

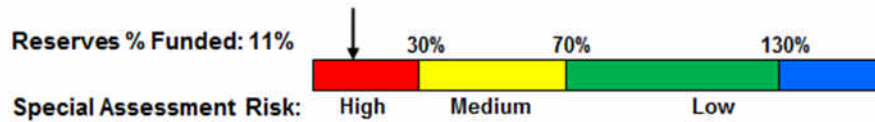
3- Minute Executive Summary

Association: Nature Pointe HOA **#:** 27360-0
Location: Tijeras, New Mexico **# of Units:** 112
Report Period: January 1, 2015 through December 31, 2015

Findings/Recommendations as-of 1/1/2015:

Projected Starting Reserve Balance:	\$79,800
Current Fully Funded Reserve Balance:	\$724,886
Average Reserve Deficit (Surplus) Per Unit:	\$5,760
Recommended 2015 Monthly “Full Funding” Contributions:	\$8,100
Alternate Minimum Contributions* To Keep Reserves Above \$0:	\$6,700
Recommended 2015 Special Assessment for Reserves:	\$0

Most Recent Budgeted Reserve Contribution Rate: **\$833**



Economic Assumptions:

Net Annual “After Tax” Interest Earnings Accruing to Reserves.....1.00%
Annual Inflation Rate3.00%

- This is a “Full” Reserve Study (original, created “from scratch”) based on our site inspection on August 25, 2014. It was prepared by a credentialed Reserve Specialist (RS).
- The Reserve expense threshold for this analysis is \$1,000. This means no expenses under \$1,000 are funded in the Reserve Study.
- Because your Reserve Fund is 11% Funded, this means the association’s special assessment & deferred maintenance risk is currently high. The objective of your multi-year Funding Plan is to Fully Fund your Reserves, where associations enjoy a low risk of Reserve cash flow problems.
- Based on this starting point and your anticipated future expenses, our recommendation is to increase your Reserve contributions to \$8,100/month. Annual increases are scheduled to help offset inflation and strengthen Reserves (see tables herein for details).

*officially called “Baseline Funding”

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
GROUNDS				
103	Concrete - Repair	5	2	\$2,000
201	Asphalt - Resurface	30	22	\$550,000
203	Asphalt - Seal/Repair	5	0	\$47,500
205	Asphalt - Crack Fill	1	0	\$1,750
250	Street Signs - Replace	24	18	\$16,000
255	Street Signs - Refurbish	8	2	\$2,500
509	Coyote Fence - Replace	30	22	\$18,000
513	Stucco Columns - Restucco	18	10	\$5,000
701	Monuments - Refurbish	20	12	\$10,000
703	Entry System - Replace	15	9	\$3,500
706	Gate Operators - Replace	15	9	\$14,800
708	Vehicle Gates - Replace	40	32	\$12,000
CLUBHOUSE				
324	Exterior Lights - Replace	25	17	\$9,000
501	Garage Doors - Replace	30	22	\$2,000
850	Washer/Dryer - Replace	10	2	\$1,800
865	Gas Furnace - Replace	20	12	\$1,500
870	Boiler - Replace	20	12	\$11,500
872	Boiler - Refurbish	10	2	\$4,000
874	Boiler Control Modules - Replace	12	4	\$1,800
876	Circulating Pumps - Replace	10	2	\$3,000
878	Water Heaters - Replace	12	4	\$2,300
880	Water Softener - Replace	12	4	\$2,500
900	Concrete Floor - Recoat	8	1	\$14,500
904	Wood Floor - Replace	50	43	\$45,000
905	Wood Floor - Refinish	8	1	\$9,300
907	Laminate Wood Floor - Replace	25	17	\$3,500
910	Interior Lights - Replace	30	22	\$30,000
911	Ceiling Fans - Replace	15	7	\$3,600
912	Furniture - Replace (Banquet)	15	7	\$15,000
912	Furniture - Replace (Misc.)	20	12	\$52,500
915	Televisions - Replace	10	2	\$6,500
916	Artwork/Décor - Update	20	12	\$10,000
918	Restrooms - Remodel	30	22	\$52,500
920	Kitchens - Remodel	30	22	\$40,000
922	Kitchen Appliances - Replace (A)	24	16	\$19,500
922	Kitchen Appliances - Replace (B)	12	4	\$12,500
928	Cabinetry - Remodel	30	22	\$4,500
932	Massage Equipment - Replace	15	7	\$3,500
942	Game Tables - Replace	20	12	\$17,000
953	Cardio Equipment - Replace	15	7	\$45,000
955	Strength Equipment - Replace	20	12	\$54,000
960	Drinking Fountains - Replace	18	10	\$2,700
965	Emergency Defibrillator - Replace	12	8	\$1,500
980	Key Fob System - Replace	12	5	\$7,000
984	Surveillance System - Replace	10	2	\$11,000

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
986	Sound System - Replace	12	4	\$10,500
995	Fire Alarm Panel - Replace	15	7	\$3,500
1100	Interior Surfaces - Repaint	18	10	\$24,000
1115	Building Exteriors - Restucco	22	14	\$100,000
1116	Wood Surfaces - Stain	3	0	\$12,500
1125	Wood Surfaces - Repair	30	22	\$22,500
1202	Pool - Resurface	15	7	\$15,000
1204	Pool Cover Fabric - Replace	8	7	\$4,500
1206	Pool Cover Motor - Replace	10	2	\$1,000
1208	Spa - Resurface	15	7	\$3,300
1214	Shower - Retile	30	22	\$1,500
1217	Pool Furniture - Replace	10	2	\$9,500
1220	Pool/Spa Filters - Replace	15	7	\$2,800
1222	Pool Heater - Replace	8	0	\$3,300
1223	Spa Heater - Replace	8	7	\$3,300
1226	Pool/Spa Pumps - Replace	10	2	\$5,000
1230	Chlorinator - Replace	7	6	\$1,150
1234	Chemical Controllers - Replace	12	4	\$3,200
1238	Ozone Generators - Replace	12	4	\$1,200
1260	Sauna - Remodel	30	22	\$8,000
1264	Sauna Heater - Replace	15	7	\$1,750
1268	Steam Room - Retile	30	22	\$5,000
1270	Steam Generator - Replace	15	7	\$3,000
1280	Heat Recovery Units - Replace	15	7	\$3,000
1302	Flat Roofs - Replace	20	12	\$107,500
1311	Skylights - Replace	30	22	\$5,300
1350	Evaporative Coolers - Replace (A)	15	7	\$13,000
1350	Evaporative Coolers - Replace (B)	15	14	\$1,200
1354	Ventilators - Replace	20	12	\$2,500

RECREATION AREA

230	Parking Lot - Resurface	30	22	\$53,500
232	Parking Lot - Seal/Repair	5	4	\$7,000
320	Pole Lights - Replace	35	27	\$53,000
322	Bollard Lights - Replace	25	17	\$75,000
400	Benches - Refurbish	20	12	\$4,000
405	Furniture - Replace	14	7	\$26,500
406	Furniture - Refurbish	7	0	\$3,500
410	Playground Equipment - Replace	35	27	\$70,000
435	Basketball Goals - Replace	20	12	\$1,600
440	Tennis Court - Replace	25	18	\$35,000
442	Tennis Court - Resurface	5	3	\$5,000
470	Countertops - Remodel	20	12	\$2,000
480	Wood Deck - Replace	40	32	\$13,500
484	Metal Rails - Replace	50	42	\$7,000
490	Propane Tanks - Replace	20	12	\$18,000
498	Heat Lamps - Replace	10	4	\$1,050
507	Wood Fence/Gates - Replace	30	22	\$9,000
509	Coyote Fence - Replace	30	22	\$7,000

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
510	Wood Pergola - Replace	30	22	\$6,500
560	Nature Pond - Refurbish	20	12	\$7,000
565	Nature Pond Pumps - Replace	10	2	\$1,800
650	Truck - Replace	8	4	\$7,000
655	Snow Blade - Replace	15	7	\$1,000
660	Riding Mower - Replace	10	2	\$1,800
1111	Pole Lights - Repaint	5	0	\$2,600
99	Total Funded Components			

Note 1: Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: Yellow highlighted line items are expected to require attention in the initial year.