

Executive Summary

Association: Arranmore Homeowners' Association **Assoc. #:** 21386-2
Location: Portland, OR
of Units: 143
Report Period: January 1, 2014 through December 31, 2014

Results as-of 1/1/2014:

Projected Starting Reserve Balance:	\$125,391
Fully Funded Reserve Balance:	\$129,309
Reserve Deficit Per Unit:	\$27
Percent Funded:	97.0%
Recommended 2014 Annual Reserve Contribution:	\$20,900
Recommended 2014 Special Assessment for Reserves:	\$0
Most Recent Reserve Contribution Rate:	\$21,450

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves.....**0.30%**
Annual Inflation Rate **3.00%** |

- This Reserve Study is based on the information provided to our firm, shown in the attached appendix, without oversight or review by Association Reserves, Inc. personnel.
- Because your Reserve Fund is above 70% at 97.0% Funded, this represents a strong position. In comparison, associations funded below 30% are considered to be in weak positions, and face higher risk of incurring cash flow deficiencies.
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to decrease your Reserve contributions.
- Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost	Future Cost
1	Pool House carpeting	15	0	\$2,600	\$4,051
2	Pool House Furnace	45	9	\$2,800	\$3,653
3	Roof: 30# felt underlayment	30	9	\$6,500	\$8,481
4	Roof: Cement roofing tiles	30	9	\$2,400	\$3,131
5	Roof: Vents	45	9	\$1,185	\$1,546
6	Roof: Gutters & downspouts	45	9	\$700	\$913
7	Pool Dressing Rooms Remodel	25	22	\$25,000	\$47,903
8	Pool House painting	10	7	\$3,500	\$4,305
9	Pool House entry Lock System	15	0	\$3,300	\$5,141
10	Pool Coping	25	20	\$7,600	\$13,726
11	Pool Water Line Tile	25	15	\$3,400	\$5,297
12	Pool Replaster Vessel	25	20	\$15,000	\$27,092
13	Pool, strip, cauk, rebalance H2O	25	20	\$5,000	\$9,031
14	Pool Cover	10	2	\$2,630	\$2,790
15	Pool Concrete Deck	30	2	\$21,240	\$22,534
16	Pool Heater	12	5	\$3,820	\$4,428
17	Pool Drain Vacuum Sensors	10	6	\$2,500	\$2,985
18	Pool Circulation Pump	15	9	\$2,240	\$2,923
19	Pool Wood Fence	20	13	\$13,000	\$19,091
20	Pool Entrance Walkway pavers	30	28	\$3,570	\$8,168
21	Spa Tile & Replaster	15	11	\$7,850	\$10,866
22	Spa Circulation Pump	15	7	\$2,240	\$2,755
23	Spa Heater	12	2	\$2,550	\$2,705
24	Spa Drain Vacuum Sensor	10	6	\$1,250	\$1,493
25	Well Pump, incl. installation	20	16	\$13,900	\$22,305
26	Well Controller	10	6	\$1,790	\$2,137
27	Irrigation Smart Controller	12	9	\$5,250	\$6,850
28	Well pipe repair/replacemt. Allow.	10	6	\$2,850	\$3,403
29	Asphalt Pathway Paving	4	0	\$6,300	\$7,091
30	Asphalt Path Crack Seal & Slurry	8	0	\$11,400	\$14,441
31	Signs: Entry Signs, Refurbish	20	0	\$2,500	\$4,515
32	French Drain Entry Tract I	15	5	\$8,200	\$9,506
33	French Drain East Tract M	15	0	\$5,750	\$8,958
34	French Drain West Tract M Upper	15	13	\$4,490	\$6,594
35	French Drain West Tract M Lower	15	13	\$3,830	\$5,624
36	Re-landscape Oleson Rd. Berms	20	0	\$20,000	\$36,122
37	Re-Landscape Pool Entry Bed	20	18	\$5,000	\$8,512
38	Rock Retaining Wall at Entry	50	14	\$6,630	\$10,028
39	Concrete Sidewalk Repair	30	10	\$3,000	\$4,032
40	Pool Solar Heating	N/A	0	\$0	\$0
40	Total Funded Components				