

GOLDEN RAIN
foundation
SEAL BEACH

FINANCE COMMITTEE
Clubhouse Three, Room Nine
Recording Secretary – Marisa McAuley
Monday, November 24, 2014 – 10:00 a.m.

AGENDA

1. Call to Order
2. Pledge Of Allegiance
3. Roll Call
4. Committee Rules
5. Chairs Announcement
6. Foundation Member Comments (*Agenda Items Only*)
7. UNFINISHED BUSINESS
 - a. Reserve Study
 - i. Clubhouse One (pg.1-6)
 - ii. Clubhouse Two (pg.7-13)
 - iii. Clubhouse Three (pg.14-19)
8. President's Comments
9. Foundation Member Comments
10. Committee Member Comments
11. Adjournment

****Agenda Is Subject To Change****

CATEGORY	COMPONENT	ID	QUANTITY	TL	RL	COST	CC1	CORRECT	CC2	OBSERVATIONS	PROTECT
ROOF/DECK S	COMPOSITION SHINGLE ROOF	0101	16,700 sq ft	25	0	58,450	1	0	0	This component includes the composition shingle roofing (sloped). It appeared to be in an aging condition. For this type of roofing material on these types of structures, 2 layers are generally permitted. However, if it is decided to re-roof over the existing roofing, experience dictates that the typical useful life of the new materials would be reduced by approximately one third (33%). The average component cost and typical useful life provided reflects removal of the existing roofing prior to the installation of the new roofing.	Periodic maintenance should include an examination for and replacement of missing and damaged shingles, especially subsequent to windy weather and prior to the rainy season. All flashings should also be regularly examined and re-sealed with caulking mastic as necessary. Such repairs should be performed immediately upon discovery so as to help prevent damage to the surrounding roof areas, the structures and the interiors of the individual units. A maintenance contract with a licensed roofing contractor is strongly recommended.
ROOF/DECK S	GUTTERS & DOWNSPOUTS	0102	600 lin ft	25	10	3,600	4	0	0	The galvanized gutters and downspouts appeared to be in average condition. The importance of a properly functioning water removal system lies in the fact that other components can be affected considerably (i.e. integrity of the roof, siding, paint, termite infestation, etc.). Therefore, proper maintenance is imperative.	The gutter systems should be regularly examined, cleaned, leveled and re-secured (if necessary) and all joints sealed as required. Drainage should be directed away from the structure.
ROOF/DECK S	SKYLIGHTS	0103	12 skylights	25	10	3,600	4	0	0	This component includes the dual paned skylights. They appeared to be in average condition.	The skylights should be re-caulked on an as-needed basis to prevent leakage (minor expenditure-operating cost).
STRUCTUR E	FOUNDATIONS/STRUCTURAL FRAME	0201	2 buildings	30	30+	0	0	0	0	This component includes the foundations and structural frame, along with the exterior surfaces. Provided there are no major catastrophes, the proper drainage principles are maintained and that structural pest control procedures are adhered to, this would normally be considered to be a lifetime component for which no reserve budget would be called for.	It is important that all grade levels be maintained 4-6 inches below the lowest edge of the structural frame. In addition, all grading should be properly sloped away from the structures for drainage and all downspouts should discharge onto hardscape areas or splash blocks such that rainwater is directed away from the structures.
STRUCTUR E	STRUCTURAL PEST CONTROL	0202	167,000 cu ft	12	0	10,000	1	0	0	This component addresses the potential fumigation of the buildings. When and where an infestation of wood destroying pests or organisms occurs, and how severe the infestation will be, is difficult to predict. The California Department of Real Estate (DRE), per the "Operating Cost Manual", suggests that annual inspections be performed to discover any infestation in its early stages before it becomes a serious problem. It previously required that associations establish a reserve for fumigation of all structures on at least a 12-year basis. This is now considered optional; however, it would be prudent to budget for future fumigation in the event it becomes necessary. The frequency for fumigation tends to be greater in ocean environments, while decreasing further inland, especially in desert environments. It is suggested that further evaluation be obtained from a licensed pest control operator. Any necessary adjustments can be made in a future Reserve Study Update.	It is suggested that a regular and on-going maintenance program be established with a reputable licensed pest control operator. Such a program can minimize the necessity for fumigation. In addition, loose or cracked siding or stucco, peeling paint and gaps at trim around windows and doors should be repaired accordingly as to prevent moisture from making its way into the framing and providing an environment for termite infestation, fungus, and/or mold. It is recommended that planned inspection(s) be performed prior to repainting being done in order to identify & correct/repair these situations. Other situations that should be monitored with respect to termite infestation include low foundation walls, cracks in foundation walls, leaking pipes, over-watered landscape surrounding the structure, and damaged or nonexistent gutters and downspouts that discharge near the perimeter of the structures.
STRUCTUR E	SIDING-PLYWOOD	0203	5,300 sq ft	40	15	31,800	4	0	0	This component includes the plywood siding on the exteriors of the buildings. It appeared to be in average condition. The other trim, including the wood fascia, is not included here, as it would be replaced as necessary on an on-going basis.	Maintenance of the siding is not only important from an aesthetics aspect but critical with respect to prevention of termite infestation as well. It should be regularly painted at a maximum of 4-year intervals. Regular examination for and repair of any cracks and splits should be performed as necessary. Any protruding nails should also be re-driven and sealed.
PAINT	STUCCO	0301	9,100 sq ft	10	4	7,300	1	0	0	This component includes the painted surfaces of the stucco on the exterior of the building. They appeared to be in average condition.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component as well as prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.
PAINT	WOOD TRIM	0302	6,700 sq ft	4	2	8,050	1	0	0	This component includes the painted surfaces of the wood trim and siding. They appeared to be in average condition.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite

											infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.
PAINT	DOORS-PAINT	0303	55 sides	4	2	2,750	1	0	0	This component includes the painted surfaces of the exteriors of some of the doors. They appeared to be in average condition.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of doors should be examined prior to painting and re-caulked if required.
PAINT	DOORS-LACQUER	0304	34 sides	12	2	3,400	1	0	0	This component includes the lacquered surfaces of the exteriors of some of the doors. They appeared to be in average condition.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling lacquer should be sanded / scraped and bare areas properly primed prior to any finish lacquering. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of doors should be examined prior to refinishing and re-caulked if required.
PAINT	INTERIOR FLATWORK	0305	26,200 sq ft	10	4	20,950	1	0	0	This component includes the in interior painted surfaces. They appeared to be in average condition.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.
PAINT	IRONWORK	0306	operating N/A budget	N/A	0	0	0	0	0	This component includes the painted surfaces of the wrought iron fencing, gates, and rails at the exterior of the buildings. They appeared to be in average condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, and for protection of the underlying component. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.
MECHANICAL	EXHAUST FANS	0401	8 fans	10	3	32,400	4	0	0	This component includes the exhaust fans that serves the purpose of ventilating the interior areas. They appeared to be in average condition	The bearings should be oiled / greased on a periodic basis as well as occasional verification of operation of the fan. We recommend obtaining a maintenance contract with a qualified specialist.
MECHANICAL	PEDESTRIAN DOOR OPENERS	0402	4 doors	20	10	6,400	1	0	0	This component includes the automatic pedestrian door openers. They were encased and therefore inaccessible for inspection. For reporting purposes their remaining lives have been estimated.	Maintenance should include regular lubrication of all moving parts. It is suggested that a maintenance contract be obtained with a qualified specialist.
MECHANICAL	HEAT PUMP-EVAPORATIVE COIL	0403	11 coils	24	9	29,700	4	0	0	This component includes the evaporative coils for the heat pumps. They appeared to be in average condition.	The heat pump should be serviced twice a year. We recommend obtaining a maintenance contract with a reputable licensed heating/air conditioning company.
MECHANICAL	HEAT PUMP-CONDENSERS	0404	11 condensers	18	3	28,600	4	0	0	This component includes the condensers for the heat pumps. They appeared to be in average condition.	The heat pump should be serviced twice a year. We recommend obtaining a maintenance contract with a reputable licensed heating/air conditioning company.
MECHANICAL	FORCED AIR UNIT	0405	1 unit	24	21	4,500	4	0	0	This component includes a gas furnace. It appeared to be in average condition.	The furnace should be serviced twice a year. We recommend obtaining a maintenance contract with a reputable licensed heating/air conditioning company.
PLUMBING	DISTRIBUTION PIPING	0501	all	40	20	19,500	1	0	0	This component includes the type copper distribution piping that provides potable water throughout the building. It appeared to be in average condition and no problems were observed. Although previously considered to be a lifetime component, copper piping has more recently been found to fail as early as 15 years after	Little by way of maintenance is needed for the piping other than periodic examination for leaking, especially in the garage area. Any leaks should be promptly repaired upon discovery, as any wood or soil that is kept constantly moist provides ideal conditions for termites.

										installation. This is suspected to be primarily caused by changes in the chemical makeup of potable water due to the U.S. Environmental Protection Agency's (EPA) Safe Water Drinking Act and the Lead and Copper Rule (LCR). For purposes of reporting, an approximate time frame of 40 years has been assumed for future replacement. A rough cost estimate has been provided as well. It is recommended that further evaluation be obtained from a licensed plumbing consultant / contractor, as well as consideration of an epoxy pipe lining system, and adjustments can be included in a future Reserve Study Update.	Consideration may be given to professionally installing a water treatment system and / or an epoxy pipe lining system, which would serve to enhance the longevity of the piping.
PLUMBING	DRAINAGE/SEWER PIPING	0502	operating budget+	30	30+0	0	0	0	0	This component addresses the sewer and drainage piping. No amount has been provided for complete replacement as the piping would typically have a life well in excess of the scope of this projection and would therefore be considered a lifetime component. It is recommended that any repair / sectional replacement be performed as-needed, and funded from the operating account.	Occasional routing should be performed to ensure that the drainage system is free flowing.
PLUMBING	CIRCULATION PUMP	0503	operating budgetA	N/A	N/A0	0	0	0	0	This component includes a circulation pump. It appeared to be in average condition. However, it should be noted that a visual examination cannot make predictions as to future performance (i.e. even with correct maintenance, these units can fail without warning). As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Maintenance should include periodic lubrication (which can considerably extend its life expectancy).
PLUMBING	WATER HEATER	0504	operating budgetA	N/A	N/A0	0	0	0	0	This component includes a water heater that provides hot water for the restrooms. It appeared to be in average condition; however, a visual examination cannot make predictions as to future performance (i.e. even with correct maintenance, these units can fail without warning). As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Maintenance should include periodic draining of a few gallons of water from the drain cock to relieve sediment build-up. A regular safety check-up by the local utility company (if available) or licensed plumbing contractor is also suggested.
PLUMBING	DRINKING FOUNTAINS	0505	2 drinking fountains	12	8	2,500	4	0	0	This component includes the chilled water drinking fountains. They appeared to be in average condition.	Little by way of maintenance can be performed for this component.
ELECTRICAL	FIRE ALARM SYSTEM	0601	1 system	20	15	4,000	1	0	0	This component includes a fire alarm system (panel). It appeared to be in average condition.	Little by way of maintenance can be performed for this component. However, it should be professionally inspected on a regular (suggested annual) basis.
ELECTRICAL	LIGHTING-EMERGENCY	0602	operating budgetA	N/A	N/A0	0	0	0	0	This component includes the emergency light fixtures. They appeared to be in average condition and are usually desired to be replaced for appearance sake. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Maintenance would entail periodically checking the fixtures to make sure that they are secure and that the batteries are fully charged. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-EXIT SIGNS	0603	operating budgetA	N/A	N/A0	0	0	0	0	This component includes the lighted exit signs. They appeared to be in average condition and are usually desired to be replaced for appearance sake. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-EXTERIOR	0604	operating budgetA	N/A	N/A0	0	0	0	0	This component includes the utilitarian type light fixtures at the exterior of the buildings. They appeared to be in average condition. It is recommended that any repair or replacements be performed on an as-needed basis, and funded from the operating account.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-INTERIOR	0605	34 fixtures	20	10	11,050	4	0	0	This component includes the light fixtures in the internal hallways. They appeared to be in average condition. These types of lighting fixtures are typically subject to little deterioration; however, it is usually desired to replace them for aesthetic purposes.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-WALKWAYS/ OTHER AREAS	0606	24 fixtures	20	0	8,400	4	0	0	This component includes the walkway light fixtures, and miscellaneous other exterior areas. They appeared to be in average condition.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the

ELECTRICAL	LIGHTING-WALL SCOFF	0607	operating N/ budget A	N/A	0	0	0	0	0	This component includes the light fixtures at the lobby and ballroom. They appeared to be in average condition. These types of fixtures are typically subject to a greater level of deterioration from the elements. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	fixtures is recommended on an as-needed basis. Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	ELECTRICAL SYSTEM-PANELS	0608	3 panels	30	30	0	0	0	0	This component includes the electrical circuit panels and transformers the service the buildings. They typically have a life expectancy well beyond the scope of this report (30 years), therefore, no funding has been provided at this time. However, we recommend the equipment be inspected on a regular basis. It is anticipated that eventually some, or all, of the equipment will require major refurbishment or replacement. Further evaluation of the system should be conducted by a licensed electrical contractor. Any necessary adjustments can be made in a future Reserve Study Update.	N/A.
FLOORING	CARPETING	0701	300 sq yd	8	4	9,600	4	0	0	This component includes the carpeting in the office and other areas. It appeared to be in average condition.	Maintenance should entail regular vacuum cleaning (from once weekly to as often as daily for high traffic areas). Power pile lifting is recommended at least once a month for high traffic areas. Mats are suggested to remove dirt from shoes before it can be tracked onto carpeted areas (should be cleaned and rotated regularly to prevent soil build-up that may spread to the carpet). Spots and spills should be removed as soon as possible to prevent permanent staining. Deep cleaning should be performed on an as-needed basis (before soil is noticeable – usually not more than once every one or two years) and fluorochemical treatment applied immediately after. It is recommended that before applying any topical treatments, the carpet manufacturer be contacted to prevent voiding of the warranty. Damaged areas should be repaired as they can create a trip hazard resulting in association liability.
FLOORING	VINYL-SQUARES	0702	7,950 sq ft	30	0	23,850	4	0	0	This component includes the vinyl flooring. It appeared to be in average condition.	Maintenance would entail regular cleaning with a mild detergent solution and warm water (care should be exercised to not flood the flooring). Do not use paste or solvent-based wax. Rubber backed rugs should be avoided as they can discolor the vinyl flooring. Soil collecting mats are recommended to remove dirt from shoe soles before it can be tracked onto the vinyl (they should be cleaned and rotated regularly to prevent soil build-up that will spread to the vinyl). Lifting seams, corners, etc. should be re-glued and damaged areas repaired as necessary.
RECREATION FACILITIES	FURNISHING S- LOBBIES	0801	1 Lobby	15	8	5,800	1	0	0	This component includes the furniture in the lobby. It appeared to be in average condition. The average component cost is general for the type of furnishings in use.	General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap solution or professionally steam cleaned simultaneously with carpeted areas.
RECREATION FACILITIES	FURNISHING S- BALLROOM	0802	1 Ballroom	15	8	28,050	1	0	0	This component includes the furniture in the ballroom. It appeared to be in average condition. The average component cost is general for the type of furnishings in use.	General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap solution or professionally steam cleaned simultaneously with carpeted areas.
RECREATION FACILITIES	FURNISHING S- HISTORICAL SOCIETY	0803	1 office	15	8	13,200	1	0	0	This component includes the furniture in the Historical Society & museum. It appeared to be in average condition. The average component cost is general for the type of furnishings in use.	General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap

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Golden Rain Clubhouse #1 Reserve Study – text: July 2, 2014

N FACILITIES				+						good condition. They typically have a life expectancy well beyond the scope of this report (30 years), therefore, no funding has been provided at this time. Any necessary adjustments can be made in a future Reserve Study Update.	component.
MISCELLANEOUS	FIRE EXTINGUISHERS	0901	operating N/ budget A	N/A	0	0	0	0	0	This component includes the fire extinguishers. They appeared to be in average condition. It is recommended that replacements be performed on an as-needed basis, and funded from the operating account.	The extinguishers should be inspected and re-charged by a State Fire Marshall approved company at a maximum of 1 year intervals (or as required by law).
MISCELLANEOUS	FIREHOSES	0902	operating N/ budget A	N/A	0	0	0	0	0	This component includes the fire hoses. They appeared to be in average condition. It is recommended that replacements be performed on an as-needed basis, and funded from the operating account.	The fire hoses should be inspected by a State Fire Marshall approved company at a maximum of 1-year intervals (or as required by law).
MISCELLANEOUS	EQUIPMENT SHED	0903	operating N/ budget A	N/A	0	0	0	0	0	This component includes the equipment shed. It appeared to be in average condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Little can be performed by way of maintenance for this type of equipment.
MISCELLANEOUS	PIANO	0904	1 piano	30	15	5,000	2	0	0	This component includes an allowance for replacement of the upright piano at the clubhouse, including 1 upright piano. The allowance should be reviewed periodically and any necessary adjustments can be included in a future Reserve Study Update.	This equipment should be periodically tuned and serviced by a qualified service provider.
MISCELLANEOUS	DIRECTORY BOARDS	0905	3 directory boards	20	15	3,500	4	0	0	This component includes the glass faced aluminum case directory boards. They appeared to be in average condition.	Little can be performed by way of maintenance for this type of component.

CATEGORY	COMPONENT	ID	QUANTITY	TL	RL	COST	CC1	CORRECT	CC2	OBSERVATIONS	PROTECT
ROOF/DECK S	COMPOSITION SHINGLE ROOF	0101	22,000 sq ft	25	3	77,000	1	0	0	This component includes the composition shingle roofing (sloped). It appeared to be in an aging condition. For this type of roofing material on these types of structures, 2 layers are generally permitted. However, if it is decided to re-roof over the existing roofing, experience dictates that the typical useful life of the new materials would be reduced by approximately one third (33%). The average component cost and typical useful life provided reflects removal of the existing roofing prior to the installation of the new roofing.	Periodic maintenance should include an examination for and replacement of missing and damaged shingles, especially subsequent to windy weather and prior to the rainy season. All flashings should also be regularly examined and re-sealed with caulking mastic as necessary. Such repairs should be performed immediately upon discovery so as to help prevent damage to the surrounding roof areas, the structures and the interiors of the individual units. A maintenance contract with a licensed roofing contractor is strongly recommended.
ROOF/DECK S	GUTTERS & DOWNSPOUTS	0102	1,400 lin ft	25	13	8,400	4	0	0	The galvanized gutters and downspouts appeared to be in average condition. The importance of a properly functioning water removal system lies in the fact that other components can be affected considerably (i.e. integrity of the roof, siding, paint, termite infestation, etc.). Therefore, proper maintenance is imperative.	The gutter systems should be regularly examined, cleaned, leveled and re-secured (if necessary) and all joints sealed as required. Drainage should be directed away from the structure.
STRUCTUR E	FOUNDATIONS/STRUCTURAL FRAME	0201	1 building	30	30	0	0	0	0	This component includes the foundations and structural frame, along with the exterior surfaces. Provided there are no major catastrophes, the proper drainage principles are maintained and that structural pest control procedures are adhered to, this would normally be considered to be a lifetime component for which no reserve budget would be called for.	It is important that all grade levels be maintained 4-6 inches below the lowest edge of the structural frame. In addition, all grading should be properly sloped away from the structures for drainage and all downspouts should discharge onto hardscape areas or splash blocks such that rainwater is directed away from the structures.
STRUCTUR E	STRUCTURAL PEST CONTROL	0202	200,000 cu ft	12	0	12,000	1	0	0	This component addresses the potential fumigation of the building. When and where an infestation of wood destroying pests or organisms occurs, and how severe the infestation will be, is difficult to predict. The California Department of Real Estate (DRE), per the "Operating Cost Manual", suggests that annual inspections be performed to discover any infestation in its early stages before it becomes a serious problem. It previously required that associations establish a reserve for fumigation of all structures on at least a 12-year basis. This is now considered optional; however, it would be prudent to budget for future fumigation in the event it becomes necessary. The frequency for fumigation tends to be greater in ocean environments, while decreasing further inland, especially in desert environments. It is suggested that further evaluation be obtained from a licensed pest control operator. Any necessary adjustments can be made in a future Reserve Study Update.	It is suggested that a regular and on-going maintenance program be established with a reputable licensed pest control operator. Such a program can minimize the necessity for fumigation. In addition, loose or cracked siding or stucco, peeling paint and gaps at trim around windows and doors should be repaired accordingly as to prevent moisture from making its way into the framing and providing an environment for termite infestation, fungus, and/or mold. It is recommended that planned inspection(s) be performed prior to repainting being done in order to identify & correct/repair these situations. Other situations that should be monitored with respect to termite infestation include low foundation walls, cracks in foundation walls, leaking pipes, over-watered landscape surrounding the structure, and damaged or nonexistent gutters and downspouts that discharge near the perimeter of the structures.
STRUCTUR E	SIDING-PLYWOOD	0203	2,100 sq ft	40	15	12,600	4	0	0	This component includes the plywood siding on the exteriors of the building. It appeared to be in average condition. The other trim, including the wood fascia, is not included here, as it would be replaced as necessary on an on-going basis.	Maintenance of the siding is not only important from an aesthetics aspect but critical with respect to prevention of termite infestation as well. It should be regularly painted at a maximum of 4-year intervals. Regular examination for and repair of any cracks and splits should be performed as necessary. Any protruding nails should also be re-driven and sealed.
STRUCTUR E	CANOPIES	0204	200 sq ft	10	3	2,500	1	0	0	This component includes the canvas canopies over some of the individual unit balconies. They appeared to be in average condition.	Little by way of maintenance can be performed for the canopies other than regular cleaning per specifications from the manufacturer.
PAINT	EXTERIOR FLATWORK	0301	9,050 sq ft	10	4	7,250	1	0	0	This component includes the painted surfaces, primarily stucco, on the exterior of the building. They appeared to be in average condition.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component as well as prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.
PAINT	WOOD SIDING &	0302	3,700 sq ft	4	2	4,450	1	0	0	This component includes the painted surfaces of the wood siding and trim. They appeared to be in average condition.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of

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	N PIPING									potable water throughout the building. It appeared to be in average condition and no problems were observed. Although previously considered to be a lifetime component, copper piping has more recently been found to fail as early as 15 years after installation. This is suspected to be primarily caused by changes in the chemical makeup of potable water due to the U.S. Environmental Protection Agency's (EPA) Safe Water Drinking Act and the Lead and Copper Rule (LCR). For purposes of reporting, an approximate time frame of 40 years has been assumed for future replacement. A rough cost estimate has been provided. It is recommended that further evaluation be obtained from a licensed plumbing consultant / contractor, as well as consideration of an epoxy pipe lining system, and adjustments can be included in a future Reserve Study Update.	than periodic examination for leaking, especially in the garage area. Any leaks should be promptly repaired upon discovery, as any wood or soil that is kept constantly moist provides ideal conditions for termites. Consideration may be given to professionally installing a water treatment system and / or an epoxy pipe lining system, which would serve to enhance the longevity of the piping.
PLUMBING	DRAINAGE/SEWER PIPING	0502	operating budget+	30	30+0	0	0	0	0	This component addresses the sewer and drainage piping. No amount has been provided for complete replacement as the piping would typically have a life well in excess of the scope of this projection and would therefore be considered a lifetime component. It is recommended that any repair / sectional replacement be performed on an as-needed basis, and funded from the operating account.	Occasional routing should be performed to ensure that the drainage system is free flowing.
PLUMBING	FIRE SPRINKLERS	0503	lifetime +	30	30+0	0	0	0	0	This component includes the fire sprinklers throughout the building. They appeared to be in average condition and would be considered to be a lifetime component. Accordingly no amount has been provided for its future replacement at this time.	Periodic inspection and maintenance should be performed by a State Fire Marshall approved company.
PLUMBING	CIRCULATION PUMP	0504	operating budget	N/A	N/A	0	0	0	0	This component includes a circulation pump. It appeared to be in average condition. However, it should be noted that a visual examination cannot make predictions as to future performance (i.e. even with correct maintenance, these units can fail without warning). As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Maintenance should include periodic lubrication (which can considerably extend its life expectancy).
PLUMBING	WATER HEATERS	0505	2 water heaters	10	9	5,000	4	0	0	This component includes the water heaters that provide hot water for the restrooms and kitchen. We were informed they were recently installed.	Maintenance should include periodic draining of a few gallons of water from the drain cock to relieve sediment build-up. A regular safety check-up by the local utility company (if available) or licensed plumbing contractor is also suggested.
PLUMBING	DRINKING FOUNTAINS	0506	2 drinking fountains	12	6	2,500	4	0	0	This component includes the chilled water drinking fountains. They appeared to be in average condition.	Little by way of maintenance can be performed for this component.
ELECTRICAL	FIRE ALARM SYSTEM	0601	1 system	20	15	4,000	1	0	0	This component includes a fire alarm system (panel). It appeared to be in average condition.	Little by way of maintenance can be performed for this component. However, it should be professionally inspected on a regular (suggested annual) basis.
ELECTRICAL	LIGHTING-EMERGENCY	0602	operating budget	N/A	N/A	0	0	0	0	This component includes the emergency light fixtures. They appeared to be in average condition and are usually desired to be replaced for appearance sake. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Maintenance would entail periodically checking the fixtures to make sure that they are secure and that the batteries are fully charged. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-EXIT SIGNS	0603	operating budget	N/A	N/A	0	0	0	0	This component includes the lighted exit signs. They appeared to be in average condition and are usually desired to be replaced for appearance sake. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-EXTERIOR	0604	operating budget	N/A	N/A	0	0	0	0	This component includes the utilitarian type light fixtures at the exterior of the building. They appeared to be in average condition. It is recommended that any repair or replacements be performed on an as-needed basis, and funded from the operating account.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-INTERIOR	0605	19 fixtures	20	10	2,850	4	0	0	This component includes the light fixtures in the internal areas. They appeared to be in average condition. These types of lighting fixtures are typically subject to little deterioration; however, it is usually	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out

										desired to replace them for aesthetic purposes.	bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-WALKWAYS/OTHER AREAS	0606	11 fixtures	20	0	3,850	4	0	0	This component includes the walkway light fixtures, and other miscellaneous light fixtures at the exterior of the building. They appeared to be in average condition. The external location of these fixtures usually makes them subject to a greater rate of deterioration due to exposure to the elements. Also, it is often desirable to replace these fixtures as they eventually become dated and/or more energy efficient options become available.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-OPEN COURT	0607	21 fixtures	20	12	15,750	4	0	0	This component includes the light fixtures at the sport court/open area. They appeared to be in average condition. These types of fixtures are typically subject to a greater level of deterioration from the elements.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-WALL SCENCE	0608	operating budget	N/A	N/A	0	0	0	0	This component includes the wall sconce light fixtures. They appeared to be in average condition. These types of fixtures are typically subject to a greater level of deterioration from the elements. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	ELECTRICAL SYSTEM-PANELS/TRANSFORMERS	0609	3 panels	30	30	0	0	0	0	This component includes the electrical circuit panels and transformers the service the building. They typically have a life expectancy well beyond the scope of this report (30 years), therefore, no funding has been provided at this time. However, we recommend the equipment be inspected on a regular basis. It is anticipated that eventually some, or all, of the equipment will require major refurbishment or replacement. Further evaluation of the system should be conducted by a licensed electrical contractor. Any necessary adjustments can be made in a future Reserve Study Update.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
FLOORING	CARPETING	0701	400 sq yds	8	6	12,800	4	0	0	This component includes the carpeting. It appeared to be in average condition.	Maintenance should entail regular vacuum cleaning (from once weekly to as often as daily for high traffic areas). Power pile lifting is recommended at least once a month for high traffic areas. Mats are suggested to remove dirt from shoes before it can be tracked onto carpeted areas (should be cleaned and rotated regularly to prevent soil build-up that may spread to the carpet). Spots and spills should be removed as soon as possible to prevent permanent staining. Deep cleaning should be performed on an as-needed basis (before soil is noticeable – usually not more than once every one or two years) and fluorochemical treatment applied immediately after. It is recommended that before applying any topical treatments, the carpet manufacturer be contacted to prevent voiding of the warranty. Damaged areas should be repaired as they can create a trip hazard resulting in association liability.
FLOORING	VINYL-SQUARES	0702	11,800 sq ft	30	0	35,400	4	0	0	This component includes the vinyl flooring. It appeared to be in average condition.	Maintenance would entail regular cleaning with a mild detergent solution and warm water (care should be exercised to not flood the flooring). Do not use paste or solvent-based wax. Rubber backed rugs should be avoided as they can discolor the vinyl flooring. Soil collecting mats are recommended to remove dirt from shoe soles before it can be tracked onto the vinyl (they should be cleaned and rotated regularly to prevent soil build-up that will spread to the vinyl). Lifting seams, corners, etc. should be re-glued and damaged areas repaired as necessary.
FLOORING	HARDWOOD-REPLACE	0703	500 sq ft	30	10	7,500	4	0	0	This component provides for the replacement of the hardwood flooring. It appeared to be in average condition.	Frequent vacuuming or broom sweeping is recommended (daily if necessary) to prevent scratching and acceleration of wear. Spills should be wiped up promptly to avoid

											absorption through the seams. Damp mopping with a proprietary hardwood flooring cleaner is recommended at least once a month (wet mopping or excessive water may cause expansion, cracking, splintering, or raising of the wood grain). Felt pads or plastic, vinyl, or rubber casters are suggested for use beneath furniture legs to prevent indentations. Soil collecting mats are essential to remove dirt from shoe soles before it can be tracked onto the hardwood (they should be cleaned and rotated regularly to prevent soil build-up that will spread to the hardwood). With respect to areas exposed to the sun, draperies or shades are recommended to prevent fading, checking, and color changes.
FLOORING	HARDWOOD-REFINISH	0704	500 sq ft	15	0	2,500	1	0	0	This component provides for the refinishing of the hardwood flooring. The surfaces appeared to be in average condition. Such refinishing would entail sanding/scraping, staining, sealing, and waxing.	Frequent vacuuming or broom sweeping is recommended (daily if necessary) to prevent scratching and acceleration of wear. Spills should be wiped up promptly to avoid absorption through the seams. Damp mopping with a proprietary hardwood flooring cleaner is recommended at least once a month (wet mopping or excessive water may cause expansion, cracking, splintering, or raising of the wood grain). Felt pads or plastic, vinyl, or rubber casters are suggested for use beneath furniture legs to prevent indentations. Soil collecting mats are essential to remove dirt from shoe soles before it can be tracked onto the hardwood (they should be cleaned and rotated regularly to prevent soil build-up that will spread to the hardwood). With respect to areas exposed to the sun, draperies or shades are recommended to prevent fading, checking, and color changes.
RECREATION FACILITIES	FURNISHING S- LOBBIES	0801	1 lobby	15	8	32,000	1	0	0	This component includes the furniture in the lobby. It appeared to be in average condition. The average component cost is general for the type of furnishings in use.	General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap solution or professionally steam cleaned simultaneously with carpeted areas.
RECREATION FACILITIES	FURNISHING S- BALLROOM	0802	1 ballroom	15	8	28,000	1	0	0	This component includes the furniture in the ballroom. It appeared to be in average condition. The average component cost is general for the type of furnishings in use.	General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap solution or professionally steam cleaned simultaneously with carpeted areas.
RECREATION FACILITIES	STAGE & THEATER	0803	1 theater	15	8	25,000	1	0	0	This component includes the stage and theater. They appeared to be in average condition.	N/A
RECREATION FACILITIES	THEATER EQUIPMENT	0804	Allowance	10	4	8,500	2	0	0	This component includes an allowance for repair and replacement of the theater equipment. It appeared to be in average condition. The average component cost is general for the type of equipment in use. The allowance should be reviewed periodically and any necessary adjustments can be included in a future Reserve Study Update.	Maintenance should be performed according to the various manufacturers specifications (refer to the respective operating manuals for same).
RECREATION FACILITIES	RESTROOMS - COMMON AREA	0805	2 restrooms	20	10	15,000	4	0	0	This component includes the remodeling of the common area restrooms. They appeared to be in average condition.	The restrooms should be maintained in a sanitized condition.
RECREATION FACILITIES	RESTROOMS - DRESSING ROOM	0806	2 restrooms	20	10	29,400	4	0	0	This component includes the remodeling of the restrooms at the dressing room. They appeared to be in average condition.	The restrooms should be maintained in a sanitized condition.
RECREATION FACILITIES	WOOD SHOP EQUIPMENT	0807	15 items	20	5	35,000	2	0	0	This component includes an allowance for repair and replacement of the wood shop equipment. It appeared to be in average condition. The average component cost is general for the type of equipment in use. The allowance should be reviewed periodically and any necessary adjustments can be included in a future Reserve Study Update.	Maintenance should be performed according to the various manufacturers specifications (refer to the respective operating manuals for same).

RECREATION FACILITIES	KITCHEN	0808	1 kitchen	20	10	135,850	4	0	0	This component includes the remodeling of the kitchen. It appeared to be in average condition.	The recreation room kitchen should be maintained in a sanitized condition. Occasional cleaning and verification of operation is generally the extent of any maintenance necessary for the appliances. It is recommended that the respective operating manuals be consulted with respect to more specific types of maintenance suggested for these appliances.
RECREATION FACILITIES	BILLIARD ROOMS	0809	1 room	15	8	5,500	1	0	0	This component includes the furniture in the billiard room. It appeared to be in average condition. The average component cost provides for replacement of the furniture as well as periodic refurbishing (i.e. re-felting) of the billiard table. Otherwise, the table itself should have a life well in excess of 30 years and therefore no amount has been provided for its replacement.	N/A
RECREATION FACILITIES	BILLIARD EQUIPMENT	0810	6 items	10	4	15,000	2	0	0	This component includes the billiard room equipment. It appeared to be in average condition, and was comprised of 5 pool tables and 1 snooker table. They appeared to be in average condition. The average component cost is general for the type of equipment in use. The allowance should be reviewed periodically and any necessary adjustments can be included in a future Reserve Study Update.	N/A
RECREATION FACILITIES	SHUFFLEBOARD- PAINT/COATING	0811	operating budget	N/A	N/A	0	0	0	0	This component includes the coated surfaces of the interior shuffleboard lanes. They appeared to be in average condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	N/A
RECREATION FACILITIES	SHUFFLEBOARD- EQUIPMENT	0812	Allowance	8	3	2,500	2	0	0	This component includes the shuffleboard equipment. It appeared to be in average condition. The average component cost is general for the type of equipment in use. The allowance should be reviewed periodically and any necessary adjustments can be included in a future Reserve Study Update.	N/A
RECREATION FACILITIES	SHUFFLEBOARD- COVER	0813	3,500 sq ft	10	5	2,650	4	0	0	This component includes the shuffleboard cover. It appeared to be in average condition.	N/A
RECREATION FACILITIES	SHUFFLEBOARD- OUTSIDE	0814	operating budget	N/A	N/A	0	0	0	0	This component includes the coated surfaces of the exterior shuffleboard lanes. They appeared to be in average condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	N/A
RECREATION FACILITIES	HORSESHOES	0815	operating budget	N/A	N/A	0	0	0	0	This component includes the horseshoes. It appeared to be in average condition. It is recommended that any maintenance be performed on an as-needed basis, and funded from the operating account.	N/A
RECREATION FACILITIES	BIKE RACKS	0816	4 racks +	30	30+	0	0	0	0	This component includes the metal bike racks. They appeared to be in good condition. They typically have a life expectancy well beyond the scope of this report (30 years), therefore, no funding has been provided at this time. Any necessary adjustments can be made in a future Reserve Study Update.	Little by way of maintenance can be performed for this component.
MISCELLANEOUS	FIRE EXTINGUISHERS	0901	operating budget	N/A	N/A	0	0	0	0	This component includes the fire extinguishers. They appeared to be in average condition. It is recommended that replacements be performed on an as-needed basis, and funded from the operating account.	The extinguishers should be inspected and re-charged by a State Fire Marshall approved company at a maximum of 1 year intervals (or as required by law).
MISCELLANEOUS	FIREHOSES	0902	operating budget	N/A	N/A	0	0	0	0	This component includes the fire hoses. They appeared to be in average condition. It is recommended that replacements be performed on an as-needed basis, and funded from the operating account.	The fire hoses should be inspected by a State Fire Marshall approved company at a maximum of 1-year intervals (or as required by law).
MISCELLANEOUS	EQUIPMENT SHED	0903	1 shed	20	14	2,000	4	0	0	This component includes the equipment shed. It appeared to be in average condition.	Little can be performed by way of maintenance for this type of equipment.
MISCELLANEOUS	PIANOS	0904	2 pianos	30	15	55,000	1	0	0	This component includes an allowance for periodic replacement of the pianos at the clubhouse, including an upright and a grand piano. The allowance should be reviewed periodically and any necessary adjustments can be included in a future Reserve Study Update.	This equipment should be periodically tuned and serviced by a qualified service provider.

MISCELLANEOUS	DIRECTORY BOARDS	0905	3 directory boards	20	15	5,250	4	0	0	This component includes the glass faced aluminum case directory boards. They appeared to be in average condition.	Little can be performed by way of maintenance for this type of component.
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CATEGORY	COMPONENT	ID	QUANTITY	TL	RL	COST	CC1	CORRECT	CC2	OBSERVATIONS	PROTECT
ROOF/DECK S	MODIFIED CAP SHEET - REPLACE	0101	1,000 sq ft	20	10	4,000	1	0	0	This component includes the modified cap sheet roofing (flat). It appeared to be in average condition. On this type of structure, 2 layers are generally permitted. However, if it is decided to re-roof over the existing roofing, experience dictates that the typical useful life of the new materials would be reduced by approximately one third (33%). The average component cost and typical useful life provided reflects removal of the existing roofing prior to the installation of the new roofing.	Periodic maintenance should include an examination for, and resealing of any cracks, separated laps and seams. Gravel should also be added to any exposed felts. All flashings should also be regularly examined and resealed as necessary. Any roof drains should be maintained in a clean and operational condition at all times to prevent damming, water retention and associated leakage. A maintenance contract with a licensed roofing contractor is strongly recommended.
ROOF/DECK S	MODIFIED CAP SHEET - COATING	0102	operating budget	N/A	N/A	0	0	0	0	This component includes the coating for the modified cap sheet roof coating (flat). It appeared to be in average condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Periodic maintenance should include an examination for, and resealing of any cracks, separated laps and seams. Gravel should also be added to any exposed felts. All flashings should also be regularly examined and resealed as necessary. Any roof drains should be maintained in a clean and operational condition at all times to prevent damming, water retention and associated leakage. A maintenance contract with a licensed roofing contractor is strongly recommended.
ROOF/DECK S	COMPOSITIO N SHINGLE ROOF	0103	26,700 sq ft	25	8	93,450	1	0	0	This component includes the composition shingle roofing (sloped). It appeared to be in average condition. For this type of roofing material on these types of structures, 2 layers are generally permitted. However, if it is decided to re-roof over the existing roofing, experience dictates that the typical useful life of the new materials would be reduced by approximately one third (33%). The average component cost and typical useful life provided reflects removal of the existing roofing prior to the installation of the new roofing.	Periodic maintenance should include an examination for and replacement of missing and damaged shingles, especially subsequent to windy weather and prior to the rainy season. All flashings should also be regularly examined and re-sealed with caulking mastic as necessary. Such repairs should be performed immediately upon discovery so as to help prevent damage to the surrounding roof areas, the structures and the interiors of the individual units. A maintenance contract with a licensed roofing contractor is strongly recommended.
ROOF/DECK S	GUTTERS & DOWNSPOUT S	0104	1,000 lin ft @ 4"	25	8	6,000	4	0	0	The galvanized gutters and downspouts appeared to be in average condition. The importance of a properly functioning water removal system lies in the fact that other components can be affected considerably (i.e. integrity of the roof, siding, paint, termite infestation, etc.). Therefore, proper maintenance is imperative.	The gutter systems should be regularly examined, cleaned, leveled and re-secured (if necessary) and all joints sealed as required. Drainage should be directed away from the structure.
ROOF/DECK S	SKYLIGHTS	0105	operating budget	N/A	N/A	0	0	0	0	This component includes the skylights. They appeared to be in average condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	The skylights should be re-caulked on an as-needed basis to prevent leakage (minor expenditure-operating cost).
STRUCTUR E	FOUNDATION S/STRUCTUR AL FRAME	0201	1 building	30 +	30+	0	0	0	0	This component includes the foundations and structural frame, along with the exterior surfaces. Provided there are no major catastrophes, the proper drainage principles are maintained and that structural pest control procedures are adhered to, this would normally be considered to be a lifetime component for which no reserve budget would be called for.	It is important that all grade levels be maintained 4-6 inches below the lowest edge of the structural frame. In addition, all grading should be properly sloped away from the structures for drainage and all downspouts should discharge onto hardscape areas or splash blocks such that rainwater is directed away from the structures.
STRUCTUR E	STRUCTURA L PEST CONTROL	0202	267,000 cu ft	12	0	16,000	1	0	0	This component addresses the potential fumigation of the building. When and where an infestation of wood destroying pests or organisms occurs, and how severe the infestation will be, is difficult to predict. The California Department of Real Estate (DRE), per the "Operating Cost Manual", suggests that annual inspections be performed to discover any infestation in its early stages before it becomes a serious problem. It previously required that associations establish a reserve for fumigation of all structures on at least a 12-year basis. This is now considered optional; however, it would be prudent to budget for future fumigation in the event it becomes necessary. The frequency for fumigation tends to be greater in ocean environments, while decreasing further inland, especially in desert environments. It is suggested that further evaluation be obtained from a licensed pest control operator. Any necessary	It is suggested that a regular and on-going maintenance program be established with a reputable licensed pest control operator. Such a program can minimize the necessity for fumigation. In addition, loose or cracked siding or stucco, peeling paint and gaps at trim around windows and doors should be repaired accordingly as to prevent moisture from making its way into the framing and providing an environment for termite infestation, fungus, and/or mold. It is recommended that planned inspection(s) be performed prior to repainting being done in order to identify & correct/repair these situations. Other situations that should be monitored with respect to termite infestation include low foundation walls, cracks in foundation walls, leaking pipes, over-watered landscape

										adjustments can be made in a future Reserve Study Update.	surrounding the structure, and damaged or nonexistent gutters and downspouts that discharge near the perimeter of the structures.
STRUCTURE	SIDING-PLYWOOD	0203	8,000 sq ft	40	18	48,000	4	0	0	This component includes the plywood siding on the exterior of the building. It appeared to be in average condition. The other trim, including the wood fascia, is not included here, as it would be replaced as necessary on an on-going basis.	Maintenance of the siding is not only important from an aesthetics aspect but critical with respect to prevention of termite infestation as well. It should be regularly painted at a maximum of 4-year intervals. Regular examination for and repair of any cracks and splits should be performed as necessary. Any protruding nails should also be re-driven and sealed.
PAINT	EXTERIOR FLATWORK	0301	operating budget	N/A	N/A	0	0	0	0	This component includes the painted surfaces, primarily stucco, on the exterior of the building. They appeared to be in average condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component as well as prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.
PAINT	WOOD SIDING & TRIM	0302	11,500 sq ft	4	2	13,800	1	0	0	This component includes the painted surfaces of the wood siding and trim. They appeared to be in average condition.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.
PAINT	DOORS-PAINT	0303	176 sides	4	2	8,800	1	0	0	This component includes the painted surfaces of some of the doors. They appeared to be in average condition.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of doors should be examined prior to painting and re-caulked if required.
PAINT	DOORS-LACQUER	0304	operating budget	N/A	N/A	0	0	0	0	This component includes the lacquered surfaces of some of the doors. They appeared to be in average condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling lacquer should be sanded / scraped and bare areas properly primed prior to any finish lacquering. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of doors should be examined prior to refinishing and re-caulked if required.
PAINT	INTERIOR FLATWORK	0305	31,000 sq ft	10	6	24,800	1	0	0	This component includes the interior painted surfaces. They appeared to be in average condition.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, protection of the underlying component and prevention of termite infestation. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials. In addition, all openings of windows and doors should be examined prior to painting and re-caulked if required.
PAINT	IRONWORK	0306	operating budget	N/A	N/A	0	0	0	0	This component includes the painted surfaces of the ironwork at the exterior of the building. They appeared to be in average condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Cleaning and periodic "touch-up" of peeling and damaged surfaces is recommended for appearance, and for protection of the underlying component. All peeling paint should be sanded / scraped and bare areas properly primed prior to any finish paint. Any splits and cracks should be sealed with appropriate materials.

MECHANICAL	EXHAUST FANS	0401	5 fans	10	5	20,250	4	0	0	This component includes the exhaust fans that serves the purpose of ventilating the interior areas of the building. They appeared to be in average condition	The bearings should be oiled / greased on a periodic basis as well as occasional verification of operation of the fan. We recommend obtaining a maintenance contract with a qualified specialist.
MECHANICAL	PEDESTRIAN DOOR OPENERS	0402	4 doors	20	0	6,400	1	0	0	This component includes the automatic pedestrian door openers. They were encased and therefore inaccessible for inspection. For reporting purposes their remaining lives have been estimated.	Maintenance should include regular lubrication of all moving parts. It is suggested that a maintenance contract be obtained with a qualified specialist.
MECHANICAL	HEAT PUMP-EVAPORATIVE COILS	0403	19 air handlers	24	10	50,350	4	0	0	This component includes the evaporative coils and air handlers for the heat pumps. They appeared to be in average condition.	The heat pump should be serviced twice a year. We recommend obtaining a maintenance contract with a reputable licensed heating/air conditioning company.
MECHANICAL	HEAT PUMP-CONDENSERS	0404	19 condensers	18	5	49,400	4	0	0	This component includes the condensers for the heat pumps. They appeared to be in average condition.	The heat pump should be serviced twice a year. We recommend obtaining a maintenance contract with a reputable licensed heating/air conditioning company.
PLUMBING	DISTRIBUTION PIPING	0501	all	40	20	57,750	1	0	0	This component includes the copper distribution piping that provides potable water throughout the building. It appeared to be in average condition and no problems were observed. Although previously considered to be a lifetime component, copper piping has more recently been found to fail as early as 15 years after installation. This is suspected to be primarily caused by changes in the chemical makeup of potable water due to the U.S. Environmental Protection Agency's (EPA) Safe Water Drinking Act and the Lead and Copper Rule (LCR). For purposes of reporting, an approximate time frame of 40 years has been assumed for future replacement. A rough cost estimate has been provided. It is recommended that further evaluation be obtained from a licensed plumbing consultant / contractor, as well as consideration of an epoxy pipe lining system, and adjustments can be included in a future Reserve Study Update.	Little by way of maintenance is needed for the piping other than periodic examination for leaking, especially in the garage area. Any leaks should be promptly repaired upon discovery, as any wood or soil that is kept constantly moist provides ideal conditions for termites. Consideration may be given to professionally installing a water treatment system and / or an epoxy pipe lining system, which would serve to enhance the longevity of the piping.
PLUMBING	DRAINAGE/SEWER PIPING	0502	operating budget	30	30	0	0	0	0	This component addresses the sewer and drainage piping. No amount has been provided for complete replacement as the piping would typically have a life well in excess of the scope of this projection and would therefore be considered a lifetime component. It is recommended that any repair / sectional replacement be performed on an as-needed basis, and funded from the operating account.	Occasional routing should be performed to ensure that the drainage system is free flowing.
PLUMBING	CIRCULATION PUMPS	0503	operating budget	N/A	N/A	0	0	0	0	This component includes the circulation pumps. They appeared to be in average condition. However, it should be noted that a visual examination cannot make predictions as to future performance (i.e. even with correct maintenance, these units can fail without warning). As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Maintenance should include periodic lubrication (which can considerably extend its life expectancy).
PLUMBING	WATER HEATERS	0504	3 water heaters	10	5	5,250	4	0	0	This component includes the water heaters that provides hot water for the common area restrooms and kitchens. They appeared to be in average condition; however, a visual examination cannot make predictions as to future performance (i.e. even with correct maintenance, these units can fail without warning).	Maintenance should include periodic draining of a few gallons of water from the drain cock to relieve sediment build-up. A regular safety check-up by the local utility company (if available) or licensed plumbing contractor is also suggested.
PLUMBING	DRINKING FOUNTAINS	0505	2 drinking fountains	12	6	2,500	4	0	0	This component includes the chilled water drinking fountains. They appeared to be in average condition.	Little by way of maintenance can be performed for this component.
ELECTRICAL	FIRE ALARM SYSTEM	0601	1 system	20	15	4,000	1	0	0	This component includes a fire annunciator system (panel). It appeared to be in average condition.	Little by way of maintenance can be performed for this component. However, it should be professionally inspected on a regular (suggested annual) basis.
ELECTRICAL	LIGHTING-EMERGENCY	0602	operating budget	N/A	N/A	0	0	0	0	This component includes the emergency light fixtures. They appeared to be in average condition and are usually desired to be replaced for appearance sake. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Maintenance would entail periodically checking the fixtures to make sure that they are secure and that the batteries are fully charged. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	LIGHTING-EXIT SIGNS	0603	operating budget	N/A	N/A	0	0	0	0	This component includes the lighted exit signs. They appeared to be in average condition and are usually desired to be replaced for	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also,

									appearance sake. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.	
ELECTRICAL	LIGHTING-EXTERIOR	0604	operating N/ budget A	N/A	0	4	0	0	This component includes the utilitarian type light fixtures at the exterior of the building. They appeared to be in average condition. It is recommended that any repair or replacements be performed on an as-needed basis, and funded from the operating account.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.	
ELECTRICAL	LIGHTING-INTERIOR	0605	operating N/ budget A	N/A	0	4	0	0	This component includes the interior light fixtures. They appeared to be in average condition. It is recommended that any repair or replacements be performed on an as-needed basis, and funded from the operating account.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.	
ELECTRICAL	LIGHTING-WALKWAYS	0606	11 fixtures	20	10	3,850	4	0	0	This component includes the light fixtures at the exterior walkway of the building. They appeared to be in average condition. The external location of these fixtures usually makes them subject to a greater rate of deterioration due to exposure to the elements. Also, it is often desirable to replace these fixtures as they eventually become dated and/or more energy efficient options become available.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
ELECTRICAL	ELECTRICAL SYSTEM-PANELS/TRANSFORMERS	0607	2 panels	30 +	30 +	0	0	0	0	This component includes the electrical circuit panels and transformers the service the building. They typically have a life expectancy well beyond the scope of this report (30 years), therefore, no funding has been provided at this time. However, we recommend the equipment be inspected on a regular basis. It is anticipated that eventually some, or all, of the equipment will require major refurbishment or replacement. Further evaluation of the system should be conducted by a licensed electrical contractor. Any necessary adjustments can be made in a future Reserve Study Update.	Maintenance would entail periodically checking the fixtures to make sure that they are secure. Also, occasional examination for, and changing of burned out bulbs would be prudent. In addition, cleaning of the fixtures is recommended on an as-needed basis.
FLOORING	VINYL-SQUARES	0701	14,500 sq ft	30	0	43,500	4	0	0	This component includes the vinyl flooring. It appeared to be in average condition.	Maintenance would entail regular cleaning with a mild detergent solution and warm water (care should be exercised to not flood the flooring). Do not use paste or solvent-based wax. Rubber backed rugs should be avoided as they can discolor the vinyl flooring. Soil collecting mats are recommended to remove dirt from shoe soles before it can be tracked onto the vinyl (they should be cleaned and rotated regularly to prevent soil build-up that will spread to the vinyl). Lifting seams, corners, etc. should be re-glued and damaged areas repaired as necessary.
RECREATION FACILITIES	FURNISHING S/ARTWORK-HALLWAY	0801	Operating N/ budget A	N/A	0	0	0	0	0	This component includes the furnishings and artwork in the hallway. They appeared to be in average condition. We were informed they are replaced on an as needed basis, funded from the operating account.	General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap solution or professionally steam cleaned simultaneously with carpeted areas.
RECREATION FACILITIES	FURNISHING S-AUDITORIUM	0802	auditorium	15	10	39,450	1	0	0	This component includes the furniture in the auditorium. It appeared to be in average condition. The average component cost is general for the type of furnishings in use.	General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap solution or professionally steam cleaned simultaneously with carpeted areas.
RECREATION FACILITIES	FURNISHING S-MEETING ROOMS	0803	9 rooms	15	10	39,700	1	0	0	This component includes the furniture in the meeting rooms. It appeared to be in average condition. The average component cost is general for the type of furnishings in use.	General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap solution or professionally steam cleaned simultaneously with carpeted areas.
RECREATION	FURNISHING S-BILLIARD	0804	1 room	15	10	6,400	1	0	0	This component includes the furniture in the billiard room. It appeared to be in average condition. The average component cost	General cleaning should be performed on a regular basis. Wood surfaces should be cleaned with a standard

FACILITIES	ROOM									is general for the type of furnishings in use.	furniture polish. Upholstered areas should be vacuumed periodically and cleaned as necessary with a mild soap solution or professionally steam cleaned simultaneously with carpeted areas.
RECREATION FACILITIES	RESTROOM-COMMUNAL	0805	4 restrooms	20	10	35,850	4	0	0	This component includes the remodeling of the communal common area restrooms. They appeared to be in average condition.	The restrooms should be maintained in a sanitized condition.
RECREATION FACILITIES	RESTROOM-INDIVIDUAL	0806	1 restroom	20	10	9,000	4	0	0	This component includes the remodeling of the individual common area restroom. They appeared to be in average condition.	The restrooms should be maintained in a sanitized condition.
RECREATION FACILITIES	KITCHENS	0807	9 kitchens	20	10	98,700	4	0	0	This component includes the remodeling of the kitchens. It appeared to be in average condition.	The recreation room kitchen should be maintained in a sanitized condition. Occasional cleaning and verification of operation is generally the extent of any maintenance necessary for the appliances. It is recommended that the respective operating manuals be consulted with respect to more specific types of maintenance suggested for these appliances.
RECREATION FACILITIES	SEWING ROOM	0808	1 room	15	8	6,900	1	0	0	This component includes the furnishings in the sewing room. They appeared to be in average condition.	N/A
RECREATION FACILITIES	SEWING EQUIPMENT	0809	23 items	10	5	4,500	2	0	0	This component includes an allowance for repair and replacement of the sewing equipment. It appeared to be in average condition. The average component cost is general for the type of equipment in use. The allowance should be reviewed periodically and any necessary adjustments can be included in a future Reserve Study Update.	N/A
RECREATION FACILITIES	PICNIC TABLE	0810	5 picnic tables	20	15	3,750	4	0	0	This component includes the picnic tables. They appeared to be in good condition.	Little by way of maintenance can be performed for this component.
RECREATION FACILITIES	BENCHES	0811	operating budget	N/A	N/A	0	0	0	0	This component includes the coated metal benches. They appeared to be in good condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Little by way of maintenance can be performed for this component.
RECREATION FACILITIES	BIKE RACKS	0812	4 racks	30 +	30 +	0	0	0	0	This component includes the metal bike racks. They appeared to be in good condition. They typically have a life expectancy well beyond the scope of this report (30 years), therefore, no funding has been provided at this time. Any necessary adjustments can be made in a future Reserve Study Update.	Little by way of maintenance can be performed for this component.
MISCELLANEOUS	FIRE EXTINGUISHERS	0901	operating budget	N/A	N/A	0	0	0	0	This component includes the fire extinguishers. They appeared to be in average condition. It is recommended that replacements be performed on an as-needed basis, and funded from the operating account.	The extinguishers should be inspected and re-charged by a State Fire Marshall approved company at a maximum of 1 year intervals (or as required by law).
MISCELLANEOUS	FIREHOSES	0902	operating budget	N/A	N/A	0	0	0	0	This component includes the fire hoses. They appeared to be in average condition. It is recommended that replacements be performed on an as-needed basis, and funded from the operating account.	The fire hoses should be inspected by a State Fire Marshall approved company at a maximum of 1-year intervals (or as required by law).
MISCELLANEOUS	EQUIPMENT SHED	0903	operating budget	N/A	N/A	0	0	0	0	This component includes the equipment shed. It appeared to be in average condition. As the average component cost would be below the component threshold of \$2,500, for purposes of reporting it has been assumed that funding would be provided for in the operating budget.	Little can be performed by way of maintenance for this type of equipment.
MISCELLANEOUS	STATUES/ARTWORK	0904	2 pieces	30 +	30 +	0	0	0	0	This component includes the statues/artwork. It appeared to be in average condition. They typically have a life expectancy well beyond the scope of this report (30 years). Therefore, no funding has been provided at this time.	Little can be performed by way of maintenance for this type of equipment.
MISCELLANEOUS	PIANOS/ORGAN	0905	2 pianos/1 organ	30	15	50,000	1	0	0	This component includes an allowance for periodic replacement of the pianos and organ at the clubhouse, including 2 upright pianos and 1 organ. The allowance should be reviewed periodically and any necessary adjustments can be included in a future Reserve Study Update.	This equipment should be periodically tuned and serviced by a qualified service provider.
MISCELLANEOUS	DIRECTORY	0906	3 directory	20	15	3,750	4	0	0	This component includes the glass faced aluminum case directory	Little can be performed by way of maintenance for this

EOUS	BOARDS		boards					boards. They appeared to be in average condition.	type of component.
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