

| Mountainview Townhouse Association Inc<br>Reserve Analysis |                              |                  |                |                    |                               |   |
|--|------------------------------|------------------|----------------|--------------------|-------------------------------|---|
| Reserve Description  | Estimated<br>Life<br>(Years) | Cost per<br>Unit | Total<br>Units | Total<br>Cost      | Phase II<br>Annual<br>Reserve | Phase I<br>Annual<br>Reserve              |
| Roof   | 25                           | \$1,353.13       | 25             | \$33,828.25        | \$1,353.13                    | Based on 2005 estimate \$812.00           |
| Exterior painting  | 5                            | \$893.00         | 25             | \$22,325.00        | \$4,465.00                    | \$2,679.00                                |
| Driveways & parking areas                                  | 20                           | \$0.65           | 27,158         | \$17,652.70        | \$882.64                      | \$515.00                                  |
| Contingencies  |                              |                  |                | <u>\$2,057.00</u>  | <u>\$2,057.00</u>             | 5% of annual budgeted expenses \$1,347.00 |
| Total annual reserve requirements                          |                              |                  |                | <u>\$75,862.95</u> | <u>\$8,757.77</u>             | <u>\$5,353.00</u>                         |

Note: First two years' were Phase I requirements

| Reserve Category - Roof - 25 Year Reserve |              |                    |                |                    |                     | Reserve Category - Exterior Painting - 5 Year Reserve |              |                    |                |                    |                     | Reserve Category - Driveways & Parking Areas - 20 Year Reserve |              |                    |                |                    |                     | Reserve Category - Contingencies (5% of Budgeted Expenses) - Annual Reserve |              |                    |                |                    |                     | Total of all Reserve Categories |              |                    |                |                    |                     |
|---|--------------|--------------------|----------------|--------------------|---------------------|---|--------------|--------------------|----------------|--------------------|---------------------|--|--------------|--------------------|----------------|--------------------|---------------------|---|--------------|--------------------|----------------|--------------------|---------------------|---------------------------------|--------------|--------------------|----------------|--------------------|---------------------|
| Calendar Year                             | Reserve Year | Annual Requirement | Actual Reserve | Cumulative Reserve | Cumulative Variance | Calendar Year   | Reserve Year | Annual Requirement | Actual Reserve | Cumulative Reserve | Cumulative Variance | Calendar Year  | Reserve Year | Annual Requirement | Actual Reserve | Cumulative Reserve | Cumulative Variance | Calendar Year   | Reserve Year | Annual Requirement | Actual Reserve | Cumulative Reserve | Cumulative Variance | Calendar Year                   | Reserve Year | Annual Requirement | Actual Reserve | Cumulative Reserve | Cumulative Variance |
| 2006                                      | 1            | \$812              | \$812          | \$812              | \$0                 | 2006  | 1            | \$2,679            | \$2,679        | \$2,679            | \$0                 | 2006   | 1            | \$515              | \$515          | \$515              | \$0                 | 2006  | 1            | \$1,347            | \$1,347        | \$1,347            | \$0                 | 2006                            | 1            | \$5,353            | \$5,353        | \$5,353            | \$0                 |
| 2007                                      | 2            | \$812              | \$812          | \$1,624            | \$0                 | 2007  | 2            | \$2,679            | \$2,679        | \$5,358            | \$0                 | 2007   | 2            | \$515              | \$515          | \$1,030            | \$0                 | 2007  | 2            | \$1,347            | \$1,347        | \$2,694            | \$0                 | 2007                            | 2            | \$5,353            | \$5,353        | \$10,706           | \$0                 |
| 2008                                      | 3            | \$1,353            | \$1,353        | \$2,977            | \$0                 | 2008  | 3            | \$4,465            | \$4,465        | \$9,823            | \$0                 | 2008   | 3            | \$883              | \$883          | \$1,913            | \$0                 | 2008  | 3            | \$2,057            | \$2,057        | \$4,751            | \$0                 | 2008                            | 3            | \$8,758            | \$8,758        | \$19,464           | \$0                 |
| 2009                                      | 4            | \$1,353            | \$1,353        | \$4,330            | \$0                 | 2009  | 4            | \$4,465            | \$4,465        | \$14,288           | \$0                 | 2009   | 4            | \$883              | \$883          | \$2,796            | \$0                 | 2009  | 4            | \$2,057            | \$2,057        | \$6,808            | \$0                 | 2009                            | 4            | \$8,758            | \$8,758        | \$28,222           | \$0                 |
| 2010                                      | 5            | \$1,353            | \$1,353        | \$5,683            | \$0                 | 2010  | 5            | \$4,465            | \$4,465        | \$18,753           | \$0                 | 2010   | 5            | \$883              | \$883          | \$3,679            | \$0                 | 2010  | 5            | \$2,057            | \$855          | \$7,663            | -\$1,202            | 2010                            | 5            | \$8,758            | \$7,556        | \$35,778           | -\$1,202            |
| 2011                                      | 6            | \$1,353            | \$1,353        | \$7,036            | \$0                 | 2011  | 6            | \$4,465            | \$4,465        | \$23,218           | \$0                 | 2011   | 6            | \$883              | \$883          | \$4,562            | \$0                 | 2011  | 6            | \$2,057            | \$0            | \$7,663            | -\$3,259            | 2011                            | 6            | \$8,758            | \$6,701        | \$42,479           | -\$3,259            |
| 2012                                      | 7            | \$1,353            | \$1,353        | \$8,389            | \$0                 | 2012  | 7            | \$4,465            | \$4,465        | \$27,683           | \$0                 | 2012   | 7            | \$883              | \$883          | \$5,445            | \$0                 | 2012  | 7            | \$2,057            | \$0            | \$7,663            | -\$5,316            | 2012                            | 7            | \$8,758            | \$6,701        | \$49,180           | -\$5,316            |
| 2013                                      | 8            | \$1,353            | \$1,353        | \$9,742            | \$0                 | 2013  | 8            | \$4,465            | \$4,465        | \$32,148           | \$0                 | 2013   | 8            | \$883              | \$883          | \$6,328            | \$0                 | 2013  | 8            | \$2,057            | \$966          | \$8,629            | -\$6,407            | 2013                            | 8            | \$8,758            | \$7,667        | \$56,847           | -\$6,407            |
| 2014                                      | 9            | \$1,353            | \$1,353        | \$11,095           | \$0                 | 2014  | 9            | \$4,465            | \$4,465        | \$36,613           | \$0                 | 2014   | 9            | \$883              | \$883          | \$7,211            | \$0                 | 2014  | 9            | \$2,057            | \$977          | \$9,606            | -\$7,487            | 2014                            | 9            | \$8,758            | \$7,678        | \$64,525           | -\$7,487            |
| 2015                                      | 10           | \$1,353            |                | \$11,095           | -\$1,353            | 2015  | 10           | \$4,465            |                | \$36,613           | -\$4,465            | 2015   | 10           | \$883              |                | \$7,211            | -\$883              | 2015  | 10           | \$2,057            |                | \$9,606            | -\$9,544            | 2015                            | 10           | \$8,758            | \$0            | \$64,525           | -\$16,245           |
| 2016                                      | 11           | \$1,353            |                | \$11,095           | -\$2,706            | 2016  | 11           | \$4,465            |                | \$36,613           | -\$8,930            | 2016   | 11           | \$883              |                | \$7,211            | -\$1,766            | 2016  | 11           | \$2,057            |                | \$9,606            | -\$11,601           | 2016                            | 11           | \$8,758            | \$0            | \$64,525           | -\$25,003           |
| 2017                                      | 12           | \$1,353            |                | \$11,095           | -\$4,059            | 2017  | 12           | \$4,465            |                | \$36,613           | -\$13,395           | 2017   | 12           | \$883              |                | \$7,211            | -\$2,649            | 2017  | 12           | \$2,057            |                | \$9,606            | -\$13,658           | 2017                            | 12           | \$8,758            | \$0            | \$64,525           | -\$33,761           |
| 2018                                      | 13           | \$1,353            |                | \$11,095           | -\$5,412            | 2018  | 13           | \$4,465            |                | \$36,613           | -\$17,860           | 2018   | 13           | \$883              |                | \$7,211            | -\$3,532            | 2018  | 13           | \$2,057            |                | \$9,606            | -\$15,715           | 2018                            | 13           | \$8,758            | \$0            | \$64,525           | -\$42,519           |
| 2019                                      | 14           | \$1,353            |                | \$11,095           | -\$6,765            | 2019  | 14           | \$4,465            |                | \$36,613           | -\$22,325           | 2019   | 14           | \$883              |                | \$7,211            | -\$4,415            | 2019  | 14           | \$2,057            |                | \$9,606            | -\$17,772           | 2019                            | 14           | \$8,758            | \$0            | \$64,525           | -\$51,277           |
| 2020                                      | 15           | \$1,353            |                | \$11,095           | -\$8,118            | 2020  | 15           | \$4,465            |                | \$36,613           | -\$26,790           | 2020   | 15           | \$883              |                | \$7,211            | -\$5,298            | 2020  | 15           | \$2,057            |                | \$9,606            | -\$19,829           | 2020                            | 15           | \$8,758            | \$0            | \$64,525           | -\$60,035           |
| 2021                                      | 16           | \$1,353            |                | \$11,095           | -\$9,471            | 2021  | 16           | \$4,465            |                | \$36,613           | -\$31,255           | 2021   | 16           | \$883              |                | \$7,211            | -\$6,181            | 2021  | 16           | \$2,057            |                | \$9,606            | -\$21,886           | 2021                            | 16           | \$8,758            | \$0            | \$64,525           | -\$68,793           |
| 2022                                      | 17           | \$1,353            |                | \$11,095           | -\$10,824           | 2022  | 17           | \$4,465            |                | \$36,613           | -\$35,720           | 2022   | 17           | \$883              |                | \$7,211            | -\$7,064            | 2022  | 17           | \$2,057            |                | \$9,606            | -\$23,943           | 2022                            | 17           | \$8,758            | \$0            | \$64,525           | -\$77,551           |
| 2023                                      | 18           | \$1,353            |                | \$11,095           | -\$12,177           | 2023  | 18           | \$4,465            |                | \$36,613           | -\$40,185           | 2023   | 18           | \$883              |                | \$7,211            | -\$7,947            | 2023  | 18           | \$2,057            |                | \$9,606            | -\$26,000           | 2023                            | 18           | \$8,758            | \$0            | \$64,525           | -\$86,309           |
| 2024                                      | 19           | \$1,353            |                | \$11,095           | -\$13,530           | 2024  | 19           | \$4,465            |                | \$36,613           | -\$44,650           | 2024   | 19           | \$883              |                | \$7,211            | -\$8,830            | 2024  | 19           | \$2,057            |                | \$9,606            | -\$28,057           | 2024                            | 19           | \$8,758            | \$0            | \$64,525           | -\$95,067           |
| 2025                                      | 20           | \$1,353            |                | \$11,095           | -\$14,883           | 2025  | 20           | \$4,465            |                | \$36,613           | -\$49,115           | 2025   | 20           | \$883              |                | \$7,211            | -\$9,713            | 2025  | 20           | \$2,057            |                | \$9,606            | -\$30,114           | 2025                            | 20           | \$8,758            | \$0            | \$64,525           | -\$103,825          |
| 2026                                      | 21           | \$1,353            |                | \$11,095           | -\$16,236           | 2026  | 21           | \$4,465            |                | \$36,613           | -\$53,580           | 2026   | 21           | \$883              |                | \$7,211            | -\$10,596           | 2026  | 21           | \$2,057            |                | \$9,606            | -\$32,171           | 2026                            | 21           | \$8,758            | \$0            | \$64,525           | -\$112,583          |
| 2027                                      | 22           | \$1,353            |                | \$11,095           | -\$17,589           | 2027  | 22           | \$4,465            |                | \$36,613           | -\$58,045           | 2027   | 22           | \$883              |                | \$7,211            | -\$11,479           | 2027  | 22           | \$2,057            |                | \$9,606            | -\$34,228           | 2027                            | 22           | \$8,758            | \$0            | \$64,525           | -\$121,341          |
| 2028                                      | 23           | \$1,353            |                | \$11,095           | -\$18,942           | 2028  | 23           | \$4,465            |                | \$36,613           | -\$62,510           | 2028   | 23           | \$883              |                | \$7,211            | -\$12,362           | 2028  | 23           | \$2,057            |                | \$9,606            | -\$36,285           | 2028                            | 23           | \$8,758            | \$0            | \$64,525           | -\$130,099          |
| 2029                                      | 24           | \$1,353            |                | \$11,095           | -\$20,295           | 2029  | 24           | \$4,465            |                | \$36,613           | -\$66,975           | 2029   | 24           | \$883              |                | \$7,211            | -\$13,245           | 2029  | 24           | \$2,057            |                | \$9,606            | -\$38,342           | 2029                            | 24           | \$8,758            | \$0            | \$64,525           | -\$138,857          |
| 2030                                      | 25           | \$1,353            |                | \$11,095           | -\$21,648           | 2030  | 25           | \$4,465            |                | \$36,613           | -\$71,440           | 2030   | 25           | \$883              |                | \$7,211            | -\$14,128           | 2030  | 25           | \$2,057            |                | \$9,606            | -\$40,399           | 2030                            | 25           | \$8,758            | \$0            | \$64,525           | -\$147,615          |
| Totals                                    |              | \$32,743           | \$11,095       |                    |                     | Totals  |              | \$108,053          | \$36,613       |                    |                     | Totals   |              | \$21,339           | \$7,211        |                    |                     | Totals  |              | \$50,005           | \$9,606        |                    |                     | Totals                          |              | \$212,140          | \$64,525       |                    |                     |

Reserve Fund Estimates (May 2006):

| Category              | Estimated<br>Life<br>(Years) | Estimated<br>COI | Estimated<br>Cost | Fund<br>Balance<br>(12/31/14) | Funding<br>Remaining | Notes   |
|-----------------------|------------------------------|------------------|-------------------|-------------------------------|----------------------|---|
| Building Roofs        | 19                           | May 2030         | \$33,828          | \$11,095                      | \$22,733             | On track for 25 year amortization                             |
| Exterior Painting     | 5                            | May 2010         | \$22,325          | \$36,613                      | -\$14,288            | Not required as expected                                      |
| Driveway Improvements | 14                           | May 2015         | \$17,653          | \$7,211                       | \$10,442             | On track for 20 year amortization                             |
| Contingency           | 1                            | Annual           | <u>\$2,057</u>    | <u>\$9,606</u>                | <u>-\$7,549</u>      | Annual expenses of 5% of budget - approx \$2,057 (Overfunded) |
| Totals                |                              |                  | <u>\$75,863</u>   | <u>\$64,525</u>               | <u>\$11,338</u>      |   |

Reserve Fund Tasks:

Re-estimate expected replacement costs and expected life (s)  
Ensure all required reserves are being estimated and accumulated - such as "Decking"  
Reorganize reserves into appropriate categories and annual allocation requirements  
Obtain external reserve fund that is "interest bearing", such as a bond fund