PREPARED FOR:

WOODLAKE HOMEOWNERS ASSOCIATION
DURHAM, NC

MANAGED BY:

COMMUNITY ASSOCIATION SERVICES, INC.

DATE:

APRIL 23, 2025

John E Greis

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GILES FLYTHE ENGINEERS

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INTRODUCTIONS

Woodlake Homeowners Association authorized Giles Flythe Engineers to perform a Reserve Study for Woodlake community located in Durham, NC. The purpose of the reserve study is to assist the Association in planning for future capital repair expenses. A reserve study is an important tool for an Association to adequately fund capital reserve accounts through regular annual reserve contributions. Adequately funded capital reserve accounts reduce the need to defer capital repairs, collect special assessments or borrow funds for capital repair projects.

A community Association typically has certain responsibilities as described in the Association governing documents. These responsibilities often include maintaining common areas and other components. An Association, as a non-profit organization, will typically have two general asset cash accounts including an operating account and a reserve account. The operating account is funded from regular budgeted assessments and is used to fund routine operating expenses that occur on a predictable cycle, typically monthly or up to annually. The reserve account is funded from regular contributions and is primarily used to fund non-annual capital repair expenses.

The focus of the reserve study is on the reserve account. We have projected capital repair expenses over a term of thirty years. The capital repair expenses are limited to those components for which the Association is responsible for maintaining. Capital repair expense estimates include an expected useful life and remaining useful life of the components to develop a projected schedule for capital repairs over the term. After developing a schedule of capital repairs over the term, we completed a cash flow analysis forecasting reserve account balances over the term and provided funding recommendations as needed. Capital repair expense estimates and funding estimates are most reliable in the first portion of the term. Updating a reserve study every three to five years will mitigate the impacts of variation in repair costs, component wear, inflation and reserve funding over time.

Capital reserve funding recommendations are provided to address funding principles such as providing a sufficient amount of funds, a stable reserve contribution rate over the term, an equitable contribution rate over the term, and a fiscally responsible approach to funding. The reserve study is intended to assist the Association in developing budgeted reserve contributions.

The report includes a narrative section which describes the scope of the reserve study, a discussion of observations and capital repair allocations, a general description of capital repairs and a description of our cash flow analysis and funding recommendations. The report appendices include the capital reserve analysis with tables detailing an itemized list of capital repair expenses, an itemized list of expenses by year and our cash flow analysis. A photo log is provided and includes a representative sample of our observations. The report includes multiple sections with information presented in various forms and should, therefore, be read in its entirety.

EXECUTIVE SUMMARY

Woodlake is a private residential single-family home community situated off E. Woodcroft Parkway in Durham, NC. The Woodlake community includes approximately 607 single-family homes. The community includes an amenity center located at 94 Lakeshore Dr. The amenity center includes a clubhouse facility with a swimming pool, playground area, and various other amenities. The clubhouse building was completed in 1988 according to Durham County Tax Records.

The Association has responsibility for common area site improvements and amenities. The most significant site improvements include the parking lot for the clubhouse/pool area, the community lake and pond, drainage systems, and entrance signage. Amenities include a swimming pool, clubhouse building with associated mechanical systems and furnishings, and a playground.

The buildings, common areas, and site improvements are generally in good to fair condition with noted exceptions. Note that based on our cash flow analysis, maintaining the current funding level is **not** projected to maintain a positive balance over the term. We have provided alternative recommendations for annual reserve contribution schedules that provide a healthy balance to meet capital expenditure requirements in the next thirty years, in summary as follows:

- **Alternative 1**: In 2026, increase the annual reserve contribution to $90,000. Then, increase by 4.5% every year for 19 years. This alternative is projected to maintain a positive balance through the term of this study.
- **Alternative 2**: In 2026, increase the annual reserve contribution to $70,000. Then, increase the annual reserve contribution by $12,600 every year for nine (9) years. This alternative is projected to maintain a positive balance through the term of this study.

A more detailed analysis of the reserve fund has been provided in Appendix A.

Some significant expenditures are expected over the term of the study. Some of the more notable examples are listed below:

- Repair dam, dredge sections of lake, drainage improvements
- Repair and resurface asphalt paved parking lot
- Resurface swimming pool surfaces and replace pool equipment

Additional, less significant, capital expenditures are anticipated over the term of this study. Those items that will require repair or replacement are discussed later in this report.

PURPOSE & SCOPE

We have completed this study to estimate capital repair expenses the Association is responsible for over the term of the study and provide a cash flow analysis and capital reserve funding plan. This study is intended to assist the Association in determining the allocation requirements into the reserve fund which are projected to meet future anticipated capital expenditures for the community.

This report estimates capital repair expenses for the community thirty years into the future. Variations in capital repair expense forecasts due to the quality of maintenance, weather and other events may occur. Over time, age, premature deterioration, or other factors may necessitate the addition of assets into the reserve study. Additionally, fluctuations in material and labor costs beyond assumed inflation rates may also affect the accuracy of the forecasts. Therefore, a reserve study should be routinely updated, typically on a three to five-year cycle to provide the most accurate assessment of needs and financial obligations of the community.

What is a reserve study?

A reserve study is a long-term capital budget planning tool which compares the current reserve fund of an organization to future capital repairs and replacements.

A reserve study is a tool to help identify and prepare for major repair and replacement projects for a community.

It is recommended that a reserve study be performed every five years to ensure that communities are saving the necessary funds for capital repairs and improvements.

This study has been performed according to the scope as generally defined by Woodlake Homeowners Association, Giles Flythe Engineers Inc., and the standards of the Community Associations Institute. The findings and recommendations are based on interviews with the community's management personnel; a review of available documents; and a limited visual inspection of the components maintained by the Association.

The Cash Flow Method of calculating reserves has been utilized, whereby contributions to the reserve fund are designed to offset the variable annual expenditures. Funding alternates are recommended which are designed to achieve at minimum a Baseline Funding goal by maintaining a positive balance for the term of the study. We have also included a threshold funding goal which provides a minimum reserve account over the term. The minimum balance is typically calculated by determining the total over term forecasted expenses and dividing by the length of the term in years. This minimum threshold balance will help offset the risk of fluctuations in labor and material costs and component wear.

To determine which components should be included in this analysis, we used the following guidelines:

- The component must be maintained by the Association.
- The component must have an estimated remaining useful life within the term of this study.
- The funding for the repair should be from the reserve account, not through an annual operating budget or other maintenance contracts.
- The cost of the capital repair must be significant enough to not be reasonably funded from an annual operating budget.

Our process for completing the reserve study includes:

1. Reviewing information provided including governing documents, Association financial statements, and information on previous or planned capital repairs.
2. Reviewing available information on the property as needed. This may include plat maps, tax records, historical aerial photographs, available site, and building plans.
3. Conducting a visual inspection of the property. This may include interviewing Association representatives during the inspection.
4. Developing an inventory of components to be included in the reserve study.
5. Predicting their remaining service life and approximating how frequently they will require repair or replacement.
6. Estimating repair or replacement costs (in 2025 dollars) for each capital item.
7. Develop a cash flow analysis adjusting for inflation and return on invested monies to determine the adequacy of current reserve funding plans.
8. Develop funding recommendations with specific reserve contribution recommendations for each year of the term.

The statements in this report are opinions about the present condition of the areas inspected within the community. Our inspection is limited to a visual ground level inspection and we did not remove any surface materials, perform any testing, or move any furnishings. This study is not an exhaustive technical evaluation or building code compliance review. For additional limitations, see Conclusion and Limitations.

Standards of Reference

The following definitions are provided as a standard of reference:

Excellent: Component or system is in "as new" condition, requiring no rehabilitation and should perform in accordance with expected performance.

Good: Component or system is sound and performing its function, although it may show signs of normal wear and tear. Some minor rehabilitation work may be required.

Fair: Component or system falls into one or more of the following categories: a) Evidence of previous repairs not in compliance with commonly accepted practice, b) Workmanship not in compliance with commonly accepted standards, c) Component or system is obsolete, d) Component or system approaching the end of expected performance. Repair or replacement is required to prevent further deterioration or to prolong expected life.

Poor: Component or system has either failed or cannot be relied upon to continue performing its original function as a result of having exceeded its expected performance, excessive deferred maintenance, or state of disrepair. The present condition could contribute to or cause the deterioration of other adjoining elements or systems. Repair or replacement is required.

Adequate: A component or system is of a capacity that is defined as enough for what is required, sufficient, suitable, and/or conforms to standard construction practices.

SOURCES OF INFORMATION

Date of Inspection

Onsite inspection of the property occurred on March 12, 2025.

Persons Interviewed

The following persons were interviewed in connection with this study:

- Cecilia Williford Gray, CMCA, Association Manager – Community Association Services, Inc.
- Donna Wolf, Board Member
- David White, Board Member

Documents

The following documents were made available to us and reviewed:

- County Tax Records
- Association governing documents
- Association financial statements
- Historical aerial photographs

Cost Estimates

- Our internal data files on similar projects
- Local contractor estimates for similar projects
- R.S. Means Construction Cost Estimating Data

DESCRIPTION

Woodlake is a private residential single-family home community situated off E. Woodcroft Parkway in Durham, NC. The Woodlake community includes approximately 607 single-family homes. The community includes an amenity center located at 94 Lakeshore Dr. The amenity center includes a clubhouse facility with a swimming pool, playground area, and various other amenities. The clubhouse building was completed in 1988 according to Durham County Tax Records.

The Association has responsibility for common area site improvements and amenities. The most significant site improvements include the parking lot for the clubhouse/pool area, the community lake and pond, drainage systems, and entrance signage. Amenities include a swimming pool, clubhouse building with associated mechanical systems and furnishings, and a playground.

The community is accessed by a primary entrance at E. Woodcroft Parkway off Fayetteville Rd. The primary entrance is flanked by painted brick veneer masonry monument structures with metal lettering bearing the community's name. Similarly constructed masonry monuments are located at the secondary entrances.

The clubhouse is situated near the intersection of Lakeshore Drive and E. Woodcroft Parkway and appears to be of wood frame construction on a slab-on-grade foundation. The roof is comprised of architectural grade asphaltic fiberglass shingles. Exterior walls are primarily clad with painted hardboard siding and wood trim with wood accents and posts supporting the covered patio areas and walkway to the bathhouse. Aluminum gutters and downspouts capture stormwater and discharge to grade or underground piping.

Stormwater drainage from the site flows via surface runoff into grassed swales and curb inlets which lead to an underground piping network. This network discharges offsite or into the community lakes.

OBSERVATIONS

The following key observations were made about the current condition of the more significant and costly common elements of the property.

Site Improvements

The clubhouse parking lot generally appeared to be in good condition with minor cracking and fading striping noted. Typically, we recommend the application of an oil-resistant sealant to all asphalt paved surfaces on an approximately 5-year cycle. At this same time, all cracks should be properly filled, patched, and sealed, and lines restriped. We have allocated funds for restriping, crack repairs, and sealing the asphalt paving at the clubhouse parking lot on a 5-year cycle beginning in 2026.

Assuming crack fill and seal coat applications are performed in the interim, we anticipate the asphalt paving in the parking lot to have a total estimated useful life of approximately 20 to 25 years prior to full resurfacing. We have allocated funds to resurface the asphalt paving in 2036. Resurfacing would include milling to remove the top layer of asphalt paving, repairing areas of fatigue cracking/upheaval as needed, and installing a new 1.5" to 2" thick layer of paving over all the existing paved areas.

In addition to the asphalt paved parking lot, the Association is responsible for approximately 2.5 miles of asphalt paved walking trails throughout the community. The asphalt paved trails generally varied in condition and we have allocated funds to resurface approximately 25% of the trails every 5 years beginning in 2028.

The Association is responsible for maintaining the limited concrete curbing surrounding the parking lot at the amenity center. Additionally, the Association maintains the concrete flatwork which includes the concrete surfaces and sidewalks around the swimming pool area. We have assumed the curbing and sidewalks adjacent to public streets are maintained by the municipality. The concrete curbing and flatwork generally appeared to be in good condition with limited cracking observed. We have allocated funds for periodic repairs and/or replacement of concrete surfaces, as required, and have assumed that 5% of the concrete surfaces will require maintenance every 8 years beginning in 2030.

Storm water on the site drains via surface flow or via landscaped swales toward catch basins in the paved and landscaped areas. Inlet grates in the roadway collect stormwater that flows offsite or into the lakes within the community via an underground piping system. The drainage systems were in generally good to fair condition at the time of the inspection. We understand the Board is in the process of soliciting bids for significant drainage improvements at various locations throughout the community. Our projected 2026 starting reserve account balance takes into account the expenses related to the drainage improvements planned for 2025.

We have allocated funds for drainage repairs and improvements every 5 years beginning in 2030. Drainage repairs would likely include repairs to stabilize areas of surface erosion and scouring, adding riprap or vegetation to stabilize exposed areas, creating positive slopes to drain, installing small catch basins and piping to address ponding concerns in flat areas, re-trenching and re-armoring landscaped swales, repairing/hydro-jetting buried common area stormwater piping, and other drainage system improvements. Any funding

allocations left over from smaller drainage improvement projects should be kept in the reserve account to prepare for more significant drainage improvements over the term.

The Association is responsible for maintaining two lakes in the community. The larger of the two lakes measures approximately 12.6 acres. The smaller lake measures approximately 1.7 acres and discharges into the larger lake via a concrete pipe through an earthen dam. The lakes include riser structures with trash racks and emergency drawdown valves. We have not provided an engineering evaluation of the dams, spillways, or other aspects of these lakes. A qualified engineer should be retained to provide design of a modern spillway system to safely pass storm events and prevent overtopping of the dams. In order to more accurately prepare for the large expenses associated with dam repairs and spillway replacement, we recommend obtaining an engineering inspection/evaluation by a qualified civil or geotechnical engineer that includes a preliminary design and cost estimate for future repairs. The engineer's cost estimate can be incorporated into a future reserve study update.

In addition to the engineering evaluation, the Association should also consider routine sediment mapping to track sediment accumulation and allow for a more accurate projection of future dredging needs. We have allocated funds for sediment mapping and engineering evaluation every 5 years beginning in 2028. Additionally, we have allocated funds to dredge portions of each lake on a 5-year cycle beginning in 2029. Note that dredging costs can vary significantly depending on factors such as site accessibility, the extent of dredging required, and the method or location of material disposal. For the purposes of this study, we have assumed dredging will involve removing approximately one foot of sediment from limited areas at the north and south ends of the larger lake and the east side of the smaller lake. These assumptions can be refined in future reserve study updates as actual sediment accumulation rates and dredging needs become available through routine sediment mapping.

In addition to the dredging and monitoring described above, we recommend the Association maintain a contract for annual maintenance items for the lakes including inspections of embankments, nuisance control, debris and litter removal, and inlet and outlet maintenance and inspections. Removal of cattails as they develop should also be included as a regular maintenance item. The Association should ensure that the lakes always conform to all applicable regulations.

Monument entrance signage is located at the primary entrance to the community and generally consists of painted masonry monument structures with inlaid metal signs bearing the community's name. The entrance monuments are standing in landscape beds and generally appeared to be in good condition with fading and flaking paint noted on the signs. Smaller but similarly constructed entrance monuments are located at the secondary entrances where E. Woodcroft Pkwy intersects Woodlake Dr and where Barbee Rd intersects Forest Ridge Dr. We do not anticipate a large-scale replacement project of the monuments; however, refurbishment may be periodically required. Refurbishment may include replacement/repairs of the signage, repainting, and repairs to the masonry structures. We have included an allocation of funds for repairs to the entrance monuments and lighting every 15 years beginning in 2026.

The pool deck is surrounded by metal fencing that generally appeared to be in good condition. We have allocated funds to replace the fencing on a 40-year cycle beginning in 2036. We have assumed painting and minor repairs to the fencing will be funded from the annual maintenance budget.

The pool deck includes wood deck boards on the east and west ends of the pool. The deck boards generally appear to be in good condition and we have allocated funds to replace the deck boards every 20 years beginning in 2040. We have assumed painting of the deck boards and railing would be performed as needed and funded through the annual maintenance budget.

A pedestrian bridge is located along the trail system off Lakeshore Drive and generally appeared to be in good condition. We have allocated funds to reconstruct the bridge every 20 years beginning in 2038. We have assumed individual deck boards would be replaced as needed and funded through the annual maintenance budget.

Common Building Exteriors

The Association maintains the clubhouse building which includes indoor meeting areas, a large open room, a small kitchen, single occupancy restrooms, storage rooms, and a library. The Association also maintains the bathhouse and pool equipment rooms adjacent to the pool deck. The structures were originally constructed in 1988 according to Durham County Real Estate Records.

The predominant pitched roof surfaces over the buildings are comprised of asphaltic fiberglass architectural grade roof shingles. Roof surfacing is applied over roof sheathing, and appears to be in relatively good condition. We are unaware of any concerns with current or previous roof leaks. Periodic minor repairs to the vent boots, flashings and gutters will likely begin to be required in the near term. We have assumed these minor repairs would be funded from an annual maintenance budget.

Assuming minor repairs are completed as needed in the interim, we estimate the roofing to have an expected remaining useful life of approximately 10 years and have allocated funds to replace the roofs in 2036. We strongly recommend that any re-roofing project closely follow procedures outlined by the latest edition of the National Roofing Contractors Association's *Roofing and Waterproofing Manual*. A re-roofing sequence should include removal of the existing roofing material, replacement of any inadequate roof sheathing, replacement of any damaged flashing, and replacement of drip edge components.

The clubhouse and bathhouse are of wood framed construction and are clad in hardboard lap siding with painted wood trim. The pool equipment room is of CMU block construction and is clad in vinyl siding and trim. The exterior siding and trim generally appeared to be in good to fair condition. We have allocated funds to paint the siding and trim components and make minor repairs on a 7-year cycle beginning in 2030. Exterior painting projects should include repair/replacement of damaged siding and trim components, replacing deteriorated caulking, surface preparation and cleaning, and the application of two coats of a high-quality exterior paint. This would include painting the wood fencing and posts around the pool equipment room.

Painted metal-skin doors provide access to the pool equipment room and bathhouse. Due to exposure and corrosion, these doors have an expected useful life of approximately 15 years. We have included funds to replace the doors every 15 years beginning in 2026.

The clubhouse building includes fixed frame and single hung windows and glass paneled doors. The doors and windows generally varied in condition and we understand partial replacements have been made over the years. We have allocated funds to continue replacing portions of the doors and windows on a 7-year cycle beginning in 2031.

We noted tile flooring at the entrance to the clubhouse that generally appeared to be in good condition. In order to maintain an updated appearance, we have allocated funds to replace the tiling every 30 years beginning in 2036.

Common Building Interiors

The Association is responsible for maintaining the interior of the buildings. The interior walls of the clubhouse are primarily finished with smooth finished painted drywall and trim. To maintain a clean and bright appearance, the interior walls will require periodic repainting and minor repairs performed approximately every 10 to 12 years. We have included funds for interior painting of the clubhouse on a 12-year schedule beginning in 2030. Note that the ceilings will not likely require full repainting other than minor touch-ups and spot painting.

The carpet in the clubhouse was observed to be in good condition and we have allocated funds for replacement on a 10-year cycle beginning in 2033. The luxury vinyl plank generally appeared to be in good condition and we have allocated funds for replacement every 15 years beginning in 2038. We understand the clubhouse fitness room was converted to storage and is finished with rubberized flooring. We have assumed the rubberized flooring would be replaced through the annual maintenance budget at the discretion of the Board.

The clubhouse includes two single occupancy restrooms with a vanity and standard commercial fixtures. The vanity and fixtures generally appeared to be in good condition. We have allocated funds to refurbish the restrooms on a 25-year cycle beginning in 2048.

The bathhouse includes men’s and women’s restrooms with toilet and urinal stalls, showers, partitions, and sinks with countertops. The bathroom finishes generally appeared to be in fair condition with rust noted at the base of the partitions. We have allocated funds to refurbish the bathhouse restrooms on a 25-year cycle beginning in 2028.

The clubhouse includes miscellaneous furnishings including chairs, tables, couches, window treatments, and artwork. We have allocated funds on a 15-year cycle beginning in 2033 to replace portions of the interior furnishings.

The clubhouse includes a small kitchen area with cabinets, laminate countertops, a sink, microwave, and refrigerator. The cabinetry, countertops and appliances appeared to be in adequate condition. We have

allocated funds to refurbish the cabinets and countertops on a 25-year cycle beginning in 2034. We have assumed the appliances would be replaced as needed and funded through the annual maintenance budget.

Mechanical, Plumbing and Electrical Systems

The Association is responsible for maintaining the mechanical, electrical and plumbing systems servicing the amenity center. This includes backflow preventers, water supply and wastewater piping, and electrical distribution wiring and panels. We noted rust on the circuit breaker panel at the bathhouse and recommend this component be replaced in the near term. Given the age of the buildings, we have included a contingency for repairs to these systems on 10-year cycle beginning in 2026.

The clubhouse and bathhouse each include an electric water heater manufactured in 2011 and 2025, respectively. Electric water heaters have an expected useful life of approximately 15 years and we have allocated funds to replace the bathhouse water heater in 2040 and the clubhouse water heater in 2026.

Entry to the buildings and swimming pool is secured via a card reader (fob) system at the entrances. System components typically require repair or upgrades on an approximate 8- to 10-year cycle. We have allocated funds to repair or upgrade components of the secured access system on a 10-year schedule beginning in 2032. Note that our funding allocation assumes the entire system, including individual fobs, will be replaced at that time. Partial repairs to this system in the interim should be funded from the annual maintenance budget as needed.

A chilled drinking fountain is located on the exterior of the bathhouse. This type of equipment typically has an expected useful life of approximately 10 to 15 years. We recommend budgeting for replacement on a 15-year schedule and have included funds for replacement in 2026.

The clubhouse is conditioned by multiple HVAC split systems with condenser units located on the right and left sides of the building. The outdoor condenser units were manufactured in 2004, 2010, and 2016 and the system has a total cooling capacity of approximately 10 tons. HVAC systems typically require replacement approximately every 15 years and we have included funds for replacement of the major equipment in 2026 and 2031.

Amenities

The lap pool and wading pool were covered at the time of inspection and we could not physically examine the pool surfaces. Swimming pool surfaces typically require repair and recoating on an approximate 10- to 15-year cycle. We have allocated funds to resurface the pools on a 12-year cycle beginning in 2031. Resurfacing would include draining the pools, removing plastering, repairing concrete as needed, repairing/replacing tilework and re-plastering the pool surface with a quartz type plaster.

Pool pump and filtration equipment is located in the pool house equipment room. Pool pump and filtration equipment components are typically replaced as they fail. We have allocated funds to repair/replace components of the pump and filtration equipment servicing the pools on a 3-year cycle beginning in 2028.

Pool and outdoor furnishings included vinyl wrapped aluminum framed chairs and chaise lounges, tables, umbrellas, and ladder rails. The furniture generally appeared to be in good to be in fair condition. We anticipate the need to periodically replace portions of the furnishings and have allocated funds to replace some of the furniture on a 4-year cycle beginning in 2028.

The pool covers generally appeared to be in good condition. Pool covers will typically last 10 to 12 years under normal wear and tear. We have allocated funds to replace the pool covers every 10 years beginning with the lap pool cover in 2030 and the wading pool cover in 2031.

A playground area is located adjacent to the pool area and generally appeared to be in good condition. The equipment includes a climbing structure with multiple slides in a mulched area bordered by composite curbing. We have allocated funds to replace this equipment in 2040. Note that the mulch around the playground equipment will need periodic replenishment. We have assumed this relatively minor expense would be funded from an annual maintenance budget.

The pool deck includes a textured coating that generally appeared to be in good condition with limited areas of cracking noted. This coating generally has a useful life of approximately 12 years and we have allocated funds to replace the coating at the time of the pool resurfacing in 2031.

Site furnishings at the amenity center and along the trail generally include thermoplastic coated metal benches. The benches varied in condition and we have allocated funds to replace a portion of the benches every 7 years beginning in 2028.

PREVENTATIVE MAINTENANCE

Preventative maintenance is a critical aspect affecting a property's life cycle costs and structural safety. It is encouraged that every property owner have a preventative maintenance plan in place. The reserve study is not to be considered a preventative maintenance plan. A preventative maintenance plan should incorporate all applicable common elements, not just those components included within the reserve study.

Any information provided by the client regarding ongoing maintenance or repair being performed with any component has been noted within the notes for that component. We can only be aware of preventative maintenance plans or programs that have been disclosed by the client. Note that an audit or evaluation of any maintenance plan or maintenance contract is outside the scope of the services of this project.

In some states and municipalities, periodic structural inspection reports are required for certain types of buildings. This periodic inspection report is critical to assist the reserve study provider in incorporating necessary corrective maintenance costs and timing. We recommend the Association complete any and all required structural inspections and reports and have assumed these reports would be made available for our review during the reserve study.

We have assumed repairs under a dollar value of approximately $1,000 would be funded as part of an annual maintenance budget. These repairs were not included in the funding allocations of this reserve study unless otherwise noted. We have assumed other component repairs/replacements would be funded from an annual maintenance budget as noted in the report.

RESERVE FUND ANALYSIS

We have performed a cash flow analysis projecting balances in the reserve account over the term of this study. We have included estimated capital repair expenses detailed in the first several pages of Appendix A. We have included tables and graphs depicting current funding levels along with recommended funding alternatives.

The financial projections include an assumed inflation rate and an assumed average return on invested funds as noted on the Project Summary page in the Appendix. The inflation rate adjustment is noted at the bottom of the annual expense page and the return on invested funds is noted in the existing funding level and funding alternative cash flow tables.

The software utilized to analyze the reserve funds was developed by Giles Flythe Engineers, Inc. in cooperation with a technology consultancy. The software and our analysis system have been extensively reviewed by leading community Association and non-profit certified public accountants.

The capital repairs listed were derived from the initial request for proposal, discussions with Association representatives, our informal review of governing documents and our site inspection. The Association should confirm that the items listed are, in fact, the responsibility of the Association and appropriate to fund from the reserve account.

Appendix A includes the following:

1. The Project Summary page that lists pertinent details specific to the Association, the terms of the analysis and summarizes total over term expenses and recommended threshold balance.
2. The Expense Projection page that itemizes the capital repairs by category, illustrates our cost estimating by unit and provides estimated useful life and remaining useful life of each item.
3. The Annual Expense Projection pages that populate the capital repairs over the term of the study. This page includes a total adjusted for inflation at the bottom of the pages.
4. The Itemized Funding Analysis page provides a summary of the capital expenditures over the term and a graph breaking down the portion of the capital repairs into each category – Site Improvements, Building Exterior, Building Interior, Mechanical/Electrical/Plumbing Systems and Amenities.
5. The Current Funding Projection page provides a table and graph illustrating our cash flow analysis assuming the Association maintains the current level of reserve contributions over the term of this study. The table includes projected reserve account balances, contributions, return on invested funds and capital repair expenses for each year of the term of this study.
6. The Funding Alternative pages each provide a table and graph illustrating our cash flow analysis assuming the Association implements one of our funding recommendations detailed below.

Current Reserve Funding Rate:	**$46,422 per year**
Current Reserve Balance:	**$145,544 (projected 2026 starting balance)**

Note that based on our cash flow analysis, maintaining the current funding level is **not** projected to maintain a positive/healthy balance over the term. We have included recommended funding alternatives to your current reserve-funding program and recommend that the board adopt an alternative that best reflects the objectives of the community. Our funding recommendations are as follows:

- **Alternative 1**: In 2026, increase the annual reserve contribution to $90,000. Then, increase by 4.5% every year for 19 years. This alternative is projected to maintain a positive balance through the term of this study.
- **Alternative 2**: In 2026, increase the annual reserve contribution to $70,000. Then, increase the annual reserve contribution by $12,600 every year for nine (9) years. This alternative is projected to maintain a positive balance through the term of this study.

The reserve study is focused on the capital reserve account and budgeted contributions to reserves. The recommendations above are solely attributed to the annual reserve contributions. The Association likely has many line items in the annual operating budget that should also be periodically adjusted as part of an annual budgeting process.

The capital repair/replacement cost estimates we have developed are based on 2025 dollars. Our reserve study does include an adjustment for inflation and an assumed rate of return on invested funds.

CONCLUSION & LIMITATIONS

We have provided reserve funding recommendations based on our analysis of the Association-maintained components, estimated capital repair costs over the term and the current funding levels. Further detail of the reserve fund analysis is provided in Appendix A.

The physical analysis portion of this reserve study was completed through a limited visual inspection. The visual inspection was completed from ground level unless otherwise specified. The visual inspection is generally limited to readily accessible and visible common areas that would likely require capital repair activities over the term. However, in some instances a representative sample inspection may be performed. Measurement of components is completed by a combination of field measurements, aerial imagery measuring tools and take-offs from construction drawings as available. Unless specifically noted, the components included in this study have an anticipated remaining useful life within thirty years from the time the field observations used in preparing the study were performed.

Note that this inspection does not include removing surface materials, excavation or any testing. The inspection does not include riparian buffers or other protected common areas. Buried utility components and other concealed components were not inspected as part of this analysis and we cannot be responsible for the condition of components not inspected.

The observations described in this study are valid on the date of the investigation and have been made under the conditions noted in the report. We prepared this study for the exclusive use of Woodlake Homeowners Association. No other party should rely on the information in this report without consent. If another individual or party relies on this study, they shall indemnify and hold Giles Flythe Engineers Inc. harmless for any damages, losses, or expenses they may incur as a result of its use. This study is not to be considered a warranty of condition, and no warranty is implied. The appendices are an integral part of this report and must be included in any review. The Reserve Specialist shall incur no civil liability for performing the physical or financial portions of a reserve study performed in accordance with CAI standards.

Members of the Giles Flythe Engineers team working on this reserve study are not members of, or otherwise associated with, the Association. Giles Flythe Engineers has disclosed any other involvement with the Association that could result in conflicts of interest.

Information provided by the representatives of the Association regarding financial, physical, quantity, or historical issues, will be deemed reliable by Giles Flythe Engineers. The reserve balance presented in the Reserve Study is based upon information provided and was not audited. Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection. Giles Flythe Engineers is not aware of any additional material issues which, if not disclosed, would cause a distortion of the Association’s situation.

This reserve study is partially a reflection of information provided to us. The reserve study is assembled for the Association’s use and is not intended to be used for the purpose of performing an audit, quality/forensic analyses or background checks of historical records. Structural integrity evaluations are not included in the

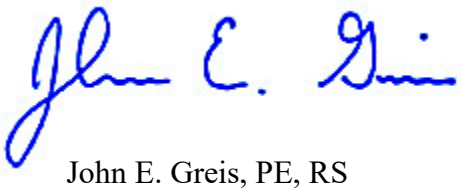
reserve study unless otherwise noted. The financial information provided, including starting balances and budgeted contribution rates are deemed reliable and have not been audited. Further, this study should not be considered a building code compliance analysis. The purpose of this study is to provide the Association with a financial tool and is not to be considered an exhaustive technical or engineering evaluation which would consist of a broader scope of work. Except as noted in the report, we have not relied on the validity of prior reserve studies performed by other firms.

We have provided estimated costs of capital repairs. These costs are based on our general knowledge of the construction industry. We have relied on standard sources as needed, such as Means Building Construction Cost Data and estimates reviewed by Giles Flythe Engineers on similar projects. We have performed no design work or other engineering analysis as part of this study, nor have we obtained competitive quotations or estimates from contractors. Actual repair costs can vary due to a variety of factors. We cannot be responsible for the specific cost estimates provided.

This report has been prepared and reviewed by a professional engineer (PE) and reserve specialist (RS) on our staff.

If you have any questions about this reserve study, please feel free to contact us. Thank you for the opportunity to serve you.

Respectfully submitted,



John E. Greis, PE, RS
Project Manager
Giles Flythe Engineers, Inc.

APPENDIX A: RESERVE FUND PROJECTIONS

2025 Reserve Study

Client Name:	Woodlake Homeowners Association
Service:	2025 Reserve Study
Number of Units:	607
Location:	Durham, NC
Date of Inspection:	March 12, 2025
Term of Study in Years:	30
Beginning Year:	2026
Estimated Starting Reserve:	$145,544
Current Annual Contribution:	$46,422
Annual Inflation Rate:	4.00%
Assumed Rate of Return on Reserve Funds:	1.50%
Total Over Term Capital Expenditure with Inflation:	$4,963,697
Recommended Threshold Reserve Balance: (Average Annual Capital Expenditure with Inflation)	$165,457

GILES FLYTHE
ENGINEERS

Expense Estimates

Description	Quantity	Unit of Measure	Unit Cost	Total Cost per Cycle	Years of Useful Life	Years Remaining	Notes
Site Improvements							
Crack fill, seal coat, stripe asphalt parking lot	1,030	SY	$3.25	$3,348	5	0	
Resurface asphalt parking lot	1,030	SY	$35.00	$36,050	20	10	
Overlay asphalt paved walking trails	2,200	SY	$25.00	$55,000	5	2	Approx. 25% every 5 years
Repair sections of concrete curb and gutter	40	LF	$60.00	$2,400	8	4	Approx. 5% every 8 years
Repair sections of concrete flatwork	40	SY	$150.00	$6,000	8	4	Approx. 5% every 8 years
Drainage system repairs/improvements	1	LS	$15,000.00	$15,000	5	4	
Dredge portions of lakes	1	LS	$150,000.00	$150,000	5	3	
Engineering evaluation and bathymetry analysis of lakes	1	LS	$15,000.00	$15,000	5	2	
Repair/refurbish entrance monuments	1	LS	$12,000.00	$12,000	15	0	
Replace fencing around pool deck	400	LF	$50.00	$20,000	40	10	
Replace wood decking on pool deck	1,450	SF	$25.00	$36,250	20	14	
Reconstruct pedestrian bridge	130	SF	$65.00	$8,450	20	12	
Building Exteriors							
Replace building roofs	50	SQ	$415.00	$20,750	20	10	
Paint/repair exterior surfaces of clubhouse, bathhouse	1	LS	$9,500.00	$9,500	7	4	
Replace metal doors at bathhouse, pool equipment room	4	EA	$1,200.00	$4,800	15	0	
Allocation to replace clubhouse windows and doors	1	LS	$12,500.00	$12,500	7	5	
Replace tile flooring at clubhouse entrance	90	SF	$22.00	$1,980	30	10	
Building Interiors							
Paint clubhouse interior	1	LS	$6,500.00	$6,500	12	4	
Replace luxury vinyl plank flooring	300	SF	$7.00	$2,100	15	12	
Replace carpet in clubhouse	2,400	SF	$5.00	$12,000	10	7	
Refurbish single occupancy restrooms in clubhouse	2	EA	$4,000.00	$8,000	25	22	
Refurbish bathhouse restrooms	2	EA	$25,000.00	$50,000	25	2	
Allocation for clubhouse interior furnishings	1	LS	$10,000.00	$10,000	15	7	
Replace kitchen cabinets and countertops	1	LS	$15,000.00	$15,000	25	8	
Mechanical/Electrical/Plumbing							
Allocation for plumbing & electrical repairs	1	LS	$15,000.00	$15,000	10	0	
Replace clubhouse water heater	1	EA	$2,200.00	$2,200	15	0	
Replace bathhouse water heater	1	EA	$2,200.00	$2,200	15	14	
Repair/upgrade security access control system	1	LS	$15,000.00	$15,000	10	6	
Replace drinking fountain	1	EA	$2,200.00	$2,200	15	0	
Replace HVAC equipment - 2-ton unit	1	EA	$8,000.00	$8,000	15	5	
Replace HVAC equipment - 4-ton unit	2	EA	$10,000.00	$20,000	15	0	

Description	Quantity	Unit of Measure	Unit Cost	Total Cost per Cycle	Years of Useful Life	Years Remaining	Notes
Amenities							
Resurface swimming pools	3,810	SF	$22.00	$83,820	12	5	
Replace components of pool pump & filtration equipment	1	LS	$6,000.00	$6,000	3	2	
Replace portions of pool furnishings	1	LS	$7,500.00	$7,500	4	2	
Replace lap pool cover	3,180	SF	$6.00	$19,080	10	4	
Replace wading pool cover	240	SF	$6.00	$1,440	10	5	
Replace playground equipment	1	LS	$35,000.00	$35,000	20	14	
Replace textured coating over pool deck	2,780	SF	$8.00	$22,240	12	5	
Allocation to replace site furnishings	1	LS	$5,000.00	$5,000	7	2	

SY: Square Yard, **SF:** Square Feet, **LF:** Linear Feet, **SQ:** Roofing Square, **EA:** Each, **LS:** Lump Sum, **SYS:** System

Annual Expense By Year With Inflation

Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Site Improvements										
Crack fill, seal coat, stripe asphalt parking lot	$3,348					$4,073				
Resurface asphalt parking lot										
Overlay asphalt paved walking trails			$59,488					$72,376		
Repair sections of concrete curb and gutter					$2,808					
Repair sections of concrete flatwork					$7,019					
Drainage system repairs/improvements					$17,548					$21,350
Dredge portions of lakes				$168,730					$205,285	
Engineering evaluation and bathymetry analysis of lakes			$16,224					$19,739		
Repair/refurbish entrance monuments	$12,000									
Replace fencing around pool deck										
Replace wood decking on pool deck										
Reconstruct pedestrian bridge										
Building Exteriors										
Replace building roofs										
Paint/repair exterior surfaces of clubhouse, bathhouse					$11,114					
Replace metal doors at bathhouse, pool equipment room	$4,800									
Allocation to replace clubhouse windows and doors						$15,208				
Replace tile flooring at clubhouse entrance										
Building Interiors										
Paint clubhouse interior					$7,604					
Replace luxury vinyl plank flooring										
Replace carpet in clubhouse								$15,791		
Refurbish single occupancy restrooms in clubhouse										
Refurbish bathhouse restrooms			$54,080							
Allocation for clubhouse interior furnishings								$13,159		
Replace kitchen cabinets and countertops									$20,529	
Mechanical/Electrical/Plumbing										
Allocation for plumbing & electrical repairs	$15,000									
Replace clubhouse water heater	$2,200									
Replace bathhouse water heater										
Repair/upgrade security access control system							$18,980			
Replace drinking fountain	$2,200									
Replace HVAC equipment - 2-ton unit						$9,733				
Replace HVAC equipment - 4-ton unit	$20,000									

Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Amenities										
Resurface swimming pools						$101,980				
Replace components of pool pump & filtration equipment			$6,490			$7,300			$8,211	
Replace portions of pool furnishings			$8,112				$9,490			
Replace lap pool cover					$22,321					
Replace wading pool cover						$1,752				
Replace playground equipment										
Replace textured coating over pool deck						$27,058				
Allocation to replace site furnishings			$5,408							$7,117
Total	**$59,548**	**$0**	**$149,802**	**$168,730**	**$68,413**	**$167,104**	**$28,470**	**$121,066**	**$234,025**	**$28,466**

Annual Expense By Year With Inflation

Description	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Site Improvements										
Crack fill, seal coat, stripe asphalt parking lot	$0					$6,029				
Resurface asphalt parking lot	$53,363									
Overlay asphalt paved walking trails			$88,057					$107,135		
Repair sections of concrete curb and gutter			$3,842							
Repair sections of concrete flatwork			$9,606							
Drainage system repairs/improvements					$25,975					$31,603
Dredge portions of lakes				$249,761					$303,872	
Engineering evaluation and bathymetry analysis of lakes			$24,015					$29,219		
Repair/refurbish entrance monuments						$21,611				
Replace fencing around pool deck	$29,605									
Replace wood decking on pool deck					$62,773					
Reconstruct pedestrian bridge			$13,529							
Building Exteriors										
Replace building roofs	$30,715									
Paint/repair exterior surfaces of clubhouse, bathhouse		$14,625							$19,245	
Replace metal doors at bathhouse, pool equipment room						$8,645				
Allocation to replace clubhouse windows and doors			$20,013							$26,336
Replace tile flooring at clubhouse entrance	$2,931									
Building Interiors										
Paint clubhouse interior							$12,174			
Replace luxury vinyl plank flooring			$3,362							
Replace carpet in clubhouse								$23,375		
Refurbish single occupancy restrooms in clubhouse										
Refurbish bathhouse restrooms										
Allocation for clubhouse interior furnishings										
Replace kitchen cabinets and countertops										
Mechanical/Electrical/Plumbing										
Allocation for plumbing & electrical repairs	$22,204									
Replace clubhouse water heater						$3,962				
Replace bathhouse water heater					$3,810					
Repair/upgrade security access control system							$28,095			
Replace drinking fountain						$3,962				
Replace HVAC equipment - 2-ton unit										
Replace HVAC equipment - 4-ton unit						$36,019				

Description	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Amenities										
Resurface swimming pools								$163,273		
Replace components of pool pump & filtration equipment		$9,237			$10,390			$11,687		
Replace portions of pool furnishings	$11,102				$12,988				$15,194	
Replace lap pool cover					$33,040					
Replace wading pool cover						$2,593				
Replace playground equipment					$60,609					
Replace textured coating over pool deck								$43,321		
Allocation to replace site furnishings							$9,365			
Total	**$149,919**	**$23,862**	**$162,425**	**$249,761**	**$209,585**	**$82,821**	**$49,634**	**$378,010**	**$338,311**	**$57,938**

Annual Expense By Year With Inflation

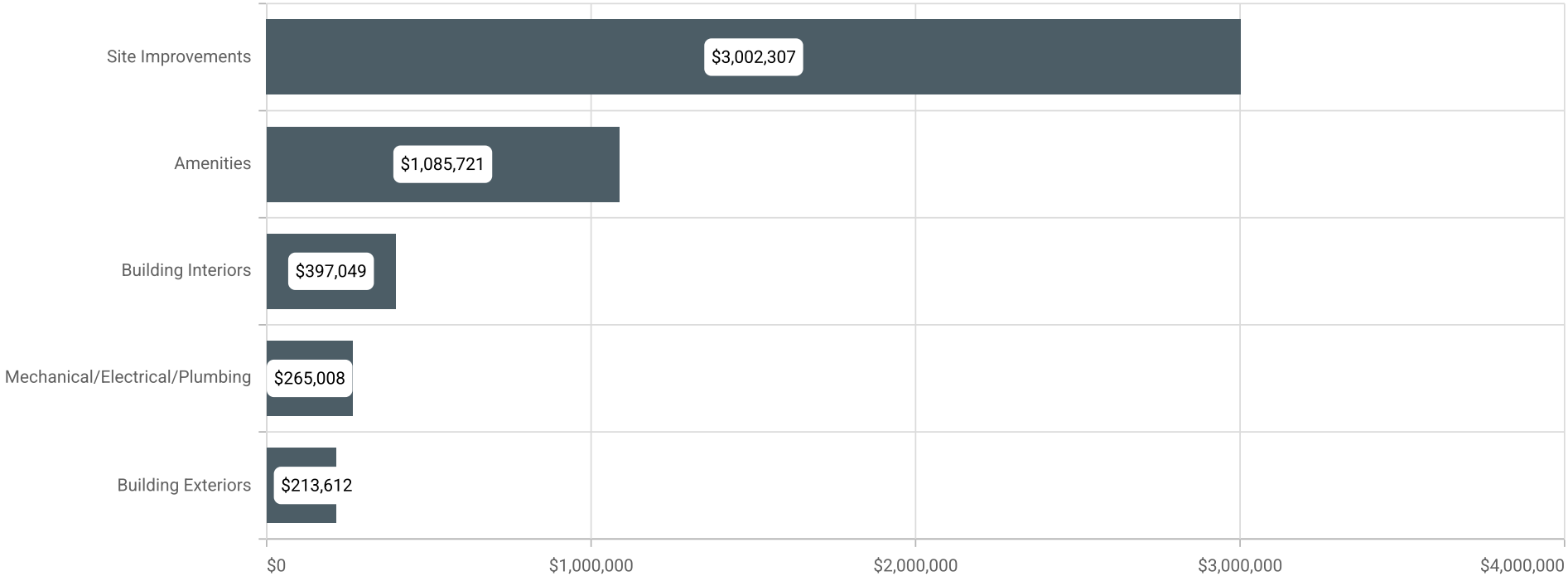
Description	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Site Improvements										
Crack fill, seal coat, stripe asphalt parking lot	$7,335					$8,924				
Resurface asphalt parking lot										
Overlay asphalt paved walking trails			$130,346					$158,585		
Repair sections of concrete curb and gutter	$5,259								$7,197	
Repair sections of concrete flatwork	$13,147								$17,992	
Drainage system repairs/improvements					$38,450					$46,780
Dredge portions of lakes				$369,707					$449,805	
Engineering evaluation and bathymetry analysis of lakes			$35,549					$43,251		
Repair/refurbish entrance monuments										
Replace fencing around pool deck										
Replace wood decking on pool deck										
Reconstruct pedestrian bridge										
Building Exteriors										
Replace building roofs										
Paint/repair exterior surfaces of clubhouse, bathhouse						$25,325				
Replace metal doors at bathhouse, pool equipment room										
Allocation to replace clubhouse windows and doors							$34,656			
Replace tile flooring at clubhouse entrance										
Building Interiors										
Paint clubhouse interior									$19,492	
Replace luxury vinyl plank flooring								$6,055		
Replace carpet in clubhouse								$34,600		
Refurbish single occupancy restrooms in clubhouse			$18,959							
Refurbish bathhouse restrooms								$144,168		
Allocation for clubhouse interior furnishings			$23,699							
Replace kitchen cabinets and countertops										
Mechanical/Electrical/Plumbing										
Allocation for plumbing & electrical repairs	$32,867									
Replace clubhouse water heater										
Replace bathhouse water heater										$6,861
Repair/upgrade security access control system							$41,587			
Replace drinking fountain										
Replace HVAC equipment - 2-ton unit	$17,529									
Replace HVAC equipment - 4-ton unit										

Description	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Amenities										
Resurface swimming pools										$261,405
Replace components of pool pump & filtration equipment	$13,147			$14,788			$16,635			$18,712
Replace portions of pool furnishings			$17,774				$20,794			
Replace lap pool cover					$48,908					
Replace wading pool cover						$3,839				
Replace playground equipment										
Replace textured coating over pool deck										$69,359
Allocation to replace site furnishings				$12,324						
Total	**$89,283**	**$0**	**$226,327**	**$396,819**	**$87,357**	**$38,088**	**$113,671**	**$386,660**	**$494,486**	**$403,117**

Expense Summary

Total Over Term Capital Expenditure with Inflation:	$4,963,697
Average Estimated Annual Capital Expenditure with Inflation:	$165,457
Current Reserve Account Balance:	$145,544
Full Funding Balance:	$411,550
Percent Funded:	35.36%

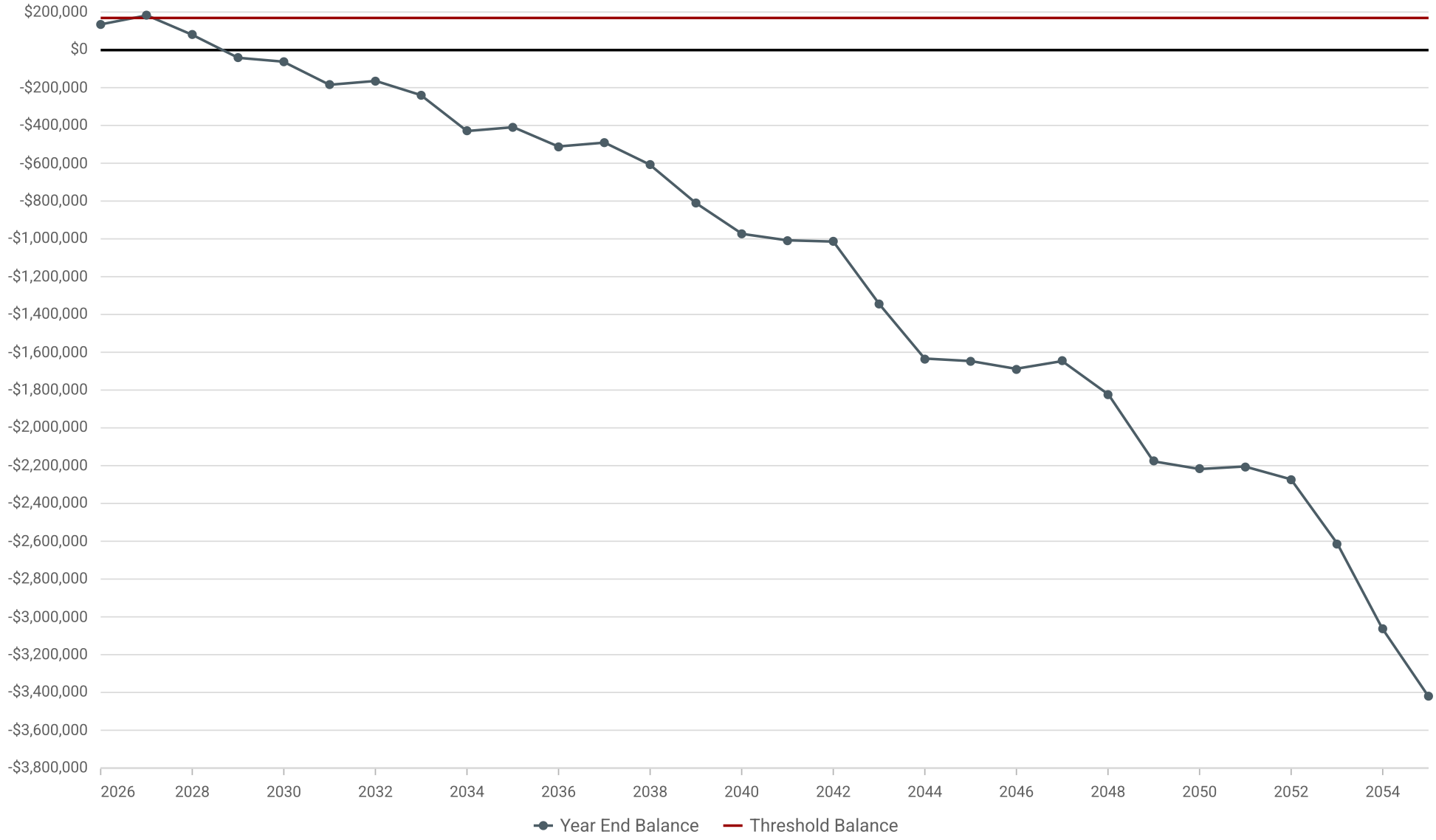
Breakdown of Total Costs by Type



Current Funding: Year End Balance Projection

Year	Starting Balance	Reserve Contribution	Average Per Unit Per Month	Return on Investment	Repair Expenses	Special Assessments	Year End Balance
2026	$145,544	$46,422	$6.37	$1,986	$59,548		$134,405
2027	$134,405	$46,422	$6.37	$2,712	$0		$183,539
2028	$183,539	$46,422	$6.37	$1,202	$149,802		$81,362
2029	$81,362	$46,422	$6.37	$0	$168,730		-$40,946
2030	-$40,946	$46,422	$6.37	$0	$68,413		-$62,937
2031	-$62,937	$46,422	$6.37	$0	$167,104		-$183,619
2032	-$183,619	$46,422	$6.37	$0	$28,470		-$165,667
2033	-$165,667	$46,422	$6.37	$0	$121,066		-$240,311
2034	-$240,311	$46,422	$6.37	$0	$234,025		-$427,914
2035	-$427,914	$46,422	$6.37	$0	$28,466		-$409,958
2036	-$409,958	$46,422	$6.37	$0	$149,919		-$513,455
2037	-$513,455	$46,422	$6.37	$0	$23,862		-$490,895
2038	-$490,895	$46,422	$6.37	$0	$162,425		-$606,898
2039	-$606,898	$46,422	$6.37	$0	$249,761		-$810,237
2040	-$810,237	$46,422	$6.37	$0	$209,585		-$973,399
2041	-$973,399	$46,422	$6.37	$0	$82,821		-$1,009,798
2042	-$1,009,798	$46,422	$6.37	$0	$49,634		-$1,013,010
2043	-$1,013,010	$46,422	$6.37	$0	$378,010		-$1,344,598
2044	-$1,344,598	$46,422	$6.37	$0	$338,311		-$1,636,487
2045	-$1,636,487	$46,422	$6.37	$0	$57,938		-$1,648,004
2046	-$1,648,004	$46,422	$6.37	$0	$89,283		-$1,690,864
2047	-$1,690,864	$46,422	$6.37	$0	$0		-$1,644,442
2048	-$1,644,442	$46,422	$6.37	$0	$226,327		-$1,824,348
2049	-$1,824,348	$46,422	$6.37	$0	$396,819		-$2,174,745
2050	-$2,174,745	$46,422	$6.37	$0	$87,357		-$2,215,680
2051	-$2,215,680	$46,422	$6.37	$0	$38,088		-$2,207,346
2052	-$2,207,346	$46,422	$6.37	$0	$113,671		-$2,274,596
2053	-$2,274,596	$46,422	$6.37	$0	$386,660		-$2,614,833
2054	-$2,614,833	$46,422	$6.37	$0	$494,486		-$3,062,897
2055	-$3,062,897	$46,422	$6.37	$0	$403,117		-$3,419,592

Current Funding: Year End Balance Projection



Funding Alternative 1: Year End Balance Projection

In 2026, increase reserve contribution to $90,000. Then, increase by 4.5% every year for 19 years.

Year	Starting Balance	Reserve Contribution	Average Per Unit Per Month	Return on Investment	Repair Expenses	Special Assessments	Year End Balance
2026	$145,544	$90,000	$12.36	$2,640	$59,548		$178,636
2027	$178,636	$94,050	$12.91	$4,090	$0		$276,777
2028	$276,777	$98,282	$13.49	$3,379	$149,802		$228,636
2029	$228,636	$102,705	$14.10	$2,439	$168,730		$165,051
2030	$165,051	$107,327	$14.73	$3,059	$68,413		$207,024
2031	$207,024	$112,156	$15.40	$2,281	$167,104		$154,357
2032	$154,357	$117,203	$16.09	$3,646	$28,470		$246,737
2033	$246,737	$122,478	$16.81	$3,722	$121,066		$251,871
2034	$251,871	$127,989	$17.57	$2,188	$234,025		$148,022
2035	$148,022	$133,749	$18.36	$3,800	$28,466		$257,104
2036	$257,104	$139,767	$19.19	$3,704	$149,919		$250,657
2037	$250,657	$146,057	$20.05	$5,593	$23,862		$378,445
2038	$378,445	$152,629	$20.95	$5,530	$162,425		$374,179
2039	$374,179	$159,498	$21.90	$4,259	$249,761		$288,174
2040	$288,174	$166,675	$22.88	$3,679	$209,585		$248,944
2041	$248,944	$174,175	$23.91	$5,104	$82,821		$345,403
2042	$345,403	$182,013	$24.99	$7,167	$49,634		$484,949
2043	$484,949	$190,204	$26.11	$4,457	$378,010		$301,600
2044	$301,600	$198,763	$27.29	$2,431	$338,311		$164,483
2045	$164,483	$207,707	$28.52	$4,714	$57,938		$318,965
2046	$318,965	$207,707	$28.52	$6,561	$89,283		$443,951
2047	$443,951	$207,707	$28.52	$9,775	$0		$661,433
2048	$661,433	$207,707	$28.52	$9,642	$226,327		$652,456
2049	$652,456	$207,707	$28.52	$6,950	$396,819		$470,294
2050	$470,294	$207,707	$28.52	$8,860	$87,357		$599,504
2051	$599,504	$207,707	$28.52	$11,537	$38,088		$780,660
2052	$780,660	$207,707	$28.52	$13,120	$113,671		$887,816
2053	$887,816	$207,707	$28.52	$10,633	$386,660		$719,497
2054	$719,497	$207,707	$28.52	$6,491	$494,486		$439,209
2055	$439,209	$207,707	$28.52	$3,657	$403,117		$247,457

Funding Alternative 1: Year End Balance Projection

Funding Alternative 2: Year End Balance Projection

In 2026, increase reserve contribution to $70,000. Then, increase by $12,600 every year for 9 years.

Year	Starting Balance	Reserve Contribution	Average Per Unit Per Month	Return on Investment	Repair Expenses	Special Assessments	Year End Balance
2026	$145,544	$70,000	$9.61	$2,340	$59,548		$158,336
2027	$158,336	$82,600	$11.34	$3,614	$0		$244,550
2028	$244,550	$95,200	$13.07	$2,849	$149,802		$192,798
2029	$192,798	$107,800	$14.80	$1,978	$168,730		$133,847
2030	$133,847	$120,400	$16.53	$2,787	$68,413		$188,621
2031	$188,621	$133,000	$18.26	$2,318	$167,104		$156,834
2032	$156,834	$145,600	$19.99	$4,109	$28,470		$278,074
2033	$278,074	$158,200	$21.72	$4,728	$121,066		$319,936
2034	$319,936	$170,800	$23.45	$3,851	$234,025		$260,562
2035	$260,562	$183,400	$25.18	$6,232	$28,466		$421,728
2036	$421,728	$183,400	$25.18	$6,828	$149,919		$462,037
2037	$462,037	$183,400	$25.18	$9,324	$23,862		$630,899
2038	$630,899	$183,400	$25.18	$9,778	$162,425		$661,652
2039	$661,652	$183,400	$25.18	$8,929	$249,761		$604,221
2040	$604,221	$183,400	$25.18	$8,671	$209,585		$586,707
2041	$586,707	$183,400	$25.18	$10,309	$82,821		$697,595
2042	$697,595	$183,400	$25.18	$12,470	$49,634		$843,831
2043	$843,831	$183,400	$25.18	$9,738	$378,010		$658,960
2044	$658,960	$183,400	$25.18	$7,561	$338,311		$511,609
2045	$511,609	$183,400	$25.18	$9,556	$57,938		$646,627
2046	$646,627	$183,400	$25.18	$11,111	$89,283		$751,856
2047	$751,856	$183,400	$25.18	$14,029	$0		$949,284
2048	$949,284	$183,400	$25.18	$13,595	$226,327		$919,953
2049	$919,953	$183,400	$25.18	$10,598	$396,819		$717,131
2050	$717,131	$183,400	$25.18	$12,198	$87,357		$825,372
2051	$825,372	$183,400	$25.18	$14,560	$38,088		$985,244
2052	$985,244	$183,400	$25.18	$15,825	$113,671		$1,070,797
2053	$1,070,797	$183,400	$25.18	$13,013	$386,660		$880,550
2054	$880,550	$183,400	$25.18	$8,542	$494,486		$578,006
2055	$578,006	$183,400	$25.18	$5,374	$403,117		$363,664

Funding Alternative 2: Year End Balance Projection

APPENDIX B: PROJECT PHOTOGRAPHS

Description Asphalt paved parking lot at amenity center.	
Photo No. **1**	

Description Cracking in asphalt paving at amenity center.	
Photo No. **2**	

Description	
Fading striping at amenity center parking lot.	
Photo No. 3	

Description	
Asphalt paved walking trails.	
Photo No. 4	

Description	
Heaving along asphalt paved walking trail.	
Photo No. 5	

Description	
Minor settlement in concrete curbing confining amenity center parking lot.	
Photo No. 6	

Description	
Minor cracking in textured concrete pool deck.	
Photo No. 7	

Description	
Partially blocked drain pipe along trail.	
Photo No. 8	

Description	
Bare soil on amenity center grounds.	
Photo No. 9	

Description	
Leaf litter and debris partially obstructing creek flow near 2 Lure Ct.	
Photo No. 10	

Description Larger of the two lakes.	
Photo No. 11	

Description Riser structures at larger lake.	
Photo No. 12	

Description	
Riser structure at smaller lake.	
Photo No. 13	

Description	
Outlet pipe discharging into larger lake from smaller lake.	
Photo No. 14	

Description Entrance monument.	
Photo No. 15	

Description Discoloration and signs of wear on entrance sign.	
Photo No. 16	

Description Flaking paint on entrance signage.	
Photo No. 17	

Description Fencing around pool deck.	
Photo No. 18	

Description	
Wood decking on pool deck.	
Photo No. 19	

Description	
Pedestrian bridge along walking trail.	
Photo No. 20	

Description	
Front elevation of clubhouse.	
Photo No. 21	

Description	
Architectural grade shingle roof.	
Photo No. 22	

Description Hardboard siding on clubhouse.	
Photo No. 23	

Description Bathhouse metal door.	
Photo No. 24	

Description	
Rust on bathhouse metal door.	
Photo No. 25	

Description	
Tile flooring at clubhouse entrance.	
Photo No. 26	

Description Clubhouse doors.	
Photo No. 27	

Description Interior of clubhouse.	
Photo No. 28	

Description	
Single occupancy restroom at clubhouse with LVP flooring.	
Photo No. 29	

Description	
Upstairs library finished with carpet.	
Photo No. 30	

Description Bathhouse restrooms.	
Photo No. 31	

Description Rust at base of stall partitions.	
Photo No. 32	

Description	
Clubhouse kitchen.	
Photo No. 33	

Description	
Rusted circuit breaker panel at bathhouse.	
Photo No. 34	

Description	
Water heater at clubhouse.	
Photo No. 35	

Description	
Drinking fountain at bathhouse.	
Photo No. 36	

Description HVAC condenser unit.	
Photo No. **37**	

Description Lap pool with cover.	
Photo No. **38**	

Description Pool pump and filtration equipment.	
Photo No. 39	

Description Pool furnishings.	
Photo No. 40	

Description Playground equipment.	
Photo No. 41	

Description Aging bench along walking trail.	
Photo No. 42	