

Condition Assessment Report

Oak View HOA



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Google maps



American Management of Virginia

Oak view HOA

Oak view is a single family home community located in Leesburg, Virginia. It is comprised of 55 homes. The homes are individually owned and are not the responsibility of the Association. The community was constructed in 1984. There is one main road called Oak View Drive, which is not the responsibility of the Association. They also have six private cul-de-sacs within the community. The layout includes parking lots, concrete curbs, and gutters that are maintained by the Association.

The field evaluation and review of the document for this report was conducted on October 20th, 2009. The weather was sunny and the temperature was approximately 70 degrees F, and no precipitation prior to the visit. All pavements, walkways, and grounds were clean of debris. Generally, the common assets were found to be in fair condition.

VISUAL EVALUATION

The condition assessment forming the basis for this report was visual and non-invasive. We did not perform any destructive testing to uncover or expose hidden conditions. No operational testing of mechanical, electrical, plumbing, fire protection or other internal systems was performed. No spaces were entered that were inaccessible or potentially hazardous. Code compliance, capacities and equipment adequacy for current loads were not addressed on road pavement, concrete, and retaining walls. American Management of Virginia does not guarantee that every defect is disclosed. While we may identify safety hazards observed during the course of the field evaluation, this report should not be considered to be a full safety evaluation of components.

Repair and replacement costs are based upon commonly accepted references and our experience with similar components installed in similar circumstances. Our opinions of costs are based on published construction cost data; experience with similar projects, information provided by local contractors and management personnel. Actual construction costs can vary significantly due to seasonal considerations, material availability, labor, economy of scale, and other factors beyond our control. Projected useful service lives presume a normal level of past, present, and future maintenance. No warranties or guarantees of component service life expectancies are expressed or implied and none should be inferred by this report. Actual experience in replacing components may differ significantly from the projections in the Reserve Fund Plan because of conditions beyond our control or that were not visually apparent at the time of the evaluation. This report is not a mandate, but is intended to be a guide for future planning.

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Condition Report



Reserve Component:	Asphalt paving
Installation date	1984
Replacement Frequency (Years)	30
Remaining Useful Life (Years)	5
Quantity	4,000 SY
Replacement Unit Value (per ton)	\$95.00 a ton
Total Value	\$45,600
% Replacement Expected	25 %
Replacement Cost	\$11,400

Asphalt Pavement: Pavement maintenance is the routine work performed to keep pavement, subjected to normal traffic and the ordinary forces of nature, as close as possible to its original construction condition. Asphalt overlays may be used to correct both surface deficiencies and structural deficiencies. Surface deficiencies in asphalt pavement usually are corrected by thin resurfacing, but structural deficiencies require overlays designed on factors such as pavement properties and traffic loading. Repairs needed such as full-depth repairs and crack filling should be accomplished prior to overlaying if you plan to resurface the areas.

The edge mill and overlay process includes milling the edges of the pavement at the concrete gutter and feathering the depth of cut toward the center of the drive lane. Milling around meter heads and utility features is sometimes required. The typical useful life for asphalt overlay is twenty years. However, on some of the courts it has been noted that there are areas of poor conditions such as alligator cracks and oil damage. Large cracks were noted on the all courts and parking areas. These areas need seal coat and crack fill. The parking areas do not appear to need any large repairs. This includes areas in the asphalt parking lots, around meter heads and utility boxes. There are no road cuts that will permit water to penetrate the sub-grade soil, which leads to faster deterioration of the asphalt and has an adverse impact on the natural settlement. The life expectancy of the asphalt should be thirty years with only a seal coating and crack filling recommended every 5 years or 7 years depending on the traffic pattern. The property should keep a vigilant eye on areas with ponding water.

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Reserve Component:	Seal paving
Installation date	1984
Replacement Frequency (Years)	5 to 7 Years
Remaining Useful Life (Years)	0 Years
Quantity	36,000 SF
Replacement Unit Value (per Sq Ft)	\$0.25 SF
Total Value	\$9,000
% Replacement Expected	100 %
Replacement Cost	\$9,000

Asphalt Seal Coating: The purpose is to seal and add new life to a roadway surface. It protects the existing pavement but does not add significant structural strength. A surface treatment can range from a single, light application of emulsified asphalt as a “fog” seal, to a multiple-surface course made up of alternate applications of asphalt and fine aggregate. Seal coating of all asphalt pavements should be performed at approximately five to seven year intervals. The material used should be impervious to petroleum products and should be applied after crack filling, oil-spot cleaning, and full-depth repairs have been accomplished. Seal coating is a cost-effective way of extending the life of asphalt pavement. Seal coating is generally scheduled the first year and for up to five to seven years after. Seal coating was performed on the property some years back; however we do not have the information to tell us just how long ago, so we had to estimate the year. A vigilant eye should be kept on heavy load traffic. In these areas a spot repair will be required to prevent water from seeping under the seal, which causes peeling. Also, parked cars that leak fluids onto the pavement will cause the seal to deteriorate more rapidly.

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Reserve Component:	Curb and Gutter
Installation date	1984
Replacement Frequency	50 Years
Remaining Useful Life	25 Years
Quantity	3,900 LF
Replacement Unit Value (per Lq Ft)	\$25.00 LF
Total Value	\$97,000
% Replacement Expected	2 %
Replacement Cost	\$1,950

Curb and Gutter The curb and gutter have little to no damage. Some damage exists on the courts. We saw some crack, settlements, ice melt damage, and other damage typical to the stress from natural forces such as weather conditions and snow removal. Replacement is not likely to happen any time soon. The property should always remain vigilant and report any damage.

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Reserve Component:	Asphalt Trail
Installation date	1984
Replacement Frequency	40 Years
Remaining Useful Life	15 Years
Quantity	639 SF
Replacement Unit Value (per Sq Ft)	\$10.00 SF
Total Value	\$6,390
% Replacement Expected	1 %
Replacement Cost	\$63.90

Asphalt Trails: The property has a walking trail from the end of the court to the other side of the adjacent property that is 639 linear feet. Replacement is not necessary at this time but a seal should be considered to extend the life span of the path. Condition is good with some damaged sections that should be repaired with some crack fill and seal. Sometimes the shrinkage of asphalt, loss of flexibility, and the stress on the pavement leads to a series of cracks. The large cracks permit water to undermine the underlying soil, which will make it impossible for the paving to sustain ordinary loads. As the soil yields way the pavement begins to crack and deteriorate.

As time goes by, freeze-thaw cycles widen the cracks letting in even more water and the problem continues to worsen at an accelerated pace. Based on the condition, a crack filling will be necessary for some of the deeper cracks that have vegetation in them, and seal coating the entire path to extend the life of the asphalt is recommended. A preventive maintenance program will benefit the Oak View HOA by extending the life span of the path. Timely seal coating can extend the life of the path almost indefinitely. The program should be for every 10 years with yearly inspections for water damage, tree roots, and regular wear and tear.

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1. Common Interest

Over the past years, the responsibility for community facilities and infrastructures around many of the homes has shifted from the local government and private sectors to the Homeowner Associations. Years ago new homes or townhouses had a public street along the side or in front and a public alley in the rear. Public parks and private local clubs provided the recreational facilities. Today most of the new residential construction, townhouses, single family homes, condominiums and cooperatives share the same common interest development. They are all bound to a Community Association that owns, maintains, and is responsible for the periodic replacement of the roads, curbs, sidewalks, playgrounds, streetlights, recreational facilities, and the community amenities and infrastructure.

According to the U.S. Census, there were 130,000 Community Associations in 1990, compared to 500 in 1965. Community Association Institute (CAI), a national trade association estimated more that 200,000 by the year 2,000 and that number will keep multiplying.

It has been a shift of the responsibility for millions of dollars of community facilities and infrastructure from the local governments to a private sector. Community Associations have succeeded in solving many short-term problems, but other Associations have failed to properly plan for the tremendous expenses of replacing community amenities and infrastructure components with limited life. When inadequate funding results in less than timely replacement of failing amenities, homeowners are exposed to the burden of special assessments, major increases in Association fees, and a decline in property values. As a result and for the protect of the homeowners, the Commonwealth of Virginia State Senate passed legislation in 2002 requiring that both condominium associations and property owners associations conduct a study at least once every five (5) years to determine the necessity and the amount of reserves required to repair, replace and restore "Capital Components". In Addition, community associations are required to review the results of the study on a an annual basis to determine if the reserves are sufficient and to develop a budget and make any adjustments that the board members believe are necessary to maintain adequate reserves for the community.

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2. Replacement Reserve Study

A reserve study is a financial planning tool designed to aid the association with the information to plan on future replacement of the common piece of equipment, a community amenity or infrastructure components with limited life. All components eventually need to be replaced though they may normally function for 15 - 30 years, or longer. Regular operating useful lifespan and maintenance budgets do not cover the funding required for these needs. Funds must be accumulated over the life of the component or equipment. The reserve study or assessment report is designed to project the amount of money recommended to be deposited annually in your association's reserve account

This reserve analysis consists of the following:

- Report: Summary of the financial data calculated by the reserve analysis with general description of the community, a summary of the conditions observed during the site evaluation, and information about the Replacement Reserve Inventory.
- Reserve Analysis: A chart with the presentation of current association funding and the component method replacement reserve funding calculations.
- Inventory: List of the common components of the community evaluated by the reserve analysis, and includes estimated replacement cost, normal economic life, and the remaining economic life for each component evaluated.
- Recommended repairs: Itemizes defects observed at the time of the evaluation and the recommended repairs along with estimate cost.
- Log of Photographs: Photographs are the document observations during the site evaluation.
- Appendix: General information, definitions, and standard procedures.

The Reserve Study provides an inventory of the common components of the community, a general view of the conditions of these components, and an effective financial planning tool to address the cost associated with the replacement of the community amenities and infrastructure components with limited life. This reserve study is designed to project the amount of money recommended to be deposited annually in your association's reserve account. It is not a replacement schedule; it will help to anticipate the types of capital expenditures that are likely to occur over the life of the property helping to provide a reasonable and logical budget for the reserve account(s). This should not be considered a specific required replacement schedule, but a specific replacement annual budget for the expenditure that will be established by the Board of Director. These projects will be base on the information provided on the actual conditions of each reserve component.

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- Common Owned Components Inventory: The list of the common components of the community, which are scheduled for replacement from the replacement reserve chart.
- Common Owned Components Conditions: The estimation of the normal economic life and the remaining economic life with some additional information on the maintenance and replacement for the items identify.
- Common Owned Components Financial Plan: To protect the appearance and value of the community, the association has to develop an effective financial plan. To insure the entire common owned component has been replaced periodically accordingly with the life expectancy of the item. In conformance with American Institute of Certified Accountants guidelines, the replacement reserves has calculated the minimum recommended contribution to replacement reserves by Component Method.

3. **Replacement Reserve Inventory:**

Work starts with the development of the reserve inventory. In theory, the inventory is a detailed listing of each and every component that requires replacement, for which the Association is responsible. The inventory only includes components whose replacement will be funded from the Replacement Reserves. Other items not included in the inventory should be funded from sources other than the Replacement Reserve.

4. **Methods to identify reserve components:**

The reserve analysis has only two methods of identifying reserve components, information provided by the association and observation made at the site. It is important that the Reserve Analyst be provided with all available information detailing the components owned by the association. It is a good policy to request such information prior to bidding on a project and to meet with the individuals responsible for maintaining the community after acceptance of the proposal. After completion of the study, the Board of Directors should review the study, along with the individuals responsible for maintaining the community, and the association's accounting professionals. The reserve study will depend on the correct information, documentation, and drawings.

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5. Study Factors:

The following are some factors that will impact the outcome of the study:

- a- Present balance of the reserve account.
 - b- Minimum allowable or desired balance of the account, we will call it (threshold).
 - c- Regular maintenance components or equipment vs. reserve components or equipment.
 - d- Community age.
-
- a. Current balance of your reserves: \$21,000. Based on our estimate of expected replacement cost and replacement in this report, your present reserve balance represents 13.25 % of what would be needed to be considered full funding based on the component method of funding.
 - b. Minimum allowable balance (threshold) 20 % of the total estimated present value of your next replacement of assets. The total cost of all components/equipment for next replacement in your community is \$ 25,395 (The estimate for the total replacement of all the components is calculated to be \$ 158,490 but is not likely a replacement of a 100%). The normal recommendation for a minimum is 20 % in properties where the components or equipment are generally in good condition. This can be used as a contingency balance for unexpected expenditure or emergency. 20 % of the next replacement cost is \$ 5,079.
 - c. Reserves vs. Maintenance: As previously stated any asset or component or equipment whose service life equals or exceeds 5 years but is less than 50 years, and whose replacement cost equals or exceeds \$ 1,000 Dollars.
 - d. Age of the property: The documents for your property show the construction date to be 39 years ago. Components or equipment are based on this age unless different information is provided.

6. Exclusion of Reserve Components:

Every effort has been made to identify all common components, which should be reasonably considered for inclusion in the replacement reserve inventory. This may result in the inclusion of some components in the inventory that may reasonably be deleted. Any such deletions should be made at the direction of the Board of Directors, and understand that future replacement of the deleted components should be funded from sources other than the replacement reserves. There are generally three kinds of components for deletion from the inventory:

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- **Small Components:** Low cost components are normally funded from the annual operation budget rather than making disbursements from replacement reserve (e.g. light bulb, benches, trash can, or miscellaneous signage). Our policy is to assume the use of operating funds for replacement of any item with a replacement cost less than \$1,000.00 unless requested by the Board of Directors or their agent.
- **Long Lasting Components:** Some inventories include items with estimated economic life exceeding 50 years. Some analysts would omit these components from the schedule entirely on the basis that the economic life of these items approaches the property life as a whole. For example the replacement of a pool shell would be recommended as a replacement some time in the future.
- **Items Incorrectly Included:** In an effort to include all reserve items which could reasonably be considered as "common," it is possible some components have been incorrectly included.

7. **Estimating:**

The final approach in the development of the inventory is the estimation of replacement costs, normal economic life, and remaining economic life for each component listed in the inventory. To be able to reach and develop these estimates, we will use the observations made during site evaluation, government standards, published estimating manuals, our experience with similar properties, and engineering judgment. Those components or equipment which receive normal use and are in average condition for their age, will have a remaining useful life based on the normal useful life minus their present age. Components or equipment which is used more heavily, or which appears to be in poor condition for their age, will have a shorter projected remaining useful life. Any component or equipment that appears to be in exceptionally good condition for their age may have a projected remaining useful life that exceeds the projection based on their age alone.

8. **Reserve Analysis Methods:**

The evaluation portion of the replacements reserves study calculates the minimum recommended annual deposit to reserves by either the component method or cash flow method.

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- **Component Analysis:** First calculate a current objective, which is the reserve amount that would have been accumulated by now had all the components on the schedule been included from the initial construction at their current replacement costs. Then distribute the actual reserves on hand, as reported by the association, to the components on the schedule in proportion to the current objective figures. The annual deposit for each component is equal to the difference between the replacement cost and the reserves on hand, divided by the years of life remaining. The analysis is then repeated for as many future years that are covered by the study assuming that replacements occur as forecasted. The component analysis ensures a regular buildup of reserves for every component on the schedule, but usually results in an annual contribution higher than that calculated by the cash flow method.
- **Cash Flow Analysis:** (For informational use only as we are basing this study on a component method). First determine a recommended minimum reserve funding level. Then distribute the estimated replacement cost for the next 50 years to the future years in which they are projected to occur, and calculate the minimum constant yearly contribution to the reserve necessary to keep the reserves on hand above the minimum reserve level. The cash flow method assumes that the association has the authority to use all of the reserves on hand for replacements as the need actually occurs. The cash flow calculated for annual contribution is normally somewhat less than that developed by the component method.

9. **Interest and Inflation:**

Attempting to forecast future inflation, interest rates and the impact of changing technology is almost impossible. We recommend that the analysis be updated periodically rather than attempt to project far into the future. The inflation and interest rates used in future adjustments have to be specified by the association.

10. **Repair and Maintenance:**

The replacement reserve analysis addresses replacements only, not repairs or maintenance. If a repair or maintenance is recommended, it will be based on the life left of the item and the repairs or maintenance that needs to be performed within one year of the study.

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11. Revisions:

Revisions will be made to the reserve analysis in accordance with the written request and instructions of the Board of Directors. There will not be a fee for the first revision if requested in writing within two months of the date of the replacement reserve study.

12. Updating:

It is recommended that the reserve analysis be updated by the Board of Directors to identify replacements which have actually occurred, the cost of actual replacements, and current reserves on deposit. The analysis should also be updated annually with information on current construction costs and changes in building technology. This update should be performed by independent, qualified individuals experienced in the process of updating a replacement reserve analysis. Updating an analysis after a major replacement is made, usually results in a significant reduction in the minimum recommended annual contribution to replacement reserves as calculated by the component method.

It is also recommended to that the Board of Directors commission a new analysis every five years. Independent, qualified individuals should perform this analysis.

13. Recommended Repairs:

- **List Recommended:** The list identifies defects observed during the site evaluation. The repairs required to correct these defects are listed by trade and include the estimated cost of the repair.
- **Remaining Economic Life:** The listed component in the inventory assumes that all repairs will be performed and completed within the following twelve (12) months, unless specifically stated otherwise. Failure to make timely repairs may result in significant inaccuracies in the analysis due to the price on materials and labor rates that may change.
- **Repair Funding:** The replacement reserves analysis assumes the costs of the repairs listed will not be funded from the replacement reserves. If the association intends to fund these repairs from replacement reserves, the analysis should be adjusted with the replacement reserves reduced by the funding used for the repair, and the money may be taxed by the Internal Revenue Service because it has been used as capital expense and not as a replacement expense.
- **Trade Grouping:** Trade group repairs and cost estimates assume that all work by a given trade will be done together as a single project. If repairs were to be done piecemeal, the cost would be significantly higher.

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- Estimated Costs: Standard estimating manuals, contractor's proposals or actual cost experience may be available to the association. Adjustments to the inventory could be made to accommodate proposals given to the association upon the written request of the Board of Directors.

MAINTENANCE

The following preventative maintenance practices are suggested to assist the community in the development of a routine maintenance program. The recommendations are not to be considered the only maintenance required, but should be included in an overall program. The development of a maintenance checklist and an annual condition survey will help extend the useful service lives of the community's assets.

1. Seal Courts: Crack fill and Seal should be completed on damaged courts. Large cracks should be repaired to stop water from undermining the surface. Oil spills should be cleaned before seal work.



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2. Repair Curb and Gutters: These repairs should be kept at a minimum but some of the more prominent damage should be addressed to prevent trip Hazards.



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3. Asphalt Trail: Repairs at this time are not needed. However seal and crack fill should be performed since the traffic load on the trail is limited to pedestrian and bicycles. No damage should be expected from over load traffic. Roots and ground settlement are the only forces that may affect the area. Seal and crack fill should stop any water from penetrating the underlining of the trail and stop future damage.



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4. Paving Repairs: No serious damage was observed. Some alligator cracks and large cracks on some of the courts will require repairs in the near future.



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Replacement Schedule explanation

Category Component:	Short description of assets observed
Unit Cost:	Includes removal of existing components and installation of new components, including material, labor, overhead, and profit for the contractor.
Estimated Replacement Cost:	This is the total value of the common assets included in the study in current dollars, reflecting what a cost if replace today.
Typical life expectancy:	Average life expectancy based on similar components. Does not necessarily reflect the conditions observed during the site evaluation.
Estimated remaining useful life:	Based on a similar component on average wear and tear. Not necessary repair but replacement.
Prorated actual funding to date:	Funds proportionally divided from actual reserves funds on hand, to the line item from the total cost of the replacement.
Balance fund over replacement life:	Replacement fund reflects the amount needed for replaced it, based on the difference between estimated cost and prorated funds.
Annual funding on life expectancy:	Funding from the assess divides between total replacement and typical life expectancy.
Total estimated funding Shortage or Overage:	Years left times the prorated annual funding subtracted to actual fund on hand. It will reflect a shortage or credit to the annual contribution.
Annual Make-up funding:	Credit fund or need fund to meet require contribution, dived off from the remaining years and shortage or overage.
Recommended annual funding:	The prorated fund, the difference between total and make-up funds.

Oakview HOA

Analysis of Reserve Components at **Oakview HOA**

Category Component	Unit Cost	Quantity		Estimated Replacement Cost	Typical Life Expectancy	Estimated Remaining useful life	Prorated Actual Funding to Date	Balance to Fund over Replacement Life	Annual Funding on Life Expectancy	Total Estimated Funding Shortage (Overage)	Annual Make-up Funding	Recommended Annual Funding
Asphalt Courts	\$95.00	4,000	SY	\$ 45,600	30	5	\$ 6,042	\$ 39,558	\$ 1,520	\$ 31,958	\$ 6,392	\$ 7,912
Seal Coat Courts	\$0.25	36,000	SF	\$ 9,000	7	0	\$ 1,193	\$ 7,807	\$ 1,286	\$ 7,807	\$ -	\$ 1,286
Curb and Gutter	\$25.00	3,900	LF	\$ 97,500	50	25	\$ 12,919	\$ 84,581	\$ 1,950	\$ 35,831	\$ 1,433	\$ 3,383
Asphalt Trail	\$10.00	639	SF	\$ 6,390	40	15	\$ 847	\$ 5,543	\$ 160	\$ 3,147	\$ 210	\$ 370

Totals → **\$ 158,490**

\$ 21,000 **\$ 97,932** **\$ 3,395** **\$ 46,786** **\$ 1,643** **\$ 12,950**

Key:
 SY = Square Yard
 SF = Square Feet
 LF = Linear Feet
 Ton = Paving price \$95.00 per ton this include price of material,demo,trucking,trash

Property Addresses:

Actual Funds on Hand

Reserve Contribution Needed

\$ 12,950 Annual Contribution ÷ 55 Units = \$235.45 Per Unit/Year
\$12,950 Unit/per year ÷ 12 Months = \$19.62 Contribution/month

**Oakview HOA
Leesburg, VA**

**COMPONENT DATA AND
REPLACEMENT SCHEDULE
Reserves Oakview
2009 Through 2020**

<i>Component No.</i>	<i>Component</i>	<i>Quantity</i>	<i>Unit of Measurement</i>	<i>Unit Cost</i>	<i>Total Asset Base</i>	<i>Useful Service Life (Yrs)</i>	<i>1st replacement</i>	<i>Percentage of Replacement</i>	<i>Cost For 1st replacement</i>	<i>2nd replacement</i>	<i>Percentage of Replacement</i>	<i>Cost 2nd Replacement plus 10%</i>
1	2	3	4	5	6	7	8	9	10	11	12	13
1.0	Asphalt Paving 2"	4,000	Ton	\$95.00	\$45,600.00	30	2014	25%	\$11,250	2020	50%	\$22,800
2.0	Seal Asphalt	36,000	SF	\$0.25	\$9,000.00	0	2009	100%	\$9,000	2015	100%	\$9,000
3.0	Curb and Gutter	3,900	SF	\$25.00	\$97,500.00	50	2010	2%	\$1,950	2019	5%	\$4,875
4.0	Asphalt Trail	639	SF	\$10.00	\$6,390.00	40	2011	50%	\$3,195	2018	20%	\$1,278
5.0	Total Asset Base											
					\$ 158,490							

Oakview HOA
Leesburg, VA

Calendar of Expenditures
2009 Through 2030

YEAR	Number	COMPONENT	PRESENT COST 2009	FUTURE COST (INFLATED 2 %)	TOTAL ANNUAL EXPENDITURES
1	2	3	4	5	6
2009	2.0	Seal Courts	\$9,000	\$9,180	2009
				TOTAL EXPENDITURES	\$9,180
2010	3.0	Curb and Gutter (2%)	\$1,950	\$1,989.00	2010
				TOTAL EXPENDITURES	\$1,989
2011	4.0	Asphalt Trail (50)	\$3,195	\$3,259.00	2011
				TOTAL EXPENDITURES	\$3,259
2012				TOTAL EXPENDITURES	\$0
2013				TOTAL EXPENDITURES	\$0
2014	1.0	Asphalt Paving 2" (25%)	\$11,250	\$11,475	2014
				TOTAL EXPENDITURES	\$11,475
2015	2.0	Seal Courts	\$9,000	\$9,180	2015
				TOTAL EXPENDITURES	\$9,180
2016				TOTAL EXPENDITURES	\$0
2017				TOTAL EXPENDITURES	\$0
2018	4.0	Asphalt Trail (20%)	\$1,278	\$1,304	2018
				TOTAL EXPENDITURES	\$1,304
2019	3.0	Curb and Gutter (5%)	\$4,875	\$4,973	2019
				TOTAL EXPENDITURES	\$4,973
2020	1.0	Asphalt Paving 2" (50%)	\$22,800	\$23,256	2020
				TOTAL EXPENDITURES	\$23,256

Oakview HOA

CURRENT FUNDING ANALYSIS CASH FLOW METHOD

Beginning Reserve Fund Balance:

Annual Contribution To Reserves:

Contribution Percentage Increase:

Annual Inflation Factor:

Annual Interest Income Factor:

\$21,000

\$12,951

1.00%

2.00%

1.50%

YEAR	TOTAL ASSET BASE	BEGINNING RESERVE FUND BALANCE	ANNUAL CONTRIBUTION	INTEREST INCOME	CAPITAL EXPENDITURES	ENDING RESERVE FUND BALANCE	ASSET BASE TO BALANCE RATIO
1	2	3	4	5	6	7	8
2009	\$158,490	\$21,000	\$12,951	\$529	\$9,180	\$25,300	16%
2010	\$161,660	\$25,300	\$12,951	\$488	\$1,989	\$36,749	23%
2011	\$164,893	\$36,749	\$12,951	\$661	\$3,259	\$47,102	29%
2012	\$168,191	\$47,102	\$12,951	\$817	\$0	\$60,870	36%
2013	\$171,555	\$60,870	\$12,951	\$1,025	\$0	\$74,846	44%
2014	\$174,986	\$74,846	\$12,951	\$1,236	\$11,475	\$77,559	44%
2015	\$178,485	\$77,559	\$12,951	\$1,277	\$9,180	\$82,607	46%
2016	\$182,055	\$82,607	\$12,951	\$1,353	\$0	\$96,911	53%
2017	\$185,696	\$96,911	\$12,951	\$1,569	\$0	\$111,431	60%
2018	\$189,410	\$111,431	\$12,951	\$1,789	\$1,304	\$124,867	66%
2019	\$193,198	\$124,867	\$12,951	\$1,992	\$4,973	\$134,837	70%
2020	\$197,062	\$134,837	\$12,951	\$2,037	\$23,256	\$126,568	64%

STUDY PERIOD TOTALS

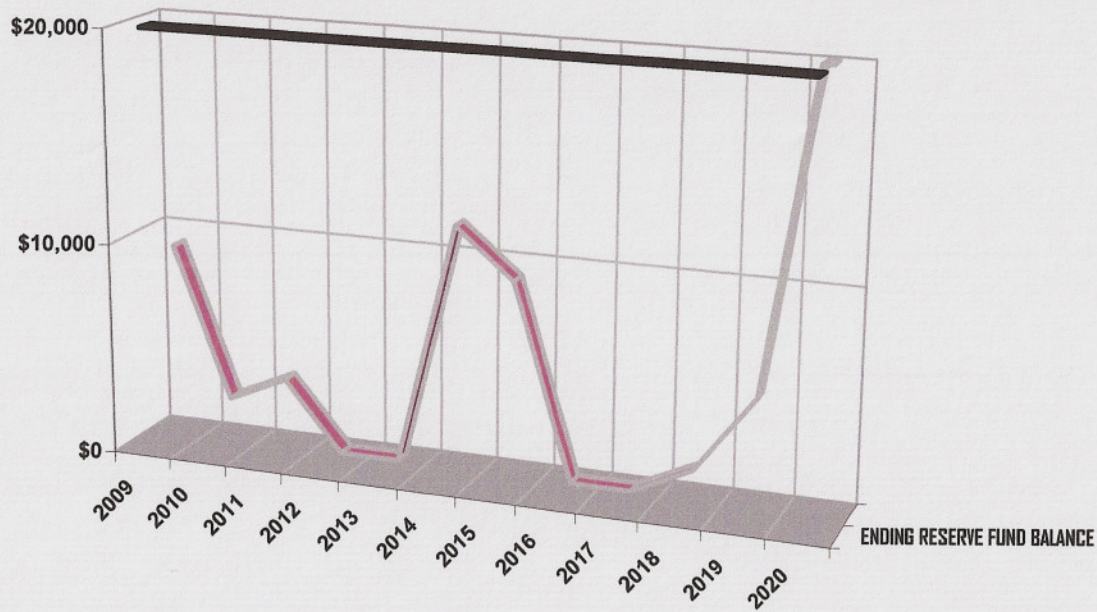
\$142,461

\$12,736

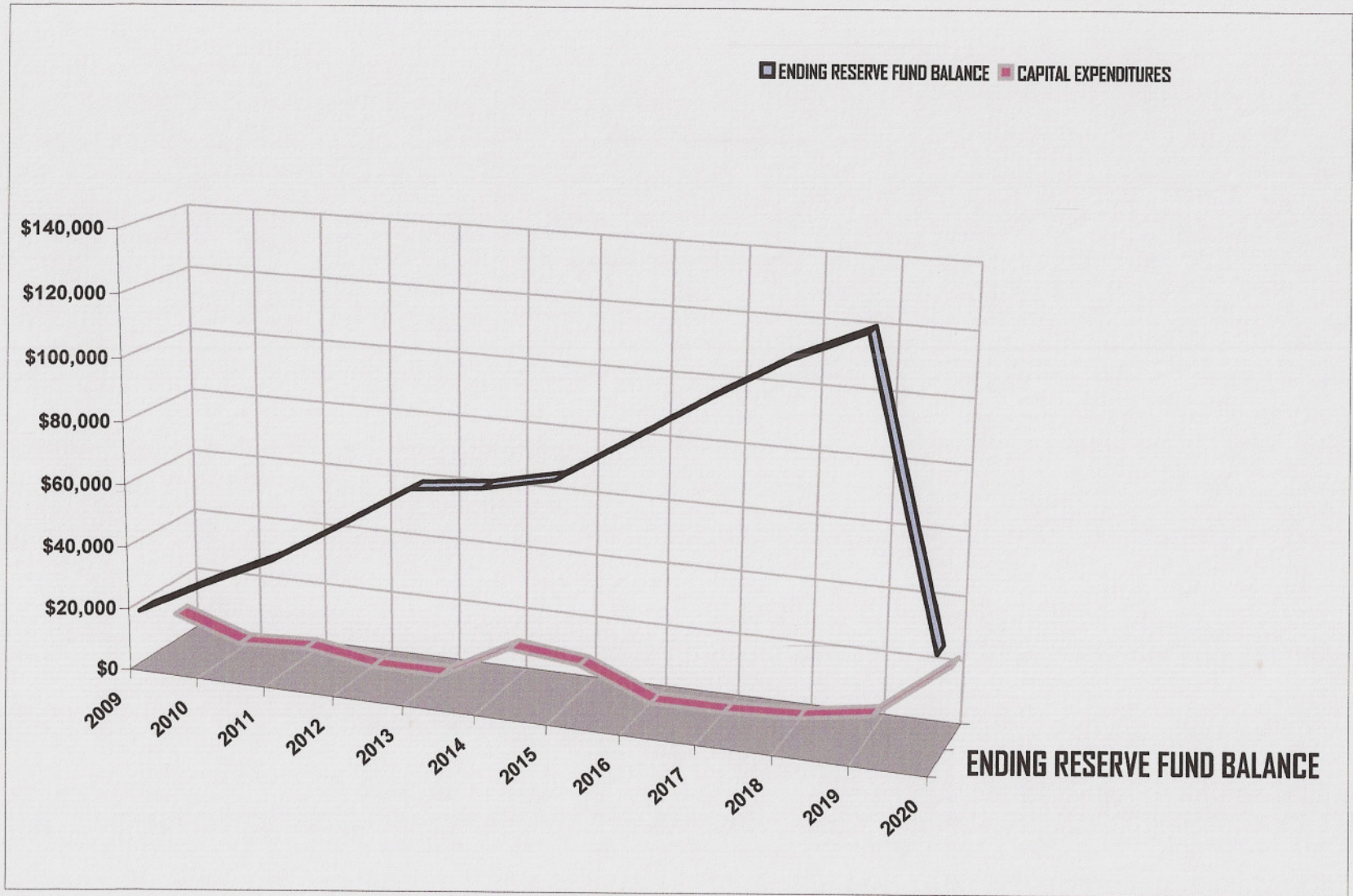
\$41,360

**CURRENT FUNDING ANALYSIS
CASH FLOW METHOD**

■ ENDING RESERVE FUND BALANCE
■ CAPITAL EXPENDITURES



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
■ ENDING RESERVE FUND BALANCE	\$25,300	\$36,749	\$47,102	\$60,870	\$74,846	\$77,559	\$82,607	\$96,911	\$111,431	\$124,867	\$134,837	\$126,568
■ CAPITAL EXPENDITURES	\$9,180	\$1,989	\$3,259	\$0	\$0	\$11,475	\$9,180	\$0	\$0	\$1,304	\$4,973	\$23,256



**ALTERNATIVE FUNDING
ANALYSIS
CASH FLOW METHOD**

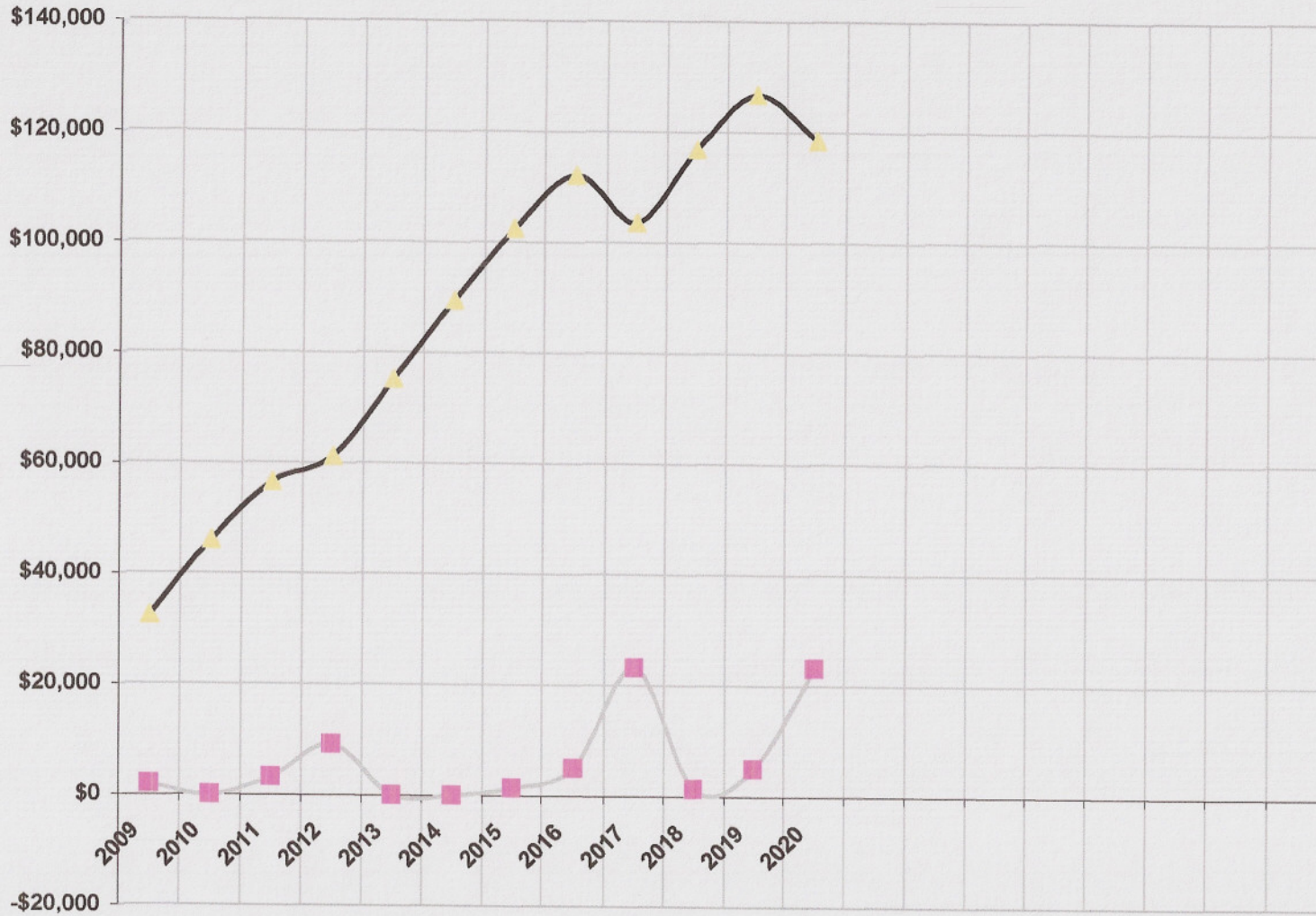
Beginning Reserve Fund Balance: Annual Contribution To Reserves: Contribution Percentage Increase: Annual Inflation Factor: Annual Interest Income Factor:
\$21,000 \$12,951 0.00% 2.00% 1.50%

	TOTAL ASSET BASE	BEGINNING RESERVE FUND BALANCE	ANNUAL CONTRIBUTION	INTEREST INCOME	CAPITAL EXPENDITURES	ENDING RESERVE FUND BALANCE	ASSET BASE TO BALANCE RATIO
1	2	3	4	5	6	7	8
2009	\$158,490	\$21,000	\$12,951	\$529	\$1,989	\$32,491	21%
2010	\$161,660	\$32,491	\$12,951	\$596	\$0	\$46,038	28%
2011	\$164,893	\$46,038	\$12,951	\$801	\$3,259	\$56,531	34%
2012	\$168,191	\$56,531	\$12,951	\$960	\$9,180	\$61,262	36%
2013	\$171,555	\$61,262	\$12,951	\$1,031	\$0	\$75,244	44%
2014	\$174,986	\$75,244	\$12,951	\$1,242	\$0	\$89,437	51%
2015	\$178,485	\$89,437	\$12,951	\$1,457	\$1,304	\$102,540	57%
2016	\$182,055	\$102,540	\$12,951	\$1,654	\$4,973	\$112,173	62%
2017	\$185,696	\$112,173	\$12,951	\$1,800	\$23,256	\$103,668	56%
2018	\$189,410	\$103,668	\$12,951	\$1,671	\$1,304	\$116,986	62%
2019	\$193,198	\$116,986	\$12,951	\$1,873	\$4,973	\$126,837	66%
2020	\$197,062	\$126,837	\$12,951	\$2,021	\$23,256	\$118,553	60%

STUDY PERIOD TOTALS	\$155,412	\$15,635	\$73,494
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**ALTERNATIVE FUNDING ANALYSIS
CASH FLOW METHOD**

—▲— ENDING RESERVE FUND BALANCE
—■— CAPITAL EXPENDITURES



American Management of Virginia

Inventory Photograph

1. Third Court
2. Third Court
3. Second Court
4. Third Court
5. Second Court
6. Second Court
7. Paving Trail
8. Second Court
9. Fifth Court
10. First Court
11. Second Court
12. First Court
13. Fifth Court
14. Fourth Court
15. Fifth Court
16. Fifth Court



1



2



3



4



5



7



6



8



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9



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10



10/20/2009 10:43 AM

12

11



10/20/2009 10:47 AM

13



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15



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14



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16