

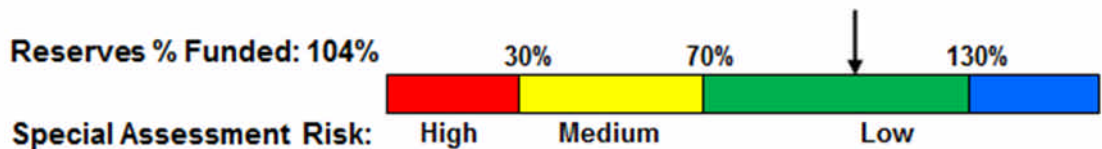
3- Minute Executive Summary

Association: The Villas at Mountain Bridge **#:** 25699-2
Location: Mesa, Arizona **# of Units:** 236
Report Period: January 1, 2017 through December 31, 2017

Findings/Recommendations as-of 1/1/2017:

Projected Starting Reserve Balance:	\$419,800
Current Fully Funded Reserve Balance:	\$401,955
Average Reserve Deficit (Surplus) Per Unit:.....	\$(76)
Recommended 2017 Monthly “Full Funding” Contributions:.....	\$16,700
Alternate Minimum Contributions* To Keep Reserves Above \$0:....	\$13,100
Recommended 2017 Special Assessment for Reserves:.....	\$0

Most Recent Budgeted Reserve Contribution Rate:\$13,863



Economic Assumptions:

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

- This is an “Update With-Site-Visit” Reserve Study, based on a prior Report prepared by Association Reserves for your 2015 Fiscal Year. We performed the site inspection on November 16, 2016.
- The Reserve expense threshold for this analysis is \$1,000. This means no expenses under \$1,000 are funded in the Reserve Study.
- Because your Reserve Fund is 104% Funded, this means the association’s special assessment & deferred maintenance risk is currently low. The objective of your multi-year Funding Plan is to Fully Fund your Reserves, where associations enjoy a low risk of Reserve cash flow problems.
- Based on this starting point and your anticipated future expenses, our recommendation is to increase your Reserve contributions to \$16,700/month. Nominal annual increases are scheduled to help offset inflation (see tables herein for details).

*officially called “Baseline Funding”

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
ENTRADA VILLAS				
1005	Landscape Granite - Replenish	8	5	\$16,000
1118	Building Exteriors - Repaint	8	5	\$165,000
1119	Building Exteriors - Touch-Up	4	1	\$16,000
1304	Tile Roofs - Refurbish (Ph1)	30	26	\$400,000
1304	Tile Roofs - Refurbish (Ph2)	30	27	\$400,000
1304	Tile Roofs - Refurbish (Ph3)	30	28	\$400,000
ENTRADA MEMBERS CLUB				
305	HVAC Units - Replace	15	11	\$12,500
324	Lighting - Replace	20	16	\$13,500
620	Monument - Refurbish	20	16	\$2,100
650	Access System - Replace	15	11	\$5,500
901	Carpet Floor - Replace	8	4	\$2,800
903	Tile Floor - Replace	20	16	\$4,950
911	Ceiling Fans - Replace	15	11	\$1,350
912	Furniture - Replace	10	6	\$17,000
917	Televisions - Replace	6	2	\$2,100
919	Billiards Table - Replace	20	16	\$3,800
932	Cardio Equipment - Replace	8	4	\$30,000
935	Strength Equipment - Replace	12	8	\$2,400
950	Sound System - Replace	10	6	\$2,450
980	Doors/Windows - Replace	35	31	\$17,000
1100	Interior Surfaces - Repaint	8	4	\$2,700
1118	Building Exterior - Repaint	8	4	\$5,250
1304	Tile Roof - Refurbish	30	26	\$17,500
ENTRADA POOL AREA				
503	Metal Fence - Replace	24	20	\$10,850
1107	Metal Fence - Repaint	4	0	\$1,400
1196	Pavers - Repair	10	6	\$2,650
1200	Pool Deck - Resurface	16	12	\$17,500
1201	Pool Deck - Seal/Repair	4	0	\$7,000
1202	Pool - Resurface	10	6	\$10,250
1203	Spa - Resurface	8	4	\$4,200
1204	Pool Furniture - Replace	12	9	\$37,000
1205	Pool Furniture - Refurbish	4	1	\$5,150
1220	Pool/Spa Filters - Replace	15	11	\$2,850
1222	Pool/Spa Heaters - Replace	8	4	\$6,800
1224	Pool/Spa Pumps - Replace	10	6	\$3,000
1229	Chlorinators - Replace	10	6	\$6,100
1250	Pool Restrooms - Remodel	20	16	\$17,000
1305	Metal Roof - Replace	20	16	\$2,000
BELLA VIA VILLAS				
1005	Landscape Granite - Replenish	8	7	\$15,000

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
1118	Building Exteriors - Repaint	8	7	\$160,000
1119	Building Exteriors - Touch-Up	4	3	\$15,000
1304	Tile Roofs - Refurbish (Ph1)	30	28	\$380,000
1304	Tile Roofs - Refurbish (Ph2)	30	29	\$380,000
1304	Tile Roofs - Refurbish (Ph3)	30	30	\$380,000
BELLA VIA MEMBERS CLUB				
305	HVAC Units - Replace	15	13	\$12,500
324	Lighting - Replace	20	18	\$13,500
620	Monument - Refurbish	20	18	\$2,100
650	Access System - Replace	15	13	\$5,500
901	Carpet Floor - Replace	8	6	\$2,800
903	Tile Floor - Replace	20	18	\$4,950
911	Ceiling Fans - Replace	15	13	\$1,350
912	Furniture - Replace	10	8	\$17,000
917	Televisions - Replace	6	4	\$2,100
919	Billiards Table - Replace	20	18	\$3,800
932	Cardio Equipment - Replace	8	6	\$30,000
935	Strength Equipment - Replace	12	10	\$2,400
950	Sound System - Replace	10	8	\$2,450
980	Doors/Windows - Replace	35	33	\$17,000
1100	Interior Surfaces - Repaint	8	6	\$2,700
1118	Building Exterior - Repaint	8	6	\$5,250
1304	Tile Roof - Refurbish	30	28	\$17,500
BELLA VIA POOL AREA				
503	Metal Fence - Replace	30	28	\$6,000
1107	Metal Fence - Repaint	4	2	\$1,000
1196	Pavers - Repair	10	8	\$2,650
1200	Pool Deck - Resurface	16	14	\$17,500
1201	Pool Deck - Seal/Repair	4	2	\$7,000
1202	Pool - Resurface	10	8	\$10,250
1203	Spa - Resurface	8	6	\$4,200
1204	Pool Furniture - Replace	12	10	\$37,000
1205	Pool Furniture - Refurbish	4	2	\$5,150
1220	Pool/Spa Filters - Replace	15	13	\$2,850
1222	Pool/Spa Heaters - Replace (A)	8	6	\$3,400
1222	Pool/Spa Heaters - Replace (B)	8	7	\$2,650
1224	Pool/Spa Pumps - Replace	10	8	\$3,000
1229	Chlorinators - Replace	10	8	\$6,100
1235	Pool Lift - Replace	15	13	\$5,000
1250	Pool Restrooms - Remodel	20	18	\$17,000
1305	Metal Roof - Replace	20	18	\$2,000
78	Total Funded Components			

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

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