

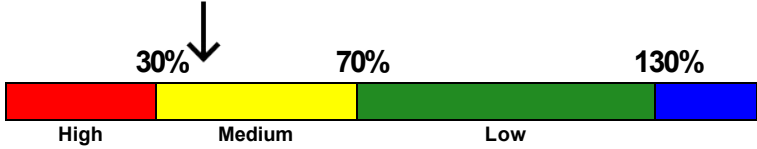
3- Minute Executive Summary

Association: Sunland Division 7 Condo **Assoc. #: 23127-4**
Location: Sequim, WA **# of Units: 63**
Report Period: January 1, 2020 through December 31, 2020

Findings/Recommendations as-of: January 1, 2020

Starting Reserve Balance	\$264,212
Current Fully Funded Reserve Balance	\$663,718
Percent Funded	39.8 %
Average Reserve (Deficit) or Surplus Per Unit	(\$6,341)
2020 100% Quarterly "Full Funding" Contributions	\$14,500
2020 70% Quarterly "Threshold Funding" Contributions	\$12,365
2020 "Alternate / Baseline Funding" to keep Reserves above \$0	\$12,063
Recommended 2020 Special Assessment	\$0
Most Recent Budgeted Contribution Rate	\$4,359

Reserves % Funded: 39.8%



Special Assessment Risk:

Economic Assumptions:

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

- This is a Update "With-Site-Visit" Reserve Study, meeting or exceeding all requirements of the RCW. This study was prepared by, or under the supervision of a credentialed Reserve Specialist (RS 153).
- The reader should note that a number of significant expenses have historically been and continue to be treated as annual operating budget items, including exterior painting, deck repairs and replacements, among others. Going forward, this Reserve Study assumes impact upon your maintenance reserves for only asphalt and roof replacements, as you have historically indicated.
- With the preceding understanding, your Reserve Fund is currently 39.8 % Funded. This means the association's special assessment and/or deferred maintenance risk is currently Medium. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of Reserve cash flow problems.
- Based on this starting point and your anticipated future expenses, our recommendation is to budget Reserve Contributions to within the 70% to 100% range as noted above. The 100% "Full" and 70% contribution rates are designed to gradually achieve these funding objectives by the end of our 30-year report scope.

• See appendix for component information and the basis of our assumptions. "Alternate

Funding" in this report is synonymous with Baseline Funding, as defined within the RCW " to maintain the reserve account balance above zero throughout the thirty-year study period, without special assessments." Funding plan contribution rates are presented as an aggregate total, assuming average percentage of ownership. The actual ownership allocation may vary - refer to your governing documents.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Site/Grounds				
110	Asphalt - Resurface	30	5	\$85,000
Building Exteriors				
600	Comp Roof, 1997/1998 -Replace	25	3	\$172,500
601	Comp Roof, 2001 - Replace	25	4	\$44,000
602	Comp Roof, 2002 - Replace	25	5	\$155,000
603	Comp Roof, 2003 - Replace	25	6	\$44,000
604	Comp Roof, 2004 - Replace	25	7	\$76,000
605	Comp Roof, 2005 - Replace	25	8	\$45,000
606	Comp Roof, 2006 - Replace	25	9	\$48,000
608	Comp Roof, 2018 - Replace	25	23	\$34,000
609	Tile Roof, 1990 - Replace	40	12	\$182,750
10 Total Funded Components				

Note 1: Yellow highlighted line items are expected to require attention in this initial year, green highlighted items are expected to occur within the first-five years.