C A P I T A L
R E S E R V E
S T U D Y

Prepared for:
Daylesford Lake Condominium Association
Berwyn, Pennsylvania

Care of:
Wentworth Property Management
183 Daylesford Boulevard
Berwyn, Pennsylvania 19312

Daniel Rush
CAI CERTIFIED RESERVE SPECIALIST
DESIGNATION NUMBER 6

Date: July 2007
Project Number: 1419.0024

2nd DRAFT

TABLE OF CONTENTS

INTRODUCTION

A Capital Reserve Study is a report prepared to estimate the amount of money which must be put aside for future repairs and replacements to the Association's physical plant. The report is a tool for evaluating and establishing a stable level of reserve funding.

The primary reason to set aside reserve funds is to ensure that adequate funds are available for anticipated long-term maintenance of common areas. Reserve funding is a means of fairly distributing the costs of future replacement to the common elements among all owners. The reserve fund is integral to the Association's administration of fiscal planning and budgeting. In addition, the reserve funding is an indicator of the financial strength of the Association which will affect the value of the units.

This Reserve Study consists of two (2) parts: the physical analysis and the financial analysis. This Capital Reserve Study was prepared in accordance with the "National Reserve Study Standards" of the Community Associations Institute (C.A.I.). The level of service provided is a **Category II, Capital Reserve Study Update**. A Category II Capital Reserve Study is a reserve study in which the following five (5) reserve study tasks are performed:

1. Component Inventory (verification only, not quantification)
2. Condition Assessment (based upon on-site visual observations)
3. Life and Valuation Estimates
4. Fund Status
5. Funding Plan

This report will analyze the future replacement costs for common elements which are capital items with a reasonably predictable useful life. The capital items will be limited to those items which have a useful life exceeding two (2) years. If a certain item requires replacement more often than every two (2) years, it should be included in the operating budget. Furthermore, items will be excluded if they have an insignificant cost or if they are permanent in nature. Items with an insignificant cost would be those that could be funded in the operating budget without any adverse financial impact. Items of a permanent nature are those which exceed the thirty (30) year study period and those which are integral to reconstruction of the entire project, such as; concrete footings, observedation walls, crawlspace and roof wood framing, in-wall utility services and stormwater piping. Since the remaining useful life estimates, inflation and interest need on-going review, it is recommended that the study be updated every three (3) to five (5) years. An older Association with a significant amount of repair and replacement activity may need to update its study annually.

DESCRIPTION OF DEVELOPMENT

The Daylesford Lake Condominium Association is a community consisting of two hundred and eighteen (218) residential units. It is located in the Township of Berwyn, in Pennsylvania.

The main entrance to the community is located on Bear Hill Road. All interior streets and parking areas are maintained and owned by the Association.

Other common elements include roads, curbs, sidewalks, parking areas, street lighting, asphalt walkways, fencing, recreational amenities, interior clubhouse amenities, exterior building elements, mechanical and electrical components utilities not located within easements or owned by the respective utility companies, and miscellaneous other items.

DISCLOSURES

The Capital Reserve Study has been performed under the agreement that all relevant information any material issues which, if not disclosed, would cause a distortion of the Association's situation has been provided to FWH Associates, P.A.. Information provided by the official representative of the Association regarding financial, physical, quantity, or historical issues will be deemed reliable by the consultant.

The Reserve Study will be a reflection of information provided to the consultant and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records.

The Capital Reserve Study updated is performed considering the client has deemed previously developed component quantities as accurate and reliable. All current work is reliant on the validity of prior reserve studies.

All information provided regarding reserve projects will be considered reliable. On-site inspections should not be considered project audits or quality inspections.

At the time this reserve study was conducted FWH Associates, P.A. has had no other involvements with the Association, which could result in actual or perceived conflicts of interest.

TERMS AND DEFINITIONS

1 – Cash Flow Method

A method of developing a Reserve Funding Plan where contributions to the Reserve fund are designed to offset the variable annual expenditures from the Reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

2 – Component

The individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: **1)** Association responsibility, **2)** with limited Useful Life expectancies, **3)** predictable Remaining Useful Life expectancies, **4)** above a minimum threshold cost, and **5)** as required by local codes.

3 – 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, a review of established association precedents, and discussion with appropriate association representative(s).

4 – Component Method

A method of developing a Reserve Funding Plan where the total contributions are based on the sum of contributions for individual components. See "Cash Flow" method.

5 – Condition Assessment

The task of evaluating the current condition of the component based on observed or reported characteristics.

6 – Current Replacement Cost

See "Replacement Cost."

7 – Deficit

An actual (or projected) Reserve Balance at the end of any fiscal year or at the end of the study which is less than the Fully Funded Balance. The opposite would be a Surplus.

8 – Effective Age

The difference between the Useful Life and the Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

9 – Financial Analysis

The portion of a Reserve Study where current status of the Reserves (measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived, and the projected Reserve income and expense over time is presented. The Financial Analysis is one of the two parts of a Reserve Study.

10 – Fully Funded

One-hundred (100%) percent Funded. When the actual (or projected) Reserve balance is equal to the Fully Funded Balance.

11 – Fully Funded Balance (FFB)

Total Accrued Depreciation. An indicator against which Actual (or projected) Reserve balance can be compared. The Reserve balance that is in direct proportion to the fraction of the life "used up" of the current Repair of Replacement cost. This number is calculated for each component, then summed together for an association total. Two (2) formulae can be utilized, depending on the provider's sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent.

FFB = Current cost X Effective Age/Useful Life.
or
FFB = (Current Cost X Effective Age/Useful Life) + [(Current Cost X Effective Age/Useful Life)/(1 + Interest Rate ^ Remaining Life] – [(Current Cost X Effective Age/ Useful Life)/(1 + Inflation Rate) ^ Remaining Life].

12 – Fund Status

The status of the reserve fund as compared to an established benchmark such as percent funding.

13 – Funding Goals

Independent of methodology utilized, the following represent the basic categories of Funding Plan goals:

- **Baseline Funding:** Establishing a Reserve funding goal of keeping the Reserve cash balance above zero.

- **Full Funding:** Setting a Reserve funding goal of attaining and maintaining Reserves at or near one-hundred (100%) percent funded.

- **Statutory Funding:** Establishing a Reserve funding goal of setting aside the specific minimum amount of Reserves required by local statutes.

- **Threshold Funding:** Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than "Fully Funding".

14 – Funding Plan

An Association's plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

15 – Funding Principles

- Sufficient Funds When Required
- Stable Contribution Rate over the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

16 – Life and Valuation Estimates

The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components.

17 – Percent Funded

The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the *actual* (*or projected*) Reserve Balance to the *Fully Funded Balance*, expressed as a percentage.

18 – Physical Analysis

The portion of the Reserve Study where the Component Inventory, Condition Assessment, and Life and Valuation Estimate tasks are performed. This represents one of the two parts of the Reserve Study.

19 – Remaining Useful Life

Also referred to as "Remaining Life". The estimated time, in years, that a reserve component can be expected to *continue* to serve its intended function. Projects anticipated to occur in the initial year have "zero" Remaining Useful Life.

20 – Replacement Cost

The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition. The Current Replacement Cost would be the cost to replace, repair, or restore the component during that particular year.

21 – Reserve Balance

Actual or projected funds as of a particular point in time that the Association has identified for use to defray the future replacement of those major components which the Association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves.

22 – Reserve Provider

An individual that prepares Reserve Studies.

23 – Reserve Study

A budget planning tool which identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures. The Reserve Study consists of two (2) parts: the Physical Analysis and the Financial Analysis.

24 – Responsible Charge

A reserve specialist in responsible charge of a reserve study shall render regular and effective supervision to those individuals performing services which directly and materially affect the quality and competence 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 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; expect 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;

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.

25 – Special Assessment

An assessment levied on the members of an Association in addition to regular assessments in anticipation of unexpected common element replacement and funding deficit. Special assessments are often regulated by governing documents or local statutes.

26 – Surplus

An actual (or projected) Reserve Balance greater than the Fully Funded Balance. See “Deficit”.

27 – Useful Life (UL)

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

STUDY METHODOLOGY

The quantities used in the replacement cost estimations of the common elements were generated from the previous Capital Reserve Study performed by Becht Engineering, dated 2005. The remaining life expectancies of the common elements were determined through visual site inspections. The common elements were identified by the previous Capital Reserve Study and through the experience of FWH Associates, P.A. The Daylesford Lake Condominium Association community was constructed in 1994, which is used as the base year of installation for the common elements.

The current replacement costs were estimated utilizing published construction cost data, estimates provided by contractors, and cost data from similar projects performed by this firm. The useful life and remaining useful life were estimated based on field inspection of the items and on the assumption that an adequate maintenance schedule exists and will be followed. Without proper maintenance the common elements can deteriorate quickly and require funds from the reserves for replacement earlier than planned.

It should be noted that this data is an estimate based upon the experience of this firm. The work was performed pursuant to generally accepted standards of practice. Since accurate and detailed control over market conditions, usage, rate of deterioration, maintenance or weather conditions is not feasible, the actual costs and useful life expectancy will vary from the estimates presented. We cannot and do not represent or guarantee that the actual costs or useful life expectancy will not vary from those presented in this report. The future updates of the report will make adjustments so that these variations will have no significant impact. It is recommended that the study be updated every three (3) to five (5) years.

The Capital Reserve Funding Plan developed within this report is based on the cash flow or "pooling method". The cash flow method is a method of developing a Reserve Funding Plan where contributions to the Reserve Fund are designed to offset the variable annual expenditures from the Reserve Fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

The existing reserve amount effective as of January 1, 2008, has been projected into the future based on the existing funding plan and information provided by the Association. It is the opinion of FWH Associates, P.A. that the Associations' current reserve fund status is inadequate. The board is currently obtaining a loan to fund the building refurbishments planned for early within the study period. It is anticipated that the loan will be paid back over a fifteen (15) year period. The reimbursement of the loan by the unit owners is not reflected in the cash flow contained within this study.

CAPITAL ITEMS

1 – Asphalt Roads

All of the paved surfaces at the Daylesford Lake Condominium Association community are constructed of bituminous concrete which were observed to be in average condition. Bituminous concrete has a typical useful life of twenty (20) years after which it will receive a new two (2") inch asphalt wearing surface. The existing surface was observed to contain separation at installation seams. Continued regular maintenance of the asphalt surface, including crack filling and pothole repair, will extend the useful life of the pavement system.

Prior to the installation of a new wearing course, reconstruction of areas containing base course failure, crack repair, milling along existing curbs, and around utility penetrations is typical. The cost to perform these additional operations are included in the unit cost. It is expected that the roadways will require an overlay in 2012.

2 – Asphalt Sealcoating

It is recommended that all bituminous concrete roadways and parking areas receive a coal tar emulsion sealcoating every five (5) years to seal minor cracks and deficiencies through the freeze/thaw cycle. The coal tar emulsion will offer protection against petroleum spills such as gasoline, brake fluid, oil and engine coolant which has a destructive effect on asphalt. The cost to repaint parking spaces is included in the unit cost.

3 – Bituminous Sidewalk

Bituminous concrete walkway is provided throughout the community for pedestrians to travel. The walkway was observed to exhibit damage such as alligatoring throughout and deterioration along steep slopes. The replacement cost includes the overlay with a bituminous layer two (2") inches thick. The unit cost for bituminous overlay has been increased for the difficulty presented in paving in remote areas.

4 – Timber Retaining Wall

Timber retaining walls are interspersed throughout the community. The walls are constructed of pressure treated lumber and were observed to be in average condition. It is recommended that bi-annual inspections of the walls be performed to assure their structural integrity. It is the suggestion of FWH Associates, P.A. to replace the timber retaining wall with a segmental masonry block wall. Walls of this type are virtually maintenance free and have an extremely long useful life.

5 – Wood Post and Rail Fence

A length of wood post and rail fence encompasses the lake within the community. The split rail fence was observed to be in average condition showing general signs of wear for its age. The replacement cost includes the removal of the old fence and replacement with the same type of fence. It is recommended that exterior wood products are weatherproofed every three (3) to five (5) years to assure that premature replacement will not be required. It is anticipated that the fence will be replaced early within the study.

6 – Vinyl Post and Rail Fence

Vinyl post and rail fence is located at the Daylesford Boulevard entrance of the community. Vinyl fence has a twenty-five (25) year typical useful life. The replacement cost includes the removal of the old fence and replacement with the same type of fence. The fence appeared intact and in average condition.

7 – Aluminum Fencing

There is approximately three hundred and forty-four (344') linear feet of five (5') foot high hollow aluminum railing interspersed throughout the site. Railing of this type contains a twenty-five (25) year useful life. The fence was observed to be in average condition with no major damage evident. Fences of this type can be refinished, through the maintenance budget to extend their useful life.

8 – Wood Decorative Fencing

A four (4') foot high decorative wood stockade fence is located behind Building 120-123 at Daylesford Lake. The wood stockade fence was observed to be in average condition exhibiting a general weathered look. Wood fences possess a typical useful life of fifteen (15) years. It is recommended that exterior wood products are weatherproofed every three (3) to five (5) years to assure that premature replacement will not be required.

9 – Vinyl Fencing

Six (6') foot high, decorative vinyl fencing exists in the rear of the residential buildings as a perimeter fence. The replacement cost includes removal and disposal of the old fencing. Vinyl fencing of this type contains a twenty-five (25) year typical useful life. The perimeter fencing was observed to be in average condition and is expected to perform for the remainder of its useful life.

10 – Exterior Lighting

Community walkways and streets are illuminated with Towne and Country fixtures mounted on fifteen (15') foot wood posts that were observed to be in average condition. Exterior lighting with wood posts has a typical useful life of twenty (20) years at which time the fixtures will be replaced with lighting of the same type and intensity.

11 – Recreational Facilities

a) Pool Area – Various items are located in the pool area such as the, concrete coping, concrete decking, the filtration system, pool furniture, fencing and the related equipment. The deck around the pool area is constructed of Portland Cement concrete. The deck was observed to be in average condition. The vinyl expansion joints between the slabs should be replaced as they become damaged as they could be sharp and be a safety hazard. The coping around the pool is showing typical hairline cracking and should achieve its typical useful life of twenty (20) years. The filtration system and three (3) horse power pump that services the pool have performed beyond their useful life and are anticipated to be replaced early within the study. A five (5') foot high aluminum fence encompasses the pool area. The fence was in average condition with no damage evident.

b) Tennis Courts – The tennis courts were observed to be in average condition with minor depressions noted. Funding for resurfacing the courts, and eventually a complete replacement has been included in the schedule. The playing surface contains large cracks in the center of the court. The unit cost of the tennis court resurfacing includes reconstruction of all significant cracks, crack sealing, color coat, etc. The replacement cost includes a complete removal and replacement of the asphalt courts. The playing surface is enclosed within a ten (10") foot high vinyl coated chainlink fence. The fence was observed to be in average condition possessing no major damage.

12 – Interior Finishes

a) **Ceramic Tile** – Ceramic tile is found in bathroom areas due to its durability. Tile located in the bathrooms consists of 8" x 8" floor tile and a 4" x 4" wainscot wall tile that was observed to be in average condition with no damage present. Tile has a typical useful life of thirty (30) years. The replacement cost includes removal of the old tile.

b) **Carpet** – Carpet is located throughout the community building and observed to contain many rips and general wear throughout. Carpet has a typical useful life of eight (8) to eleven (11) years depending on the quality of the carpet and degree of traffic it receives. The time of replacement is often based on its appearance and not its functionality. The carpet is expected to require replacement in the first year of the study.

13 – Interior Finishes

a) **Furnishings** – A lump sum allowance for the replacement of all furnishings within the meeting room, office and all other common areas has been included in the study.

b) **Computers** – An allowance for the replacement of computer stations every five (5) years has been included in the study.

c) **Interior Lighting** – The interior of the clubhouse is illuminated by incandescent and fluorescent fixtures. A line item has been added to fund for the replacement of the fixtures.

14 – Strip Shingle Roofing

The roofing that weatherproofs the residential buildings at the Daylesford Lake Condominium Association community is an architectural "Timberline" shingle roofing. This type of roofing has a twenty-five (25) year typical useful life. The roofing is original to the construction of the community and was observed to be in below average condition. Areas of missing shingles, cupped and broken tabs, a general weathered look and reported leaks have been observed. The scope of the upcoming roof replacement project will include complete removal of the existing roofing. The next roofing effort, which will be a complete replacement is anticipated to begin in the first year of the study spanning over a three (3) year period in.

Two (2) buildings were re-roofed in 2007 and have been separated in the schedule as a separate line item. Since the building code allows for two (2) layers of shingles to be installed before a total removal of the roof material is necessary, these two (2) new buildings will be overlayed with new shingles in 2032.

15 – Aluminum Gutter and Downspout

The aluminum gutter and downspouts on the individual dwelling units and on the community building are in average condition possessing the typical signs of weathering, incidental denting and rusted hardware. Gutter and downspout has a typical useful life of twenty (20) years. These systems are expected to require replacement simultaneously with the roofing effort which is reflected in the study.

16 – Stucco

The vertical walls of the residential buildings are mainly weatherproofed by stucco. Stucco contains a typical useful life of forty-five (45) years when correctly installed. This siding was observed to be installed without the recommended control joints, weep holes, or proper connection details with adjacent siding components. Staining is also noted at several consistent locations. The most common being at areas where rain water overflows the roof drainage gutters. It is also noted that many of these locations are missing kickout flashing as well. There is also a uniform coating of air borne pollutants noted on large expanses of walls. It is the anticipation of the Board that the stucco will begin repair and replacement as part of the building envelope remediation in the first year of the study over three (3) years.

17 – Siding

The horizontal siding located on the residential buildings is constructed of either cedar or Hardie-Plank®, which was observed to be in average condition. Wood siding, related aluminum window and door cladding, porch soffit, and fascia has a typical useful life of forty-five (45) years. It is recommended that cracked, damaged or unfastened sections are replaced immediately to avoid damage to the substrate material. The replacement cost includes removal of the old siding. Siding replacement on the residential building is expected to occur over a period of three (3) years beginning in 2008. The scope of work of the siding replacement will include removal of the cedar siding and replacement with Hardie-Plank® fiber cement siding.

18 – Chimney Caps

The Association has currently been involved in a chimney cap replacement program over a number of years. As of 2007, seventy-six (76) caps have been replaced. The remaining caps are scheduled to be replaced within the next three (3) years. The new caps will be constructed of stainless steel. Stainless steel caps possess a typical useful life of thirty (30) years.

19 – Mechanical

The furnace, domestic water heaters and A/C condenser was inspected at the Daylesford Lake clubhouse. The two (2) eighty (80) gallon water heaters are at the end of their useful life and will require replacement early within the study. The furnace and A/C condenser were replaced in 2007. All of these items were observed to be in average condition. These items require regular maintenance in order to fully extend their estimated remaining life.

EXCLUDED ITEMS

1 – Concrete Gutter Curb

Concrete gutter curb edges the roadway within the community. Complete replacement is not anticipated within the scope of the study. This curb will be replaced on an "as needed" basis through the operating budget.

2 – Decorative Segmental Wall

Decorative masonry wall is located at the main entry of the recreational building. This wall was observed to be in average condition and is expected to perform, with maintenance, beyond the thirty (30) year scope of the study.

3 – Residential Units

The replacement of all unit items except for the roofing, siding, chimney caps, skylights and the gutter/downspouts is the responsibility of the unit owners.

4 – Storm System

The storm system located at the Daylesford Lake Condominium community has been omitted from this study. Their useful life will last beyond the thirty (30) year scope of the study.

5 – Air Conditioning Condensers

Replacement of A/C condenser units are the responsibility of the unit owner.

6 – Driveways

Driveways are considered a limited common element. Replacement and maintenance of this item will be the responsibility of the unit owner.

7 – Sidewalks

All sidewalks are limited common elements and will be funded for replacement by the unit owner. The small amount of concrete sidewalk servicing the clubhouse will be replaced on an 'as needed' basis through the operating budget.

8 – Exterior Lighting

Street lighting is maintained and replaced by the local power company.

10 – Concrete Patios

Concrete patios are the responsibility of the homeowner.

11 – Wood Decks

Rear wood decks are the responsibility of the homeowner.

12 – Landscaping

The replacement of the trees and shrubs will be funded for through the maintenance budget.

Insert 5 Blank Pages, Starting Here.

NOTES

1. The table of scheduled items lists all the capital expense items with useful life, remaining useful life, quantity and current replacement value.

2. The yearly capital replacement schedule provides a yearly synopsis of which items are to be replaced and when. It also shows which it will require replacement more than once through the course of this study.

3. The expenses generated by the replacement of the capital items is projected into the future based upon an inflation rate of 3.5 %.

4. The interest rate applied to the reserve funds is 4 %.

SUMMARY

1. The 30 year cash flow table indicates an annual reserve contribution for the fiscal year of January 1, 2008, to December 31, 2008, to be **$ 2,900,000.**

2. The unit contribution is based upon the occupancy of **218** units.

3. The projected reserve balance at the end of this study is $ **1,001,829**

   The annual reserve contribution for 2008-210 includes the estimated $8.7 million dollar loan, which will be acquired by the Association, spread over a three (3) year period. The annual reserve contribution will be decreased to $ 235,000 in 2011. This contribution does not include the monies that will be paid towards the loan obtained beginning on 2008.

LIST OF ABBREVIATIONS

ADJ.	**=**	**Adjacent**
AVG.	**=**	**Average**
BLDG.	**=**	**Building**
CT.	**=**	**Court**
CTD.	**=**	**Coated**
C.Y.	**=**	**Cubic Yard**
EA.	**=**	**Each**
E.O.Y.	**=**	**End of Year**
EXC.	**=**	**Excellent**
EXT.	**=**	**Exterior**
FL.	**=**	**Floor**
LAV.	**=**	**Lavatory**
L.F.	**=**	**Linear Foot**
LG.	**=**	**Large**
MBTU	**=**	**Thousand British Thermal Units**
MSF	**=**	**Thousand Square Feet**
NO.	**=**	**Number**
P.T.	**=**	**Pressure Treated**
REP.	**=**	**Replacement**
RES.	**=**	**Residential**
RM.	**=**	**Room**
S.F.	**=**	**Square Foot**
SM.	**=**	**Small**
SQ.	**=**	**Square (100 square feet)**
S.Y.	**=**	**Square Yard**
UTIL.	**=**	**Utility**
YR.	**=**	**Year**

BIBLIOGRAPHY

1. Reserve Study Guidelines for Community Associations, Planned Developments, Condominiums by Richard Wyndhamsmith 1989, Wyndamhouse, Inc.

2. Reserve to Preserve, by Community Associations Institute Research Observedation, 1991.

3. Gap #24. A Complete Guide to Reserve Funding and Reserve Investment Strategies, 3rd Edition by The Community Associations Institute.

4. R.S. Means Building Construction Cost Data - 2006, by Construction Consultants and Publishers.

5. R.S. Means Site Work and Landscape Cost Data - 2006, by Construction Consultants and Publishers.

6. National Reserve Study Standards of The Community Association Institute, 1998.

7. Capital Reserve Study, by Becht Engineering, dated July 2005.

VM/kd/cp
Doc: 1419R0731crs0024