

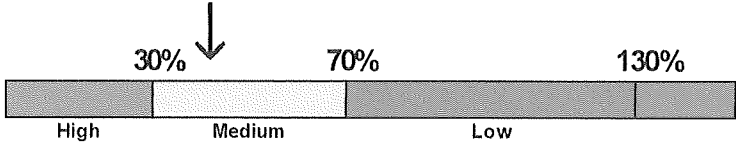
3- Minute Executive Summary

Association:	Ponderosa Townhome Estates No. 1	Assoc. #: 23283-0
Location:	Tucson, AZ	# of Units: 61
Report Period:	July 1, 2020 through June 30, 2021	

Findings/Recommendations as-of: July 1, 2020

Projected Starting Reserve Balance	\$81,415
Current Fully Funded Reserve Balance	\$192,675
Average Reserve Deficit (Surplus) Per Unit	\$1,824
Percent Funded	42.3 %
Recommended 2020-2021 Monthly Reserve Contribution	\$1,500
Recommended 2023-2024 Special Assessments for Reserves	\$36,600 (\$600/Unit)
Most Recent Reserve Contribution Rate	\$1,000

Reserves % Funded: 42.3%



Special Assessment Risk:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	1.00 %
Annual Inflation Rate	3.00 %

This is a "Full" Reserve Study (original, created "from scratch") based on our site inspection on 10/8/2019.

The Reserve expense threshold for this analysis is \$1,000, which means no expenses under that amount are funded in the Reserve Study.

Your Reserve Fund is 42.3 % Funded. This means the Reserve Fund status is Fair, and special assessment risk is currently Medium.

The objective of your multi-year Funding Plan is to Fully Fund Reserves, where associations enjoy a low risk of Reserve cash flow problems.

Based on this starting point and anticipated future expenses, we recommend budgeting Monthly Reserve contributions of \$1,500, followed by annual increases of 12% for the next few years. Nominal annual increases are scheduled to help offset inflation (see tables herein for details).

In addition, we recommend special assessments of \$36,600 (\$600/Unit) during the 2023-2024 Fiscal Year.

Although your current position is Fair, our recommended increases and special assessments will be necessary to provide Reserves with sufficient funding to complete the asphalt repave project in 2023.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
GROUNDS			
100 Monument - Refurbish	20	16	\$3,000
110 Vehicle Gates - Replace	30	16	\$4,000
201 Asphalt - Repave	24	3	\$175,000
202 Asphalt - Seal/Repair	4	4	\$10,000
220 Concrete - Repair	5	3	\$1,500
320 Pole Lights - Replace	30	28	\$14,000
370 Metal Roof - Replace	30	15	\$2,000
501 Block Walls - Repair	25	10	\$6,500
502 Chain Link Fence - Replace	30	5	\$5,500
640 Landscape Granite - Replenish	10	5	\$13,000
POOL AREA			
1130 Pool Restrooms - Refurbish	20	8	\$3,500
1200 Pool Deck - Resurface	16	8	\$7,000
1201 Pool Deck - Seal/Repair	4	0	\$2,500
1210 Pool - Resurface	15	8	\$15,000
1240 Pool Filter - Replace	15	1	\$1,000
1242 Pool Pump - Replace	15	1	\$1,000
1290 Foam Roof - Replace	25	5	\$2,000
1292 Foam Roof - Recoat	5	0	\$1,000
18 Total Funded Components			

Note 1: Yellow highlighted line items are expected to require attention in this initial year.