



ACCURATE RESERVE PROFESSIONALS, LLC

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Level III No Site Visit Reserve Study Report For Fiscal Year Beginning January 1, 2026



The Mediterranean Villas

Pasco, WA
May 6, 2025





Reserve Study Summary for The Mediterranean Villas

228 Units

For Fiscal Year Beginning January 1, 2026

Overview	
Starting Reserve Balance	\$1,337,259
Fully Funded Balance	\$1,812,923
Percent Funded	74%
Reserve Fund Strength (Weak, Fair or Strong)	Strong
Total Surplus or (Deficit) of Reserve Funding	\$(475,664)
Surplus or (Deficit) on a Per Unit Average Basis***	\$(2,086)
Current Reserve Contribution Based on Last Approved Budget	
Current Reserve Contribution Rate, Annually	\$75,000
Current Special Assessment For Reserves, Annually	n/a
Is the Current Contribution Rate Within Range Provided by Study Below?	No
Reserve Study Funding Plan Options Beginning January 1, 2026	
100% Full Funding Contribution Rate, Annually	\$122,000
70% Threshold Funding Contribution Rate, Annually	\$115,200
Baseline Funding Contribution Rate, Annually	\$99,300
Recommended Annual Special Assessment	n/a

Study Description & Assumptions

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

Property Description

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

Recommended Funding Plan

We recommend that the association budget for annual reserve contributions of \$115,200 to \$122,000 per year in 2026.

Recommended Special Assessment(s)

No special assessments are recommended at this time.

Other Notes

None.

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

**The Mediterranean Villas
Component List**

Asset ID	Description	Useful Life	Adjustment	Remaining Life	Current Cost
Grounds					
1000	Concrete - Repair Allotment	5		2	\$2,500
1005	Stamped Concrete - Repair Allotment	10		7	\$3,000
1010	Pavers - Repair	Unfunded			
1015	Asphalt - Repair & Sealcoat	5		3	\$11,600
1020	Asphalt - Grind & Overlay	25	1	3	\$101,500
1025	Metal Signs - Replace	Unfunded			
1030	Monument Signage - Refurb/Replace	30		7	\$14,000
1035	Monument Lighting - Replace	30		7	\$4,000
1040	Mailboxes - Replace (Older)	30		9	\$30,000
1041	Mailboxes - Replace (Newer)	30		9	\$15,000
1050	RV Lot Gravel - Replenish	Unfunded			
1070	RV Lot Wood Fence - Replace	20	1	5	\$45,315
1071	RV Lot Wood Fence - Repair & Stain	5		0	\$9,540
1075	RV Lot Gates - Replace	40		24	\$6,200
1080	CMU Wall - Repair Allotment	10		7	\$5,000
1085	Privacy Fence - Replace	Unfunded			
1135	Landscape - Refurbish Allotment	Unfunded			
1155	Irrigation System - Repair Allotment	5		2	\$3,500
1160	Drainage System - Maintain	Unfunded			
1175	Pole Lights - Replace	Unfunded			
1205	Retaining Walls - Repair	Unfunded			
Recreation					
2005	Pavilion - Refurbish	30		7	\$8,500
2010	Outdoor Furniture - Replace	Unfunded			
2015	Pet Stations - Replace	Unfunded			
2185	Palazzo Interior - Renovate	25		4	\$15,500
2190	Palazzo Furniture - Replace	Unfunded			
2195	Palazzo Windows/Doors - Replace	25		4	\$7,950
2200	Palazzo/Pavilion Roof - Replace	30		9	\$13,600
2205	Palazzo Exterior Lighting - Replace	Unfunded			
Building Exterior					
4000	Unit Roofs - Replace	Unfunded			

**The Mediterranean Villas
Component List**

Asset ID	Description	Useful Life	Adjustment	Remaining Life	Current Cost
<i>Building Exterior continued...</i>					
4005	Stucco Siding - Replace	Unfunded			
4010	Stucco Siding - Repair/Recoat Phase 1	20	8	6	\$378,349
4015	Stucco Siding - Repair/Recoat Phase 2	20	7	6	\$418,178
4020	Stucco Siding - Repair/Recoat Phase 3 (a)	20		13	\$368,436
4021	Stucco Siding - Repair/Recoat Phase 3 (b)	20	3	5	\$368,436
4025	Stucco Siding - Repair/Recoat Phase 4	20	3	8	\$408,281
4030	Stucco Siding - Repair/Recoat Phase 5	20		9	\$328,608
4035	Stucco Siding - Repair/Recoat Palazzo/Pavilion	20	8	6	\$5,623
4065	Trim - Repair & Paint Phase 1	10		6	\$47,700
4070	Trim - Repair & Paint Phase 2	10		6	\$48,760
4075	Trim - Repair & Paint Phase 3 (a)	10		3	\$33,920
4076	Trim - Repair & Paint Phase 3 (b)	10		5	\$33,920
4080	Trim - Repair & Paint Phase 4	10		8	\$43,440
4085	Trim - Repair & Paint Phase 5	10		9	\$41,985
4090	Trim - Repair & Paint Palazzo/Pavilion	Unfunded			
4100	Windows/Doors/Garage Doors - Replace	Unfunded			
4105	Unit Exterior Lighting - Replace	Unfunded			
Equipment & Mechanical					
5000	Electrical System - Repair/Replace	Unfunded			
5005	Plumbing System - Repair/Replace	Unfunded			
5010	HVAC Equip - Repair/Replace	Unfunded			
Professional					
6000	Building Envelope Investigation	10		7	\$5,000
6005	Preventive Maintenance Plan	Unfunded			
6010	Reserve Study - Annual Update	Unfunded			

An Introduction to Your Reserve Study

The Purpose of Your Reserve Study

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

Reserve Study Standards

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

Types of Reserve Studies

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

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

What Components are Included

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

threshold.

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

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

How Are Costs Determined

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

Fully Funded Balance Calculation

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

Reserve Fund Strength, Also Known As Percent Funded

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

How to Pay for Reserve Projects

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

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

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

Preventive Maintenance Manual

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

Report Sections

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



Annual Expenditure Charts

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

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

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Grounds										
1000 Concrete - Repair Allotment			2,652					3,075		
1005 Stamped Concrete - Repair Allotment								3,690		
1010 Pavers - Repair	<i>Unfunded</i>									
1015 Asphalt - Repair & Sealcoat				12,676					14,695	
1020 Asphalt - Grind & Overlay				110,912						
1025 Metal Signs - Replace	<i>Unfunded</i>									
1030 Monument Signage - Refurb/Replace								17,218		
1035 Monument Lighting - Replace								4,919		
1040 Mailboxes - Replace (Older)										39,143
1041 Mailboxes - Replace (Newer)										19,572
1050 RV Lot Gravel - Replenish	<i>Unfunded</i>									
1070 RV Lot Wood Fence - Replace						52,533				
1071 RV Lot Wood Fence - Repair & Stain	9,540					11,059				
1075 RV Lot Gates - Replace										
1080 CMU Wall - Repair Allotment								6,149		
1085 Privacy Fence - Replace	<i>Unfunded</i>									
1135 Landscape - Refurbish Allotment	<i>Unfunded</i>									
1155 Irrigation System - Repair Allotment			3,713					4,305		
1160 Drainage System - Maintain	<i>Unfunded</i>									
1175 Pole Lights - Replace	<i>Unfunded</i>									
1205 Retaining Walls - Repair	<i>Unfunded</i>									
Grounds Total:	9,540		6,365	123,587		63,592		39,356	14,695	58,715
Recreation										
2005 Pavilion - Refurbish								10,454		
2010 Outdoor Furniture - Replace	<i>Unfunded</i>									
2015 Pet Stations - Replace	<i>Unfunded</i>									
2185 Palazzo Interior - Renovate					17,445					
2190 Palazzo Furniture - Replace	<i>Unfunded</i>									
2195 Palazzo Windows/Doors - Replace					8,948					
2200 Palazzo/Pavilion Roof - Replace										17,745

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID	Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<i>Recreation continued...</i>											
2205	Palazzo Exterior Lighting - Replace	<i>Unfunded</i>									
Recreation Total:						26,393			10,454		17,745
Building Exterior											
4000	Unit Roofs - Replace	<i>Unfunded</i>									
4005	Stucco Siding - Replace	<i>Unfunded</i>									
4010	Stucco Siding - Repair/Recoat Phase 1							451,768			
4015	Stucco Siding - Repair/Recoat Phase 2							499,326			
4020	Stucco Siding - Repair/Recoat Phase 3 (a)										
4021	Stucco Siding - Repair/Recoat Phase 3 (b)						427,119				
4025	Stucco Siding - Repair/Recoat Phase 4									517,198	
4030	Stucco Siding - Repair/Recoat Phase 5										428,758
4035	Stucco Siding - Repair/Recoat Palazzo/Pavilion							6,714			
4065	Trim - Repair & Paint Phase 1							56,956			
4070	Trim - Repair & Paint Phase 2							58,222			
4075	Trim - Repair & Paint Phase 3 (a)				37,065						
4076	Trim - Repair & Paint Phase 3 (b)						39,323				
4080	Trim - Repair & Paint Phase 4									55,028	
4085	Trim - Repair & Paint Phase 5										54,781
4090	Trim - Repair & Paint Palazzo/Pavilion	<i>Unfunded</i>									
4100	Windows/Doors/Garage Doors - Replace	<i>Unfunded</i>									
4105	Unit Exterior Lighting - Replace	<i>Unfunded</i>									
Building Exterior Total:					37,065		466,441	1,072,986		572,227	483,539
Equipment & Mechanical											
5000	Electrical System - Repair/Replace	<i>Unfunded</i>									
5005	Plumbing System - Repair/Replace	<i>Unfunded</i>									
5010	HVAC Equip - Repair/Replace	<i>Unfunded</i>									
Professional											
6000	Building Envelope Investigation								6,149		
6005	Preventive Maintenance Plan	<i>Unfunded</i>									

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<i>Professional continued...</i>										
6010 Reserve Study - Annual Update	<i>Unfunded</i>									
Professional Total:								6,149		
Year Total:	9,540		6,365	160,653	26,393	530,033	1,072,986	55,959	586,921	559,999

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Grounds										
1000 Concrete - Repair Allotment			3,564					4,132		
1005 Stamped Concrete - Repair Allotment								4,959		
1010 Pavers - Repair	<i>Unfunded</i>									
1015 Asphalt - Repair & Sealcoat				17,035					19,748	
1020 Asphalt - Grind & Overlay										
1025 Metal Signs - Replace	<i>Unfunded</i>									
1030 Monument Signage - Refurb/Replace										
1035 Monument Lighting - Replace										
1040 Mailboxes - Replace (Older)										
1041 Mailboxes - Replace (Newer)										
1050 RV Lot Gravel - Replenish	<i>Unfunded</i>									
1070 RV Lot Wood Fence - Replace										
1071 RV Lot Wood Fence - Repair & Stain	12,821					14,863				
1075 RV Lot Gates - Replace										
1080 CMU Wall - Repair Allotment								8,264		
1085 Privacy Fence - Replace	<i>Unfunded</i>									
1135 Landscape - Refurbish Allotment	<i>Unfunded</i>									
1155 Irrigation System - Repair Allotment			4,990					5,785		
1160 Drainage System - Maintain	<i>Unfunded</i>									
1175 Pole Lights - Replace	<i>Unfunded</i>									
1205 Retaining Walls - Repair	<i>Unfunded</i>									
Grounds Total:	12,821		8,555	17,035		14,863		23,140	19,748	
Recreation										
2005 Pavilion - Refurbish										
2010 Outdoor Furniture - Replace	<i>Unfunded</i>									
2015 Pet Stations - Replace	<i>Unfunded</i>									
2185 Palazzo Interior - Renovate										
2190 Palazzo Furniture - Replace	<i>Unfunded</i>									
2195 Palazzo Windows/Doors - Replace										
2200 Palazzo/Pavilion Roof - Replace										

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID	Description	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
<i>Recreation continued...</i>											
2205	Palazzo Exterior Lighting - Replace	<i>Unfunded</i>									
Recreation Total:											
Building Exterior											
4000	Unit Roofs - Replace	<i>Unfunded</i>									
4005	Stucco Siding - Replace	<i>Unfunded</i>									
4010	Stucco Siding - Repair/Recoat Phase 1										
4015	Stucco Siding - Repair/Recoat Phase 2										
4020	Stucco Siding - Repair/Recoat Phase 3 (a)				541,061						
4021	Stucco Siding - Repair/Recoat Phase 3 (b)										
4025	Stucco Siding - Repair/Recoat Phase 4										
4030	Stucco Siding - Repair/Recoat Phase 5										
4035	Stucco Siding - Repair/Recoat Palazzo/Pavilion										
4065	Trim - Repair & Paint Phase 1							76,544			
4070	Trim - Repair & Paint Phase 2							78,245			
4075	Trim - Repair & Paint Phase 3 (a)				49,813						
4076	Trim - Repair & Paint Phase 3 (b)						52,846				
4080	Trim - Repair & Paint Phase 4									73,954	
4085	Trim - Repair & Paint Phase 5										73,621
4090	Trim - Repair & Paint Palazzo/Pavilion	<i>Unfunded</i>									
4100	Windows/Doors/Garage Doors - Replace	<i>Unfunded</i>									
4105	Unit Exterior Lighting - Replace	<i>Unfunded</i>									
Building Exterior Total:					590,874		52,846	154,790		73,954	73,621
Equipment & Mechanical											
5000	Electrical System - Repair/Replace	<i>Unfunded</i>									
5005	Plumbing System - Repair/Replace	<i>Unfunded</i>									
5010	HVAC Equip - Repair/Replace	<i>Unfunded</i>									
Professional											
6000	Building Envelope Investigation								8,264		
6005	Preventive Maintenance Plan	<i>Unfunded</i>									

The Mediterranean Villas
 Pasco, WA
Year By Year Spread Sheet

ID Description	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
<i>Professional continued...</i>										
6010 Reserve Study - Annual Update	<i>Unfunded</i>									
Professional Total:								8,264		
Year Total:	12,821		8,555	607,909		67,709	154,790	31,404	93,702	73,621

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Grounds										
1000 Concrete - Repair Allotment			4,790					5,553		
1005 Stamped Concrete - Repair Allotment								6,664		
1010 Pavers - Repair	<i>Unfunded</i>									
1015 Asphalt - Repair & Sealcoat				22,894					26,540	
1020 Asphalt - Grind & Overlay									232,225	
1025 Metal Signs - Replace	<i>Unfunded</i>									
1030 Monument Signage - Refurb/Replace										
1035 Monument Lighting - Replace										
1040 Mailboxes - Replace (Older)										
1041 Mailboxes - Replace (Newer)										
1050 RV Lot Gravel - Replenish	<i>Unfunded</i>									
1070 RV Lot Wood Fence - Replace						94,880				
1071 RV Lot Wood Fence - Repair & Stain	17,230					19,975				
1075 RV Lot Gates - Replace					12,603					
1080 CMU Wall - Repair Allotment								11,106		
1085 Privacy Fence - Replace	<i>Unfunded</i>									
1135 Landscape - Refurbish Allotment	<i>Unfunded</i>									
1155 Irrigation System - Repair Allotment			6,706					7,775		
1160 Drainage System - Maintain	<i>Unfunded</i>									
1175 Pole Lights - Replace	<i>Unfunded</i>									
1205 Retaining Walls - Repair	<i>Unfunded</i>									
Grounds Total:	17,230		11,497	22,894	12,603	114,854		31,098	258,765	
Recreation										
2005 Pavilion - Refurbish										
2010 Outdoor Furniture - Replace	<i>Unfunded</i>									
2015 Pet Stations - Replace	<i>Unfunded</i>									
2185 Palazzo Interior - Renovate										36,527
2190 Palazzo Furniture - Replace	<i>Unfunded</i>									
2195 Palazzo Windows/Doors - Replace										18,735
2200 Palazzo/Pavilion Roof - Replace										

The Mediterranean Villas
Pasco, WA
Year By Year Spread Sheet

ID Description	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
<i>Recreation continued...</i>										
2205 Palazzo Exterior Lighting - Replace	<i>Unfunded</i>									
Recreation Total:										55,261
Building Exterior										
4000 Unit Roofs - Replace	<i>Unfunded</i>									
4005 Stucco Siding - Replace	<i>Unfunded</i>									
4010 Stucco Siding - Repair/Recoat Phase 1							815,944			
4015 Stucco Siding - Repair/Recoat Phase 2							901,838			
4020 Stucco Siding - Repair/Recoat Phase 3 (a)										
4021 Stucco Siding - Repair/Recoat Phase 3 (b)						771,424				
4025 Stucco Siding - Repair/Recoat Phase 4									934,118	
4030 Stucco Siding - Repair/Recoat Phase 5										774,385
4035 Stucco Siding - Repair/Recoat Palazzo/Pavilion							12,125			
4065 Trim - Repair & Paint Phase 1							102,869			
4070 Trim - Repair & Paint Phase 2							105,155			
4075 Trim - Repair & Paint Phase 3 (a)				66,944						
4076 Trim - Repair & Paint Phase 3 (b)						71,021				
4080 Trim - Repair & Paint Phase 4									99,388	
4085 Trim - Repair & Paint Phase 5										98,940
4090 Trim - Repair & Paint Palazzo/Pavilion	<i>Unfunded</i>									
4100 Windows/Doors/Garage Doors - Replace	<i>Unfunded</i>									
4105 Unit Exterior Lighting - Replace	<i>Unfunded</i>									
Building Exterior Total:				66,944		842,445	1,937,932		1,033,506	873,325
Equipment & Mechanical										
5000 Electrical System - Repair/Replace	<i>Unfunded</i>									
5005 Plumbing System - Repair/Replace	<i>Unfunded</i>									
5010 HVAC Equip - Repair/Replace	<i>Unfunded</i>									
Professional										
6000 Building Envelope Investigation								11,106		
6005 Preventive Maintenance Plan	<i>Unfunded</i>									

The Mediterranean Villas
 Pasco, WA
Year By Year Spread Sheet

ID Description	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
<i>Professional continued...</i>										
6010 Reserve Study - Annual Update	<i>Unfunded</i>									
Professional Total:								11,106		
Year Total:	17,230		11,497	89,838	12,603	957,299	1,937,932	42,204	1,292,270	928,587

The Mediterranean Villas
Pasco, WA
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2026	
RV Lot Wood Fence - Repair & Stain	9,540
Total for 2026	<u>9,540</u>
<i>No Replacement in 2027</i>	
Replacement Year 2028	
Concrete - Repair Allotment	2,652
Irrigation System - Repair Allotment	3,713
Total for 2028	<u>6,365</u>
Replacement Year 2029	
Asphalt - Repair & Sealcoat	12,676
Trim - Repair & Paint Phase 3 (a)	37,065
Asphalt - Grind & Overlay	110,912
Total for 2029	<u>160,653</u>
Replacement Year 2030	
Palazzo Interior - Renovate	17,445
Palazzo Windows/Doors - Replace	8,948
Total for 2030	<u>26,393</u>
Replacement Year 2031	
RV Lot Wood Fence - Repair & Stain	11,059
Trim - Repair & Paint Phase 3 (b)	39,323
RV Lot Wood Fence - Replace	52,533
Stucco Siding - Repair/Recoat Phase 3 (b)	427,119
Total for 2031	<u>530,033</u>
Replacement Year 2032	
Trim - Repair & Paint Phase 1	56,956
Trim - Repair & Paint Phase 2	58,222
Stucco Siding - Repair/Recoat Palazzo/Pavilion	6,714
Stucco Siding - Repair/Recoat Phase 1	451,768
Stucco Siding - Repair/Recoat Phase 2	499,326
Total for 2032	<u>1,072,986</u>

The Mediterranean Villas
Pasco, WA
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2033	
Concrete - Repair Allotment	3,075
Irrigation System - Repair Allotment	4,305
Building Envelope Investigation	6,149
CMU Wall - Repair Allotment	6,149
Stamped Concrete - Repair Allotment	3,690
Monument Lighting - Replace	4,919
Monument Signage - Refurb/Replace	17,218
Pavilion - Refurbish	10,454
Total for 2033	\$55,959
Replacement Year 2034	
Asphalt - Repair & Sealcoat	14,695
Trim - Repair & Paint Phase 4	55,028
Stucco Siding - Repair/Recoat Phase 4	517,198
Total for 2034	\$586,921
Replacement Year 2035	
Trim - Repair & Paint Phase 5	54,781
Stucco Siding - Repair/Recoat Phase 5	428,758
Mailboxes - Replace (Newer)	19,572
Mailboxes - Replace (Older)	39,143
Palazzo/Pavilion Roof - Replace	17,745
Total for 2035	\$559,999
Replacement Year 2036	
RV Lot Wood Fence - Repair & Stain	12,821
Total for 2036	\$12,821
<i>No Replacement in 2037</i>	
Replacement Year 2038	
Concrete - Repair Allotment	3,564
Irrigation System - Repair Allotment	4,990
Total for 2038	\$8,555

The Mediterranean Villas
Pasco, WA
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2039	
Asphalt - Repair & Sealcoat	17,035
Trim - Repair & Paint Phase 3 (a)	49,813
Stucco Siding - Repair/Recoat Phase 3 (a)	541,061
Total for 2039	\$607,909
 <i>No Replacement in 2040</i>	
Replacement Year 2041	
RV Lot Wood Fence - Repair & Stain	14,863
Trim - Repair & Paint Phase 3 (b)	52,846
Total for 2041	\$67,709
Replacement Year 2042	
Trim - Repair & Paint Phase 1	76,544
Trim - Repair & Paint Phase 2	78,245
Total for 2042	\$154,790
Replacement Year 2043	
Concrete - Repair Allotment	4,132
Irrigation System - Repair Allotment	5,785
Building Envelope Investigation	8,264
CMU Wall - Repair Allotment	8,264
Stamped Concrete - Repair Allotment	4,959
Total for 2043	\$31,404
Replacement Year 2044	
Asphalt - Repair & Sealcoat	19,748
Trim - Repair & Paint Phase 4	73,954
Total for 2044	\$93,702
Replacement Year 2045	
Trim - Repair & Paint Phase 5	73,621
Total for 2045	\$73,621

The Mediterranean Villas
Pasco, WA
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2046	
RV Lot Wood Fence - Repair & Stain	17,230
Total for 2046	\$17,230
<i>No Replacement in 2047</i>	
Replacement Year 2048	
Concrete - Repair Allotment	4,790
Irrigation System - Repair Allotment	6,706
Total for 2048	\$11,497
Replacement Year 2049	
Asphalt - Repair & Sealcoat	22,894
Trim - Repair & Paint Phase 3 (a)	66,944
Total for 2049	\$89,838
Replacement Year 2050	
RV Lot Gates - Replace	12,603
Total for 2050	\$12,603
Replacement Year 2051	
RV Lot Wood Fence - Repair & Stain	19,975
Trim - Repair & Paint Phase 3 (b)	71,021
RV Lot Wood Fence - Replace	94,880
Stucco Siding - Repair/Recoat Phase 3 (b)	771,424
Total for 2051	\$957,299
Replacement Year 2052	
Trim - Repair & Paint Phase 1	102,869
Trim - Repair & Paint Phase 2	105,155
Stucco Siding - Repair/Recoat Palazzo/Pavilion	12,125
Stucco Siding - Repair/Recoat Phase 1	815,944
Stucco Siding - Repair/Recoat Phase 2	901,838
Total for 2052	\$1,937,932

The Mediterranean Villas
Pasco, WA
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2053	
Concrete - Repair Allotment	5,553
Irrigation System - Repair Allotment	7,775
Building Envelope Investigation	11,106
CMU Wall - Repair Allotment	11,106
Stamped Concrete - Repair Allotment	6,664
Total for 2053	\$42,204
 Replacement Year 2054	
Asphalt - Repair & Sealcoat	26,540
Trim - Repair & Paint Phase 4	99,388
Stucco Siding - Repair/Recoat Phase 4	934,118
Asphalt - Grind & Overlay	232,225
Total for 2054	\$1,292,270
 Replacement Year 2055	
Trim - Repair & Paint Phase 5	98,940
Stucco Siding - Repair/Recoat Phase 5	774,385
Palazzo Interior - Renovate	36,527
Palazzo Windows/Doors - Replace	18,735
Total for 2055	\$928,587

**The Mediterranean Villas
Deterioration Summary**

Asset ID	Description	Useful Life	Current Cost	Annual Deterioration
1000	Concrete - Repair Allotment	5	\$2,500	\$500
1005	Stamped Concrete - Repair Allotment	10	\$3,000	\$300
1010	Pavers - Repair	Unfunded		
1015	Asphalt - Repair & Sealcoat	5	\$11,600	\$2,320
1020	Asphalt - Grind & Overlay	25	\$101,500	\$4,060
1025	Metal Signs - Replace	Unfunded		
1030	Monument Signage - Refurb/Replace	30	\$14,000	\$467
1035	Monument Lighting - Replace	30	\$4,000	\$133
1040	Mailboxes - Replace (Older)	30	\$30,000	\$1,000
1041	Mailboxes - Replace (Newer)	30	\$15,000	\$500
1050	RV Lot Gravel - Replenish	Unfunded		
1070	RV Lot Wood Fence - Replace	20	\$45,315	\$2,266
1071	RV Lot Wood Fence - Repair & Stain	5	\$9,540	\$1,908
1075	RV Lot Gates - Replace	40	\$6,200	\$155
1080	CMU Wall - Repair Allotment	10	\$5,000	\$500
1085	Privacy Fence - Replace	Unfunded		
1135	Landscape - Refurbish Allotment	Unfunded		
1155	Irrigation System - Repair Allotment	5	\$3,500	\$700
1160	Drainage System - Maintain	Unfunded		
1175	Pole Lights - Replace	Unfunded		
1205	Retaining Walls - Repair	Unfunded		
2005	Pavilion - Refurbish	30	\$8,500	\$283
2010	Outdoor Furniture - Replace	Unfunded		
2015	Pet Stations - Replace	Unfunded		
2185	Palazzo Interior - Renovate	25	\$15,500	\$620
2190	Palazzo Furniture - Replace	Unfunded		
2195	Palazzo Windows/Doors - Replace	25	\$7,950	\$318
2200	Palazzo/Pavilion Roof - Replace	30	\$13,600	\$453
2205	Palazzo Exterior Lighting - Replace	Unfunded		
4000	Unit Roofs - Replace	Unfunded		
4005	Stucco Siding - Replace	Unfunded		
4010	Stucco Siding - Repair/Recoat Phase 1	20	\$378,349	\$18,917
4015	Stucco Siding - Repair/Recoat Phase 2	20	\$418,178	\$20,909
4020	Stucco Siding - Repair/Recoat Phase 3 (a)	20	\$368,436	\$18,422
4021	Stucco Siding - Repair/Recoat Phase 3 (b)	20	\$368,436	\$18,422
4025	Stucco Siding - Repair/Recoat Phase 4	20	\$408,281	\$20,414

**The Mediterranean Villas
Deterioration Summary**

Asset ID	Description	Useful Life	Current Cost	Annual Deterioration
4030	Stucco Siding - Repair/Recoat Phase 5	20	\$328,608	\$16,430
4035	Stucco Siding - Repair/Recoat Palazzo/Pavilion	20	\$5,623	\$281
4065	Trim - Repair & Paint Phase 1	10	\$47,700	\$4,770
4070	Trim - Repair & Paint Phase 2	10	\$48,760	\$4,876
4075	Trim - Repair & Paint Phase 3 (a)	10	\$33,920	\$3,392
4076	Trim - Repair & Paint Phase 3 (b)	10	\$33,920	\$3,392
4080	Trim - Repair & Paint Phase 4	10	\$43,440	\$4,344
4085	Trim - Repair & Paint Phase 5	10	\$41,985	\$4,199
4090	Trim - Repair & Paint Palazzo/Pavilion	Unfunded		
4100	Windows/Doors/Garage Doors - Replace	Unfunded		
4105	Unit Exterior Lighting - Replace	Unfunded		
5000	Electrical System - Repair/Replace	Unfunded		
5005	Plumbing System - Repair/Replace	Unfunded		
5010	HVAC Equip - Repair/Replace	Unfunded		
6000	Building Envelope Investigation	10	\$5,000	\$500
6005	Preventive Maintenance Plan	Unfunded		
6010	Reserve Study - Annual Update	Unfunded		
Total Annual Deterioration of Association Assets				<u>\$155,751</u>



Full Funding Model

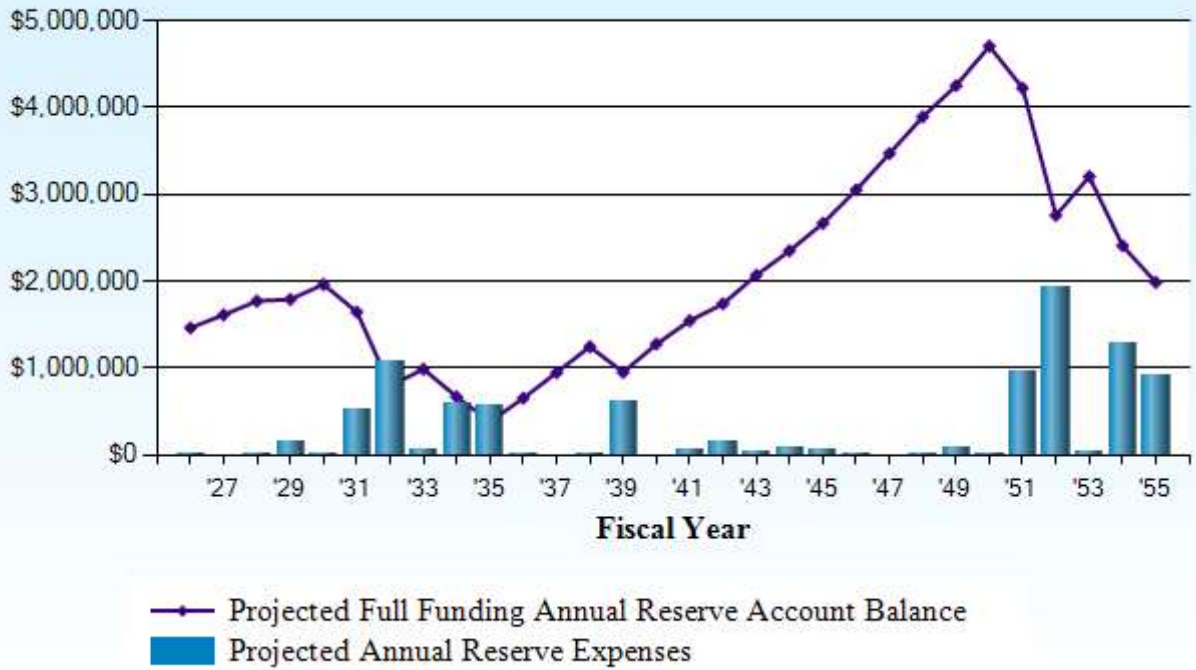
The data within this section represents the 100% full funding model. In this model the association works to fund the reserve account to a level in which the reserve account balance equals the fully funded balance, thus achieving 100% funding. This is accomplished over the 30 year scope of the report.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

**The Mediterranean Villas
Full Funding Model Projection**

Beginning Balance: \$1,337,259

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2026	2,827,340	122,000	14,497	9,540	1,464,216	2,001,185	73%
2027	2,912,160	134,200	15,984		1,614,400	2,209,233	73%
2028	2,999,525	147,620	17,557	6,365	1,773,212	2,421,406	73%
2029	3,089,511	162,382	17,749	160,653	1,792,690	2,485,778	72%
2030	3,182,196	178,620	19,449	26,393	1,964,366	2,695,085	73%
2031	3,277,662	196,482	16,308	530,033	1,647,124	2,399,776	69%
2032	3,375,992	216,130	7,903	1,072,986	798,171	1,554,874	51%
2033	3,477,272	237,743	9,800	55,959	989,755	1,737,810	57%
2034	3,581,590	261,518	6,644	586,921	670,995	1,388,636	48%
2035	3,689,037	269,363	3,804	559,999	384,163	1,062,813	36%
2036	3,799,709	277,444	6,488	12,821	655,274	1,297,088	51%
2037	3,913,700	285,768	9,410		950,452	1,558,065	61%
2038	4,031,111	294,341	12,362	8,555	1,248,600	1,824,722	68%
2039	4,152,044	303,171	9,439	607,909	953,301	1,488,906	64%
2040	4,276,605	312,266	12,656		1,278,223	1,776,229	72%
2041	4,404,904	321,634	15,321	67,709	1,547,469	2,009,710	77%
2042	4,537,051	331,283	17,240	154,790	1,741,201	2,168,001	80%
2043	4,673,162	341,221	20,510	31,404	2,071,529	2,465,851	84%
2044	4,813,357	351,458	23,293	93,702	2,352,578	2,716,425	87%
2045	4,957,758	362,002	26,410	73,621	2,667,368	3,003,393	89%
2046	5,106,491	372,862	30,230	17,230	3,053,230	3,365,491	91%
2047	5,259,685	384,048	34,373		3,471,651	3,764,891	92%
2048	5,417,476	395,569	38,557	11,497	3,894,280	4,173,385	93%
2049	5,580,000	407,436	42,119	89,838	4,253,998	4,522,665	94%
2050	5,747,400	419,659	46,611	12,603	4,707,664	4,971,472	95%
2051	5,919,822	432,249	41,826	957,299	4,224,441	4,470,490	94%
2052	6,097,417	445,217	27,317	1,937,932	2,759,043	2,954,504	93%
2053	6,280,339	458,573	31,754	42,204	3,207,166	3,356,017	96%
2054	6,468,749	472,330	23,872	1,292,270	2,411,098	2,492,697	97%
2055	6,662,812	486,500	19,690	928,587	1,988,701	1,989,083	100%

Annual Expenditures Compared to Full Funding Model



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



70% Threshold Funding Model

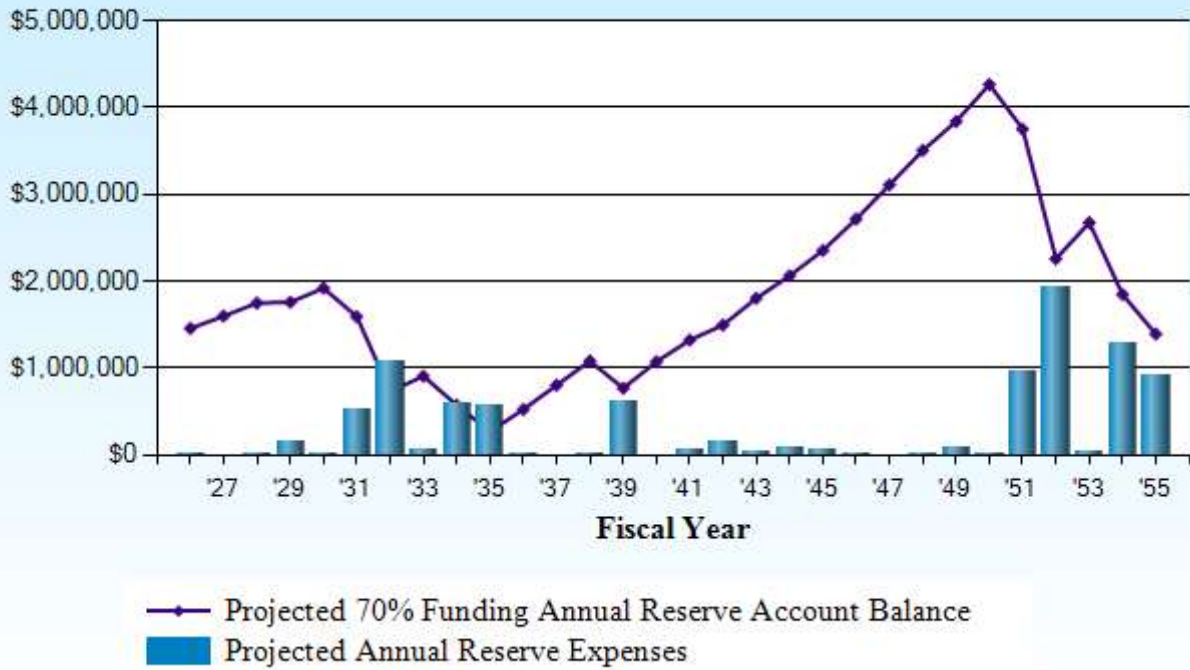
The data within this section represents the 70% threshold funding model. In this model the association aims to become 70% funded over the 30 year scope of the report. While the 100% full funding model in the prior section features the lowest risk of a special assessment, this 70% model provides an alternate option for associations that do not wish to fund reserves to 100% but wish to actively mitigate the risk of a special assessment by funding reserves to a level in which the risk of a special assessment is still relatively low.

The Mediterranean Villas
70% Threshold Funding Model Projection

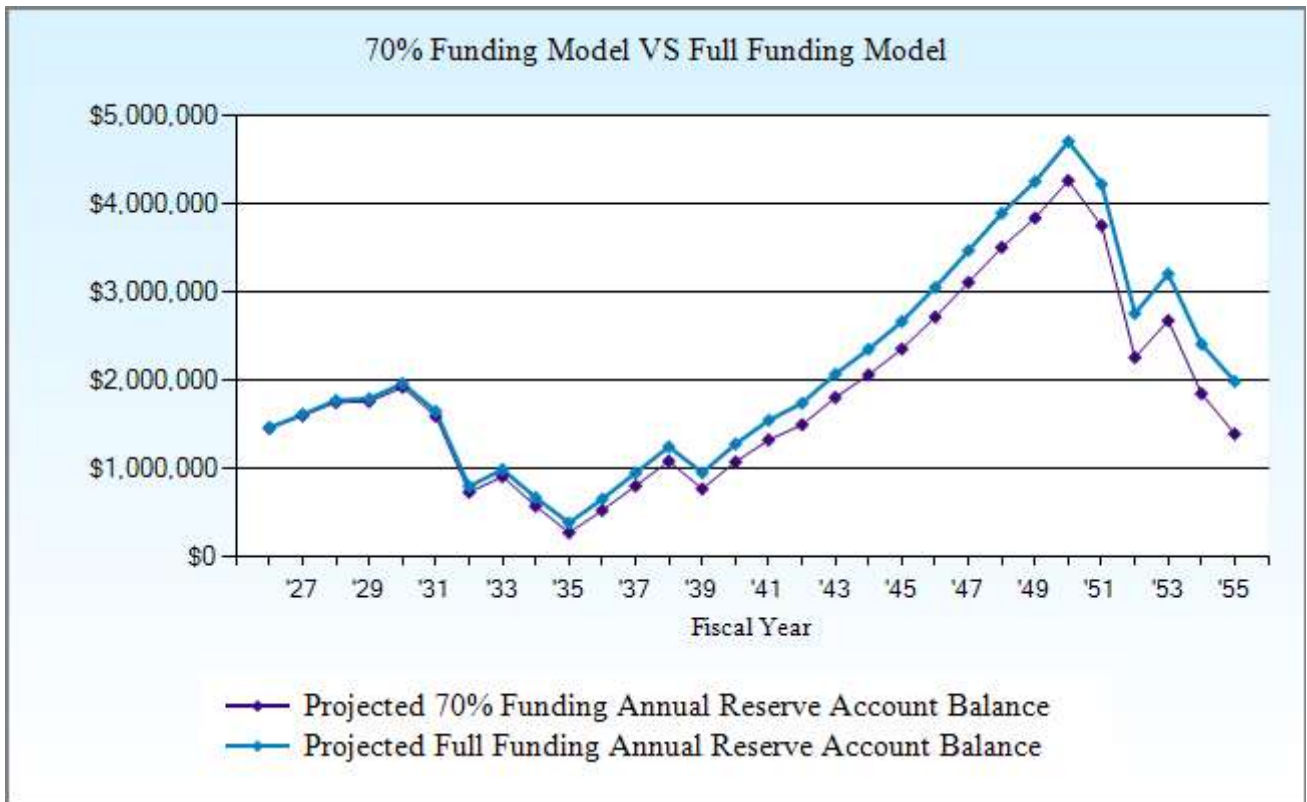
Beginning Balance: \$1,337,259

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2026	2,827,340	115,200	14,429	9,540	1,457,348	2,001,185	73%
2027	2,912,160	126,720	15,841		1,599,909	2,209,233	72%
2028	2,999,525	139,392	17,329	6,365	1,750,265	2,421,406	72%
2029	3,089,511	153,331	17,429	160,653	1,760,373	2,485,778	71%
2030	3,182,196	168,664	19,026	26,393	1,921,670	2,695,085	71%
2031	3,277,662	185,531	15,772	530,033	1,592,940	2,399,776	66%
2032	3,375,992	204,084	7,240	1,072,986	731,278	1,554,874	47%
2033	3,477,272	224,492	8,998	55,959	908,809	1,737,810	52%
2034	3,581,590	246,941	5,688	586,921	574,517	1,388,636	41%
2035	3,689,037	254,350	2,689	559,999	271,557	1,062,813	26%
2036	3,799,709	261,980	5,207	12,821	525,923	1,297,088	41%
2037	3,913,700	269,840	7,958		803,720	1,558,065	52%
2038	4,031,111	277,935	10,731	8,555	1,083,831	1,824,722	59%
2039	4,152,044	286,273	7,622	607,909	769,818	1,488,906	52%
2040	4,276,605	294,861	10,647		1,075,325	1,776,229	61%
2041	4,404,904	303,707	13,113	67,709	1,324,436	2,009,710	66%
2042	4,537,051	312,818	14,825	154,790	1,497,289	2,168,001	69%
2043	4,673,162	322,203	17,881	31,404	1,805,968	2,465,851	73%
2044	4,813,357	331,869	20,441	93,702	2,064,576	2,716,425	76%
2045	4,957,758	341,825	23,328	73,621	2,356,108	3,003,393	78%
2046	5,106,491	352,079	26,910	17,230	2,717,866	3,365,491	81%
2047	5,259,685	362,642	30,805		3,111,313	3,764,891	83%
2048	5,417,476	373,521	34,733	11,497	3,508,071	4,173,385	84%
2049	5,580,000	384,727	38,030	89,838	3,840,990	4,522,665	85%
2050	5,747,400	396,269	42,247	12,603	4,266,901	4,971,472	86%
2051	5,919,822	408,157	37,178	957,299	3,754,937	4,470,490	84%
2052	6,097,417	420,401	22,374	1,937,932	2,259,780	2,954,504	76%
2053	6,280,339	433,013	26,506	42,204	2,677,095	3,356,017	80%
2054	6,468,749	446,004	18,308	1,292,270	1,849,137	2,492,697	74%
2055	6,662,812	459,384	13,799	928,587	1,393,733	1,989,083	70%

Annual Expenditures Compared to 70% Funding Model



This chart compares the projected yearly reserve balance within the 70% Funding model against the cumulative expenses anticipated within that year.



This chart compares the projected annual reserve account balances between the 70% Funding model and the Full Funding model.



Baseline Funding Model

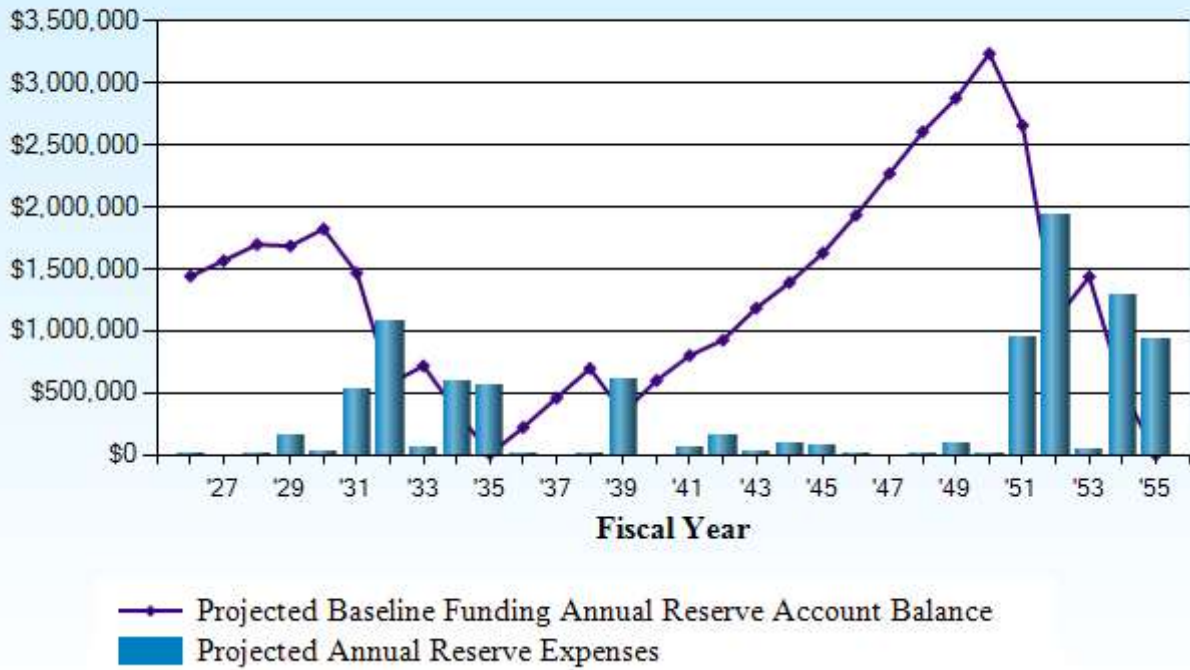
The data within this section represents the baseline funding model. In this model, the association funds reserves at a level in which the reserve balance is not projected to drop below zero over the 30 year scope of this report. Baseline funding has the highest risk of a special assessment. Under this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

**The Mediterranean Villas
Baseline Funding Model Projection**

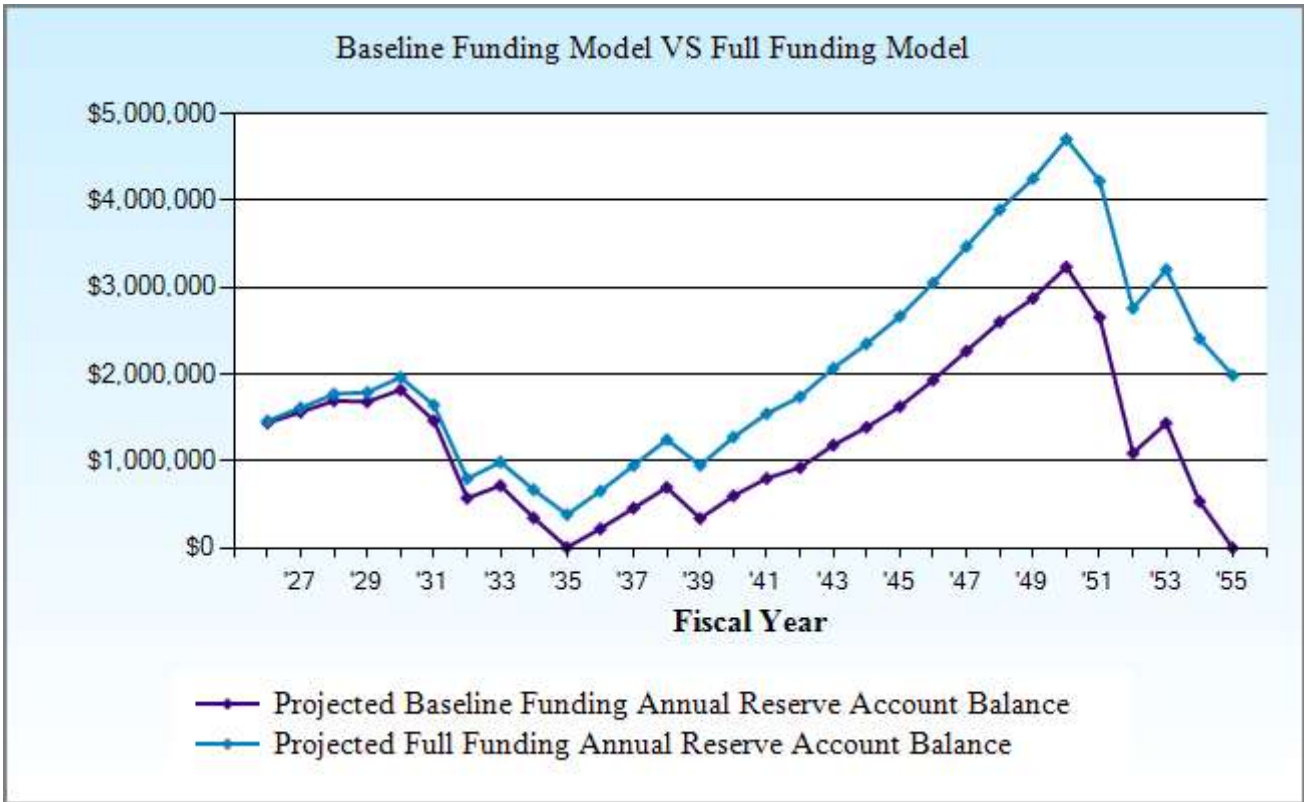
Beginning Balance: \$1,337,259

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2026	2,827,340	99,300	14,270	9,540	1,441,289	2,001,185	72%
2027	2,912,160	109,230	15,505		1,566,024	2,209,233	71%
2028	2,999,525	120,153	16,798	6,365	1,696,610	2,421,406	70%
2029	3,089,511	132,168	16,681	160,653	1,684,807	2,485,778	68%
2030	3,182,196	145,385	18,038	26,393	1,821,837	2,695,085	68%
2031	3,277,662	159,924	14,517	530,033	1,466,245	2,399,776	61%
2032	3,375,992	175,916	5,692	1,072,986	574,867	1,554,874	37%
2033	3,477,272	193,508	7,124	55,959	719,539	1,737,810	41%
2034	3,581,590	212,858	3,455	586,921	348,931	1,388,636	25%
2035	3,689,037	219,244	82	559,999	8,258	1,062,813	1%
2036	3,799,709	225,821	2,213	12,821	223,471	1,297,088	17%
2037	3,913,700	232,596	4,561		460,628	1,558,065	30%
2038	4,031,111	239,574	6,916	8,555	698,563	1,824,722	38%
2039	4,152,044	246,761	3,374	607,909	340,790	1,488,906	23%
2040	4,276,605	254,164	5,950		600,904	1,776,229	34%
2041	4,404,904	261,789	7,950	67,709	802,933	2,009,710	40%
2042	4,537,051	269,643	9,178	154,790	926,964	2,168,001	43%
2043	4,673,162	277,732	11,733	31,404	1,185,024	2,465,851	48%
2044	4,813,357	286,064	13,774	93,702	1,391,160	2,716,425	51%
2045	4,957,758	294,646	16,122	73,621	1,628,307	3,003,393	54%
2046	5,106,491	303,485	19,146	17,230	1,933,707	3,365,491	57%
2047	5,259,685	312,590	22,463		2,268,760	3,764,891	60%
2048	5,417,476	321,967	25,792	11,497	2,605,023	4,173,385	62%
2049	5,580,000	331,626	28,468	89,838	2,875,280	4,522,665	64%
2050	5,747,400	341,575	32,043	12,603	3,236,294	4,971,472	65%
2051	5,919,822	351,822	26,308	957,299	2,657,126	4,470,490	59%
2052	6,097,417	362,377	10,816	1,937,932	1,092,387	2,954,504	37%
2053	6,280,339	373,248	14,234	42,204	1,437,665	3,356,017	43%
2054	6,468,749	384,446	5,298	1,292,270	535,139	2,492,697	21%
2055	6,662,812	395,979	25	928,587	2,557	1,989,083	0%

Annual Expenditures Compared to Baseline Funding Model



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



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



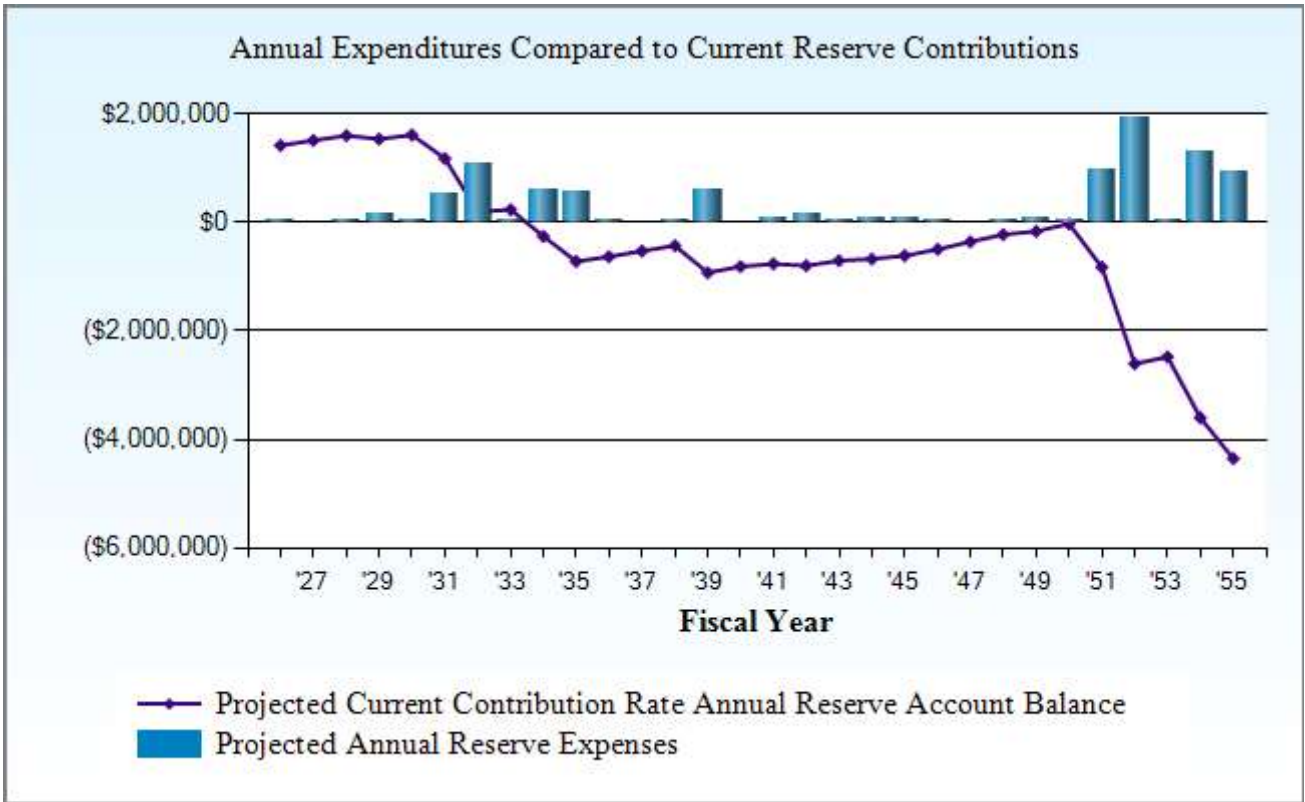
Current Funding Model

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

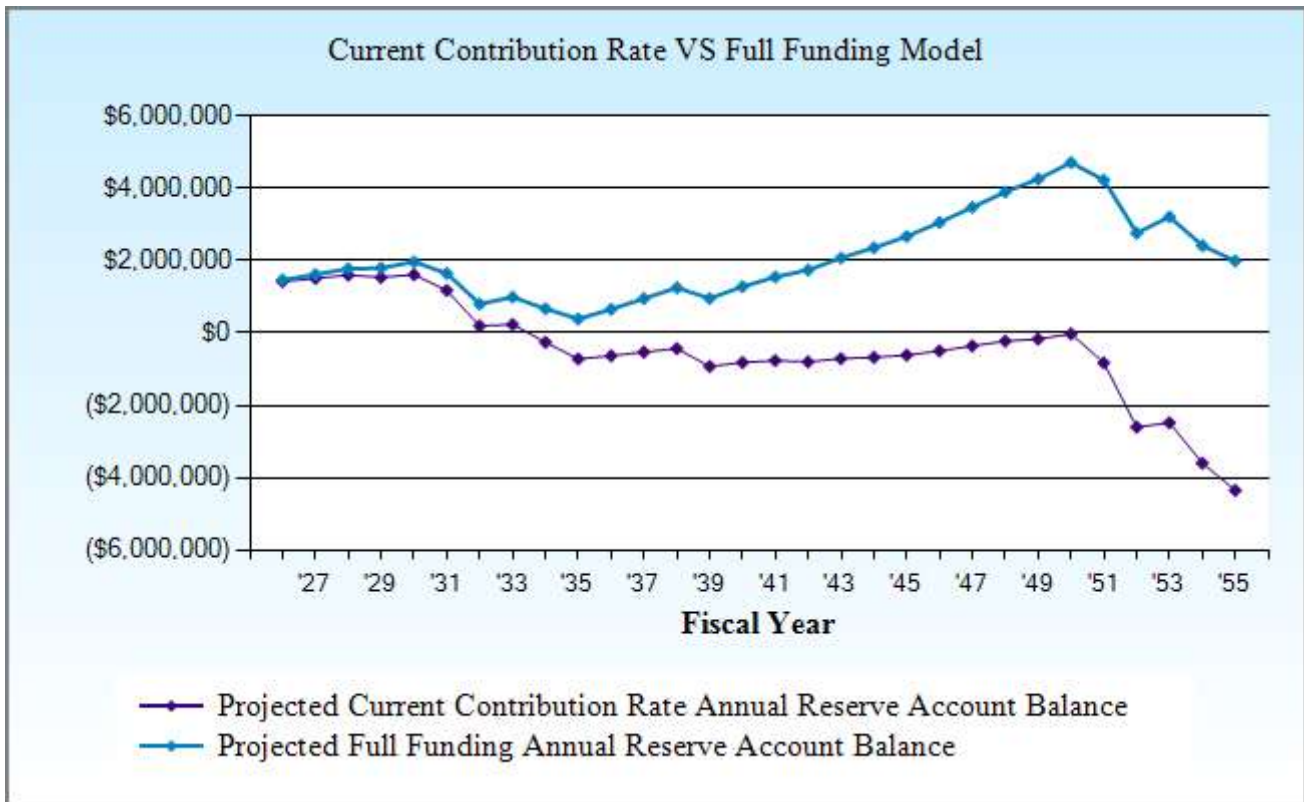
**The Mediterranean Villas
Current Funding Model Projection**

Beginning Balance: \$1,337,259

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2026	2,827,340	75,000	14,027	9,540	1,416,746	2,001,185	71%
2027	2,912,160	77,250	14,940		1,508,936	2,209,233	68%
2028	2,999,525	79,567	15,821	6,365	1,597,960	2,421,406	66%
2029	3,089,511	81,955	15,193	160,653	1,534,454	2,485,778	62%
2030	3,182,196	84,413	15,925	26,393	1,608,399	2,695,085	60%
2031	3,277,662	86,946	11,653	530,033	1,176,964	2,399,776	49%
2032	3,375,992	89,554	1,935	1,072,986	195,468	1,554,874	13%
2033	3,477,272	92,241	2,317	55,959	234,066	1,737,810	13%
2034	3,581,590	95,008		586,921	-257,847	1,388,636	
2035	3,689,037	97,858		559,999	-719,988	1,062,813	
2036	3,799,709	100,794		12,821	-632,015	1,297,088	
2037	3,913,700	103,818			-528,198	1,558,065	
2038	4,031,111	106,932		8,555	-429,820	1,824,722	
2039	4,152,044	110,140		607,909	-927,589	1,488,906	
2040	4,276,605	113,444			-814,145	1,776,229	
2041	4,404,904	116,848		67,709	-765,007	2,009,710	
2042	4,537,051	120,353		154,790	-799,444	2,168,001	
2043	4,673,162	123,964		31,404	-706,884	2,465,851	
2044	4,813,357	127,682		93,702	-672,903	2,716,425	
2045	4,957,758	131,513		73,621	-615,011	3,003,393	
2046	5,106,491	135,458		17,230	-496,783	3,365,491	
2047	5,259,685	139,522			-357,261	3,764,891	
2048	5,417,476	143,708		11,497	-225,050	4,173,385	
2049	5,580,000	148,019		89,838	-166,869	4,522,665	
2050	5,747,400	152,460		12,603	-27,013	4,971,472	
2051	5,919,822	157,033		957,299	-827,278	4,470,490	
2052	6,097,417	161,744		1,937,932	-2,603,466	2,954,504	
2053	6,280,339	166,597		42,204	-2,479,073	3,356,017	
2054	6,468,749	171,595		1,292,270	-3,599,749	2,492,697	
2055	6,662,812	176,742		928,587	-4,351,593	1,989,083	



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



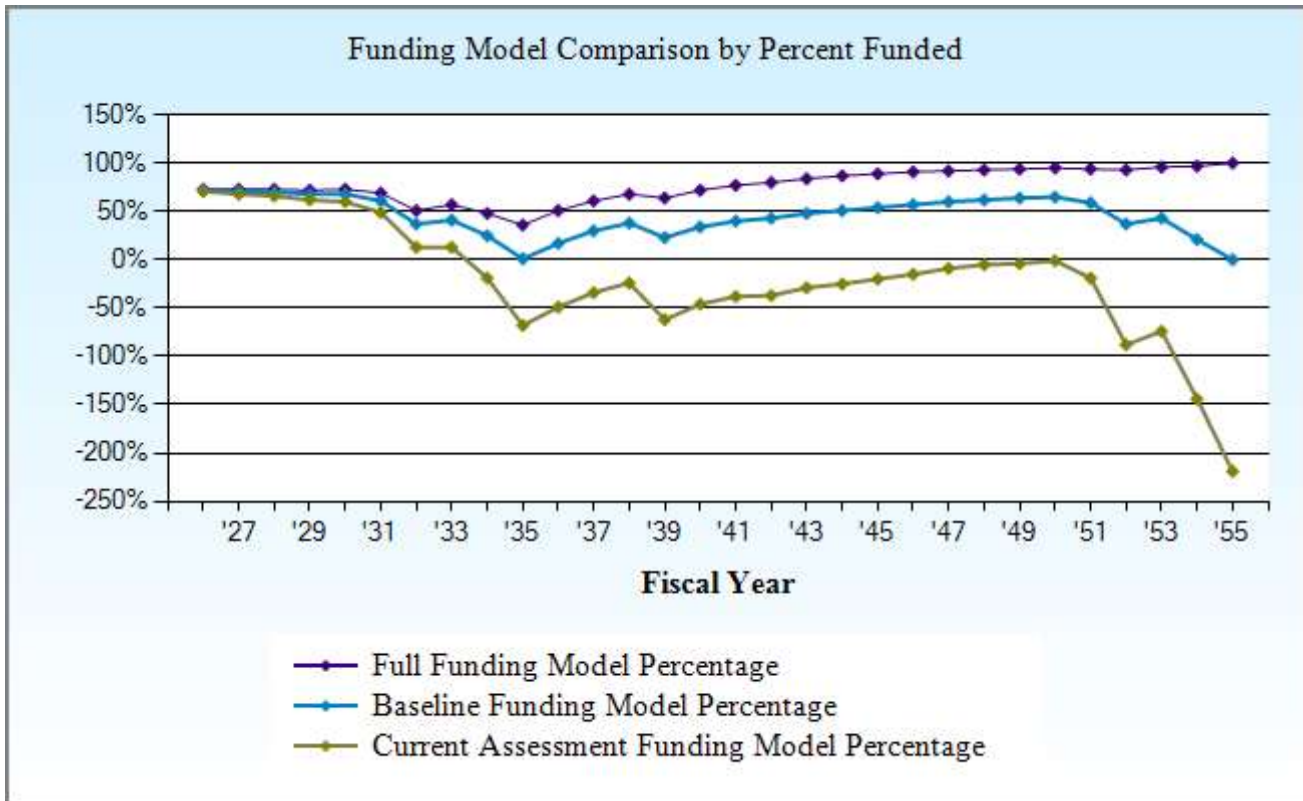
This chart compares the projected annual reserve account balances between the association's current contribution rate and the Full Funding model.



Comparison Charts

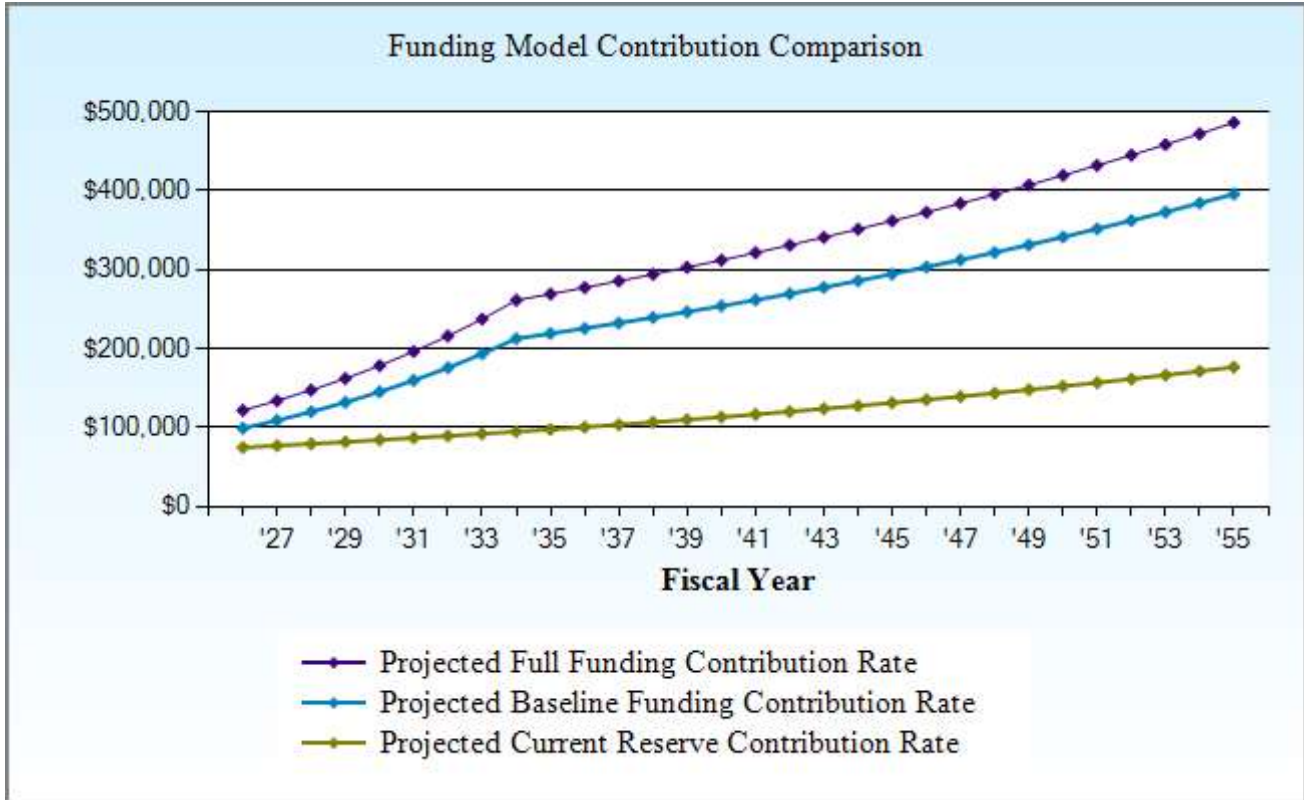
The charts within this section represent a visual comparison of the funding models included within this report. Each chart features a descriptive title indicating the data which is being compared and are extremely helpful for the association in comparing its current funding plan to the plans included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

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



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

The Mediterranean Villas
Funding Model Assessment Comparison Chart



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



Component Detail Report

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

**The Mediterranean Villas
Index of Funded Components**

Asset ID	Description	Replacement	Page
1000	Concrete - Repair Allotment	2028	45
1005	Stamped Concrete - Repair Allotment	2033	46
1010	Pavers - Repair	2026	47
1015	Asphalt - Repair & Sealcoat	2029	48
1020	Asphalt - Grind & Overlay	2029	49
1025	Metal Signs - Replace	2026	50
1030	Monument Signage - Refurb/Replace	2033	51
1035	Monument Lighting - Replace	2033	52
1040	Mailboxes - Replace (Older)	2035	53
1041	Mailboxes - Replace (Newer)	2035	54
1050	RV Lot Gravel - Replenish	2026	55
1070	RV Lot Wood Fence - Replace	2031	56
1071	RV Lot Wood Fence - Repair & Stain	2026	57
1075	RV Lot Gates - Replace	2050	58
1080	CMU Wall - Repair Allotment	2033	59
1085	Privacy Fence - Replace	2026	60
1135	Landscape - Refurbish Allotment	2026	61
1155	Irrigation System - Repair Allotment	2028	62
1160	Drainage System - Maintain	2026	63
1175	Pole Lights - Replace	2026	64
1205	Retaining Walls - Repair	2026	65
2005	Pavilion - Refurbish	2033	66
2010	Outdoor Furniture - Replace	2026	67
2015	Pet Stations - Replace	2026	68
2185	Palazzo Interior - Renovate	2030	69
2190	Palazzo Furniture - Replace	2026	70
2195	Palazzo Windows/Doors - Replace	2030	71
2200	Palazzo/Pavilion Roof - Replace	2035	72
2205	Palazzo Exterior Lighting - Replace	2026	73
4000	Unit Roofs - Replace	2026	74
4005	Stucco Siding - Replace	2026	75
4010	Stucco Siding - Repair/Recoat Phase 1	2032	76
4015	Stucco Siding - Repair/Recoat Phase 2	2032	77
4020	Stucco Siding - Repair/Recoat Phase 3 (a)	2039	78
4021	Stucco Siding - Repair/Recoat Phase 3 (b)	2031	79
4025	Stucco Siding - Repair/Recoat Phase 4	2034	80
4030	Stucco Siding - Repair/Recoat Phase 5	2035	81

**The Mediterranean Villas
Index of Funded Components**

Asset ID	Description	Replacement	Page
4035	Stucco Siding - Repair/Recoat Palazzo/Pavilion	2032	82
4065	Trim - Repair & Paint Phase 1	2032	83
4070	Trim - Repair & Paint Phase 2	2032	84
4075	Trim - Repair & Paint Phase 3 (a)	2029	85
4076	Trim - Repair & Paint Phase 3 (b)	2031	86
4080	Trim - Repair & Paint Phase 4	2034	87
4085	Trim - Repair & Paint Phase 5	2035	88
4090	Trim - Repair & Paint Palazzo/Pavilion	2026	89
4100	Windows/Doors/Garage Doors - Replace	2026	90
4105	Unit Exterior Lighting - Replace	2026	91
5000	Electrical System - Repair/Replace	2026	92
5005	Plumbing System - Repair/Replace	2026	93
5010	HVAC Equip - Repair/Replace	2026	94
6000	Building Envelope Investigation	2033	95
6005	Preventive Maintenance Plan	2026	96
6010	Reserve Study - Annual Update	2026	97
	Total Funded Assets	31	
	Total Unfunded Assets	<u>22</u>	
	Total Assets	53	

**The Mediterranean Villas
Detail Report by Category**

Concrete - Repair Allotment - 2028

Asset ID	1000	1 Allowance	@ \$2,500.00
Category	Grounds	Asset Actual Cost	\$2,500.00
Placed in Service	January 2023	Percent Replacement	100%
Useful Life	5	Future Cost	\$2,652.25
Replacement Year	2028		
Remaining Life	2		



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

Cost Source: Accurate Reserve Professionals, LLC Database

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Stamped Concrete - Repair Allotment - 2033

			1 Allowance	@ \$3,000.00
Asset ID	1005		Asset Actual Cost	\$3,000.00
			Percent Replacement	100%
Category	Grounds		Future Cost	\$3,689.62
Placed in Service	January 2023			
Useful Life	10			
Replacement Year	2033			
Remaining Life	7			



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

Cost Source: Accurate Reserve Professionals, LLC Database

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Pavers - Repair

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



Location: Adjacent to parking area within Phase 1

Component History: Assumed installed ~ 2003 with Phase 1 construction

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

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

**The Mediterranean Villas
Detail Report by Category**

Asphalt - Repair & Sealcoat - 2029

		29,000 GSF	@ \$0.40
Asset ID	1015	Asset Actual Cost	\$11,600.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$12,675.63
Placed in Service	January 2024		
Useful Life	5		
Replacement Year	2029		
Remaining Life	3		



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

Cost Source: Inflated client cost history

Location: Parking areas within association

Component History: 2014 per prior study, 2024 \$11,186.67 as operating expense

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

**The Mediterranean Villas
Detail Report by Category**

Asphalt - Grind & Overlay - 2029

		29,000 GSF	@ \$3.50
Asset ID	1020	Asset Actual Cost	\$101,500.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$110,911.79
Placed in Service	January 2003		
Useful Life	25		
Adjustment	1		
Replacement Year	2029		
Remaining Life	3		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Parking areas within association

Component History: Installed ~ 2003

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

**The Mediterranean Villas
Detail Report by Category**

Metal Signs - Replace

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



Location: Scattered common area locations

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Monument Signage - Refurb/Replace - 2033

Asset ID	1030	4 Each	@ \$3,500.00
Category	Grounds	Asset Actual Cost	\$14,000.00
Placed in Service	January 2003	Percent Replacement	100%
Useful Life	30	Future Cost	\$17,218.23
Replacement Year	2033		
Remaining Life	7		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Adjacent to entrances to community

Component History: Lettering at 3 signs replaced 2024 \$851 as operating expense

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

**The Mediterranean Villas
Detail Report by Category**

Monument Lighting - Replace - 2033

Asset ID	1035	1 Allowance	@ \$4,000.00
Category	Grounds	Asset Actual Cost	\$4,000.00
Placed in Service	January 2003	Percent Replacement	100%
Useful Life	30	Future Cost	\$4,919.50
Replacement Year	2033		
Remaining Life	7		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Adjacent to entry monuments

Component History: No history reported

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

**The Mediterranean Villas
Detail Report by Category**

Mailboxes - Replace (Older) - 2035

		10 Each	@ \$3,000.00
Asset ID	1040	Asset Actual Cost	\$30,000.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$39,143.20
Placed in Service	January 2005		
Useful Life	30		
Replacement Year	2035		
Remaining Life	9		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Adjacent to roadways throughout community

Component History: ~ 2005 manufacture date

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

**The Mediterranean Villas
Detail Report by Category**

Mailboxes - Replace (Newer) - 2035

		5 Each	@ \$3,000.00
Asset ID	1041	Asset Actual Cost	\$15,000.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$19,571.60
Placed in Service	January 2005		
Useful Life	30		
Replacement Year	2035		
Remaining Life	9		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Adjacent to roadways throughout community

Component History: ~ 2008 & 2009 manufacture date

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

**The Mediterranean Villas
Detail Report by Category**

RV Lot Gravel - Replenish

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



Location: Within RV parking area at southeast corner of property

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

RV Lot Wood Fence - Replace - 2031

		795 LF	@ \$57.00
Asset ID	1070	Asset Actual Cost	\$45,315.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$52,532.50
Placed in Service	January 2010		
Useful Life	20		
Adjustment	1		
Replacement Year	2031		
Remaining Life	5		



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

Cost Source: Accurate Reserve Professionals, LLC Database

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

Component History: Installed between 2009 & 2011 per satellite imagery

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

**The Mediterranean Villas
Detail Report by Category**

RV Lot Wood Fence - Repair & Stain - 2026

		795 LF	@ \$12.00
Asset ID	1071	Asset Actual Cost	\$9,540.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$9,540.00
Placed in Service	January 2020		
Useful Life	5		
Replacement Year	2026		
Remaining Life	0		



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

Cost Source: Accurate Reserve Professionals, LLC Database

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

Component History: Partial staining 2020

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

**The Mediterranean Villas
Detail Report by Category**

RV Lot Gates - Replace - 2050

		2 Each	@ \$3,100.00
Asset ID	1075	Asset Actual Cost	\$6,200.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$12,603.32
Placed in Service	January 2010		
Useful Life	40		
Replacement Year	2050		
Remaining Life	24		



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

Cost Source: Accurate Reserve Professionals, LLC Database

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

Component History: Installed between 2009 & 2011 per satellite imagery

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

**The Mediterranean Villas
Detail Report by Category**

CMU Wall - Repair Allotment - 2033

			1 Allowance	@ \$5,000.00
Asset ID	1080		Asset Actual Cost	\$5,000.00
			Percent Replacement	100%
Category	Grounds		Future Cost	\$6,149.37
Placed in Service	January 2023			
Useful Life	10			
Replacement Year	2033			
Remaining Life	7			



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Perimeter of property

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

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

**The Mediterranean Villas
Detail Report by Category**

Privacy Fence - Replace

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



Location: Privacy fencing at individual units

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Landscape - Refurbish Allotment

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



Location: Common area landscaping

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Irrigation System - Repair Allotment - 2028

Asset ID	1155	1 Allowance	@ \$3,500.00
		Asset Actual Cost	\$3,500.00
		Percent Replacement	100%
Category	Grounds	Future Cost	\$3,713.15
Placed in Service	January 2023		
Useful Life	5		
Replacement Year	2028		
Remaining Life	2		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Within common area landscaping

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

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

**The Mediterranean Villas
Detail Report by Category**

Drainage System - Maintain

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



Location: Common area drainage

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Pole Lights - Replace

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



Location: Adjacent to roadways throughout community

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Retaining Walls - Repair

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



Location: Scattered common area locations

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Pavilion - Refurbish - 2033

Asset ID	2005	1 Allowance	@ \$8,500.00
Category	Recreation	Asset Actual Cost	\$8,500.00
Placed in Service	January 2003	Percent Replacement	100%
Useful Life	30	Future Cost	\$10,453.93
Replacement Year	2033		
Remaining Life	7		



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

Cost Source: Accurate Reserve Professionals, LLC Database

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

Component History: No history reported

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

**The Mediterranean Villas
Detail Report by Category**

Outdoor Furniture - Replace

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



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

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Pet Stations - Replace

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



Location: Scattered common area locations

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Palazzo Interior - Renovate - 2030

Asset ID	2185	1 Allowance	@ \$15,500.00
Category	Recreation	Asset Actual Cost	\$15,500.00
Placed in Service	January 2005	Percent Replacement	100%
Useful Life	25	Future Cost	\$17,445.39
Replacement Year	2030		
Remaining Life	4		



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

Cost Source: Accurate Reserve Professionals, LLC Database

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

Component History: No history reported

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

**The Mediterranean Villas
Detail Report by Category**

Palazzo Furniture - Replace

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



Location: Furniture within interior of Palazzo

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Palazzo Windows/Doors - Replace - 2030

		6 Each	@ \$1,325.00
Asset ID	2195	Asset Actual Cost	\$7,950.00
		Percent Replacement	100%
Category	Recreation	Future Cost	\$8,947.79
Placed in Service	January 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	4		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at Palazzo

Component History: No history reported

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

**The Mediterranean Villas
Detail Report by Category**

Palazzo/Pavilion Roof - Replace - 2035

Asset ID	2200	1,700 Allowance	@ \$8.00
Category	Recreation	Asset Actual Cost	\$13,600.00
Placed in Service	January 2005	Percent Replacement	100%
Useful Life	30	Future Cost	\$17,744.91
Replacement Year	2035		
Remaining Life	9		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Rooftop of Palazzo and Pavilion

Component History: No history reported

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

**The Mediterranean Villas
Detail Report by Category**

Palazzo Exterior Lighting - Replace

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



Location: Exterior walls at Palazzo

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Unit Roofs - Replace

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



Location: Rooftop of residential units

Component History: Presumed original to 2003-2016

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

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

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Replace

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



Location: Exterior building walls

Component History: Presumed original to 2003-2016 construction

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

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

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Phase 1 - 2032

		116,415 GSF	@ \$3.25
Asset ID	4010	Asset Actual Cost	\$378,348.75
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$451,768.19
Placed in Service	January 2004		
Useful Life	20		
Adjustment	8		
Replacement Year	2032		
Remaining Life	6		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at units within Phase 1

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Phase 2 - 2032

		128,670 GSF	@ \$3.25
Asset ID	4015	Asset Actual Cost	\$418,177.50
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$499,325.80
Placed in Service	January 2005		
Useful Life	20		
Adjustment	7		
Replacement Year	2032		
Remaining Life	6		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at units within Phase 2

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

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

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

**The Mediterranean Villas
Detail Report by Category**

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

		113,365 GSF	@ \$3.25
Asset ID	4020	Asset Actual Cost	\$368,436.25
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$541,061.05
Placed in Service	January 2019		
Useful Life	20		
Replacement Year	2039		
Remaining Life	13		



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

Cost Source: Accurate Reserve Professionals, LLC Database

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

Component History: Painted 2019 \$39,622.71

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

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

**The Mediterranean Villas
Detail Report by Category**

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

		113,365 GSF	@ \$3.25
Asset ID	4021	Asset Actual Cost	\$368,436.25
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$427,118.59
Placed in Service	January 2008		
Useful Life	20		
Adjustment	3		
Replacement Year	2031		
Remaining Life	5		



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

Cost Source: Accurate Reserve Professionals, LLC Database

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

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Phase 4 - 2034

		125,625 GSF	@ \$3.25
Asset ID	4025	Asset Actual Cost	\$408,281.25
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$517,198.47
Placed in Service	January 2011		
Useful Life	20		
Adjustment	3		
Replacement Year	2034		
Remaining Life	8		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at units within Phase 4

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Phase 5 - 2035

		101,110 GSF	@ \$3.25
Asset ID	4030	Asset Actual Cost	\$328,607.50
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$428,758.25
Placed in Service	January 2015		
Useful Life	20		
Replacement Year	2035		
Remaining Life	9		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at units within Phase 5

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Stucco Siding - Repair/Recoat Palazzo/Pavilion - 2032

		1,730 GSF	@ \$3.25
Asset ID	4035	Asset Actual Cost	\$5,622.50
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$6,713.56
Placed in Service	January 2004		
Useful Life	20		
Adjustment	8		
Replacement Year	2032		
Remaining Life	6		



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior walls at Palazzo and Pavilion

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

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

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Phase 1 - 2032

		45 Units	@ \$1,060.00
Asset ID	4065	Asset Actual Cost	\$47,700.00
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$56,956.29
Placed in Service	January 2022		
Useful Life	10		
Replacement Year	2032		
Remaining Life	6		



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

Cost Source: Inflated client cost history

Location: Exterior trim at Phase 1 units

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Phase 2 - 2032

		46 Units	@ \$1,060.00
Asset ID	4070	Asset Actual Cost	\$48,760.00
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$58,221.99
Placed in Service	January 2022		
Useful Life	10		
Replacement Year	2032		
Remaining Life	6		



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

Cost Source: Inflated client cost history

Location: Exterior trim at Phase 2 units

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

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

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

**The Mediterranean Villas
Detail Report by Category**

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

		32 Each	@ \$1,060.00
Asset ID	4075	Asset Actual Cost	\$33,920.00
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$37,065.30
Placed in Service	January 2019		
Useful Life	10		
Replacement Year	2029		
Remaining Life	3		



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

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

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

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

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

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

**The Mediterranean Villas
Detail Report by Category**

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

		32 Each	@ \$1,060.00
Asset ID	4076	Asset Actual Cost	\$33,920.00
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$39,322.58
Placed in Service	January 2021		
Useful Life	10		
Replacement Year	2031		
Remaining Life	5		



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

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

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

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Phase 4 - 2034

		48 Units	@ \$905.00
Asset ID	4080	Asset Actual Cost	\$43,440.00
	(null)	Percent Replacement	100%
Category	Building Exterior	Future Cost	\$55,028.49
Placed in Service	January 2024		
Useful Life	10		
Replacement Year	2034		
Remaining Life	8		



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

Cost Source: Inflated client cost history

Location: Exterior trim at Phase 4 units

Component History: Presumed original to ~ 2011 construction, painted 2024 \$42,108.03 as operating expense

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

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

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Phase 5 - 2035

		27 Units	@ \$1,555.00
Asset ID	4085	Asset Actual Cost	\$41,985.00
		Percent Replacement	100%
Category	Building Exterior	Future Cost	\$54,780.90
Placed in Service	January 2025		
Useful Life	10		
Replacement Year	2035		
Remaining Life	9		



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

Cost Source: Estimate provided by client

Location: Exterior trim at Phase 5 units

Component History: Presumed original to ~ 2015 construction, painted 2025 \$42k as operating expense

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

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

**The Mediterranean Villas
Detail Report by Category**

Trim - Repair & Paint Palazzo/Pavilion

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



Location: Trim at Palazzo and Pavilion

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Windows/Doors/Garage Doors - Replace

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



Location: Windows, doors and garage doors at individual units

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Unit Exterior Lighting - Replace

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



Location: Exterior lighting at individual units

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

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

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

**The Mediterranean Villas
Detail Report by Category**

Electrical System - Repair/Replace

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



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

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Plumbing System - Repair/Replace

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



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

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

HVAC Equip - Repair/Replace

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



Location: HVAC equipment at individual units

Component History: No history reported

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

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

**The Mediterranean Villas
Detail Report by Category**

Building Envelope Investigation - 2033

			1 Allowance	@ \$5,000.00
Asset ID	6000		Asset Actual Cost	\$5,000.00
			Percent Replacement	100%
Category	Professional		Future Cost	\$6,149.37
Placed in Service	January 2023			
Useful Life	10			
Replacement Year	2033			
Remaining Life	7			



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

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Exterior building envelope (stucco siding)

Component History: No history reported

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

**The Mediterranean Villas
Detail Report by Category**

Preventive Maintenance Plan		1 Allowance	
Asset ID	6005	Asset Actual Cost	
Category	Professional	Percent Replacement	100%
Placed in Service	January 2010	Future Cost	
No Useful Life			

Preventive maintenance is a critical aspect of properly maintaining association assets and achieving their longest useful life. National Reserve Study Standards (NRSS) recommends a preventive maintenance manual be prepared by each community and updated regularly. Preparation of such manual is beyond the scope of standard reserve study services and should be prepared independently by the association.

As of this report, client reports the following preventive maintenance contracts are in place:
None reported

Additional resources are available within Community Associations Institute’s Best Practices: Community Association Maintenance at www.condosafety.com.

**The Mediterranean Villas
Detail Report by Category**

Reserve Study - Annual Update

Asset ID	6010	1 Ann Update	
Category	Professional	Asset Actual Cost	
Placed in Service	January 2026	Percent Replacement	100%
No Useful Life		Future Cost	



**Time for your annual
update, contact us today!**

Component History: 2014 NSV, 2017 Unknown Report Type, 2018 Unknown Report Type, 2019 Unknown Report Type, 2024 WSV, 2025 NSV, 2026 NSV

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

Key:

FULL = Level 1 Full Reserve Study

WSV = Level 2 With-Site-Visit Reserve Study

NSV = Level 3 No-Site-Visit Reserve Study

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

Common Terms & Definitions

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

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

observed or reported characteristics.

CY

Cubic yards.

EFFECTIVE AGE

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

FINANCIAL ANALYSIS

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

FULLY FUNDED

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

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

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

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

FUND STATUS

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

FUNDING GOALS

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

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

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

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

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

RESERVE BALANCE

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

RESERVE PROVIDER

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

RESERVE STUDY

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

SPECIAL ASSESSMENT

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

USEFUL LIFE (UL)

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

VALUATION ESTIMATES

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

Disclosures

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

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

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

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

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

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

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

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

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

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

Washington State Client Disclosures

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

Washington State Client Disclosure for Clients Under RCW 64.34.682 and 64.38.070

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

Washington State Client Disclosure for Clients Under RCW 64.90.550

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