Capital Reserve Study

Category 2:
Update with On-Site Review

Crestwood Village Co-Op IV
Association
15 E. Moccasin Drive, Manchester, New Jersey, 08759

Fiscal Year: 2026
Fiscal Year Date Span: January 1, 2026 - December 31, 2026

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Introduction & General Information

A Capital Reserve Study is a report prepared to estimate the amount of money which must be put aside for future repairs and replacements to the Association's physical plant. The report is a tool for evaluating and establishing a stable level of reserve funding.

The primary reason to set aside reserve funds is to ensure that adequate funds are available for anticipated long-term maintenance of common areas. Reserve funding is a means of fairly distributing the costs of future replacement to the common elements among all owners. The reserve fund is integral to the Association's administration of fiscal planning and budgeting. In addition, the reserve funding is an indicator of the financial strength of the Association which will affect the value of the units.

This Reserve Study consists of two (2) parts: the physical analysis and the financial analysis. This Capital Reserve Study was prepared in accordance with the "National Reserve Study Standards" of the Community Associations Institute (C.A.I.).

The following three categories describe the various types of Reserve Studies, from exhaustive to minimal:

	Reserve Study Tasks:	Category I: Full	Category II: Update with Site-Visit &On-Site Review	Category III: Office Update No Site-Visit &Off-Site Review
Physical Analysis	Component Inventory	X (quantification)	X (verification only)	
	Condition Assessment	X (based upon on-site visual observations)	X (based upon on-site visual observations)	
Financial Analysis	Life & Valuation Estimates	X	X	X
	Fund Status	X	X	X
	Funding Plan	X	X	X

This report will analyze the future replacement costs for common elements which are capital items with a reasonably predictable useful life. The capital items will be limited to those items which have a useful life exceeding two (2) years. If a certain item requires replacement more often than every two (2) years, it should be included in the operating budget. Furthermore, items will be excluded if they have an insignificant cost or if they are permanent in nature. Items with an insignificant cost would be those that could be funded in the operating budget without any adverse financial impact. Items of a permanent nature are those which exceed the thirty (30) year study period and those which are integral to reconstruction of the entire project, such as; concrete footings, foundation walls, crawlspace and roof wood framing, in-wall utility services and stormwater piping. Since the remaining useful life estimates, inflation and interest need on-going review, it is recommended that the study be updated every three (3) to five (5) years. An older Association with a significant amount of repair and replacement activity may need to update its study annually.

Terms & Definitions

1. **Capital Improvement:** Additions to the association's common elements that previously did not exist. While these components should be added to the reserve study for future replacement, the cost of construction should not be taken from the reserve fund.
2. **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.
3. **Component:** The 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:
   a) Association responsibility
   b) with limited Useful Life expectancies
   c) predictable Remaining Useful Life expectancies
   d) above a minimum threshold cost
   e) as required by local codes.
4. **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 representative(s).
5. **Component Method:** A method of developing a Reserve Funding Plan where the total contributions are based on the sum of contributions for individual components. See "Cash Flow" method.
6. **Condition Assessment:** The task of evaluating the current condition of the component based on observed or reported characteristics.
7. **Current Replacement Cost:** See "Replacement Cost."
8. **Effective Age:** The difference between the Useful Life and the Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.
9. **Financial Analysis:** The portion of a 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 a Reserve Study.
10. **Fully Funded:** One-hundred (100%) percent Funded. When the actual (or projected) Reserve Balance is equal to the Fully Funded Balance
11. **Fully Funded Balance (FFB):** Total Accrued Depreciation. An indicator against which Actual (or projected) Reserve Balance can be compared. The Reserve Balance that is in direct proportion to the fraction of the life "used up" of the current Repair of Replacement cost. This number is calculated for each component, then summed together for an association total. Two (2) formulae can be utilized, depending on the provider's sensitivity to interest and inflation effects.
    Note: Both yield identical results when interest and inflation are equivalent.

$$(\text{FFB}) = \frac{\text{Current Cost} \times \text{Effective Age}}{\text{Typical Useful Life}}$$

or

$$(\text{FFB}) = \frac{\text{Current Cost} \times \text{Effective Age}}{\text{Typical Useful Life}} + \frac{(\text{Current Cost} \times \text{Effective Age})/\text{Typical Useful Life}}{(1+\text{Interest Rate})^{\text{Remaining Useful Life}}} - \frac{(\text{Current Cost} \times \text{Effective Age})/\text{Typical Useful Life}}{(1+\text{Inflation Rate})^{\text{Remaining Useful Life}}}$$

12. **Fund Status:** The status of the Reserve Fund as compared to an established benchmark such as percent funding.

13. **Funding Goals:** Independent of methodology used, the following represent the basic categories of funding plan goals. They are presented in order of greatest risk to least risk. Risk includes, but is not limited to, cash problems, special assessments, and deferred maintenance.
    a) **Baseline Funding:** Establishing a reserve funding goal of allowing the reserve cash balance to never be below zero during the cash flow projection. This is the funding goal with the greatest risk due to the variabilities encountered in the timing of component replacements and repair and replacement costs.
    b) **Threshold Funding:** Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount. Depending on the threshold selected, this funding goal may be weaker or stronger than "Fully Funded" with respective higher risk or less risk of cash problems.
    c) **Full Funding:** Setting a reserve funding goal to attain and maintain reserves at or near 100 percent funded. This is the most conservative funding goal.

    It should be noted that in certain jurisdictions there may be statutory funding requirements that would dictate the minimum requirements for funding.
14. **Funding Plan:** An Association's plan to provide income to a Reserve Fund to offset anticipated expenditures from that fund.
15. **Funding Principles:**
    a) Sufficient Funds when Required
    b) Stable Contribution Rate over the Years
    c) Evenly Distributed Contributions over the Years
    d) Fiscally Responsible
16. **Life and Valuation Estimates:** The task of estimating Useful Life, Remaining Useful Life and Repair or Replacement Costs for the Reserve components.
17. **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 *Fully Funded Balance,* expressed as a percentage.
18. **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.
19. **Remaining Useful Life:** Also referred to as "Remaining Life". The estimated time, in years, that a reserve component can be expected to continue to serve its intended function.
20. **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.
21. **Reserve Balance:** Actual or projected funds as of a particular point in time that the Association has identified for use to defray the future replacement of those major components which the Association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves.
22. **Reserve Provider:** An individual that prepares Reserve Studies.
23. **Reserve Provider Firm:** A company that prepares reserve studies as one of its primary business activities.
24. **Reserve Study:** A budget planning tool which 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 (2) parts: the Physical Analysis and the Financial Analysis.

25. **Responsible Charge:** A Reserve Specialist (RS) in responsible charge of a reserve study shall render regular and effective supervision to those individuals performing services that directly and materially affect the quality and competence of services rendered by the Reserve Specialist. A Reserve Specialist shall maintain such records as are reasonably necessary to establish that the Reserve Specialist exercised regular and effective supervision of a reserve study of which he or she was in responsible charge. A Reserve Specialist engaged in any of the following acts or practices shall be deemed not to have rendered the regular and effective supervision required herein:

    a) The regular and continuous absence from principal office premises from which professional services are rendered; except for performance of field work or presence in a field office maintained exclusively for a specific project;

    b) The failure to personally inspect or review the work of subordinates where necessary and appropriate;

    c) The rendering of a limited, cursory or perfunctory review of plans or projects in lieu of an appropriate detailed review; and

    d) The failure to personally be available on a reasonable basis or with adequate advanced notice for consultation and inspection where circumstance require personal availability.

26. **Special Assessment:** An assessment levied on the members of an Association in addition to regular assessments in anticipation of unexpected common element replacement and funding deficit. Special assessments are often regulated by governing documents or local statutes.
27. **Surplus:** An actual (or projected) Reserve Balance greater than the Fully Funded Balance.
28. **Useful Life (UL):** Total Useful Life or Depreciable Life. The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed in its present application or installation.

Abbreviations

CY	=	Cubic Yard
EA	=	Each
LF	=	Linear Foot
LS	=	Lump Sum
MBTU	=	Thousand British Thermal Units
MSF	=	Thousand Square Feet
NO	=	Number
PR	=	Pair
PT	=	Pressure Treated
SF	=	Square Foot
SQ	=	Square (100 square feet)
SY	=	Square Yard

Disclosures

At the time this reserve study was conducted FWH Associates, P.A. (FWH) has had no involvements with the Association, which could result in actual or perceived conflicts of interest.

Any on-site inspections performed as a part of this Capital Reserve Study are inclusive of all common areas within the community, and are non-destructive in nature.

The completeness of this Capital Reserve Study is dependent upon the agreement that all relevant information has been provided to FWH. Any materials that have not been disclosed would cause a distortion of the Association's situation. Information provided by the official representative of the Association regarding financial, physical, quantity, or historical issues will be deemed reliable by FWH.

The reserve study will be a reflection of information provided to FWH and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records.

All information provided to FWH regarding reserve projects will be considered reliable. On-site inspections should not be considered project audits or quality inspections.

NJ BILL S2760

NJ Bill S2760 was signed by Governor Murphy on January 8, 2024. This bill is for existing associations and new residential associations (formed after January 8, 2024).

Bill S2760 provides new mandates for inspection evaluation and maintenance of the structural components (primary load-bearing systems) of certain residential housing structures – "covered buildings". Covered buildings means a residential condominium or cooperative building that has a primary load bearing system that is comprised of a concrete, masonry, steel or hybrid structure including, without limitation, heavy timber and a building with podium decks, but not including an excluded structure. Primary load-bearing system (PLBS) means the assemblage of structural components with a building comprised of columns, beams, or bracing that by contiguous interconnection form a path by which external and internal forces applied to the building are delivered to the foundation. The foundation as well as any connected or attached balconies shall be included as part of the primary load bearing system evaluation.
Exclusions to Bill S2760 are:

- Structures that are wood framed, or frame-built construction, with combustible walls or roofs, but not including a podium deck on which the frame-built construction may be situated.
- Building with ancillary elements not part of the PLBS, such as elevators, that do not deliver the load to the foundation.
- Buildings that are not condominiums or cooperatives and single family dwellings.

Bill S2760 mandates that a structural evaluation must be performed on covered buildings. These structural evaluations are based on the age of the building, or based on when the CO was issued for condominiums, or in the base of conversions:

- If the CO was provided within 15 years prior to January 8, 2024, inspection is required within 1 year of the date that is 15 years past the CO issuance (for example, if the CO of the building was issued 5 years ago, you would be required to have the first structural inspection within the next 11 years.
- If the CO was issued more than 15 years ago, the structural inspection shall occur within 2 years of January 8, 2024 (by January 7, 2026).

Bill S2760 also mandates the acquisition of Capital Reserve Studies for associations responsible for greater than $25,000 worth of capital assets. This reserve requirement applies to all associations with over $25,000 of capital assets, even if not a "covered building". **All reserve studies moving forward must have a line item for the cost of future capital reserve studies/updates and future, periodic structural inspections.**

Bill S2760 also mandates that existing associations (formed prior to January 8, 2024) that do not currently have a reserve study or existing associations with a reserve study that is greater than five (5) years old, must have a professional conduct a new reserve study within one (1) year of the signed bill (January 8, 2025). The bill also mandates that new associations formed after January 8, 2024 which do not currently have a reserve study, or new Associations with a reserve study that is greater than five (5) years old, must have a professional conduct a new reserve study within two (2) years of the association's newly elected Board.

Bill S2760 also mandates that all associations must have a professional conduct an updated reserve study at least every five (5) years. (CAI recommends an update to the reserve study every three (3) years.) **All reserve studies must be performed by a Reserve Specialist (RS) or licensed Engineer or Architect.**

Associations responsible for capital assets that total less than $25,000 are excluded from this reserve study mandate.

Funding Mandates of Bill S2760

Disbursements

Disbursements that must be taken from the reserve fund to repair or replace a common element must use *only the amount of reserve funds allocated to that individual component* that is shown within the reserve study, unless the following is true:

- ✓ The use of additional reserve funds does not prevent or interfere with other reserve fund projects during the next five (5) years after the project.
- ✓ The association borrows from the reserve fund and drafts a resolution to repay the borrowed funds within five (5) years.

Special Assessments and Loans

- ✓ The goal of proper reserve study practices and the New Jersey law is to yield a scenario in which special assessments and loans are not necessary.
- ✓ Acquisition of additional funds through the formally mentioned practices (special assessments and loans) are not prohibited from NJ Bill S2760.

NJ BILL S3992

NJ Bill S3992 was signed by Governor Murphy on August 21, 2025. This bill is for existing associations and new residential associations (formed after August 21, 2025)

Bill S3992 provides further clarification on the previously signed Bill S2760 and mandates inclusion of baseline funding as an option, provided by the reserve study preparer, within each association's Capital Reserve Study. The bill provides a new reserve contribution option for the first five (5) years of the Capital Reserve Study in which associations may choose to fund eighty-five (85%) percent of the recommended funding plan.

Baseline Funding

A baseline funding option must now be provided by the reserve study preparer to the Association as a funding option.

Baseline Funding will allow the association to fund the reserve account in a manner that may fall to zero ($0) dollars.

Adequate Verus Inadequate

The terms "adequate" and "inadequate" are further defined to mean, a funding of reserves not permitting a negative balance below zero ($0) dollars, where as "adequate" defines a funding scenario that will remain at or above zero ($0) dollars and "inadequate" defines a funding scenario that does fall below zero ($0) dollars

Option of Partial Funding

All Associations have the ability to fund one of the funding plans provided at a capacity of eighty-five (85%) percent for the first five (5) years of the capital reserve study.

In this eight-five (85%) percent funding scenario immediately following the first five (5) year period, the reserve fund must be increase to the level shown within the previous funding plan.

If the Association chooses to fund their reserves at eighty-five (85% percent of the recommended funding contribution, certain process must take placed as a result of this decision, including the two notices shown below.

- Notice to Unit Owners

  Associations who opt to fund their reserves at eighty-five (85%) of one of the recommended funding plans must provide notice to all unit owners in 20-point bold font that the executive board has elected to fund the reserves in this manner.
  If applicable, the notice must also specify the year and anticipated monetary amount of a special assessment and/or loan that will be made necessary as a result of the reduced annual funding.

- Notice to Purchasers

  Any seller of a unit within an association who opts to fund their reserves at eighty-five (85%) percent of one of the recommended funding plans must provide notice to the buyer of the unit, informing them of the underfunding scenario any potential special assessments and/or loans as a result of underfunding.

Association Physical Description

Crestwood Village Co-Op IV is a community consisting of one thousand one hundred ninety (1190) residential units housed within five hundred seventy-nine (579) buildings located in Manchester Township, Ocean County, NJ.

The Crestwood Village Co-Op IV is responsible for the maintenance and replacement of the common elements within the community. These common elements include, but are not limited to, the asphalt roadways and parking areas, clubhouse, maintenance building, residential buildings common exterior components, concrete surfaces, fencing, horseshoe pits, bocce Court, Shuffleboard Courts, utilities not located within easements or owned by the respective utility companies, and other miscellaneous common items.

15 E. Moccasin Drive, Manchester, New Jersey, 08759
Courtesy of © 2025 Google Maps

Bibliography

1. Gap #24. A Complete Guide to Reserve Funding and Reserve Investment Strategies, 3rd Edition by The Community Associations Institute.

2. R.S. Means Building Construction Cost Data - 2025, by Construction Consultants and Publishers.

3. R.S. Means Site Work and Landscape Cost Data - 2025, by Construction Consultants and Publishers.

4. National Reserve Study Standards of The Community Association Institute, 2025.

5. Best Practices, Reserve Studies / Management, published by Community Associations Institute Research Foundation, 2025.

6. Capital Reserve Study, FWH Associates, July 2020.

Study Methodology & Assumptions

The common elements were identified through a review of the previous capital reserve study prepared by FWH. The quantities used in the replacement cost estimations of the common elements were taken from the previous capital reserve study. The remaining life expectancies of the common elements were determined by FWH through visual site inspections of the accessible common elements performed on June 23, 2025, through the experience of FWH, and by information provided by the Association. The Crestwood Village Co-Op IV community was constructed in 1976, which is used as the base year of installation for the original common elements.

The current replacement costs were estimated utilizing published construction cost data, estimates provided by contractors, and cost data from recent similar projects performed by this firm. The useful life and remaining useful life were estimated based on field inspections of the items and on the assumption that adequate preventative maintenance exists and will be followed by the Association. Without proper maintenance, the common elements can deteriorate quickly and require funds from the reserves for replacement earlier than planned.

Many capital replacement projects may require a more detailed investigation to determine the scope of work required for the particular project. The preparation of construction specifications is typically recommended. The additional investigations may reveal hidden deficiencies and/or building code requirements, which may result in cost increases above the unit costs listed in the reserve schedule.

At their own discretion, the Association may defer common element replacement projects suggested as part of this study. Deferment of recommended replacement projects is not advisable as this often leads to increased replacement costs due to additional deterioration of the common element.

It should be noted that this data is an estimate based upon the experience of this firm. The work was performed pursuant to generally accepted standards of practice. Since accurate and detailed control over market conditions, usage, rate of deterioration, maintenance or weather conditions is not feasible, the actual costs and useful life expectancy will vary from the estimates presented. We cannot and do not represent or guarantee that the actual costs or useful life expectancy will not vary from those presented in this report. Periodic updates of the reserve study will make adjustments so that these variations will have no significant impact to the budget. It is recommended that the study be updated every three (3) to five (5) years.

The Capital Reserve Funding Plan developed within this report is based on the cash flow method. The cash flow method is 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. This report uses the threshold funding method, in which the reserve balance is kept above a percent funded amount. The threshold amount is determined by taking a percentage of the total value of all scheduled item replacement costs and is identified in the notes section of this report.

Excluded Items

1. **Residential Units**
   The replacement of all individual unit items is the responsibility of the unit owners.

2. **Powerwashing**
   Powerwashing is recommended to remove dirt and staining fungi from the buildings elevations and is deferred to a maintenance item.

3. **Masonry Retaining Walls**
   Masonry landscape walls are located on Moccasin Drive, Franklin Lane and Independence Parkway. With continued maintenance they should perform beyond the scope of this study.

4. **Streetlights**
   Lighting located throughout the community right-of-ways is the responsibility of the local power company.

5. **Stormwater Collection System**
   The common stormwater collection system located in the community has been omitted from this reserve study; complete replacement of the piping and structures is not anticipated. Storm inlets and basin structures are expected to perform beyond the scope of the study. Storm drainage structures and piping must receive inspection and maintenance on a regular basis (and following significant storm events) through the operating budget to prevent costly replacement of the structures and piping.

6. **Air Conditioning Condensers**
   Replacement of A/C condenser units is the responsibility of the individual unit owner.

7. **Irrigation**
   Irrigation heads, valves, pumps are replaced on an "as needed" basis through the operating budget. It is not expected that the sub-surface service piping will require complete replacement during the thirty (30) year scope of this study.

8. **Horseshoe Pits**
   As per the Association, the horseshoe pits are being removed, therefore they have been removed from the study.

9. **Outdoor Kitchen**
   As per the Association, the outdoor kitchen is being removed, therefore it has been removed from the study.

10. **Bocce & Shuffleboard Courts**
    As per the Association, the Association is only responsible for the concrete and lighting in these areas, all other items such as the fencing, benches, wood edging, sheds and shade structure are all the responsibility of the particular club to maintain and replace.

11. **Pump House**
As per the Association, the pump house is the responsibility of Manchester Township, therefore all related items have been removed from the study.

12. **Woodshed**
As per the Association, the woodshed is being removed, therefore it has been removed from the study.

13. **Vinyl Siding**
The exterior siding of the residential buildings consists of horizontal and cedar shake vinyl siding. With proper maintenance vinyl siding has a typical useful life of forty-five (45) years which exceeds the scope of this study. It is recommended that cracked, punctured, or unfastened sections are replaced immediately through the operating budget to avoid damage to the substrate material. Vinyl should be powerwashed periodically to free it of dirt and staining fungi.

14. **Aluminum Siding**
As per the Board of Trustees, the replacement of the aluminum siding has been removed from the study as all replacements are done by the in-house maintenance staff and the siding is funded through the operating account.

15. **Architectural Roof Shingles**
The Board of Trustees has had all the roofs replaced in the community with a fifty (50) year roof shingle. Therefore, with continued maintenance they should perform beyond the scope of this study. The architectural roof shingles should be added back in a future study.

16. **Brick Façade Repointing**
As per the Association, the repointing of the brick façade is performed by the in-house maintenance staff and therefore removed from the reserve study.

17. **Common Area Lighting, & Furniture**
As per the Board of Trustees, all common area lighting and furniture replacement have been removed from the study, as any replacements are funded through the operating account.

18. **Fencing**
As per the Association, all common area fencing has been removed from the schedule as any replacements or repairs will be funded through the operating account.

19. **Sealcoating Driveways**
The Board of Trustees has removed the sealcoating of the driveways from the study, as the sealcoating the driveways is done by the in-house maintenance staff and all funds come from the operating account.

20. **Drop Ceilings**
The Board of Trustees has removed the replacement of the drop ceilings from the study as all repairs and replacements are funded through the operating account.

Financial Analysis & Funding Plan

The estimated reserve amount effective as of January 1, 2026 has been projected into the future based on the existing funding plan and information provided by the Association. It is the opinion of FWH Associates, P.A. that the Association's current reserve fund status is inadequate. The Association will meet the proposed adequate level of funding with the proposed funding plan in accordance with Bill S2760.

The following calculations are based upon the occupancy of one thousand one hundred ninety (1190) units.

Previous Fiscal Year Summary:

The 2025 total annual reserve contribution amounted to: **$550,000.**

Current Fiscal Year Summary:

The 2026 total annual reserve contribution amounts to: **$610,165.** (10% Threshold)

Appendix A: Reserve Component Inventory

The replacement reserve schedule (Appendix A) lists all the capital expense items with useful life, estimated remaining useful life, quantity and current replacement value.

Appendix B: Yearly Expense Projection

The yearly expense projection schedule provides an annual synopsis of when items are to be replaced. It also depicts which items will require replacement more than once throughout the course of the thirty (30) year study.

An annual inflation rate of 3% is applied to the projected capital reserve expenses.

Appendix C: Funding Plan

The funding plan (Appendix C) estimates the total expenses to be spent annually over the thirty (30) year study period, and the yearly contribution.

The projected starting reserve balance (as of the Fiscal Year start date) was computed based on the existing funding plan and via information provided by the Association. The actual or projected reserve balance total presented in the Reserve Study is based upon information provided and was not audited.

Three (3) cash flow charts have been prepared to allow the Association to maintain a yearly ending balance at or above the ten (10%) threshold of $1,085,493 on page C1 and a five (5%) threshold of $542,747 on page C2. As required by NJ Bill S3992 passed on August 21, 2025, a Baseline funding option is provided on page C3.

It should be noted that fiscal years 2029 through 2032, 2036, and 2055 are critical years, as the ending balance is at or below the minimum threshold.

In anticipation of capital expenditures throughout the study, the reserve contributions increase annually through 2033, decrease through 2034, and then remain steady thereafter.

Appendix D: Maintenance Schedule

The Maintenance Schedule is prepared to estimate the amount of money which must be put aside to fund for certain maintenance tasks for an Association's common elements. Maintenance is the art of preserving buildings, equipment, and grounds through a cyclical process of regular inspections and key tasks. Preventive maintenance is particularly critical for multi-family housing facilities because of their high level of use and the potential risk or residential safety if problems do occur. The preventative maintenance budget consists of certain maintenance procedures which occur less frequently than annually and are therefore not included in the operating budget. The items included in the preventative maintenance budget are also considered as maintenance rather than complete replacement and are not included in the replacement reserve schedule.

The useful life of the common elements is based upon industry standards that have been obtained from manufacturers publications and the reserve study experience of this firm. In order to assign a useful life to a particular item, it is assumed that the item will be constructed or installed properly in accordance with the manufacturer's specifications or applicable standards. It is also based on the assumption that an adequate maintenance schedule will be implemented and followed by the association.

Current Maintenance Schedule Summary:

The 2026 total annual recommended maintenance contribution amounts to: **$258,713**

RM

REPLACEMENT RESERVE COMPONENT INVENTORY

Effective as of January 1, 2026

579 Buildings
1190 Units

Projected Reserve Balance: $1,900,000

Item	Year Installed/ Replaced	Typical Useful Life	Estimated Remaining Useful Life	Estimated Quantity	Unit Cost	Current Replacement Cost
SITEWORK						
Paved Surfaces						
1. 2" Asphalt Cap Resurface: Roadways (over 15 years)	2001	20	0	102,146 SY	$34.00	$3,472,964
2. 2" Asphalt Cap Resurface: Clubhouse Parking Lot	2001	20	5	7,645 SY	$38.00	$290,510
3. Sealcoating: Clubhouse Parking Lot*	2014	5	0	7,645 SY	$2.50	$19,113
4. 2" Asphalt Cap Resurface: Driveways (over 15 years)	2007	20	2	33,290 SY	$38.00	$1,265,020
5. 2" Asphalt Cap Resurface: Driveways (2017)	2017	20	11	8,195 SY	$38.00	$311,410
6. Concrete Curbing 10% of 68,002 LF to coincide with roadway resurfacing) (over 15 years)	1976	45	0	6,800 LF	$45.00	$306,000
7. Concrete Sidewalks (clubhouse)	2001	30	7	6,482 SF	$10.00	$64,820
8. Concrete Sidewalks (clubhouse) (2025)	2025	30	29	736 SF	$10.00	$7,360
9. Concrete Servicewalks (residential) (4% annually)	1976	30	0	309,572 SF	$10.00	$3,095,720
10. Concrete Servicewalks (residential) (2022)	2022	30	26	1,050 SF	$10.00	$10,500
11. Concrete Servicewalks (residential) (2025)	2025	30	29	1,314 SF	$10.00	$13,140
					Subtotal:	**$8,856,557**
Stormwater Management						
12. Catch Basin Reconstruction	2001	40	15	109 EA	$950	$103,550
13. Catch Basin Reconstruction (2022) (excluded)	2022	40	36	1 EA		
14. Catch Basin Reconstruction (2025) (excluded)	2025	40	39	1 EA		
					Subtotal:	**$103,550**
Illumination						
15. 16' Steel Pole-Mounted Single Luminaire Light Fixtures	2002	25	3	9 EA	$2,900	$26,100
16. 16' Steel Pole-Mounted Double Luminaire Light Fixture	2008	25	3	1 EA	$3,200	$3,200
					Subtotal:	**$29,300**
Retaining Wall/Bulkhead						
17. Timber Bulkhead (northwest perimeter of Independence Pond) (replace with segmental block)	1976	50	10	1,820 SF	$60.00	$109,200
					Subtotal:	**$109,200**
Irrigation						
18. Irrigation Pump & Controllers	2000	8	0	1 LS	$13,500	$13,500
					Subtotal:	**$13,500**
Miscellaneous						
19. 16' Aluminum Flagpole	2007	25	6	1 EA	$2,700	$2,700
20. Electronic Community Signage	2007	15	0	1 EA	$6,500	$6,500
21. Community Entry Signage	2013	25	10	2 EA	$1,250	$2,500
22. Diesel Generator	2000	50	24	1 EA	$60,000	$60,000
					Subtotal:	**$71,700**
Administrative						
23. Capital Reserve Study	2025	5	5	1 EA	$7,300	$7,300
					Subtotal:	**$7,300**
Recreational Areas						
Bocce Courts						
24. Bocce Court Concrete	1976	30	0	1,642 SF	$19.00	$31,198
25. 16' Wood Pole-Mounted Light Fixtures	2008	25	2	1 EA	$2,450	$2,450
					Subtotal:	**$33,648**
Shuffleboard Courts						
26. Shuffleboard Court Concrete	1976	30	3	3,052 SF	$19.00	$57,988
27. 20' Steel Pole-Mounted Light Fixtures	2008	25	7	2 EA	$3,600	$7,200
					Subtotal:	**$65,188**
STRUCTURES						
Clubhouse Exterior						
28. Architectural Roofing Shingles	2013	30	17	168 SQ	$650	$109,200
29. 6" Aluminum Gutters	2000	20	6	224 LF	$10.00	$2,240
30. 6" Aluminum Gutters (2022)	2022	20	16	120 LF	$10.00	$1,200
31. 6" Aluminum Gutters (2023)	2023	20	17	160 LF	$10.00	$1,600
32. 3"x4" Aluminum Leaders	2000	20	6	300 LF	$10.00	$3,000
33. EIFS (western & northern elevation)	1976	30	0	945 SF	$22.00	$20,790
34. Stucco (western & northern elevation)	1976	45	0	2,097 SF	$35.00	$73,395
35. Window Replacement Allowance	2011	25	10	1 LS	$45,000	$45,000
36. Single Steel Doors	1976	25	3	8 EA	$1,400	$11,200
37. Double Steel Doors	1976	25	3	2 EA	$2,300	$4,600
38. 4' Aluminum Railings	2000	25	3	100 LF	$75.00	$7,500
					Subtotal:	**$279,725**

REPLACEMENT RESERVE COMPONENT INVENTORY

Effective as of January 1, 2026

Projected Reserve Balance: $1,900,000

579 Buildings
1190 Units

Item	Year Installed/ Replaced	Typical Useful Life	Estimated Remaining Useful Life	Estimated Quantity	Unit Cost	Current Replacement Cost
Clubhouse Interior						
Association Office						
39. Laminate Flooring	1976	30	0	396 SF	$6.50	$2,574
					Subtotal:	**$2,574**
Private Room						
40. Laminate Flooring	1976	30	3	387 SF	$6.50	$2,516
					Subtotal:	**$2,516**
Bingo Office						
41. Carpet	1976	11	2	13 SY	$60.00	$780
					Subtotal:	**$780**
Accounting Office						
42. Carpet	1976	11	2	31 SY	$60.00	$1,860
					Subtotal:	**$1,860**
Men's Restroom						
43. Bathroom Refurbishment Allowance	2010	30	11	1 LS	$5,000	$5,000
44. Ceramic Floor Tile	2010	30	11	32 SF	$15.00	$480
					Subtotal:	**$5,480**
Women's Restroom						
45. Bathroom Refurbishment Allowance	2005	30	6	1 LS	$5,000	$5,000
46. Ceramic Floor Tile	2005	30	10	32 SF	$15.00	$480
					Subtotal:	**$5,480**
Restroom Hallway						
47. Vinyl Composition Floor Tile	2014	30	18	80 SF	$8.50	$680
					Subtotal:	**$680**
Conference Room						
48. Carpet	1976	11	2	22 SY	$60.00	$1,320
					Subtotal:	**$1,320**
Secondary Office						
49. Carpet	1976	11	2	25 SY	$60.00	$1,500
					Subtotal:	**$1,500**
Resale Coordinator						
50. Laminate Flooring	1976	30	4	225 SF	$6.50	$1,463
					Subtotal:	**$1,463**
Office (w/kitchen)						
51. Carpet	1976	11	0	25 SY	$60.00	$1,500
					Subtotal:	**$1,500**
Main Hallway						
52. Vinyl Composition Floor Tile	2014	30	18	290 SF	$8.50	$2,465
					Subtotal:	**$2,465**
Hallway Outside Office						
53. Vinyl Composition Floor Tile	2014	30	18	397 SF	$8.50	$3,375
					Subtotal:	**$3,375**
Betsy Ross Room						
54. Vinyl Composition Floor Tile	2014	30	18	617 SF	$8.50	$5,245
					Subtotal:	**$5,245**
Kitchen						
55. Kitchen Refurbishment Allowance	1976	10	3	1 LS	$12,000	$12,000
56. Vinyl Composition Floor Tile	2014	30	12	343 SF	$8.50	$2,916
					Subtotal:	**$14,916**
Billiards Room						
57. Carpet	1976	11	2	34 SY	$60.00	$2,040
					Subtotal:	**$2,040**
Main Lobby						
58. Ceramic Tile Flooring	2014	30	18	704 SF	$15.00	$10,560
59. Carpet	1976	11	2	60 SY	$60.00	$3,600
					Subtotal:	**$14,160**
Great Room						
60. Wood Stage	1976	30	6	504 SF	$45.00	$22,680
61. Vinyl Composition Floor Tile	2014	30	18	6,600 SF	$8.50	$56,100
					Subtotal:	**$78,780**
Custodial Closets						
62. Vinyl Composition Floor Tile	1976	30	0	144 SF	$8.50	$1,224
					Subtotal:	**$1,224**

REPLACEMENT RESERVE COMPONENT INVENTORY

Effective as of January 1, 2026

Projected Reserve Balance: $1,900,000

579 Buildings
1190 Units

Item	Year Installed/ Replaced	Typical Useful Life	Estimated Remaining Useful Life	Estimated Quantity	Unit Cost	Current Replacement Cost
Miscellaneous						
63. Stairwell Wood Railings	1976	30	0	60 LF	$32.00	$1,920
64. Stairwell Aluminum Railings	1976	25	0	20 LF	$75.00	$1,500
65. Interior Door Replacement Allowance	1976	25	4	1 LS	$27,500	$27,500
					Subtotal:	**$30,920**
Clubhouse Mechanical						
66. Boiler (Weil-McLain)	1976	30	0	1 EA	$28,000	$28,000
67. 40 Gallon Water Heater (GE)	1976	11	0	1 EA	$3,700	$3,700
68. Heat Pump (30 degree electric heat booster support)	2011	20	5	1 EA	$1,550	$1,550
69. Exhaust Fans	2013	25	12	2 EA	$850	$1,700
70. A/C Unit (1998)	1998	20	0	1 EA	$6,400	$6,400
71. A/C Unit (2022)	2022	20	16	1 EA	$6,400	$6,400
72. A/C Unit (20 ton)	2007	20	1	1 EA	$28,500	$28,500
73. HVAC Split-Air System	2008	20	2	1 EA	$3,400	$3,400
					Subtotal:	**$79,650**
Maintenance Building Exterior						
74. Metal Seam Standing Roof (excluded)	2014	50	38	59 SQ		
75. Single Steel Door	2014	25	3	1 EA	$1,450	$1,450
76. Garage Doors	2014	20	8	2 EA	$7,400	$14,800
					Subtotal:	**$16,250**
Maintenance Building Interior						
77. Maintenance Equipment Allowance (loaders)	2010	20	4	1 LS	$12,500	$12,500
					Subtotal:	**$12,500**
Maintenance Shed						
78. 3-Tab Roofing Shingles (replace with architectural)	2014	20	8	3 SQ	$650	$1,950
79. 7'x8' Aluminum Garage Door	2014	20	6	1 EA	$1,650	$1,650
80. Single Wood Door	2014	15	3	1 EA	$550	$550
					Subtotal:	**$4,150**
Maintenance Shop Exterior						
81. 3-Tab Roofing Shingles (replace with architectural)	1996	20	0	11 SQ	$650	$7,150
82. Aluminum Gutters	1996	20	0	104 LF	$10.00	$1,040
83. Aluminum Leaders	1996	20	0	40 LF	$10.00	$400
84. Vinyl Siding	1996	45	8	15 SQ	$600	$9,000
85. Window Replacement Allowance	1996	25	5	1 LS	$2,500	$2,500
86. Single Entry Door	1996	25	0	1 EA	$950	$950
87. 8'x10' Garage Doors	1996	20	8	2 EA	$1,300	$2,600
					Subtotal:	**$23,640**
Residential Building Exteriors						
88. Architectural Roofing Shingles (over 5 years) (excluded)	2015	50	39	7,028 SQ		
89. Architectural Roofing Shingles (2021) (excluded)	2021	50	45	2,269 SQ		
90. Architectural Roofing Shingles (2022) (excluded)	2022	50	46	3,238 SQ		
91. Architectural Roofing Shingles (2023) (excluded)	2023	50	47	2,369 SQ		
92. Architectural Roofing Shingles (2024) (excluded)	2024	50	48	2,156 SQ		
93. Architectural Roofing Shingles (2025) (excluded)	2025	50	49	3,015 SQ		
94. 5" Aluminum Gutters (5% annually) (over 15 years)	1976	20	0	18,756 LF	$5.75	$107,847
95. 5" Aluminum Gutters (2022)	2022	20	16	2,670 LF	$5.75	$15,353
96. 5" Aluminum Gutters (2023)	2023	20	17	1,192 LF	$5.75	$6,854
97. 5" Aluminum Gutters (2024)	2024	20	18	4,365 LF	$5.75	$25,099
98. 5" Aluminum Gutters (2025)	2025	20	19	3,794 LF	$5.75	$21,816
99. 2"x3" Aluminum Leaders (5% annually) (over 15 years)	1976	20	0	24,894 LF	$5.75	$143,141
100. 2"x3" Aluminum Leaders (2022)	2022	20	16	146 LF	$5.75	$840
101. 2"x3" Aluminum Leaders (2023)	2023	20	17	480 LF	$5.75	$2,760
102. 2"x3" Aluminum Leaders (2024)	2024	20	18	120 LF	$5.75	$690
103. 2"x3" Aluminum Leaders (2025)	2025	20	19	640 LF	$5.75	$3,680
104. Vinyl Siding (newer) (excluded)	2016	45	35	87 SQ		
105. Concrete Stoops (over 5 years)	1976	30	0	28,560 SF	$12.00	$342,720
					Subtotal:	**$670,798**
Residential Buildings Interior						
106. Crawl Space Annual Allowance ($300,000 annually w/o inflation through 2035, $119,000 thereafter)	2018	1	0	1 LS	$300,000	$300,000
					Subtotal:	**$300,000**

TOTAL: $10,854,931

Crestwood Village Co-Op IV

Item	COMPONENT INVENTORY NOTES
1-2	Prior to the installation of a new wearing course, milling, pavement crack repair, curb repair, and reconstruction of base course failure are expected to occur. The estimated costs to perform these additional operations are included in the unit cost provided within the schedule.
4-5	The existing driveway will need to be milled and replaced in lieu of an overlay to allow for the proper finished grades at the garage, and sidewalk intersections. Continued regular maintenance of the asphalt driveway surface, including crack filling and sealcoating, can extend the useful life of the pavement surface.
7-11	Concrete replacement costs based on actual 2024 costs with inflation added. Any areas of concrete posing trip or safety hazards should be replaced immediately to eliminate the hazard
18	The replacement of clocks, timers, and valves are included in the replacement costs. It is not expected that the sub-surface service piping will require complete replacement during the thirty (30) year scope of this study.
20 & 22	No mechanical, electrical or pneumatic testing was performed as part of our analysis. During the study preparation, FWH was not made aware of any functional or operational difficulties with the system.
23	As per NJ Senate Bill S2760 signed into effect January 8, 2024, mandates that all reserve studies moving forward must have a line item for the cost of future capital reserve studies, to be completed at least every five (5) years
24 & 26	Any areas of concrete posing trip or safety hazards should be replaced immediately to eliminate the hazard
66-74	No mechanical, electrical or pneumatic testing was performed as part of our analysis. During the study preparation, FWH was not made aware of any functional or operational difficulties with the system.
85 & 105	Vinyl siding and trim should be periodically powerwashed periodically to free it of dirt and staining fungi.
89-94	Roof replacement costs based on actual 2024 costs with inflation added. Roof replacement should be added to future reserve updates.
106	Any areas of concrete posing trip or safety hazards should be replaced immediately to eliminate the hazard

YEARLY EXPENSE PROJECTION
Effective as of January 1, 2026

Item	1 2026	2 2027	3 2028	4 2029	5 2030	6 2031	7 2032	8 2033	9 2034	10 2035	11 2036	12 2037	13 2038	14 2039	15 2040	16 2041	17 2042	18 2043	19 2044	20 2045	21 2046	22 2047	23 2048	24 2049	25 2050	26 2051	27 2052	28 2053	29 2054	30 2055
Factor @ 3.00%	1.000	1.030	1.061	1.093	1.126	1.159	1.194	1.230	1.267	1.305	1.344	1.384	1.426	1.469	1.513	1.558	1.605	1.653	1.702	1.754	1.806	1.860	1.916	1.974	2.033	2.094	2.157	2.221	2.288	2.357
SITEWORK																														
Paved Surfaces																														
1 2" Asphalt Cap Resurface: Roadways (over 15 years)	$231,331	$238,477	$245,631	$253,000	$260,590	$268,408	$276,460	$284,754	$293,296	$302,095	$311,158	$320,493	$330,108	$340,011	$350,211						$418,171	$430,716	$443,637	$456,946	$470,655	$484,774	$499,318	$514,297	$529,726	$545,618
2 2" Asphalt Cap Resurface: Clubhouse Parking Lot					$326,972																				$588,547					
3 Sealcoating: Clubhouse Parking Lot*	$19,113									$24,937					$28,809					$33,514										$45,040
4 2" Asphalt Cap Resurface: Driveways (over 15 years)		$84,865	$89,431	$92,155	$94,919	$97,767	$100,700	$103,721	$106,833	$110,038	$113,339	$116,739	$120,241	$123,848	$127,564	$131,391						$156,687	$161,564	$166,442	$171,435	$176,578	$181,875	$187,332	$192,952	$198,740
5 2" Asphalt Cap Resurface: Driveways (2017)											$418,509																			
6 Concrete Curbing 10% of 66,002 LF to coincide with roadway resurfacing) (over 15 years)	$20,400	$21,012	$21,642	$22,292	$22,960	$23,649	$24,359	$25,089	$25,843	$26,617	$27,416	$28,238	$29,086	$29,958	$30,857															
7 Concrete Sidewalks (clubhouse)							$77,396																							
8 Concrete Sidewalks (clubhouse) (2025)																													$15,639	
9 Concrete Servicewalks (residential) (4% annually)	$103,181	$106,286	$109,475	$112,759	$116,142	$119,626	$123,215	$126,912	$130,719	$134,640	$138,680	$142,840	$147,125	$151,539	$156,085	$160,768	$165,591	$170,558	$175,675	$180,945	$186,374	$191,965	$197,724	$203,656	$209,765	$216,058	$222,540	$229,216	$236,093	$243,176
10 Concrete Servicewalks (residential) (2022)																										$21,865				
11 Concrete Servicewalks (residential) (2025)																													$30,063	
Stormwater Management																														
12 Catch Basin Reconstruction															$156,629															
13 Catch Basin Reconstruction (2022) (excluded)																														
14 Catch Basin Reconstruction (2025) (excluded)																														
Illumination																														
15 16' Steel Pole-Mounted Single Luminaire Light Fixtures			$27,449																									$37,979		
16 16' Steel Pole-Mounted Double Luminaire Light Fixture			$3,395																									$7,108		
Retaining Wall/Bulkhead																														
17 Timber Bulkhead (northeast perimeter of Independence Pond) (replace with segmental block)										$142,481																				
Irrigation																														
18 Irrigation Pump & Controllers	$13,500								$17,101									$21,664							$27,443					
Miscellaneous																														
19 18' Aluminum Flagpole						$3,130																								
20 Electronic Community Signage	$8,500															$10,127														
21 Community Entry Signage										$3,262																				
22 Diesel Generator																								$118,415						
Administrative																														
23 Capital Reserve Study					$6,219					$8,525					$11,042				$12,801					$14,839					$17,203
Recreational Areas																														
Bocce Courts																														
24 Bocce Court Concrete	$31,188																													
25 16' Wood Pole-Mounted Light Fixtures		$2,524																									$5,284			
Shuffleboard Courts																														
26 Shuffleboard Court Concrete			$61,519																											
27 20' Steel Pole-Mounted Light Fixtures							$8,587																							
STRUCTURES																														
Clubhouse Exterior																														
28 Architecural Roofing Shingles																	$175,234													
29 6" Aluminum Gutters						$2,597																				$4,600				
30 6" Aluminum Gutters (2022)																$1,670														
31 6" Aluminum Gutters (2022)																	$2,568													
32 3"x4" Aluminum Leaders						$3,478																				$6,281				
33 EIFS (western & northern elevation)	$20,790																													
34 Stucco (western & northern elevation)	$73,395																													
35 Window Replacement Allowance										$56,715																				
36 Single Steel Doors			$11,682																									$24,878		
37 Double Steel Doors			$4,660																									$10,218		
38 4' Aluminum Railings			$7,957																									$16,960		
Clubhouse Interior																														
Association Office																														
39 Laminate Flooring	$2,574																													
Private Room																														
40 Laminate Flooring			$2,669																											
Bingo Office																														
41 Carpet		$803											$1,112											$1,339						
Accounting Office																														
42 Carpet		$1,916											$2,652											$3,671						
Men's Restroom																														
43 Bathroom Refurbishment Allowance											$6,720																			
44 Ceramic Floor Tile											$645																			
Women's Restroom																														
45 Bathroom Refurbishment Allowance						$5,795																								
46 Ceramic Floor Tile										$626																				
Restroom Hallway																														
47 Vinyl Composition Floor Tile																		$1,124												
Conference Room																														
48 Carpet		$1,360											$1,882											$2,605						
Secondary Office																														
49 Carpet		$1,545											$2,139											$2,960						
Resale Coordinator																														
50 Laminate Flooring				$1,598																										
Office (w/kitchen)																														
51 Carpet	$1,500											$2,076											$2,674							
Main Hallway																														
52 Vinyl Composition Floor Tile																		$4,074												
Hallway Outside Office																														
53 Vinyl Composition Floor Tile																		$5,578												
Bistro Rose Room																														
54 Vinyl Composition Floor Tile																		$8,568												
Kitchen																														
55 Kitchen Refurbishment Allowance			$12,731										$17,105										$22,993							
56 Vinyl Composition Floor Tile												$4,036																		

YEARLY EXPENSE PROJECTION
Effective as of January 1, 2026

Item	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Factor @ 3.00%	1.000	1.030	1.061	1.093	1.126	1.159	1.194	1.230	1.267	1.305	1.344	1.384	1.426	1.469	1.513	1.558	1.605	1.653	1.702	1.754	1.806	1.860	1.916	1.974	2.033	2.094	2.157	2.221	2.288	2.357
Billiards Room																														
57. Carpet		$2,101											$2,909											$4,026						
Main Lobby																														
58. Ceramic Tile Flooring																		$17,454												
59. Carpet		$3,708											$5,133											$7,105						
Great Room																														
60. Wood Stage						$26,292																								
61. Vinyl Composition Floor Tile																		$82,725												
Custodial Closets																														
62. Vinyl Composition Floor Tile	$1,224																													
Miscellaneous																														
63. Stairwell Wood Railings	$1,920																													
64. Stairwell Aluminum Railings	$1,500																									$3,141				
65. Interior Door Replacement Allowance				$30,050																									$62,918	
Clubhouse Mechanical																														
66. Boiler (Weil-McLain)	$28,000																													
67. 40 Gallon Water Heater (GE)	$3,700											$5,122											$7,090							
68. Heat Pump (30 degree electric heat booster support)					$1,745																				$3,151					
69. Exhaust Fans												$2,353																		
70. A/C Unit (1986)	$6,400																				$11,559									
71. A/C Unit (2022)																$9,971														
72. A/C Unit (20 ton)	$28,500																				$51,474									
73. HVAC Split-Air System		$3,502																				$6,325								
Maintenance Building Exterior																														
74. Metal Seam Standing Roof (excluded)																														
75. Single Steel Door			$1,538																									$3,221		
76. Garage Doors								$18,302																				$32,875		
Maintenance Building Interior																														
77. Maintenance Equipment Allowance (loaders)				$13,659																				$24,670						
Maintenance Shed																														
78. 3-Tab Roofing Shingles (replace with architectural)								$2,398																				$4,332		
79. 7'x8' Aluminum Garage Door						$1,913																				$3,455				
80. Single Wood Door			$583															$909												
Maintenance Shop Exterior																														
81. 3-Tab Roofing Shingles (replace with architectural)	$7,150																				$12,914									
82. Aluminum Gutters	$1,040																				$1,878									
83. Aluminum Leaders	$400																				$722									
84. Vinyl Siding								$11,069																						
85. Window Replacement Allowance					$2,814																									$5,891
86. Single Entry Door	$950																									$1,989				
87. 8'x10' Garage Doors								$3,198																				$5,775		
Residential Building Exteriors																														
88. Architectural Roofing Shingles (over 5 years) (excluded)																														
89. Architectural Roofing Shingles (2021) (excluded)																														
90. Architectural Roofing Shingles (2022) (excluded)																														
91. Architectural Roofing Shingles (2023) (excluded)																														
92. Architectural Roofing Shingles (2024) (excluded)																														
93. Architectural Roofing Shingles (2025) (excluded)																														
94. 5" Aluminum Gutters (5% annually) (over 15 years)	$7,190	$7,405	$7,628	$7,858	$8,092	$8,335	$8,585	$8,843	$9,108	$9,381	$9,662	$9,952	$10,251	$10,558	$10,875						$12,986	$13,375	$13,778	$14,190	$14,615	$15,054	$15,505	$15,971	$16,450	$16,943
95. 5" Aluminum Gutters (2022)																$23,818														
96. 5" Aluminum Gutters (2023)																	$10,989													
97. 5" Aluminum Gutters (2024)																		$41,484												
98. 5" Aluminum Gutters (2025)																			$37,139											
99. 2"x3" Aluminum Leaders (5% annually) (over 15 years)	$7,157	$7,372	$7,593	$7,821	$8,055	$8,297	$8,546	$8,802	$9,066	$9,338	$9,618	$9,907	$10,204	$10,510	$10,828	$11,150	$11,485	$11,829	$12,184	$12,550	$12,926	$13,314	$13,714	$14,125	$14,549	$14,985	$15,435	$15,898	$16,375	$16,866
100. 2"x3" Aluminum Leaders (2022)																$1,308														
101. 2"x3" Aluminum Leaders (2023)																	$4,429													
102. 2"x3" Aluminum Leaders (2024)																		$1,140												
103. 2"x3" Aluminum Leaders (2025)																			$6,265											
104. Vinyl Siding (newer) (excluded)																														
105. Concrete Stoops (over 5 years)	$68,544	$70,600	$72,718	$74,900	$77,147																									
Residential Buildings Interior																														
106. Crawl Space Annual Allowance ($300,000 annually w/o inflation through 2035, $119,000 thereafter)	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000	$119,000
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
TOTALS	$887,366	$866,476	$889,302	$916,590	$1,227,852	$868,296	$827,880	$862,987	$891,566	$1,131,557	$1,154,747	$760,757	$798,960	$795,425	$1,001,888	$469,503	$810,988	$474,545	$350,294	$308,810	$828,004	$801,582	$882,402	$1,130,950	$1,636,889	$1,087,860	$1,098,957	$1,244,798	$1,220,415	$1,208,477

FUNDING PLAN (10% Threshold)

Effective as of January 1, 2026

Projected Reserve Balance: $1,900,000

10% Threshold: $1,085,493

579 Buildings
1190 Units

Fiscal Year	Beginning Balance as of Jan 1	Reserve Contribution (Jan 1 - Dec 31)	Annual Expenses	Ending Balance
2026	$1,900,000	$610,165	$987,366	$1,522,799
2027	$1,522,799	$676,911	$855,476	$1,344,234
2028	$1,344,234	$750,958	$989,002	$1,106,190
2029	$1,106,190	$833,106	$916,090	$1,023,206
2030	$1,023,206	$924,240	$1,227,652	$719,793
2031	$719,793	$1,025,343	$869,288	$875,848
2032	$875,848	$1,137,505	$927,860	$1,085,493
2033	$1,085,493	$1,261,938	$892,987	$1,454,443
2034	$1,454,443	$892,662	$891,966	$1,455,140
2035	$1,455,140	$892,662	$1,131,657	$1,216,146
2036	$1,216,146	$892,662	$1,154,747	$954,061
2037	$954,061	$892,662	$760,757	$1,085,967
2038	$1,085,967	$892,662	$798,950	$1,179,679
2039	$1,179,679	$892,662	$785,425	$1,286,917
2040	$1,286,917	$892,662	$1,001,998	$1,177,581
2041	$1,177,581	$892,662	$469,503	$1,600,741
2042	$1,600,741	$892,662	$510,968	$1,982,435
2043	$1,982,435	$892,662	$474,545	$2,400,552
2044	$2,400,552	$892,662	$350,264	$2,942,951
2045	$2,942,951	$892,662	$358,810	$3,476,803
2046	$3,476,803	$892,662	$828,004	$3,541,462
2047	$3,541,462	$892,662	$931,582	$3,502,542
2048	$3,502,542	$892,662	$982,402	$3,412,802
2049	$3,412,802	$892,662	$1,139,350	$3,166,114
2050	$3,166,114	$892,662	$1,635,999	$2,422,777
2051	$2,422,777	$892,662	$1,067,990	$2,247,449
2052	$2,247,449	$892,662	$1,058,957	$2,081,154
2053	$2,081,154	$892,662	$1,244,756	$1,729,061
2054	$1,729,061	$892,662	$1,220,415	$1,401,308
2055	$1,401,308	$892,662	$1,208,477	$1,085,493
	TOTALS:	**$26,858,738**	**$27,673,245**	**$1,085,493**

FUNDING PLAN (5% Threshold)

Effective as of January 1, 2026

Projected Reserve Balance: $1,900,000

5% Threshold: $542,747

579 Buildings
1190 Units

Fiscal Year	Beginning Balance as of Jan 1	Reserve Contribution (Jan 1 - Dec 31)	Annual Expenses	Ending Balance
2026	$1,900,000	$596,970	$987,366	$1,509,604
2027	$1,509,604	$647,951	$855,476	$1,302,080
2028	$1,302,080	$703,287	$989,002	$1,016,364
2029	$1,016,364	$763,347	$916,090	$863,621
2030	$863,621	$828,537	$1,227,652	$464,506
2031	$464,506	$899,295	$869,288	$494,513
2032	$494,513	$976,094	$927,860	$542,747
2033	$542,747	$1,059,453	$892,987	$709,213
2034	$709,213	$901,866	$891,966	$719,113
2035	$719,113	$901,866	$1,131,657	$489,323
2036	$489,323	$901,866	$1,154,747	$236,442
2037	$236,442	$901,866	$760,757	$377,552
2038	$377,552	$901,866	$798,950	$480,468
2039	$480,468	$901,866	$785,425	$596,909
2040	$596,909	$901,866	$1,001,998	$496,778
2041	$496,778	$901,866	$469,503	$929,141
2042	$929,141	$901,866	$510,968	$1,320,039
2043	$1,320,039	$901,866	$474,545	$1,747,360
2044	$1,747,360	$901,866	$350,264	$2,298,963
2045	$2,298,963	$901,866	$358,810	$2,842,019
2046	$2,842,019	$901,866	$828,004	$2,915,881
2047	$2,915,881	$901,866	$931,582	$2,886,165
2048	$2,886,165	$901,866	$982,402	$2,805,629
2049	$2,805,629	$901,866	$1,139,350	$2,568,145
2050	$2,568,145	$901,866	$1,635,999	$1,834,012
2051	$1,834,012	$901,866	$1,067,990	$1,667,888
2052	$1,667,888	$901,866	$1,058,957	$1,510,797
2053	$1,510,797	$901,866	$1,244,756	$1,167,907
2054	$1,167,907	$901,866	$1,220,415	$849,358
2055	$849,358	$901,866	$1,208,477	$542,747
	TOTALS:	**$26,315,992**	**$27,673,245**	**$542,747**

FUNDING PLAN (Baseline)

Effective as of January 1, 2026

579 Buildings
1190 Units

Projected Reserve Balance: $1,900,000

Fiscal Year	Beginning Balance as of Jan 1	Reserve Contribution (Jan 1 - Dec 31)	Annual Expenses	Ending Balance
2026	$1,900,000	$582,905	$987,366	$1,495,539
2027	$1,495,539	$617,779	$855,476	$1,257,843
2028	$1,257,843	$654,740	$989,002	$923,580
2029	$923,580	$693,911	$916,090	$701,402
2030	$701,402	$735,427	$1,227,652	$209,176
2031	$209,176	$779,425	$869,288	$119,313
2032	$119,313	$826,057	$927,860	$17,509
2033	$17,509	$875,478	$892,987	$0
2034	$0	$1,059,456	$891,966	$167,491
2035	$167,491	$1,059,456	$1,131,657	$95,291
2036	$95,291	$1,059,456	$1,154,747	$0
2037	$0	$1,059,456	$760,757	$298,700
2038	$298,700	$1,059,456	$798,950	$559,207
2039	$559,207	$1,059,456	$785,425	$833,238
2040	$833,238	$1,059,456	$1,001,998	$890,696
2041	$890,696	$839,422	$469,503	$1,260,616
2042	$1,260,616	$839,422	$510,968	$1,589,069
2043	$1,589,069	$839,422	$474,545	$1,953,946
2044	$1,953,946	$839,422	$350,264	$2,443,104
2045	$2,443,104	$839,422	$358,810	$2,923,716
2046	$2,923,716	$839,422	$828,004	$2,935,134
2047	$2,935,134	$839,422	$931,582	$2,842,973
2048	$2,842,973	$839,422	$982,402	$2,699,993
2049	$2,699,993	$839,422	$1,139,350	$2,400,064
2050	$2,400,064	$839,422	$1,635,999	$1,603,487
2051	$1,603,487	$839,422	$1,067,990	$1,374,918
2052	$1,374,918	$839,422	$1,058,957	$1,155,383
2053	$1,155,383	$839,422	$1,244,756	$750,049
2054	$750,049	$839,422	$1,220,415	$369,055
2055	$369,055	$839,422	$1,208,477	$0
	TOTALS:	**$25,773,245**	**$27,673,245**	**$0**

MAINTENANCE SCHEDULE

579 Buildings
1190 Units

Item	Typical Useful Life	Estimated Quantity	Unit Cost	Current Maintenance Cost	Annual Maintenance Cost
SITEWORK					
Paved Surfaces					
1. 2" Asphalt Cap Resurface: Roadways (over 15 years)	2	159,791 SY	$0.75	$119,843	$59,922
			Subtotal:	**$119,843**	**$59,922**
STRUCTURES					
Clubhouse Exterior					
2. Roof Shingle Repair	2	168 SQ	$6.00	$1,008	$504
3. Aluminum Gutter Repair	2	224 LF	$0.95	$213	$106
4. Aluminum Leader Repair	2	300 LF	$0.95	$285	$143
5. Caulking: Dissimilar Material Junctions, Windows, Doors	5	305 SF	$2.75	$839	$168
			Subtotal:	**$2,345**	**$921**
Clubhouse Interior					
6. Painting: Interior Common Walls	5	10,688 SF	$1.75	$18,704	$3,741
			Subtotal:	**$18,704**	**$3,741**
Maintenance Building Exterior					
10. Roof Shingle Repair	2	59 SQ	$6.00	$354	$177
11. Caulking: Dissimilar Material Junctions, Windows, Doors	5	327 LF	$2.75	$899	$180
			Subtotal:	**$1,253**	**$357**
Maintenance Building Interior					
12. Painting: Interior Common Walls	5	5,232 SF	$1.75	$9,156	$1,831
			Subtotal:	**$9,156**	**$1,831**
Maintenance Garage					
13. Roof Shingle Repair	2	3 SQ	$6.00	$18	$9
14. Caulking: Dissimilar Material Junctions, Windows, Doors	5	145 EA	$2.75	$399	$80
			Subtotal:	**$417**	**$89**
Maintenance Office Exterior					
18. Roof Shingle Repair	2	11 SQ	$6.00	$66	$33
19. Aluminum Gutter Repair	2	104 LF	$0.95	$99	$49
20. Aluminum Leader Repair	2	40 LF	$0.95	$38	$19
21. Powerwashing: Exterior Cladding	5	1,500 SF	$0.30	$450	$90
22. Caulking: Dissimilar Material Junctions, Windows, Doors	5	150 LF	$2.75	$413	$83
			Subtotal:	**$1,065**	**$274**
Maintenance Office Interior					
23. Painting: Interior Common Walls	5	2,320 SF	$1.75	$4,060	$812
			Subtotal:	**$4,060**	**$812**
Residential Buildings Exterior					
24. Roof Shingle Repair	2	19,706 SQ	$6.00	$118,236	$59,118
25. Aluminum Gutter Repair	2	30,777 LF	$0.95	$29,238	$14,619
26. Aluminum Leader Repair	2	26,280 LF	$0.95	$24,966	$12,483
27. Powerwashing: Exterior Cladding	5	830,300 SF	$0.30	$249,090	$49,818
Painting: Wood Siding	5	1 LS	$50,000	$50,000	$10,000
28. Caulking: Dissimilar Material Junctions, Windows, Doors	5	83,000 LF	$2.75	$228,250	$45,650
			Subtotal:	**$699,780**	**$191,688**
			TOTAL:	**$856,623**	**$258,713**