

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

RESERVE SUMMARY/UPDATE ANNUAL DISCLOSURE

For Fiscal Year Beginning January 1, 2020

Based On Fiscal Year Ending December 31, 2019

30 Year Maintenance Funding Plan For Fiscal Year 2020 - 2049



Prepared By
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on
10/22/2019



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OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

General Association Information

This Reserve Study and Cash Flow Analysis have been prepared for the board and their members. Oak Hills Homeowners Association- Clover Trail Private Drive located in Monterey County in the city of Salinas, CA. Each owner receives title to his unit, a membership in the Oak Hills Homeowners Association- Clover Trail Private Drive, and an undivided percentage interest as tenant in common in the common area on which their unit is located. The Board of Directors is accountable to the membership for the management and operation of the association. The reserve study and/or update summary and its recommended funding plan provides financial guidance which is often indispensable and shows due diligence from the board and its members.

Name of Association	OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive
Address of Association	14460 Charter Oak Blvd
City of Association	Salinas
County of Association	Monterey
Number of Units	3
Built Date	1973
Fiscal Year	January 1 - December 31
Last Reserve Study	2017
General Budget/Reserves	Shared Operating and Reserve Expenses
Reserve Study Type	Update Only
Reserve Percent Funded	126%
Overall Condition	Well Maintained
Management Company	Self-Managed

The board is hereby requested to review and notify Golden Consulting Group within 30 days after the receipt of the study or update with any requested changes, errors or discrepancies within the report. Golden Consulting Group will act within 48 hours to address any requested changes, errors or discrepancies within the study or update. The reserve study or update should be reviewed and approved by the board within 45 days of the receipt of the report.

The board is cautioned to understand that the funding plan has projected the current funds on hand and has increased the contributions in accordance to the thirty (30) year cash flow analysis as required by Davis-Stirling Act. It is impossible to project thirty (30) years into the future to ascertain the cost of repair or replacement of any of the components, let alone the value of money, changing building code requirements and other unknowns. Golden Consulting Group has estimated and projected future cost of repairs and replacement of those components for the Board of Directors of the above Homeowners Association.

For more information: See Davis-Stirling.com

Reference & Reprinted by Adams Kessler, PLC

Board Alterations to Study and/or Updates

Question: I'm on our board and we just completed reviewing our reserve study. There are items on the list with a life that equals or exceeds the estimated life of the buildings. We wanted them removed, but the analyst refused. Doesn't our board have the authority to remove components?

Answer: Not really. That's like asking an attorney to change his legal opinion because the board disagrees with it. Or telling a CPA to change his audit report because directors don't like what he found. A reserve specialist is a professional who prepares a report based on his own observations and calculations--it's his report to the board.

Adjustments. Accordingly, boards have no "right" to dictate changes to an independent professional's report. However, adjustments can be made to draft opinions/reports by attorneys, CPAs and reserve specialists if the adjustments are reasonable and the professional agrees. For example if something is unclear or is missing and needs to be addressed by the professional, it can be included in the final report.

Funding. Although reserve specialists establish the list of major components, the board can choose not to fund particular items if it complies with Davis-Stirling disclosure requirements, i.e., the report must disclose:

Whether the board of directors of the association has determined to defer or not undertake repairs or replacement of any major component with a remaining life of 30 years or less, including a justification for the deferral or decision not to undertake the repairs or replacement. (Civ. Code §5300(b)(4))

Accordingly, a reserve study could list components in the inventory and then eliminate them from funding calculations with a note that funding was removed at the board's request.

30-Year+ Life. Including components in the Study with useful life of over 30 years with no funding creates a "marker" for future inclusion in the funding plan when the life expectancy falls below 30 years. This is especially important when it comes to plumbing systems since they are hidden in walls and frequently overlooked by boards--until they fail and large special assessments are needed.

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

Percent Funding of Reserves

The Oak Hills Homeowners Association- Clover Trail Private Drive was originally built and/or renovated in 1973 became an active Homeowner Association in 1973 . An on-site visual inspection of the common reserve components was performed on August 30,2017 by Golden Consulting Group.

The percent funded for Oak Hills Homeowners Association- Clover Trail Private Drive is estimated at Fiscal Year End, December 31, 2019 is 126%. Golden Consulting Group has based this method of calculation by dividing the actual reserve account balance as of fiscal year end by the estimated amount required in the reserve fund at the end of the current fiscal year. Based on the enclosed current 30 Year Reserve Study Funding Plan it is estimated that the reserve account balance SHOULD BE sufficient at the end of each year to meet the Association's obligation for repair and/or replacement of major components during the next 30 years.

However in order to ensure the association's projected reserve expenditures the association should approve annual increases starting in fiscal year 2020 and continuing thru fiscal year 2049. By using the enclosed 30 Year Reserve Study Funding Plan, a Special Assessment WILL NOT likely be necessary to fund the reserves.

In general, the Oak Hills Homeowners Association- Clover Trail Private Drive is overall in GOOD CONDITION and its recommended to inspect and repair or replace any reserve components that starting to fail. The baseline funding strategy sets a funding goal of keeping enough cash to maintain the association's reserve components always. The approximate replacement/repair costs for Association is estimated at approximately \$8,852.

Golden Consulting Group has estimated the projected average future cost of repairs and replacement of those components for the Association. The annual reserves are based on a straight- line approach: Replacement Costs divided by Life Expectancy per each component. Based upon the Golden Consulting Group's calculations the annual reserve contribution would be approximately \$582 a year. The estimated fully funded accrued amount or the aged components is approximately \$7,558. This is calculated Life Expectancy minus Remaining Life times (x) annual reserve contribution. The recommended annual reserve contribution for fiscal year beginning, January 1, 2020 should remain the same at \$630 or \$35 per unit bi-monthly a 0% increase from previous year with no annual increases to ensure the capital improvements/maintenance obligations of the Association.

Golden Consulting Group uses a 2.5% annual cpi inflation rate to calculate the 30 year funding maintenance plan. However, based on the inflation rates listed below the average inflation rate over the last 18 years is 2.2%.

PERCENT FUNDED	126%
Current US Inflation Rates: 2000-2018	2.50%
Estimated Interest Rate Reserve Account	0.03%
Annual Reserves Required (Based on Straight Line Funding Method)	\$582
Reserve Account Balance as of August 31, 2019	\$9,309
2019 Reserve Contribution (September-December)	\$210
2019 Average Interest Rate on Reserve Account @ .01%	\$3
2019 Reserve Expenditures	\$0
Estimated Reserve Balance as of FYE December 31, 2019	\$9,522
Fully Funded Accrued Reserve Amount as of FYE, December 31, 2019	\$7,558
Reserve Balance - Fully Funded Balance Surplus:	\$1,964
Reserve Balance - Fully Funded Balance Surplus Per Unit	\$655

The estimated reserve account balance does not take into consideration any monies owed to the reserve fund and/or any delinquent accounts. The estimated reserve balance only includes actual cash on hand located in the reserve account as of August 31, 2019 and any future reserve contributions minus any anticipated reserve expenditures.

The enclosed reserve study/update is not a maintenance manual but it does provide some general guidelines regarding the association maintenance obligations. This Reserve Study is a good faith estimate from either plans prior to construction and/or completion and/or existing historical data. The association should conduct or should have conducted a reserve study after its first year of operation to adjust the reserve funding plan for any changes which may have taken place during construction. Although some components may be inspected, serviced and maintained by the Association, it's always advised to have a qualified licensed professional perform the maintenance and care of the product. If you are unsure of the maintenance, please refer to the manufactures user guide.

Showing a reserve deficit/surplus does not necessarily indicate that an association is in good or poor financial condition. The current funding plan will help eliminate the presence of surplus and/or deficit over a period of years. However, funding levels could decrease or increase each year based upon repairs and/or replacements which may be scheduled and for unforeseen replacements, in which annual reserve updates are necessary to account for the changes and/or adjustments.

The enclosed reserve study/update should act as a long-term budgeting tool that evaluates the current financial status and helps develop a maintenance plan for future spending due to the aging and deterioration of the association's reserve components.

During an on-site visual inspection of the reserve components, Golden Consulting Group will visually examined both the both physical appearance and working condition of the component(s). Normally only those components which have an estimated useful life of less than 30 years will be included in the study, in which the Association would be responsible for the maintenance (repaired, replaced, or service).

Any component that is scheduled to be repaired or replaced annually should be included in the operating budget unless the Board of Directors specifies otherwise. This reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of the historical records. No destructive testing has been undertaken nor will the study address any latent defects or life expectancies which are abnormally short due to either improper design and/or installation, unless the Association or members has contracted with an independent consulting to examine and report the findings on specific components. The reserve study is solely based upon the visual condition, maintenance, service and/or the replacement of the reserve components rather than the reconstruction, renovation, or remodeling of the component(s). It is impossible to project thirty (30) years into the future to ascertain the cost of repair or replacement of any of the components, let alone the value of money, changing building code requirements and other unknowns. It's always recommended and advised to have a qualified licensed professional perform the maintenance and care of the components. If you are unsure of the maintenance of a specific reserve component, please refer to the manufacturer guide.

Per Civil Code §5300(b)(4)) The board of directors of the association must disclose if they determined to defer or not undertake repairs or replacement of any major component with a remaining life of 30 years or less, including a justification for the deferral or decision not to undertake the repairs or replacement.

For Fiscal Year Ending 2019: The board HAS NOT chosen to defer maintenance and/or replacement of the anticipated reserve expenditures. (see study for more information)

The Anticipated Reserve Expenditures were as follows for Fiscal Year: 2019

None

Maintenance will only be deferred 1 Year unless the Board of Directors specifies otherwise.

It is our recommendation that all anticipated reserve expenditures scheduled for fiscal year 2020 be inspected, repaired or replaced as indicated by a professional. Fully funded reserve components are components that have reached its useful life and/or exceeded its average life expectancy. The board should inspect and review each component before approving deferment, replacement and/or repair of the reserve components.

The Anticipated Reserve Expenditures are as follows for Fiscal Year: 2020

Asphalt Remove & Overlay	\$4,554
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Anticipated Reserve Expenditure Total For FYE: 2020	\$4,554
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OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

Assessment and Reserve Funding Disclosure Summary

Based On Fiscal Year Ending December 31, 2019

Civil Code §5570

California Civil Code Section §5570 requires that this Assessment and Reserve Funding Disclosure Summary be prepared pursuant to section §5570, shall accompany each annual budget report or summary of the annual budget report that is delivered pursuant to California Civil Code section 5300.

The Regular Bi-Monthly Assessment for Fiscal Year Beginning Jan 1, 2021	\$155.00 Bi-Monthly
The Operating Assessment Per Unit Bi-Month is	\$120.00 Bi-Monthly
The Reserve Assessment Per Unit Bi-Month is	\$35.00 Bi-Monthly

The Monthly Variable Assessment is as follows:

Unit Number	Monthly Assessment

Unit Number	Monthly Assessment

2. Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date Assessment is Due	Amount per unit per month	Purpose

3. Based upon the most recent reserve study and other information available to the Board of Directors, will currently projected reserve account balances be sufficient at the end of each year to meet the Association's obligation for repair and/or replacement of major components during the next 30 years?

Yes No

4. If the answer to (3) is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board or the members.

Approximate date assessment will be due:	Amount per unit:

5. All major components are included in the reserve study and are included in its calculations.

Yes No

Major Components:	Useful remaining life in years:	Reason this major component was not included:

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

Assessment and Reserve Funding Disclosure Summary

Based On Fiscal Year Ending December 31, 2019

Civil Code §5570

6. Based on the method of calculation in (4) of subdivision (b) of Section §5570, the estimated amount required in the reserve fund at the end of the current fiscal year is: \$7,558 based in whole or in part on the last reserve study or update prepared by Golden Consulting Group as of October 2019. The projected reserve fund cash balance is \$9,522 resulting in the reserves being 126% at this date.

7. Based on the method of calculation in (4) of subdivision (b) of Section §5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, leaving the reserves percent funding at the following:

FYE	Projected Contribution	Projected Cash Balance	Estimated Required	Percent Funded
2020	\$630	\$5,600	\$8,139	69%
2021	\$630	\$2,461	\$3,960	62%
2022	\$630	\$3,092	\$632	490%
2023	\$630	\$3,723	\$1,072	347%
2024	\$630	\$4,355	\$1,513	288%

Note: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before tax estimated interest rate earned on reserve funds is 0.03% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2.50% per year.

FUNDING DISCLOSURE SUMMARY

[Civil Code §5300(e)]

(b) For purposes of preparing a summary pursuant to this section:

1. "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement.
2. "Major component" has the meaning used in section 55530. Components with an estimated remaining useful life of more than thirty (30) years may be included in a study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure.
3. The form set out in subdivision (a) shall accompany each pro forma operating budget or summary thereof that is delivered pursuant to section §5300 this article. The form may be supplemented or modified to clarify the information delivered, so long as the minimum information set out in subdivision (a) is provided.
4. For the purpose of the report and summary, the amount of reserves needed to be accumulated for a component at a given time shall be computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component. This shall not be construed to require the board to fund reserves in accordance with this calculation.

Due to factors beyond the control of the Directors, including but not limited to the rate of inflation, the rate at which the major components actually deteriorate, unanticipated damage to the major components, fluctuations in material and labor costs and changes in building codes and regulations, the accuracy of the information set forth above is not, and cannot be, guaranteed. Depending upon the accuracy of the present and future assumptions used in providing the information and conclusions set forth in said may not be correct. Therefore, any person reviewing this Assessment and Reserve Funding Disclosure Summary should not, without conducting their own independent investigation and analysis, rely upon the accuracy of the information.

The information in the Assessment and Reserve Funding Disclosure Summary is deemed reliable as of the date of the disclosure, but is not guaranteed. Golden Consulting Group has obtained information, documentation, and materials from the Association and/or agent and this disclosure summary is based upon the accuracy of such information. The Association, by accepting this disclosure summary, agrees to release Golden Consulting Group from any claims, demands or damages and further agrees to indemnify, defend and hold harmless Golden Consulting Group from and against any and all liability, damages, losses, claims, demands, or lawsuits arising out of or relating to this disclosure.

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

30-YEAR MAINTENANCE & FUNDING RESERVE WORKSHEET

For Fiscal Year Beginning January 1, 2020

Based on Fiscal Year Ending December 31, 2019

Reserve Study Type:	Reserve Update Only	Annual Reserves Required (Based on Straight Line Funding Meth	\$582
Fiscal Year	January 1 - December 31	Estimated Reserve Balance as of FYE, December 31, 2019	\$9,522
Built Date:	1973	Fully Funded Accrued Reserve Amount for Aged Components	\$7,558
Number Of Units	3	Reserve Balance - Fully Funded Balance Surplus:	\$1,964
Current US Inflation Rates: 2000-2018	2.5%	Reserve Balance - Fully Funded Balance Surplus Per Unit	\$655
2019 Annual Reserve Contribution	\$630	PERCENT FUNDED	126%
Reserve Account Balance as of August 31, 2019	\$9,309	RECOMMENDED	
2019 Reserve Contribution (September-December)	\$210	2020 Annual Reserve Contribution	\$630
2019 Average Interest Rate on Reserve Account @ .01%	\$2.86	2020 Bi-Monthly Reserve Contribution	\$105
2019 Reserve Expenditures	\$0.00	2020 Bi-Monthly Reserve Contribution Per Unit	\$35.00
Estimated Reserve Balance as of FYE, December 31, 2019	\$9,522	2020 Annual Reserve Contribution (Increase/Decrease)	0%

30 YEAR FINANCIAL RESERVE FUNDING

Fiscal Year Ending 31-Dec	Reserve Contribution	Projected Per Unit Bi-Monthly	Anticipated Reserve Expenditures	Estimated Interest 0.03%	Estimated Reserve Account Balance @ FYE	Estimated Fully Funded Balance	Estimated Reserve % Funded
2020	\$630	35.00	\$4,554	\$2	\$5,600	\$8,139	69%
2021	\$630	35.00	\$3,769	\$1	\$2,461	\$3,960	62%
2022	\$630	35.00	\$0	\$1	\$3,092	\$632	490%
2023	\$630	35.00	\$0	\$1	\$3,723	\$1,072	347%
2024	\$630	35.00	\$0	\$1	\$4,355	\$1,513	288%
2025	\$630	35.00	\$0	\$1	\$4,986	\$1,953	255%
2026	\$630	35.00	\$0	\$2	\$5,618	\$2,394	235%
2027	\$630	35.00	\$0	\$2	\$6,250	\$2,834	221%
2028	\$630	35.00	\$757	\$2	\$6,125	\$3,275	187%
2029	\$630	35.00	\$0	\$2	\$6,757	\$3,079	219%
2030	\$630	35.00	\$0	\$2	\$7,389	\$3,519	210%
2031	\$630	35.00	\$4,825	\$1	\$3,195	\$3,960	81%
2032	\$630	35.00	\$0	\$1	\$3,827	\$632	606%
2033	\$630	35.00	\$0	\$1	\$4,458	\$1,072	416%
2034	\$630	35.00	\$0	\$2	\$5,089	\$1,513	336%
2035	\$630	35.00	\$0	\$2	\$5,721	\$1,953	293%
2036	\$630	35.00	\$0	\$2	\$6,353	\$2,394	265%
2037	\$630	35.00	\$0	\$2	\$6,985	\$2,834	246%
2038	\$630	35.00	\$969	\$2	\$6,649	\$3,275	203%
2039	\$630	35.00	\$0	\$2	\$7,281	\$3,079	236%
2040	\$630	35.00	\$0	\$2	\$7,913	\$3,519	225%
2041	\$630	35.00	\$6,176	\$1	\$2,368	\$3,960	60%
2042	\$630	35.00	\$0	\$1	\$2,999	\$632	475%
2043	\$630	35.00	\$0	\$1	\$3,630	\$1,072	339%
2044	\$630	35.00	\$0	\$1	\$4,261	\$1,513	282%
2045	\$630	35.00	\$0	\$1	\$4,893	\$1,953	250%
2046	\$630	35.00	\$0	\$2	\$5,524	\$2,394	231%
2047	\$630	35.00	\$0	\$2	\$6,156	\$2,834	217%
2048	\$630	35.00	\$1,240	\$2	\$5,548	\$3,275	169%
2049	\$630	35.00	\$0	\$2	\$6,180	\$3,079	201%

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

MAJOR COMPONENT LIFE ANALYSIS & MAINTENANCE PLAN

Sub-Category Description	Useful Life	Placed in Service Date	Remaining Life	Next Replace Date	Visual Condition
Asphalt Remove & Overlay	30	Unknown	0	2020	Update Only
Asphalt Seal & Repair	10	2018	9	2028	Update Only
Repairs/Replace Concrete Sidewalks	10	Unknown	2	2021	Update Only

Major Component	Asphalt Remove & Overlay	Asphalt Seal & Repair	Repairs/Replace Concrete Sidewalks				
Quantity	1,380	1,380	714				
Unit of Measure	Sq. Ft.	Sq. Ft.	Sq. Ft.				
Unit Cost	\$3.30	\$0	\$5				
Replacement Cost	\$4,554	\$621	\$3,677				
Useful Life	30	10	10				
Remaining Life	0	9	2				
Annual Reserves	\$152	\$62	\$368				
Accrued Reserves	\$4,554	\$62	\$2,942				
Next Disbursement	2020	2028	2021				
2020	\$4,554	-	-				
2021	-	-	\$3,769				
2022	-	-	-				
2023	-	-	-				
2024	-	-	-				
2025	-	-	-				
2026	-	-	-				
2027	-	-	-				
2028	-	\$757	-				
2029	-	-	-				
2030	-	-	-				
2031	-	-	\$4,825				
2032	-	-	-				
2033	-	-	-				
2034	-	-	-				
2035	-	-	-				
2036	-	-	-				
2037	-	-	-				
2038	-	\$969	-				
2039	-	-	-				
2040	-	-	-				
2041	-	-	\$6,176				
2042	-	-	-				
2043	-	-	-				
2044	-	-	-				
2045	-	-	-				
2046	-	-	-				
2047	-	-	-				
2048	-	\$1,240	-				
2049	-	-	-				

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

PHYSICAL AND FINANCIAL ANALYSIS WORKSHEET

Based on Fiscal Year Ending, December 31, 2019 for Fiscal Year Beginning January 1, 2020

Fiscal Year: **January 1 - December 31** Association Address: 14460 Charter Oak Blvd
 Study Type: **Reserve Update Only** Salinas CA
 Overall Condition: **Well Maintained** Monterey County
 Management Company: **Self-Managed**
 Number of Units: **3** Built Date: 1973 Active Date: 1973 Last Study Prepared: 2017 Age: 46

Estimated Replacement Cost	\$8,852	Estimated Total Replacement Costs of Reserve Components			
Annual Reserves (Based on Straight Line)	\$582	Annual reserves funds based on straight line full-funding method (replacement cost divided by life expectancy)			
Monthly Reserves (Based on Straight Line)	\$48	Monthly Reserve based on straight line (Annual reserves divided 12 months)			
Monthly Reserves Per Unit (Based on Straight Line)	\$16	Monthly Reserve Per Unit based on straight line (Monthly reserves divided units)			
Fully Funded Accrued Reserve Amount for Aged Components	\$7,558	Fully Funded Accrued Reserve Amount as of FYE, December 31, 2019			
Reserve Account Balance as of August 31, 2019	\$9,309	Reserve Account Balance as of August 31, 2019			
2019 Reserve Contribution (September-December)	\$210	2019 Reserve Contribution	<u>\$630</u> Year	<u>\$105</u> Bi-Monthly	<u>\$35.00</u> Per Unit
2019 Average Interest Rate on Reserve Account @ .01%	\$3	2019 Average Interest Rate on Reserve Account	<u>0.03%</u>		
2019 Reserve Expenditures	\$0	2019 Reserve Expenditures			
Projected Reserve Account Balance	\$9,522	Estimated Reserve Balance as of FYE, December 31, 2019			
Percent Funded	126%	Percent Funded as of FYE, December 31, 2019			

Based on Straight Line is Calculated by the following:

Based on Straight Line = Replacement Cost divided by Average Life Expectancy = Annual Reserve Contribution Accrued Reserve = Average Life minus Remaining Life x Annual Reserve Contribution

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

Per National Reserve Study Requirements: The below table will show a list of the reserve components, quantities or identifying descriptions, useful or average life, remaining useful life, and the average current replacement cost.

All annual reserve updates will have a 2.5% annual increase added to the unit or replacement cost which has based on previous study/update replacement cost and any annual adjustments if applicable.

Average or Useful Life Expectancy is based on an average life of a component.

Many components can exceed their life expectancy if maintained regular such as inspecting annually, repairing when needed, regular painting and sealing cycles.

Next Replacement Date may be calculated by the following:

Current Year (2019) + Estimated Remaining Life (depends on adjustments) OR Last Known Placed In Service Date + Average Life Expectancy

No	Category	Sub-Category Description	Estimated Quantity Unit of Measure	Unit Cost	Replace Cost	Annual Reserve Amount	Monthly Reserve Amount	Fully Funded Amount	Useful Life	Placed in Service Date	Remaining Life	Next Replace Date
1	Pavement	Asphalt Remove & Overlay	1,380 Sq. Ft.	3.30	\$4,554	\$152	\$13	\$4,554	30	Unknown	0	2020
2	Pavement	Asphalt Seal & Repair	1,380 Sq. Ft.	0.45	\$621	\$62	\$5	\$62	10	2018	9	2028
3	Pavement	Repairs/Replace Concrete Sidewalks	714 Sq. Ft.	5.15	\$3,677	\$368	\$31	\$2,942	10	Unknown	2	2021

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

VISUAL ANALYSIS AND/OR COMMENTARY WORKSHEET

The visual condition of reserve components are based solely on the opinion of the reserve specialist inspector at the time of the on-site inspection of the property. It is recommended that all common area components should receive reasonable maintenance and care for their remaining life. The average useful life expectancy of components are based normally on industry standards and/or historical data from the association.

There are certain assumptions that have been made during the compilation of this report because of certain conditions such as weather, any deferred maintenance, substandard materials used during the construction or general workmanship of the component can decrease a component's useful life. Therefore, Golden Consulting Group recommends that reserve study update should be reviewed annually to make any necessary adjustments to the component and/or the reserve fund.

Next Replacement Date may be calculated by the following:

Current Year (2019) + Estimated Remaining Life (depends on adjustments) OR Last Known Placed In Service Date + Average Life Expectancy

No.	Sub-Category Description	Estimated Quantity Unit of Measure	Replace Cost	Useful Life	Placed in Service Date	Remaining Life	Next Replace Date	Visual Condition	COMMENTS/NOTES
1	Asphalt Remove & Overlay	1,380 Sq. Ft.	\$4,554	30	Unknown	0	2020	Update Only	2017: The board has agreed to not fund for the replacement/overlay of the private drives 2016: Deferred 1 Year - Per Board not needed at this time The private drive which is located within Clover Court and the private road is shared solely by the 3 units. The cost has been adjusted based on the resurface of other private roads which have been completed in 2010.
2	Asphalt Seal & Repair	1,380 Sq. Ft.	\$621	10	2018	9	2028	Update Only	2018: Asphalt repaired in 2018 for \$341 - Board requests this figure be used for future repairs. 2017: The asphalt is in good to fair condition with some cracks observed. Adj UL to 10 with 3 Years Remaining 2016: Deferred 1 Year - Per Board not needed at this time The private drive which is located within Clover Court and the private road is shared solely by the 3 units. It is recommended that the asphalt be sealed at least once every 5 to 7 years.
3	Repairs/Replace Concrete Sidewalks	714 Sq. Ft.	\$3,677	10	Unknown	2	2021	Update Only	2017: The concrete is in fair condition with some cracks observed. Adj UL to 10 with 3 Years Remaining 2016: Deferred 1 Year - Per Board not needed at this time The only concrete repairs are those walks which are common only. All concrete walks located in front of a unit is the maintenance responsibility of the unit owner. Inspect and Repair all trip hazards

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive
ASSESSMENT ANALYSIS BY CATEGORY

Estimated Replacement Cost	\$8,852	Units	3
Annual Reserves (Based on Straight Line)	\$582	Annual Reserves Required (Based on Straight Line Funding Method)	
Monthly Reserves (Based on Straight Line)	\$48	Monthly Reserve based on straight line (Annual reserves divided 12 months)	
Monthly Reserves Per Unit (Based on Straight Line)	\$16	Monthly Reserve Per Unit based on straight line (Monthly reserves divided units)	
Fully Funded Accrued Reserve Amount as of FYE, December 31, 2019	\$7,558	Fully Funded Accrued Reserve Amount as of FYE, December 31, 2019	
Estimated Reserve Balance as of FYE, December 31, 2019	\$9,522	Estimated Reserve Balance as of FYE, December 31, 2019	
Percent Funded as of FYE, December 31, 2019	126%	Percent Funded as of FYE, December 31, 2019	

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

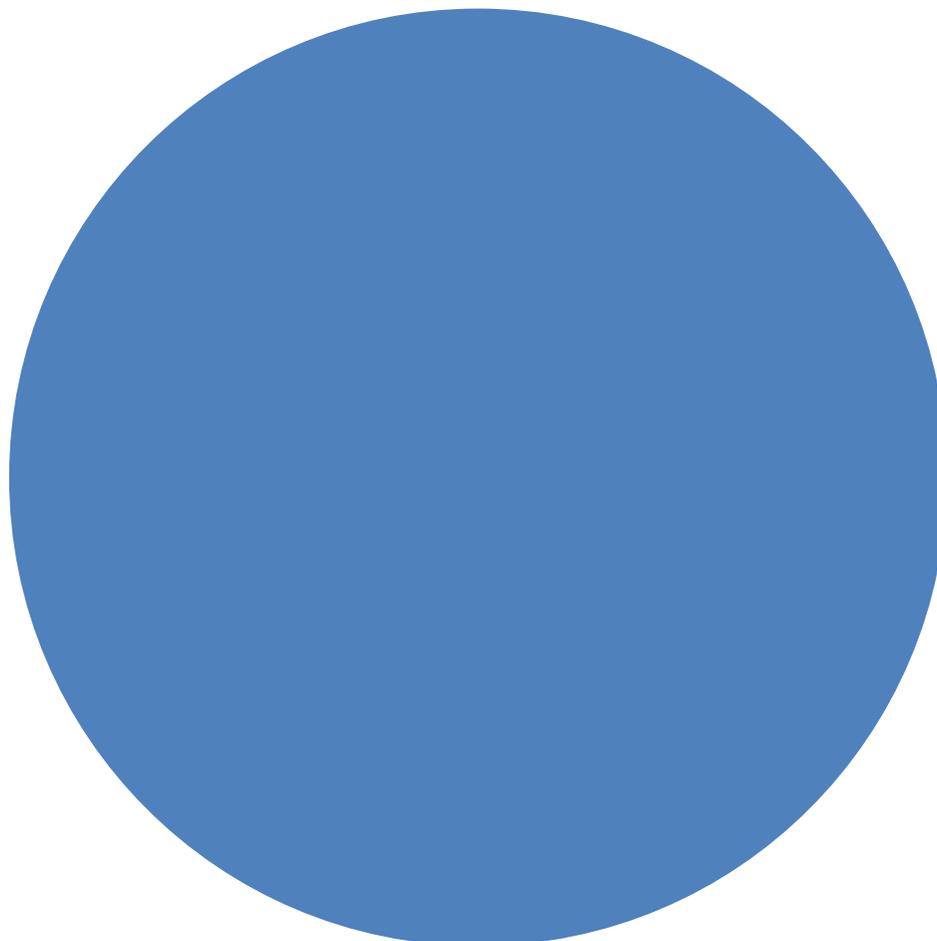
Component/Maintenance	Replace Cost	Annual Reserve	Monthly Reserve	Fully Funded Amount	Average Life Expectancy	Estimated Remaining Life	Next Replace Date
TOTAL	\$8,852	\$582	\$48	\$7,558			
Pavement							
Asphalt Remove & Overlay	\$4,554	\$152	\$13	\$4,554	30	0	2020
Asphalt Seal & Repair	\$621	\$62	\$5	\$62	10	9	2028
Repairs/Replace Concrete Sidewalks	\$3,677	\$368	\$31	\$2,942	10	2	2021
Pavement Total	\$8,852	\$582	\$48	\$7,558			
Grand Total	\$8,852	\$582	\$48	\$7,558			

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

PHYSICAL ANALYSIS BY CATEGORY SUMMARY

						2019	2020	
						Annual Reserve Contribution	\$630	\$630
Description	Replacement Cost	Annual Reserve	Monthly Reserve	Fully Funded Amount	% Based on Assessment	Bi-Monthly Assessment Per Unit	Bi-Monthly Assessment Per Unit	
TOTAL	\$8,852	\$582	\$48	\$7,558	100%	\$35.00	\$35.00	
Pavement	\$8,852	\$582	\$48	\$7,558	100.00%	\$35.00	\$35.00	

Percentage Based on Replacement Cost



Pavement
100.00%

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

ANTICIPATED RESERVE EXPENDITURES BY YEAR

Current US Inflation Rates: 2000-2018

2.50%

Per Civil Code §5300(b)(4) The board of directors of the association must disclose if they determined to defer or not undertake repairs or replacement of any major component with a remaining life of 30 years or less, including a justification for the deferral or decision not to undertake the repairs or replacement.

It is our recommendation that all anticipated reserve expenditures to be completed by fiscal year ending be inspected, repaired and/or replaced as indicated by a professional before the board or managing agent approves deferment. The anticipated reserve expenditures by fiscal year ending are components that should be fully funded components and have reached its useful life or have exceeded its average life expectancy.

Anticipated Reserve Expenditures By Fiscal Year Ending

2020		2021	
Component/Maintenance	Replace Cost	Component/Maintenance	Replace Cost
Total	\$4,554	Total	\$3,769
Asphalt Remove & Overlay	\$4,554	Repairs/Replace Concrete Sidewalks	\$3,769

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

ANTICIPATED RESERVE EXPENDITURES BY YEAR

Current US Inflation Rates: 2000-2018

2.50%

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Anticipated Reserve Expenditures By Fiscal Year Ending

2022		2023	
Component/Maintenance	Replace Cost	Component/Maintenance	Replace Cost
Total	\$0	Total	\$0

OAK HILLS HOMEOWNERS ASSOCIATION- Clover Trail Private Drive

ANTICIPATED RESERVE EXPENDITURES BY YEAR

Current US Inflation Rates: 2000-2018

2.50%

Per Civil Code §5300(b)(4) The board of directors of the association must disclose if they determined to defer or not undertake repairs or replacement of any major component with a remaining life of 30 years or less, including a justification for the deferral or decision not to undertake the repairs or replacement.

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Anticipated Reserve Expenditures By Fiscal Year Ending

2024		2025	
Component/Maintenance	Replace Cost	Component/Maintenance	Replace Cost
Total	\$0	Total	\$0