TowneVillas South Homes Association

Valasia Rd., Poquoson, VA 23662

CAPITAL RESERVE STUDY & FINANCIAL ANALYSIS

Final Report - Components in Account - Funding Plan

FINAL PUBLICATION

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Richmond, Virginia 23223

DMA Reserves
INTERACTIVE RESERVE MANAGEMENT

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Capital Reserve Study Level I

Final Report - Components in Account - Funding Plan

FINAL PUBLICATION

Date: 1/8/2025

DMA Project #2410007

Prepared for: TowneVillas South Homes Association

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DMA Reserves, Inc.

Welcome to NAVIGATOR™ - DMA's Interactive Reserve Study

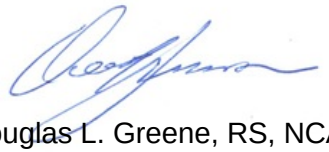
Thank you for retaining DMA Reserves Inc. to prepare this Capital Reserve Analysis and Report. This report and the accompanying supplemental reports have been prepared using NAVIGATOR™, DMA's proprietary operating system that combines our extensive database of reserve component information, local and national cost data, an annually updated inflation analysis and client-specific information with the industry's most powerful data analysis tools. NAVIGATOR™ is a robust tool to evaluate your reserves today and in the future to steer your funding plan through the ever-changing real-life conditions that affect your community over time.

With this study, you have a ***free*** subscription service to our NAVIGATOR™ **PORTAL** where you can access your final reserve study reports, the complete photographic record of your property and all components, all information and documentation that you submitted for this study, as well as other resources available only to our clients. Perform your own analysis in our Sandbox using your Client Review version of our latest study. Perform your own "what if" scenarios - NAVIGATOR™ will keep a record of them for you. Coming soon, you will be able to update information in our Component Record any time you replace a component or get a new estimate for replacement. These Documented Costs will create an accurate history of your community to better inform future projections.

You should review your reserve expenditures and funding plan at least annually as part of your annual budgeting process, but also at any time that significant changes are made or anticipated to be made to the reserve account. At any time, you may contact DMA to complete a Level III Financial Update of your study based on any actual capital component replacements that you have made or expect to make, including corresponding adjustments to the funding plan. We provide this service on an hourly fee basis. As part of these adjustments, DMA will update all component costs and useful life estimates, as well as the current inflation rate and your current rates of return on investments. Each Level III final report can be used to create a new updated Client Review study in the PORTAL.

DMA recommends that this analysis be updated every five (5) years at a minimum. The five-year update will include a site visit to re-inspect the components, evaluate their condition and their remaining life, add any new components, and delete any that have been removed. We will also update the unit costs, inflation, interest, and threshold factors and revise the funding model. You can request these updates in the NAVIGATOR™ **PORTAL.** Fees for these updates, also called Level II reserve studies, are determined when you request the update. DMA will provide a new proposal for this work.

Thank you again for the opportunity to provide you with this analysis.



Douglas L. Greene, RS, NCARB
President, DMA Reserves, Inc.

CONTENTS OF THIS REPORT

ADDITIONAL SEPARATE FILES PROVIDED

Component Record

– includes detail information about quantities, locations, lifecycle projections, client historical cost data, comments from DMA staff and estimated replacement costs for all components. All cost projections are in current values.

Annual Capital Reserve Expenditures

– includes budgeted expenditures per year in total and by component. All costs are in future values based on the inflation rate used in the study.

Photographic Record

– digital folder of all photographs taken on site (provided on the NAVIGATOR PORTAL).

Purpose of the Reserve Study

A Capital Reserve Study is an analysis of existing capital assets on a developed property, that will each require replacement over the life of the property due to age, wear and tear, failure, or obsolescence. Typical users of a Capital Reserve Study are common interest communities such as property or homeowner associations, condominiums and cooperatives, but can also include any property owner or business. In a common interest community, the governing board has a fiduciary duty to the members to maintain the property in good condition, including maintaining funding for future capital replacements in a dedicated account, called a reserve account, and / or adopting a financial plan for replacements which may include financing or other outside sources of funds. Each capital asset is referred to in this study as a component of your Capital Reserves. All components eventually need to be replaced in full or in part, although they may normally function for 10, 20, 30 years, or longer. Regular operating and maintenance budgets do not cover the funding required for these needs. This capital reserve study will provide one or more recommended plans to adequately fund your reserves.

A reserve study is a general predictor for replacement of components, however it is not a required maintenance or replacement schedule. Specific decisions about replacement of each component should be made by Management and the Board based on this information and on a periodic assessment of the actual condition of each component.

Level I and Level II reserve studies include a walk-through visual inspection of the property and all reserve components. They are not an in-depth engineering assessment of the component's functional operation, defects, or design, and do not include testing, destructive inspection or inspection of concealed spaces or normally inaccessible locations. Our company is staffed with construction professionals – architects, engineers and designers who understand the general nature of all the components listed. However, in-depth assessments of specific components including testing and disassembly are outside the scope of the reserve analysis. Where clients have specific questions or concerns about the condition, operation, or suitability of specific components to their purpose, they should retain the services of specialized consultants who can provide such assessments. DMA may recommend such additional studies for specific components when our observations warrant.

No reserve study can guarantee any specific result relative to the actual future performance of capital components nor guarantee actual replacement costs due to the large number of variants outside of the analyst's control. This reserve study is a tool to assist you in developing a logical funding plan for your property or facility, and DMA does not provide a warranty of any specific future costs or replacement occurrences for any components in this study, or that the recommended funding plan will match all future capital needs. DMA recommends updating this study when there are material changes to your components or your expenditure activity from what was projected. Updates will incorporate your actual present and recent experience into all current assessments and future projections.

Governing Statutes

Virginia Updated on: 9/12/2022

Associations must conduct a reserve study at least once every five years to determine the necessity and amount of reserves required to repair, replace and restore the common elements or capital components. The board of directors must review the study at least annually and make adjustments as the board determines to keep the funding of reserves sufficient. The statutory provisions on reserves also include requirements for the contents of the association budget if reserves are determined to be a necessity. Section 55.1-1965.

Resale certificates must include the current reserve study report or a summary thereof, a statement of the status and amount of any reserve or replacement fund and any portion of the fund designated for any specified project by the association. Section 55.1-1991.

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Introduction to Components in Account and Funding Plan

Final Report

Published on: Wednesday, January 8, 2025

This is the **Final Report** of your Capital Reserve Study. This **Capital Reserve Study and Financial Analysis** includes a summary schedule of components, recommended cash flow funding plan, projected annual reserve expenditure lists and an assessment allocation model that puts the reserve account in context of your overall budget. An explanation of how the cash flow analysis works is also provided.

The Schedule of Components is based on the companion report - **Component Record and Physical Analysis.** This is the permanent record of all components developed from our on-site inspection of your community and our review of historical information and governing documents that you provided to us. Please review the companion report to see detailed component information and our observations and condition assessments.

An online Working Session was held on 1/6/2025 with the board members attending. The reserve study was reviewed, and several questions were addressed, and changes were made.

Components in Account

The Schedule of Components in this report lists all reserve components identified and observed at this property for this Reserve Account by name and location. It lists the quantity and unit of measure for each component and the expected percentage of replacement per occurrence (100% or partial). It lists the estimated or actual date that the component was placed in service, its estimated useful life, remaining life, and the estimated next year of replacement. It provides an estimated or actual unit cost (cost per unit of measure) and the estimated current replacement cost. Additional information about each component and its history, as well as DMA observations or comments are provided in the companion Component Detail Report.

Funding Plan

Based on the current financial information Schedule for Replacement Components per 2024 inflation updates, the Community would be able to maintain a bank balance above the Threshold on the Reserve Account (yellow horizontal line on the Reserve Funding Navigator Graph), starting in 2025 and for the remaining years of Study Period by implementing the following steps:

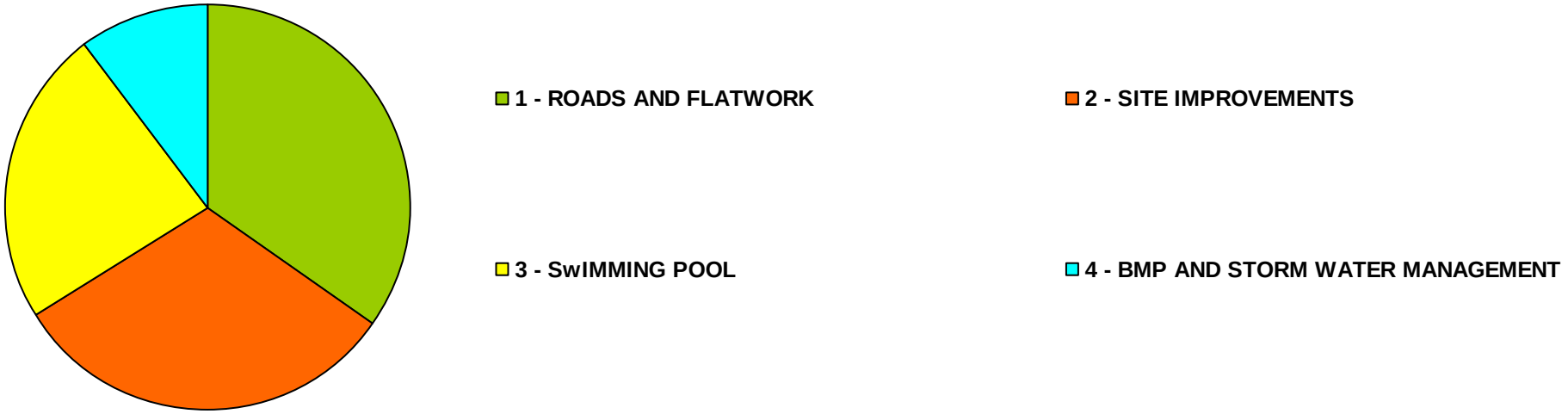
- Maintain current budgeted reserve transfer at $19,000 for 2025.
- Starting in 2026, increase the annual reserve transfer by 4.4% per year for the remainder of the study period. This prevents over-funding of the account in our analysis for these later years. Over time, the projections for these later years will change based on more current information.

Component Summary

Total Replacement Cost for Study Year

Section	Section Name	Number of Components	Replacement Cost	% of Replacement Cost
1	1 - ROADS AND FLATWORK	6	$173,516	34.8%
2	2 - SITE IMPROVEMENTS	19	$155,796	31.2%
3	3 - SwIMMING POOL	21	$118,161	23.7%
4	4 - BMP AND STORM WATER MANAGEMENT	6	$51,192	10.3%
Totals		**52**	**$498,665**	**100.0%**

Replacement Cost is for ALL components in today's dollars.



Component Replacement Cost Summary

Line	Component Name and Location	In-Service/ Replace Year	Current Estimated Useful Life	Remain Useful Life	Next Repl Year	Quant	Units	Turn key	Unit Cost	% Repl	Replacement Cost for Study Year
001.000 - ROADS AND FLATWORK											
001.000.0001	Mill and Overlay Asphalt Site-Wide	2021	25	21	2046	1	LS	1	$58,009.28	100%	$58,009.00
001.000.0002	Mill and Overlay Asphalt Site-Wide	2022	25	22	2047	1	LS	1	$103,189.70	100%	$103,190.00
001.000.0003	Asphalt Sealcoating Site-Wide	2011	16	2	2027	5212	SY	1	$1.12	100%	$5,837.00
001.000.0004	Asphalt Crack Filler Site-Wide	2011	16	2	2027	300	LF	1	$2.83	100%	$849.00
001.000.0005	Asphalt Speed Bump Site-Wide	2022	25	22	2047	7	EA	1	$629.95	100%	$4,410.00
001.000.0006	Concrete curb and gutter - incidental replacement Site-Wide	1986	46	7	2032	238	LF	1	$102.57	5%	$1,221.00
Total for 001.000 - ROADS AND FLATWORK											**$173,516.00**
002.001 - SIGNAGE AND STREET LIGHTING											
002.001.0001	Sign Face, HDU, Routed and Painted Entrance	2008	25	8	2033	32	SF	1	$132.14	100%	$4,228.00
002.001.0002	Wood Post, stained and varnished Entrance	2008	35	18	2043	2	EA	1	$206.37	100%	$413.00
002.001.0003	Statement signs Site-Wide	2024	20	19	2044	5	EA	1	$63.65	100%	$318.00
002.001.0004	Landscape light Entrance	2024	15	14	2039	1	LS	1	$521.70	100%	$522.00

Component Replacement Cost Summary

Line	Component Name and Location	In-Service/ Replace Year	Current Estimated Useful Life	Remain Useful Life	Next Repl Year	Quant	Units	Turn key	Unit Cost	% Repl	Replacement Cost for Study Year
002.001.0005	Parking lot lighting fixture, globe with shade Site-Wide	2024	24	23	2048	6	EA	1	$411.62	100%	$2,470.00
Total for 002.001 - SIGNAGE AND STREET LIGHTING											**$7,951.00**
002.002 - FENCING											
002.002.0001	Perimeter Chain-link fence Units 21-41	2017	40	32	2057	1	LS	1	$27,814.73	100%	$27,815.00
002.002.0002	Perimeter Chain-link fence Units 43-44	1986	40	1	2026	1	LS	1	$15,596.71	100%	$15,597.00
002.002.0003	Perimeter Aluminum tube picket fence Units 32-44	2017	30	22	2047	1	LS	1	$29,140.85	100%	$29,141.00
002.002.0004	Perimeter Aluminum tube picket gate Units 38-40	2024	15	14	2039	1	LS	1	$3,250.19	100%	$3,250.00
002.002.0005	Perimeter Aluminum tube picket fence unit 38	2019	30	24	2049	1	LS	1	$3,049.41	100%	$3,049.00
Total for 002.002 - FENCING											**$78,852.00**
002.003 - RECREATION											
002.003.0001	Playground, climber Recreation area	2018	20	13	2038	1	EA	1	$36,918.90	100%	$36,919.00
002.003.0002	Playground wood chip mulch Recreation area	2023	5	3	2028	1	LS	1	$2,646.27	100%	$2,646.00
002.003.0003	Plastic Playground Border Recreation area	2018	15	8	2033	94	LF	1	$6.43	100%	$604.00

Component Replacement Cost Summary

Line	Component Name and Location	In-Service/ Replace Year	Current Estimated Useful Life	Remain Useful Life	Next Repl Year	Quant	Units	Turn key	Unit Cost	% Repl	Replacement Cost for Study Year
002.003.0004	Play Court Recreation area	1986	64	25	2050	360	SF	1	$27.19	100%	$9,788.00
002.003.0005	Basketball Backstops Recreation area	2022	25	22	2047	1	LS	1	$821.90	100%	$822.00
002.003.0006	Basketball Court chain link fencing Recreation area	2022	3	0	2025	1	LS	1	$6,312.57	100%	$6,313.00
002.003.0007	Bench Site-Wide	2008	25	8	2033	4	EA	1	$421.54	25%	$422.00
Total for 002.003 - RECREATION											**$57,514.00**
002.004 - MAIL BOXES											
002.004.0001	Exterior cluster mail boxes, plain - 16 cube Site-Wide	1986	50	11	2036	3	EA	1	$3,130.20	100%	$9,391.00
002.004.0002	Exterior cluster mail boxes, plain - 8 cube Site-Wide	1986	50	11	2036	1	EA	1	$2,087.80	100%	$2,088.00
Total for 002.004 - MAIL BOXES											**$11,479.00**
003.001 - SWIMMING POOL EXTERIOR											
003.001.0001	Pool Structure Swimming Pool	1986	60	21	2046	756	SSF	1	$205.01	25%	$38,747.00
003.001.0002	Cement plaster resurface Swimming Pool	2024	20	19	2044	1	LS	1	$14,027.68	100%	$14,028.00
003.001.0003	Replace Skim line Tile Swimming Pool	1986	50	11	2036	124	LF	1	$39.42	100%	$4,888.00

Component Replacement Cost Summary

Line	Component Name and Location	In-Service/ Replace Year	Current Estimated Useful Life	Remain Useful Life	Next Repl Year	Quant	Units	Turn key	Unit Cost	% Repl	Replacement Cost for Study Year
003.001.0004	Replace precast pool coping Swimming Pool	2023	5	3	2028	124	LF	1	$87.23	5%	$541.00
003.001.0005	Re-caulk pool Joints Swimming Pool	2023	5	3	2028	124	LF	1	$5.18	100%	$642.00
003.001.0006	Pool covers, mesh reinforced Swimming Pool	1986	45	6	2031	1080	SF	1	$5.78	100%	$6,242.00
003.001.0007	Pool covers, winter tarp Swimming Pool	2021	4	0	2025	1	EA	1	$434.72	100%	$435.00
003.001.0008	Railings, stainless steel Swimming Pool	1986	44	5	2030	5	EA	1	$344.49	100%	$1,722.00
003.001.0009	Pool concrete deck Swimming Pool	2017	15	7	2032	2220	SF	1	$13.31	5%	$1,477.00
003.001.0010	Alternative decking, wood / plastic composite Swimming Pool	2015	10	0	2025	450	SF	1	$18.22	100%	$8,199.00
003.001.0011	Pool furniture allowance Swimming Pool	2024	2	1	2026	1	LS	1	$626.34	100%	$626.00
003.001.0012	Aluminum tube picket fence and gate Swimming Pool	2015	30	20	2045	1	LS	1	$11,607.81	100%	$11,608.00
003.001.0013 ASSEMBLY	Gazebo - roof and vent Swimming Pool	1986	40	1	2026	1	LS	1	$1,634.00	100%	$1,634.00
003.001.0014 ASSEMBLY	Swimming pool storage Shed - roof and siding Swimming Pool	1986	43	4	2029	1	LS	1	$6,599.00	100%	$6,599.00
003.001.0015	Exterior single steel service door frame & brickmold Swimming Pool	1986	44	5	2030	1	EA	1	$1,796.48	100%	$1,796.00

Component Replacement Cost Summary

Line	Component Name and Location	In-Service/ Replace Year	Current Estimated Useful Life	Remain Useful Life	Next Repl Year	Quant	Units	Turn key	Unit Cost	% Repl	Replacement Cost for Study Year
Total for 003.001 - SWIMMING POOL EXTERIOR											**$99,184.00**
003.002 - SWIMMING POOL EQUIPMENT											
003.002.0001	Replace skimmer drains & strainers Swimming Pool	1986	42	3	2028	4	EA	1	$947.33	100%	$3,789.00
003.002.0002	Pool equipment, sand filter Swimming Pool	1986	42	3	2028	1	EA	1	$2,940.14	100%	$2,940.00
003.002.0003	Pool pump, 2 HP Swimming Pool	2019	20	14	2039	1	LS	1	$1,190.76	100%	$1,191.00
003.002.0004	Replace piping and valves Swimming Pool	1986	42	3	2028	50	LF	1	$119.84	100%	$5,992.00
003.002.0005	Electrical panel board Swimming Pool	1986	50	11	2036	1	EA	1	$3,888.20	100%	$3,888.00
003.002.0006	Pressure vacuum breaker Swimming Pool	2024	20	19	2044	1	LS	1	$1,176.96	100%	$1,177.00
Total for 003.002 - SWIMMING POOL EQUIPMENT											**$18,977.00**
004.000 - BMP AND STORM WATER MANAGEMENT											
004.000.0001 ASSEMBLY	Pond Dredging Project (Mechanical) BMP	1986	50	11	2036	1	LS	1	$34,092.00	100%	$34,092.00
004.000.0002	Dry, fine grade, seed pond slopes & Aquaic planings BMP	1986	40	1	2026	480	SY	1	$5.74	100%	$2,755.00
004.000.0003	BMP inspection study BMP	1986	40	1	2026	1	LS	1	$3,130.20	100%	$3,130.00

Component Replacement Cost Summary

Line	Component Name and Location	In-Service/ Replace Year	Current Estimated Useful Life	Remain Useful Life	Next Repl Year	Quant	Units	Turn key	Unit Cost	% Repl	Replacement Cost for Study Year
004.000.0004	Aerators BMP	2024	15	14	2039	1	LS	1	$4,999.97	100%	$5,000.00
004.000.0005	Concrete drainage swale repair Site-Wide	1986	50	11	2036	3600	SF	1	$14.89	5%	$2,680.00
004.000.0006	Storm piping repair Site-Wide	1986	50	11	2036	500	LF	1	$141.38	5%	$3,535.00
Total for 004.000 - BMP AND STORM WATER MANAGEMENT											**$51,192.00**

Component Replacement Cost Summary Total for TowneVillas South Homes Association Final Report

Total Replacement Cost for Study Year	**$498,665.00**

Financial Summary

Study Year 2025

Fiscal Year 1/1/2025 to 12/31/2025

Budgeted Total Assessment for current fiscal year	$62,900
Budgeted Replacement Reserve Transfer (Assessment) for current fiscal year	$19,000
Balance of the Replacement Reserve Account as of 1/1/2025	$37,131
Source of current financial information	
Documents include 12/31/2023 Balance Sheet and 2024 Budget Statement.	
Total current replacement value of all components	$498,665
Minimum Threshold Reserve Balance in Study Year	$24,933

Threshold calculated as 5% of total current replacement value of all components.

Recommended Reserve Transfers (first 5 years)

Year	Reserve Transfer Amount	% Increase
2025	$19,000	0.00%
2026	$19,836	4.40%
2027	$20,709	4.40%
2028	$21,620	4.40%
2029	$22,571	4.40%

Cash Flow Study Period is 30 Years

Please see the recommended funding plan for the entire study period on the following pages.

This is a Cash Flow analysis, which DMA recommends for your funding plan. DMA also offers an alternate component method “Full Funding” analysis, which can be provided upon request as a separate report

Navigator Cash Flow Funding Plan

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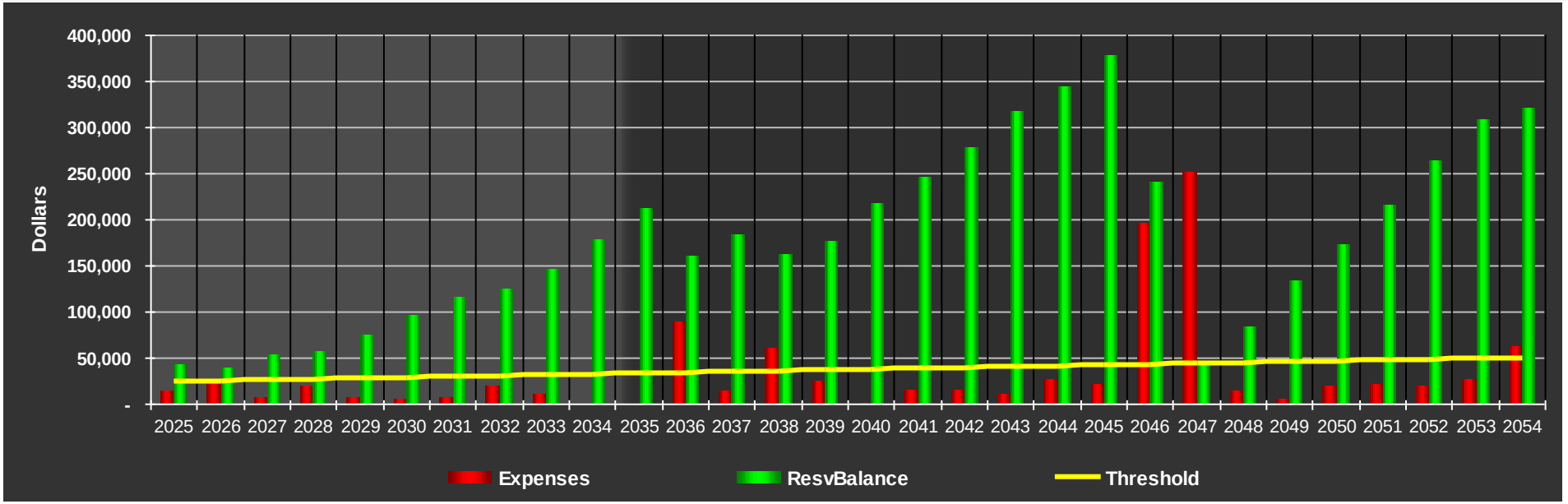

Cash Flow Summary

Years:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Beginning Balance	**$37,131**	**$42,324**	**$38,915**	**$53,656**	**$57,947**	**$75,287**	**$96,046**	**$116,770**	**$125,727**	**$146,314**
Transfer to Reserves	$19,000	$19,836	$20,709	$21,620	$22,571	$23,564	$24,601	$25,683	$26,813	$27,993
Investment Interest	$1,140	$1,299	$1,195	$1,647	$1,779	$2,311	$2,949	$3,585	$3,860	$4,492
Yearly Expenditures	-$14,947	-$24,544	-$7,163	-$18,976	-$7,010	-$5,116	-$6,826	-$20,310	-$10,086	-$714
Ending Balance	**$42,324**	**$38,915**	**$53,656**	**$57,947**	**$75,287**	**$96,046**	**$116,770**	**$125,727**	**$146,314**	**$178,085**
Threshold	$24,933	$25,823	$26,712	$27,601	$28,490	$29,379	$30,269	$31,159	$32,047	$32,938
Transfer Change +/-	*0.00%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*
Investment Ave Rate	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*

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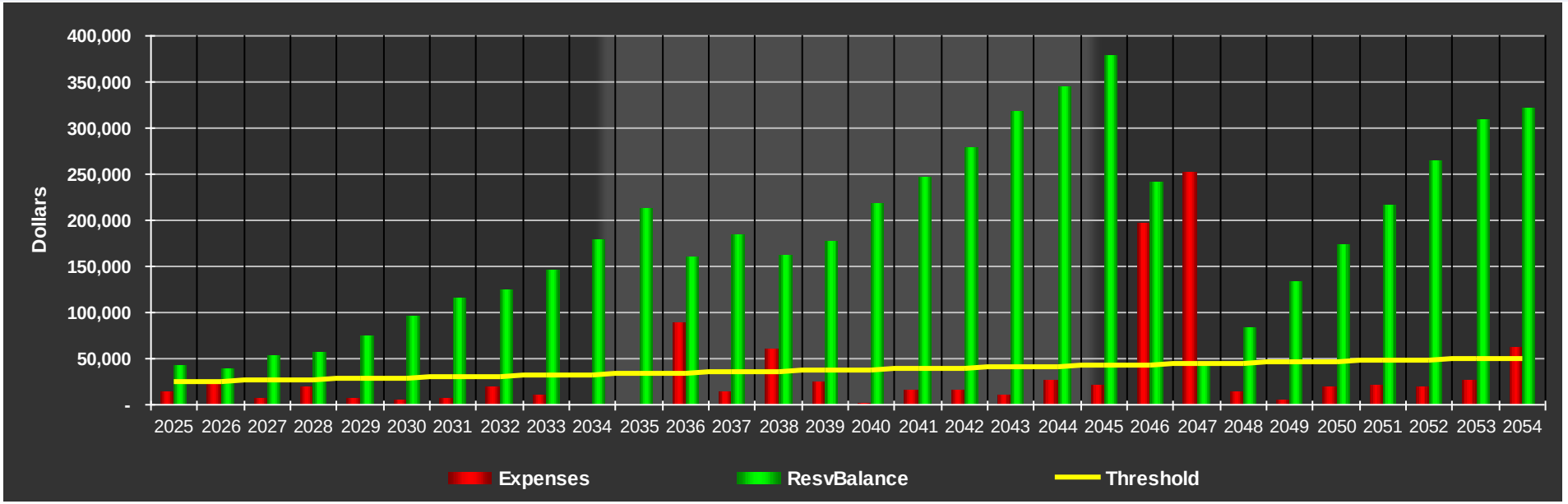

Cash Flow Summary

Years:	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Beginning Balance	**$178,085**	**$212,274**	**$160,868**	**$183,758**	**$162,257**	**$177,551**	**$217,939**	**$247,265**	**$278,496**	**$318,439**
Transfer to Reserves	$29,225	$30,511	$31,853	$33,255	$34,718	$36,246	$37,841	$39,506	$41,244	$43,059
Investment Interest	$5,467	$6,517	$4,939	$5,641	$4,981	$5,451	$6,691	$7,591	$8,550	$9,776
Yearly Expenditures	-$503	-$88,434	-$13,901	-$60,398	-$24,405	-$1,309	-$15,206	-$15,867	-$9,851	-$26,855
Ending Balance	**$212,274**	**$160,868**	**$183,758**	**$162,257**	**$177,551**	**$217,939**	**$247,265**	**$278,496**	**$318,439**	**$344,420**
Threshold	$33,827	$34,717	$35,606	$36,496	$37,386	$38,276	$39,164	$40,053	$40,942	$41,831
Transfer Change +/-	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*
Investment Ave Rate	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*

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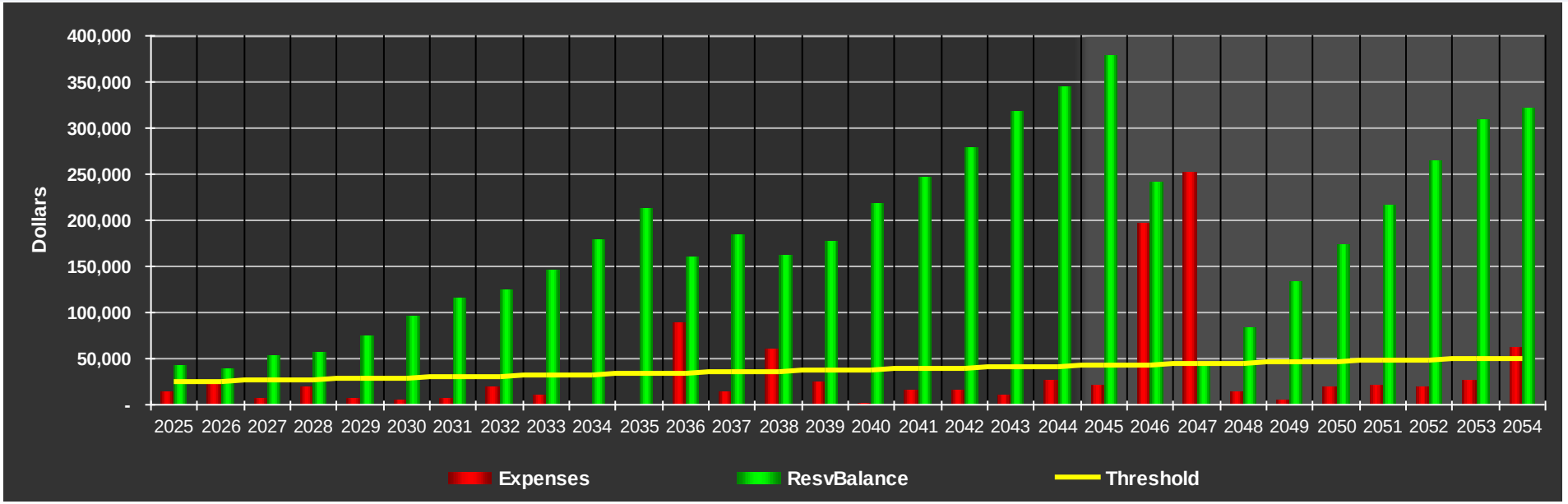


Cash Flow Summary

Years:	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Beginning Balance	**$344,420**	**$378,934**	**$240,703**	**$45,242**	**$84,367**	**$134,122**	**$174,003**	**$216,802**	**$264,914**	**$309,523**
Transfer to Reserves	$44,954	$46,932	$48,997	$51,153	$53,404	$55,754	$58,207	$60,768	$63,442	$66,233
Investment Interest	$10,574	$11,633	$7,390	$1,389	$2,590	$4,118	$5,342	$6,656	$8,133	$9,502
Yearly Expenditures	-$21,014	-$196,797	-$251,848	-$13,418	-$6,239	-$19,991	-$20,750	-$19,312	-$26,965	-$62,953
Ending Balance	**$378,934**	**$240,703**	**$45,242**	**$84,367**	**$134,122**	**$174,003**	**$216,802**	**$264,914**	**$309,523**	**$322,305**
Threshold	$42,722	$43,610	$44,500	$45,390	$46,280	$47,168	$48,060	$48,949	$49,840	$50,727
Transfer Change +/-	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*	*4.40%*
Investment Ave Rate	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*	*3.07%*

Navigator Assessment Allocation Model: Annual Change

Year	Operating Assessment *	% of Budget	% Ann Increase	Reserve Transfer	% of Budget	% Ann Increase	Total Budget Assessments	% Ann Increase	Special Assessments	Total ALL Assessments	% Ann Increase
2025	$43,900	69.8%	0.0%	$19,000	30.2%	0.0%	**$62,900**	0.0%	$0	**$62,900**	0.0%
2026	$44,585	69.2%	1.6%	$19,836	30.8%	4.4%	**$64,421**	2.4%	$0	**$64,421**	2.4%
2027	$45,267	68.6%	1.5%	$20,709	31.4%	4.4%	**$65,976**	2.4%	$0	**$65,976**	2.4%
2028	$45,951	68.0%	1.5%	$21,620	32.0%	4.4%	**$67,571**	2.4%	$0	**$67,571**	2.4%
2029	$46,635	67.4%	1.5%	$22,571	32.6%	4.4%	**$69,206**	2.4%	$0	**$69,206**	2.4%
2030	$47,321	66.8%	1.5%	$23,564	33.3%	4.4%	**$70,885**	2.4%	$0	**$70,885**	2.4%
2031	$48,007	66.1%	1.5%	$24,601	33.9%	4.4%	**$72,608**	2.4%	$0	**$72,608**	2.4%
2032	$48,689	65.5%	1.4%	$25,683	34.5%	4.4%	**$74,372**	2.4%	$0	**$74,372**	2.4%
2033	$49,370	64.8%	1.4%	$26,813	35.2%	4.4%	**$76,183**	2.4%	$0	**$76,183**	2.4%
2034	$50,052	64.1%	1.4%	$27,993	35.9%	4.4%	**$78,045**	2.4%	$0	**$78,045**	2.4%

* In the model above, the annual reserve transfer amounts are as recommended in this analysis. The operating assessment budget amount is increased annually at a rate based on client input and may not reflect any actual budget planning that will be undertaken as part of the association's annual budgeting process. The purpose of this analysis is to show the potential impact of the reserve recommendation on a hypothetical overall budget.

Navigator Assessment Allocation Model: Annual Assessment Per Unit

Unit Type			Alloc %	Year	Operating *	Reserve	Special	TOTAL
Townhomes Community	**52**	**Units**	100.0%	**2025**	$844	$365	$0	**$1,209**
	52	**Units**	100.0%	**2026**	$857	$381	$0	**$1,238**
	52	**Units**	100.0%	**2027**	$871	$398	$0	**$1,269**
	52	**Units**	100.0%	**2028**	$884	$416	$0	**$1,300**
	52	**Units**	100.0%	**2029**	$897	$434	$0	**$1,331**
	52	**Units**	100.0%	**2030**	$910	$453	$0	**$1,363**
	52	**Units**	100.0%	**2031**	$923	$473	$0	**$1,396**
	52	**Units**	100.0%	**2032**	$936	$494	$0	**$1,430**
	52	**Units**	100.0%	**2033**	$949	$516	$0	**$1,465**
	52	**Units**	100.0%	**2034**	$963	$538	$0	**$1,501**

DMA Assessment Allocation Model: Average Monthly Assessment per Unit

Unit Type			Alloc %	Year	Monthly Operating *	Monthly Reserve	Monthly Special	Monthly TOTAL
Townhomes Community	**52**	**Units**	100.0%	**2025**	$70	$30	$0	**$100**
	52	**Units**	100.0%	**2026**	$71	$32	$0	**$103**
	52	**Units**	100.0%	**2027**	$73	$33	$0	**$106**
	52	**Units**	100.0%	**2028**	$74	$35	$0	**$109**
	52	**Units**	100.0%	**2029**	$75	$36	$0	**$111**
	52	**Units**	100.0%	**2030**	$76	$38	$0	**$114**
	52	**Units**	100.0%	**2031**	$77	$39	$0	**$116**
	52	**Units**	100.0%	**2032**	$78	$41	$0	**$119**
	52	**Units**	100.0%	**2033**	$79	$43	$0	**$122**
	52	**Units**	100.0%	**2034**	$80	$45	$0	**$125**

The Financial Analysis

Parameters:

- Fiscal Year: Your budget year, identified with a start date and an end date. The most common fiscal year is the calendar year with a start date of January 1st and an end date of December 31st. For some associations, the fiscal year begins on another month, such June 1st, (ending on May 31st).
- Study Year: Your current fiscal year, unless otherwise noted in the study. When a fiscal year is not the calendar year, it may be defined as the year that includes the end date. For example, a fiscal year starting June 1st, 2020 and ending May 31st, 2021 is typically identified as FY 2021. In the DMA reserve study, the study year will be defined as year 2021. In studies that are completed close to the end of the fiscal year, DMA may elect to move ahead to the upcoming fiscal year to be the study year.
- Reserve Account Starting Balance: This is the total of all funds in cash and investment accounts for an identified capital reserve account, as defined in the association balance sheet for the period ending at the end of the previous fiscal year. Accounting methods and balance sheet vary. If the reserve account balance is not easily discernable from the balance sheet, then it is the association's responsibility to provide DMA with this value as of that date. If the study year is moved ahead to the upcoming fiscal year, the reserve account balance for that date needs to be estimated. Note: a balance sheet may include other factors that affect the reserve account balance used in the study. These can include outstanding loans from the reserve account to the operating account, any payables due from the reserve account that are not included in the funding plan, non-collected funds due to the reserve account or prepaid assessments already in the reserve account, among others. It is the association's responsibility to adjust the starting balance of the reserve account to reflect any of these factors that may be material. In the case of new communities, unbuilt communities or communities without existing reserve accounts, this starting balance may be $0.00.
- Average Earnings Rate: This is the average of the rates of return on interest or income from reserve funds on deposit in banks and in investment accounts. This is the net income to the reserve account from these deposits, exclusive of taxes. If the association advises DMA that this income is not paid back into the reserve account, then the earnings rate in this study will be 0.00%.
- Budgeted Contribution: This is the cash contribution or transfer of assessment funds to the reserve account in the association's budget for the fiscal year corresponding to the study year. In the case of new communities, unbuilt communities or communities without existing reserve accounts, there may be no budgeted contribution, in which case this study will recommend the initial contribution.

CURRENT FUNDING STATUS – PERCENT FUNDED AND FUNDING DEFICIT

To assess your current funding level DMA calculates the percent funded for each component in the study at a point in time – generally at the beginning of the fiscal year corresponding with Year 1 of the study (study year). We use an inflation-adjusted method for calculating the relative replacement value of each component (the amount of money that should be available to replace the component if it were fully funded) and compare the total value for all components to the actual total balance of the reserve account. This is called the percent funded.

Note: the term "fully funded" does not mean that the total replacement cost of every component is always available at any time. It means that the funding level is sufficient such that the total replacement cost will be funded at the time that the component is projected to be replaced.The funding deficit (or surplus) is the difference between the combined inflation-adjusted replacement values of all components and the actual reserve account balance.

Some states require that reserve studies provide this information, and the Community Associations Institute requires that reserve studies provide a statement on the relative health of the reserve account. This information should meet both requirements, but we do not use this to project a long-term funding solution for your reserve account.

DMA'S INTERACTIVE CASH FLOW FUNDING PLAN

- Baseline Funding Model – The goal of this model is to keep the reserve cash balance above zero. This means that at no time during the funding period will the projected reserve balance drop below zero dollars. This is the least conservative model. An association using this model must understand that even a minor reduction in a component's remaining useful life can result in a deficit in the reserve cash balance. Associations can implement this model more safely by conducting annual reserve updates that include field observations.
- Threshold Funding Model – This model sets a minimum cash reserve balance at a predetermined dollar amount. This minimum balance becomes the "threshold" above which the reserve account should remain in every year of the study. There are two ways to set this threshold in NAVIGATOR™. The first way is simply to choose a specific dollar amount. The second way is to set a minimum dollar value based on a percentage of the total one-time replacement values of all components in the study. Different thresholds can be evaluated in the *working session*.
- Full Funding Model – (Also called the Component Method.) NAVIGATOR™ can also provide this funding model, upon request, in a separate report. This is the most conservative funding model. It funds each component as its own line-item budget. The goal of this model is to attain and maintain the reserves at or near 100%. For example, if an association has a component with a 10-year life and a $10,000 replacement cost, it should have $3,000 set aside for its replacement after three years. In this case, $3,000 equals full funding. This method is only good for year-to-year projections and does not include inflation. DMA does not recommend this funding model, however some clients use it and some jurisdictions may require it.

NAVIGATOR™ uses a Cash Flow Funding Model to calculate your recommended reserve funding plan. This model includes our Reserve Navigator graph which shows the entire study period, which typically is 30 years. DMA can revise this study period to a minimum of 20 years or up to 50 years. Different study periods can be looked at in the live working session. This model includes two additional options:

The Reserve Navigator graph shows the projected total reserve expenditures in each year (red bars), the end-or-year reserve account balance (green bars) and the minimum threshold balance (yellow line) over the entire reserve study period. The table below the graph shows the beginning and end reserve balances in each year, the contribution or transfer to reserves in each year, the interest income in each year (if any) and the total expenditures in each year. Expenditures are adjusted for inflation. Ten year periods are shown on each page, and the graph is repeated on each subsequent page with the tabular period highlighted.

The goal of the Cash Flow funding plan is to keep your account above a minimum balance over the life of the study while ensuring that all components are fully funded when they are scheduled to be replaced. We can set that minimum balance to zero dollars ($0.00), and convert this to a baseline funding model but we strongly recommend against using that model for your funding plan. We set the minimum account balance, or "threshold", at a level above zero, in order to provide a buffer for the variations in actual expenditures that will inevitably occur over the life of the study. We generate that number from a percentage of the total estimated one-time replacement costs of all components in current dollars. The percentage amount is entered into the study as a bottom limit for the cash flow in the account. We then index this amount to the projected rate of inflation so that it increases every year in proportion to the relative value of the dollar. Note: The threshold amount is an arbitrary number. It is not set by any law or any accounting standard. We can look at different threshold amounts in the working session and evaluate what would be most appropriate for your association and the expenditure projections. Ultimately, you the client can establish the threshold amount.

Reserve Account Transfer Change Rate

As inflation decreases the value of the dollar over time, it is logical to introduce a transfer change rate to the reserve contribution so that it grows in relation to the growth in actual costs over time. If we did not do this - if we kept the contribution constant - owners today would have to contribute a much larger amount in order to offset the declining value of the same contributions made in the future. The change rate provides parity for present and future owners.

In communities that are underfunded, it may be necessary to use a change rate that is greater than the inflation rate in order to gradually increase your contributions to an acceptable level. The Reserve Account Transfer Change Rate is expressed as a percentage (%). We can adjust this rate as a constant over the entire study period, or manually adjust it from year to year, to help us design the appropriate funding plan.

Specific Project Funding, Special Assessments and Commercial Loans

In some instances, it will be necessary for an association to fund a specific single project or one or more years of total reserve expenses with additional funds. This may be due to a history of underfunding the reserves, or it may be due to an unexpected significant expense in a given year. This additional funding can come from two sources – a special assessment and a commercial loan. DMA studies can include either or both options as appropriate to the needs and resources of the community and its members. We can evaluate both options, and also a combination option, in the working session. A funding solution that includes one or more of these options can become part of the published reserve funding plan.

Assessment Allocation Model

This reserve analysis also includes an Assessment Allocation Model. It is important to keep the reserve account funding in perspective with your overall assessment needs. Usually, the reserve budget is smaller than your operating budget and this model puts your reserve account in context of your overall budget. Keep in mind that this is only an example model. DMA does not have any responsibility for your overall budget or your operating budget, and this model makes a specific assumption about the growth of your operating budget over the next few years which may vary from your actual budget. This model shows percentage of your overall budget allotted to reserves and shows how the recommended reserve funding plan in this study might affect your overall budget in the next several years.

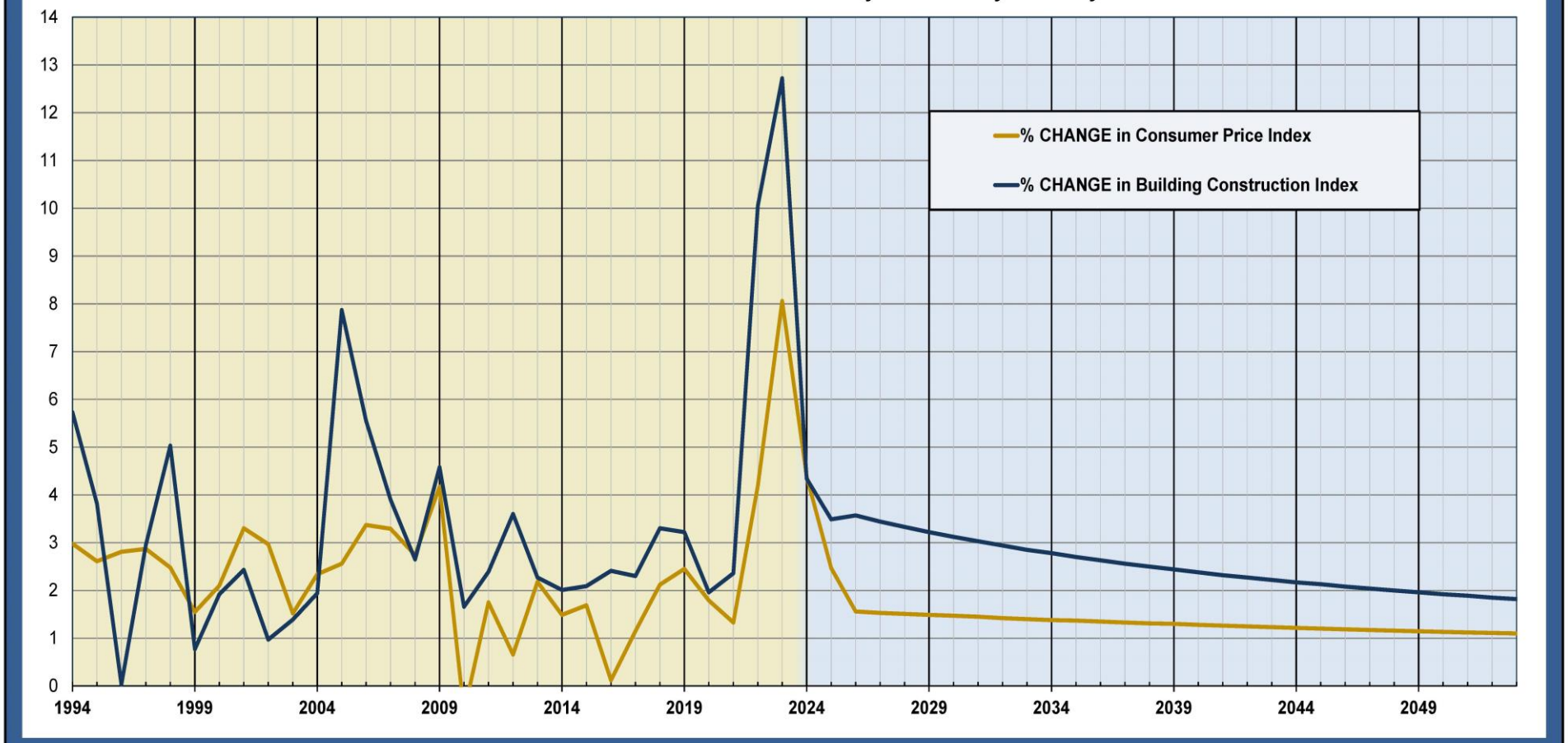
Inflation

This study includes a projected inflation rate for the study period. While this is only a projection, it is also important to understand how significantly inflation impacts replacement costs projected to occur 5, 10, 20 or more years from now: At an inflation rate of just 3.00% a project that costs $10,000 in the current year will cost over $18,000 in 20 years.

For non-building related components (such as a television), we use the Consumer Price Index (CPI), published by the U.S. Department of Labor, and is a yearly index of price changes for general consumer goods. For building related components (such as flooring), DMA uses a focused building construction inflation (BCI) index provided by R.S. Means. The BCI is an historical record of actual yearly changes to construction costs and is focused on residential or non-residential construction as opposed to the CPI. Each year our rates are updated to include the most recently published rates.

DMA offers two methods for calculating inflation expenditures: Straight-Line and Variable. The Straight Line method uses the same inflation rate over the course of the study period. If your study uses the Straight Line method, we use the most current index available and we use that same rate to project inflation for all years in the study. The Variable Rate uses a rate that changes each year using the Holt-Winters algorithm of regression analysis. If your study uses the Variable Rate method, please refer to the following graph for the yearly rate.

DMA Reserves
INTERACTIVE RESERVE MANAGEMENT



This graph uses the ETS-AAA method with no seasonality and a lower limit.

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
% CHANGE CPI	2.98	2.61	2.81	2.87	2.48	1.55	2.10	3.30	2.97	1.52	2.34	2.56	3.37	3.29	2.74	4.17	-0.550	1.75	0.66	2.18	1.49	1.69	0.12	1.15	2.12	2.45	1.79	1.33	4.19	8.06
% CHANGE BCI	5.73	3.82	0.03	2.95	5.03	0.77	1.92	2.43	0.97	1.39	1.94	7.87	5.55	3.90	2.65	4.58	1.660	2.39	3.60	2.27	2.01	2.09	2.41	2.30	3.30	1.96	1.96	2.36	10.05	12.72

Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
% CHANGE CPI	4.39	2.47	1.56	1.53	1.51	1.49	1.47	1.45	1.42	1.40	1.38	1.37	1.35	1.33	1.31	1.30	1.280	1.26	1.25	1.23	1.22	1.20	1.19	1.17	1.16	1.15	1.13	1.12	1.11	1.10
% CHANGE BCI	4.34	3.49	3.57	3.44	3.33	3.22	3.12	3.03	2.94	2.85	2.78	2.70	2.63	2.56	2.50	2.44	2.380	2.32	2.27	2.22	2.17	2.13	2.08	2.04	2.00	1.96	1.92	1.89	1.85	1.82

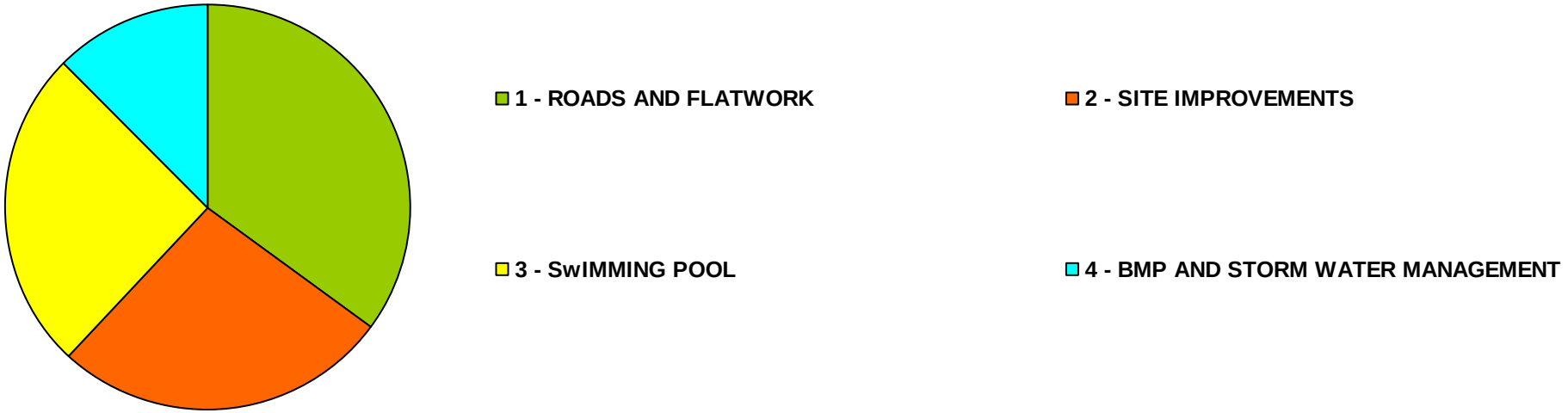
DMA Reserves
INTERACTIVE RESERVE MANAGEMENT

Reserve Expenditure 30 year Summary

Total Replacement Expenses by Section for Entire Study Period

Section	Section Name	Replacement Expenses	% of Replacement Exp
1	ROADS AND FLATWORK	$353,758	35.0%
2	SITE IMPROVEMENTS	$273,394	27.0%
3	SwIMMING POOL	$258,481	25.5%
4	BMP AND STORM WATER MANAGEMENT	$126,072	12.5%
Totals		**$1,011,704**	**100.0%**

Replacement Expenses are the projected inflation adjusted expense of ALL components within the timeframe of this analysis.



Year 2025

Line #	Component	Location	Replacement Cost *
002.003.0006	Basketball Court chain link fencing	Recreation area	$6,313.00
003.001.0007	Pool covers, winter tarp	Swimming Pool	$435.00
003.001.0010	Alternative decking, wood / plastic composite	Swimming Pool	$8,199.00
Total Expenditures for Year 2025			**$14,947.00**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2026

Line #	Component	Location	Replacement Cost *
002.002.0002	Perimeter Chain-link fence	Units 43-44	$16,153.81
003.001.0011	Pool furniture allowance	Swimming Pool	$635.77
003.001.0013	Gazebo - roof and vent	Swimming Pool	$1,659.49
004.000.0002	Dry, fine grade, seed pond slopes & Aquaic planings	BMP	$2,853.35
004.000.0003	BMP inspection study	BMP	$3,241.74
Total Expenditures for Year 2026			**$24,544.16**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2027

Line #	Component	Location	Replacement Cost *
001.000.0003	Asphalt Sealcoating	Site-Wide	$6,253.34
001.000.0004	Asphalt Crack Filler	Site-Wide	$909.56
Total Expenditures for Year 2027			**$7,162.90**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2028

Line #	Component	Location	Replacement Cost *
002.003.0002	Playground wood chip mulch	Recreation area	$2,929.13
003.001.0004	Replace precast pool coping	Swimming Pool	$598.88
003.001.0005	Re-caulk pool Joints	Swimming Pool	$710.69
003.001.0011	Pool furniture allowance	Swimming Pool	$655.25
003.002.0001	Replace skimmer drains & strainers	Swimming Pool	$4,194.43
003.002.0002	Pool equipment, sand filter	Swimming Pool	$3,254.60
003.002.0004	Replace piping and valves	Swimming Pool	$6,633.16
Total Expenditures for Year 2028			**$18,976.14**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2029

Line #	Component	Location	Replacement Cost *
003.001.0014	Swimming pool storage Shed - roof and siding	Swimming Pool	$7,010.15
Total Expenditures for Year 2029			**$7,010.15**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2030

Line #	Component	Location	Replacement Cost *
003.001.0007	Pool covers, winter tarp	Swimming Pool	$468.89
003.001.0008	Railings, stainless steel	Swimming Pool	$1,856.18
003.001.0011	Pool furniture allowance	Swimming Pool	$674.79
003.001.0015	Exterior single steel service door frame & brickmold	Swimming Pool	$2,116.23
Total Expenditures for Year 2030			**$5,116.09**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2031

Line #	Component	Location	Replacement Cost *
003.001.0006	Pool covers, mesh reinforced	Swimming Pool	$6,825.94
Total Expenditures for Year 2031			**$6,825.94**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2032

Line #	Component	Location	Replacement Cost *
001.000.0003	Asphalt Sealcoating	Site-Wide	$7,294.46
001.000.0004	Asphalt Crack Filler	Site-Wide	$1,060.99
001.000.0006	Concrete curb and gutter - incidental replacement	Site-Wide	$1,525.87
002.003.0006	Basketball Court chain link fencing	Recreation area	$7,889.31
003.001.0009	Pool concrete deck	Swimming Pool	$1,845.80
003.001.0011	Pool furniture allowance	Swimming Pool	$694.29
Total Expenditures for Year 2032			**$20,310.72**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2033

Line #	Component	Location	Replacement Cost *
002.001.0001	Sign Face, HDU, Routed and Painted	Entrance	$5,434.30
002.003.0002	Playground wood chip mulch	Recreation area	$3,400.93
002.003.0003	Plastic Playground Border	Recreation area	$776.32
002.003.0007	Bench	Site-Wide	$474.58
Total Expenditures for Year 2033			**$10,086.13**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2034

Line #	Component	Location	Replacement Cost *
003.001.0011	Pool furniture allowance	Swimming Pool	$713.73
Total Expenditures for Year 2034			**$713.73**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2035

Line #	Component	Location	Replacement Cost *
003.001.0007	Pool covers, winter tarp	Swimming Pool	$502.73
Total Expenditures for Year 2035			**$502.73**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2036

Line #	Component	Location	Replacement Cost *
002.004.0001	Exterior cluster mail boxes, plain - 16 cube	Site-Wide	$13,075.95
002.004.0002	Exterior cluster mail boxes, plain - 8 cube	Site-Wide	$2,445.76
003.001.0003	Replace Skim line Tile	Swimming Pool	$6,806.01
003.001.0011	Pool furniture allowance	Swimming Pool	$733.28
003.002.0005	Electrical panel board	Swimming Pool	$5,413.62
004.000.0001	Pond Dredging Project (Mechanical)	BMP	$47,469.39
004.000.0002	Dry, fine grade, seed pond slopes & Aquaic planings	BMP	$3,836.04
004.000.0005	Concrete drainage swale repair	Site-Wide	$3,731.60
004.000.0006	Storm piping repair	Site-Wide	$4,922.11
Total Expenditures for Year 2036			**$88,433.76**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2037

Line #	Component	Location	Replacement Cost *
001.000.0003	Asphalt Sealcoating	Site-Wide	$8,335.44
001.000.0004	Asphalt Crack Filler	Site-Wide	$1,212.40
001.000.0006	Concrete curb and gutter - incidental replacement	Site-Wide	$1,743.63
002.003.0007	Bench	Site-Wide	$500.87
003.001.0009	Pool concrete deck	Swimming Pool	$2,109.22
Total Expenditures for Year 2037			**$13,901.56**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2038

Line #	Component	Location	Replacement Cost *
002.003.0001	Playground, climber	Recreation area	$54,039.72
002.003.0002	Playground wood chip mulch	Recreation area	$3,873.05
003.001.0004	Replace precast pool coping	Swimming Pool	$791.86
003.001.0005	Re-caulk pool Joints	Swimming Pool	$939.71
003.001.0011	Pool furniture allowance	Swimming Pool	$752.76
Total Expenditures for Year 2038			**$60,397.10**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2039

Line #	Component	Location	Replacement Cost *
002.001.0004	Landscape light	Entrance	$782.73
002.002.0004	Perimeter Aluminum tube picket gate	Units 38-40	$4,873.21
002.003.0006	Basketball Court chain link fencing	Recreation area	$9,466.04
003.002.0003	Pool pump, 2 HP	Swimming Pool	$1,785.85
004.000.0004	Aerators	BMP	$7,497.27
Total Expenditures for Year 2039			**$24,405.10**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2040

Line #	Component	Location	Replacement Cost *
003.001.0007	Pool covers, winter tarp	Swimming Pool	$536.64
003.001.0011	Pool furniture allowance	Swimming Pool	$772.31
Total Expenditures for Year 2040			**$1,308.95**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2041

Line #	Component	Location	Replacement Cost *
002.003.0007	Bench	Site-Wide	$527.17
004.000.0003	BMP inspection study	BMP	$4,916.47
004.000.0005	Concrete drainage swale repair	Site-Wide	$4,209.62
004.000.0006	Storm piping repair	Site-Wide	$5,552.62
Total Expenditures for Year 2041			**$15,205.88**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2042

Line #	Component	Location	Replacement Cost *
001.000.0003	Asphalt Sealcoating	Site-Wide	$9,376.61
001.000.0004	Asphalt Crack Filler	Site-Wide	$1,363.84
001.000.0006	Concrete curb and gutter - incidental replacement	Site-Wide	$1,961.43
003.001.0009	Pool concrete deck	Swimming Pool	$2,372.67
003.001.0011	Pool furniture allowance	Swimming Pool	$791.82
Total Expenditures for Year 2042			**$15,866.37**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2043

Line #	Component	Location	Replacement Cost *
002.001.0002	Wood Post, stained and varnished	Entrance	$678.16
002.003.0002	Playground wood chip mulch	Recreation area	$4,344.93
003.002.0002	Pool equipment, sand filter	Swimming Pool	$4,827.70
Total Expenditures for Year 2043			**$9,850.79**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2044

Line #	Component	Location	Replacement Cost *
002.001.0003	Statement signs	Site-Wide	$533.52
003.001.0002	Cement plaster resurface	Swimming Pool	$23,534.84
003.001.0011	Pool furniture allowance	Swimming Pool	$811.34
003.002.0006	Pressure vacuum breaker	Swimming Pool	$1,974.65
Total Expenditures for Year 2044			**$26,854.35**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2045

Line #	Component	Location	Replacement Cost *
002.003.0007	Bench	Site-Wide	$553.48
003.001.0007	Pool covers, winter tarp	Swimming Pool	$570.52
003.001.0012	Aluminum tube picket fence and gate	Swimming Pool	$19,889.62
Total Expenditures for Year 2045			**$21,013.62**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2046

Line #	Component	Location	Replacement Cost *
001.000.0001	Mill and Overlay Asphalt	Site-Wide	$101,462.39
002.003.0006	Basketball Court chain link fencing	Recreation area	$11,041.95
003.001.0001	Pool Structure	Swimming Pool	$67,771.62
003.001.0011	Pool furniture allowance	Swimming Pool	$830.85
004.000.0002	Dry, fine grade, seed pond slopes & Aquaic planings	BMP	$4,818.73
004.000.0005	Concrete drainage swale repair	Site-Wide	$4,687.53
004.000.0006	Storm piping repair	Site-Wide	$6,183.00
Total Expenditures for Year 2046			**$196,796.07**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2047

Line #	Component	Location	Replacement Cost *
001.000.0002	Mill and Overlay Asphalt	Site-Wide	$184,169.60
001.000.0004	Asphalt Crack Filler	Site-Wide	$1,515.26
001.000.0005	Asphalt Speed Bump	Site-Wide	$7,870.81
001.000.0006	Concrete curb and gutter - incidental replacement	Site-Wide	$2,179.20
002.002.0003	Perimeter Aluminum tube picket fence	Units 32-44	$52,009.76
002.003.0005	Basketball Backstops	Recreation area	$1,467.13
003.001.0009	Pool concrete deck	Swimming Pool	$2,636.09
Total Expenditures for Year 2047			**$251,847.85**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2048

Line #	Component	Location	Replacement Cost *
002.001.0005	Parking lot lighting fixture, globe with shade	Site-Wide	$4,496.54
002.003.0002	Playground wood chip mulch	Recreation area	$4,816.93
002.003.0003	Plastic Playground Border	Recreation area	$1,099.53
003.001.0004	Replace precast pool coping	Swimming Pool	$984.84
003.001.0005	Re-caulk pool Joints	Swimming Pool	$1,168.72
003.001.0011	Pool furniture allowance	Swimming Pool	$850.32
Total Expenditures for Year 2048			**$13,416.88**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2049

Line #	Component	Location	Replacement Cost *
002.002.0005	Perimeter Aluminum tube picket fence	unit 38	$5,659.34
002.003.0007	Bench	Site-Wide	$579.78
Total Expenditures for Year 2049			**$6,239.12**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2050

Line #	Component	Location	Replacement Cost *
002.003.0004	Play Court	Recreation area	$18,516.72
003.001.0007	Pool covers, winter tarp	Swimming Pool	$604.38
003.001.0011	Pool furniture allowance	Swimming Pool	$869.82
Total Expenditures for Year 2050			**$19,990.92**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2051

Line #	Component	Location	Replacement Cost *
003.001.0006	Pool covers, mesh reinforced	Swimming Pool	$8,770.07
004.000.0005	Concrete drainage swale repair	Site-Wide	$5,165.77
004.000.0006	Storm piping repair	Site-Wide	$6,813.81
Total Expenditures for Year 2051			**$20,749.65**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2052

Line #	Component	Location	Replacement Cost *
001.000.0003	Asphalt Sealcoating	Site-Wide	$11,459.13
001.000.0004	Asphalt Crack Filler	Site-Wide	$1,666.75
001.000.0006	Concrete curb and gutter - incidental replacement	Site-Wide	$2,397.06
003.001.0009	Pool concrete deck	Swimming Pool	$2,899.63
003.001.0011	Pool furniture allowance	Swimming Pool	$889.32
Total Expenditures for Year 2052			**$19,311.89**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2053

Line #	Component	Location	Replacement Cost *
002.001.0001	Sign Face, HDU, Routed and Painted	Entrance	$8,451.43
002.003.0002	Playground wood chip mulch	Recreation area	$5,289.14
002.003.0006	Basketball Court chain link fencing	Recreation area	$12,619.18
002.003.0007	Bench	Site-Wide	$606.07
Total Expenditures for Year 2053			**$26,965.82**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2054

Line #	Component	Location	Replacement Cost *
002.001.0004	Landscape light	Entrance	$1,062.01
002.002.0004	Perimeter Aluminum tube picket gate	Units 38-40	$6,612.10
003.001.0002	Cement plaster resurface	Swimming Pool	$28,539.95
003.001.0011	Pool furniture allowance	Swimming Pool	$908.81
003.001.0014	Swimming pool storage Shed - roof and siding	Swimming Pool	$9,580.06
003.001.0015	Exterior single steel service door frame & brickmold	Swimming Pool	$3,653.95
003.002.0003	Pool pump, 2 HP	Swimming Pool	$2,423.09
004.000.0004	Aerators	BMP	$10,172.54
Total Expenditures for Year 2054			**$62,952.51**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Personnel and Project Information

PROPERTY INFORMATION

Community Size (Number of Units):	52	**Year(s) constructed:**	1986
Unit Types:	Townhomes Community	**Year converted:**	N/A

This study was prepared by Mordechai Abada, NCARB, a Reserve Analyst. Mr. Abada holds a Bachelor of Architecture from Kent State University.
The field survey, inventory, and condition assessment was conducted by Mordechai Abada.
DMA was awarded the contract on 10/8/2024
DMA conducted site visits at the property on 11/12/2024
The Working Session was held on 1/6/2025
Photographs were taken at the site and a digital folder can be provided upon request at the completion of the project.

In addition to the on-site review of components, DMA also reviewed the following information provided by the client:

- Questionnaire and Docs
- TownVillasSouthReserveStudy2013_DLMArchitects
- TVS Fence Info
- TVS HOA Articles of Incorporation
- TVS Props_Easmnt_CAs_SW
- TVSHA Decl of Covenants Apr 1984
- TVSHA Expanded Decl 1986

Standards, Limitations, Conditions, Disclosure and Restrictions

STUDY STANDARDS

This study was conducted in accordance with the Community Associations Institute National Reserve Study Standards. A summary of the standards is contained in our information article entitled “National Standards” which is included in the Appendix.

The data and analysis information that forms a part of this report contains proprietary programming and program coding that is not available for distribution to outside parties. Copies of the data and analysis have been made available in Adobe's Portable Document Format and included as part of this report. Upon request, component information can also be provided in Excel format for easier viewing and navigating through the data.

STUDY LIMITATIONS AND CONDITIONS

1. No destructive testing, lab analysis or other investigative methods were used to determine the condition of the components. Due to these limitations, as set forth in the reserve study guidelines that we subscribe to, the limited visual observations that were made are not sufficient to be considered a qualified architectural or engineering assessment of the state or condition of the components.
2. All common areas on the property were observed unless access was limited or not made available to us at the time of the inspection. The observations and opinions expressed herein with regard to the useful life of the components are based on our general professional knowledge of construction and our knowledge of the typical replacement experience of many communities and other entities with the same component types.
3. The inventory included taking field measurements, measurements from aerial and satellite imagery, digitized measurement over photo imagery and takeoffs and measurements from design and as-built drawings as there were deemed to be reliable. In the case of a Level II Update the quantities provided by the Client from previous studies was utilized when it was deemed to be reliable and accurate. In the case of a Level III Update all inventory data from previous studies provided by the Client was deemed accurate and reliable.
4. Our projections of remaining useful life are not architectural or engineering recommendations for executing specific projects. As the end of the remaining useful life approaches, as set forth in this study, the association should seek professional architectural, engineering, contractor, service providers or qualified product manufacturer or supplier assistance, as appropriate, and as to the need for and the scheduling of each specific replacement project. Particularly those of any significant magnitude.
5. An asset can be made up of several components that need to be maintained, repaired and replaced. Other elements of the asset may be considered permanent with respect to the asset. The schedule of components provided herein, is based upon information received from the client regarding the common elements and/or assets that the client is responsible for. It is the client's responsibility to verify that the schedule of components is complete.
6. Financial information including the present fund balance, interest from funds on deposit, and recent capital expenditures, were provided by the Client and are deemed reliable and complete by DMA Reserves, Inc.
7. Information provided by the Association about prior reserve replacement projects is considered to be reliable and complete. No inspection by DMA Reserves, Inc. should be interpreted as a project audit or quality inspection.
8. Industry Life Expectancy is based on printed product literature, product or material warranties, industry standards literature, and on the opinions of manufacturers, installers, or maintenance contractors based on their experience with these products and materials.
9. Unit prices are based on published unit price standards such as R. S. Means "Residential Cost Data", Facilities Maintenance and Repair Cost Data, and "Facilities Construction Cost Data", latest editions, and on pricing obtained from contractors, installers, or manufacturers. All prices are given in present dollars unless noted otherwise. Prices listed are not guaranteed as exact quotes for work included.

10 This analysis incorporates assumptions about the future rate of inflation, and the future interest income on your account deposits. If significant changes occur in either of these rates, this calculation should be re-run with current information.

11 The results of this analysis are predicated on your contributing the recommended amount in each previous year and on expenses occurring generally as predicted. This Reserve Study can be updated as a Level III study every year up to 4 years from the original study date, and should be updated with a Level II study or replaced with a new Level I study every 3 to 5 years, which may depend on statutory requirements, to correct for normal variations.

12 DMA's Capital Replacement Reserve Studies are designed to be used as planning tools. They are a reflection of information provided by the Client and our analytical inputs, and are assembled for the Client's use. This reserve study should not be used for the purpose of performing an audit, quality/forensic analysis, or for background checks of historical records.

DISCLOSURE

DMA does not have any financial interest in this community or facility, its management company or any vendor mentioned or used in this study beyond this work. This study represents all facts known to DMA at the time of it's preparation that if purposefully omitted would cause a distortion of the Client's situation regarding it's capital reserve plan.

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