



Revised 01/15/25

*Members of the Association of
Professional Reserve Analysts
/ Reserve Specialist designation
from CAI*

October 30, 2024

Board of Directors
Reserve at Gearhart Homeowners' Association
5400 Sheridan Drive
Gearhart, Oregon 97138
Dear Board of Directors,

We have been engaged by the Board of Directors of Reserve at Gearhart Homeowners' Association to perform a Maintenance Plan Update and a Level III: Reserve Study Update with No Visual Site Inspection for the Association.

At the request of the Association, the reserve study has been broken up into 2 studies, one for the Common Areas and one for the Community Septic System. The information for the Community Septic System is based on the report completed in 2007 by Smith & Associates, Inc. This report was updated in 2020. The funding scenario for the septic system has been increased to 40 years to incorporate items with a useful life greater than 30 years.

The suggested contribution for 2025 is as follows:

Common Areas	\$	32,621
Septic System		<u>36,806</u>
Total	\$	<u>69,427</u>

If you have any questions concerning this reserve study, please do not hesitate to call.

Sincerely,

A handwritten signature in black ink, appearing to read "David T. Schwindt".

David T. Schwindt, CPA RS PRA

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RESERVE AT GEARHART HOMEOWNER'S ASSOCIATION

MAINTENANCE PLAN UPDATE

RESERVE STUDY

LEVEL III: UPDATE WITH NO VISUAL SITE INSPECTION

BUDGET YEAR

January 1, 2025 to December 31, 2025



RESERVE AT GEARHART HOMEOWNER'S ASSOCIATION

Non-Septic System

Executive Summary

Year of Report:

January 1, 2025 to December 31, 2025

Number of Units:

130 Units

Parameters:

Beginning Balance: \$312,070

Year 2025 Suggested Contribution: \$32,621

Year 2025 Projected Interest Earned: \$8,762

Inflation: 4.00%

Annual Increase to Suggested Contribution: 4.00%

Lowest Cash Balance Over 30 Years (Threshold): \$132,777

Average Reserve Assessment per Unit: \$125.47

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**Reserve at Gearhart Homeowner's Association
Maintenance Plan Update
Reserve Study Update – Offsite
Disclosure Information
2025**

We have conducted an offsite reserve study update and maintenance plan update for the Reserve at Gearhart Homeowner's Association for the year beginning January 1, 2025 in accordance with guidelines established by Community Associations Institute and the American Institute of Certified Public Accountants.

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

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

The Oregon Coast environment (salt water, high winds, ect) has a negative effect on building components. Not performing regular inspections and maintenance on Association's assets may accelerate damage and reduce the useful life of assets with an already shortened life cycle.

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

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

Assumptions used for inflation, interest, and other factors are detailed on page 23 and 65. Income tax factors were not considered due to the uncertainty of factors affecting net taxable income and the election of tax forms to be filed.

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

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

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

Increases in Roofing and Painting Costs

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

The main reason for increased prices aside from normal cost increases appears to be the availability of labor. Many workers left the industry during the downturn and have not reentered the job market thus driving up wage costs to attract qualified

workers. Roofers and painters are also seeing increased demand for their services due to aging association property. These factors have created the perfect storm for increased prices.

These increases are being built into cost estimates and required contributions. Associations have seen an increase in the suggested reserve contributions beginning with the 2018/2019 budget years and depending on the year the roofing and painting projects occur, the increases may be substantial. As of 2020, we are seeing the prices remain at the elevated rate.

In 2023, the average annual inflation rate was 4.12%. Experts are not sure if this increase is temporary due to supply chain issues or if this will be a long-term increase. At this time, Schwindt and Company is recommending an inflation rate of 4% in reserve studies. We will continue to monitor the inflation rate throughout this period. More information can be found at https://inflationdata.com/Inflation/Inflation_Rate/HistoricalInflation.aspx.

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

According to Section 3.5 of the Declaration, the Association shall maintain, repair and replace, as required, all improvements within the Common Areas and the Community Septic System. This includes the fences lighting, lighting fixtures, and pruning of planted and landscaped areas.

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

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

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

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

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

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

This reserve study, unless specifically stated in the report, assumes no fungi, mold, asbestos, lead paint, urea-formaldehyde

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

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

Physical Analysis:

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

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

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

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

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



RESERVE AT GEARHART HOMEOWNER'S ASSOCIATION

MAINTENANCE PLAN

BUDGET YEAR

January 1, 2025 to December 31, 2025

Reserve at Gearhart Homeowner's Association Executive Summary of Maintenance Plan

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

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

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

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

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

**Reserve at Gearhart Homeowner's Association
Maintenance Plan Update
2025**

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

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

Property Inspection

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

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

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

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

Frequency: Annually

Roof Inspection

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

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

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

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

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

Frequency: Refer to roof warranty for frequency

Lighting: Exterior & Common Area Interior – Inspection/Maintenance

Note: Replacement of flickering or burned-out bulbs should be immediate.

Lighting is a crucial element in the provision of safety and security. All lighting systems should be inspected frequently and care must be taken to identify and correct deficiencies.

Various fixture types may be used according to area needs. Lighting systems should be designed to provide maximum, appropriate illumination at minimal energy expenditures. Lighting maintenance processes should include a general awareness of factors that cause malfunctions in lighting systems, such as dirt accumulation and lumen depreciation. It is important to fully wash, rather than dry-wipe, exterior surfaces to reclaim light and prevent further deterioration.

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

Repairs and inspections should be completed by a qualified professional.

This expense should be included in the annual operating budget for the Association as general property maintenance expense.

Frequency: Bi-Weekly

Community Building

The community building may experience heavy traffic that can have a dramatic impact on the life expectancy of the equipment. Preventive maintenance is critical. Consult the manufacturers of exercise and weight equipment for specific maintenance. The overall condition of the floors and mats should be reviewed for deficiencies such as excessive wear, stains, tears, and tripping hazards. The overall condition of the following should be reviewed: walls/ceilings, lighting fixture protection, exercise/weight equipment; location of signs and fire safety devices, fire extinguishers, and trash receptacles. Mirrors and glass should be reviewed for cracked/broken surfaces or rough edges.

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

This expense should be included in the annual operating budget for the Association as general property maintenance expense.

Frequency: Monthly

Community Building – Kitchen–Review

Common area kitchenettes and dining areas may contain pieces of equipment that can jeopardize life safety if preventive maintenance is neglected. The following monthly checklist includes common cooking equipment and dining furniture.

Review the electrical outlet load for fire safety (per manufacturer and code); check that paper/flammable materials are positioned away from heat sources; insure there is an accessible route, and there is sufficient visibility of emergency exits.

A fire extinguisher review should include: tag currency, placement, housing condition, hose condition, and overall condition.

Equipment, such as dishwashers, garbage disposals, stoves, refrigerators, and sinks should undergo review. *Note: Always follow manufacturer's guidelines.* For each item, check overall condition, switches, timer, piping and valves for leaks, wiring, pilots, doors, gaskets, and belts where applicable. Gas connections should be checked.

The flooring systems should be reviewed for deficiencies such as excessive wear, stains, and tripping hazards.

Review the exhaust system for hood function and condition, grease trap function, cleanliness and condition, filter condition, exhaust duct condition, and fan function and condition

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

Frequency: Monthly

Common Play Area – Review

As play areas, surfaces, and equipment vary widely, a general safety and maintenance protocol will be included in the maintenance plan. Management should work with their insurance company to identify additional specific recommendations and should consult manufacturer's specifications. Note deficiencies and required maintenance and repairs after completion of the review.

Generally, in order to maintain a safe playing area, the following should be reviewed: signage visibility and currency; accessible safety/first aid equipment location; fence condition for protruding or loose parts, holes or inoperable gates; and overall condition of grounds for deficiencies such as vandalism, debris buildup, trash, or tripping hazards.

Grass play areas should be reviewed for deficiencies: such as overgrowth; exposed soil; excess fertilization (granules left on surface); contamination from foreign substances; rodent infestation (e.g., gopher holes); root encroachment; depressions or other tripping hazards, such as rocks, elevated sprinkler heads, hoses, field markers, and/or exposed irrigation pipes.

This expense should be included in the annual operating budget for the Association as general property maintenance expense.

Frequency: Monthly

Hot Water Heater – Common Area Only – Inspection/Maintenance

Maintenance of the hot water heater includes regularly scheduled inspections and maintenance.

The water heater and related components should be checked for water leaks and fuel supply leaks. The water heater and related components should also be checked for proper operation and settings. Filters should be changed and all components serviced as required. The surrounding area should be cleaned at

the time of servicing.

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

Inspections and maintenance should be performed by a qualified, licensed service provider.

We understand that this expense should be included in the annual operating budget for the Association.

Frequency: Monthly to Annually

Property Entrance - Review

The property entrance is a significant reflection on the development as a whole and is often the first stop in the development for residents, prospective residents or buyers, and visitors. The area should be consistently clean, functional, and accessible. In addition to serving as a point of initial access, the main entry may feature mailboxes which should be secure and operational.

Mailboxes: Review overall condition and function of locks; proper lubrication of working parts; cleanliness of face plates; security of housing, in compliance with current postal regulations; accuracy and visibility of signage/accessibility of tactile lettering, where required; condition and function of slots and depositories for outgoing mail and packages.

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

This expense should be included in the annual operating budget for the Association as general property maintenance expense.

Frequency: Monthly

Windows & Doors

These maintenance procedures should also be performed on the common area buildings including the community building. This expense for the common buildings should be included in the Association's operating budget and may be considered part of the annual property inspection.

Exterior window and door casings, sashes, and frames should be inspected annually for twisting, cracking, deterioration, or other signs of distress. Hardware and weather stripping should be checked for proper operation and fit. Gaskets and seals should be reviewed for signs of moisture intrusion. Weep holes should be cleaned. These building envelope components should be repaired and replaced as necessary.

Frequency: Monthly

Fence – Inspection

The wood split rail fence and wooded picket fence should be checked semi-annually for overall integrity and safety. The overall condition of the fence should be checked for deficiencies such as vegetation

encroachment, debris buildup, holes, sagging areas, missing segments, rot, fungus, and/or vandalism.

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

Frequency: Semiannually

Gutters & Downspouts

Schwindt & Company recommends that all gutters and downspouts be cleaned, visually inspected, and repaired as required.

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

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

Frequency: Semiannually, more often if necessary

Exterior Walls

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

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

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

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

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

Inspections should be made by a qualified professional.

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

Frequency: Annually

Fire Extinguishers – Common Areas Only

The following annual preventive maintenance checklist is for the fire extinguishers located in the

common areas, such as community building. This inspection and certification must be conducted by a licensed specialty contractor and should be scheduled in advance to ensure that the date on extinguishers will not expire. Monthly inspections of fire extinguishers' general condition, housing, and locations per code should be conducted as part of preventive maintenance procedures in areas that include common kitchen areas, and restrooms. In addition to the annual preventive maintenance tasks outlined below, check the pressure and weight of each extinguisher in the facility every 6 months, according to its manufacturer's label. If the pressure is below the recommended minimum or if the extinguisher has been used, it should be recharged. Consult the National Fire Protect Association's (NFPA) Standard 10 for the specific requirements regarding the proper locations of fire extinguishers and signage.

Annual preventive maintenance checklist consists of the following: certification; housing condition; hose condition; proper location per code; count per code; and overall condition.

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

Frequency: Annually

Lawn Irrigation System

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

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

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

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

Frequency: Annually

Sewer Laterals – Inspection/Maintenance

All drain lines in the facility connect to the main drain, which is referred to as the "sewer", beyond the foundation. All sewer lines outside of the foundation have cleanout points at various locations. Reaming from these points requires the use of a high power hose, hydro-jet, or power equipment. Sewer laterals should be annually reamed from clean-out points by in-house personnel.

Inspections and maintenance should be performed by a qualified, licensed service provider.

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

Frequency: Annually

Storm Drains

Storm drains or sewers are underground systems used to collect and dispose of surface water. They carry large quantities of water away from paved surface areas, and should be kept clean to prevent the accumulation of dirt and debris. They should be cleaned and flushed annually to ensure blockages are removed and piping is functional. If drains tend to become clogged frequently, they should be inspected and cleaned more often.

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

This expense should be included in the annual operating budget for the Association as a general property maintenance expense.

Frequency: Annually

Asphalt – Seal Coating

Maintenance of asphalt paving includes the periodic application of an asphalt emulsion sealer or “seal coat”. This procedure is typically performed every 4 to 7 years, depending on a variety of factors that can affect the useful life of the sealer.

Vehicle traffic is one such factor, and associations that have asphalt paving that carries considerable vehicle traffic should consider a maintenance program that calls for seal coating of asphalt driving surfaces as frequently as every 4 years.

This maintenance procedure involves thoroughly cleaning all pavements, filling of any surface cracks and patching of any locally damaged pavement surfaces. The emulsion sealer is then applied.

Parking area demarcation lines will need to be renewed each time a seal coat is applied. The component expense includes the cost of this work as well as the seal coating cost.

This work should be performed by a licensed paving contractor.

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

Frequency: Every 6 years

Community Building - Interior Paint

The interior painted surfaces of the community building should be cleaned, repaired as required, primed and painted with premium quality interior house paint in accordance with the manufacturer’s specifications. The work should be performed by a qualified, licensed painting contractor.

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

Frequency: Every 10 years

Cedar Shingle Siding - Maintenance

Maintenance of the exterior cedar shingle siding includes regularly scheduled cleaning and inspection of the surface areas for cracks, deterioration of the base material, and failure of caulking or other sealant materials that serve a waterproofing function. Any organic growth should be removed to prevent deterioration of the cedar shingles.

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

We suggest that the Association obtain bids for this service.

Frequency: Every 5 years

Metal Rail Painting

The exterior railings located at the community building should be cleaned and painted on a periodic basis to prevent deterioration of the metal material due to rust and oxidation.

The work should be performed by a qualified, licensed painting contractor.

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

Frequency: Every 10 years

Concrete Pavement

Maintenance of the concrete pavement should include cleaning the surface areas with pressure washing equipment. The pavement should also be visually reviewed for signs of undue stress and cracking. Noticeable cracks should be filled with a suitable concrete crack filler to prevent penetration of moisture below the concrete surface which will undermine the integrity of the base material over time.

This expense should be included in the annual operating budget for the Association as a general property maintenance expense.

Frequency: Annually

Community Septic System

The community septic system should be inspected and maintained annually or as needed. At the time of installation, a preliminary financial plan was created with projected maintenance and repairs. Annual repairs are assumed to be included in the operating budget for the Association. The maintenance procedures and renewals with a useful life of 5 years or greater are included in the reserve study for the Association.

We recommend the Association contract with a service provider.

This maintenance plan is designed to preserve and extend the useful life of assets and is dependent

upon proper inspection and follow up procedures.

RESERVE AT GEARHART HOMEOWNER'S ASSOCIATION

RESERVE STUDY

LEVEL III: UPDATE WITH NO VISUAL SITE INSPECTION

BUDGET YEAR

January 1, 2025 to December 31, 2025

Reserve at Gearhart Homeowner's Association
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Reserve at Gearhart Homeowner's Association
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	Total Funded Assets	41	
	Total Unfunded Assets	<u>0</u>	
	Total Assets	41	

Reserve at Gearhart Homeowner's Association Property Description

Reserve at Gearhart Homeowner's Association consists of 130 single family lots located in Gearhart, Oregon. The Association shall provide exterior improvements upon the community building, pump house, and common areas. The individual homeowners are responsible for all maintenance and repairs of their interior and exterior home and the private property adjacent to the homes.

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

The Oregon Coast environment (salt water, high winds, ect) has a negative effect on building components. Not performing regular inspections and maintenance on Association's assets may accelerate damage and reduce the useful life of assets with an already shortened life cycle.

A site visit was performed by Schwindt and Company in 2018. Schwindt and Company did not investigate components for defects, materials, design or workmanship. This investigation would ordinarily be considered in a complete building envelope inspection. Our condition assessment considers if the component is wearing as intended. All components are considered to be in fair condition and appear to be wearing as intended unless noted otherwise in the component detail.

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

If additional funds are needed, the Association has the right, subject to board approval, to increase regular assessments and/or levy special assessments. Otherwise it may delay repairs or replacements until funds are available.

Reserve at Gearhart Homeowner's Association
 Gearhart, Oregon
Cash Flow Method-Threshold Funding Model Summary Non Septic

Report Date	October 30, 2024
Account Number	2gearh
Budget Year Beginning	January 1, 2025
Budget Year Ending	December 31, 2025
Total Units	130

<i>Report Parameters</i>	
Inflation	4.00%
Annual Assessment Increase	4.00%
Interest Rate on Reserve Deposit	3.00%
2025 Beginning Balance	\$312,070

Threshold Funding
 Fully Reserved Model Summary

- This study utilizes the cash flow method and the threshold funding model, which establishes a reserve funding goal that keeps the reserve balance above a specified dollar or percent funded amount. The threshold method assumes that the threshold method is funded with a positive threshold balance, therefore, "fully reserved".
- The following items were not included in the analysis because they have useful lives greater than 30 years: grading/drainage; foundation/footings; sanitary sewage and storm drains; telephone, cable, and internet lines.
- This funding scenario begins with a contribution of **\$32,621** in **2025** and increases **4.00%** each year for the remaining years of the study. A minimum balance of **\$132,777** is maintained.
- The purpose of this study is to ensure that adequate replacement funds are available when components reach the end of their useful life. Components will be replaced as required, not necessarily in their expected replacement year. This analysis should be updated annually.

GCE: Cash Flow Method - Threshold Funding Model Non Septic Summary of Calculations

Required Biannual Contribution	\$16,310.50
<i>\$125.47 per unit biannually</i>	
Average Net Biannual Interest Earned	<u>\$4,380.96</u>
Total Biannual Allocation to Reserves	\$20,691.46
<i>\$159.17 per unit biannually</i>	

Reserve at Gearhart Homeowner's Association
Cash Flow Method-Threshold Funding Model Projection Non Septic

Beginning Balance: \$312,070

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	32,621	8,762	46,585	306,868	281,483	109%
2026	33,926	8,945	36,318	313,421	275,099	114%
2027	35,283	7,189	101,966	253,927	222,282	114%
2028	36,694	7,756	24,766	273,612	249,803	110%
2029	38,162	8,624	16,844	303,553	288,438	105%
2030	39,688	8,278	59,357	292,163	286,446	102%
2031	41,276	8,556	39,961	302,035	306,473	99%
2032	42,927	9,527	18,948	335,541	351,160	96%
2033	44,644	8,891	74,765	314,312	341,671	92%
2034	46,430	9,856	22,949	347,650	387,859	90%
2035	48,287	10,330	42,002	364,265	418,334	87%
2036	50,219	10,820	43,867	381,436	450,435	85%
2037	52,227	11,845	28,623	416,885	502,114	83%
2038	54,316	6,944	227,786	250,359	351,267	71%
2039	56,489	6,559	75,629	237,777	355,267	67%
2040	58,749	4,357	137,578	163,304	297,977	55%
2041	61,099	3,997	76,766	151,634	304,502	50%
2042	63,542	3,745	75,276	143,645	315,816	45%
2043	66,084	4,896	31,086	183,540	375,295	49%
2044	68,728	5,968	37,493	220,743	434,355	51%
2045	71,477	5,115	104,998	192,336	428,893	45%
2046	74,336	5,737	58,146	214,263	454,592	47%
2047	77,309	3,324	162,120	132,777	386,763	34%
2048	80,401	4,056	58,749	158,484	427,030	37%
2049	83,618	5,565	36,908	210,759	495,059	43%
2050	86,962	4,451	128,549	173,624	474,075	37%
2051	90,441	4,463	93,634	174,894	492,280	36%
2052	94,058	6,158	41,516	233,594	569,280	41%
2053	97,821	7,882	46,014	293,282	648,702	45%
2054	101,734	9,645	50,284	354,377	731,041	48%

Reserve at Gearhart Homeowner's Association
Component Summary By Category

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Roofing								
Roof: Asphalt Shingle - Replacement	2007	2026	15	4	1	750 SF	8.32	6,240
Roof: Community Building - Replacement	2022	2042	20	0	17	1,100 SF	10.78	11,858
Roofing - Total								<u>\$18,098</u>
Siding								
Shingle Siding - Replacement/Repair	2007	2027	20	0	2	2,200 SF	22.46	49,412
Siding - Total								<u>\$49,412</u>
Painting								
Common Property - Paint/Stain/Sealing	2021	2026	5	0	1	1 Total	11,117.66	11,118
Community Building Interior - Paint	2024	2034	10	0	9	1 Total	1,725.00	1,725
Painting - Total								<u>\$12,843</u>
Building Components								
Decking: Community Building - Replacement	2008	2033	25	0	8	255 SF	46.39	11,829
Building Components - Total								<u>\$11,829</u>
Gutters and Downspouts								
Gutters and Downspouts: Pump House - Repl.	2007	2027	20	0	2	1 Total	1,672.00	1,672
Gutters and Downspouts: Community Bld - ..	2024	2044	20	0	19	1 Total	1,672.00	1,672
Gutters and Downspouts - Total								<u>\$3,344</u>
Streets/Asphalt								
Asphalt - Seal Coat (Sheridan Dr)	2008	2027	6	13	2	33,760 SF	0.78	26,333
Asphalt - Striping	2022	2027	6	-1	2	1 Total	1,123.20	1,123
Asphalt - Seal Coat (Parking Lot)	2024	2030	6	0	5	2,450 SF	0.78	1,911
Asphalt - Overlay	2008	2038	30	0	13	36,210 SF	3.17	114,786
Streets/Asphalt - Total								<u>\$144,153</u>
Fencing/Security								
Split Rail Fencing - Repairs	2021	2025	1	0	0	1 Total	4,500.00	4,500
Split Rail Fencing - Repairs Carryover	2022	2025	1	0	0	1 Total	981.00	981
Fencing/Security - Total								<u>\$5,481</u>
Equipment								
Water Heater - Replacement	2007	2025	15	3	0	1 Total	1,455.67	1,456
Gas Fireplace - Repair/Upgrade	2007	2026	15	4	1	1 Total	3,164.55	3,165
Equipment - Total								<u>\$4,620</u>
Railings								
Metal Railings - Replacement	2022	2042	20	0	17	1 Total	2,471.04	2,471
Railings - Total								<u>\$2,471</u>

Reserve at Gearhart Homeowner's Association Component Summary By Category

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Interior Furnishings								
Kitchenette - Renewal	2007	2030	25	-2	5	1 Total	3,164.55	3,165
Powder Room - Renewal	2007	2030	25	-2	5	1 Total	1,582.29	<u>1,582</u>
Interior Furnishings - Total								<u>\$4,747</u>
Lighting								
Building Light Fixtures - Replacement	2021	2036	15	0	11	9 Each	118.67	1,068
Street Light Fixtures - Replacement	2019	2040	20	1	15	26 Each	1,993.68	<u>51,836</u>
Lighting - Total								<u>\$52,904</u>
Grounds Components								
Barkdust - Carryover	2023	2025	1	0	0	1 Total	4,246.00	4,246
Barkdust - Replacement	2023	2025	1	0	0	1 Total	4,500.00	4,500
Landscape Renewal	2021	2025	1	0	0	1 Total	4,500.00	4,500
Landscape Renewal Carryover	2021	2025	1	0	0	1 Total	5,736.00	5,736
Picnic Tables, Benches, BBQ and Trash Can..	2007	2025	15	0	0	11 Each	791.13	8,702
Street Signs & Posts - Replacement	2008	2025	10	0	0	1 Total	6,065.28	6,065
Electrical Control Boxes - Renewal/Replac..	2008	2028	10	10	3	1 Total	6,671.81	6,672
Electrical Utility Line - Renewal/Replacement	2021	2031	10	0	6	1 Total	6,065.28	6,065
Playground Equipment - Replacement	2020	2035	15	0	10	1 Total	7,911.42	7,911
Concrete Walkways - Partial Replacement	2007	2037	30	0	12	880 SF	15.81@ 25%	3,479
Gazebo - Replacement/Removal	2022	2042	20	0	17	1 Total	6,065.28	<u>6,065</u>
Grounds Components - Total								<u>\$63,943</u>
Mailboxes								
Mailboxes - Renewal	2007	2047	40	0	22	1 Total	1,590.53	<u>1,591</u>
Mailboxes - Total								<u>\$1,591</u>
Doors and Windows								
Doors: Septic Garage - Replacement	2007	2027	20	0	2	1 Total	1,334.36	1,334
Doors: Community Building Front - Replac..	2007	2030	20	3	5	1 Each	1,940.89	1,941
Doors: Septic Entry - Replacement	2021	2030	9	0	5	2 Each	909.79	1,820
Windows - Replacement	2007	2030	20	3	5	19 Each	1,261.58	23,970
Doors: Community Building Rear - Replac..	2022	2042	20	0	17	1 Each	1,940.89	<u>1,941</u>
Doors and Windows - Total								<u>\$31,006</u>
Inspections								
Building Envelope Inspection	2020	2028	5	3	3	1 Total	946.18	<u>946</u>
Inspections - Total								<u>\$946</u>
Contingency								
Insurance Deductible	2018	2025	1	0	0	1 Total	5,000.00	5,000
Reserve Study Update - Offsite	2022	2025	1	0	0	1 Total	898.56	<u>899</u>
Contingency - Total								<u>\$5,899</u>
Total Asset Summary								<u>\$413,285</u>

Reserve at Gearhart Homeowner's Association Component Summary By Group

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Capital								
Asphalt - Overlay	2008	2038	30	0	13	36,210 SF	3.17	114,786
Building Light Fixtures - Replacement	2021	2036	15	0	11	9 Each	118.67	1,068
Decking: Community Building - Replacement	2008	2033	25	0	8	255 SF	46.39	11,829
Gutters and Downspouts: Community Bld - ..	2024	2044	20	0	19	1 Total	1,672.00	1,672
Gutters and Downspouts: Pump House - Repl.	2007	2027	20	0	2	1 Total	1,672.00	1,672
Mailboxes - Renewal	2007	2047	40	0	22	1 Total	1,590.53	1,591
Metal Railings - Replacement	2022	2042	20	0	17	1 Total	2,471.04	2,471
Playground Equipment - Replacement	2020	2035	15	0	10	1 Total	7,911.42	7,911
Roof: Asphalt Shingle - Replacement	2007	2026	15	4	1	750 SF	8.32	6,240
Roof: Community Building - Replacement	2022	2042	20	0	17	1,100 SF	10.78	11,858
Shingle Siding - Replacement/Repair	2007	2027	20	0	2	2,200 SF	22.46	49,412
Street Light Fixtures - Replacement	2019	2040	20	1	15	26 Each	1,993.68	51,836
Street Signs & Posts - Replacement	2008	2025	10	0	0	1 Total	6,065.28	6,065
Water Heater - Replacement	2007	2025	15	3	0	1 Total	1,455.67	1,456
Windows - Replacement	2007	2030	20	3	5	19 Each	1,261.58	23,970
Capital - Total								\$293,836
Non-Capital								
Asphalt - Seal Coat (Parking Lot)	2024	2030	6	0	5	2,450 SF	0.78	1,911
Asphalt - Seal Coat (Sheridan Dr)	2008	2027	6	13	2	33,760 SF	0.78	26,333
Asphalt - Striping	2022	2027	6	-1	2	1 Total	1,123.20	1,123
Barkdust - Carryover	2023	2025	1	0	0	1 Total	4,246.00	4,246
Barkdust - Replacement	2023	2025	1	0	0	1 Total	4,500.00	4,500
Building Envelope Inspection	2020	2028	5	3	3	1 Total	946.18	946
Common Property - Paint/Stain/Sealing	2021	2026	5	0	1	1 Total	11,117.66	11,118
Community Building Interior - Paint	2024	2034	10	0	9	1 Total	1,725.00	1,725
Concrete Walkways - Partial Replacement	2007	2037	30	0	12	880 SF	15.81@ 25%	3,479
Doors: Community Building Front - Replace..	2007	2030	20	3	5	1 Each	1,940.89	1,941
Doors: Community Building Rear - Replace..	2022	2042	20	0	17	1 Each	1,940.89	1,941
Doors: Septic Entry - Replacement	2021	2030	9	0	5	2 Each	909.79	1,820
Doors: Septic Garage - Replacement	2007	2027	20	0	2	1 Total	1,334.36	1,334
Electrical Control Boxes - Renewal/Replace..	2008	2028	10	10	3	1 Total	6,671.81	6,672
Electrical Utility Line - Renewal/Replacement	2021	2031	10	0	6	1 Total	6,065.28	6,065
Gas Fireplace - Repair/Upgrade	2007	2026	15	4	1	1 Total	3,164.55	3,165
Gazebo - Replacement/Removal	2022	2042	20	0	17	1 Total	6,065.28	6,065
Insurance Deductible	2018	2025	1	0	0	1 Total	5,000.00	5,000
Kitchenette - Renewal	2007	2030	25	-2	5	1 Total	3,164.55	3,165
Landscape Renewal	2021	2025	1	0	0	1 Total	4,500.00	4,500
Landscape Renewal Carryover	2021	2025	1	0	0	1 Total	5,736.00	5,736
Picnic Tables, Benches, BBQ and Trash Can..	2007	2025	15	0	0	11 Each	791.13	8,702
Powder Room - Renewal	2007	2030	25	-2	5	1 Total	1,582.29	1,582
Reserve Study Update - Offsite	2022	2025	1	0	0	1 Total	898.56	899
Split Rail Fencing - Repairs	2021	2025	1	0	0	1 Total	4,500.00	4,500
Split Rail Fencing - Repairs Carryover	2022	2025	1	0	0	1 Total	981.00	981
Non-Capital - Total								\$119,449
Total Asset Summary								\$413,285

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2025	
Barkdust - Carryover	4,246
Barkdust - Replacement	4,500
Insurance Deductible	5,000
Landscape Renewal	4,500
Landscape Renewal Carryover	5,736
Picnic Tables, Benches, BBQ and Trash Cans - Renewal	8,702
Reserve Study Update - Offsite	899
Split Rail Fencing - Repairs	4,500
Split Rail Fencing - Repairs Carryover	981
Street Signs & Posts - Replacement	6,065
Water Heater - Replacement	1,456
Total for 2025	\$46,585
Replacement Year 2026	
Barkdust - Replacement	4,652
Common Property - Paint/Stain/Sealing	11,493
Gas Fireplace - Repair/Upgrade	3,272
Landscape Renewal	4,652
Reserve Study Update - Offsite	929
Roof: Asphalt Shingle - Replacement	6,451
Split Rail Fencing - Repairs	4,652
Total for 2026	\$36,101
Replacement Year 2027	
Asphalt - Seal Coat (Sheridan Dr)	28,143
Asphalt - Striping	1,200
Barkdust - Replacement	4,809
Doors: Septic Garage - Replacement	1,426
Gutters and Downspouts: Pump House - Replacement	1,787
Landscape Renewal	4,809
Reserve Study Update - Offsite	960
Shingle Siding - Replacement/Repair	52,809
Split Rail Fencing - Repairs	4,809
Total for 2027	\$100,753

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2028	
Barkdust - Replacement	4,972
Building Envelope Inspection	1,045
Electrical Control Boxes - Renewal/Replacement	7,371
Landscape Renewal	4,972
Reserve Study Update - Offsite	993
Split Rail Fencing - Repairs	4,972
Total for 2028	\$24,325
Replacement Year 2029	
Barkdust - Replacement	5,140
Landscape Renewal	5,140
Reserve Study Update - Offsite	1,026
Split Rail Fencing - Repairs	5,140
Total for 2029	\$16,446
Replacement Year 2030	
Asphalt - Seal Coat (Parking Lot)	2,257
Barkdust - Replacement	5,314
Doors: Community Building Front - Replacement	2,292
Doors: Septic Entry - Replacement	2,149
Kitchenette - Renewal	3,737
Landscape Renewal	5,314
Powder Room - Renewal	1,868
Reserve Study Update - Offsite	1,061
Split Rail Fencing - Repairs	5,314
Windows - Replacement	28,304
Total for 2030	\$57,608
Replacement Year 2031	
Barkdust - Replacement	5,493
Common Property - Paint/Stain/Sealing	13,572
Electrical Utility Line - Renewal/Replacement	7,404
Landscape Renewal	5,493
Reserve Study Update - Offsite	1,097
Split Rail Fencing - Repairs	5,493
Total for 2031	\$38,552

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2032	
Barkdust - Replacement	5,679
Landscape Renewal	5,679
Reserve Study Update - Offsite	1,134
Split Rail Fencing - Repairs	5,679
Total for 2032	\$18,171
Replacement Year 2033	
Asphalt - Seal Coat (Sheridan Dr)	34,355
Asphalt - Striping	1,465
Barkdust - Replacement	5,871
Building Envelope Inspection	1,234
Decking: Community Building - Replacement	15,433
Landscape Renewal	5,871
Reserve Study Update - Offsite	1,172
Split Rail Fencing - Repairs	5,871
Total for 2033	\$71,272
Replacement Year 2034	
Barkdust - Replacement	6,069
Community Building Interior - Paint	2,327
Landscape Renewal	6,069
Reserve Study Update - Offsite	1,212
Split Rail Fencing - Repairs	6,069
Total for 2034	\$21,747
Replacement Year 2035	
Barkdust - Replacement	6,274
Landscape Renewal	6,274
Playground Equipment - Replacement	11,031
Reserve Study Update - Offsite	1,253
Split Rail Fencing - Repairs	6,274
Street Signs & Posts - Replacement	8,457
Total for 2035	\$39,564
Replacement Year 2036	
Asphalt - Seal Coat (Parking Lot)	2,755

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2036 continued...</i>	
Barkdust - Replacement	6,487
Building Light Fixtures - Replacement	1,539
Common Property - Paint/Stain/Sealing	16,026
Landscape Renewal	6,487
Reserve Study Update - Offsite	1,295
Split Rail Fencing - Repairs	6,487
Total for 2036	<u>\$41,075</u>
Replacement Year 2037	
Barkdust - Replacement	6,706
Concrete Walkways - Partial Replacement	5,185
Landscape Renewal	6,706
Reserve Study Update - Offsite	1,339
Split Rail Fencing - Repairs	6,706
Total for 2037	<u>\$26,641</u>
Replacement Year 2038	
Asphalt - Overlay	176,833
Barkdust - Replacement	6,932
Building Envelope Inspection	1,458
Electrical Control Boxes - Renewal/Replacement	10,278
Landscape Renewal	6,932
Reserve Study Update - Offsite	1,384
Split Rail Fencing - Repairs	6,932
Total for 2038	<u>\$210,750</u>
Replacement Year 2039	
Asphalt - Seal Coat (Sheridan Dr)	41,938
Asphalt - Striping	1,789
Barkdust - Replacement	7,167
Doors: Septic Entry - Replacement	2,898
Landscape Renewal	7,167
Reserve Study Update - Offsite	1,431
Split Rail Fencing - Repairs	7,167
Total for 2039	<u>\$69,556</u>

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2040	
Barkdust - Replacement	7,409
Landscape Renewal	7,409
Picnic Tables, Benches, BBQ and Trash Cans - Renewal	14,328
Reserve Study Update - Offsite	1,479
Split Rail Fencing - Repairs	7,409
Street Light Fixtures - Replacement	85,345
Water Heater - Replacement	2,397
Total for 2040	\$125,776
Replacement Year 2041	
Barkdust - Replacement	7,659
Common Property - Paint/Stain/Sealing	18,923
Electrical Utility Line - Renewal/Replacement	10,324
Gas Fireplace - Repair/Upgrade	5,386
Landscape Renewal	7,659
Reserve Study Update - Offsite	1,529
Roof: Asphalt Shingle - Replacement	10,621
Split Rail Fencing - Repairs	7,659
Total for 2041	\$69,762
Replacement Year 2042	
Asphalt - Seal Coat (Parking Lot)	3,363
Barkdust - Replacement	7,918
Doors: Community Building Rear - Replacement	3,415
Gazebo - Replacement/Removal	10,673
Landscape Renewal	7,918
Metal Railings - Replacement	4,348
Reserve Study Update - Offsite	1,581
Roof: Community Building - Replacement	20,866
Split Rail Fencing - Repairs	7,918
Total for 2042	\$68,000
Replacement Year 2043	
Barkdust - Replacement	8,186
Building Envelope Inspection	1,721

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2043 continued...</i>	
Landscape Renewal	8,186
Reserve Study Update - Offsite	1,635
Split Rail Fencing - Repairs	8,186
Total for 2043	<u>\$27,914</u>
Replacement Year 2044	
Barkdust - Replacement	8,463
Community Building Interior - Paint	3,244
Gutters and Downspouts: Community Bld - Replacement	3,144
Landscape Renewal	8,463
Reserve Study Update - Offsite	1,690
Split Rail Fencing - Repairs	8,463
Total for 2044	<u>\$33,466</u>
Replacement Year 2045	
Asphalt - Seal Coat (Sheridan Dr)	51,195
Asphalt - Striping	2,184
Barkdust - Replacement	8,749
Landscape Renewal	8,749
Reserve Study Update - Offsite	1,747
Split Rail Fencing - Repairs	8,749
Street Signs & Posts - Replacement	11,792
Total for 2045	<u>\$93,164</u>
Replacement Year 2046	
Barkdust - Replacement	9,044
Common Property - Paint/Stain/Sealing	22,345
Landscape Renewal	9,044
Reserve Study Update - Offsite	1,806
Split Rail Fencing - Repairs	9,044
Total for 2046	<u>\$51,284</u>
Replacement Year 2047	
Barkdust - Replacement	9,350
Doors: Septic Garage - Replacement	2,773

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2047 continued...</i>	
Gutters and Downspouts: Pump House - Replacement	3,474
Landscape Renewal	9,350
Mailboxes - Renewal	3,305
Reserve Study Update - Offsite	1,867
Shingle Siding - Replacement/Repair	102,668
Split Rail Fencing - Repairs	9,350
Total for 2047	<u>\$142,137</u>
Replacement Year 2048	
Barkdust - Replacement	9,666
Building Envelope Inspection	2,032
Doors: Septic Entry - Replacement	3,909
Electrical Control Boxes - Renewal/Replacement	14,331
Landscape Renewal	9,666
Reserve Study Update - Offsite	1,930
Split Rail Fencing - Repairs	9,666
Total for 2048	<u>\$51,201</u>
Replacement Year 2049	
Barkdust - Replacement	9,993
Landscape Renewal	9,993
Reserve Study Update - Offsite	1,995
Split Rail Fencing - Repairs	9,993
Total for 2049	<u>\$31,974</u>
Replacement Year 2050	
Barkdust - Replacement	10,331
Doors: Community Building Front - Replacement	4,456
Landscape Renewal	10,331
Playground Equipment - Replacement	18,162
Reserve Study Update - Offsite	2,063
Split Rail Fencing - Repairs	10,331
Windows - Replacement	55,028
Total for 2050	<u>\$110,700</u>

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2051	
Asphalt - Striping	2,666
Barkdust - Replacement	10,680
Building Light Fixtures - Replacement	2,535
Common Property - Paint/Stain/Sealing	26,385
Electrical Utility Line - Renewal/Replacement	14,395
Landscape Renewal	10,680
Reserve Study Update - Offsite	2,133
Split Rail Fencing - Repairs	10,680
Total for 2051	\$80,152
Replacement Year 2052	
Barkdust - Replacement	11,041
Landscape Renewal	11,041
Reserve Study Update - Offsite	2,205
Split Rail Fencing - Repairs	11,041
Total for 2052	\$35,327
Replacement Year 2053	
Barkdust - Replacement	11,414
Building Envelope Inspection	2,400
Landscape Renewal	11,414
Reserve Study Update - Offsite	2,279
Split Rail Fencing - Repairs	11,414
Total for 2053	\$38,921
Replacement Year 2054	
Barkdust - Replacement	11,800
Community Building Interior - Paint	4,523
Landscape Renewal	11,800
Reserve Study Update - Offsite	2,356
Split Rail Fencing - Repairs	11,800
Total for 2054	\$42,279

**Reserve at Gearhart Homeowner's Association
Detail Report**

Asphalt - Overlay		36,210 SF	@ \$3.17
Asset ID	1035	Asset Actual Cost	\$114,785.70
	Capital	Percent Replacement	100%
Category	Streets/Asphalt	Future Cost	\$176,832.73
Placed in Service	January 2008		
Useful Life	30		
Replacement Year	2038		
Remaining Life	13		

This component provides funding to overlay the asphalt parking lot at the community building and the street from Highland Lane to the entrance of the property.

Schwindt and Company estimated 36,210 square feet of asphalt.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The cost is based on a per square foot estimate from Coast Pavement.

Asphalt - Seal Coat (Parking Lot)		2,450 SF	@ \$0.78
Asset ID	1057	Asset Actual Cost	\$1,911.00
	Non-Capital	Percent Replacement	100%
Category	Streets/Asphalt	Future Cost	\$2,256.54
Placed in Service	January 2024		
Useful Life	6		
Replacement Year	2030		
Remaining Life	5		

This component provides funding to seal coat the asphalt parking lot at the community building.

Schwindt and Company estimated 2,450 square feet of asphalt.

This was done in 2024 for \$1,725.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The cost is based on a per square foot estimate from Coast Pavement.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Asphalt - Seal Coat (Sheridan Dr)		33,760 SF	@ \$0.78
Asset ID	1034	Asset Actual Cost	\$26,332.80
	Non-Capital	Percent Replacement	100%
Category	Streets/Asphalt	Future Cost	\$28,142.98
Placed in Service	January 2008		
Useful Life	6		
Adjustment	13		
Replacement Year	2027		
Remaining Life	2		

This component provides funding to seal coat the the Sheridan Drive from Highland Lane to the entrance of the property.

Schwindt and Company estimated 33,760 square feet of asphalt.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The cost is based on a per square foot estimate from Coast Pavement.

Asphalt - Striping		1 Total	@ \$1,123.20
Asset ID	1056	Asset Actual Cost	\$1,123.20
	Non-Capital	Percent Replacement	100%
Category	Streets/Asphalt	Future Cost	\$1,200.41
Placed in Service	January 2022		
Useful Life	6		
Adjustment	-1		
Replacement Year	2027		
Remaining Life	2		

This component provides funding to stripe Sheridan Drive.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

According to the Association, this was done in 2022for \$1,000.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Barkdust - Carryover

Asset ID	1052	1 Total	@ \$4,246.00
	Non-Capital	Asset Actual Cost	\$4,246.00
Category	Grounds Components	Percent Replacement	100%
Placed in Service	January 2023	Future Cost	\$4,246.00
Useful Life	1		
Replacement Year	2025		
Remaining Life	0		

This component provides funding for the replacement of the barkdust.

We have unique issues here with weather and elk intrusion when it comes to landscaping. Some years may be better than others in terms of renewal. But we would like to be able to roll the allowance into future years so that we have sufficient funds to complete necessary renewal as damage occurs.

2022 Budget	\$3,640+
<u>2022 Exp</u>	<u>\$0</u>
2023 Carryover	\$3,640
2023 Budget	\$3,931+
2023 Exp	\$2,090-
<u>Transfer to Landscape</u>	<u>\$5,481-</u>
2024 Carryover	\$0

Barkdust - Replacement

Asset ID	1038	1 Total	@ \$4,500.00
	Non-Capital	Asset Actual Cost	\$4,500.00
Category	Grounds Components	Percent Replacement	100%
Placed in Service	January 2023	Future Cost	\$4,500.00
Useful Life	1		
Replacement Year	2025		
Remaining Life	0		

This component provides funding for the replacement of the barkdust.

In 2021 the Association spent \$6,930. In 2023, the Association spent \$2,090.

The cost and useful life assumptions are based on information provided by Lewis and Clark Landscaping.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Building Envelope Inspection

		1 Total	@ \$946.18
Asset ID	1042	Asset Actual Cost	\$946.18
	Non-Capital	Percent Replacement	100%
Category	Inspections	Future Cost	\$1,045.40
Placed in Service	July 2020		
Useful Life	5		
Adjustment	3		
Replacement Year	2028		
Remaining Life	3		

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

Industry specialists recommend a building envelope inspection every 3-5 years.

Building Light Fixtures - Replacement

		9 Each	@ \$118.67
Asset ID	1006	Asset Actual Cost	\$1,067.99
	Capital	Percent Replacement	100%
Category	Lighting	Future Cost	\$1,539.47
Placed in Service	January 2021		
Useful Life	15		
Replacement Year	2036		
Remaining Life	11		

This component provides funding for the replacement of the community building attached light fixtures.

Schwindt and Company estimated 9 light fixtures.

In 2021 the Association spent \$434 on exterior building lights.

In 2022, the Association spent \$218 to replace the six lights above the mailboxes.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Common Property - Paint/Stain/Sealing

		1 Total	@ \$11,117.66
Asset ID	1012	Asset Actual Cost	\$11,117.66
	Non-Capital	Percent Replacement	100%
Category	Painting	Future Cost	\$11,493.43
Placed in Service	January 2021		
Useful Life	5		
Replacement Year	2026		
Remaining Life	1		

This component provides funding for painting the trim and caulking windows on the community building, pump house, and dosing house; painting the gazebo; staining and sealing the wood sections of the trash cans, picnic tables, benches, and playground equipment.

In 2021 the building were cleaned and painted for \$7,600. The playground was renewed for \$1,565.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Community Building Interior - Paint

		1 Total	@ \$1,725.00
Asset ID	1039	Asset Actual Cost	\$1,725.00
	Non-Capital	Percent Replacement	100%
Category	Painting	Future Cost	\$2,326.58
Placed in Service	January 2024		
Useful Life	10		
Replacement Year	2034		
Remaining Life	9		

This component provides funding for the painting of the interior of the community building.

Schwindt and Company estimated 2,000 square feet of interior walls.

This was done in 2024 for \$1,725.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Concrete Walkways - Partial Replacement

		880 SF	@ \$15.81
Asset ID	1008	Asset Actual Cost	\$3,479.21
	Non-Capital	Percent Replacement	25%
Category	Grounds Components	Future Cost	\$5,184.65
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This component provides funding for the partial replacement of the concrete sidewalks located at the community building.

Schwindt and Company estimated 880 square feet of concrete.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Decking: Community Building - Replacement

		255 SF	@ \$46.39
Asset ID	1043	Asset Actual Cost	\$11,828.97
	Capital	Percent Replacement	100%
Category	Building Components	Future Cost	\$15,432.60
Placed in Service	January 2008		
Useful Life	25		
Replacement Year	2033		
Remaining Life	8		

This provision is for the replacement of the decking at the community building. The deck covered by a roof which should extend its life.

Schwindt and Company estimated 255 square feet of decking.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The Association should obtain a bid to confirm this estimate.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Doors: Community Building Front - Replacement

		1 Each	@ \$1,940.89
Asset ID	1005	Asset Actual Cost	\$1,940.89
	Non-Capital	Percent Replacement	100%
Category	Doors and Windows	Future Cost	\$2,291.84
Placed in Service	January 2007		
Useful Life	20		
Adjustment	3		
Replacement Year	2030		
Remaining Life	5		

This component provides funding for the replacement of the front door located on the community building.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Doors: Community Building Rear - Replacement

		1 Each	@ \$1,940.89
Asset ID	1054	Asset Actual Cost	\$1,940.89
	Non-Capital	Percent Replacement	100%
Category	Doors and Windows	Future Cost	\$3,415.24
Placed in Service	January 2022		
Useful Life	20		
Replacement Year	2042		
Remaining Life	17		

This component provides funding for the replacement of the rear door located on the community building.

In 2022, the rear door at the Community Building was replaced for \$900 plus materials.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Doors: Septic Entry - Replacement

		2 Each	@ \$909.79
Asset ID	1046	Asset Actual Cost	\$1,819.58
	Non-Capital	Percent Replacement	100%
Category	Doors and Windows	Future Cost	\$2,148.60
Placed in Service	January 2021		
Useful Life	9		
Replacement Year	2030		
Remaining Life	5		

This component provides funding for the replacement of the septic entry doors located.

According to the Association, they were replaced in 2021 for \$1,010.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Doors: Septic Garage - Replacement

		1 Total	@ \$1,334.36
Asset ID	1045	Asset Actual Cost	\$1,334.36
	Non-Capital	Percent Replacement	100%
Category	Doors and Windows	Future Cost	\$1,426.09
Placed in Service	January 2007		
Useful Life	20		
Replacement Year	2027		
Remaining Life	2		

This component provides funding for the replacement of the septic garage door located.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Electrical Control Boxes - Renewal/Replacement

		1 Total	@ \$6,671.81
Asset ID	1047	Asset Actual Cost	\$6,671.81
	Non-Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$7,371.46
Placed in Service	January 2008		
Useful Life	10		
Adjustment	10		
Replacement Year	2028		
Remaining Life	3		

This provision is for the renewal or replacement of the electrical control boxes.
The cost and useful life are based on information from the Association.

Electrical Utility Line - Renewal/Replacement

		1 Total	@ \$6,065.28
Asset ID	1049	Asset Actual Cost	\$6,065.28
	Non-Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$7,404.06
Placed in Service	January 2021		
Useful Life	10		
Replacement Year	2031		
Remaining Life	6		

This provision is for the renewal or replacement of the electrical utility line.
In 2021, the Association spent \$4,000 to replace an electrical utility line for street lights.
The cost and useful life are based on information from the Association.

Gas Fireplace - Repair/Upgrade

		1 Total	@ \$3,164.55
Asset ID	1032	Asset Actual Cost	\$3,164.55
	Non-Capital	Percent Replacement	100%
Category	Equipment	Future Cost	\$3,271.51
Placed in Service	January 2007		
Useful Life	15		
Adjustment	4		
Replacement Year	2026		
Remaining Life	1		

This component provides funding for the repair and/or upgrade of the gas fireplace in the

**Reserve at Gearhart Homeowner's Association
Detail Report**

Gas Fireplace - Repair/Upgrade continued...

community building.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Gazebo - Replacement/Removal

		1 Total	@ \$6,065.28
Asset ID	1015	Asset Actual Cost	\$6,065.28
	Non-Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$10,672.64
Placed in Service	January 2022		
Useful Life	20		
Replacement Year	2042		
Remaining Life	17		

This component provides funding for the replacement or removal of the gazebo.

In 2022, the Association spent \$4,000 on repairs and roof replacement.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Gutters and Downspouts: Community Bld - Replacement

		1 Total	@ \$1,672.00
Asset ID	1058	Asset Actual Cost	\$1,672.00
	Capital	Percent Replacement	100%
Category	Gutters and Downspouts	Future Cost	\$3,144.34
Placed in Service	January 2024		
Useful Life	20		
Replacement Year	2044		
Remaining Life	19		

This component provides funding for the replacement of the gutters and downspouts on the

**Reserve at Gearhart Homeowner's Association
Detail Report**

Gutters and Downspouts: Community Bld - Replacement continued...

community building.

This was done in 2014 for \$1,672.

The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The cost is based on a per linear foot estimate from a local vendor.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Gutters and Downspouts: Pump House - Replacement

		1 Total	@ \$1,672.00
Asset ID	1003	Asset Actual Cost	\$1,672.00
	Capital	Percent Replacement	100%
Category	Gutters and Downspouts	Future Cost	\$1,786.94
Placed in Service	January 2007		
Useful Life	20		
Replacement Year	2027		
Remaining Life	2		

This component provides funding for the replacement of the gutters and downspouts on the pump house and dosing house.

Schwindt and Company estimated 300 linear feet of gutters and downspouts.

The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The cost is based on a per linear foot estimate from a local vendor.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Reserve at Gearhart Homeowner's Association Detail Report

Insurance Deductible		1 Total	@ \$5,000.00
Asset ID	1041	Asset Actual Cost	\$5,000.00
	Non-Capital	Percent Replacement	100%
Category	Contingency	Future Cost	\$5,000.00
Placed in Service	January 2018		
Useful Life	1		
Replacement Year	2025		
Remaining Life	0		

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

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

The insurance deductible component is only included as an expenditure in the first year of the study. This expenditure is not listed again during the 30 year cash flow projection.

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

Kitchenette - Renewal		1 Total	@ \$3,164.55
Asset ID	1031	Asset Actual Cost	\$3,164.55
	Non-Capital	Percent Replacement	100%
Category	Interior Furnishings	Future Cost	\$3,736.76
Placed in Service	January 2007		
Useful Life	25		
Adjustment	-2		
Replacement Year	2030		
Remaining Life	5		

This component provides funding for the renewal of the kitchenette in the community building. According to the Association, there is a sink, countertop, cabinets, and a refrigerator.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be

**Reserve at Gearhart Homeowner's Association
Detail Report**

Kitchenette - Renewal continued...

updated to reflect the actual component cost.

Landscape Renewal

Asset ID	1044	1 Total	@ \$4,500.00
Category	Non-Capital	Asset Actual Cost	\$4,500.00
Placed in Service	January 2021	Percent Replacement	100%
Useful Life	1	Future Cost	\$4,500.00
Replacement Year	2025		
Remaining Life	0		

This provision is for the renewal of the landscaping.

In 2021, \$300 was spent on landscaping and \$2,000 was spent on irrigation repair and valve box moving on Sheridan.

The cost and useful life are based on information provided by the Association.

Landscape Renewal Carryover

Asset ID	1051	1 Total	@ \$5,736.00
Category	Non-Capital	Asset Actual Cost	\$5,736.00
Placed in Service	January 2021	Percent Replacement	100%
Useful Life	1	Future Cost	\$5,736.00
Replacement Year	2025		
Remaining Life	0		

This provision is for the renewal of the landscaping.

We have unique issues here with weather and elk intrusion when it comes to landscaping. Some years may be better than others in terms of renewal. But we would like to be able to roll the allowance into future years so that we have sufficient funds to complete necessary renewal as damage occurs.

2021 Budget	\$3,500
2021 Exp	\$2,300
2022 Carryover	\$1,200
2022 Budget	\$3,640
2022 Exp	\$0
2023 Carryover	\$4,840
2023 Budget	\$3,931

Reserve at Gearhart Homeowner's Association Detail Report

Landscape Renewal Carryover continued...

2023 Exp	\$9,268
<u>Transfer from Bark</u>	<u>\$5,481+</u>
2024 Carryover	\$4,984

The cost and useful life are based on information provided by the Association.

Mailboxes - Renewal

		1 Total	@ \$1,590.53
Asset ID	1030	Asset Actual Cost	\$1,590.53
	Capital	Percent Replacement	100%
Category	Mailboxes	Future Cost	\$3,304.80
Placed in Service	January 2007		
Useful Life	40		
Replacement Year	2047		
Remaining Life	22		

This component provides funding for the renewal of the mailboxes.

According to the Association, they are considering the addition of more mailboxes.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Metal Railings - Replacement

		1 Total	@ \$2,471.04
Asset ID	1007	Asset Actual Cost	\$2,471.04
	Capital	Percent Replacement	100%
Category	Railings	Future Cost	\$4,348.11
Placed in Service	January 2022		
Useful Life	20		
Replacement Year	2042		
Remaining Life	17		

This component provides funding for the replacement of the metal railings located at the community building.

According to the Association, \$2,163 was spent in 2022.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Metal Railings - Replacement continued...

Schwindt and Company estimated 57 linear feet.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Picnic Tables, Benches, BBQ and Trash Cans - Renewal

		11 Each	@ \$791.13
Asset ID	1009	Asset Actual Cost	\$8,702.43
	Non-Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$8,702.43
Placed in Service	January 2007		
Useful Life	15		
Replacement Year	2025		
Remaining Life	0		

This component provides funding for the renewal of the picnic tables, benches, BBQ stands, and trash cans on the property. There are 2 picnic tables near the community building and 3 benches, 2 picnic tables, 2 BBQ stands, and 2 trash cans and the community park.

In 2023, the picnic tables were renewed for \$200 and the 2 trash can enclosures were removed and replaced with 1 new enclosure for \$258.

In 2024, the Community Building Porch Bench was replaced for \$733.

The tables and benches should be inspected and repaired on an annual basis.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Playground Equipment - Replacement

		1 Total	@ \$7,911.42
Asset ID	1011	Asset Actual Cost	\$7,911.42
	Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$11,031.12
Placed in Service	January 2020		
Useful Life	15		
Replacement Year	2035		
Remaining Life	10		

This component provides funding for the replacement of the playground equipment.

The playground equipment should be inspected and repaired on an annual basis.

In 2021 the Association spent \$1,565.

In 2023, the rails on the playground equipment were cleaned and repainted.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Powder Room - Renewal

		1 Total	@ \$1,582.29
Asset ID	1029	Asset Actual Cost	\$1,582.29
	Non-Capital	Percent Replacement	100%
Category	Interior Furnishings	Future Cost	\$1,868.39
Placed in Service	January 2007		
Useful Life	25		
Adjustment	-2		
Replacement Year	2030		
Remaining Life	5		

This component provides funding for the renewal of the powder room. According to the Association, there is a sink and toilet.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Reserve Study Update - Offsite

		1 Total	@ \$898.56
Asset ID	1055	Asset Actual Cost	\$898.56
	Non-Capital	Percent Replacement	100%
Category	Contingency	Future Cost	\$898.56
Placed in Service	January 2022		
Useful Life	1		
Replacement Year	2025		
Remaining Life	0		

This provision is for an offsite reserve study update. If the Association chooses, an onsite update may be done for an additional cost.

Roof: Asphalt Shingle - Replacement

		750 SF	@ \$8.32
Asset ID	1010	Asset Actual Cost	\$6,240.00
	Capital	Percent Replacement	100%
Category	Roofing	Future Cost	\$6,450.91
Placed in Service	January 2007		
Useful Life	15		
Adjustment	4		
Replacement Year	2026		
Remaining Life	1		

This component provides funding for the replacement of the asphalt shingle roof on the pump house, dosing house and gazebo.

According to the Association, there is 750 square feet of roofing.

In 2022, the Gazebo roof was replaced for about \$1,800 including a copper cap.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Roof: Community Building - Replacement

		1,100 SF	@ \$10.78
Asset ID	1002	Asset Actual Cost	\$11,858.00
	Capital	Percent Replacement	100%
Category	Roofing	Future Cost	\$20,865.67
Placed in Service	January 2022		
Useful Life	20		
Replacement Year	2042		
Remaining Life	17		

This component provides funding for the replacement of the shingle roof on the community building.

This was done in 2022 for \$10,500.

Schwindt and Company estimated 1,100 square feet of roofing.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Shingle Siding - Replacement/Repair

		2,200 SF	@ \$22.46
Asset ID	1001	Asset Actual Cost	\$49,412.00
	Capital	Percent Replacement	100%
Category	Siding	Future Cost	\$52,808.70
Placed in Service	January 2007		
Useful Life	20		
Replacement Year	2027		
Remaining Life	2		

This component provides funding for the replacement/repair of the shingle siding on the community building, pump house and dosing house.

Schwindt and Company estimated 2,200 square feet of shingle siding.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Split Rail Fencing - Repairs

		1 Total	@ \$4,500.00
Asset ID	1017	Asset Actual Cost	\$4,500.00
	Non-Capital	Percent Replacement	100%
Category	Fencing/Security	Future Cost	\$4,500.00
Placed in Service	January 2021		
Useful Life	1		
Replacement Year	2025		
Remaining Life	0		

This component provides funding for the repair of the cedar split rail fence. The fence was installed in 2007 for \$57,639. The fence should be regularly inspected. According to the Association, elk have been known to damage the fence.

In 2021, the Association spent \$13,420 on repairs.

In 2022, the Association spent \$1,234.50 on repairs.

In 2023, the Association spent \$2,035 on repairs.

In 2024, the Association spent \$4,865 on repairs.

According to the Association, there is 8,628 linear feet of fencing.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Split Rail Fencing - Repairs Carryover

		1 Total	@ \$981.00
Asset ID	1053	Asset Actual Cost	\$981.00
	Non-Capital	Percent Replacement	100%
Category	Fencing/Security	Future Cost	\$981.00
Placed in Service	January 2022		
Useful Life	1		
Replacement Year	2025		
Remaining Life	0		

This component provides funding for the repair of the cedar split rail fence. The fence was installed in 2007 for \$57,639. The fence should be regularly inspected. According to the Association, elk have been known to damage the fence.

In 2021, the Association spent \$13,420 on repairs.

In 2022, the Association spent \$1,234.50 on repairs.

In 2023, the Association spent \$2,035 on repairs.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Split Rail Fencing - Repairs Carryover continued...

In 2024, the Association spent \$4,865 on repairs.

According to the Association, there is 8,628 linear feet of fencing.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Street Light Fixtures - Replacement

		26 Each	@ \$1,993.68
Asset ID	1016	Asset Actual Cost	\$51,835.68
	Capital	Percent Replacement	100%
Category	Lighting	Future Cost	\$85,344.73
Placed in Service	January 2019		
Useful Life	20		
Adjustment	1		
Replacement Year	2040		
Remaining Life	15		

This component provides funding for the replacement of the exterior street light fixtures. This includes the globe, ballast, starter, and required labor. According to the Association, exterior street lights were replaced in 2019.

According to the Association, there are 26 light structures with 1 fixture on each for a total of 26 light fixtures.

The original total cost in 2019 of the new light fixtures was \$1340 each. This included \$1200 for the fixture, \$90 for a tenon adapter and \$50 for primer. A new estimate of the same light fixture with today's cost is \$1549 for the fixture with primer and \$225 for a tenon adapter with primer.

The useful life assumptions are based on information provided by Ken Freed of Lighting Group Northwest.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Street Signs & Posts - Replacement		1 Total	@ \$6,065.28
Asset ID	1048	Asset Actual Cost	\$6,065.28
	Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$6,065.28
Placed in Service	January 2008		
Useful Life	10		
Replacement Year	2025		
Remaining Life	0		

This provision is for the replacement of the street signs and posts.

In 2021, the Association spent \$2,625.

The cost and useful life are based on information from the Association.

In 2022 the Association spent \$1,250 for posts, materials and hardware to install the street signs.

In 2023, the Association replaced street sign at highlands Ln and Sheridan Dr for \$50.

Water Heater - Replacement		1 Total	@ \$1,455.67
Asset ID	1033	Asset Actual Cost	\$1,455.67
	Capital	Percent Replacement	100%
Category	Equipment	Future Cost	\$1,455.67
Placed in Service	January 2007		
Useful Life	15		
Adjustment	3		
Replacement Year	2025		
Remaining Life	0		

This component provides funding for the replacement of the water heater in the community building.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Windows - Replacement

		19 Each	@ \$1,261.58
Asset ID	1004	Asset Actual Cost	\$23,969.99
	Capital	Percent Replacement	100%
Category	Doors and Windows	Future Cost	\$28,304.17
Placed in Service	January 2007		
Useful Life	20		
Adjustment	3		
Replacement Year	2030		
Remaining Life	5		

This component provides funding for the replacement of the windows located on the community building, and pump house.

Schwindt and Company estimated 19 windows.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Additional Disclosures

Levels of Service

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

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

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

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

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

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

- Life and Valuation Estimates
- Fund Status
- Funding Plan

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

- Component inventory
- Life and valuation estimates
- Funding Plan

Terms and Definitions

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

Capital Improvements: Additions to the association's common area that previously did not exist. While these components should be added to the reserve study for future replacement, the cost of construction or

installation cannot be taken from the reserve fund.

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

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

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

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

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

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

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

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

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

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

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

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

Financial Analysis: The portion of a reserve study in which the current status of the reserves (measured as

cash or [percent funded](#)) and a recommended reserve funding plan are derived, and the projected reserve income and expense over a period of time are presented. The financial analysis is one of the two parts of a reserve study. A minimum of 30 years of income and expense are to be considered.

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

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

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

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

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

Funding Goals:

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

Baseline Funding

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

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

Threshold Funding

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

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

Full Funding

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

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

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

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

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

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

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

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

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

Maintenance types are categorized below:

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

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

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

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

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

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

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

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

Additional information and recommendations are included within the Condominium Safety Public Policy Report.

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

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

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

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

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

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

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

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

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

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

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

1. The regular and continuous absence from principal office premises from which professional services are rendered; except for performance of field work or presence in a field office maintained exclusively for a specific project;
2. The failure to personally inspect or review the work of subordinates where necessary and

appropriate;

3. The rendering of a limited, cursory or perfunctory review of plans or projects in lieu of an appropriate detailed review; and
4. The failure to personally be available on a reasonable basis or with adequate advance notice for consultation and inspection where circumstances require personal availability.

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

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

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

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

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

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

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

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

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

RESERVE AT GEARHART HOMEOWNERS' ASSOCIATION - SEPTIC

RESERVE STUDY

LEVEL III: UPDATE WITH NO VISUAL SITE INSPECTION

BUDGET YEAR

January 1, 2025 to December 31, 2025

**RESERVE AT GEARHART HOMEOWNERS' ASSOCIATION -
SEPTIC**

Executive Summary

Year of Report:

January 1, 2025 to December 31, 2025

Number of Units:

130 Units

Parameters:

Beginning Balance: \$304,446

Year 2025 Suggested Contribution: \$36,806

Year 2025 Projected Interest Earned: \$8,808

Inflation: 4.00%

Annual Increase to Suggested Contribution: 5.75%

Lowest Cash Balance Over 30 Years (Threshold): \$265,247

Average Reserve Assessment per Unit: \$23.59

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Reserve at Gearhart Homeowners' Association - Septic

RESERVE STUDY

Cash Flow Method - Threshold Funding Model Summary	6
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Component Summary By Category	9
Annual Expenditure Detail	11
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**Reserve at Gearhart Homeowners' Association - Septic
Category Detail Index**

Asset ID	Description	Replacement	Page
Equipment			
1051	Septic Emergency Generator - Replacement	2032	34
Septic System			
1028	AX100 POD - AX-VENT	2037	17
1026	AX100 POD - AX100	2037	17
1029	AX100 POD - AXP13	2028	17
1027	AX100 POD - AXVFA150AG	2037	18
1030	AX100 POD - Carbon	2028	18
1009	Anoxic Tank - FL30-4B	2029	19
1011	Anoxic Tank - HV200BC-H	2037	19
1012	Anoxic Tank - MF1A	2028	19
1014	Anoxic Tank - Misc.	2037	20
1013	Anoxic Tank - PVU72-1819	2037	20
1010	Anoxic Tank - RR30-48	2037	21
1008	Anoxic Tank - Tank	2057	21
1045	Drip Irrigation - 1700-20(NDS)	2029	21
1044	Drip Irrigation - AVBOX	2028	22
1043	Drip Irrigation - Air Vents	2027	22
1039	Drip Irrigation - Drip Line	2037	23
1042	Drip Irrigation - GeoVac 75-502	2029	23
1047	Drip Irrigation - Mag-Meter	2037	23
1046	Drip Irrigation - Manifolds	2057	24
1040	Drip Irrigation - Misc. Fittings	2029	24
1041	Drip Irrigation - SVLV-200	2029	25
1038	Electrical - Control Panel	2025	25
1031	Final Dosing Tank	2057	25
1032	Final Dosing Tank - FL30-4B	2029	26
1036	Final Dosing Tank - HV200BC-H	2037	26
1035	Final Dosing Tank - P5001512-20	2028	27
1034	Final Dosing Tank - PVU-C	2037	27
1033	Final Dosing Tank - RR30-48	2037	27
1015	Rec/Blend Tanks	2057	28
1016	Rec/Blend Tanks - FL30-4B	2029	28
1025	Rec/Blend Tanks - FS RR3036	2037	29
1020	Rec/Blend Tanks - HV200BC-H	2037	29
1019	Rec/Blend Tanks - P500712	2029	29

**Reserve at Gearhart Homeowners' Association - Septic
Category Detail Index**

Asset ID	Description	Replacement	Page
<i>Septic System Continued...</i>			
1023	Rec/Blend Tanks - PB-C	2029	30
1018	Rec/Blend Tanks - PVU95-1819	2037	30
1017	Rec/Blend Tanks - RR30-48	2037	31
1024	Rec/Blend Tanks - RSV4U	2037	31
1022	Rec/Blend Tanks - V6402A	2028	31
1005	STEP Collection - 1* HDPE	2057	32
1004	STEP Collection - 2* HDPE	2057	32
1003	STEP Collection - 3* HDPE	2057	33
1006	STEP Collection - Air Release Valves	2027	33
1007	STEP Collection - Clean Outs	2057	33
1049	Tank 1 - Pumping	2028	34
1050	Tank 4 - Pumping	2028	35
1048	Tanks 2 and 3 - Pumping	2037	35
	Total Funded Assets	47	
	Total Unfunded Assets	<u>0</u>	
	Total Assets	47	

Reserve at Gearhart Homeowners' Association - Septic
Gearhart, Oregon
Cash Flow Method - Threshold Funding Model Summary

Report Date	October 30, 2024
Budget Year Beginning	January 1, 2025
Budget Year Ending	December 31, 2025
Total Units	130

<i>Report Parameters</i>	
Inflation	4.00%
Annual Assessment Increase	5.75%
Interest Rate on Reserve Deposit	3.00%
2025 Beginning Balance	\$304,446

Threshold Funding
Fully Reserved Model Summary

- This study utilizes the cash flow method and the threshold funding model, which establishes a reserve funding goal that keeps the reserve balance above a specified dollar or percent funded amount. The threshold method assumes that the threshold method is funded with a positive threshold balance, therefore, "fully reserved".
- The following items were not included in the analysis because they have useful lives greater than 30 years: grading/drainage; foundation/footings; storm drains; telephone, cable, and internet lines.
- This funding scenario begins with a contribution of **\$36,806** in **2025** and increases **5.75%** each year for the remaining years of the study. A minimum balance of **\$265,247** is maintained.
- The purpose of this study is to ensure that adequate replacement funds are available when components reach the end of their useful life. Components will be replaced as required, not necessarily in their expected replacement year. This analysis should be updated annually.

Cash Flow Method - Threshold Funding Model Summary of Calculations

Required Monthly Contribution	\$3,067.17
<i>\$23.59 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$734.02</u>
Total Monthly Allocation to Reserves	\$3,801.18
<i>\$29.24 per unit monthly</i>	

**Reserve at Gearhart Homeowners' Association - Septic
Cash Flow Method - Threshold Funding Model Projection**

Beginning Balance: \$304,446

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	36,806	8,808	34,700	315,360	651,018	48%
2026	38,922	10,230		364,513	717,529	51%
2027	41,160	11,345	13,696	403,322	774,076	52%
2028	43,527	11,413	51,553	406,710	796,355	51%
2029	46,030	11,796	43,713	420,823	829,639	51%
2030	48,677	13,598		483,097	911,591	53%
2031	51,476	15,538		550,111	998,772	55%
2032	54,435	17,212	13,569	608,190	1,077,486	56%
2033	57,565	19,428	494	684,689	1,175,062	58%
2034	60,875	21,824		767,389	1,279,253	60%
2035	64,376	22,834	51,365	803,234	1,336,481	60%
2036	68,077	25,548		896,859	1,451,796	62%
2037	71,992	6,850	710,455	265,247	835,325	32%
2038	76,131	9,194	4,012	346,560	931,468	37%
2039	80,509	11,450	13,520	424,999	1,024,245	41%
2040	85,138	14,323		524,460	1,137,577	46%
2041	90,034	17,428		631,922	1,258,337	50%
2042	95,211	20,171	20,085	727,219	1,366,050	53%
2043	100,685	21,073	88,693	760,284	1,409,849	54%
2044	106,475	24,871		891,629	1,550,897	57%
2045	112,597	26,654	76,032	954,848	1,621,899	59%
2046	119,071	30,995		1,104,914	1,778,337	62%
2047	125,918	34,759	30,011	1,235,580	1,913,483	65%
2048	133,158	39,584	5,939	1,402,384	2,082,879	67%
2049	140,815	42,051	95,780	1,489,470	2,169,577	69%
2050	148,911	47,746		1,686,127	2,363,474	71%
2051	157,474	53,868		1,897,468	2,569,412	74%
2052	166,529	59,540	29,730	2,093,807	2,757,123	76%
2053	176,104	66,540	1,082	2,335,369	2,986,772	78%
2054	186,230	74,087		2,595,686	3,231,551	80%
2055	196,938	78,757	112,546	2,758,834	3,374,085	82%
2056	208,262	87,328		3,054,424	3,644,582	84%
2057	220,237	25,673	2,329,107	971,228	1,509,049	64%
2058	232,901	28,275	167,206	1,065,198	1,542,110	69%
2059	246,293	35,537	29,624	1,317,403	1,725,442	76%
2060	260,454	44,341		1,622,199	1,953,014	83%
2061	275,431	53,858		1,951,487	2,196,032	89%

**Reserve at Gearhart Homeowners' Association - Septic
Cash Flow Method - Threshold Funding Model Projection**

Beginning Balance: \$304,446

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2062	291,268	62,795	44,008	2,261,542	2,409,598	94%
2063	308,016	73,790	1,602	2,641,745	2,682,669	98%
2064	325,727	85,693		3,053,165	2,975,462	103%

Reserve at Gearhart Homeowners' Association - Septic Component Summary By Category

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Equipment								
Septic Emergency Generator - Replacement	2021	2032	10	1	7	1 Total	10,310.98	<u>10,311</u>
Equipment - Total								\$10,311
Septic System								
AX100 POD - AX-VENT	2007	2037	30	0	12	12 Units	90.40	1,085
AX100 POD - AX100	2007	2037	30	0	12	12 Units	23,256.05	279,073
AX100 POD - AXPG13	2007	2028	10	11	3	12 Units	113.08	1,357
AX100 POD - AXVFA150AG	2007	2037	30	0	12	2 Units	2,061.19	4,122
AX100 POD - Carbon	2007	2028	5	16	3	2 Units	95.42	191
Anoxic Tank - FL30-4B	2007	2029	20	2	4	4 Units	112.77	451
Anoxic Tank - HV200BC-H	2007	2037	30	0	12	2 Units	170.03	340
Anoxic Tank - MF1A	2007	2028	5	16	3	4 Units	42.49	170
Anoxic Tank - Misc.	2007	2037	30	0	12	1 Unit	34,700.16	34,700
Anoxic Tank - PVU72-1819	2007	2037	30	0	12	1 Unit	612.46	612
Anoxic Tank - RR30-48	2007	2037	30	0	12	4 Units	328.26	1,313
Anoxic Tank - Tank	2007	2057	50	0	32	1 Unit	64,195.31	64,195
Drip Irrigation - 1700-20(NDS)	2007	2029	20	2	4	20 Units	78.07	1,561
Drip Irrigation - AVBOX	2007	2028	10	11	3	42 Units	16.47	692
Drip Irrigation - Air Vents	2007	2027	20	0	2	42 Units	26.01	1,092
Drip Irrigation - Drip Line	2007	2037	30	0	12	80,000 Units	0.84	67,392
Drip Irrigation - GeoVac 75-502	2019	2029	10	0	4	2 Units	3,903.78	7,808
Drip Irrigation - Mag-Meter	2007	2037	30	0	12	2 Units	4,164.01	8,328
Drip Irrigation - Manifolds	2007	2057	50	0	32	40 Units	1,518.13	60,725
Drip Irrigation - Misc. Fittings	2007	2029	20	2	4	1 Unit	1,361.97	1,362
Drip Irrigation - SVLV-200	2007	2029	20	2	4	26 Units	260.25	6,766
Electrical - Control Panel	2007	2025	10	8	0	1 Unit	34,700.16	34,700
Final Dosing Tank	2007	2057	50	0	32	1 Unit	67,916.90	67,917
Final Dosing Tank - FL30-4B	2007	2029	20	2	4	6 Units	161.18	967
Final Dosing Tank - HV200BC-H	2007	2037	30	0	12	6 Units	170.03	1,020
Final Dosing Tank - P5001512-20	2007	2028	15	6	3	6 Units	1,561.51	9,369
Final Dosing Tank - PVU-C	2007	2037	30	0	12	3 Units	739.11	2,217
Final Dosing Tank - RR30-48	2007	2037	30	0	12	6 Units	328.26	1,970
Rec/Blend Tanks	2007	2057	50	0	32	2 Units	67,144.81	134,290
Rec/Blend Tanks - FL30-4B	2007	2029	20	2	4	9 Units	161.18	1,451
Rec/Blend Tanks - FS RR3036	2007	2037	30	0	12	2 Units	1,084.37	2,169
Rec/Blend Tanks - HV200BC-H	2007	2037	30	0	12	8 Units	170.03	1,360
Rec/Blend Tanks - P500712	2007	2029	20	2	4	12 Units	1,178.07	14,137
Rec/Blend Tanks - PB-C	2007	2029	20	2	4	6 Units	477.12	2,863
Rec/Blend Tanks - PVU95-1819	2007	2037	30	0	12	4 Units	739.11	2,956
Rec/Blend Tanks - RR30-48	2007	2037	30	0	12	6 Units	328.26	1,970
Rec/Blend Tanks - RSV4U	2007	2037	30	0	12	2 Units	737.37	1,475
Rec/Blend Tanks - V6402A	2007	2028	15	6	3	6 Units	400.96	2,406
STEP Collection - 1* HDPE	2007	2057	50	0	32	3,500 Units	26.01	91,036
STEP Collection - 2* HDPE	2007	2057	50	0	32	3,500 Units	34.16	119,574

Reserve at Gearhart Homeowners' Association - Septic Component Summary By Category

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
<i>Septic System continued...</i>								
STEP Collection - 3* HDPE	2007	2057	50	0	32	2,800 Units	37.01	103,638
STEP Collection - Air Release Valves	2007	2027	20	0	2	13 Units	890.05	11,571
STEP Collection - Clean Outs	2007	2057	50	0	32	20 Units	1,127.74	22,555
Tank 1 - Pumping	2007	2028	15	6	3	1 Unit	15,822.81	15,823
Tank 4 - Pumping	2007	2028	15	6	3	1 Unit	15,822.81	15,823
Tanks 2 and 3 - Pumping	2007	2037	30	0	12	1 Unit	31,645.63	31,646
Septic System - Total								<u>\$1,238,237</u>
Total Asset Summary								<u>\$1,248,548</u>

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2025	
Electrical - Control Panel	34,700
Total for 2025	<u>\$34,700</u>
<i>No Replacement in 2026</i>	
Replacement Year 2027	
Drip Irrigation - Air Vents	1,182
STEP Collection - Air Release Valves	12,515
Total for 2027	<u>\$13,696</u>
Replacement Year 2028	
AX100 POD - AXP13	1,526
AX100 POD - Carbon	215
Anoxic Tank - MF1A	191
Drip Irrigation - AVBOX	778
Final Dosing Tank - P5001512-20	10,539
Rec/Blend Tanks - V6402A	2,706
Tank 1 - Pumping	17,799
Tank 4 - Pumping	17,799
Total for 2028	<u>\$51,553</u>
Replacement Year 2029	
Anoxic Tank - FL30-4B	528
Drip Irrigation - 1700-20(NDS)	1,827
Drip Irrigation - GeoVac 75-502	9,134
Drip Irrigation - Misc. Fittings	1,593
Drip Irrigation - SVLV-200	7,916
Final Dosing Tank - FL30-4B	1,131
Rec/Blend Tanks - FL30-4B	1,697
Rec/Blend Tanks - P500712	16,538
Rec/Blend Tanks - PB-C	3,349
Total for 2029	<u>\$43,713</u>
<i>No Replacement in 2030</i>	
<i>No Replacement in 2031</i>	
Replacement Year 2032	
Septic Emergency Generator - Replacement	13,569
Total for 2032	<u>\$13,569</u>

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2033	
AX100 POD - Carbon	261
Anoxic Tank - MF1A	233
Total for 2033	\$494
 <i>No Replacement in 2034</i>	
Replacement Year 2035	
Electrical - Control Panel	51,365
Total for 2035	\$51,365
 <i>No Replacement in 2036</i>	
Replacement Year 2037	
AX100 POD - AX-VENT	1,737
AX100 POD - AX100	446,804
AX100 POD - AXVFA150AG	6,600
Anoxic Tank - HV200BC-H	544
Anoxic Tank - Misc.	55,556
Anoxic Tank - PVU72-1819	981
Anoxic Tank - RR30-48	2,102
Drip Irrigation - Drip Line	107,897
Drip Irrigation - Mag-Meter	13,333
Final Dosing Tank - HV200BC-H	1,633
Final Dosing Tank - PVU-C	3,550
Final Dosing Tank - RR30-48	3,153
Rec/Blend Tanks - FS RR3036	3,472
Rec/Blend Tanks - HV200BC-H	2,178
Rec/Blend Tanks - PVU95-1819	4,733
Rec/Blend Tanks - RR30-48	3,153
Rec/Blend Tanks - RSV4U	2,361
Tanks 2 and 3 - Pumping	50,666
Total for 2037	\$710,455
 Replacement Year 2038	
AX100 POD - AXP13	2,259
AX100 POD - Carbon	318

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2038 continued...</i>	
Anoxic Tank - MF1A	283
Drip Irrigation - AVBOX	1,152
Total for 2038	<u>\$4,012</u>
Replacement Year 2039	
Drip Irrigation - GeoVac 75-502	13,520
Total for 2039	<u>\$13,520</u>
<i>No Replacement in 2040</i>	
<i>No Replacement in 2041</i>	
Replacement Year 2042	
Septic Emergency Generator - Replacement	20,085
Total for 2042	<u>\$20,085</u>
Replacement Year 2043	
AX100 POD - Carbon	387
Anoxic Tank - MF1A	344
Final Dosing Tank - P5001512-20	18,980
Rec/Blend Tanks - V6402A	4,874
Tank 1 - Pumping	32,054
Tank 4 - Pumping	32,054
Total for 2043	<u>\$88,693</u>
<i>No Replacement in 2044</i>	
Replacement Year 2045	
Electrical - Control Panel	76,032
Total for 2045	<u>\$76,032</u>
<i>No Replacement in 2046</i>	
Replacement Year 2047	
Drip Irrigation - Air Vents	2,589
STEP Collection - Air Release Valves	27,422
Total for 2047	<u>\$30,011</u>

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2048	
AX100 POD - AXP13	3,344
AX100 POD - Carbon	470
Anoxic Tank - MF1A	419
Drip Irrigation - AVBOX	<u>1,705</u>
Total for 2048	<u>\$5,939</u>
Replacement Year 2049	
Anoxic Tank - FL30-4B	1,156
Drip Irrigation - 1700-20(NDS)	4,002
Drip Irrigation - GeoVac 75-502	20,013
Drip Irrigation - Misc. Fittings	3,491
Drip Irrigation - SVLV-200	17,345
Final Dosing Tank - FL30-4B	2,479
Rec/Blend Tanks - FL30-4B	3,718
Rec/Blend Tanks - P500712	36,237
Rec/Blend Tanks - PB-C	<u>7,338</u>
Total for 2049	<u>\$95,780</u>
<i>No Replacement in 2050</i>	
<i>No Replacement in 2051</i>	
Replacement Year 2052	
Septic Emergency Generator - Replacement	<u>29,730</u>
Total for 2052	<u>\$29,730</u>
Replacement Year 2053	
AX100 POD - Carbon	572
Anoxic Tank - MF1A	<u>510</u>
Total for 2053	<u>\$1,082</u>
<i>No Replacement in 2054</i>	
Replacement Year 2055	
Electrical - Control Panel	<u>112,546</u>
Total for 2055	<u>\$112,546</u>

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2056</i>	
Replacement Year 2057	
Anoxic Tank - Tank	225,201
Drip Irrigation - Manifolds	213,028
Final Dosing Tank	238,256
Rec/Blend Tanks	471,096
STEP Collection - 1* HDPE	319,361
STEP Collection - 2* HDPE	419,473
STEP Collection - 3* HDPE	363,568
STEP Collection - Clean Outs	79,124
Total for 2057	<u>\$2,329,107</u>
Replacement Year 2058	
AX100 POD - AXP13	4,951
AX100 POD - Carbon	696
Anoxic Tank - MF1A	620
Drip Irrigation - AVBOX	2,524
Final Dosing Tank - P5001512-20	34,182
Rec/Blend Tanks - V6402A	8,777
Tank 1 - Pumping	57,728
Tank 4 - Pumping	57,728
Total for 2058	<u>\$167,206</u>
Replacement Year 2059	
Drip Irrigation - GeoVac 75-502	29,624
Total for 2059	<u>\$29,624</u>
<i>No Replacement in 2060</i>	
<i>No Replacement in 2061</i>	
Replacement Year 2062	
Septic Emergency Generator - Replacement	44,008
Total for 2062	<u>\$44,008</u>
Replacement Year 2063	
AX100 POD - Carbon	847

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2063 continued...</i>	
Anoxic Tank - MF1A	754
Total for 2063	<u>\$1,602</u>
<i>No Replacement in 2064</i>	

**Reserve at Gearhart Homeowners' Association - Septic
Detail Report**

AX100 POD - AX-VENT

		12 Units	@ \$90.40
Asset ID	1028	Asset Actual Cost	\$1,084.76
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,736.74
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the AX-VENT of the AX100 POD.

These are individual vents for AX100's.

The cost and useful life are based on information from Smits & Associates, Inc.

AX100 POD - AX100

		12 Units	@ \$23,256.05
Asset ID	1026	Asset Actual Cost	\$279,072.64
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$446,804.29
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the AX100 POD.

These are complete AX100 POD's.

The cost and useful life are based on information from Smits & Associates, Inc.

AX100 POD - AXPG13

		12 Units	@ \$113.08
Asset ID	1029	Asset Actual Cost	\$1,356.95
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,526.38
Placed in Service	January 2007		
Useful Life	10		
Adjustment	11		
Replacement Year	2028		
Remaining Life	3		

This provision is for the AXPG13 of the AX100 POD.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

AX100 POD - AXPG13 continued...

These are AdvianTex pressure gauge assemblies.

The cost and useful life are based on information from Smits & Associates, Inc.

AX100 POD - AXVFA150AG

		2 Units	@ \$2,061.19
Asset ID	1027	Asset Actual Cost	\$4,122.37
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$6,600.05
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the AXVFA150AG of the AX100 POD.

These are above ground vent fan and carton filter assembly.

The cost and useful life are based on information from Smits & Associates, Inc.

AX100 POD - Carbon

		2 Units	@ \$95.42
Asset ID	1030	Asset Actual Cost	\$190.84
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$214.67
Placed in Service	January 2007		
Useful Life	5		
Adjustment	16		
Replacement Year	2028		
Remaining Life	3		

This provision is for the carbon of the AX100 POD.

This is for the carbon in ventilation systems.

The cost and useful life are based on information from Smits & Associates, Inc.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Anoxic Tank - FL30-4B

		4 Units	@ \$112.77
Asset ID	1009	Asset Actual Cost	\$451.08
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$527.70
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	4		

This provision is for the FL30-4B of the anoxic tank.

These are 30" (dia) lid with 4 bolts (green).

The cost and useful life are based on information from Smits & Associates, Inc.

Anoxic Tank - HV200BC-H

		2 Units	@ \$170.03
Asset ID	1011	Asset Actual Cost	\$340.06
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$544.44
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the HV200BC-H of the anoxic tank.

This is a 2" hose and valve assembly for P50 pumps.

The cost and useful life are based on information from Smits & Associates, Inc.

Anoxic Tank - MF1A

		4 Units	@ \$42.49
Asset ID	1012	Asset Actual Cost	\$169.98
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$191.20
Placed in Service	January 2007		
Useful Life	5		
Adjustment	16		
Replacement Year	2028		
Remaining Life	3		

This provision is for the MF1A of the anoxic tank.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Anoxic Tank - MFIA continued...

This is a single float (A type).

The cost and useful life are based on information from Smits & Associates, Inc.

Anoxic Tank - Misc.

			1 Unit	@ \$34,700.16
Asset ID	1014	Asset Actual Cost		\$34,700.16
	Capital	Percent Replacement		100%
Category	Septic System	Future Cost		\$55,556.08
Placed in Service	January 2007			
Useful Life	30			
Replacement Year	2037			
Remaining Life	12			

This provision is for miscellaneous items of the anoxic tank.

This includes carbon & alkalinity feed equipment.

The cost and useful life are based on information from Smits & Associates, Inc.

Anoxic Tank - PVU72-1819

			1 Unit	@ \$612.46
Asset ID	1013	Asset Actual Cost		\$612.46
	Capital	Percent Replacement		100%
Category	Septic System	Future Cost		\$980.56
Placed in Service	January 2007			
Useful Life	30			
Replacement Year	2037			
Remaining Life	12			

This provision is for the PVU72-1819 of the anoxic tank.

This is a biotube pump vault.

The cost and useful life are based on information from Smits & Associates, Inc.

**Reserve at Gearhart Homeowners' Association - Septic
Detail Report**

Anoxic Tank - RR30-48

		4 Units	@ \$328.26
Asset ID	1010	Asset Actual Cost	\$1,313.02
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$2,102.19
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the RR30-48 of the anoxic tank.

These are 30" (dia) x 48" ultra rib riser.

The cost and useful life are based on information from Smits & Associates, Inc.

Anoxic Tank - Tank

		1 Unit	@ \$64,195.31
Asset ID	1008	Asset Actual Cost	\$64,195.31
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$225,200.92
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	32		

This provision is for the anoxic tank.

This is a 30,000 gallon tank.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - 1700-20(NDS)

		20 Units	@ \$78.07
Asset ID	1045	Asset Actual Cost	\$1,561.40
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,826.62
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	4		

This provision is for the 1700-20(NDS) of the drip irrigation system.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Drip Irrigation - 1700-20(NDS) continued...

These are 2" Tru-Union spring check valves.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - AVBOX

		42 Units	@ \$16.47
Asset ID	1044	Asset Actual Cost	\$691.89
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$778.28
Placed in Service	January 2007		
Useful Life	10		
Adjustment	11		
Replacement Year	2028		
Remaining Life	3		

This provision is for the AVBOX of the drip irrigation system.

These are 10" valve boxes for air vents.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - Air Vents

		42 Units	@ \$26.01
Asset ID	1043	Asset Actual Cost	\$1,092.44
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,181.58
Placed in Service	January 2007		
Useful Life	20		
Replacement Year	2027		
Remaining Life	2		

This provision is for the air vents of the drip irrigation system.

These are air vents on all drip cell high points.

The cost and useful life are based on information from Smits & Associates, Inc.

**Reserve at Gearhart Homeowners' Association - Septic
Detail Report**

Drip Irrigation - Drip Line

		80,000 Units	@ \$0.84
Asset ID	1039	Asset Actual Cost	\$67,392.00
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$107,896.76
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the drip line of the drip irrigation system.

This is for pressure compensating w/ 12" spacing.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - GeoVac 75-502

		2 Units	@ \$3,903.78
Asset ID	1042	Asset Actual Cost	\$7,807.55
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$9,133.73
Placed in Service	January 2019		
Useful Life	10		
Replacement Year	2029		
Remaining Life	4		

This provision is for the GeoVac 75-502 of the drip irrigation system.

These are self cleaning VAC/Drip flush assemblies.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - Mag-Meter

		2 Units	@ \$4,164.01
Asset ID	1047	Asset Actual Cost	\$8,328.03
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$13,333.44
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the Mag-meter of the drip irrigation system.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Drip Irrigation - Mag-Meter continued...

These are 2" mag meter for flow with converter.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - Manifolds

		40 Units	@ \$1,518.13
Asset ID	1046	Asset Actual Cost	\$60,725.18
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$213,027.51
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	32		

This provision is for the manifolds of the drip irrigation system.

There are 20 feed and 20 flush factory fab. manifolds.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - Misc. Fittings

		1 Unit	@ \$1,361.97
Asset ID	1040	Asset Actual Cost	\$1,361.97
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,593.32
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	4		

This provision is for the miscellaneous fittings of the drip irrigation system.

This is for various slip adapters and couplers.

The cost and useful life are based on information from Smits & Associates, Inc.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Drip Irrigation - SVLV-200

		26 Units	@ \$260.25
Asset ID	1041	Asset Actual Cost	\$6,766.49
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$7,915.84
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	4		

This provision is for the SVLV-200 of the drip irrigation system.

These are the control valves.

The cost and useful life are based on information from Smits & Associates, Inc.

Electrical - Control Panel

		1 Unit	@ \$34,700.16
Asset ID	1038	Asset Actual Cost	\$34,700.16
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$34,700.16
Placed in Service	January 2007		
Useful Life	10		
Adjustment	8		
Replacement Year	2025		
Remaining Life	0		

This provision is for the control panel used to operate the treatment system.

This is a custom remote telemetry control panel.

The cost and useful life are based on information from Smits & Associates, Inc.

Final Dosing Tank

		1 Unit	@ \$67,916.90
Asset ID	1031	Asset Actual Cost	\$67,916.90
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$238,256.47
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	32		

This provision is for the final dosing tank.

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Final Dosing Tank continued...

The tank holds up to 30,000 gallons.

The cost and useful life are based on information from Smits & Associates, Inc.

Final Dosing Tank - FL30-4B		6 Units	@ \$161.18
Asset ID	1032	Asset Actual Cost	\$967.08
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,131.34
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	4		

This provision is for the FL30-4B of the final dosing tank.

These are 30" (dia) lid with 4 bolts (green).

The cost and useful life are based on information from Smits & Associates, Inc.

Final Dosing Tank - HV200BC-H		6 Units	@ \$170.03
Asset ID	1036	Asset Actual Cost	\$1,020.18
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,633.34
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the HV200BC-H of the final dosing tank.

These are 2" hose and valve assemblies for P50 pumps.

The cost and useful life are based on information from Smits & Associates, Inc.

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Final Dosing Tank - P5001512-20

		6 Units	@ \$1,561.51
Asset ID	1035	Asset Actual Cost	\$9,369.05
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$10,538.90
Placed in Service	January 2007		
Useful Life	15		
Adjustment	6		
Replacement Year	2028		
Remaining Life	3		

This provision is for the P5001512-20 of the final dosing tank.

These are pump max 50' heads.

The cost and useful life are based on information from Smits & Associates, Inc.

Final Dosing Tank - PVU-C

		3 Units	@ \$739.11
Asset ID	1034	Asset Actual Cost	\$2,217.32
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$3,550.00
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the PVU-C of the final dosing tank.

This is a custom biotube pump vault.

The cost and useful life are based on information from Smits & Associates, Inc.

Final Dosing Tank - RR30-48

		6 Units	@ \$328.26
Asset ID	1033	Asset Actual Cost	\$1,969.53
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$3,153.28
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the RR30-48 of the final dosing tank.

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Final Dosing Tank - RR30-48 continued...

These are 30" (dia) x 48" ultra rib riser.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks

		2 Units	@ \$67,144.81
Asset ID	1015	Asset Actual Cost	\$134,289.63
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$471,095.89
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	32		

This provision is for rec/blend tanks.

These are 30,000 gallon tanks.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - FL30-4B

		9 Units	@ \$161.18
Asset ID	1016	Asset Actual Cost	\$1,450.61
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,697.01
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	4		

This provision is for the FL30-4B of the rec/blend tanks.

These are a 30" (dia) lid with 4 bolts (green).

The cost and useful life are based on information from Smits & Associates, Inc.

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Rec/Blend Tanks - FS RR3036

		2 Units	@ \$1,084.37
Asset ID	1025	Asset Actual Cost	\$2,168.73
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$3,472.21
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the FS RR3036 of the rec/blend tanks.

These are 30" (dia) x (36" flow splitter basins (custom).

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - HV200BC-H

		8 Units	@ \$170.03
Asset ID	1020	Asset Actual Cost	\$1,360.24
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$2,177.78
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the HV200BC-H of the rec/blend tanks.

These are 2' hose and valve assemblies for P50 pumps.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - P500712

		12 Units	@ \$1,178.07
Asset ID	1019	Asset Actual Cost	\$14,136.84
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$16,538.11
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	4		

This provision is for the P500712 of the rec/blend tanks.

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Rec/Blend Tanks - P500712 continued...

These are pump max 50' heads.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - PB-C		6 Units	@ \$477.12
Asset ID	1023	Asset Actual Cost	\$2,862.72
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$3,348.98
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	4		

This provision is for the PB-C of the rec/blend tanks.

These are 24" watertight enclosures for distributing valves.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - PVU95-1819		4 Units	@ \$739.11
Asset ID	1018	Asset Actual Cost	\$2,956.43
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$4,733.34
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the PVU95-1819 of the rec/blend tanks.

This is a biotube pump vault.

The cost and useful life are based on information from Smits & Associates, Inc.

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Rec/Blend Tanks - RR30-48

		6 Units	@ \$328.26
Asset ID	1017	Asset Actual Cost	\$1,969.53
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$3,153.28
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the RR30-48 of the rec/blend tanks.

These are a 30" (dia) x 48" ultra rib riser.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - RSV4U

		2 Units	@ \$737.37
Asset ID	1024	Asset Actual Cost	\$1,474.74
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$2,361.11
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This provision is for the RSV4U of the rec/blend tanks.

These are 4" recirc/splitter valve with U4000S Unions.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - V6402A

		6 Units	@ \$400.96
Asset ID	1022	Asset Actual Cost	\$2,405.77
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$2,706.16
Placed in Service	January 2007		
Useful Life	15		
Adjustment	6		
Replacement Year	2028		
Remaining Life	3		

This provision is for the V6402A of the rec/blend tanks.

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Rec/Blend Tanks - V6402A continued...

These are 6000 series distributing valve assembly, 2 outlet.

The cost and useful life are based on information from Smits & Associates, Inc.

STEP Collection - 1* HDPE

		3,500 Units	@ \$26.01
Asset ID	1005	Asset Actual Cost	\$91,036.40
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$319,361.04
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	32		

This provision is for the 1* HDPE components of the STEP collection.

This includes service laterals and valve connections.

The cost and useful life are based on information from Smits & Associates, Inc.

STEP Collection - 2* HDPE

		3,500 Units	@ \$34.16
Asset ID	1004	Asset Actual Cost	\$119,574.00
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$419,472.61
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	32		

This provision is for the 2* HDPE components of the STEP collection.

This includes the installation of HDPE Pipes, Valves, and Fittings.

The cost and useful life are based on information from Smits & Associates, Inc.

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STEP Collection - 3* HDPE

		2,800 Units	@ \$37.01
Asset ID	1003	Asset Actual Cost	\$103,638.08
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$363,568.47
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	32		

This provision is for the 3* HDPE components of the STEP collection.

This includes the installation of HDPE Pipes, Valves, and Fittings.

The cost and useful life are based on information from Smits & Associates, Inc.

STEP Collection - Air Release Valves

		13 Units	@ \$890.05
Asset ID	1006	Asset Actual Cost	\$11,570.69
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$12,514.85
Placed in Service	January 2007		
Useful Life	20		
Replacement Year	2027		
Remaining Life	2		

This provision is for the air release valves of the STEP collection..

This includes air release assemblies.

The cost and useful life are based on information from Smits & Associates, Inc.

STEP Collection - Clean Outs

		20 Units	@ \$1,127.74
Asset ID	1007	Asset Actual Cost	\$22,554.90
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$79,123.90
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	32		

This provision is for the STEP collection clean outs.

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STEP Collection - Clean Outs continued...

These are end of line fittings to clean out of insert pig to clean.

The cost and useful life are based on information from Smits & Associates, Inc.

Septic Emergency Generator - Replacement

		1 Total	@ \$10,310.98
Asset ID	1051	Asset Actual Cost	\$10,310.98
	Capital	Percent Replacement	100%
Category	Equipment	Future Cost	\$13,568.54
Placed in Service	January 2021		
Useful Life	10		
Adjustment	1		
Replacement Year	2032		
Remaining Life	7		

This provision is for the replacement of the emergency septic generator installed in 2021.

The cost in 2021 below:

Gas line installation	\$3,400
Emergency generator	\$5,500
Electrical and gas installation for generator	\$5,000

The cost and useful life are based on information from the Association.

Tank 1 - Pumping

		1 Unit	@ \$15,822.81
Asset ID	1049	Asset Actual Cost	\$15,822.81
	Non-Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$17,798.51
Placed in Service	January 2007		
Useful Life	15		
Adjustment	6		
Replacement Year	2028		
Remaining Life	3		

This component provides funding for the pumping of tank 3.

Cost and useful life assumptions are based on information provided by John Smits of Registered Environmental Health Specialist.

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Tank 4 - Pumping

		1 Unit	@ \$15,822.81
Asset ID	1050	Asset Actual Cost	\$15,822.81
	Non-Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$17,798.51
Placed in Service	January 2007		
Useful Life	15		
Adjustment	6		
Replacement Year	2028		
Remaining Life	3		

This component provides funding for the pumping of tank 4.

Cost and useful life assumptions are based on information provided by John Smits of Registered Environmental Health Specialist.

Tanks 2 and 3 - Pumping

		1 Unit	@ \$31,645.63
Asset ID	1048	Asset Actual Cost	\$31,645.63
	Non-Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$50,665.67
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	12		

This component provides funding for the pumping of tanks 2 and 3.

Cost and useful life assumptions are based on information provided by John Smits of Registered Environmental Health Specialist.