 2026

June 26' – May 27'



Prepared by Reserve Studies NW, LLC

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Introduction

Welcome to Your Reserve Study!

A Reserve Study is an essential planning tool designed to help your association manage its property responsibly and confidently. This report provides the insight you need to anticipate future expenses, make informed financial decisions, and preserve both your community's assets and property values.

From the day construction is completed, every major component of a property begins a predictable cycle of wear and aging. The key word is predictable—because planning ahead is exactly what a Reserve Study from Reserve Studies NW, LLC is all about. By understanding the timing and cost of future repair and replacement needs, your association can budget proactively rather than reactively.

Within this report, you will find four key components:

Component Inventory - A detailed listing of the common area components unique to your property, including their estimated useful life, remaining life, and replacement costs. This serves as the foundation of the Reserve Study and all related financial projections.

Expense Predictions - A comprehensive forecast of upcoming capital expenses—detailing when major projects are anticipated and how much they are projected to cost. This section provides valuable insight for long-term budgeting and helps your board plan responsibly for the years ahead.

Reserve Fund Strength - An evaluation of how well your current reserve balance aligns with the association's physical and financial needs—providing a clear snapshot of your reserve fund's current health.

Funding Plan - A long-term financial strategy that recommends stable, equitable annual contributions to ensure that future repairs and replacements can be completed without financial strain or special assessments.

At Reserve Studies NW, LLC, our mission is to bring clarity, accuracy, and foresight to your association's financial planning—helping you protect your property investments and ensure a sustainable future for your community.

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Executive Summary

Client: May Creek Club HOA

Location: Gold Bar, WA

Number of Units: 360 Lots

Report Number: 1642

Level of Report: Level 2 – Update Study with Site Visit

Visit/Inspection Date: December 22nd, 2025

Property Overview: The May Creek Club is a single-family home association (HOA) in Gold Bar, WA. The community consists of private roads and a single-lane bridge. There are many community features including a basketball court, dog run, playgrounds, and two picnic shelters.

Financial Summary: In the table below is the high-level reserve funding financial outlook for your association. Starting balance was received from Austin Orion, Vice-President.

<i>Starting Reserve Balance</i>	\$198,771
<i>Budgeted Annual Reserve Funding (Current)</i>	\$10,000
<i>Special Assessments (Planned or Complete)</i>	\$0
<i>Fully Funded Reserve Balance (Ideal)</i>	\$195,440
<i>Percent Funded</i>	101.7%
<i>Surplus/Deficit Funding per Unit</i>	\$9.25 (Surplus)
<i>Annual Reserve Funding (Recommended)</i>	\$35,100
<i>Special Assessments (Recommended)</i>	N/A

Table 1: Executive Summary

Economic Assumptions:

Reserve Account Net Interest Rate: 2.00%
Annual Inflation Rate: 3.00%

Current Reserve Fund Strength:

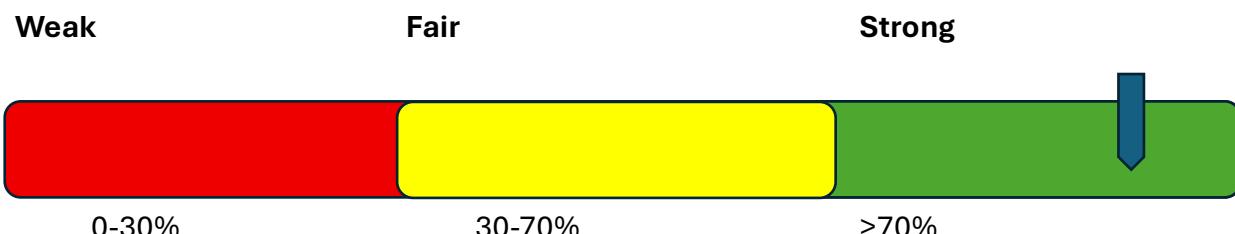


Figure 1: Reserve Fund Strength

Recommendations: Based on the current funding strength and anticipated upcoming expenses showed in our expense detail section, our recommendation is to set your annual reserve funding amount to the recommended value above in Table 1 for the 2026 fiscal year (June 1st, 2026 through May 31st, 2027) and increase it annually at 3% for inflation-tracking increase year over year.

Our Recommended Funding Plan is in line with the Full Funding Plan to bring the association to the fully funded balance at the end of the 30 year study period. The reserve fund is in generally good health, at ~100% funded at the time of this report. We do note that several items, such as the Spring Rockers, and the fencing at the southern park area should be in-scope for replacement soon due to significantly noticed deterioration and possible safety hazards. More details available in the Studied Component Details section of this report.

It should be noted that through discussion with Austin Orion during the on-site visit, the single-lane bridge replacement is not a funded reserve component in this study due to an alternate access road planned prior to the full deterioration of the current single lane bridge. We included a “Bridge, Inspection” item as we recommended the board continues regular engineering inspections of the bridge. In line with all reserve studies, structural assessment and estimation are outside the scope of this study, thus the association needs to work closely with a bridge engineer, trained and certified (if appropriate) in this engineering practice, to ensure the structural condition is well inspected and accounted on an on-going basis.

Studied Reserve Component Inventory

Below is a table of the identified reserve components in your community which we included in this study. Each one is labeled with its corresponding Useful Life (UL) based on industry standards, Remaining Useful Life (RUL) based on the last site inspection, and estimated current replacement cost from local vendors, industry data sets, or our Reserve Studies NW proprietary pricing database.

#	Component Name/Description	Qty	Unit	Unit Cost	Total Cost	UL	RUL
1	Asphalt, Roads, Overlay (20%)	338400	Sq. ft.	\$2.25	\$152,280	10	5
2	Asphalt, Roads, Sealcoat	338400	Sq. ft.	\$0.20	\$67,680	7	2
3	Road Signs, Entry	1	Unit(s)	\$3,500	\$3,500	15	5
4	Bridge, Inspection	1	Unit(s)	\$5,000	\$5,000	3	2
5	Park South, Fence, Chain Link, 6'	400	lf	\$37.50	\$15,000	20	6
6	Park South, Fence, Chain Link, 3'	50	lf	\$32.00	\$1,600	20	4
7	Park South, Recreation, Playground Medium	1	Unit(s)	\$21,000	\$21,000	25	23
8	Park South, Recreation, Bench	2	Unit(s)	\$1,700	\$3,400	20	15
9	Park South, Recreation, Spring Rocker	1	Unit(s)	\$1,600	\$1,600	20	0
10	Park South, Park Shelter, Maintain	1	Unit(s)	\$3,000	\$3,000	10	5
11	Park South, Park Shelter, Replace	1	Unit(s)	\$15,000	\$15,000	30	12
12	Park North, Fence, Chain Link, 6'	440	lf	\$37.50	\$16,500	20	6
13	Park North, Recreation, Playground Small	1	Unit(s)	\$10,000	\$10,000	25	23
14	Park North, Recreation, Bench	1	Unit(s)	\$1,700	\$1,700	20	15
15	Park North, Recreation, Spring Rocker	2	Unit(s)	\$1,600	\$3,200	20	0
16	Park North, Recreation, Swings, Double	1	Unit(s)	\$3,200	\$3,200	25	5
17	Park North, Recreation, Basketball Court	1	Unit(s)	\$5,000	\$5,000	20	7
18	Park North, Park Shelter, Maintain	1	Unit(s)	\$3,000	\$3,000	10	2
19	Park North, Park Shelter, Replace	1	Unit(s)	\$20,000	\$20,000	30	12
20	Dog Run, Fence, Chain Link, 6'	420	lf	\$37.50	\$15,750	20	15
21	Dog Run, Recreation, Bench	1	Unit(s)	\$1,700	\$1,700	20	15

21 Included Components

Table 2: Component Inventory with Useful Life (UL) and Remaining Useful Life (RUL)

Goals and Methodology

A Reserve Study is both a technical analysis and a long-term financial planning tool. At its core, it combines the science of data and measurement with the judgment and experience of evaluating real-world property conditions. At Reserve Studies NW, LLC, our goal is to provide clarity, accuracy, and foresight—helping associations make informed decisions about how to fund the repair and replacement of their common area assets.

Purpose and Goals

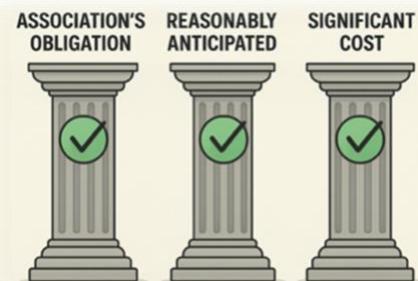
The primary goal of a Reserve Study is to ensure that each association collects and maintains adequate funds to address predictable, major repair and replacement projects as they occur—without relying on special assessments or deferred maintenance. A properly funded reserve plan promotes:

- Financial Stability through steady, budgeted contributions.
- Fairness by collecting funds from current owners in proportion to their use of the assets.
- Property Value Protection by ensuring that assets are maintained in good condition.

What Is Included in the Reserve Study

The component inventory is the foundation of every Reserve Study, serving as the roadmap for identifying which repair and replacement projects the association should anticipate, when they are likely to occur, and approximately how much they will cost. A well-defined and consistently applied methodology for selecting reserve components is critical—it ensures the association can distinguish between operating expenses, reserve expenses, and those costs that fall outside both categories, such as capital improvements, insurable losses, or unforeseen events.

At Reserve Studies NW, LLC, we follow the National Reserve Study Standards and apply a consistent three-part test to determine which components belong in the reserve funding plan. For an expense to qualify as a reserve component, it must meet all three of the following criteria:



- 1. Association Obligation to Maintain or Replace** - The component must represent an existing financial responsibility of the association, as defined by its governing documents. These typically include common area elements—such as roofing,

paving, siding, mechanical systems, or recreational amenities—that the association is contractually or legally obligated to maintain, repair, or replace.

2. **Predictable Need and Timing** - The repair or replacement of the component must be reasonably predictable, even if the timing is not exact. Predictability can stem from physical wear and deterioration, but also from aesthetic, economic, or functional obsolescence—for example, when a feature becomes outdated, less energy-efficient, or fails to meet evolving maintenance standards. This forward-looking approach helps ensure the reserve plan remains realistic and responsive to real-world needs.
3. **Significant Cost** - The total cost of the project must be material to the association's budget and reasonably estimable based on prudent research and available data. "Material" typically means the cost exceeds what can be comfortably absorbed by the annual operating budget—commonly, any single project representing more than 0.5% to 1% of total annual expenditures. Cost estimates include all direct and related expenses necessary to complete the work. If a project's timing or cost cannot be reasonably determined, it does not qualify as a reserve component.

This structured selection process ensures that each reserve study remains consistent, transparent, and defensible, both to the association's members and to outside reviewers. It also provides a stable foundation for long-term budget planning, helping associations avoid underfunding or overfunding reserves.

By adhering to this standard, Reserve Studies NW, LLC ensures that only major, predictable, and materially significant common area expenses are included in the reserve plan—those that truly represent the long-term financial responsibilities of the association. This disciplined approach strengthens the credibility of the analysis, enhances financial stability, and helps protect both the association's assets and the interests of its members.

Establishing Key Assumptions

To estimate the Useful Life and Remaining Useful Life of each component, we consider:

- On-site visual observations of condition and wear.
- Any available association historical records and installation data.
- Vendor input and industry-standard life cycle references.
- Reserve Studies NW propriety reserve replacement pricing database, developed from local experience.

Repair and replacement cost estimates are based on the best available information, including, but not limited to, actual vendor proposals, client historical data, and regional pricing

Expense Predictions

Based on the full analysis done in the component inventory and inspection, and by finding aligning replacement costs based on industry standards, we construct expense timeline predictions - a detailed schedule showing when future projects are expected and how much they are likely to cost. This forward-looking view allows associations to plan for both near-term and long-term capital expenses, aligning funding strategies with real-world maintenance timelines.

Reserve Fund Strength and Funding Goals

Once the Component List is complete, we calculate the association's Reserve Fund Strength, expressed as Percent Funded—a comparison between the association's current reserve balance and the value of deterioration (the Fully Funded Balance).

70–130% Funded is generally considered strong, with low risk of special assessments. 30–70% Funded indicates moderate risk. Below 30% Funded represents a high likelihood of deferred maintenance or special assessments.

We then develop Funding Plan options that provides a stable, sustainable contribution schedule designed to maintain reserves in a healthy range while minimizing large year-to-year increases.

A key outcome of every Reserve Study is the development of a Funding Plan—a long-term financial strategy that defines how much the association should contribute to its reserve account each year to meet future repair and replacement needs. At Reserve Studies NW, LLC, our objective is to recommend a funding approach that is both responsible and sustainable, balancing adequate preparation for future expenses with fairness to current homeowners.

Each Reserve Study includes analysis and comparison of several funding goal types:

- **Full Funding Plan** - The Full Funding Plan is designed to achieve a 100% Fully Funded reserve position by the end of the 30-year study period. In this plan, reserve contributions grow proportionally with the association's ongoing asset deterioration, ensuring that the reserve fund always contains enough to offset the depreciated value of all major components. Associations operating in the 70–130% funded range are generally considered strong and well-prepared under this model.
- **Baseline Funding Plan** - The Baseline Funding Plan sets contribution levels to maintain the reserve balance above zero throughout the 30-year projection period,

without relying on special assessments or loans. While this plan satisfies all anticipated expenditures, it provides little margin for unexpected costs or timing shifts. As a result, it carries a higher risk of temporary shortfalls or deferred maintenance compared to a Full Funding Plan.

- **Our Recommended Plan** - In addition to the mathematical models, the report includes a professional judgment-based recommendation from Reserve Studies NW, LLC, informed by experience, industry standards, and the specific conditions of the property. This contribution rate reflects both the technical calculations and the practical realities faced by the association—such as budget constraints, assessment stability, and the age and condition of the community's assets. Typically, we align our recommendation with the “Fully Funded Plan” for wholistic preparation for your communities upcoming expenses.

Together, these funding options give the association a clear view of its financial trajectory under different strategies. By reviewing each plan's projected cash flow and percent-funded outcomes, the board can make informed decisions that align with its long-term financial goals and homeowner expectations.

Summary

In essence, the Reserve Study reflects the balance between today's funding decisions and tomorrow's responsibilities. By applying sound data, consistent methodology, and local experience, Reserve Studies NW, LLC helps associations stay prepared, financially stable, and confident in their long-term stewardship of community assets. Our process starts with a thorough component list, which moves to a predictable expense timeline, which drives our multiple funding plans to guide your association in its reserve account management and planning.



Expense Predictions

30-Year Outlook

In this study, we look ahead 30 years for upcoming reserve expenses for your community. While we do our best to predict the future expenses, there is no guarantee these expenses will take place as planned – especially the longer lifetime reserve components.

This highlights the need for consistent, annual updates of the reserve study to ensure as reserve components near end of life, their replacement financial planning is accurate and well-funded. The near-term replacement components we have a higher-level of confidence surrounding replacement timelines, albeit not absolute.

The below figure represents the projected, estimated expenses for your association over the next 30 years.

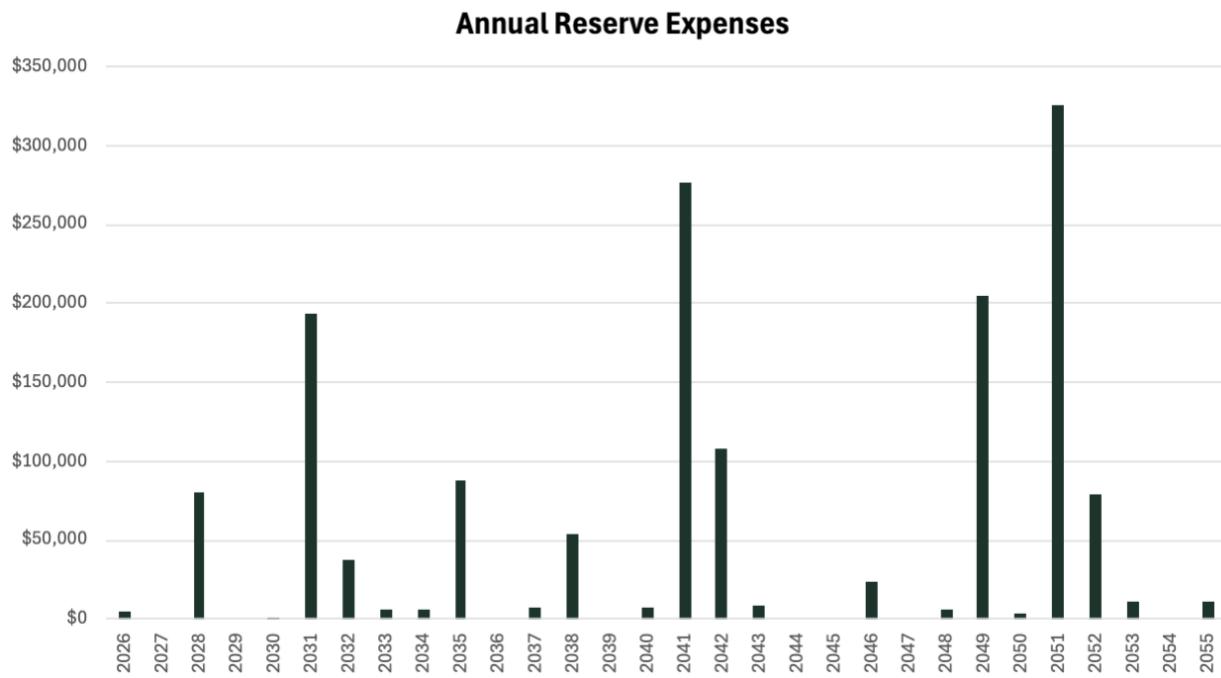


Figure 2: Annual Reserve Expenses

The tables breakdown these expenses year by year, component by component to give a detailed view of each years' estimated reserve expenses. Pay special attention to the near-term estimated expenses (i.e. 0-10 years), because these are items that we feel like need replacement in the near-term and we have higher confidence in the needed replacement timeline.

Expense Prediction Analysis:

Looking at your specific associations' project expenses, while the short term expenses are minimal, the long term has some large expense years which need careful planning to ensure funds are in place for the replacement – this includes the regular asphalt road overlay projects.

In the near term, we recommend replacing the Spring Rockers in both parks, along with fencing replacements in the southern park. We also recommend doing a sealcoat on the asphalt roads within the next 5 years to ensure the full life of the asphalt can be achieved. Lastly, we recommend continuing regular bridge inspections to ensure the operation of the single lane bridge while an alternate road plan is being assessed. While the bridge replacement component is not included due to the unpredictable remaining life, we have included a "Bridge Inspection" reserve component for funding this on-going inspection expense.

Detailed Expense Tables

#	Component Name/Description	2026	2027	2028	2029	2030
1	Asphalt, Roads, Overlay (20%)	\$0	\$0	\$0	\$0	\$0
2	Asphalt, Roads, Sealcoat	\$0	\$0	\$71,802	\$0	\$0
3	Road Signs, Entry	\$0	\$0	\$0	\$0	\$0
4	Bridge, Inspection	\$0	\$0	\$5,305	\$0	\$0
5	Park South, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
6	Park South, Fence, Chain Link, 3'	\$0	\$0	\$0	\$0	\$1,801
7	Park South, Recreation, Playground Med	\$0	\$0	\$0	\$0	\$0
8	Park South, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
9	Park South, Recreation, Spring Rocker	\$1,600	\$0	\$0	\$0	\$0
10	Park South, Park Shelter, Maintain	\$0	\$0	\$0	\$0	\$0
11	Park South, Park Shelter, Replace	\$0	\$0	\$0	\$0	\$0
12	Park North, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
13	Park North, Recreation, Playground Small	\$0	\$0	\$0	\$0	\$0
14	Park North, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
15	Park North, Recreation, Spring Rocker	\$3,200	\$0	\$0	\$0	\$0
16	Park North, Recreation, Swings, Double	\$0	\$0	\$0	\$0	\$0
17	Park North, Recreation, Basketball Court	\$0	\$0	\$0	\$0	\$0
18	Park North, Park Shelter, Maintain	\$0	\$0	\$3,183	\$0	\$0
19	Park North, Park Shelter, Replace	\$0	\$0	\$0	\$0	\$0
20	Dog Run, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
21	Dog Run, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
Total Reserve Spending		\$4,800	\$0	\$80,290	\$0	\$1,801

Table 3: Reserve Expenses 1-5 Years

#	Component Name/Description	2031	2032	2033	2034	2035
1	Asphalt, Roads, Overlay (20%)	\$176,534	\$0	\$0	\$0	\$0
2	Asphalt, Roads, Sealcoat	\$0	\$0	\$0	\$0	\$88,307
3	Road Signs, Entry	\$4,057	\$0	\$0	\$0	\$0
4	Bridge, Inspection	\$5,796	\$0	\$0	\$6,334	\$0
5	Park South, Fence, Chain Link, 6'	\$0	\$17,911	\$0	\$0	\$0
6	Park South, Fence, Chain Link, 3'	\$0	\$0	\$0	\$0	\$0
7	Park South, Recreation, Playground Med	\$0	\$0	\$0	\$0	\$0
8	Park South, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
9	Park South, Recreation, Spring Rocker	\$0	\$0	\$0	\$0	\$0
10	Park South, Park Shelter, Maintain	\$3,478	\$0	\$0	\$0	\$0
11	Park South, Park Shelter, Replace	\$0	\$0	\$0	\$0	\$0
12	Park North, Fence, Chain Link, 6'	\$0	\$19,702	\$0	\$0	\$0
13	Park North, Recreation, Playground Small	\$0	\$0	\$0	\$0	\$0
14	Park North, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
15	Park North, Recreation, Spring Rocker	\$0	\$0	\$0	\$0	\$0
16	Park North, Recreation, Swings, Double	\$3,710	\$0	\$0	\$0	\$0
17	Park North, Recreation, Basketball Court	\$0	\$0	\$6,149	\$0	\$0
18	Park North, Park Shelter, Maintain	\$0	\$0	\$0	\$0	\$0
19	Park North, Park Shelter, Replace	\$0	\$0	\$0	\$0	\$0
20	Dog Run, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
21	Dog Run, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
Total Reserve Spending		\$193,575	\$37,613	\$6,149	\$6,334	\$88,307

Table 4: Reserve Expenses 6-10 Years

#	Component Name/Description	2036	2037	2038	2039	2040
1	Asphalt, Roads, Overlay (20%)	\$0	\$0	\$0	\$0	\$0
2	Asphalt, Roads, Sealcoat	\$0	\$0	\$0	\$0	\$0
3	Road Signs, Entry	\$0	\$0	\$0	\$0	\$0
4	Bridge, Inspection	\$0	\$6,921	\$0	\$0	\$7,563
5	Park South, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
6	Park South, Fence, Chain Link, 3'	\$0	\$0	\$0	\$0	\$0
7	Park South, Recreation, Playground Med	\$0	\$0	\$0	\$0	\$0
8	Park South, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
9	Park South, Recreation, Spring Rocker	\$0	\$0	\$0	\$0	\$0
10	Park South, Park Shelter, Maintain	\$0	\$0	\$0	\$0	\$0
11	Park South, Park Shelter, Replace	\$0	\$0	\$21,386	\$0	\$0
12	Park North, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
13	Park North, Recreation, Playground Small	\$0	\$0	\$0	\$0	\$0
14	Park North, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
15	Park North, Recreation, Spring Rocker	\$0	\$0	\$0	\$0	\$0
16	Park North, Recreation, Swings, Double	\$0	\$0	\$0	\$0	\$0
17	Park North, Recreation, Basketball Court	\$0	\$0	\$0	\$0	\$0
18	Park North, Park Shelter, Maintain	\$0	\$0	\$4,277	\$0	\$0
19	Park North, Park Shelter, Replace	\$0	\$0	\$28,515	\$0	\$0
20	Dog Run, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
21	Dog Run, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
Total Reserve Spending		\$0	\$6,921	\$54,178	\$0	\$7,563

Table 5: Reserve Expenses 11-15 Years

#	Component Name/Description	2041	2042	2043	2044	2045
1	Asphalt, Roads, Overlay (20%)	\$237,247	\$0	\$0	\$0	\$0
2	Asphalt, Roads, Sealcoat	\$0	\$108,607	\$0	\$0	\$0
3	Road Signs, Entry	\$0	\$0	\$0	\$0	\$0
4	Bridge, Inspection	\$0	\$0	\$8,264	\$0	\$0
5	Park South, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
6	Park South, Fence, Chain Link, 3'	\$0	\$0	\$0	\$0	\$0
7	Park South, Recreation, Playground Med	\$0	\$0	\$0	\$0	\$0
8	Park South, Recreation, Bench	\$5,297	\$0	\$0	\$0	\$0
9	Park South, Recreation, Spring Rocker	\$0	\$0	\$0	\$0	\$0
10	Park South, Park Shelter, Maintain	\$4,674	\$0	\$0	\$0	\$0
11	Park South, Park Shelter, Replace	\$0	\$0	\$0	\$0	\$0
12	Park North, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
13	Park North, Recreation, Playground Small	\$0	\$0	\$0	\$0	\$0
14	Park North, Recreation, Bench	\$2,649	\$0	\$0	\$0	\$0
15	Park North, Recreation, Spring Rocker	\$0	\$0	\$0	\$0	\$0
16	Park North, Recreation, Swings, Double	\$0	\$0	\$0	\$0	\$0
17	Park North, Recreation, Basketball Court	\$0	\$0	\$0	\$0	\$0
18	Park North, Park Shelter, Maintain	\$0	\$0	\$0	\$0	\$0
19	Park North, Park Shelter, Replace	\$0	\$0	\$0	\$0	\$0
20	Dog Run, Fence, Chain Link, 6'	\$24,538	\$0	\$0	\$0	\$0
21	Dog Run, Recreation, Bench	\$2,649	\$0	\$0	\$0	\$0
Total Reserve Spending		\$277,054	\$108,607	\$8,264	\$0	\$0

Table 6: Reserve Expenses 16-20 Years

#	Component Name/Description	2046	2047	2048	2049	2050
1	Asphalt, Roads, Overlay (20%)	\$0	\$0	\$0	\$0	\$0
2	Asphalt, Roads, Sealcoat	\$0	\$0	\$0	\$133,572	\$0
3	Road Signs, Entry	\$6,321	\$0	\$0	\$0	\$0
4	Bridge, Inspection	\$9,031	\$0	\$0	\$9,868	\$0
5	Park South, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
6	Park South, Fence, Chain Link, 3'	\$0	\$0	\$0	\$0	\$3,252
7	Park South, Recreation, Playground Med	\$0	\$0	\$0	\$41,445	\$0
8	Park South, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
9	Park South, Recreation, Spring Rocker	\$2,890	\$0	\$0	\$0	\$0
10	Park South, Park Shelter, Maintain	\$0	\$0	\$0	\$0	\$0
11	Park South, Park Shelter, Replace	\$0	\$0	\$0	\$0	\$0
12	Park North, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
13	Park North, Recreation, Playground Small	\$0	\$0	\$0	\$19,736	\$0
14	Park North, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
15	Park North, Recreation, Spring Rocker	\$5,780	\$0	\$0	\$0	\$0
16	Park North, Recreation, Swings, Double	\$0	\$0	\$0	\$0	\$0
17	Park North, Recreation, Basketball Court	\$0	\$0	\$0	\$0	\$0
18	Park North, Park Shelter, Maintain	\$0	\$0	\$5,748	\$0	\$0
19	Park North, Park Shelter, Replace	\$0	\$0	\$0	\$0	\$0
20	Dog Run, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
21	Dog Run, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
Total Reserve Spending		\$24,022	\$0	\$5,748	\$204,621	\$3,252

Table 7: Reserve Expenses 20-25 Years

#	Component Name/Description	2051	2052	2053	2054	2055
1	Asphalt, Roads, Overlay (20%)	\$318,841	\$0	\$0	\$0	\$0
2	Asphalt, Roads, Sealcoat	\$0	\$0	\$0	\$0	\$0
3	Road Signs, Entry	\$0	\$0	\$0	\$0	\$0
4	Bridge, Inspection	\$0	\$10,783	\$0	\$0	\$11,783
5	Park South, Fence, Chain Link, 6'	\$0	\$32,349	\$0	\$0	\$0
6	Park South, Fence, Chain Link, 3'	\$0	\$0	\$0	\$0	\$0
7	Park South, Recreation, Playground Med	\$0	\$0	\$0	\$0	\$0
8	Park South, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
9	Park South, Recreation, Spring Rocker	\$0	\$0	\$0	\$0	\$0
10	Park South, Park Shelter, Maintain	\$6,281	\$0	\$0	\$0	\$0
11	Park South, Park Shelter, Replace	\$0	\$0	\$0	\$0	\$0
12	Park North, Fence, Chain Link, 6'	\$0	\$35,584	\$0	\$0	\$0
13	Park North, Recreation, Playground Small	\$0	\$0	\$0	\$0	\$0
14	Park North, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
15	Park North, Recreation, Spring Rocker	\$0	\$0	\$0	\$0	\$0
16	Park North, Recreation, Swings, Double	\$0	\$0	\$0	\$0	\$0
17	Park North, Recreation, Basketball Court	\$0	\$0	\$11,106	\$0	\$0
18	Park North, Park Shelter, Maintain	\$0	\$0	\$0	\$0	\$0
19	Park North, Park Shelter, Replace	\$0	\$0	\$0	\$0	\$0
20	Dog Run, Fence, Chain Link, 6'	\$0	\$0	\$0	\$0	\$0
21	Dog Run, Recreation, Bench	\$0	\$0	\$0	\$0	\$0
Total Reserve Spending		\$325,122	\$78,716	\$11,106	\$0	\$11,783

Table 8: Reserve Expenses 26-30 Years

Funding Plans

In this report, we will focus on 3 separate funding plans – Full Funding, Baseline Funding, and Recommended Funding. We provide these different options/plans so associations can view how different funding strategies setup their finances to either handle reserve expenses with ease, or narrowly handle them without going negative. In summary, the three funding plans are described as follows.

- **Full Funding Plan** - The Full Funding Plan is designed to achieve a 100% Fully Funded reserve position by the end of the 30-year study period. In this plan, reserve contributions grow proportionally with the association's ongoing asset deterioration, ensuring that the reserve fund always contains enough to offset the depreciated value of all major components. Associations operating in the 70–130% funded range are generally considered strong and well-prepared under this model.
- **Baseline Funding Plan** - The Baseline Funding Plan sets contribution levels to maintain the reserve balance above zero throughout the 30-year projection period, without relying on special assessments or loans. While this plan satisfies all anticipated expenditures, it provides little margin for unexpected costs or timing shifts. As a result, it carries a higher risk of temporary shortfalls or deferred maintenance compared to a Full Funding Plan.
- **Recommended Funding Plan** - In addition to the mathematical models, the report includes a professional judgment-based recommendation from Reserve Studies NW, LLC, informed by experience, industry standards, and the specific conditions of the property. This contribution rate reflects both the technical calculations and the practical realities faced by the association—such as budget constraints, assessment stability, and the age and condition of the community's assets. Typically, we align our recommendation with the “Fully Funded Plan” for wholistic preparation for your communities upcoming expenses.

Fully Funded Balance Calculation

Before we can devise funding plans, we calculate the current fully funded balance for the association based on the inspected RUL of each reserve component. This is done by multiplying the current replacement cost by the component years of service, divided by the component useful life (UL). This calculation is done for each component in the table below.

#	Component Name/Description	Replacement Cost	Useful Life (UL)	Years in Service	Fully Funded Balance
1	Asphalt, Roads, Overlay (20%)	\$152,280	10	5	\$76,140
2	Asphalt, Roads, Sealcoat	\$67,680	7	5	\$48,343
3	Road Signs, Entry	\$3,500	15	10	\$2,333
4	Bridge, Inspection	\$5,000	3	1	\$1,667
5	Park South, Fence, Chain Link, 6'	\$15,000	20	14	\$10,500
6	Park South, Fence, Chain Link, 3'	\$1,600	20	16	\$1,280
7	Park South, Recreation, Playground Med	\$21,000	25	2	\$1,680
8	Park South, Recreation, Bench	\$3,400	20	5	\$850
9	Park South, Recreation, Spring Rocker	\$1,600	20	20	\$1,600
10	Park South, Park Shelter, Maintain	\$3,000	10	5	\$1,500
11	Park South, Park Shelter, Replace	\$15,000	30	18	\$9,000
12	Park North, Fence, Chain Link, 6'	\$16,500	20	14	\$11,550
13	Park North, Recreation, Playground Small	\$10,000	25	2	\$800
14	Park North, Recreation, Bench	\$1,700	20	5	\$425
15	Park North, Recreation, Spring Rocker	\$3,200	20	20	\$3,200
16	Park North, Recreation, Swings, Double	\$3,200	25	20	\$2,560
17	Park North, Recreation, Basketball Court	\$5,000	20	13	\$3,250
18	Park North, Park Shelter, Maintain	\$3,000	10	8	\$2,400
19	Park North, Park Shelter, Replace	\$20,000	30	18	\$12,000
20	Dog Run, Fence, Chain Link, 6'	\$15,750	20	5	\$3,938
21	Dog Run, Recreation, Bench	\$1,700	20	5	\$425
Total Fully Funded Balance					\$195,440

Table 9: Fully Funded Balance Calculation

Previous Funding Plans

In this section, we review any previous funding plans and their associated recommended contribution rates (for Baseline and Full Funding Plan). These are values from previous reports and can be used in comparison to our values recommended in the sections below.

Note that no updated reserve study was provided since 2023, so the numbers in the below table are outdated and are included only for reference and as required elements. Based off the 2023 Reserve Study provided by the May Creek Club HOA, the previous recommended rates for the year 2026 are as follows:

	Full Funding Plan	Baseline Funding Plan
Annual Contributions (2026)	\$41,079	\$44,183

Table 10: Previous Funding Contribution Rates

Funding Plans Comparison & Summary

The table below shows the comparison between the three funding plans provided to your association through this reserve study.

	Full Funding Plan	Baseline Funding Plan	Recommended Plan
Annual Contributions	\$35,100	\$29,800	\$35,100
Annual Contributions Increase	3.00%	3.00%	3.00%
Special Assessments (year)	N/A	N/A	N/A
Reserve Fund Balance at End of 30-year Study Period (2055)	\$432,166	\$124,384	\$432,166
Percent Funded at End of 30-years	100.1%	28.80%	100.1%
Lowest Reserve Balance During 30-year Study Period (year)	\$176,226 (2032)	\$13 (2053)	\$176,226 (2032)

Table 11: Funding Plan Comparison & Summary

The below figure shows the annual reserve fund contributions for each year over the 30-year period for all three of the provided funding plans.

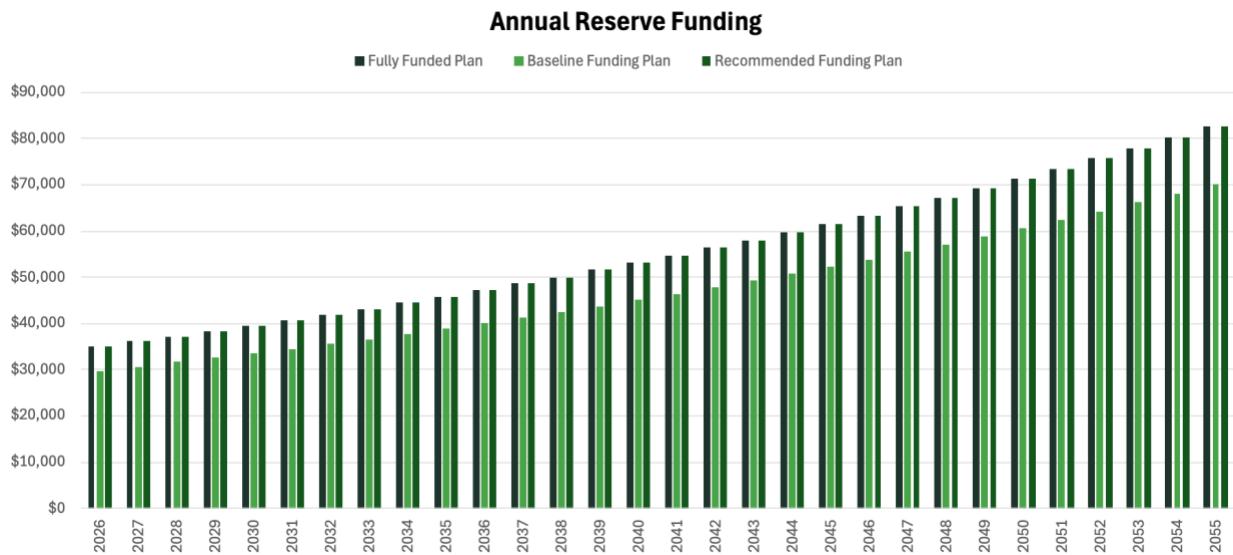


Figure 3: Annual Reserve Funding Contributions

And now, for the same three funding plans, the below figure shows for each plan, the reserve fund balance over the course of the 30-year study period. Note the FFB target line in beige. Also note that for the Baseline Funding Plan, the account balance drops to near-zero in 2052.

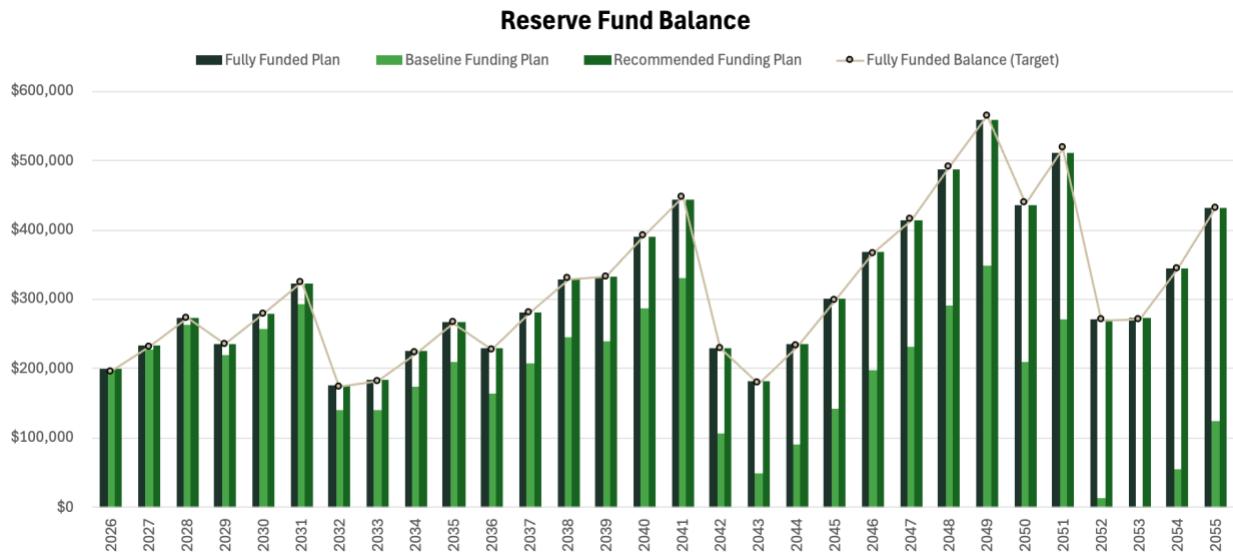


Figure 4: Reserve Fund Balance

Lastly, we provide the reserve fund strength, expressed as a percentage to the fully funded balance value. This is plotted for each of the three funding plans in the figure below. Note the 100% target line and how the Full Funding Plan converges on the 100% target at the end of the 30-year study period.

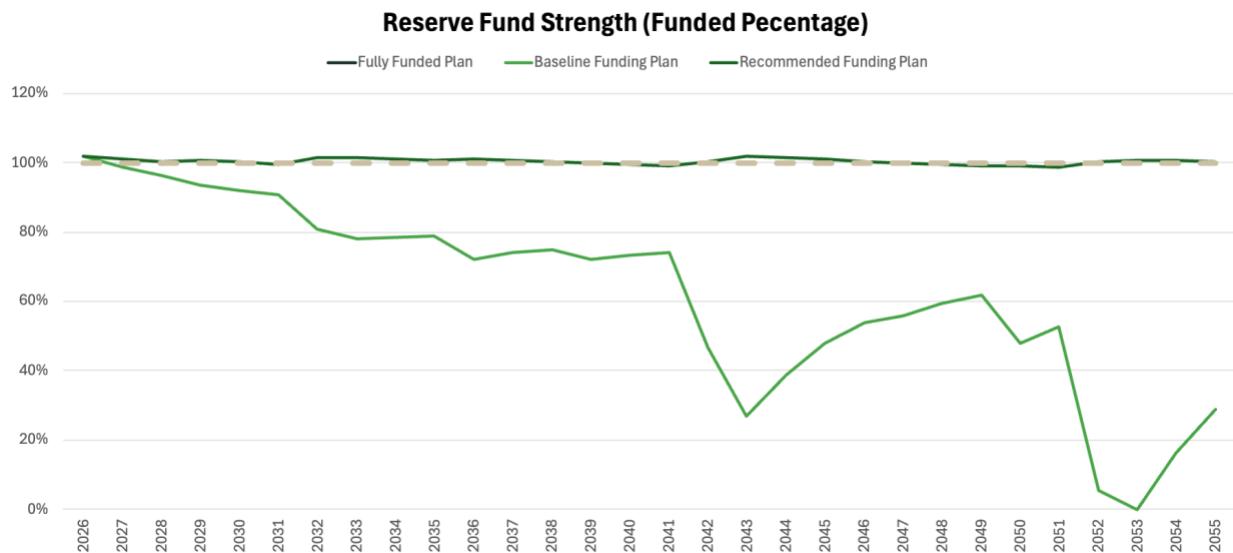


Figure 5: Reserve Fund Strength

Full Funding Plan

The Full Funding Plan is designed to achieve a 100% Fully Funded reserve position by the end of the 30-year study period. We use the inflation and interest assumptions provided in the executive summary to calculate the recommended annual reserve fund contribution.

The below figure shows the Annual Reserve Income (Contributions and Interest), Reserve Expenses, and the Reserve Account Balance over the 30-year study period for the Full Funding Plan.

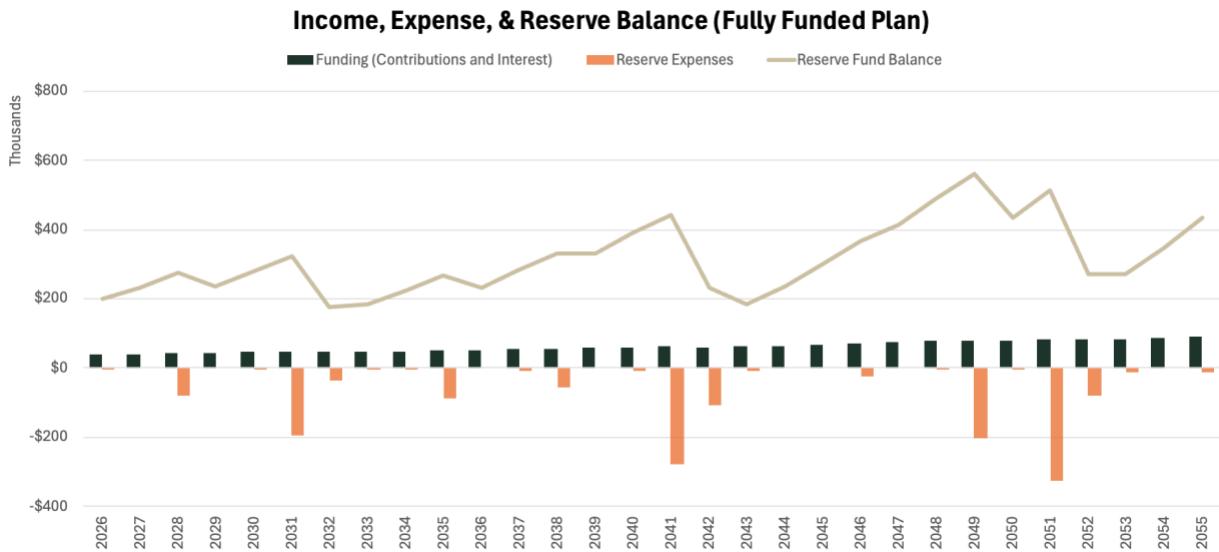


Figure 6: Full Funding Plan - Income, Expense, and Balance

Below is the tabulated version of the income, expense, and reserve balance data over the 30-year study period.

Year	% Annual Funding Increase	Reserve Fund Income			Expenses	Reserve Balance		
		Reserve Funding	Interest Income	Special Assmts		Year Start Reserve Balance	Fully Funded Balance	Percent Funded
2026	3.00%	\$35,100	\$3,975	\$0	\$4,800	\$198,771	\$195,440	101.7%
2027	3.00%	\$36,153	\$4,661	\$0	\$0	\$233,046	\$230,559	101.1%
2028	3.00%	\$37,238	\$5,477	\$0	\$80,290	\$273,860	\$272,702	100.4%
2029	3.00%	\$38,355	\$4,726	\$0	\$0	\$236,285	\$234,468	100.8%
2030	3.00%	\$39,505	\$5,587	\$0	\$1,801	\$279,366	\$278,873	100.2%
2031	3.00%	\$40,691	\$6,453	\$0	\$193,575	\$322,657	\$323,877	99.6%
2032	3.00%	\$41,911	\$3,525	\$0	\$37,613	\$176,226	\$173,857	101.4%
2033	3.00%	\$43,169	\$3,681	\$0	\$6,149	\$184,049	\$181,168	101.6%
2034	3.00%	\$44,464	\$4,495	\$0	\$6,334	\$224,749	\$222,331	101.1%
2035	3.00%	\$45,798	\$5,347	\$0	\$88,307	\$267,374	\$265,801	100.6%
2036	3.00%	\$47,171	\$4,604	\$0	\$0	\$230,212	\$227,441	101.2%
2037	3.00%	\$48,587	\$5,640	\$0	\$6,921	\$281,988	\$280,226	100.6%
2038	3.00%	\$50,044	\$6,586	\$0	\$54,178	\$329,293	\$328,845	100.1%
2039	3.00%	\$51,546	\$6,635	\$0	\$0	\$331,745	\$331,667	100.0%
2040	3.00%	\$53,092	\$7,799	\$0	\$7,563	\$389,925	\$391,840	99.5%
2041	3.00%	\$54,685	\$8,865	\$0	\$277,054	\$443,253	\$447,536	99.0%
2042	3.00%	\$56,325	\$4,595	\$0	\$108,607	\$229,749	\$228,880	100.4%
2043	3.00%	\$58,015	\$3,641	\$0	\$8,264	\$182,062	\$178,762	101.8%
2044	3.00%	\$59,755	\$4,709	\$0	\$0	\$235,454	\$232,140	101.4%
2045	3.00%	\$61,548	\$5,998	\$0	\$0	\$299,918	\$297,327	100.9%
2046	3.00%	\$63,395	\$7,349	\$0	\$24,022	\$367,465	\$366,216	100.3%
2047	3.00%	\$65,296	\$8,284	\$0	\$0	\$414,187	\$414,230	100.0%
2048	3.00%	\$67,255	\$9,755	\$0	\$5,748	\$487,767	\$490,278	99.5%
2049	3.00%	\$69,273	\$11,181	\$0	\$204,621	\$559,029	\$564,596	99.0%
2050	3.00%	\$71,351	\$8,697	\$0	\$3,252	\$434,862	\$438,271	99.2%
2051	3.00%	\$73,492	\$10,233	\$0	\$325,122	\$511,658	\$517,590	98.9%
2052	3.00%	\$75,696	\$5,405	\$0	\$78,716	\$270,261	\$269,849	100.2%
2053	3.00%	\$77,967	\$5,453	\$0	\$11,106	\$272,646	\$270,622	100.7%
2054	3.00%	\$80,306	\$6,899	\$0	\$0	\$344,960	\$343,269	100.5%
2055	3.00%	\$82,715	\$8,643	\$0	\$11,783	\$432,166	\$431,814	100.1%

Table 12: Full Funding Plan - Income, Expense, and Reserve Fund

Baseline Funding Plan

The Baseline Funding Plan sets contribution levels to maintain the reserve balance above zero throughout the 30-year projection period, without relying on special assessments or loans. Again, we use the inflation and interest assumptions provided in the executive summary to calculate the recommended annual reserve fund contribution.

The below figure shows the Annual Reserve Income (Contributions and Interest), Reserve Expenses, and the Reserve Account Balance over the 30-year study period for the Baseline Funding Plan.

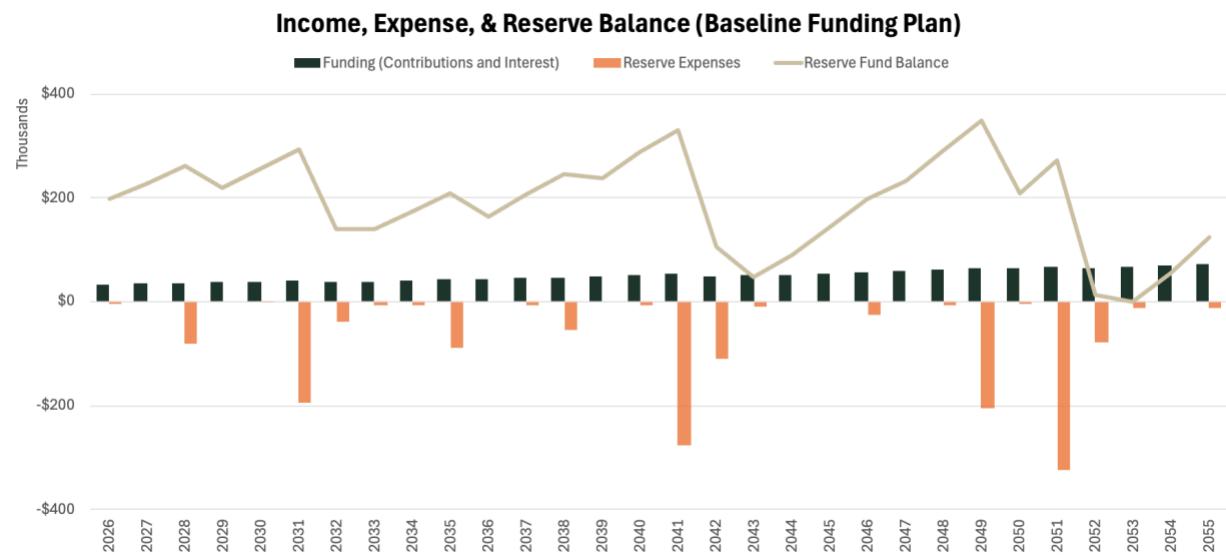


Figure 7: Baseline Funding Plan - Income, Expense, and Balance

Below is the tabulated version of the income, expense, and reserve balance data over the 30-year study period.

Year	% Annual Funding Increase	Reserve Fund Income			Expenses	Reserve Balance		
		Reserve Funding	Interest Income	Special Assmts		Year Start Reserve Balance	Fully Funded Balance	Percent Funded
2026	3.00%	\$29,800	\$3,975	\$0	\$4,800	\$198,771	\$195,440	101.70%
2027	3.00%	\$30,694	\$4,555	\$0	\$0	\$227,746	\$230,559	98.78%
2028	3.00%	\$31,615	\$5,260	\$0	\$80,290	\$262,995	\$272,702	96.44%
2029	3.00%	\$32,563	\$4,392	\$0	\$0	\$219,580	\$234,468	93.65%
2030	3.00%	\$33,540	\$5,131	\$0	\$1,801	\$256,535	\$278,873	91.99%
2031	3.00%	\$34,546	\$5,868	\$0	\$193,575	\$293,405	\$323,877	90.59%
2032	3.00%	\$35,583	\$2,805	\$0	\$37,613	\$140,244	\$173,857	80.67%
2033	3.00%	\$36,650	\$2,820	\$0	\$6,149	\$141,019	\$181,168	77.84%
2034	3.00%	\$37,750	\$3,487	\$0	\$6,334	\$174,341	\$222,331	78.41%
2035	3.00%	\$38,882	\$4,185	\$0	\$88,307	\$209,243	\$265,801	78.72%
2036	3.00%	\$40,049	\$3,280	\$0	\$0	\$164,003	\$227,441	72.11%
2037	3.00%	\$41,250	\$4,147	\$0	\$6,921	\$207,332	\$280,226	73.99%
2038	3.00%	\$42,488	\$4,916	\$0	\$54,178	\$245,808	\$328,845	74.75%
2039	3.00%	\$43,762	\$4,781	\$0	\$0	\$239,034	\$331,667	72.07%
2040	3.00%	\$45,075	\$5,752	\$0	\$7,563	\$287,577	\$391,840	73.39%
2041	3.00%	\$46,427	\$6,617	\$0	\$277,054	\$330,840	\$447,536	73.92%
2042	3.00%	\$47,820	\$2,137	\$0	\$108,607	\$106,831	\$228,880	46.68%
2043	3.00%	\$49,255	\$964	\$0	\$8,264	\$48,180	\$178,762	26.95%
2044	3.00%	\$50,733	\$1,803	\$0	\$0	\$90,135	\$232,140	38.83%
2045	3.00%	\$52,254	\$2,853	\$0	\$0	\$142,670	\$297,327	47.98%
2046	3.00%	\$53,822	\$3,956	\$0	\$24,022	\$197,778	\$366,216	54.01%
2047	3.00%	\$55,437	\$4,631	\$0	\$0	\$231,534	\$414,230	55.89%
2048	3.00%	\$57,100	\$5,832	\$0	\$5,748	\$291,601	\$490,278	59.48%
2049	3.00%	\$58,813	\$6,976	\$0	\$204,621	\$348,785	\$564,596	61.78%
2050	3.00%	\$60,577	\$4,199	\$0	\$3,252	\$209,953	\$438,271	47.90%
2051	3.00%	\$62,395	\$5,430	\$0	\$325,122	\$271,477	\$517,590	52.45%
2052	3.00%	\$64,266	\$284	\$0	\$78,716	\$14,179	\$269,849	5.25%
2053	3.00%	\$66,194	\$0	\$0	\$11,106	\$13	\$270,622	0.00%
2054	3.00%	\$68,180	\$1,102	\$0	\$0	\$55,102	\$343,269	16.05%
2055	3.00%	\$70,226	\$2,488	\$0	\$11,783	\$124,384	\$431,814	28.80%

Table 13: Baseline Funding Plan - Income, Expense, and Reserve Fund

Recommended Funding Plan

For this association and your specific expected reserve costs and timelines, **our recommended plan is to follow the full funding plan** to keep your association on-track to remain at or near the 100% funded marker through the 30-year study period.

You'll notice these figure and tables are in direct alignment with the Full Funding Plan outlined in the previous section.

The below figure shows the Annual Reserve Income (Contributions and Interest), Reserve Expenses, and the Reserve Account Balance over the 30-year study period for the Recommended Funding Plan.

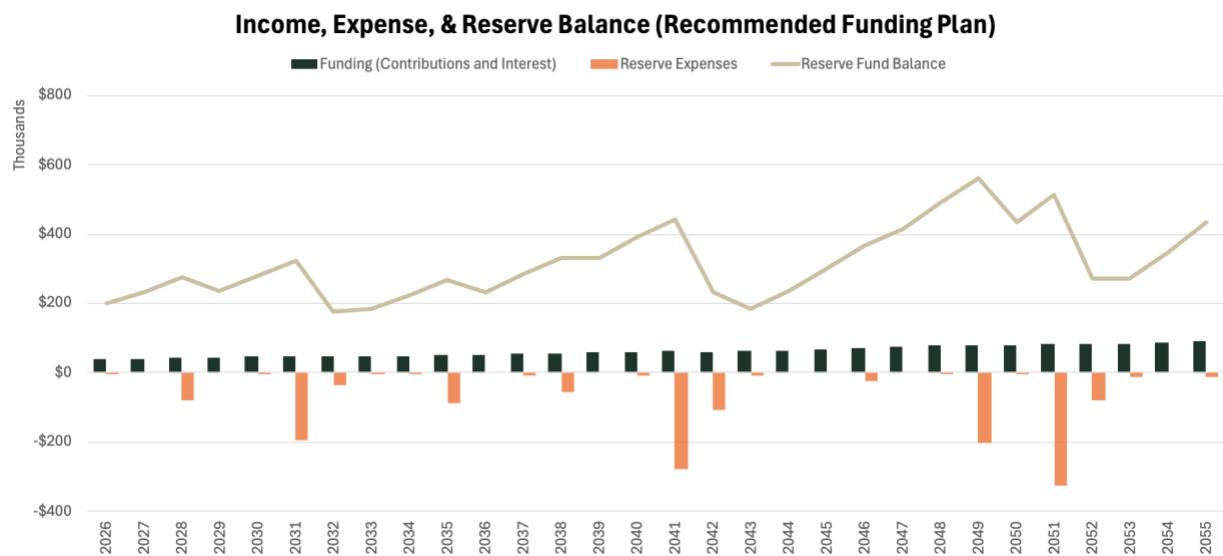


Figure 8: Recommended Funding Plan - Income, Expense, and Balance

Below is the tabulated version of the income, expense, and reserve balance data over the 30-year study period.

Year	% Annual Funding Increase	Reserve Fund Income			Expenses	Reserve Balance		
		Reserve Funding	Interest Income	Special Assmts		Year Start Reserve Balance	Fully Funded Balance	Percent Funded
2026	3.00%	\$35,100	\$3,975	\$0	\$4,800	\$198,771	\$195,440	101.7%
2027	3.00%	\$36,153	\$4,661	\$0	\$0	\$233,046	\$230,559	101.1%
2028	3.00%	\$37,238	\$5,477	\$0	\$80,290	\$273,860	\$272,702	100.4%
2029	3.00%	\$38,355	\$4,726	\$0	\$0	\$236,285	\$234,468	100.8%
2030	3.00%	\$39,505	\$5,587	\$0	\$1,801	\$279,366	\$278,873	100.2%
2031	3.00%	\$40,691	\$6,453	\$0	\$193,575	\$322,657	\$323,877	99.6%
2032	3.00%	\$41,911	\$3,525	\$0	\$37,613	\$176,226	\$173,857	101.4%
2033	3.00%	\$43,169	\$3,681	\$0	\$6,149	\$184,049	\$181,168	101.6%
2034	3.00%	\$44,464	\$4,495	\$0	\$6,334	\$224,749	\$222,331	101.1%
2035	3.00%	\$45,798	\$5,347	\$0	\$88,307	\$267,374	\$265,801	100.6%
2036	3.00%	\$47,171	\$4,604	\$0	\$0	\$230,212	\$227,441	101.2%
2037	3.00%	\$48,587	\$5,640	\$0	\$6,921	\$281,988	\$280,226	100.6%
2038	3.00%	\$50,044	\$6,586	\$0	\$54,178	\$329,293	\$328,845	100.1%
2039	3.00%	\$51,546	\$6,635	\$0	\$0	\$331,745	\$331,667	100.0%
2040	3.00%	\$53,092	\$7,799	\$0	\$7,563	\$389,925	\$391,840	99.5%
2041	3.00%	\$54,685	\$8,865	\$0	\$277,054	\$443,253	\$447,536	99.0%
2042	3.00%	\$56,325	\$4,595	\$0	\$108,607	\$229,749	\$228,880	100.4%
2043	3.00%	\$58,015	\$3,641	\$0	\$8,264	\$182,062	\$178,762	101.8%
2044	3.00%	\$59,755	\$4,709	\$0	\$0	\$235,454	\$232,140	101.4%
2045	3.00%	\$61,548	\$5,998	\$0	\$0	\$299,918	\$297,327	100.9%
2046	3.00%	\$63,395	\$7,349	\$0	\$24,022	\$367,465	\$366,216	100.3%
2047	3.00%	\$65,296	\$8,284	\$0	\$0	\$414,187	\$414,230	100.0%
2048	3.00%	\$67,255	\$9,755	\$0	\$5,748	\$487,767	\$490,278	99.5%
2049	3.00%	\$69,273	\$11,181	\$0	\$204,621	\$559,029	\$564,596	99.0%
2050	3.00%	\$71,351	\$8,697	\$0	\$3,252	\$434,862	\$438,271	99.2%
2051	3.00%	\$73,492	\$10,233	\$0	\$325,122	\$511,658	\$517,590	98.9%
2052	3.00%	\$75,696	\$5,405	\$0	\$78,716	\$270,261	\$269,849	100.2%
2053	3.00%	\$77,967	\$5,453	\$0	\$11,106	\$272,646	\$270,622	100.7%
2054	3.00%	\$80,306	\$6,899	\$0	\$0	\$344,960	\$343,269	100.5%
2055	3.00%	\$82,715	\$8,643	\$0	\$11,783	\$432,166	\$431,814	100.1%

Table 14: Recommended Funding Plan - Income, Expense, and Reserve Fund

Association Component Inventory

In this section, this reserve study report dives into the details of the studied and excluded components within the association. Like described in the Methodology section, we use the national reserve standards 3-part test to find reserve components to include in the funding plans. Frequently, we will find additional components owned by the association which do not meet this 3-part test – and we include them in the Excluded Components section below.

As a default, this report includes all identified reserve components which are above 1% of the annual operating budget – and based on provided information from the client, this value for the sake of this report is \$690. Note that since this was a Level-2 study, we used the existing inventory from the previous reserve study, and updated it with on-site condition observations. The board did provide details for improved/replaced items, such as the two play structures, which have been replaced since the previous reserve study. These updates are reflected in this report, and no other additional components were specified to be added by the board during the on-site visit.

Discussion Notes and Information from Association Board:

During the site visit on 12/22/2025, we met with Austin Orion, Vice President of the board. With his guidance, we conducted an on-site inspection of the identified reserve components shown in Table 2: Component Inventory with Useful Life (UL) and Remaining Useful Life (RUL). Note that since this was a Level-2 study, we used the existing inventory from the previous reserve study and updated it with on-site observations. The board did provide details for improved/replaced items, such as the two play structures, which have been replaced since the previous reserve study. These updates are reflected in this report, and no other additional components were specified to be added by the board during the on-site visit.

We discussed the single-lane bridge situation and how the board is perusing alternative access to release the dependency on that bridge – of which no direct replacement is possible due to the old nature of the construction and local/state building codes requiring a full enhancement if it were to fail. I noted the need for regular inspections from an engineer certified to do that work and the limitation of this reserve study to not provide any structural inspection of the bridge component.

Handling of Long-Life Components

For the purpose of this report, long-life components are included in the funding plan, even if the replacement timeframe is outside of the 30-year projection window. This is the case

unless explicitly called out as excluded items in Table 15: Excluded Components. Annual updates are especially important for these components as their replacement timeframes are difficult to estimate.

Excluded Components:

Long-Life Components:

These components do not have predictable remaining useful lives or their replacement is likely to occur outside of this study period. We note these items in the table below so the association understands they are excluded from this report and maintenance should be taken to ensure they achieve maximum lifetime. Annual updates of this reserve study will help ensure that if/when the replacement of these items comes into the study period, that it is seen and can be planned for in reserve funding.

Low Cost or Maintenance Items:

These components have either a low replacement cost (<1% of the annual budget), or are a maintenance item which should be serviced on a regular basis instead of a planned replacement interval.

Homeowner Responsibility Items:

These components are not the responsibility of the association, and thus are excluded from any association financial planning. These components should be made clear to the homeowner that responsibility is theirs for planning and funding replacement

Component Name/Description	Exclusion Reason	Useful Life (UL)
Bridge, Replacement	Unable to reasonably predict failure timeline. Structural component which is outside the scope of a Reserve Study inspection.	N/A

Table 15: Excluded Components

Studied Component Details

In the following pages, we look at each of the studied, identified reserve components from Table 2. We outline the analyzed condition during the site visit (if applicable), and recommended maintenance procedures and schedules to ensure the component meets its expected lifespan.

Component #1 – Asphalt, Roads, Overlay (20%)

Quantity: 338,400 Sq Ft

UL: 10 Years

RUL: 5 Years

Location: Throughout Neighborhood

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Recommending sealcoating roads on a regular interval to extend lifetime of asphalt base. Board mentioned that annual patching occurs to repair localized sections.

Condition Notes: Good condition, no large deterioration patches.



Some spots with water pooling



Minor deterioration noticed

Component #2 – Asphalt, Roads, Sealcoat

Quantity: 338,400 Sq Ft

UL: 7 Years

RUL: 2 Years

Location: Throughout Neighborhood

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Recommending sealcoating on recommended interval to ensure longevity of asphalt surface.

Condition Notes: Good Condition. No noted structural issues or portions of significant deterioration.



Good Functional Condition. Sealcoat on recommended interval should be done to ensure full life of asphalt surface

Component #3 – Road Signs, Entry

Quantity: 1 Unit

UL: 15 Years

RUL: 5 Years

Location: At Entry

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: N/A

Condition Notes: Fair Condition – some graffiti noticed. Wooden sign with limited lifetime in wet climates like western Washington.



Good Functional Condition.



Graffiti Noticed

Component #4 – Bridge, Inspection

Quantity: 1 Unit

UL: 3 Years

RUL: 2 Years

Location: Goldbar Boulevard

Funded In Reserve Study: Yes – Inspection costs only. Replacement cost excluded from study due to unpredictable remaining life.

History: Inspected in 2024 following railing repairs

Preventative Maintenance Notes: Recommending regular structural inspections by certified engineer.

Condition Notes: N/A – should be inspected by a structural engineer for full condition analysis.



Good Functional Condition.

Component #5 – Park South, Fence, Chain Link, 6'

Quantity: 400 Linear Feet

UL: 20 Years

RUL: 6 Years

Location: Southern Park, Near Lower Creek Ln

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Recommending annual cleaning/washing to ensure no buildup of rust or other degrading material to gain maximum life. Recommend annual inspections of all posts, gates, and link sections to ensure no safety issues arise.

Condition Notes: Fair-Poor Condition. Some sections were damaged and degraded



Fair-Poor Condition

Component #6 – Park South, Fence, Chain Link, 3'

Quantity: 50 Linear Feet

UL: 20 Years

RUL: 4 Years

Location: Southern Park, Near Lower Creek Ln

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Recommending annual cleaning/washing to ensure no buildup of rust or other degrading material to gain maximum life. Recommend annual inspections of all posts, gates, and link sections to ensure no safety issues arise.

Condition Notes: Fair-Poor Condition. Some sections were damaged and degraded



*Fair condition – Rust noticed and degrading
chain links with exposed sharp links.*

Component #7 - Park South, Recreation, Playground Medium

Quantity: 1 Unit

UL: 25 Years

RUL: 23 Years

Location: Southern Park, Near Lower Creek Ln

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: Installed in 2024

Preventative Maintenance Notes: Clean surfaces regularly to remove buildup of moss/dirt which could impact useful life by aiding in rust growth.

Condition Notes: Good Condition. Stable and no functional issues noticed.



Good Condition

Component #8 – Park South, Recreation, Bench

Quantity: 10200 Sq. Ft

UL: 20 Years

RUL: 15 Years

Location: Southern Park, Near Lower Creek Ln

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Clean surfaces regularly to remove buildup of moss/dirt which could impact useful life by aiding in rust growth.

Condition Notes: Good Condition. Stable and no functional issues noticed.



Good Condition



No Stability issues seen

Component #9 – Park South, Recreation, Spring Rocker

Quantity: 1 Unit

UL: 20 Years

RUL: 0 Years

Location: Southern Park, Near Lower Creek Ln

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Clean surfaces regularly to remove buildup of moss/dirt which could impact useful life by aiding in rust growth.

Condition Notes: Poor condition – loose spring attachment to foundation. Recommend replacement due to possible safety issue.



*Rocker was loose and showing signs of rust
and deterioration*

Component #10 – Park South, Park Shelter, Maintain

Quantity: 1 Unit

UL: 10 Years

RUL: 5 Years

Location: Southern Park, Near Lower Creek Ln

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Keep roof clear of debris. Inspect and replace roofing panels as needed. Inspect footings to ensure no settling or water build up.

Condition Notes: Good Condition. Some cosmetic damage noticed on roof due to debris



Good Condition



Roof should be kept clear of debris to avoid buildup and deterioration

Component #11 – Park South, Park Shelter, Replace

Quantity: 1 Unit

UL: 30 Years

RUL: 12 Years

Location: Southern Park, Near Lower Creek Ln

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Keep roof clear of debris. Inspect and replace roofing panels as needed. Inspect footings to ensure no settling or water build up.

Condition Notes: Good Condition. Some cosmetic damage noticed on roof due to debris



Good functional condition – no sagging/settling noticed

Component #12 – Park North, Fence, Chain Link, 6'

Quantity: 440 Linear Feet

UL: 20 Years

RUL: 6 Years

Location: Northern Park, On Goldbar Blvd, near 14329

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Clean surfaces regularly to remove buildup of moss/dirt which could impact useful life by aiding in rust growth.

Condition Notes: Fair condition – some damage spots noticed in need of minor repair. Full replacement due within 10 years.



Fair condition



Damage noticed in some spots (minor repair needed)

Component #13 – Park North, Recreation, Playground Small

Quantity: 1 Unit

UL: 25 Years

RUL: 23 Years

Location: Northern Park, On Goldbar Blvd, near 14329

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Clean surfaces regularly to remove buildup of moss/dirt which could impact useful life by aiding in rust growth.

Condition Notes: Good Condition. No damage or deterioration noted



Good condition – stable and well mounted

Component #14 – Park North, Recreation, Bench

Quantity: 1 Units

UL: 20 Years

RUL: 15 Years

Location: Northern Park, On Goldbar Blvd, near 14329

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Clean surfaces regularly to remove buildup of moss/dirt which could impact useful life by aiding in rust growth.

Condition Notes: Good Condition. Stable and no functional issues noticed.



Good Condition

Component #15 – Park North, Recreation, Spring Rocker

Quantity: 2 Unit

UL: 20 Years

RUL: 0 Years

Location: Northern Park, On Goldbar Blvd, near 14329

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Clean surfaces regularly to remove buildup of moss/dirt which could impact useful life by aiding in rust growth.

Condition Notes: Poor condition – loose spring attachment to foundation. Recommend replacement due to possible safety issue.



*Rocker was loose and showing signs of rust
and deterioration*

Component #16 – Park North, Recreation, Swings, Double

Quantity: 1 Unit

UL: 25 Years

RUL: 5 Years

Location: Northern Park, On Goldbar Blvd, near 14329

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Clean surfaces regularly to remove buildup of moss/dirt which could impact useful life by aiding in rust growth. Frame should be checked regularly for stability to ensure no safety issues arise.

Condition Notes: Good Condition. Stable and no functional issues noticed.



Good functional condition

Component #17 – Park North, Recreation, Basketball Court

Quantity: 1 Unit

UL: 20 Years

RUL: 7 Years

Location: Northern Park, On Goldbar Blvd, near 14329

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Check stability of basketball frame regularly. Look for deterioration of court surface and if seen, patch with local patching.

Condition Notes: Fair condition. Functional but court surface has some debris which needs clearing.



Good functional condition

Component #18 – Park North, Park Shelter, Maintain

Quantity: 1 Unit

UL: 10 Years

RUL: 2 Years

Location: Northern Park, On Goldbar Blvd, near 14329

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Keep roof clear of debris. Inspect and replace roofing panels as needed. Inspect footings to ensure no settling or water build up.

Condition Notes: Good Condition. Some cosmetic damage noticed on roof due to debris



Good, functional condition



Minor deterioration of surface noticed

Component #19 – Park North, Park Shelter, Replace

Quantity: 1 Unit

UL: 30 Years

RUL: 12 Years

Location: Northern Park, On Goldbar Blvd, near 14329

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Keep roof clear of debris. Inspect and replace roofing panels as needed. Inspect footings to ensure no settling or water build up.

Condition Notes: Good Condition. Some cosmetic damage noticed on roof due to debris



Good functional condition



No significant deterioration noticed

Component #20 – Dog Run, Fence, Chain Link, 6'

Quantity: 420 Linear Feet

UL: 20 Years

RUL: 15 Years

Location: East end of Mountain View Pl

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Clean surfaces regularly to remove buildup of moss/dirt which could impact useful life by aiding in rust growth.

Condition Notes: Good Condition. Stable and no functional issues noticed.



Good function condition

Component #21 – Dog Run, Recreation, Bench

Quantity: 1 Unit

UL: 20 Years

RUL: 15 Years

Location: East end of Mountain View Pl

Funded In Reserve Study: Yes – Meets CAI 3-part test

History: N/A

Preventative Maintenance Notes: Check that surface remains compliant with state playground surface depth requirements – redistribute chips as needed

Condition Notes: Good Condition. Stable and no functional issues noticed



Good condition

Credentials, Disclosures, & Limitations

Disclosures:

Reserve Studies NW, LLC has no current or prior financial, ownership, management, or other business relationship with the Association, “Client”, its management company, or board members that could create a conflict of interest. The Reserve Specialist and reserve study provider have no familial, marital, ownership, or ongoing business relationships with the Association. No personal or financial conflicts exist that would compromise independence or objectivity in preparing this study.

To the best of the preparer’s knowledge, all material issues that could affect the Association’s financial or physical position have been disclosed. No known condition or limitation has been withheld that would materially distort the reserve funding projections or component evaluations.

Information provided by the Association or its authorized representatives—whether financial, historical, physical, or quantity-based—has been assumed to be accurate and reliable. Such information has been incorporated for the Association’s benefit and not for purposes of audit, forensic review, or verification of historical records. The reserve study provider did not conduct independent audits or background investigations of client-supplied information. The reserve fund balances, whether actual or projected, are based on client-provided financial statements or data. These balances have not been audited or independently verified by the preparer.

Preventative Maintenance - Preventive maintenance plays a critical role in extending component life, controlling long-term costs, and maintaining community safety. The Association is strongly encouraged to maintain a preventive maintenance plan in conjunction with this reserve study. This study includes a disclosure of any preventive maintenance planning information provided by the client. The preventive maintenance plan should address all applicable common elements, not solely those included as reserve components.

Any information provided by the client regarding ongoing maintenance or repairs has been incorporated into the applicable component notes for full or with-site-visit studies. The reserve study provider is only aware of preventive maintenance activities, programs, or plans that have been disclosed by the client. The provider does not audit or evaluate maintenance programs or contracts as part of this service. The provider cannot incorporate corrective maintenance recommendations or timing unless the Association supplies the most recent periodic structural inspection report. If such a report is not provided, the component estimates may not reflect corrective maintenance needs that would otherwise influence cost or timing.

The Reserve Specialist incurs no civil liability for performing the physical or financial portions of this reserve study when the study is completed in accordance with applicable reserve study standards. The analysis is based upon professional judgment using available information at the time of preparation.

Where the evaluation process identified conditions or components requiring expertise beyond the reserve study scope, this report includes clear recommendations for the Association to retain qualified outside professionals.

Washington State RCW:

Compliance with RCW 64.90.550 – Reserve Studies NW, LLC prepares reserve study reports with the intent to align with the standards and requirements outlined in RCW 64.90.550 and other applicable Washington State laws governing reserve studies. While every effort is made to ensure accuracy, completeness, and compliance,

it is ultimately the responsibility of the client or association to review the report and confirm that it meets all statutory and governing document requirements.

If any errors, omissions, or discrepancies are identified, the client or association must promptly notify Reserve Studies NW, LLC within ten (10) days of report delivery so that appropriate corrections or clarifications can be made. Reserve Studies NW, LLC is not responsible for any misinterpretation or use of the report beyond its intended purpose, nor for the failure of the client or association to verify compliance with RCW 64.90.550 or any related statutes.

RCW 64.90.550 content requirements and locations within report:

(2) A reserve study must include:

(a) A reserve component list, including any reserve component, the replacement cost of which exceeds one percent of the annual budget of the association, excluding contributions to the reserves for that reserve component. If one of these reserve components is not included in the reserve study, the study must explain the basis for its exclusion. The study must also include quantities and estimates for the useful life of each reserve component, the remaining useful life of each reserve component, and current major replacement costs for each reserve component;

Table 2: Component Inventory with Useful Life (UL) and Remaining Useful Life (RUL)
Table 15: Excluded Components

(b) The date of the study and a disclosure as to whether the study meets the requirements of this section;

Executive Summary
Credentials, Disclosures, & Limitations

(c) The following level of reserve study performed:

Executive Summary

(i) Level I: Full reserve study funding analysis and plan;
(ii) Level II: Update with visual site inspection; or
(iii) Level III: Update with no visual site inspection;

(d) The association's reserve account balance;

Table 1: Executive Summary

(e) The percentage of the fully funded balance to which the reserve account is funded;

Table 1: Executive Summary

(f) Special assessments already implemented or planned;

Table 1: Executive Summary

(g) Interest and inflation assumptions;

Executive Summary

(h) Current reserve account contribution rates for a full funding plan and a baseline funding plan;

Executive Summary
Previous Funding Plans

(i) A recommended reserve account contribution rate for a full funding plan to achieve one hundred percent fully funded reserves by the end of the thirty-year study period, a recommended reserve account contribution rate for a baseline funding plan to maintain the reserve account balance above zero throughout the thirty-year study period without special assessments, and a reserve account contribution rate recommended by the reserve study professional;

Table 11: Funding Plan Comparison & Summary

(j) A projected reserve account balance for thirty years based on each funding plan presented in the reserve study;

Table 11: Funding Plan Comparison & Summary

(k) A disclosure on whether the reserve study was prepared with the assistance of a reserve study professional, and whether the reserve study professional was independent; and

Credentials, Disclosures, & Limitations

(l) A statement of the amount of any current deficit or surplus in reserve funding expressed on a dollars per unit basis. The amount is calculated by subtracting the association'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 association allocable to each unit; except that if the fraction or percentage of the common expenses of the association allocable vary by unit, the association must calculate any current deficit or surplus in a manner that reflects the variation.

Table 1: Executive Summary

RCW 64.90 Disclosure - "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."

Limitations:

The on-site observations performed for this study consisted of representative visual sampling of accessible common area components. Not all elements were observed in full detail. Field observations were based primarily on visual review and representative measurement of typical sections; where direct measurement was not feasible, quantities were confirmed using drawings, prior reports, or client-provided records. This review should not be construed as a detailed inspection, forensic investigation, or code compliance evaluation.

The Reserve Specialist's evaluation is limited to the scope of services typically provided within a reserve study and does not include specialized engineering, architectural, geotechnical, structural, or design analysis. Where conditions are observed or disclosed that may fall outside the provider's expertise or business model, the Association is advised to seek evaluation from qualified subject matter experts such as structural engineers, licensed contractors, roofing specialists, or other appropriate professionals.

This Reserve Study update relies on the validity and accuracy of prior reserve studies, including previously established component lists, quantities, and historical data. Unless otherwise noted, prior information is assumed to be correct and has been used as the basis for the current analysis. For update studies with or without a site visit, previously established component quantities are deemed accurate and reliable as provided by the Association. This disclosure applies unless new conditions or observations clearly indicate a deviation.

Information related to current or pending reserve projects, including scope, timing, or costs, has been assumed to be accurate based on client disclosure. Any site inspection performed as part of this study should not be interpreted as a project audit, quality control inspection, or confirmation of construction compliance. This

reserve study does not include structural integrity evaluations or periodic structural inspections unless explicitly noted. The study is not a substitute for a structural inspection conducted by a qualified professional.

Credentials:

This report was created wholistically, or in part by an individual meeting the Washington state law (RCW 64.90) definition of a “Reserve Study Professional”. From RCW 64.90.010, line 48: *“Reserve study professional” means an independent person who is suitably qualified by knowledge, skill, experience, training, or education to prepare a reserve study in accordance with RCW 64.90.545 and 64.90.550. For the purposes of this subsection, “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.”*

Mark Allen, the owner of Reserve Studies NW, LLC, has a Bachelor’s degree in engineering from Washington State University. He has over a decade of engineering experience in Washington state and has been involved in HOA financial planning for several years – including preparing reserve studies and recommending reserve funding plans.

He has completed reserve studies training courses through Association Reserves covering topics from reserve component identification and financial plan analysis. He is in the process of completing his 3-year Reserve Specialist (RS™) designation from Community Associations Institute – the leading national reserve study standard and credential provider.

Reserve Studies NW, LLC is a registered and licensed business operating in the state of Washington.

Definitions

LF – Linear Foot (Unit of Length)

Fully Funded Balance (FFB) – The value of the deteriorated portions of the reserve components. This indicates the value of how much of the reserve components are “used up”. We sum this deterioration up across all components and provide a total for the association.

Percent Funded – The percentage the actual/projected Reserve Fund Balance against the Fully Funded Balance

Remaining Useful Life (RUL) – The estimated remaining life of a reserve component before it will need replacement. Measured in years.

Useful Life (UL) – The expected full useable lifetime of a reserve component, assuming proper & standard maintenance. Measured in years.