

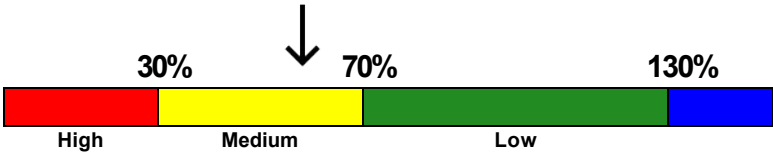
3- Minute Executive Summary

Association: Casa del Cielo HOA **Assoc. #: 34714-0**
Location: Scottsdale, AZ **# of Units:150**
Report Period: January 1, 2019 through December 31, 2019

Findings/Recommendations as-of: January 1, 2019

Projected Starting Reserve Balance	\$118,000.
Current Fully Funded Reserve Balance	\$198,603
Average Reserve Deficit (Surplus) Per Unit	\$537.
Percent Funded	59.4 %
Recommended 2019 Annual Reserve Contribution	\$23,000.
Recommended 2019 Special Assessments for Reserves	\$0.
Most Recent Reserve Contribution Rate	\$0.

Reserves % Funded: 59.4%



Special Assessment Risk:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves 1.00 %
Annual Inflation Rate 3.00 %

This is a "Full" Reserve Study (original, created "from scratch") based on our site inspection on 6/12/2018.

The Reserve expense threshold for this analysis is \$1,000, which means no expenses under that amount are funded in the Reserve Study.

Your Reserve Fund is 59.4 % Funded. This means the Reserve Fund status is Fair, and special assessment risk is currently Medium.

The objective of your multi-year Funding Plan is to Fully Fund Reserves, where associations enjoy a low risk of Reserve cash flow problems.

Based on this starting point and anticipated future expenses, we recommend budgeting Annual Reserve contributions of \$23,000. Nominal annual increases are scheduled to help offset inflation (see tables herein for details).

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
GROUNDS				
100	Monuments - Refurbish	30	0	\$14,400
110	Monument Lights - Replace	15	0	\$3,500
501	Stucco Walls - Repair	24	12	\$16,600
502	Stucco Walls - Repaint	6	0	\$11,050
600	Irrigation System - Replace	30	25	\$68,000
POOL AREA				
1104	Landscape Lights - Replace	15	11	\$2,450
1120	Metal Fence - Replace	30	8	\$8,100
1130	Pool Ramada - Repaint	8	0	\$5,650
1140	Pool Ramada - Renovate	30	8	\$85,000
1150	Flat Roof - Replace	20	2	\$1,150
1154	Tile Roof - Replace	30	2	\$6,150
1160	Kitchen - Remodel	20	0	\$15,700
1170	Restrooms - Remodel	30	5	\$17,300
1174	Shower - Refurbish	30	5	\$2,750
1200	Pool Deck - Resurface	18	6	\$11,900
1201	Pool Deck - Seal/Repair	6	0	\$5,100
1208	Shade Sail - Replace	12	7	\$5,500
1210	Pool - Resurface	15	14	\$12,150
1212	Spa - Resurface	15	14	\$3,100
1215	Furniture (Strap) - Replace	6	0	\$4,650
1216	Furniture (Sling) - Replace	8	5	\$1,500
1217	Furniture (Metal) - Replace	30	4	\$5,200
1220	Umbrellas - Replace	20	0	\$2,150
1240	Pool Filter - Replace	15	2	\$1,800
1242	Pool Pump - Replace	12	10	\$1,350
1246	Pool Heater - Replace	8	5	\$3,700
1250	Spa Filter - Replace	15	12	\$1,300
1252	Spa Filter Pump - Replace	12	9	\$1,200
1253	Spa Jet Pump - Replace	15	2	\$1,000
1256	Spa Heater - Replace	8	0	\$2,800
1280	Salt Chlorinators - Replace	4	3	\$2,600
31 Total Funded Components				

Note 1: Yellow highlighted line items are expected to require attention in this initial year.