

**\*Appendix 12/Reserve Study-Reserve Study Summary  
Hunters Creek Homes Inc.**

Order: MSFM3HDY4  
Address: 401 Cavendish St Lot 113  
Order Date: 08-15-2025  
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Introduction

Draft - November 30, 2021

Introduction:

In accordance with our Agreement for Professional Services dated July 1, 2021, Thomas Downey, Ltd. was retained by the Hunters Creek Homes Association to prepare a reserve study for the property. The purpose of this analysis is to provide an engineering assessment in order to develop a repair/replacement cost budget and scope of work to maintain the property. This analysis is not intended to prescribe the Association's annual contribution to reserves or method of funding replacements. The primary focus of the analysis is to project reasonably foreseeable costs for replacements and repairs based on engineering considerations.

The following items are not covered:

- Items that are maintained or replaced by the home owners.
- Renovations which may be required by future changes in building codes or other regulations governing the property.
- Renovations due to a change in use of the property or to improve the design of a system.
- Telephone and television systems.
- Routine maintenance items.
- An accessibility or parking survey.
- An environmental assessment or testing for potential hazardous materials issues.

Limitations of this study:

This investigation was limited to a review of available documents and visual observations of exposed surfaces. No physical testing was performed and no existing finishes were removed. Portions of the property are below grade, concealed by other construction, or inaccessible. In these areas, latent problems may exist that were not identified. We do not guarantee that items will survive their life span estimates, nor that replacement will be available for the estimated costs. All estimates are based on conditions prevailing and observed at the time this report was prepared. We performed this investigation in a manner consistent with the level of skill and care ordinarily exercised by professional engineers practicing in this region under similar conditions. No other representation, warranty or guarantee is given. Our opinions and recommendations are based on our engineering judgment. We will not be responsible for latent defects that may appear in the future or for differing opinions of others that may arise. Our cost projections assume that regular maintenance and routine repairs will be performed according to accepted industry practice. The service lives of building components are affected by the level of maintenance.

General comments on engineering cost estimates:

Engineering cost estimates for repairs and replacements on existing buildings are usually different from the actual costs. One reason is that the details of the work are not known when preliminary budget estimates are made. Also, industry experience is that bid prices for repair and restoration work vary widely, even when contractors are basing their pricing on detailed plans and specifications. It is not unusual for bid prices on a restoration project to vary by 100% from the low to high firm even with extensive information for estimating. Factors that influence a contractor's bid for a repair or restoration project include the following:

- Anticipated seasonal weather changes. The time of year for the project often influences cost.
- The contractor's current work load. The markup will usually be higher if the contractor is busy.
- Labor costs. Labor costs typically account for a higher percentage of the project cost on repair work than on new construction.
- Project conditions. New construction occurs on a job site controlled by the contractor. Renovation of an occupied building is influenced by many factors beyond the contractor's control. Therefore, the contractor's perception of the job conditions has a large effect on cost.

General comments on reserve funding calculation methods:

Our methodology conforms to the recommended practices in "Best Practices: Reserve Studies/Management" published by the Community Associations Institute Research Foundation.

Abbreviations:

HCHA Hunters Creek Homes Association      S&RC Swim and Racquet Club  
SF Square Feet, LF Linear Feet, SY Square Yards, EA Each, LS Lump Sum

## Executive Summary

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### Current reserve funding, HCHA:

Reserve fund balance	\$135,000	Approximate balance
Planned assessment for reserves for 2022	\$27,000	Difference between income and expenses

### Current reserve funding, S&RC:

Reserve fund balance	\$72,674
Annual assessment for reserves	\$6,000

Year of original construction: 1976

Reserve study report base year: 2022

### Financial assumptions:

Inflation rate for replacement costs	2.0%
Interest on invested reserve funds, returned to reserves	1.5%

### Findings and Recommendations:

The proposed funding for HCHA is adequate for the projected expenses.

Upcoming large projects that need to be considered by the S&RC include:

Renovation of the tennis courts. There is significant cracking due to settlement of the subgrade that cannot be corrected by the color coat. An overlay or reconstruction of the asphalt base will be needed to address the cracks.

Renovation of the swimming pool. When the pool is about 50 years old in 2026, it should be expected that replacement of underground pipes and pool shell fittings will be needed. Replacement of the deck, coping, tile, and pool plaster should also be included in the renovation to make the pool like new.

Given the current amount in reserves and current assessments for reserves, there will not be enough to fund these projects. Plans should be made for addressing these projected funding shortfalls.

We recommend that assessments for reserves be increased each year by at least the rate of inflation. The reserve funding and projections should be reviewed and adjusted annually as circumstances change. A full reserve study should be performed by an independent consultant at least every 5 years.

Assumed Inflation rate =	2.0%
Base year =	2022
Year built =	1976

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HCHA Funding Analysis Using the Current Assessment Amounts									
Draft - November 30, 2021									
Age	Year	Total Inflated Costs	Reserve Fund					Notes	
			Beginning of Year Balance	Annual Assessment (note 1)	Interest on Reserves	Additional Funds (note 2)	End of Year Balance		
46	2022	\$0	\$135,000	\$27,000		\$0	\$162,000		
47	2023	\$42,888	\$162,000	\$27,000	\$2,430	\$0	\$148,542	Overlay parking lot asphalt paving.	
48	2024	\$0	\$148,542	\$27,540	\$2,228	\$0	\$178,310		
49	2025	\$5,306	\$178,310	\$28,091	\$2,075	\$0	\$203,769		
50	2026	\$62,646	\$203,769	\$28,653	\$3,057	\$0	\$172,832	Playground renovation.	
51	2027	\$0	\$172,832	\$29,226	\$2,592	\$0	\$204,651		
52	2028	\$3,733	\$204,651	\$29,810	\$3,070	\$0	\$233,797		
53	2029	\$0	\$233,797	\$30,406	\$3,507	\$0	\$267,711	RV lot renovation.	
54	2030	\$88,988	\$267,711	\$31,015	\$4,016	\$0	\$213,753		
55	2031	\$0	\$213,753	\$31,635	\$3,206	\$0	\$248,594		
56	2032	\$18,150	\$248,594	\$32,267	\$3,729	\$0	\$286,441		
57	2033	\$4,122	\$286,441	\$32,913	\$3,997	\$0	\$299,229		
58	2034	\$0	\$299,229	\$33,571	\$4,488	\$0	\$337,288		
59	2035	\$3,234	\$337,288	\$34,243	\$5,059	\$0	\$373,356		
60	2036	\$0	\$373,356	\$34,927	\$5,600	\$0	\$413,884		
61	2037	\$0	\$413,884	\$35,626	\$6,208	\$0	\$455,718		
62	2038	\$4,551	\$455,718	\$36,338	\$6,836	\$0	\$494,342		
63	2039	\$0	\$494,342	\$37,065	\$7,415	\$0	\$538,822		
64	2040	\$10,712	\$538,822	\$37,807	\$8,082	\$0	\$573,999		
65	2041	\$0	\$573,999	\$38,563	\$8,610	\$0	\$621,172		
66	2042	\$9,473	\$621,172	\$39,334	\$9,318	\$0	\$660,350		
67	2043	\$56,152	\$660,350	\$40,121	\$9,905	\$0	\$654,224		
68	2044	\$0	\$654,224	\$40,923	\$9,813	\$0	\$704,961		
69	2045	\$0	\$704,961	\$41,741	\$10,574	\$0	\$757,277		
70	2046	\$4,021	\$757,277	\$42,576	\$11,359	\$0	\$807,191		
71	2047	\$0	\$807,191	\$43,428	\$12,108	\$0	\$862,727		
72	2048	\$13,914	\$862,727	\$44,298	\$12,941	\$0	\$906,049		
73	2049	\$0	\$906,049	\$45,182	\$13,591	\$0	\$964,822		
74	2050	\$8,705	\$964,822	\$46,086	\$14,472	\$0	\$1,016,678		
75	2051	\$0	\$1,016,678	\$47,008	\$15,250	\$0	\$1,078,933		
76	2052	\$0	\$1,078,933	\$47,948	\$16,184	\$0	\$1,143,065		
77	2053	\$17,503	\$1,143,065	\$48,907	\$17,146	\$0	\$1,191,215		
78	2054	\$0	\$1,191,215	\$49,885	\$17,868	\$0	\$1,258,968		
79	2055	\$0	\$1,258,968	\$50,883	\$18,885	\$0	\$1,328,735		
80	2056	\$4,902	\$1,328,735	\$51,900	\$19,931	\$0	\$1,395,665		
81	2057	\$89,995	\$1,395,665	\$52,938	\$20,935	\$0	\$1,379,543		
82	2058	\$6,762	\$1,379,543	\$53,997	\$20,693	\$0	\$1,447,471		
83	2059	\$0	\$1,447,471	\$55,077	\$21,712	\$0	\$1,524,260		
Totals		\$456,156		\$1,485,925	\$359,491	\$0			
Assumed Inflation rate =			2.0%						
Base year =			2022						
Interest on reserves =			1.5%		(Applied to end of previous year balance)				
Note 1:			Annual assessment increases at the same rate as inflation.						
Note 2:			Funding needed in excess of the annual assessments to cover the anticipated expenses. This could be from special assessments, loans, or other sources.						

[illegible]

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S&RC Funding Analysis Using the Current Assessment Amounts							
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Age	Year	Total Inflated Costs	Beginning of Year Balance	Annual Assessment (note 1)	Reserve Fund Interest on Reserves	Additional Funds (note 2)	End of Year Balance
Notes							
46	2022	\$0	\$72,674	\$6,000		\$0	\$78,674
47	2023	\$40,848	\$78,674	\$6,120	\$1,180	\$0	\$45,126
48	2024	\$145,760	\$45,126	\$6,242	\$677	\$94,392	\$677
49	2025	\$10,612	\$677	\$6,367	\$10	\$3,568	\$10
50	2026	\$128,582	\$10	\$6,495	\$0	\$122,077	\$0
51	2027	\$0	\$0	\$6,624	\$0	\$0	\$6,625
52	2028	\$18,373	\$6,625	\$6,757	\$99	\$4,992	\$99
53	2029	\$8,730	\$99	\$6,892	\$1	\$1,739	\$1
54	2030	\$50,381	\$1	\$7,030	\$0	\$43,350	\$0
55	2031	\$0	\$0	\$7,171	\$0	\$0	\$7,171
56	2032	\$38,276	\$7,171	\$7,314	\$108	\$23,792	\$108
57	2033	\$58,756	\$108	\$7,460	\$2	\$51,188	\$2
58	2034	\$0	\$2	\$7,609	\$0	\$0	\$7,611
59	2035	\$19,404	\$7,611	\$7,762	\$114	\$4,031	\$114
60	2036	\$40,640	\$114	\$7,917	\$2	\$32,609	\$2
61	2037	\$0	\$2	\$8,075	\$0	\$0	\$8,077
62	2038	\$23,770	\$8,077	\$8,237	\$121	\$7,456	\$121
63	2039	\$10,642	\$121	\$8,401	\$2	\$2,119	\$2
64	2040	\$90,608	\$2	\$8,569	\$0	\$82,037	\$0
65	2041	\$0	\$0	\$8,741	\$0	\$0	\$8,741
66	2042	\$0	\$8,741	\$8,916	\$131	\$0	\$17,788
67	2043	\$56,152	\$17,788	\$9,094	\$267	\$29,270	\$267
68	2044	\$0	\$267	\$9,276	\$4	\$0	\$9,547
69	2045	\$52,826	\$9,547	\$9,461	\$143	\$33,818	\$143
70	2046	\$0	\$143	\$9,651	\$2	\$0	\$9,796
71	2047	\$58,963	\$9,796	\$9,844	\$147	\$39,324	\$147
72	2048	\$102,696	\$147	\$10,041	\$2	\$92,418	\$2
73	2049	\$0	\$2	\$10,241	\$0	\$0	\$10,244
74	2050	\$8,705	\$10,244	\$10,446	\$154	\$0	\$12,138
75	2051	\$0	\$12,138	\$10,655	\$162	\$0	\$22,975
76	2052	\$0	\$22,975	\$10,868	\$345	\$0	\$34,188
77	2053	\$11,668	\$34,188	\$11,086	\$513	\$0	\$34,119
78	2054	\$86,576	\$34,119	\$11,307	\$512	\$41,150	\$512
79	2055	\$40,367	\$512	\$11,533	\$8	\$28,322	\$8
80	2056	\$0	\$8	\$11,764	\$0	\$0	\$11,772
81	2057	\$26,199	\$11,772	\$11,999	\$177	\$2,427	\$177
82	2058	\$29,201	\$177	\$12,239	\$3	\$16,785	\$3
83	2059	\$28,089	\$3	\$12,484	\$0	\$15,602	\$0
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Notes on Reserve Components		Photos
Draft - November 30, 2021		
General notes: Some items are replacements. Some items are major repairs. See the specific notes for each item. Some items are not replaced in their entirety and some are not replaced during the study period.		
Assumptions:		
Inflation rate	2.0%	
Interest on invested reserve funds, returned to reserves	1.5%	
Base year	2022	
Year of original construction	1976	
1 Asphalt Paving - Sealing & Repairs		
Sealing cracks is important preventive maintenance that will maximize the useful service life of the paving. There are currently many cracks in the paving that cannot be effectively sealed. We advise against surface sealing, unless it is desirable to improve the cosmetic appearance of the paving.		
2 Parking area & driveway		28
3 RV lot	This is to seal cracks, patch damaged areas, and re-slope the paving. We assumed a longer useful life for the RV lot paving since it has less traffic than the parking lot.	26,27
4 Asphalt Paving - Overlay		
The asphalt paving was replaced in 2002.		
5 Parking area & driveway	This is to install a 2" thick hot mix overlay with an allowance for repairs at scattered locations.	28
6 RV lot	This is to install a 2" thick hot mix overlay with an allowance for repairs at scattered locations. We assumed a longer useful life for the RV lot paving since it has less traffic than the parking lot.	28,27
7 Tennis Courts		
8 Color coat replacement	The color coat was replaced in 2013.	20-22
9 Install new surface over asphalt	The pavement is current cracked in scattered locations. Cracks in the middle are surface cracks in the color coat. At the edges, the asphalt base has settled and the cracks are larger. This is to install an overlay system, such as Nova Pro Bounce or Premier Court, over the cracked asphalt. This produces a smooth playing surface and is less costly than replacing the underlying asphalt paving.	
10 Asphalt paving replacement	The paving is original. The replacement costs assumes repairs to some areas and an asphalt overlay.	
11 Fence	Remove and replace the chain link fence. The fence was painted in 2009.	
12 Fences	Replace the nets and cables.	
13 Basketball Court		
Resurface the basketball court. Cracks in the asphalt paving were sealed in 2020.		
14 Resurfacing	The replacement costs assumes repairs to some areas and an asphalt overlay.	
15 Paving replacement	Replace the goals and posts.	
16 Fences		
17 RV Lot - Fence and Fences		
18 Fence	The fence around the RV lot was installed in 1987.	25
19 Concrete wheel stops	Remove and replace the wheel stops.	
20 Wood shed	Remove and replace the shed with a prefabricated unit.	
21 Site Improvements		
22 Concrete sidewalks	Normally all sidewalks are not replaced at one time. Damaged sections are periodically replaced. We allow for replacement of some sections at 10 year intervals.	
23 Concrete curbs	Normally all curbs are not replaced at one time. Damaged sections are periodically replaced. We allow for replacement of some sections at when the paving is replaced.	
24 Concrete wheel stops	Remove and replace the wheel stops.	
25 Concrete entrance apron at driveway to pool	Remove and replace the apron when the paving is replaced.	
26 Asphalt sidewalks	Remove and replace the sidewalks when the parking lot is repaved.	29
27 Pole mounted lights	The lights are original. We assume that the wiring will be reused when the lights are replaced.	
28 Signs and billboards	Periodic allowance for replacing signs. The billboard at the pool house was added in 2009.	
29 Drainage improvements	There are poorly drained areas along the creek. They may eventually become a concern and need to be drained. This is a periodic allowance for improving drainage.	
30 Walking path	The paths are owned and maintained by Hemdon. The Association has a small portion near the community center building that they are responsible for. This is to repave that section.	
31 Playground	The playground was installed in 2006 for an approximate total cost of \$32,000.	24
32 Wood retaining walls	The wood retaining walls are around some of the edges of the tennis courts.	
33 Swimming Pool		
34 Concrete pool deck	Sections of the deck have been replaced at different times. Reportedly, about 15% of the deck has been replaced in the last 12 years. We assume that the deck will be replaced when the pool is refurbished when it is about 50 years old.	16,17
35 Perimeter fence	Remove and replace the fence. Reportedly about 15% of the fence was replaced in 2010.	17
36 Wading pool fence	Remove and replace the fence.	18
37 Pool fixtures	Fixtures include ladders, guard chairs, skimmers, fittings for supply and vacuum equipment. We assume that all of the fixtures will not be replaced at one time.	
38 Pool piping	Parts of the underground pool piping have been replaced. We assume that parts will be replaced as they develop leaks.	
39 Pool coping	The precast concrete pool coping was replaced about two years ago.	
40 Pool tile	The pool floor tile was replaced about two years ago.	
41 Whitelcoating	The pool was replastered in 2021 for a cost of about \$21,000. The contractor indicated that the plaster would need to be removed to the concrete base for the next cycle.	
42 Pool cover	Replace the pool cover and deck anchors.	16
43 Pool filters	The filters were replaced in 2020.	11
44 Pool pump	The pump was replaced in 2020.	12
45 Water treatment	The water treatment was refurbished in 2020.	
46 Pool furnishings	The furniture was refurbished and supplemented in 2019.	
47 Pool House & Community Center Building		
48 Exterior cladding	Replace the exterior vinyl and wood cladding.	1,2
49 Exterior concrete masonry walls	Allowance to repair and paint the concrete masonry walls.	
50 Exterior painting	Repaint the exterior wood. Includes an allowance to replace rotted wood.	
51 Roofing	Remove the existing shingles and install new shingles.	
52 Gutters & downspouts	Replace the gutters and downspouts.	
53 Interior redecoration	Allowance for interior redecoration. The community room was painted and light fixtures replaced in 2015.	7,9
54 Refurbish pool bathrooms and showers	Replace fixtures and redecorate.	5,6
55 Hot water heater	Replace the hot water heater in the pool equipment room.	14
56 Electrical system	The electric power system was refurbished in 2020.	
57 Entrance ramps and steps	Allowance to repair the framing and railings.	
58 Decking	Replace the decking.	3
59 Windows and doors	Replace the windows and doors.	
60 Cabinet heaters	Replace the electric cabinet heaters.	8
61 Split system heat pump	Replace the outside condenser and inside terminal unit. It is assumed that the piping and wiring can be reused.	4
62 Water pipes	Replace the water pipes. Water pipes in the pool equipment room have outside corrosion because of chlorine water treatment chemicals stored in the poorly-ventilated room.	
63 Drain pipes	Replace the drain pipes.	