

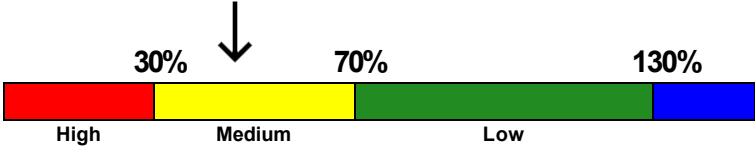
3- Minute Executive Summary

Association: Sunland Division 7 Condo **Assoc. #: 23127-5**
Location: Sequim, WA **# of Units: 63**
Report Period: January 1, 2021 through December 31, 2021

Findings/Recommendations as-of: January 1, 2021

Starting Reserve Balance	\$292,127
Current Fully Funded Reserve Balance	\$625,105
Percent Funded	46.7 %
Average Reserve (Deficit) or Surplus Per Unit	(\$5,285)
2021 100% Quarterly "Full Funding" Contributions	\$17,000
2021 70% Quarterly "Threshold Funding" Contributions	\$14,654
2021 "Alternate / Baseline Funding" to keep Reserves above \$0	\$11,952
Recommended 2021 Special Assessment	\$0
Most Recent Budgeted Contribution Rate	\$17,075

Reserves % Funded: 46.7%



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 "No-Site-Visit" Reserve Study, meeting all requirements of the Revised Code of Washington (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 continues to assume impact upon your maintenance reserves for asphalt and roof replacements as you have historically indicated. Further, current BOD directed us to add reserve funding for \$40,000 monies to be accrued by end FY 2025 for "Emergency Landscape/Maintenance Reserves".**

- **With the preceding understanding, your Reserve Fund is currently 46.7 % Funded. This means the association's special assessment an/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 the funding objectives by the end of our 30-year report scope.

• No assets appropriate for Reserve designation known to be excluded. See appendix for important 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	4	\$87,550
Building Exteriors				
600	Comp Roof, 1997/1998 - Replace	25	2	\$158,900
601	Comp Roof, 2001 - Replace	25	3	\$48,800
602	Comp Roof, 2002 - Replace	25	4	\$172,200
603	Comp Roof, 2003 - Replace	25	5	\$48,800
605	Comp Roof, 2005 - Replace	25	7	\$49,800
606	Comp Roof, 2006 - Replace	25	8	\$52,800
607	Comp Roof, 2018 - Replace	25	22	\$37,800
609	Comp Roof, 2020 -Replace	25	24	\$117,400
609	Tile Roof,1990 - Comp Transition	25	11	\$156,100
Professional/Special Projects				
900	Contingency/Emergency Fund	0	4	\$40,000
11 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.