



Sunland Division 7 Condo

Sequim, WA

Level of Service: Update "No-Site-Visit"

Report #: 23127-11

of Units: 63

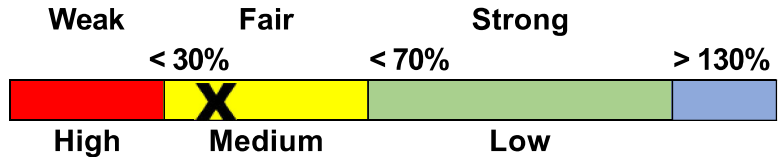
January 1, 2027 through December 31, 2027

Findings & Recommendations

as of January 1, 2027

Starting Reserve Balance	\$365,118
Current Fully Funded Reserve Balance	\$922,574
Percent Funded	39.6 %
Average Reserve (Deficit) or Surplus Per Unit	(\$8,849)
Recommended 2027 100% Monthly "Full Funding" Reserve Transfers	\$8,270
Recommended 2027 70% Monthly "Threshold Funding" Reserve Transfers	\$7,470
2027 "Baseline Funding" minimum to keep Reserves above \$0	\$6,600
Most Recent Budgeted Reserve Transfer Rate	\$7,078

Reserve Fund Strength: 39.6%



Risk of Special Assessment:

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", meeting all requirements of the Revised Code of Washington (RCW). This study was prepared by a credentialed Reserve Specialist (RS™).
- Your Reserve Fund is currently 39.6 % Funded. This means the association's special assessment & 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 such Reserve cash flow problems. The current annual deterioration of your reserve components is \$68,722 - see Component Significance table.
- Based on this starting point and your anticipated future expenses, our recommendation is to budget Reserve Transfers to within the 70% to 100% range as noted above. The 100% "Full" and 70% transfer rates are designed to gradually achieve these funding objectives by the end of our 30-year report scope.
- No assets appropriate for Reserve designation known to be excluded. See appendix for component information and the basis of our assumptions. "Baseline Funding" in this report is as defined within the RCW, "to maintain the reserve account balance above zero throughout the thirty-year study period, without special assessments." Funding plan transfer rates, and reserves deficit or (surplus) are presented as an aggregate total, assuming average percentage of ownership. The actual ownership allocation may vary - refer to your governing documents, and assessment computational tools to adjust for any variation.

Regulatory Compliance: Rehabilitative construction projects exceeding 5% of the assessed value of the building must meet RCW 64.55 requirements, including building enclosure design & waterproofing details by a licensed architect/engineer and independent construction oversight. The RCW does not preclude Reserve Study contents including components with > 30 years Useful Life that otherwise meet CAI's National Reserve Study Standards.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Site & Grounds			
110 Asphalt - Partial Replace	10	7	\$46,900
112 Asphalt - Repair/Sealcoat	5	2	\$19,000
Building Exteriors			
500 Steep Slope Roofs (156) - Replace	25	0	\$85,000
501 Steep Slope Roofs (125/133) - Replace	25	2	\$160,000
502 Steep Slope Roofs (137/138/140)- Replace	25	4	\$120,000
503 Steep Slope Roofs (142) - Replace	25	5	\$82,400
504 Steep Slope Roofs (148) - Replace	25	6	\$82,400
505 Steep Slope Roofs (143/145) - Replace	25	7	\$40,000
508 Tile Roofs - Replace	50	15	\$400,000
510 Steep Slope Roofs (2018-2025) - Replace	25	21	\$698,500
Systems & Evaluations			
995 Building Envelope & Structure	10	0	\$15,000

11 Total Funded Components

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