

## 3- Minute Executive Summary

**Association:** The Springs at Santa Rita HOA      **Assoc. #:** 12303-1  
**Location:** Green Valley, Arizona  
**# of Units:** 440  
**Report Period:** January 1, 2011 through December 31, 2011

### *Results*

<b>Projected Starting Reserve Balance:</b> .....	<b>\$334,415</b>
<b>Fully Funded Reserve Balance:</b> .....	<b>\$572,648</b>
<b>Average Reserve Deficit (Surplus) Per Unit:</b> .....	<b>\$541</b>
<b>Percent Funded:</b> .....	<b>58.4%</b>
<b>Planned 2011 Annual Reserve Contribution:</b> .....	<b>\$84,169</b>
<b>Recommended Special Assessment this Year:</b> .....	<b>\$0</b>
<b>Most Recent Reserve Contribution Rate:</b> .....	<b>\$84,169</b>

### *Economic Assumptions:*

**Net Annual “After Tax” Interest Earnings Accruing to Reserves.....**2.00%  
**Annual Inflation Rate .....**3.00%

- This is an “Update With-Site-Visit” Reserve Study, based on a prior Report prepared by Association Reserves, Inc. for your 2005 Fiscal Year. The information in this Reserve Study is based on our site inspection on March 15, 2011.
- This Reserve Study was prepared by, or under the supervision of, a credentialed Reserve Specialist (RS).
- Because your Reserve Fund is 58.4% Funded, this represents a fair, mid-range position. In perspective, above 30% but below 70% Funded defines the fair funding range, whereas 70% and above typifies Reserve strength.
- The association has the Reserve contributions set in place for 2011 at \$84,169/Year. We recommend increasing Reserve contributions to \$88,000/Year for 2012, followed by nominal annual increases (see tables herein) to help offset inflation.
- 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 Average Cost	Future Average Cost
<b>COMMON AREA</b>				
201 Asphalt - Resurface	30	18	\$881,350	\$1,500,439
204 Asphalt - Patch/Repair	6	0	\$22,050	\$26,329
206 Asphalt - Crack Fill	4	1	\$24,800	\$25,544
208 Asphalt - Seal/Repair	4	2	\$41,300	\$43,815
503 Metal Fences - Replace	30	15	\$6,050	\$9,426
601 Fountain Pump - Replace	10	10	\$900	\$1,210
703 Entry System - Replace	15	10	\$4,600	\$6,182
705 Gate Operators - Replace	15	10	\$7,200	\$9,676
912 Gatehouse Computer - Replace	5	1	\$1,050	\$1,082
913 Gatehouse Copier - Replace	10	1	\$700	\$721
920 Gatehouse HVAC - Replace	15	4	\$2,250	\$2,532
1107 Metal Fences - Repaint	5	4	\$1,500	\$1,688
1113 Stucco Walls - Repaint	8	0	\$2,755	\$3,490
1115 Gatehouse Stucco Surfaces - Repaint	6	5	\$10,700	\$12,404
1116 Gatehouse Wood Surfaces - Repaint	6	5	\$1,300	\$1,507
1120 Maintenance Building - Repaint	8	2	\$640	\$679
1301 Flat Roof - Replace	20	5	\$1,100	\$1,275
1304 Tile Roof - Refurbish	30	15	\$9,550	\$14,879
1500 Trailer - Replace	20	14	\$600	\$908
1510 ATV - Replace	10	4	\$5,000	\$5,628
<b>PARKS &amp; LANDSCAPE</b>				
202 Asphalt Paths - Replace	40	25	\$76,650	\$160,488
206 Asphalt Paths - Crack Fill	4	1	\$1,725	\$1,777
208 Asphalt Paths - Seal/Repair	6	2	\$4,025	\$4,270
410 Fitness Trail - Replace (The Park)	30	15	\$10,900	\$16,982
411 Fitness Trail - Replace (Park #21)	30	15	\$10,900	\$16,982
412 Wood Timbers - Replace	18	3	\$1,000	\$1,093
420 Park Furniture - Replace	20	5	\$9,250	\$10,723
1002 Granite (Park #2) - Replenish	15	11	\$34,400	\$47,618
1003 Granite (Park #3) - Replenish	15	16	\$5,950	\$9,548
1004 Granite (Park #4) - Replenish	15	1	\$4,100	\$4,223
1005 Granite (Park #5) - Replenish	15	10	\$5,700	\$7,660
1006 Granite (Park #6) - Replenish	15	7	\$10,050	\$12,360
1007 Granite (Park #7) - Replenish	15	11	\$11,050	\$15,296
1008 Granite (Park #8) - Replenish	15	11	\$13,850	\$19,172
1009 Granite (Park #9) - Replenish	15	14	\$16,400	\$24,806
1010 Granite (Park #10) - Replenish	15	8	\$33,600	\$42,563
1011 Granite (Park #11) - Replenish	15	8	\$33,600	\$42,563
1013 Granite (Park #13) - Replenish	15	2	\$5,125	\$5,437
1014 Granite (Park #14) - Replenish	15	9	\$2,870	\$3,745
1015 Granite (Park #15) - Replenish	15	9	\$9,450	\$12,330
1016 Granite (Park #16) - Replenish	15	15	\$5,125	\$7,985
1017 Granite (Park #17) - Replenish	15	9	\$9,450	\$12,330
1018 Granite (Park #18) - Replenish	15	9	\$7,600	\$9,916
1020 Granite (Park #20) - Replenish	15	11	\$9,450	\$13,081

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
1021 Granite (Park #21) - Replenish	15	11	\$7,600	\$10,520
1022 Granite (Park #22) - Replenish	15	11	\$3,500	\$4,845
1040 Wash - Clean Out	3	1	\$3,000	\$3,090
<b>47 Total Funded Components</b>				

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