

# The Woodlands Winding Brook HOA, Inc.

March 22, 2018

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## Reserve Study Funding Plan

FINAL- August 31, 2018

66 Units

*Prepared by*



8606 Allisonville Rd, Suite 120 Indianapolis, IN 46250 TEL 317-841-3393



The Woodlands Winding Brook HOA, Inc.  
Reserve Study  
March 22, 2018

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# The Woodlands Winding Brook HOA, Inc.

## Reserve Study

March 22, 2018

# Executive Summary

We have been engaged by the Association to perform a **Reserve Study** covering the fiscal years beginning January 1, 2018 and ending December 31, 2047. The purpose of a **Reserve Study** is to provide projections of future capital expenditures for replacement and non-routine maintenance of the common property of the Association and to make recommendations regarding the member contributions that should be made to the **Association's Reserve Fund** over the period covered by the study. The data and recommendations provided by the study should be used by the Association to prepare long-term budgets and to project member assessments in upcoming years.

The Association is a non-profit organization incorporated in the State of Indiana and consists of **66** residential units located in Bloomington, Indiana. The Association is responsible for the repair and replacement of a variety of common property components including:

1. Asphalt and Concrete
2. Building Exterior
3. Contingencies and Misc.
4. Exterior Staining
5. Garages
6. Landscaping
7. Mailboxes
8. Pond
9. Roofing, Gutters and Chimneys

The Association maintains reserve funds to cover major repairs and replacement of common components. Each unit owner is responsible for contributing to both the operating and reserve fund of the Association.

A Reserve Study consists of two parts, a physical analysis and a financial analysis. The **physical analysis** involves working with members of management and the Association Board to develop an inventory of the components of common property and to assess the cost and timing of the replacement or overhaul of each component. The **financial analysis** uses the information from the physical analysis and various assumptions and calculations to develop a funding plan to meet the financial demands of component replacement when necessary, and avoid special assessments on the members.



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Reserve Study

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## Physical Analysis

The physical analysis is the process of identifying the components of common property, assessing their condition, and determining each component's remaining life and future cost to replace or restore.

### Methodology

The basic steps in the physical analysis include:

- Gathering data
- On-site inspection
- Useful life, remaining useful life determination
- Replacement cost determination

### Gathering data

The physical analysis begins with gathering data about the components of common property to prepare a preliminary **component inventory**. This step can involve:

- Review of Association governance documents.
- Discussions with Association's management company.
- Discussions with Association members.
- Completion of questionnaires and development of a preliminary inventory of common property components.

### On-site inspection

An on-site inspection is conducted to assess the completeness of the component inventory and to assess the condition of the various components. The inspector will use a variety of methods to quantify the component inventory and assess each component's condition. These methods include:

- Taking physical measurements,
- Inquiries of managers and residents,
- Reviewing engineering and other contractor documents and reports,
- Consulting with other specialists and vendors, and
- Consulting reference material and other published documents and reports.

### Useful life and remaining useful life determination

**Useful life (UL)** is an estimated amount of time that a component can be expected to function before requiring major repair or replacement. The time of UL is often determined by industry standards, governmental standards and observation tables. After determining the component's UL, we then estimated the component's **remaining useful life (RUL)**. Remaining life is determined by establishing a component's installation or creation date and comparing it to the UL. We determined a component's installation or creation date based on information acquired through our interaction with Association Management and Board members, or review of Association documentation, invoices, or construction



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## Physical Analysis (continued)

documents. In the absence of reliable information or documentation we assessed and estimated the component's RUL based on its current physical condition and standard useful life tables.

### Repair and replacement cost determination

Estimated repair and replacement cost in present day dollars for each component is determined through a number of methods including review of information on the original acquisition of each component. For those components for which no original acquisition information is available, estimating software and engineering construction guides were used to obtain an average cost per the unit of measure for each component. After determining the component's replacement cost or repair schedule, we factor in the assumed inflation rate, compounded annually, for the life of the study.

### Physical Analysis results

The Association's available governing documents and discussions with managers/officers identify the following major components of common property as the responsibility of the Association:

1. Asphalt and Concrete
2. Building Exterior
3. Contingencies and Misc.
4. Exterior Staining
5. Garages
6. Landscaping
7. Mailboxes
8. Pond
9. Roofing, Gutters and Chimneys

# The Woodlands Winding Brook HOA, Inc.

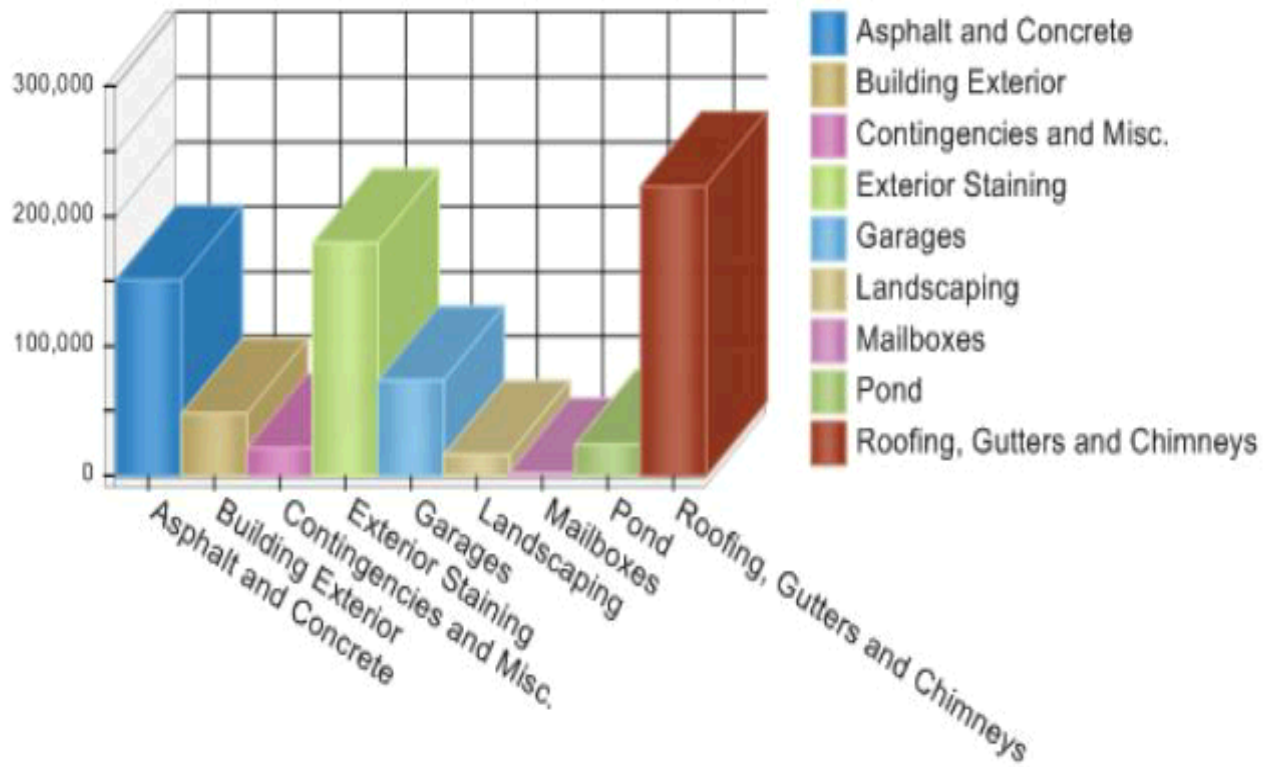
Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

## Item Parameters - Summary

Reserve Item	Replace	Basis Cost	Quantity	Current Cost	Est	Adj	Rem	Future Cost
	Date				Life	Life	Life	
Building Staining - Residence Units	1/22 - 1/27	\$ 2,500	66 Units	\$ 165,000	10:00	10:00	6:06	\$ 200,206
Building Staining - Garages	1/26 - 1/27	1,800	8 Allowanc	14,400	10:00	10:00	8:06	18,515
Common Sidewalks - Sectional Replacement	1/2018	10	615 Square F	6,150	5:00	7:00	0:00	6,150
Fence Repair Contingency	1/2022	1,000	1 Allowanc	1,000	5:00	5:00	4:00	1,125
Foundation Repair Contingency	1/2019	15,000	1 Allowanc	15,000	4:00	4:00	1:00	15,450
Garage - Roof Replacement	1/21 - 1/24	300	234 Squares	70,200	25:00	25:00	4:05	80,015
Garages - Maintenance/Repair Contin	1/2021	3,000	1 Allowanc	3,000	5:00	5:00	3:00	3,278
Landscape - Capital Maintenance & Upgrades	1/2020	10,000	1 Allowanc	10,000	2:00	5:00	2:00	10,609
Mailbox Stations	1/2028	600	4 Each	2,400	20:00	20:00	10:00	3,225
Observation Deck	1/2026	24,000	1 Allowanc	24,000	20:00	20:00	8:00	30,402
Reserve Study Updates	1/2022	3,000	1 Allowanc	3,000	4:00	4:00	4:00	3,376
Retaining Walls Repair and Replacement	1/2020	5,000	1 Partial	5,000	10:00	10:00	2:00	5,304
Roof/Gutter Repalcements	1/18 - 1/26	300	744 Squares	223,200	25:00	25:00	3:09	250,463
Sectional Siding/Trim Repair/ Repl.	1/19 - 1/24	5,000	6 Allowanc	30,000	7:00	7:00	3:06	33,312
Signage - Street & Address Replacement	1/2025	3,000	1 Total Re	3,000	15:00	15:00	7:00	3,689
Streets - Asphalt Repair - Patching and Crack Seal	1/2020	5,000	1 Allowanc	5,000	5:00	5:00	2:00	5,304
Streets - Asphalt Resurfacing	1/2023	1	73,500 Square F	128,625	20:00	20:00	5:00	149,111
Streets - Asphalt Seal Coating	1/2024	0	73,500 Square F	11,025	5:00	9:00	6:00	13,164
Unit Deck Repair & Replacement	1/2019	15,000	1 Allowanc	15,000	5:00	5:00	1:00	15,450
Utility Main Contingency	1/2020	3,000	1 Allowanc	3,000	3:00	3:00	2:00	3,182
				\$ 738,000				\$ 851,338

### Item Parameter - Category - Chart



# The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

## Expenditures

Date	Reserve Item	Code	Service Date	Estimated Life	Expenditure
Year : 2018					
01/01/2018	Common Sidewalks - Sectional Replacement	910-000-0021	01/01/2011	7:00	\$ 6,150.00
01/01/2018	Roof/Gutter Repalcements	920-001-0056	01/01/1993	25:00	19,800.00
					\$ 25,950.00
Year : 2019					
01/01/2019	Foundation Repair Contingency	910-000-0044	01/01/2015	4:00	\$ 15,450.00
01/01/2019	Roof/Gutter Repalcements	920-002-0056	01/01/1994	25:00	55,002.00
01/01/2019	Sectional Siding/Trim Repair/ Repl.	920-001-0022	01/01/2012	7:00	5,150.00
01/01/2019	Unit Deck Repair & Replacement	910-000-0002	01/01/2014	5:00	15,450.00
					\$ 91,052.00
Year : 2020					
01/01/2020	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2015	5:00	\$ 10,609.00
01/01/2020	Retaining Walls Repair and Replacement	910-000-0023	01/01/2010	10:00	5,304.50
01/01/2020	Sectional Siding/Trim Repair/ Repl.	920-002-0022	01/01/2013	7:00	5,304.50
01/01/2020	Streets - Asphalt Repair - Patching and Crack S	910-000-0001	01/01/2015	5:00	5,304.50
01/01/2020	Utility Main Contingency	910-000-0067	01/01/2017	3:00	3,182.70
					\$ 29,705.20
Year : 2021					
01/01/2021	Garage - Roof Replacement	920-001-0035	01/01/1996	25:00	\$ 19,669.09
01/01/2021	Garages - Maintenance/Repair Contin	910-000-0033	01/01/2016	5:00	3,278.18
01/01/2021	Roof/Gutter Repalcements	920-003-0056	01/01/1996	25:00	60,318.53
01/01/2021	Sectional Siding/Trim Repair/ Repl.	920-003-0022	01/01/2014	7:00	5,463.64
					\$ 88,729.44
Year : 2022					
01/01/2022	Building Staining - Residence Units	920-001-0003	01/01/2012	10:00	\$ 30,951.49
01/01/2022	Fence Repair Contingency	910-000-0066	01/01/2017	5:00	1,125.51
01/01/2022	Garage - Roof Replacement	920-002-0035	01/01/1997	25:00	22,285.07
01/01/2022	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2020	2:00	11,255.09
01/01/2022	Reserve Study Updates	910-000-0053	01/01/2018	4:00	3,376.53
01/01/2022	Roof/Gutter Repalcements	920-004-0056	01/01/1997	25:00	37,817.10
01/01/2022	Sectional Siding/Trim Repair/ Repl.	920-004-0022	01/01/2015	7:00	5,627.54
					\$ 112,438.33



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## Expenditures

Date	Reserve Item	Code	Service Date	Estimated Life	Expenditure
Year : 2023					
01/01/2023	Building Staining - Residence Units	920-002-0003	01/01/2013	10:00	\$ 31,880.04
01/01/2023	Common Sidewalks - Sectional Replacement	910-000-0021	01/01/2018	5:00	7,129.54
01/01/2023	Foundation Repair Contingency	910-000-0044	01/01/2019	4:00	17,389.11
01/01/2023	Garage - Roof Replacement	920-003-0035	01/01/1998	25:00	20,866.93
01/01/2023	Sectional Siding/Trim Repair/ Repl.	920-005-0022	01/01/2016	7:00	5,796.37
01/01/2023	Streets - Asphalt Resurfacing	910-000-0059	01/01/2003	20:00	149,111.63
01/01/2023	Utility Main Contingency	910-000-0067	01/01/2020	3:00	3,477.82
					\$ 235,651.44
Year : 2024					
01/01/2024	Building Staining - Residence Units	920-003-0003	01/01/2014	10:00	\$ 32,836.44
01/01/2024	Garage - Roof Replacement	920-004-0035	01/01/1999	25:00	17,194.35
01/01/2024	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2022	2:00	11,940.52
01/01/2024	Sectional Siding/Trim Repair/ Repl.	920-006-0022	01/01/2017	7:00	5,970.26
01/01/2024	Streets - Asphalt Seal Coating	910-000-0060	01/01/2015	9:00	13,164.43
01/01/2024	Unit Deck Repair & Replacement	910-000-0002	01/01/2019	5:00	17,910.78
					\$ 99,016.78
Year : 2025					
01/01/2025	Building Staining - Residence Units	920-004-0003	01/01/2015	10:00	\$ 33,821.53
01/01/2025	Signage - Street & Address Replacement	910-000-0058	01/01/2010	15:00	3,689.62
01/01/2025	Streets - Asphalt Repair - Patching and Crack S	910-000-0001	01/01/2020	5:00	6,149.37
					\$ 43,660.52
Year : 2026					
01/01/2026	Building Staining - Residence Units	920-005-0003	01/01/2016	10:00	\$ 34,836.18
01/01/2026	Building Staining - Garages	920-001-0004	01/01/2016	10:00	9,120.74
01/01/2026	Garages - Maintenance/Repair Contin	910-000-0033	01/01/2021	5:00	3,800.31
01/01/2026	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2024	2:00	12,667.70
01/01/2026	Observation Deck	910-000-0072	01/01/2006	20:00	30,402.48
01/01/2026	Reserve Study Updates	910-000-0053	01/01/2022	4:00	3,800.31
01/01/2026	Roof/Gutter Repalcements	920-005-0056	01/01/2001	25:00	77,526.33
01/01/2026	Sectional Siding/Trim Repair/ Repl.	920-001-0022	01/01/2019	7:00	6,333.85
01/01/2026	Utility Main Contingency	910-000-0067	01/01/2023	3:00	3,800.31
					\$ 182,288.21

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## Expenditures

Date	Reserve Item	Code	Service Date	Estimated Life	Expenditure
Year : 2027					
01/01/2027	Building Staining - Residence Units	920-006-0003	01/01/2017	10:00	\$ 35,881.26
01/01/2027	Building Staining - Garages	920-002-0004	01/01/2017	10:00	9,394.37
01/01/2027	Fence Repair Contingency	910-000-0066	01/01/2022	5:00	1,304.77
01/01/2027	Foundation Repair Contingency	910-000-0044	01/01/2023	4:00	19,571.60
01/01/2027	Sectional Siding/Trim Repair/ Repl.	920-002-0022	01/01/2020	7:00	6,523.87
					\$ 72,675.87
Year : 2028					
01/01/2028	Common Sidewalks - Sectional Replacement	910-000-0021	01/01/2023	5:00	\$ 8,265.09
01/01/2028	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2026	2:00	13,439.16
01/01/2028	Mailbox Stations	910-000-0069	01/01/2008	20:00	3,225.40
01/01/2028	Sectional Siding/Trim Repair/ Repl.	920-003-0022	01/01/2021	7:00	6,719.58
					\$ 31,649.23
Year : 2029					
01/01/2029	Sectional Siding/Trim Repair/ Repl.	920-004-0022	01/01/2022	7:00	\$ 6,921.17
01/01/2029	Streets - Asphalt Seal Coating	910-000-0060	01/01/2024	5:00	15,261.18
01/01/2029	Unit Deck Repair & Replacement	910-000-0002	01/01/2024	5:00	20,763.51
01/01/2029	Utility Main Contingency	910-000-0067	01/01/2026	3:00	4,152.70
					\$ 47,098.56
Year : 2030					
01/01/2030	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2028	2:00	\$ 14,257.61
01/01/2030	Reserve Study Updates	910-000-0053	01/01/2026	4:00	4,277.28
01/01/2030	Retaining Walls Repair and Replacement	910-000-0023	01/01/2020	10:00	7,128.80
01/01/2030	Sectional Siding/Trim Repair/ Repl.	920-005-0022	01/01/2023	7:00	7,128.80
01/01/2030	Streets - Asphalt Repair - Patching and Crack S	910-000-0001	01/01/2025	5:00	7,128.80
					\$ 39,921.29
Year : 2031					
01/01/2031	Foundation Repair Contingency	910-000-0044	01/01/2027	4:00	\$ 22,028.01
01/01/2031	Garages - Maintenance/Repair Contin	910-000-0033	01/01/2026	5:00	4,405.60
01/01/2031	Sectional Siding/Trim Repair/ Repl.	920-006-0022	01/01/2024	7:00	7,342.67
					\$ 33,776.28
Year : 2032					
01/01/2032	Building Staining - Residence Units	920-001-0003	01/01/2022	10:00	\$ 41,596.22
01/01/2032	Fence Repair Contingency	910-000-0066	01/01/2027	5:00	1,512.59
01/01/2032	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2030	2:00	15,125.90

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

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Expenditures

Date	Reserve Item	Code	Service Date	Estimated Life	Expenditure
01/01/2032	Utility Main Contingency	910-000-0067	01/01/2029	3:00	\$ 4,537.77
					<u>\$ 62,772.48</u>
Year : 2033					
01/01/2033	Building Staining - Residence Units	920-002-0003	01/01/2023	10:00	\$ 42,844.10
01/01/2033	Common Sidewalks - Sectional Replacement	910-000-0021	01/01/2028	5:00	9,581.50
01/01/2033	Sectional Siding/Trim Repair/ Repl.	920-001-0022	01/01/2026	7:00	7,789.84
					<u>\$ 60,215.44</u>
Year : 2034					
01/01/2034	Building Staining - Residence Units	920-003-0003	01/01/2024	10:00	\$ 44,129.43
01/01/2034	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2032	2:00	16,047.06
01/01/2034	Reserve Study Updates	910-000-0053	01/01/2030	4:00	4,814.12
01/01/2034	Sectional Siding/Trim Repair/ Repl.	920-002-0022	01/01/2027	7:00	8,023.53
01/01/2034	Streets - Asphalt Seal Coating	910-000-0060	01/01/2029	5:00	17,691.89
01/01/2034	Unit Deck Repair & Replacement	910-000-0002	01/01/2029	5:00	24,070.60
					<u>\$ 114,776.63</u>
Year : 2035					
01/01/2035	Building Staining - Residence Units	920-004-0003	01/01/2025	10:00	\$ 45,453.31
01/01/2035	Foundation Repair Contingency	910-000-0044	01/01/2031	4:00	24,792.71
01/01/2035	Sectional Siding/Trim Repair/ Repl.	920-003-0022	01/01/2028	7:00	8,264.24
01/01/2035	Streets - Asphalt Repair - Patching and Crack S	910-000-0001	01/01/2030	5:00	8,264.24
01/01/2035	Utility Main Contingency	910-000-0067	01/01/2032	3:00	4,958.54
					<u>\$ 91,733.04</u>
Year : 2036					
01/01/2036	Building Staining - Residence Units	920-005-0003	01/01/2026	10:00	\$ 46,816.91
01/01/2036	Building Staining - Garages	920-001-0004	01/01/2026	10:00	12,257.52
01/01/2036	Garages - Maintenance/Repair Contin	910-000-0033	01/01/2031	5:00	5,107.30
01/01/2036	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2034	2:00	17,024.33
01/01/2036	Sectional Siding/Trim Repair/ Repl.	920-004-0022	01/01/2029	7:00	8,512.17
					<u>\$ 89,718.23</u>
Year : 2037					
01/01/2037	Building Staining - Residence Units	920-006-0003	01/01/2027	10:00	\$ 48,221.42
01/01/2037	Building Staining - Garages	920-002-0004	01/01/2027	10:00	12,625.24
01/01/2037	Fence Repair Contingency	910-000-0066	01/01/2032	5:00	1,753.51
01/01/2037	Sectional Siding/Trim Repair/ Repl.	920-005-0022	01/01/2030	7:00	8,767.53

The Woodlands Winding Brook HOA, Inc.

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Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Expenditures

Date	Reserve Item	Code	Service Date	Estimated Life	Expenditure
					\$ 71,367.70
Year : 2038					
01/01/2038	Common Sidewalks - Sectional Replacement	910-000-0021	01/01/2033	5:00	\$ 11,107.58
01/01/2038	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2036	2:00	18,061.11
01/01/2038	Reserve Study Updates	910-000-0053	01/01/2034	4:00	5,418.33
01/01/2038	Sectional Siding/Trim Repair/ Repl.	920-006-0022	01/01/2031	7:00	9,030.56
01/01/2038	Utility Main Contingency	910-000-0067	01/01/2035	3:00	5,418.33
					\$ 49,035.91
Year : 2039					
01/01/2039	Foundation Repair Contingency	910-000-0044	01/01/2035	4:00	\$ 27,904.42
01/01/2039	Streets - Asphalt Seal Coating	910-000-0060	01/01/2034	5:00	20,509.75
01/01/2039	Unit Deck Repair & Replacement	910-000-0002	01/01/2034	5:00	27,904.42
					\$ 76,318.59
Year : 2040					
01/01/2040	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2038	2:00	\$ 19,161.03
01/01/2040	Retaining Walls Repair and Replacement	910-000-0023	01/01/2030	10:00	9,580.52
01/01/2040	Sectional Siding/Trim Repair/ Repl.	920-001-0022	01/01/2033	7:00	9,580.52
01/01/2040	Signage - Street & Address Replacement	910-000-0058	01/01/2025	15:00	5,748.31
01/01/2040	Streets - Asphalt Repair - Patching and Crack S	910-000-0001	01/01/2035	5:00	9,580.52
					\$ 53,650.90
Year : 2041					
01/01/2041	Garages - Maintenance/Repair Contin	910-000-0033	01/01/2036	5:00	\$ 5,920.76
01/01/2041	Sectional Siding/Trim Repair/ Repl.	920-002-0022	01/01/2034	7:00	9,867.93
01/01/2041	Utility Main Contingency	910-000-0067	01/01/2038	3:00	5,920.76
					\$ 21,709.45
Year : 2042					
01/01/2042	Building Staining - Residence Units	920-001-0003	01/01/2032	10:00	\$ 55,901.84
01/01/2042	Fence Repair Contingency	910-000-0066	01/01/2037	5:00	2,032.79
01/01/2042	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2040	2:00	20,327.94
01/01/2042	Reserve Study Updates	910-000-0053	01/01/2038	4:00	6,098.38
01/01/2042	Sectional Siding/Trim Repair/ Repl.	920-003-0022	01/01/2035	7:00	10,163.97
					\$ 94,524.92

# The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

## Expenditures

Date	Reserve Item	Code	Service Date	Estimated Life	Expenditure
Year : 2043					
01/01/2043	Building Staining - Residence Units	920-002-0003	01/01/2033	10:00	\$ 57,578.89
01/01/2043	Common Sidewalks - Sectional Replacement	910-000-0021	01/01/2038	5:00	12,876.73
01/01/2043	Foundation Repair Contingency	910-000-0044	01/01/2039	4:00	31,406.67
01/01/2043	Roof/Gutter Repalcements	920-001-0056	01/01/2018	25:00	41,456.80
01/01/2043	Sectional Siding/Trim Repair/ Repl.	920-004-0022	01/01/2036	7:00	10,468.89
01/01/2043	Streets - Asphalt Resurfacing	910-000-0059	01/01/2023	20:00	269,312.19
					\$ 423,100.17
Year : 2044					
01/01/2044	Building Staining - Residence Units	920-003-0003	01/01/2034	10:00	\$ 59,306.26
01/01/2044	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2042	2:00	21,565.91
01/01/2044	Roof/Gutter Repalcements	920-002-0056	01/01/2019	25:00	115,161.97
01/01/2044	Sectional Siding/Trim Repair/ Repl.	920-005-0022	01/01/2037	7:00	10,782.96
01/01/2044	Streets - Asphalt Seal Coating	910-000-0060	01/01/2039	5:00	23,776.42
01/01/2044	Unit Deck Repair & Replacement	910-000-0002	01/01/2039	5:00	32,348.87
01/01/2044	Utility Main Contingency	910-000-0067	01/01/2041	3:00	6,469.77
					\$ 269,412.16
Year : 2045					
01/01/2045	Building Staining - Residence Units	920-004-0003	01/01/2035	10:00	\$ 61,085.45
01/01/2045	Sectional Siding/Trim Repair/ Repl.	920-006-0022	01/01/2038	7:00	11,106.45
01/01/2045	Streets - Asphalt Repair - Patching and Crack S	910-000-0001	01/01/2040	5:00	11,106.45
					\$ 83,298.35
Year : 2046					
01/01/2046	Building Staining - Residence Units	920-005-0003	01/01/2036	10:00	\$ 62,918.01
01/01/2046	Building Staining - Garages	920-001-0004	01/01/2036	10:00	16,473.08
01/01/2046	Garage - Roof Replacement	920-001-0035	01/01/2021	25:00	41,182.70
01/01/2046	Garages - Maintenance/Repair Contin	910-000-0033	01/01/2041	5:00	6,863.78
01/01/2046	Landscape - Capital Maintenance & Upgrades	910-000-0040	01/01/2044	2:00	22,879.28
01/01/2046	Observation Deck	910-000-0072	01/01/2026	20:00	54,910.26
01/01/2046	Reserve Study Updates	910-000-0053	01/01/2042	4:00	6,863.78
01/01/2046	Roof/Gutter Repalcements	920-003-0056	01/01/2021	25:00	126,293.61
					\$ 338,384.50
Year : 2047					
01/01/2047	Building Staining - Residence Units	920-006-0003	01/01/2037	10:00	\$ 64,805.55
01/01/2047	Building Staining - Garages	920-002-0004	01/01/2037	10:00	16,967.27
01/01/2047	Fence Repair Contingency	910-000-0066	01/01/2042	5:00	2,356.57

# The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

## Expenditures

Date	Reserve Item	Code	Service Date	Estimated Life	Expenditure
01/01/2047	Foundation Repair Contingency	910-000-0044	01/01/2043	4:00	\$ 35,348.48
01/01/2047	Garage - Roof Replacement	920-002-0035	01/01/2022	25:00	46,660.00
01/01/2047	Roof/Gutter Replacements	920-004-0056	01/01/2022	25:00	79,180.60
01/01/2047	Sectional Siding/Trim Repair/ Repl.	920-001-0022	01/01/2040	7:00	11,782.83
01/01/2047	Utility Main Contingency	910-000-0067	01/01/2044	3:00	7,069.70
					<hr/>
					\$ 264,171.00



# The Woodlands Winding Brook HOA, Inc.

Reserve Study

March 22, 2018

## Financial Analysis

The financial analysis is the process of examining the needs identified through the physical analysis and developing a plan that includes recommendations for future contributions to the reserve fund.

### Methodology

Using information gathered in the physical analysis, the reserve expenditure requirements over the study period were examined and adjusted for assumptions on inflation and any other Association plans related to the timing and extent of those expenditures (exhibit C). The reserve balance projected for the beginning of the reserve period along with the current annual contribution to the reserve were then examined and projected over the study period and adjusted for assumption on investment return.

These two datasets (projected expenditures and projected reserve balances) were then combined to provide a complete projection of the reserve fund status for each of the years of the study period. This analysis (using the cash flow method) is provided in the table at the end of this section.

By using a **funding goal** of maintaining a reserve balance above zero (**baseline funding**), it is possible to determine the annual contribution amount necessary to achieve such a goal.

### Reserve Funding Status

Balance in reserve fund balance as of the analysis date	\$ 116,578
Estimated reserve fund balance at end of the analysis period-1 year	\$ 94,337
Estimated reserve fund balance at end of the 30 year study period	\$334,931.47

### Key Assumptions

In addition to the estimates of the timing and amount of reserve fund expenditures, the key assumptions necessary for the financial analysis are:

Time horizon (years)	30
Inflation rate	3.00%
Investment return rate	1.00%
Tax Rate	0.00%
General contingency allowance (annual)	\$0

The following table presents the results of the recommended contributions to the reserve fund applied to the estimated expenditures over the **study period**.

# The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

## Cash Flow - Annual

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/18 - 12/18	\$ 116,577.89	\$ 2,774.04	\$ 935.26	\$ 25,950.00	\$ 94,337.19
01/19 - 12/19	94,337.19	30,486.12	224.17	91,052.00	33,995.48
01/20 - 12/20	33,995.48	335,043.00	1,735.72	29,705.20	341,069.00
01/21 - 12/21	341,069.00	201,025.80	3,580.39	88,729.44	456,945.75
01/22 - 12/22	456,945.75	160,820.64	4,314.66	112,438.33	509,642.72
01/23 - 12/23	509,642.72	128,656.56	3,496.75	235,651.44	406,144.59
01/24 - 12/24	406,144.59	102,925.20	3,643.15	99,016.78	413,696.16
01/25 - 12/25	413,696.16	82,340.16	4,148.62	43,660.52	456,524.42
01/26 - 12/26	456,524.42	82,340.16	3,244.52	182,288.21	359,820.89
01/27 - 12/27	359,820.89	82,340.16	3,328.12	72,675.87	372,813.30
	<u>\$ 116,577.89</u>	<u>\$ 1,208,751.84</u>	<u>\$ 28,651.36</u>	<u>\$ 981,167.79</u>	<u>\$ 372,813.30</u>

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/28 - 12/28	\$ 372,813.30	\$ 82,340.16	\$ 3,853.53	\$ 31,649.23	\$ 427,357.76
01/29 - 12/29	427,357.76	82,340.16	4,252.78	47,098.56	466,852.14
01/30 - 12/30	466,852.14	82,340.16	4,718.62	39,921.29	513,989.63
01/31 - 12/31	513,989.63	82,340.16	5,251.32	33,776.28	567,804.83
01/32 - 12/32	567,804.83	82,340.16	5,512.83	62,772.48	592,885.34
01/33 - 12/33	592,885.34	82,340.16	5,789.41	60,215.44	620,799.47
01/34 - 12/34	620,799.47	82,340.16	5,544.64	114,776.63	593,907.64
01/35 - 12/35	593,907.64	82,340.16	5,496.32	91,733.04	590,011.08
01/36 - 12/36	590,011.08	82,340.16	5,476.55	89,718.23	588,109.56
01/37 - 12/37	588,109.56	82,340.16	5,634.08	71,367.70	604,716.10
	<u>\$ 372,813.30</u>	<u>\$ 823,401.60</u>	<u>\$ 51,530.08</u>	<u>\$ 643,028.88</u>	<u>\$ 604,716.10</u>

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/38 - 12/38	\$ 604,716.10	\$ 98,808.24	\$ 6,098.45	\$ 49,035.91	\$ 660,586.88
01/39 - 12/39	660,586.88	98,808.24	6,397.12	76,318.59	689,473.65
01/40 - 12/40	689,473.65	118,569.84	7,004.60	53,650.90	761,397.19
01/41 - 12/41	761,397.19	118,569.84	8,034.59	21,709.45	866,292.17
01/42 - 12/42	866,292.17	142,283.88	8,506.38	94,524.92	922,557.51
01/43 - 12/43	922,557.51	142,283.88	5,908.95	423,100.17	647,650.17
01/44 - 12/44	647,650.17	156,512.16	4,697.92	269,412.16	539,448.09
01/45 - 12/45	539,448.09	156,512.16	5,402.36	83,298.35	618,064.26
01/46 - 12/46	618,064.26	156,512.16	3,736.79	338,384.50	439,928.71
01/47 - 12/47	439,928.71	156,512.16	2,661.60	264,171.00	334,931.47
	<u>\$ 604,716.10</u>	<u>\$ 1,345,372.56</u>	<u>\$ 58,448.76</u>	<u>\$ 1,673,605.95</u>	<u>\$ 334,931.47</u>



# The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

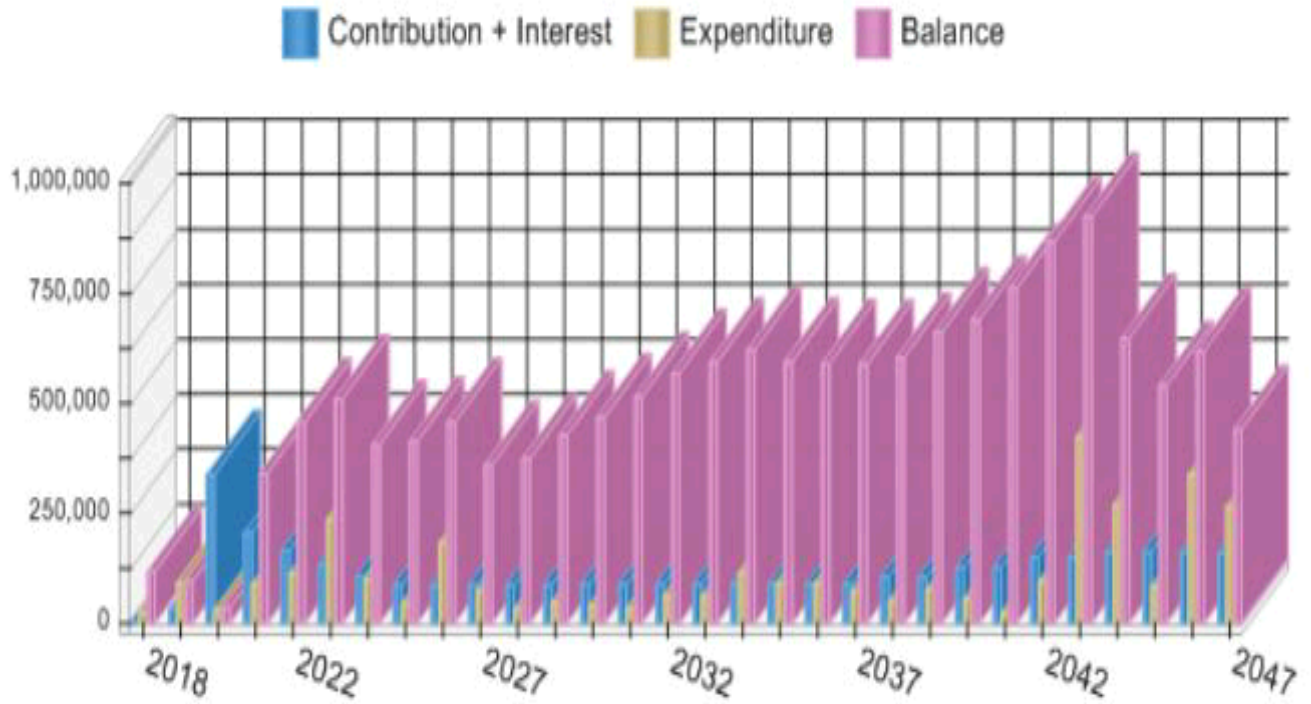
## Cash Flow - Annual

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Begin Balance	\$ 116,577	\$ 94,337	\$ 33,995	\$ 341,069	\$ 456,945	\$ 509,642	\$ 406,144	\$ 413,696	\$ 456,524	\$ 359,820
Contribution	2,774	30,486	335,043	201,025	160,820	128,656	102,925	82,340	82,340	82,340
Average Per Unit	42	461	5,076	3,045	2,436	1,949	1,559	1,247	1,247	1,247
Percent Change	0.00%	998.98%	999.00%	-40.00%	-20.00%	-20.00%	-20.00%	-20.00%	0.00%	0.00%
Interest	935	224	1,735	3,580	4,314	3,496	3,643	4,148	3,244	3,328
Less Expenditures	25,950	91,052	29,705	88,729	112,438	235,651	99,016	43,660	182,288	72,675
Ending Balance	\$ 94,337	\$ 33,995	\$ 341,069	\$ 456,945	\$ 509,642	\$ 406,144	\$ 413,696	\$ 456,524	\$ 359,820	\$ 372,813

	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Begin Balance	\$ 372,813	\$ 427,357	\$ 466,852	\$ 513,989	\$ 567,804	\$ 592,885	\$ 620,799	\$ 593,907	\$ 590,011	\$ 588,109
Contribution	82,340	82,340	82,340	82,340	82,340	82,340	82,340	82,340	82,340	82,340
Average Per Unit	1,247	1,247	1,247	1,247	1,247	1,247	1,247	1,247	1,247	1,247
Percent Change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest	3,853	4,252	4,718	5,251	5,512	5,789	5,544	5,496	5,476	5,634
Less Expenditures	31,649	47,098	39,921	33,776	62,772	60,215	114,776	91,733	89,718	71,367
Ending Balance	\$ 427,357	\$ 466,852	\$ 513,989	\$ 567,804	\$ 592,885	\$ 620,799	\$ 593,907	\$ 590,011	\$ 588,109	\$ 604,716

	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Begin Balance	\$ 604,716	\$ 660,586	\$ 689,473	\$ 761,397	\$ 866,292	\$ 922,557	\$ 647,650	\$ 539,448	\$ 618,064	\$ 439,928
Contribution	98,808	98,808	118,569	118,569	142,283	142,283	156,512	156,512	156,512	156,512
Average Per Unit	1,497	1,497	1,796	1,796	2,155	2,155	2,371	2,371	2,371	2,371
Percent Change	20.00%	0.00%	20.00%	0.00%	20.00%	0.00%	10.00%	0.00%	0.00%	0.00%
Interest	6,098	6,397	7,004	8,034	8,506	5,908	4,697	5,402	3,736	2,661
Less Expenditures	49,035	76,318	53,650	21,709	94,524	423,100	269,412	83,298	338,384	264,171
Ending Balance	\$ 660,586	\$ 689,473	\$ 761,397	\$ 866,292	\$ 922,557	\$ 647,650	\$ 539,448	\$ 618,064	\$ 439,928	\$ 334,931

### Cash Flow - Chart



# The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

## Percent Funded - Annual

Beginning Date	100% Funded Future Cost	Beginning Balance	Percent Funded	Contribution	Interest	Expenditure Future Cost
01/01/2018	\$ 547,843	\$ 116,577	21.28 %	\$ 2,774	\$ 935	\$ 25,950
01/01/2019	588,332	94,337	16.03	30,486	224	91,052
01/01/2020	567,272	33,995	5.99	335,043	1,735	29,705
01/01/2021	611,689	341,069	55.76	201,025	3,580	88,729
01/01/2022	600,865	456,945	76.05	160,820	4,314	112,438
01/01/2023	570,695	509,642	89.30	128,656	3,496	235,651
01/01/2024	426,402	406,144	95.25	102,925	3,643	99,016
01/01/2025	423,345	413,696	97.72	82,340	4,148	43,660
01/01/2026	477,140	456,524	95.68	82,340	3,244	182,288
01/01/2027	399,388	359,820	90.09	82,340	3,328	72,675
01/01/2028	433,676	372,813	85.97	82,340	3,853	31,649
01/01/2029	510,013	427,357	83.79	82,340	4,252	47,098
01/01/2030	572,405	466,852	81.56	82,340	4,718	39,921
01/01/2031	643,248	513,989	79.91	82,340	5,251	33,776
01/01/2032	721,309	567,804	78.72	82,340	5,512	62,772
01/01/2033	772,453	592,885	76.75	82,340	5,789	60,215
01/01/2034	828,189	620,799	74.96	82,340	5,544	114,776
01/01/2035	833,115	593,907	71.29	82,340	5,496	91,733
01/01/2036	864,114	590,011	68.28	82,340	5,476	89,718
01/01/2037	900,119	588,109	65.34	82,340	5,634	71,367
01/01/2038	956,912	604,716	63.19	98,808	6,098	49,035
01/01/2039	1,037,574	660,586	63.67	98,808	6,397	76,318
01/01/2040	1,093,371	689,473	63.06	118,569	7,004	53,650
01/01/2041	1,173,583	761,397	64.88	118,569	8,034	21,709
01/01/2042	1,286,431	866,292	67.34	142,283	8,506	94,524
01/01/2043	1,329,596	922,557	69.39	142,283	5,908	423,100
01/01/2044	1,060,574	647,650	61.07	156,512	4,697	269,412
01/01/2045	955,316	539,448	56.47	156,512	5,402	83,298
01/01/2046	1,038,991	618,064	59.49	156,512	3,736	338,384
01/01/2047	880,982	439,928	49.94	156,512	2,661	264,171

# Exhibits

Property Profile

Assumptions and Disclosures

Definitions



# The Woodlands Winding Brook HOA, Inc.

Reserve Study

March 22, 2018

## Property Profile

Property name:	The Woodlands Winding Brook HOA, Inc.
Number of buildings:	14 Buildings + 8 Garages
Number of stories:	2/3 Story
Number of units:	66
Type of Development:	Condominiums
Percent occupied:	Majority
Year built:	1985
Community age:	33 Years
Business status:	Non-profit
Developer/builder:	
Inspection service provided by:	Erik Robertson
Reserve study service provided by:	RSI Consultants 8606 Allisonville Road Indianapolis, IN 46240 2021-2023
Scheduled update:	
Management company:	
Property Manager:	Cynthia Johnson/Carolyn Brown



# The Woodlands Winding Brook HOA, Inc.

## Reserve Study

### March 22, 2018

#### Assumptions and Disclosures

The following assumptions were used in completing this reserve study for the Association. The assumptions were based on industry standards and codes, as well as directives from the Association's property manager and Board of Directors.

#### Assumptions

Funding goal	Base-Line
Analysis method	Cash Flow
Study period start	January 1, 2018
Study period end	December 31, 2018
Investment return	1.00
Inflation rate	3.00%
Tax rate on association income	0.00%
Inspection method	Full-inspection

#### Disclosures

1. RSI made a non-invasive onsite inspection of the property. We do not comment on, or give an opinion on, the structural integrity of common property components, or on their conformity to specific governmental code requirements, or any latent or hidden defects that were not readily apparent during the inspection.
2. This report should not be construed as an engineering analysis or a substitute for professional engineering services.
3. Our report and information contained herein is not to be construed as legal advice.
4. Our estimates of costs reflect the amount required to repair, replace or modify the property using the most current technology and construction material at current local market prices for material, labor and manufactured equipment, contractor's overhead, and profit and fees, but without provisions for overtime, bonuses for labor, or premiums for material or equipment. We included removal and disposal costs of replacement where applicable.
5. The income tax rate on non-assessment income will be zero (0). Under the IRS regulations for this type of non-profit corporation, the collection of the Homeowner's assessment meant to be used for the



maintenance and the preservation of the property are not subject to income taxes. However, it should be

## **The Woodlands Winding Brook HOA, Inc.**

### **Reserve Study**

### **March 22, 2018**

### **Assumptions and Disclosures (continued)**

noted that there are items subject to income tax and include, but are not limited to, rental/service fees and investment income.

6. Estimated expenditures reflected in the reserve plans are based upon the assumption that expenditures will be incurred in the year the component's remaining useful life reaches zero (0) years.

7. \*An inventory component's year of installation or construction is assumed to be the year the component was originally constructed or renovated. However, a component's year may reflect the beginning of a cycle, such as with painting, or may be adjusted based upon our professional observation.

8. Neither RSI nor the staff involved in the production of this report has any involvement with the Association that we feel could result in actual or perceived conflicts of interest.

9. Site inspection, financial and physical analysis presented in this study was performed by Erik Robertson who has the following credentials:

- RS-Reserve Specialist (CAI)
- Education: B.S. Butler University 1990
- Relevant Experience: Reserve Specialist - 5 years
- Facilities manager, Support Net, Inc. - 4 years
- Warranty specialist, Beazer Homes - 2 years
- Construction contractor and project manager (various firms)- 20 years

Study review and oversight was provided by Douglas O. Jones, CPA, who has the following credentials:

- Education: B.S. Accounting, Indiana University 1988
- Partner, Comer, Nowling and Associates, specializing in Association accounting and audit.
- Association Accounting and Audit - 6 years
- Certified Public Accountant - 28 years

10. There are no material issues of which we are aware, that would cause a distortion of the Association's situation. We have relied upon the client to provide the current and projected reserve balances, rate of interest earnings, and to indicate if those earnings accrue to the reserve fund. We have not audited this information. Additionally, we considered the association's representation of current and



historical reserve projects reliable, and we considered the representations made by its vendors and suppliers to also be accurate the reliable.

## **The Woodlands Winding Brook HOA, Inc.**

Reserve Study

March 22, 2018

### **Assumptions and Disclosures (continued)**

11. This reserve study is a reflection of information provided to us and assembled for the association's use, not for the purpose of performing and audit, quality/forensic analysis, or background checks of historical records.





# The Woodlands Winding Brook HOA, Inc.

Reserve Study  
March 22, 2018

## Definitions

**Annual Assessment** – Amount paid by Association members to cover all Association operating costs and contributions to the Association’s reserve fund.

**Asset or Component** - Individual line items in the Reserve Study developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association Responsibility, 2) with limited Useful Life expectancies, 3) have predictable Remaining Life expectancies, 4) above a minimum threshold cost, and 5) required by local codes.

**Cash Flow Method** - A method of developing a Reserve Funding Plan where contributions to the Reserve fund are designed to offset the variable annual expenditures from the Reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

**Component Condition** –A classification of individual components of inventory based on the items condition. The condition descriptions and Sub-Group codes used in the component inventory are as follows:

10- *Excellent or New*: Component or system is in “as new”condition, requiring no rehabilitation and should perform in accordance with expected performance.

20-*Good Condition*: 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.

30-*Fair Condition*: Component or system falls into one or more of the following categories: a) Evidence of previous repairs. Component or system approaching end of expected performance. Repairs or replacement is required to prevent further deterioration or to prolong expected life.

40-*Poor Condition or Replacement*: 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 disrepairs. Present condition could contribute to or cause the deterioration of other adjoining elements or systems. Repair or replacement is required.

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



# The Woodlands Winding Brook HOA, Inc.

Reserve Study

March 22, 2018

## Definitions (continued)

This rating condition only pertains to the existing component evaluated at the time of inspection. All future repairs and installation will be noted as *Good Condition*.

**Component Inventory** - The task of selecting and quantifying Reserve Components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representatives.

**Contingency or allowance** – An allotment for miscellaneous components or unpredictable expenses.

**Contribution** – The portion of the member’s assessment that is placed into the reserve fund.

**Deficit** - An actual (or projected) Reserve Balance, which is less than the Fully Funded Balance.

**Effective Age** – Also referred to as “**Adjusted Life**”, the difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in the computations

**Financial Analysis** - The portion of the Reserve Study where current status of the Reserves (Measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived, and the projected Reserve income and expense over time is presented. The Financial Analysis is one of the two parts of the Reserve Study.

**Full Funding** - When the actual (or projected) cumulative Reserve balance for all components is equal to the Fully Funded Balance.

**Fully Funded Balance** – Reserve Fund balance equal to the sum of all component’s fully funded balance. The calculation of a component’s fully funded balance is as follows:

Fully funded balance = (Current Age/Useful Life) x Current Cost.

**Fund Status** - The status of the Reserve Fund as compared to an established benchmark, such as percent funding. The following classifications of Fund Status are used in this study:

# The Woodlands Winding Brook HOA, Inc.

Reserve Study

March 22, 2018

## Definitions (continued)

- **0%-30% Funded** - Is considered to be a “weak” financial position. Associations that fall into this category are subject to special assessments and deferred maintenance, which could lead to lower property values. If the Association is in this position, actions should be taken to improve the financial strength of the reserve fund.
- **31%-69% Funded** – The majority of Associations are considered to be in this “**fair and reasonable**” financial position. While there is room for additional financial strength and stability, the likelihood of special assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial position of the reserve fund.
- **70%-99% Funded** – This is considered “**strong**” financial position. This indicates financial strength of a reserve fund and every attempt to maintain this level should be a goal of the Association.
- **100% Funded** – This is the “**ideal**” amount of reserve funding. This means that the Association has the exact amount of funds in the reserve account that should be needed at any given time.

**Funding Goals** - Independent of methodology utilized, the following represent the basic categories of Funding Plan Goals.

- **Baseline Funding:** Establishing a Reserve funding goal of keeping the Reserve Balance above zero
- **Component Full Funding:** Setting a Reserve funding goal of attaining and maintaining cumulative Reserves at or near 100% funded. Full Funding = (Current Age/Useful Life) x Current Cost
- **Threshold Funding:** Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than the "Component Fully Funding" method.

**Funding Plan** - An associations plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.



# The Woodlands Winding Brook HOA, Inc.

## Reserve Study

### March 22, 2018

### Definitions (continued)

**Funding Principles** – The following principles underlie the methods and objective of this reserve study:

- Sufficient Funds When Required
- Stable Contribution Rate of the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

**Life and Valuation Estimates** - The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components.

**Percent Funded** - The ratio, at a particular point of time (*typically the beginning of the Fiscal Year*), of the actual (*or projected*) Reserve Balance to the accrued *Fund Balance*, expressed as a percentage.

**Physical Analysis** - The portion of the Reserve Study where the Component Inventory, Condition Assessment, and Life and Valuation Estimate tasks are performed. This represents one of the two parts of the Reserve Study.

**Remaining Useful Life (RUL)** - Also referred to as "**Remaining Life**" (RL). The estimated time, in years, that a reserve component can be expected to *continue* to serve its intended function. Projects anticipated to occur in the initial year have "0" Remaining Useful Life.

**Replacement Cost** - The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition. The Current Replacement Cost would be the cost to replace, repair, or restore the component during that particular year.

**Replacement Year** - Also referred to as "**Year Replaced**". Year that component is projected to be replaced or repaired.

**Reserve Balance** - Actual or projected funds as of a particular point in time (typically the beginning of the fiscal year) that the association has identified for use to defray the future repair or replacement of those major components in which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves. This is based upon information provided and is not audited



# The Woodlands Winding Brook HOA, Inc.

Reserve Study

March 22, 2018

## Definitions (continued)

**Reserve Fund** – Assets (usually cash) accumulated and set aside to pay the cost of replace and capital maintenance of common property components.

**Reserve Fund Expenditure Plan** – Schedule of expenditures of reserve funds over a particular time horizon (usually 20 or 30 years).

**Reserve Study** - A budget-planning tool that identifies the current status of the Reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures. The Reserve Study consists of two parts: The Physical Analysis and the Financial Analysis

**Special Assessment** - An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by governing documents or local statutes.

**Study Period** – The time frame over which the physical and financial analysis of the reserve study is conducted. By professional standards, this period must be at least twenty years.

**Surplus** - An actual (or projected) Reserve Balance that is greater than the Fully Funded Balance.

**Useful Life (U L)** - Also known as "Life Expectancy". The estimated time, in years, that a Reserve component can be expected to serve its intended function if properly constructed and maintained in its present application or installation.

**Unit Cost** – Also referred to as “**Item Cost**”. Cost per Unit.

**Unit of Measure** – Also referred to as “**Item Type**”. Unit used measure component (explanations shown below):

Sq. Ft - Square Feet

Sq. Yd. - Square Yards

Ln. Ft. - Linear Feet

Total - Total cost for the component

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Building Staining - Residence Units

Item Number	3	Measurement Basis	Units
Type	Common Area	Estimated Useful Life	10 Years
Category	Exterior Staining	Basis Cost	\$ 2,500.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0003		30	01/01/2012	01/01/2022	4:00	10:00	11	27,500.00	30,951.49
920-002-0003			01/01/2013	01/01/2023	5:00	10:00	11	27,500.00	31,880.04
920-003-0003			01/01/2014	01/01/2024	6:00	10:00	11	27,500.00	32,836.44
920-004-0003			01/01/2015	01/01/2025	7:00	10:00	11	27,500.00	33,821.53
920-005-0003			01/01/2016	01/01/2026	8:00	10:00	11	27,500.00	34,836.18
920-006-0003			01/01/2017	01/01/2027	9:00	10:00	11	27,500.00	35,881.26
								\$ 165,000.00	\$ 200,206.94

Comments

This component is for the unit building's exterior staining/caulking. The scope of work includes cleaning, surface preparation and painting of all unit buildings. This includes siding, trim and balcony areas (and any adjacent handrails.) Also, some minor trim/siding replacement should be included.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Building Staining - Garages

Item Number	4	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	10 Years
Category	Exterior Staining	Basis Cost	\$ 1,800.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0004		30	01/01/2016	01/01/2026	8:00	10:00	4	7,200.00	9,120.74
920-002-0004		30	01/01/2017	01/01/2027	9:00	10:00	4	7,200.00	9,394.37
								\$ 14,400.00	\$ 18,515.11

Comments

This component is for staining the garage building.  
 \*Have there been any proposals?

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Common Sidewalks - Sectional Replacement

Item Number	21	Measurement Basis	Square F
Type	Common Area	Estimated Useful Life	5 Years
Category	Asphalt and Concrete	Basis Cost	\$ 10.00
Tracking Method	Logistical Adjusted		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0021		40	01/01/2011	01/01/2018	0:00	7:00	615	6,150.00	6,150.00
								\$ 6,150.00	\$ 6,150.00

Comments

Ongoing maintenance contingency for repair and section replacement of community concrete sidewalks, stoops and curbs. This component should be addressed soon as there are several trip areas and signs of deterioration.

There is approx. 12300 square feet of concrete. This component is designed to repair approx. 5% every 5 years.



The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Fence Repair Contingency

Item Number	66	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	5 Years
Category	Landscaping	Basis Cost	\$ 1,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0066		40	01/01/2017	01/01/2022	4:00	5:00	1	1,000.00	1,125.51
								\$ 1,000.00	\$ 1,125.51

Comments

This component is to repair and maintain the wood fence that runs adjacent to the pond.  
 There is currently a detached section.  
 \*Are there any other fencing runs in the community.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Foundation Repair Contingency

Item Number	44	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	4 Years
Category	Contingencies and Misc.	Basis Cost	\$ 15,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0044		40	01/01/2015	01/01/2019	1:00	4:00	1	15,000.00	15,450.00
								\$ 15,000.00	\$ 15,450.00

Comments

This component is for the foundation repairs for the unit buildings. Per site visit conversation there have been some issues with settling and moisture intrusion. This should be closely monitored.

\*What is the current plan? Have most known issues been addressed?

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Garage - Roof Replacement

Item Number	35	Measurement Basis	Squares
Type	Common Area	Estimated Useful Life	25 Years
Category	Garages	Basis Cost	\$ 300.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0035		40	01/01/1996	01/01/2021	3:00	25:00	60	18,000.00	19,669.09
920-002-0035		40	01/01/1997	01/01/2022	4:00	25:00	66	19,800.00	22,285.07
920-003-0035		30	01/01/1998	01/01/2023	5:00	25:00	60	18,000.00	20,866.93
920-004-0035		30	01/01/1999	01/01/2024	6:00	25:00	48	14,400.00	17,194.35
								<u>\$ 70,200.00</u>	<u>\$ 80,015.44</u>

Comments

Complete tear-off and replacement of roofing shingles, including replacement of flashing, repair of decking, rafters as needed and installation of ice and water shields. This includes gutters and downspouts. Remove shake shingles and replace with dimensional asphalt shingles.

\*This is based on an average of 6 squares for each garage bay.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Garages - Maintenance/Repair Contin

Item Number	33	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	5 Years
Category	Garages	Basis Cost	\$ 3,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0033		50	01/01/2016	01/01/2021	3:00	5:00	1	3,000.00	3,278.18
								\$ 3,000.00	\$ 3,278.18

Comments

This component is for the periodic repairs and as needed maintencanc and sectional replacement of the siding or trim.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Landscape - Capital Maintenance & Upgrades

Item Number	40	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	2 Years
Category	Landscaping	Basis Cost	\$ 10,000.00
Tracking Method	Logistical Adjusted		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0040		40	01/01/2015	01/01/2020	2:00	5:00	1	10,000.00	10,609.00
								\$ 10,000.00	\$ 10,609.00

Comments

This component is for major landscape, tree and shrub improvements of the property's common areas. The component is for large-scale removal and replacement of dead materials and/or emergency chemical treatments. Routine and minor issues should be addressed in the community's annual operation budget.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Mailbox Stations

Item Number	69	Measurement Basis	Each
Type	Common Area	Estimated Useful Life	20 Years
Category	Mailboxes	Basis Cost	\$ 600.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0069		30	01/01/2008	01/01/2028	10:00	20:00	4	2,400.00	3,225.40
								\$ 2,400.00	\$ 3,225.40

Comments

Mailbox station replacement.

Has there been a history for this component?

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Observation Deck

Item Number	72	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	20 Years
Category	Pond	Basis Cost	\$ 24,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0072		30	01/01/2006	01/01/2026	8:00	20:00	1	24,000.00	30,402.48
								\$ 24,000.00	\$ 30,402.48

Comments

This component is to replace the observation deck.  
 \* How is maintenance being handled?

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Reserve Study Updates

Item Number	53	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	4 Years
Category	Contingencies and Misc.	Basis Cost	\$ 3,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0053		N/A	01/01/2018	01/01/2022	4:00	4:00	1	3,000.00	3,376.53
								\$ 3,000.00	\$ 3,376.53

Comments

\*Change per 11-1-15 Spreadsheet (The cost may vary.)



The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Retaining Walls Repair and Replacement

Item Number	23	Measurement Basis	Partial
Type	Common Area	Estimated Useful Life	10 Years
Category	Landscaping	Basis Cost	\$ 5,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0023		30	01/01/2010	01/01/2020	2:00	10:00	1	5,000.00	5,304.50
								\$ 5,000.00	\$ 5,304.50

Comments

This component is for the repair and replacement of the communities retaining walls. The plan accounts for the sectional and full replacement of these items. In addition, the plan assumes that not all will fail at one time but rather only a percentage of material will fail over a period of years.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Roof/Gutter Replacments

Item Number	56	Measurement Basis	Squares
Type	Common Area	Estimated Useful Life	25 Years
Category	Roofing, Gutters and	Basis Cost	\$ 300.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0056	Bldg. 4	10	01/01/1993	01/01/2018	0:00	25:00	66	19,800.00	19,800.00
920-002-0056	Bldg. 6,7,11	30	01/01/1994	01/01/2019	1:00	25:00	178	53,400.00	55,002.00
920-003-0056	Bldg. 3,5,10,12	30	01/01/1996	01/01/2021	3:00	25:00	184	55,200.00	60,318.53
920-004-0056	Bldg. 2,14	30	01/01/1997	01/01/2022	4:00	25:00	112	33,600.00	37,817.10
920-005-0056	Bldg. 1,8,9,13	30	01/01/2001	01/01/2026	8:00	25:00	204	61,200.00	77,526.33
								\$ 223,200.00	\$ 250,463.96

Comments

This component is for the replacement of the unit building's roofs. The plan's scope of work includes the complete tear-off and replacement of asphalt shingles, replacement of flashing, drip edging, vent/dryer plumbing and repairs to the roof decking and ventilation as needed. The plan also takes into account the replacement of the gutters/downspout and the addition of ice/water shields.

This cost takes into account replacement of gutters/downspouts also.

RCV Roofing has provided a quote for Building 4 Roof Only for \$18,517.35 (Approx. 280 per square.)

5 - 6 Unit Bldgs. approx. 66 square on avg. 330

9 - 4 Unit Bldgs. approx. 46 square on avg. 4142

\_\_\_\_\_ = approx. 744 squares

6 Unit bldg. 17,435.49 per Cornerstone Roofing quote 7-25-18

4 Unit bldg. 12,061.87 per Cornerstone Roofing quote 7-25-18

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Sectional Siding/Trim Repair/ Repl.

Item Number	22	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	7 Years
Category	Building Exterior	Basis Cost	\$ 5,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-001-0022		30	01/01/2012	01/01/2019	1:00	7:00	1	5,000.00	5,150.00
920-002-0022		30	01/01/2013	01/01/2020	2:00	7:00	1	5,000.00	5,304.50
920-003-0022		30	01/01/2014	01/01/2021	3:00	7:00	1	5,000.00	5,463.64
920-004-0022		30	01/01/2015	01/01/2022	4:00	7:00	1	5,000.00	5,627.54
920-005-0022		30	01/01/2016	01/01/2023	5:00	7:00	1	5,000.00	5,796.37
920-006-0022		30	01/01/2017	01/01/2024	6:00	7:00	1	5,000.00	5,970.26
								\$ 30,000.00	\$ 33,312.31

Comments

This component is for the large repairs and sectional replacement of the unit building's siding wood panel and trim. This is designed to coincide with the staining cycle.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Signage - Street & Address Replacement

Item Number	58	Measurement Basis	Total Re
Type	Common Area	Estimated Useful Life	15 Years
Category	Building Exterior	Basis Cost	\$ 3,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0058		20	01/01/2010	01/01/2025	7:00	15:00	1	3,000.00	3,689.62
								\$ 3,000.00	\$ 3,689.62

Comments

This component is for the replacement of community street and address numbers, bulletin board and information signage. This cost can vary depending on style and material.

\*Has there been a history of this.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Streets - Asphalt Repair - Patching and Crack Seal

Item Number	1	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	5 Years
Category	Asphalt and Concrete	Basis Cost	\$ 5,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0001		30	01/01/2015	01/01/2020	2:00	5:00	1	5,000.00	5,304.50
								\$ 5,000.00	\$ 5,304.50

Comments

This component is repair (patch and crack fill) areas of the asphalt streets and parking areas. There is approx. 73,500 square feet of asphalt surface.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Streets - Asphalt Resurfacing

Item Number	59	Measurement Basis	Square F
Type	Common Area	Estimated Useful Life	20 Years
Category	Asphalt and Concrete	Basis Cost	\$ 1.75
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0059		30	01/01/2003	01/01/2023	5:00	20:00	73,500	128,625.00	149,111.63
								\$ 128,625.00	\$ 149,111.63

Comments

This component is for the resurfacing of the community's asphalt streets and parking areas. This is a complete mill (scrape), removal and re-application of 1.5-2" of new asphalt. Certain conditions such as drainage issues can increase the cost of this component.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Streets - Asphalt Seal Coating

Item Number	60	Measurement Basis	Square F
Type	Common Area	Estimated Useful Life	5 Years
Category	Asphalt and Concrete	Basis Cost	\$ 0.15
Tracking Method	Logistical Adjusted		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0060		50	01/01/2015	01/01/2024	6:00	9:00	73,500	11,025.00	13,164.43
								\$ 11,025.00	\$ 13,164.43

Comments

This component is for sealcoating the asphalt. After new asphalt is applied sealcoating should be applied approx. 1 season later and then every 5 years to obtain maximum protection.



The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Unit Deck Repair & Replacement

Item Number	2	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	5 Years
Category	Building Exterior	Basis Cost	\$ 15,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0002		20	01/01/2014	01/01/2019	1:00	5:00	1	15,000.00	15,450.00
								\$ 15,000.00	\$ 15,450.00

Comments

This component is for repairs to the unit decks. The scope of work includes rail, lattice and deck repair/replacement for unit deck on as needed basis. The plan assumes that the decks' useful life will randomly fail at different times due to many varying conditions, however, mainly due to exposure to the elements. This component should be monitored closely for safety.

The Woodlands Winding Brook HOA, Inc.

Analysis Date - January 1, 2018

Inflation:3.00% Investment:1.00% Contribution Factor:0.00% Calc:Future

Item Parameters - Full Detail

Utility Main Contingency

Item Number	67	Measurement Basis	Allowanc
Type	Common Area	Estimated Useful Life	3 Years
Category	Contingencies and Misc.	Basis Cost	\$ 3,000.00
Tracking Method	Logistical Fixed		

Code	Desc.	Condition	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0067		50	01/01/2017	01/01/2020	2:00	3:00	1	3,000.00	3,182.70
								\$ 3,000.00	\$ 3,182.70

Comments

This component is for the inspection and minor maintenance of the plumbing,sewer,water main and electrical "legs" that are located between the utility interfaces and the individual units.

Major repairs would be much more expensive than what this component allows for.