



**BALANCE**  
VALUATIONS LTD.



**Willowdale Court  
Plan No. VIS2934**

**Depreciation Report  
Effective: October 1, 2022  
Submitted: September 6, 2022**

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appraisals | reserve planning | consulting



**BALANCE**  
VALUATIONS LTD.

September 6, 2022

Willowdale Court  
Strata Plan No. VIS2934  
4619 Elk Lake Drive  
Victoria, British Columbia V8Z 5M2  
C/O Sharon Rubin

Attention: Sharon Rubin

Upon the request of Sharon Rubin, we have undertaken an analysis of the Reserve Fund for Strata Corporation No. VIS2934.

This report has been prepared for and is intended for use by Strata Corporation No. VIS2934. The following study includes an analysis of the subject property building components, and reserve fund. This information will be used in conjunction with current construction costs and projected inflation rates to provide Strata Corporation No. VIS2934 the information required to develop a responsible reserve fund contribution schedule.

This report is effective as of October 1, 2022, fiscal year end 2023.

Regards,

Balance Valuations

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## PROPERTY INFORMATION SUMMARY

### Property Identification

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Civic Address	4619 Elk Lake Drive, Victoria British Columbia
Legal Description	Plan No. VIS2934
Units	23
Report Prepared For	Strata Corporation No. VIS2934
Registered Owners	Multiple Registered Owners
Description of Improvements	The subject is a conventional strata comprised of 23 units within 4 townhouse-style buildings. The subject appears to be a wood frame with non-combustible fire separations on a concrete foundation.

### Important Dates

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Date Strata Registered	1993
Date Constructed	1993
Effective Date of Report	October 1, 2022
Date Inspected	May 18, 2022
Age of Subject	+/- 30 Years old

### Land Use Controls

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Zoning	RT-3 ATTACHED HOUSING ZONE
Present Use	Attached Housing (Attached Housing - means three or more dwelling units on a lot at least two of which are contained within a common building and each dwelling unit has its own principal access at ground level.)

### Property Features

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Property Size	+/- 1.8 Acre
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### Improvements Area

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Basements	+/- 8,439 Sq. ft
Garages	+/- 7,911 Sq. ft
First Floors	+/- 20,258 Sq. ft
Second Floors	+/- 19,583 Sq. ft

**Gross Above Grade Living**      **+/- 39,841 Sq. ft**

## PURPOSE AND INTENDED USE

Strata Corporation No. VIS2934 (Also known as Willowdale Court)

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### Intended User of This Report

October 1, 2022

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### Effective Date of this Report

October 1, 2025

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### Depreciation Report Renewal Date

The purpose of a Depreciation Report is to provide cost estimates for the required period of various reserve components for which major repairs and/or replacement are required over the lifetime of the subject of the Depreciation Report, and to estimate the funding required for such major repairs and replacement. (CUSPAP, 2020)

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### Purpose of a Depreciation Report

The findings of this report are intended to be used by the client to define reasonable reserve fund contribution rates such that the client may establish a reserve fund if one has not already been established, or maintain, or bolster an existing reserve fund

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### Intended Use of This Report

It is imperative the intended user of this report observe the findings of this report in their entirety before assigning any judgement to the condition of the reserve fund or to what course of action may be undertaken with regard to the Reserve Fund Contributions. The Reserve Fund Report is intended for use by the above noted corporation to provide supporting information for the establishment of a Reserve Fund Plan. The information may be used by council to provide definition of reserve fund contributions for the 3-year period following the effective date of this report.

We have reviewed and are working within the confines of the British Columbia legislation. As British Columbia legislation dictates, this report is rendered expired upon the conclusion of 3 years from the date that the Reserve Fund Plan resulting from this report was approved. Please note, that the date to which the three-year period must be based on is the effective date of this report, as the report findings are relevant only within the period indicated within this report.

The data analysed within this report is not to be used by anyone other than the intended user named within this report. A party receiving a copy of a Reserve Fund Study Report/Depreciation Report does not become an intended user unless authorized, and clearly identified by name and in writing, by the Member and the client. (CUSPAP, 2020).

## **ASSUMPTIONS AND LIMITING CONDITIONS**

### **UNDERLYING ASSUMPTIONS**

#### **Goods & Services Tax**

Good & Services Tax (GST) applies to all replacement and repair cost estimates, meaning GST is carried through to the reserve fund estimates also. PST is excluded from this analysis.

#### **Life Cycle Analysis**

The effective age of each component, essentially the life cycle status, is at the discretion of the reserve planner and is a subjective analysis. Total average life span of every component is also subject to change depending on location, observed conditions or other factors.

#### **Property Management & Maintenance**

Quality property management is essential to the life of the building. It can ensure the efficient operation and maintenance of the building components.

#### **Insurance Repairs**

While insurance is meant to cover the building and improvements against unexpected damage, it is not there to fund maintenance. The strata association should be sure to clarify amongst themselves the difference between an insurance claim and maintenance repair or replacement.

An example of a potential insurance claim could be a major leak in the roof due to a hailstorm. A major leak in the roof caused by lack of maintenance such as caulking, or resurfacing would typically not be covered by insurance.

### **SPECIFIC ASSUMPTIONS, LIMITING CONDITIONS, & NOTES**

1. Life expectancy of a component is a function of the level of maintenance provided. It is assumed that normal maintenance is carried out on each component.
2. Life expectancy is dependent on the amount of usage over time. Some items are used more frequently than others, which generally reduces life expectancy.
3. It is assumed that there are no hidden conditions that may affect the service life of the components.
4. The price to replace items is affected by various changing conditions such as competition, local labour conditions and availability of materials.
5. The life expectancy of components as quoted by publications, manufacturers and suppliers should be taken as a guideline only.
6. The study does not consider replacement as a result of building code change.
7. Materials generally deteriorate more rapidly as the item approaches the end of its life expectancy. Items noted in the study should be inspected regularly to confirm estimated life expectancy. No guarantee is expressed or implied as to the estimated remaining life.
8. A decision to repair or replace an item should not be made solely on the basis of this study. Inspections of the item should be completed before a decision to replace is made.



9. The component conditions are based on information received from the property stakeholders and reasonable definition of depreciation based on the chronological age and observation.
10. Goods & Services Tax: Good & Services Tax (GST) applies to all replacement and repair cost estimates, meaning GST is carried through to the reserve fund estimates also.
11. The effective age of each component is defined at the discretion of the reserve planner and is therefore a subjective analysis. Total average life span of every component is also subject to change as there are many factors that affect it.
12. Quality property management is essential to the life of the building. It will ensure the efficient operation and maintenance of the building components, which directly affect reserve planning.
13. Site inspection completed for this study is cursory in nature, limited to visual observation and should not be misconstrued as a technical audit.
14. The condition and subsequent definition of the reserve component life expectancies are based on a sample of, and cursory inspection of each component.
15. The author is not a qualified surveyor. Sketches, drawings, diagrams, photographs, etc. are presented in this report for the limited purpose of illustration and are not to be relied upon in themselves.
16. The author is not qualified to give engineering advice. Whether the architectural, structural, mechanical, electrical and other plans and specifications of the building or buildings and improvements were provided for this study, all buildings and improvements are deemed to have been constructed and finished in accordance with such plans and specifications, unless otherwise noted.
17. In order to arrive at supportable replacement cost estimates, it was found necessary to utilize both documented and other cost data. A concerted effort has been put forth to verify the accuracy of the information contained herein. Accordingly, the information is believed to be reliable and correct, and it has been gathered to standard professional procedures, but no guarantee as to the accuracy of the data is implied.
18. The distribution of cost and other estimates in this report apply only under the program of utilization as identified in this report. The estimates herein must not be used in conjunction with any other appraisal or depreciation report and may be invalid if so used.
19. The client to whom this report is addressed may use it in deliberations affecting the subject property only, and in so doing, the report must not be abstracted; it must be used in its entirety.
20. The agreed compensation for services rendered in preparing this report does not include fees for consultations and/or arbitrations, if any. Should personal appearances be required in connection with this report, additional fees will have to be negotiated. Unless otherwise noted, all estimates are expressed in Canadian currency.
21. Mrs. Cassidy MacDonald copyrights this reserve fund report/depreciation report. This report may not be reproduced in whole or in part, in any way without the expressed written consent of Mrs. Cassidy MacDonald.



### EXTRAORDINARY ASSUMPTIONS

***An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.*** (CUSPAP, 2020)

- This report has been written based on the extraordinary assumption that the hypothetical conditions below have been met.

### HYPOTHETICAL CONDITIONS

***That which is contrary to what exists, but is supposed to exist for the purpose of analysis.*** (CUSPAP, 2020)

- The cash flows provided in this report are based on the hypothetical condition that the board will accept the recommendation of contribution increases in the provided cash flow models. Should the board contribute an alternate value, the following values in the cash flows and carried out through the report would be affected.
- The cash flows provided in this report, and subsequent recommendations are based on the hypothetical condition that the building components will require repair or replacement in the general timeframes defined in this report, for the values indicated in this report.
- The cash flows are based on the hypothetical condition that the effective reserve fund balance as of the effective date of this report is as declared.

### EXTRAORDINARY LIMITING CONDITIONS

***A necessary modification or exclusion of a Standard Rule which may diminish the reliability of the report.*** (CUSPAP, 2020)

- None

## EXECUTIVE SUMMARY

### FUNDING MODELS OVERVIEW

The act of reserve planning allows your organization to justify the allocation of short-term resources against long-term expenses.

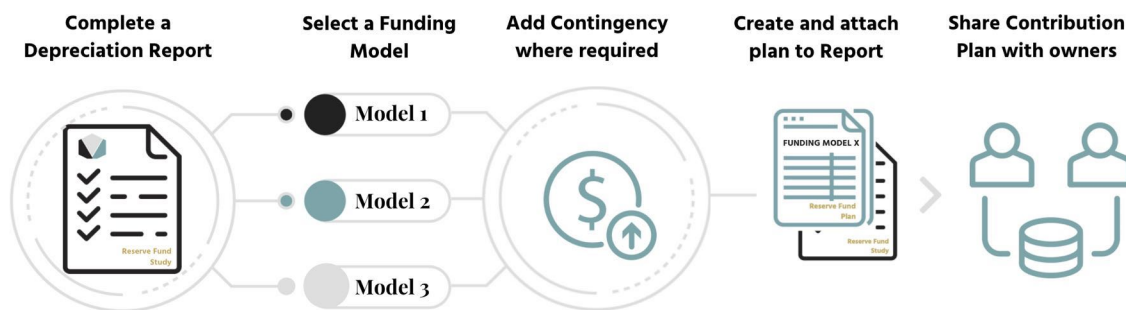
There are three funding models contained in this study that are designed to provide a range of options for your organization. The goal is to find a practical plan that is compatible with the goals and risk tolerance of your corporation. At the same, your plan should be prepared so your organization meets statutory requirements.

The projections provided are based on reliable data, but the accuracy of the findings is dependent on many uncertain and assumed variables, which introduce risks associated to over or under funding. These variables include the timing, magnitude, and frequency of expenses, along with inflation and investment rate projections.

The findings in this report are relevant only to the components identified, and do not accommodate long-lived elements, or those whose life expectancies cannot be reasonably predicted. A contingency amount, or ongoing minimum balance should be considered to offset unplanned expenses.

The reader is cautioned to read the entirety of this report in detail and is invited to contact the authors for clarification to ensure a full understanding of the findings.

- 1** Funding Model 1  
Conservative
- 2** Funding Model 2  
Adequate
- 3** Funding Model 3  
Less conservative



## RECOMMENDATION

- It is recommended that the strata association create a formal plan for annual review of the reserve fund. An evaluation of the adequacy of reserve fund requirements for upcoming expenditures should be carried out. This evaluation should be completed outside the regular renewal of the entire reserve fund study (every three years) to be mindful of the changes in the economic environment and make any adjustments that are seen fit.
- It is recommended that contingency amounts be considered for building expenses that fall outside the scope defined within this report. Long-life components like building foundations, framing, underground sewer systems, water lines, or electrical lines fall in this category. While they are not included in this analysis, expenses for these items (should they occur) are the responsibility of your organization.
- **It is recommended that the association adopt a contribution schedule for the next three years as indicated in any of funding models 1, 2, or 3, with consideration made for the addition of contingency amounts for expenses which fall outside the scope of this report.**

**Once the funding model is selected, and contingency amounts applied, a reserve fund plan should be implemented and attached to this depreciation report for distribution to stakeholders.**

<b>Contributions Summary</b>	<b>1</b>	<b>2</b>	<b>3</b>
Year 1	\$23,000	\$22,200	\$21,831
Year 2	\$26,450	\$24,642	\$23,829
Year 3	\$30,418	\$27,353	\$26,010
Year 4	\$34,980	\$30,361	\$28,390
Year 5	\$40,227	\$33,701	\$30,989
5 Year-Average, Years 6 through 10	\$62,382	\$46,594	\$40,611
5 Year-Average, Years 11 through 15	\$125,473	\$78,514	\$62,924
5 Year-Average, Years 16 through 20	\$156,926	\$120,389	\$97,499
10 Year-Average, Years 21 through 30	\$62,716	\$123,468	\$133,004
<b>Overall Average Annual Contribution</b>	<b>\$83,538</b>	<b>\$86,681</b>	<b>\$82,209</b>

## FINANCIAL MODEL SUMMARY STATISTICS

The following tables indicate summary statistics for each of the three scenarios analysed in this study. This information is intended to be used as a means of comparing one funding model to another.

<b>5 Year Summary</b>	<b>1</b>	<b>2</b>	<b>3</b>
Opening Balance	\$191,246	\$191,246	\$191,246
Total Annual Contributions	\$155,075	\$138,257	\$131,049
Total Special Levies	\$0	\$0	\$0
Year Total Interest Income	\$23,561	\$23,068	\$22,850
Total Expenditures	\$152,818	\$152,818	\$152,818
Closing Balance	\$217,064	\$199,753	\$192,327

<b>Thirty Year Summary</b>	<b>1</b>	<b>2</b>	<b>3</b>
Opening Balance	\$191,246	\$191,246	\$191,246
Total Annual Contributions	\$2,506,142	\$2,600,424	\$2,466,261
Total Special Levies	\$0	\$0	\$0
Year Total Interest Income	\$502,800	\$299,612	\$219,222
Total Expenditures	\$2,562,094	\$2,562,094	\$2,562,094
Closing Balance	\$638,094	\$529,188	\$314,636

<b>Summary Statistics</b>	<b>1</b>	<b>2</b>	<b>3</b>
Minimum Closing Balance	\$136,428	\$130,669	\$93,105
Maximum Closing Balance	\$1,306,883	\$651,019	\$548,900
Minimum Percentage Funded	<b>21%</b>	<b>20%</b>	<b>15%</b>
Average Percentage Funded	<b>69%</b>	<b>41%</b>	<b>30%</b>
Maximum Percentage Funded	<b>100%</b>	<b>83%</b>	<b>49%</b>

## **FINANCIAL MODELS**

### **OVERVIEW**

The financial models are carefully constructed from input data we derive from several sources. The following pages include key input data, a reserve fund adequacy analysis, and three new funding models for your property. Sections that follow discuss the building inspection, research and other elements that contribute to the findings in this report.

The key input data identifies important dates, financial statistics, and projection factors. The dates help establish a logical foundation for the reserve fund analysis. Having a clear picture of the reserve fund balance, replacement costs, and projected expenses provides context for the proposed funding models. The projection factors define the interest and inflation rates used for the cashflow models within the analysis. Together, these elements make up the foundational inputs that are common in every funding model.

The adequacy analysis provides a means of establishing the health of the reserve fund. It is a snapshot into the current position, followed by a 30-year projection to ascertain the long-term health of the reserve fund over the entirety of the reserve analysis period. This model uses predefined contributions and compares against a benchmark model. This model is intended to shine a light on where the reserve fund is headed, and what action may need to be taken.

The funding models indicate what that action might be. With the current health of the reserve fund established, three models are created to provide alternative options to the current course. Each is designed to provide your organization with alternative contribution options, so your organization can adapt to current conditions and make well informed decisions.

It is important to note, that the funding models are created with the analysis based only on the components that meet our criteria for inclusion. This means that the cash flows do not acknowledge any expenses that are not reasonably predictable (see section Four-Part Test and Contingencies). It is with this in mind that the funding models should be carefully reviewed and compared against each other. A table is provided on the following page which indicates some of the risks that should be considered as you review the proposed funding models.

## RISKS FOR CONSIDERATION

Reserve fund management has risks overtime that must be considered by each organization. Each corporation has unique goals, perspectives, and risk tolerance levels. The risks must be weighed against the goals of the organization before a contribution schedule is implemented, or current contributions altered.

Assumptions are made with regard to interest earnings on invested funds, inflationary rates over time, construction costs, and timing. Variances to these assumptions will occur, in unknowable orders of magnitude. Understanding the risks is integral to the reserve planning process, the following table is intended to highlight some of the risks that should be considered when implementing a reserve fund plan.

	<b>DR Weaker</b>	<b>DR Stronger</b>
<b>Percentage Funded</b>	As percentage funded decreases, the probability of special levies increases, while the probability of overfunding decreases.	As percentage funded increases, the probability of special levies decreases, while the probability of overfunding increases.
<b>Assumed Interest Rate</b>	If the actual interest rate earned on reserves is less than the assumed interest rate over time, interest earnings on reserve funds will be reduced. This will place more pressure on the reserve fund.	If the actual interest rate earned on reserves is greater than the assumed interest rate over time, interest earnings on reserve funds will be increased. This will result in decreased pressure on the reserve fund.
<b>Assumed Inflation Rate</b>	If the actual inflation rate is more than the assumed inflation rate over time, expenses may be greater than estimated. This will place more stress on the reserve fund when the expense occurs, increasing the risk of underfunding.	Where the actual inflation rate is less than the assumed inflation rate over time, expenses may be less than estimated. This will place less stress on the reserve fund when the expense occurs, reduces the risk of underfunding.
<b>Estimated Replacement Costs</b>	If the actual reserve expenses are greater than those estimated, more stress will be imposed on the reserve fund, resulting in a lower funding percentage.	If the actual reserve expenses are less than those estimated, less stress will be imposed on the reserve fund, resulting in a higher funding percentage.
<b>Estimated Expense Timing</b>	If expenses occur before they are indicated in the model, more stress will be imposed on the reserve fund, resulting in a lower funding percentage.	If expenses occur after they are indicated in the model, less stress will be imposed on the reserve fund, resulting in a higher funding percentage.

## KEY INPUT DATA

The findings of each funding model are based on common input values. In most cases, the effective date of the report will coincide with the corporation fiscal year so the findings may be applied with regular budget cycles. The reserve period is identified to clearly communicate the extent of the projections. Renewal dates are provided for reference and to coincide with local legislation.

The reserve fund balance and previous contributions are used as the starting values for each funding model. The Current Replacement Cost or Repair Costs are used to establish the magnitude of future budget allocations, and to estimate the accrued depreciation of the components. The interest rate is used to project earnings on invested funds, while the inflation rate is used to predict the future value of estimated current replacement costs.

### Dates

Effective date of this report	<b>October 1, 2022</b>
Fiscal Year Dates	<b>October 1 through September 30</b>
Reserve Fund Analysis Period (30-Year Cash Flow)	<b>Year End 2023 to Year End 2052</b>
Full Reserve Fund Renewal Date	<b>October 1, 2025</b>

### Financial

Effective Reserve Fund Balance (October 1, 2022)	\$191,246.47
Current Replacement or Repair Costs (Inc. GST)	\$1,137,000.00
Inflation Adjusted Expenditures over Reserve Period	\$2,562,094.32

### Projection Factors

Interest Rate	2.50%
Inflation Rate	3.50%

**In British Columbia, the corporation must prepare an annual report, and carry out a full depreciation report at the end of 3 years.**



## PROJECTION FACTORS

The projection factors are the inflation and interest rates used throughout this report in the development of each financial model. The benchmark analysis summarizes the financial characteristics of each component, the 30-year cash flow analysis breaks down the component financial information in relation to the corporation’s reserve fund balance and projects over time to display a potential funding model over a 30-year time frame. The cash flow summary takes the information from the 30-year cash flow analysis and displays it in a simple table format.

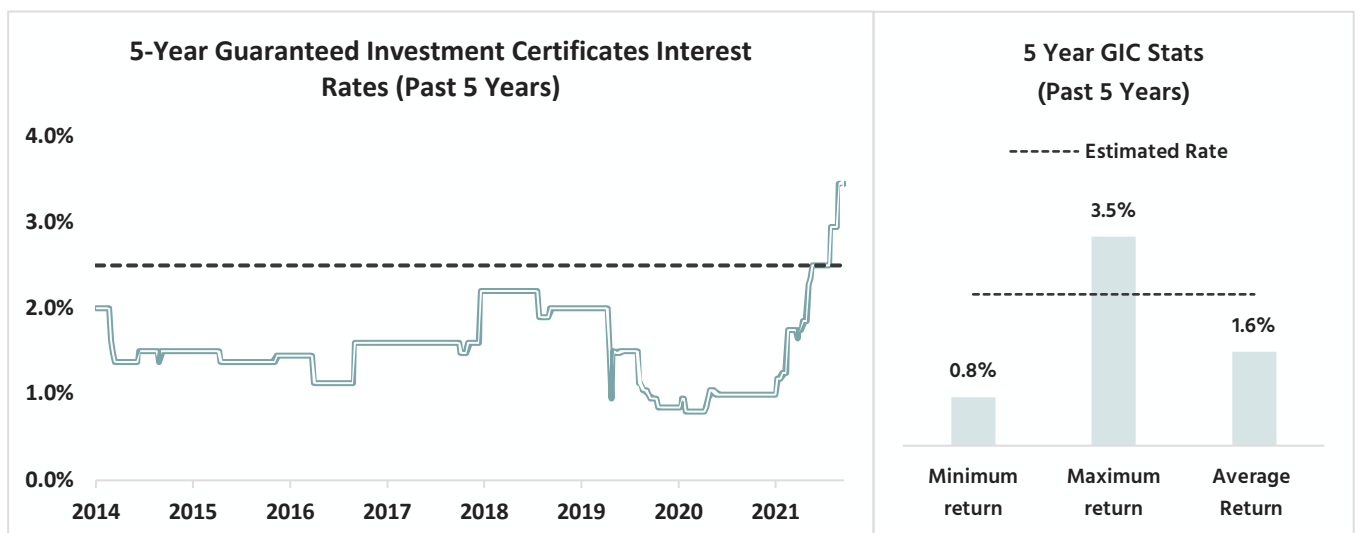
## INTEREST RATES

Weekly averages for the past 5 years for 5 Year Guaranteed Investment Certificates (GIC) were analyzed and the following data was found. The potential interest earned can vary due to the amount of the investment as well as the type of government backed investment. While the example of potential interest earnings provided above is GIC based, there are many other investment routes to take. The strata corporation is advised to investigate all options to maximize returns. The board must only seek investment opportunities approved by the Strata Act & Regulations. It is pertinent to keep in mind that the interest earned over time can change drastically and this rate should be reviewed periodically to ensure relevance and accuracy within the reserve fund.

The rates range from .80% to 3.45% with an average of 1.55%. Based on actual investment returns for typical strata corporations and the information discussed in this section, an interest rate of 2.50% will be applied to the reserve fund projections.

**2.50%**

### INTEREST RATE USED FOR THIS ANALYSIS

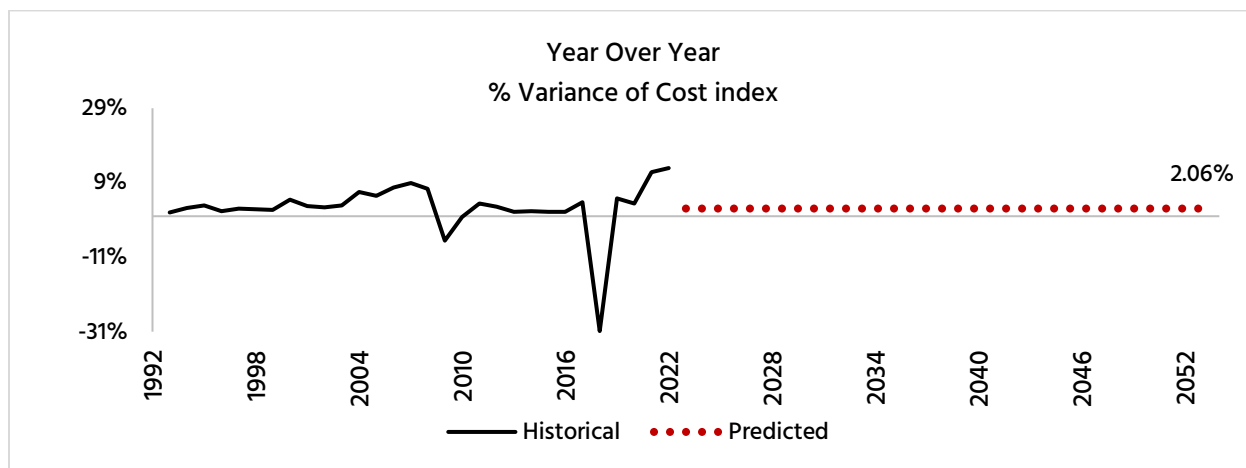
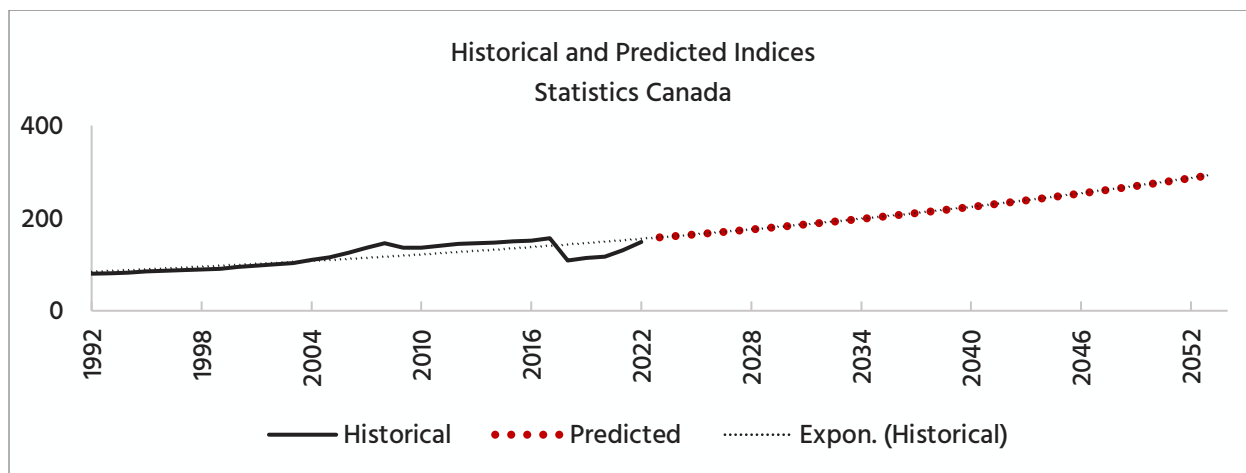


### INFLATION RATES

Inflation rates are derived by analyzing statistical data relevant to the location and physical characteristics of the subject property. Historical data is obtained from a variety of sources including Statistics Canada, Marshall & Swift, and RSMeans. An analysis is undertaken to derive the projection rates used in this report.

The following shows the historical data and projections in graphical form, followed by a reconciliation of the rates.

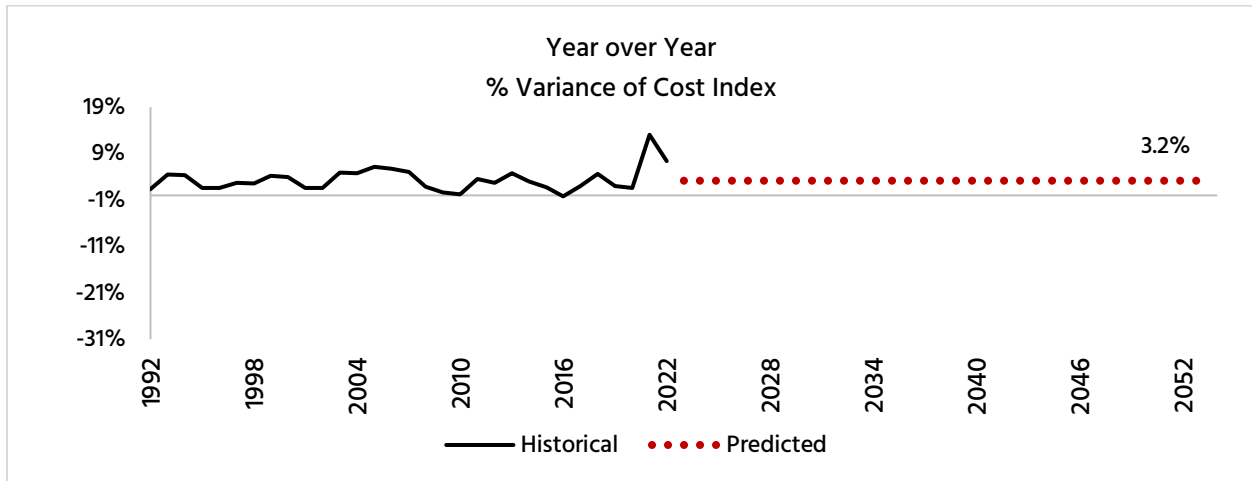
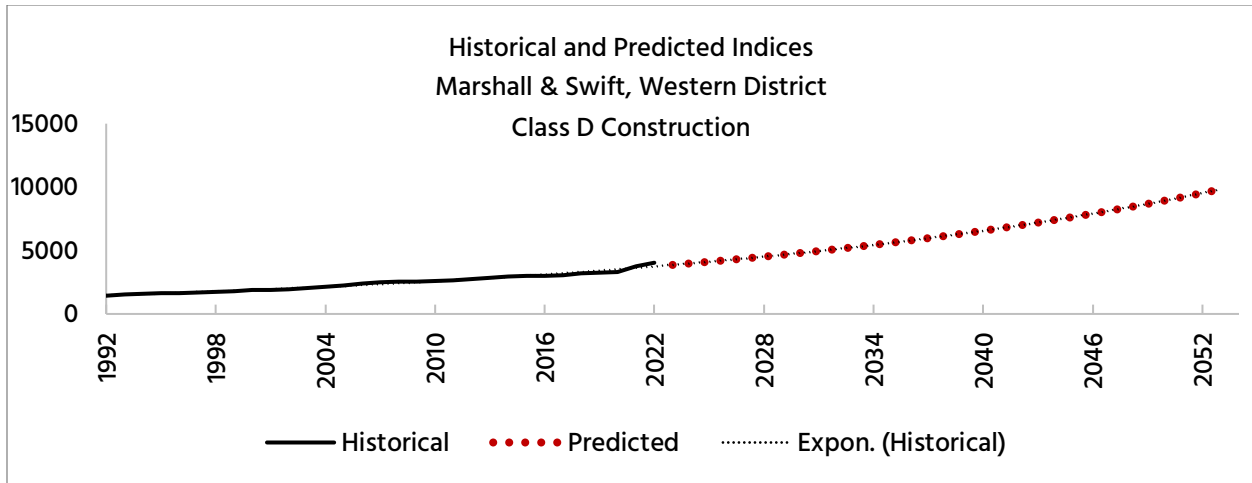
#### Statistics Canada



The preceding tables indicate the historical data obtained from Statistics Canada and the calculated year-over-year variance. The values are obtained from Table: 18-10-0050-01 (formerly CANSIM 327-0044) and Table: 18-10-0135-01 (formerly CANSIM 327-0058). The data for the period 1992 through 2016 includes an amalgamation of residential data, while the applied values for 2017 to present are specific to the subject building type. The calculated rate from the above data is 2.06%.



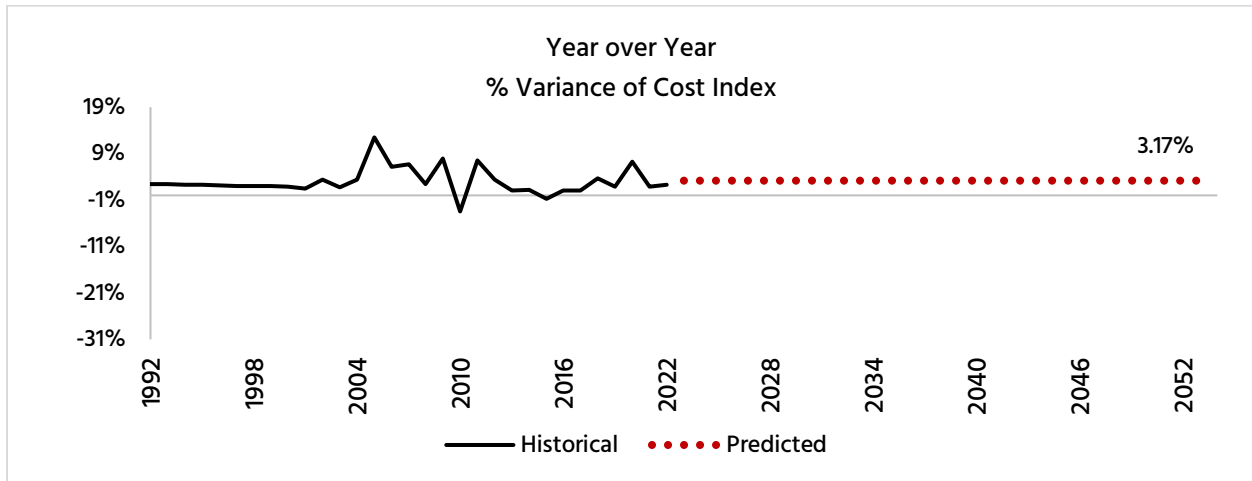
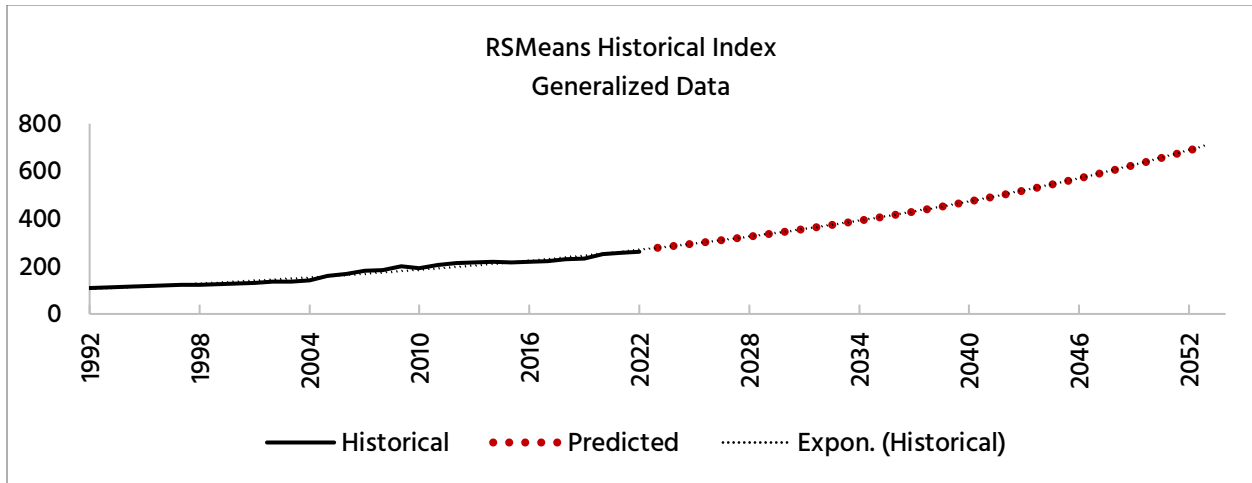
**Marshall & Swift**



The proceeding tables indicate the historical data obtained from Marshall and Swift and the calculated year-over-year variance. The historical values are specific to Class D Construction within the western district. The calculated rate from the above data is 3.20%.



**RSMeans**



The preceding tables indicate the historical data obtained from RSMeans and the calculated year-over-year variance. The historical values are generalized indices referencing broader construction costs, though they are local to the subject. The calculated rate from the above data is 3.17%.

**Inflation Summary**

The average of the calculated values derived above results in a rate of approximately 2.8%. Giving significance to the past five years to acknowledge the increases observed in the short term, the resulting value is 3.5%.

## BENCHMARK ANALYSIS

The benchmark analysis is a model used as a comparator for each funding model. The benchmark model is created under the hypothetical assumption that past contributions to the reserve fund are exactly equal to the accrued depreciation. The inputs into the model are each reserve component's current replacement costs, estimated service life, effective age, and remaining life.

The reserve components discussed in this report are comprised of depreciating property which will require repair and/or replacement in reasonably predictable timeframes; this is the basis of the life-cycle assessment. The condition of each component is expressed through the effective age and resulting remaining life. For example, a roof installed 10 years ago that is in great condition may be assigned an effective age of only 5 years. This acknowledges the good condition by extending the estimated replacement date.

Once the life cycle is established, the current replacement costs are escalated using estimated projection factors. The previous inputs and calculated values are carried forward to establish the uniform value of disbursements required over time. These are intended to provide sufficient funds for the first expense occurrence for each component analysed.

Current cost estimates have been obtained with the aid of construction supplier quotes and invoices, Marshall & Swift cost data, RS Means cost data, and consultation with industry specialists. The information gathered during our inspection, supplier specifications, and information provided by property stakeholders are used to predict the effective age for each of the building components. The Effective Age, Life Expectancy and the Current Replacement Cost of each component determine the Future Replacement Cost and renewal date. The Accrued Depreciation is estimated by applying the Effective Age to the Current Replacement Costs.

<b>Current Replacement or Repair Costs</b>	<b>\$1,137,000.00</b>
<b>Future Replacement or Repair Costs</b>	<b>\$2,020,844.35</b>
<hr/>	
<b>Estimated Accrued Depreciation</b>	<b>\$572,873.33</b>
<b>Future Reserve Fund Accumulations</b>	<b>\$821,650.02</b>
<hr/>	
<b>Future Reserve Fund Requirements</b>	<b>\$1,199,194.32</b>
<b>Benchmark Annual Assessment</b>	<b>\$62,716.09</b>

## ADEQUACY ANALYSIS

### CURRENT POSITION

The adequacy analysis provides a snapshot of the current health of the reserve fund, how current contributions compare against a benchmark, and the long-term performance under defined conditions. To determine the present health of the fund, the opening balance of the current fiscal year is compared against the estimated accrued depreciation at the start of the year and is described as a percentage.

The Benchmark Annual Assessment indicates the annual contribution that would be required to meet each of the next expenses if the reserve fund balance were equal to the estimated accrued depreciation. This is compared against actual contributions so that any differential is readily apparent. Long-term performance is modelled on the following page using predefined conditions to provide context for the proposed contributions that follow. The previous fiscal years contributions, effective reserve fund balance and estimated inflation rate are used to project the reserve fund health in the long-term.

	<b>Year End 2023</b>
Opening Reserve Fund Balance	\$191,246.47
Estimated Accrued Depreciation	\$572,873.33
<b>Differential</b>	<b>(\$381,626.86)</b>
Previous Annual Contribution	\$20,000.00
Benchmark Annual Assessment	\$62,716.09
<b>Differential</b>	<b>(\$42,716.09)</b>
<b>Reserve fund balance as a percentage of the benchmark at start of fiscal year</b>	<b>33%</b>

### LONG-TERM PERFORMANCE

In reviewing the current state of the fund with the benchmark values, along with a 30-year projection for this model, the current contribution does not appear sufficient to provide for the future expenses indicated in this analysis when increasing with the inflation rate indicated in this report. For greater detail, a 30-year cash flow summary and graph of the Adequacy Analysis can be found on the following pages and is provided for reference only.

Minimum Closing Balance	<b>\$1,891</b>
Maximum Closing Balance	<b>\$320,111</b>
Minimum Percentage Funded	<b>0%</b>
Average Percentage Funded	<b>13%</b>
Maximum Percentage Funded	<b>32%</b>
<hr/>	
30-Year Cashflow Opening Balance	<b>\$191,246</b>
Total Annual Contributions	<b>\$882,079</b>
Reserve Transfers or Special Levies	<b>\$1,400,000</b>
Total Interest Income	<b>\$98,497</b>
Total Expenditures	<b>\$2,562,094</b>
<hr/>	
Closing Balance	<b>\$9,729</b>

This model is shown for reference purposes only, and should is not recommended.

Please see the funding models section of this report for scenarios which indicate positive cashflows for the reserve period.

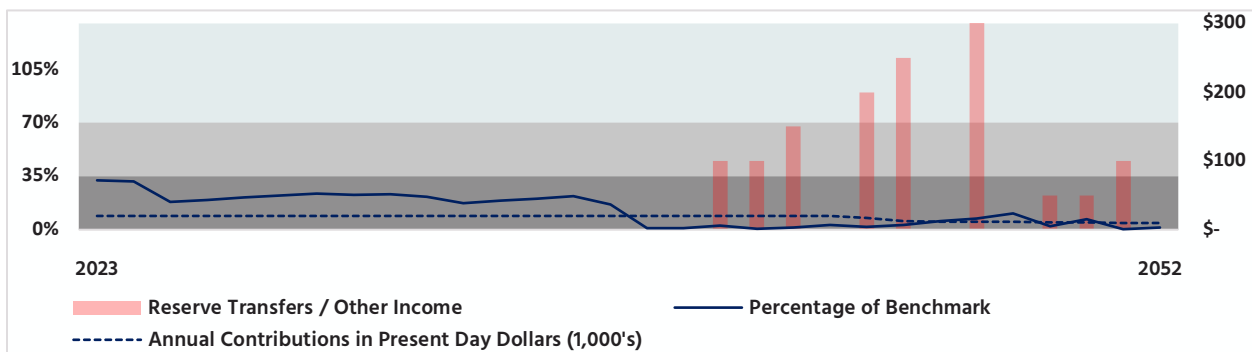


Figure 1: Adequacy Model, Ongoing Reserve Fund Balance as a Percentage of Full Funding



Table 1: Adequacy Analysis, Cash Flow Summary

Year	Opening Balance	Contribution Variance	Annual Contribution	Reserve Transfers / Other Income	Interest Income	Annual Expenditure	Closing Balance	Percentage of Benchmark
2023	191,246	3.50%	20,700	-	4,781	10,000	206,728	32%
2024	206,728	3.50%	21,425	-	5,168	7,499	225,822	32%
2025	225,822	3.50%	22,174	-	5,646	133,025	120,617	18%
2026	120,617	3.50%	22,950	-	3,015	2,295	144,288	20%
2027	144,288	3.50%	23,754	-	3,607	0	171,649	21%
2028	171,649	3.50%	24,585	-	4,291	0	200,525	22%
2029	200,525	3.50%	25,446	-	5,013	0	230,984	23%
2030	230,984	3.50%	26,336	-	5,775	23,703	239,392	23%
2031	239,392	3.50%	27,258	-	5,985	9,540	263,095	23%
2032	263,095	3.50%	28,212	-	6,577	42,318	255,566	22%
2033	255,566	3.50%	29,199	-	6,389	83,218	207,936	18%
2034	207,936	3.50%	30,221	-	5,198	0	243,356	19%
2035	243,356	3.50%	31,279	-	6,084	0	280,719	20%
2036	280,719	3.50%	32,374	-	7,018	0	320,111	22%
2037	320,111	3.50%	33,507	-	8,003	122,300	239,320	17%
2038	239,320	3.50%	34,680	-	5,983	268,768	11,215	1%
2039	11,215	3.50%	35,894	-	280	34,099	13,290	1%
2040	13,290	3.50%	37,150	100,000.00	332	117,486	33,286	3%
2041	33,286	3.50%	38,450	100,000.00	832	166,777	5,791	0%
2042	5,791	3.50%	39,796	150,000.00	145	181,568	14,163	1%
2043	14,163	3.50%	41,189	-	354	19,221	36,485	3%
2044	36,485	-12.61%	35,995	200,000.00	912	253,650	19,742	2%
2045	19,742	-23.77%	27,438	250,000.00	494	269,697	27,976	3%
2046	27,976	0.00%	27,438	-	699	0	56,114	6%
2047	56,114	0.00%	27,438	400,000.00	1,403	440,351	44,604	7%
2048	44,604	0.00%	27,438	-	1,115	0	73,157	10%
2049	73,157	0.00%	27,438	50,000.00	1,829	137,338	15,087	2%
2050	15,087	0.00%	27,438	50,000.00	377	47,163	45,739	7%
2051	45,739	0.00%	27,438	100,000.00	1,143	172,430	1,891	0%
2052	1,891	0.00%	27,438	-	47	19,648	9,729	2%

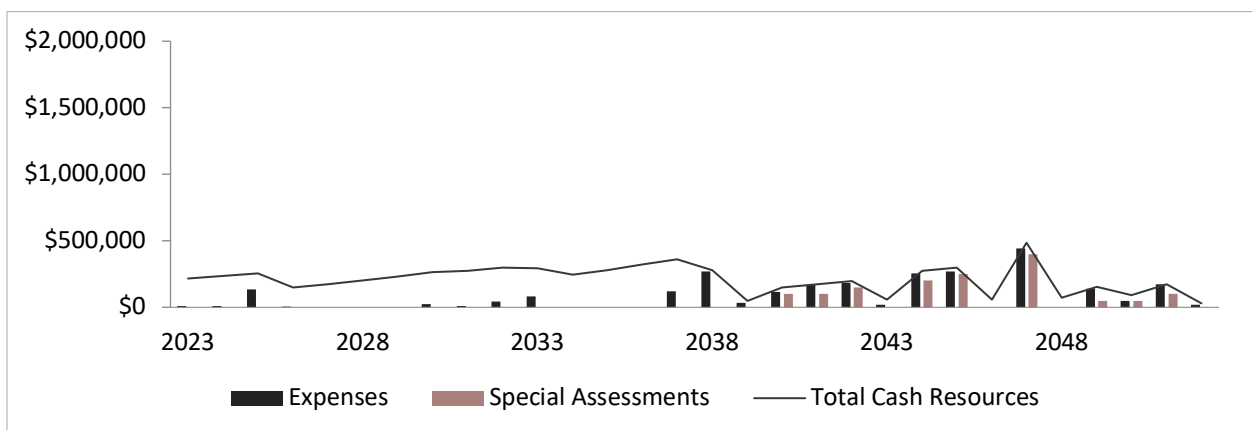


Figure 2: Funding Model 1, Cash Flow Analysis Graph.

# Funding Model 1

### FUNDING MODEL 1

Funding Model 1 indicates a scenario where a full funding position is achieved within the timeframe analysed. Refer to Funding Model 1 Detail for more information.

Minimum Closing Balance	<b>\$136,428</b>
Maximum Closing Balance	<b>\$1,306,883</b>
Minimum Percentage Funded	<b>21%</b>
Average Percentage Funded	<b>69%</b>
Maximum Percentage Funded	<b>100%</b>
<hr/>	
30-Year Cashflow Opening Balance	<b>\$191,246</b>
Total Annual Contributions	<b>\$2,506,142</b>
Reserve Transfers or Special Levies	<b>\$0</b>
Total Interest Income	<b>\$502,800</b>
Total Expenditures	<b>\$2,562,094</b>
<hr/>	
Closing Balance	<b>\$638,094</b>

Based on the predictions defined by Funding Model 1, the above recommended contributions result in a strong funding position for most (50%) of the period analysed. Over the 30-year time frame, contributions total approximately \$2.5 million with a final closing balance (Year 30) of approximately \$638 thousand. The reserve fund balance remains above \$136 thousand for the period analysed, and maintains a percentage funded greater than 21%.

The following figure indicates the ongoing balance of the reserve fund and the annual contributions for each year. The percentage of full funding indicates the ongoing health of the reserve fund over time. The dashed line on the figure indicates the annual contribution rates for each year in. This model carries a low level of risk of special assessments for the period analysed and appears to provide enough funds to provide for future expenses.

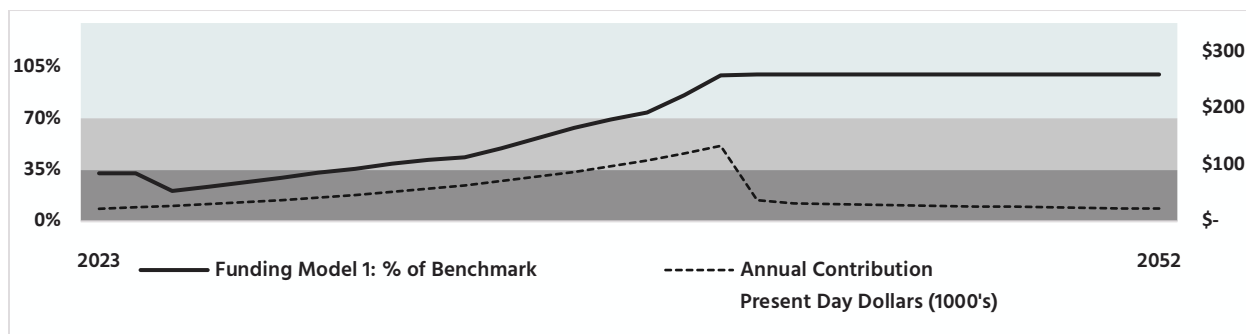


Figure 3: Funding Model 1, Ongoing Reserve Fund Balance as a Percentage of Full Funding

Table 2: Funding Model 1, Cash Flow Summary

Year	Opening Balance	Contribution Variance	Annual Contribution	Reserve Trnsfers / Other Income	Interest Income	Annual Expenditure	Closing Balance	Percentage of Benchmark
2023	191,246	15.00%	23,000	-	4,781	10,000	209,028	33%
2024	209,028	15.00%	26,450	-	5,226	7,499	233,205	33%
2025	233,205	15.00%	30,418	-	5,830	133,025	136,428	21%
2026	136,428	15.00%	34,980	-	3,411	2,295	172,524	23%
2027	172,524	15.00%	40,227	-	4,313	0	217,064	27%
2028	217,064	15.00%	46,261	-	5,427	0	268,752	30%
2029	268,752	15.00%	53,200	-	6,719	0	328,671	33%
2030	328,671	15.00%	61,180	-	8,217	23,703	374,365	36%
2031	374,365	15.00%	70,358	-	9,359	9,540	444,542	39%
2032	444,542	15.00%	80,911	-	11,114	42,318	494,249	42%
2033	494,249	15.00%	93,048	-	12,356	83,218	516,434	44%
2034	516,434	15.00%	107,005	-	12,911	0	636,350	50%
2035	636,350	15.00%	123,056	-	15,909	0	775,315	56%
2036	775,315	15.00%	141,514	-	19,383	0	936,212	64%
2037	936,212	15.00%	162,741	-	23,405	122,300	1,000,058	69%
2038	1,000,058	15.00%	187,152	-	25,001	268,768	943,444	74%
2039	943,444	15.00%	215,225	-	23,586	34,099	1,148,156	86%
2040	1,148,156	15.00%	247,509	-	28,704	117,486	1,306,883	99%
2041	1,306,883	-70.90%	72,029	-	32,672	166,777	1,244,807	100%
2042	1,244,807	-12.93%	62,716	-	31,120	181,568	1,157,075	100%
2043	1,157,075	0.00%	62,716	-	28,927	19,221	1,229,497	100%
2044	1,229,497	0.00%	62,716	-	30,737	253,650	1,069,300	100%
2045	1,069,300	0.00%	62,716	-	26,733	269,697	889,051	100%
2046	889,051	0.00%	62,716	-	22,226	0	973,994	100%
2047	973,994	0.00%	62,716	-	24,350	440,351	620,708	100%
2048	620,708	0.00%	62,716	-	15,518	0	698,942	100%
2049	698,942	0.00%	62,716	-	17,474	137,338	641,794	100%
2050	641,794	0.00%	62,716	-	16,045	47,163	673,392	100%
2051	673,392	0.00%	62,716	-	16,835	172,430	580,513	100%
2052	580,513	0.00%	62,716	-	14,513	19,648	638,094	100%

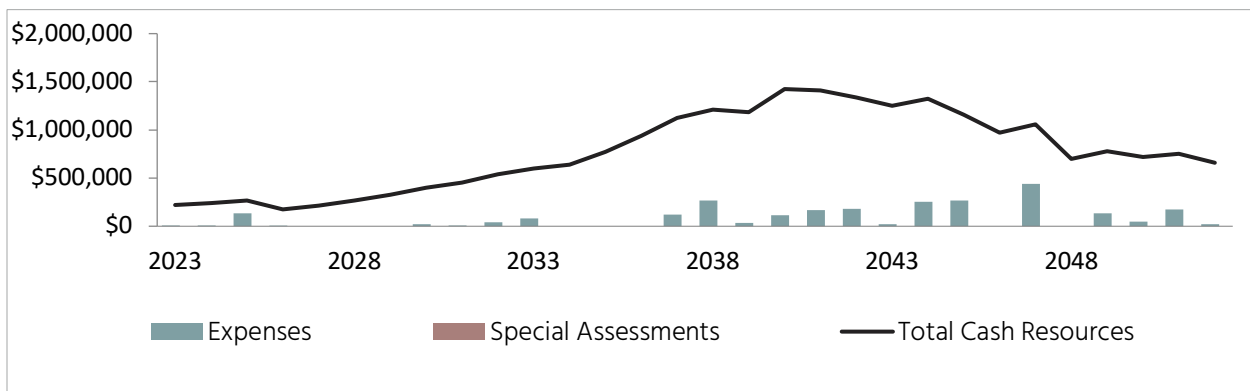


Figure 4: Funding Model 1, Cash Flow Analysis Graph.

# Funding Model 2

## FUNDING MODEL 2

Funding Model 2 indicates a scenario where an strong funding position is generally maintained within the timeframe analysed. Refer to Funding Model 2 Detail for more information.

Minimum Closing Balance	<b>\$130,669</b>
Maximum Closing Balance	<b>\$651,019</b>
Minimum Percentage Funded	<b>20%</b>
Average Percentage Funded	<b>41%</b>
Maximum Percentage Funded	<b>83%</b>
<hr/>	
30-Year Cashflow Opening Balance	<b>\$191,246</b>
Total Annual Contributions	<b>\$2,600,424</b>
Reserve Transfers or Special Levies	<b>\$0</b>
Total Interest Income	<b>\$299,612</b>
Total Expenditures	<b>\$2,562,094</b>
<hr/>	
Closing Balance	<b>\$529,188</b>

Based on the predictions defined by Funding Model 2, the above recommended contributions result in an adequate funding position for most (57%) of the period analysed. Over the 30-year time frame, contributions total approximately \$2.6 million with a final closing balance (Year 30) of approximately \$529 thousand. The reserve fund balance remains above approximately \$131 thousand for the period analysed, and maintains a percentage funded greater than 20%.

The following figure indicates the ongoing balance of the reserve fund and the annual contributions for each year. The percentage of full funding indicates the ongoing health of the reserve fund over time. The dashed line on the figure indicates the annual contribution rates for each year in. This model carries a average/low level of risk of special assessments for the period analysed and appears to provide enough funds to provide for future expenses.

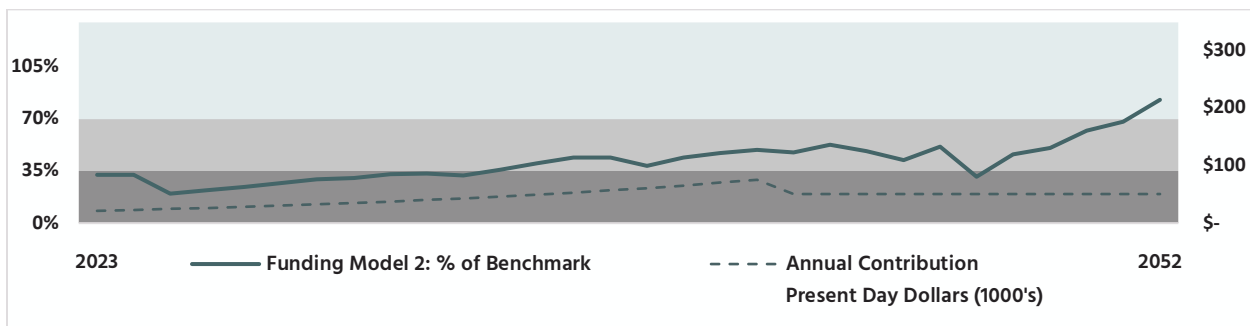


Figure 5: Funding Model 2, Ongoing Reserve Fund Balance as a Percentage of Full Funding



Table 3: Funding Model 2, Cash Flow Summary

Year	Opening Balance	Contribution Variance	Annual Contribution	Reserve Transfers / Other Income	Interest Income	Annual Expenditure	Closing Balance	Percentage of Benchmark
2023	191,246	11.00%	22,200	-	4,781	10,000	208,228	33%
2024	208,228	11.00%	24,642	-	5,206	7,499	230,577	32%
2025	230,577	11.00%	27,353	-	5,764	133,025	130,669	20%
2026	130,669	11.00%	30,361	-	3,267	2,295	162,002	22%
2027	162,002	11.00%	33,701	-	4,050	0	199,753	24%
2028	199,753	11.00%	37,408	-	4,994	0	242,156	27%
2029	242,156	11.00%	41,523	-	6,054	0	289,733	29%
2030	289,733	11.00%	46,091	-	7,243	23,703	319,364	30%
2031	319,364	11.00%	51,161	-	7,984	9,540	368,969	33%
2032	368,969	11.00%	56,788	-	9,224	42,318	392,663	33%
2033	392,663	11.00%	63,035	-	9,817	83,218	382,297	32%
2034	382,297	11.00%	69,969	-	9,557	0	461,823	36%
2035	461,823	11.00%	77,666	-	11,546	0	551,035	40%
2036	551,035	11.00%	86,209	-	13,776	0	651,019	44%
2037	651,019	11.00%	95,692	-	16,275	122,300	640,686	44%
2038	640,686	11.00%	106,218	-	16,017	268,768	494,153	39%
2039	494,153	11.00%	117,902	-	12,354	34,099	590,310	44%
2040	590,310	11.00%	130,871	-	14,758	117,486	618,453	47%
2041	618,453	11.00%	145,267	-	15,461	166,777	612,404	49%
2042	612,404	-30.00%	101,687	-	15,310	181,568	547,833	47%
2043	547,833	3.50%	105,246	-	13,696	19,221	647,553	53%
2044	647,553	3.50%	108,929	-	16,189	253,650	519,021	49%
2045	519,021	3.50%	112,742	-	12,976	269,697	375,041	42%
2046	375,041	3.50%	116,688	-	9,376	0	501,105	51%
2047	501,105	3.50%	120,772	-	12,528	440,351	194,054	31%
2048	194,054	3.50%	124,999	-	4,851	0	323,904	46%
2049	323,904	3.50%	129,374	-	8,098	137,338	324,038	50%
2050	324,038	3.50%	133,902	-	8,101	47,163	418,878	62%
2051	418,878	3.50%	138,589	-	10,472	172,430	395,509	68%
2052	395,509	3.50%	143,439	-	9,888	19,648	529,188	83%

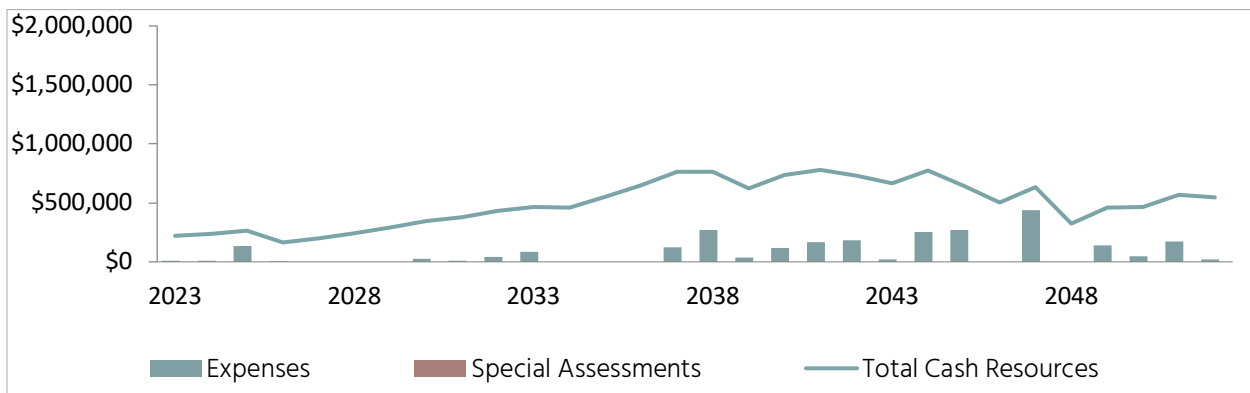


Figure 6: Funding Model 2, Cash Flow Analysis Graph.



# Funding Model 3

### FUNDING MODEL 3

Funding Model 3 indicates a threshold scenario where a minimum funding percentage is generally maintained within the timeframe analysed. 15% of the Reserve Fund Requirements of any given year is the target minimum percentage for this model. Refer to Funding Model 3 Detail for more information.

Minimum Closing Balance	<b>\$93,105</b>
Maximum Closing Balance	<b>\$548,900</b>
Minimum Percentage Funded	<b>15%</b>
Average Percentage Funded	<b>30%</b>
Maximum Percentage Funded	<b>49%</b>
<hr/>	
30-Year Cashflow Opening Balance	<b>\$191,246</b>
Total Annual Contributions	<b>\$2,466,261</b>
Reserve Transfers or Special Levies	<b>\$0</b>
Total Interest Income	<b>\$219,222</b>
Total Expenditures	<b>\$2,562,094</b>
<hr/>	
Closing Balance	<b>\$314,636</b>

Based on the predictions defined by Funding Model 3, the above recommended contributions result in a fair funding position for most (80%) of the period analysed. Over the 30-year time frame, contributions total approximately \$2.5 million with a final closing balance (Year 30) of approximately \$315 thousand. The reserve fund balance remains above \$93 thousand for the period analysed, and maintains a percentage funded greater than 15%.

The following figure indicates the ongoing balance of the reserve fund and the annual contributions for each year. The percentage of full funding indicates the ongoing health of the reserve fund over time. The dashed line on the figure indicates the annual contribution rates for each year in. This model carries an average/high level of risk of special assessments for the period analysed and appears to provide enough funds to provide for future expenses.

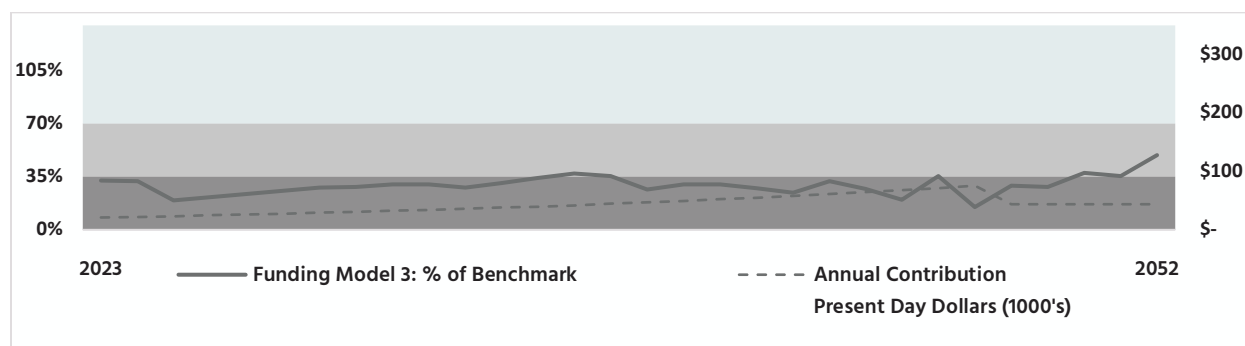


Figure 7: Funding Model 3, Ongoing Reserve Fund Balance as a Percentage of Full Funding

Table 4: Funding Model 3, Cash Flow Summary

Year	Opening Balance	Contribution Variance	Annual Contribution	Reserve Transfers / Other Income	Interest Income	Annual Expenditure	Closing Balance	Percentage of Benchmark
2023	191,246	9.15%	21,831	-	4,781	10,000	207,858	32%
2024	207,858	9.15%	23,829	-	5,196	7,499	229,385	32%
2025	229,385	9.15%	26,010	-	5,735	133,025	128,105	19%
2026	128,105	9.15%	28,390	-	3,203	2,295	157,403	21%
2027	157,403	9.15%	30,989	-	3,935	0	192,327	24%
2028	192,327	9.15%	33,825	-	4,808	0	230,961	26%
2029	230,961	9.15%	36,922	-	5,774	0	273,656	28%
2030	273,656	9.15%	40,301	-	6,841	23,703	297,096	28%
2031	297,096	9.15%	43,990	-	7,427	9,540	338,973	30%
2032	338,973	9.15%	48,016	-	8,474	42,318	353,145	30%
2033	353,145	9.15%	52,411	-	8,829	83,218	331,167	28%
2034	331,167	9.15%	57,208	-	8,279	0	396,654	31%
2035	396,654	9.15%	62,444	-	9,916	0	469,015	34%
2036	469,015	9.15%	68,160	-	11,725	0	548,900	37%
2037	548,900	9.15%	74,399	-	13,723	122,300	514,721	36%
2038	514,721	9.15%	81,208	-	12,868	268,768	340,030	27%
2039	340,030	9.15%	88,641	-	8,501	34,099	403,073	30%
2040	403,073	9.15%	96,755	-	10,077	117,486	392,418	30%
2041	392,418	9.15%	105,611	-	9,810	166,777	341,063	27%
2042	341,063	9.15%	115,277	-	8,527	181,568	283,298	24%
2043	283,298	9.15%	125,829	-	7,082	19,221	396,988	32%
2044	396,988	9.15%	137,346	-	9,925	253,650	290,609	27%
2045	290,609	9.15%	149,917	-	7,265	269,697	178,093	20%
2046	178,093	9.15%	163,639	-	4,452	0	346,185	36%
2047	346,185	9.15%	178,617	-	8,655	440,351	93,105	15%
2048	93,105	-40.00%	107,170	-	2,328	0	202,603	29%
2049	202,603	3.50%	110,921	-	5,065	137,338	181,251	28%
2050	181,251	3.50%	114,803	-	4,531	47,163	253,423	38%
2051	253,423	3.50%	118,821	-	6,336	172,430	206,150	36%
2052	206,150	3.50%	122,980	-	5,154	19,648	314,636	49%

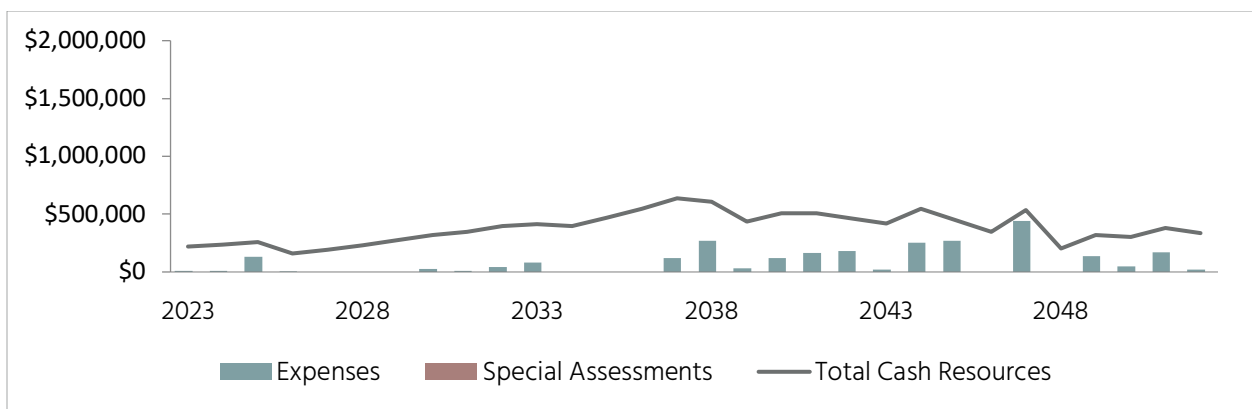


Figure 8: Funding Model 3, Cash Flow Analysis Graph.

## SCOPE OF WORK

### PHYSICAL INSPECTION

May 18, 2022

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**Inspection Date**

11°/8°, clear

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**Weather**

Jon MacDonald, CET, GSC, PQS

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**Inspector(s)**

None

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**Accompanied By**

The visual inspection was limited to what could be reasonably observed from the ground level in daylight conditions. The observation was cursory in nature and did not include destructive testing of any kind. The investigation was a focused effort to determine the effective age of the reserve components and should not be considered a technical audit or property condition assessment.

Samples of reserve components observed are taken to indicate the overall quality and condition of the components as a whole. It is assumed that all components were installed free of defects, that no unobservable degradation is present.

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**Scope and Limitations**

Access to the subject roof was not provided, observations were made from the ground level.

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**Roof Access**

Provided

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**Interior Access**

Provided

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**Restricted Access**

## **RESEARCH**

Examination of documents related to financial, economic, and individual elements of the subject were undertaken to support the findings within this report.

Documents made available for review include the following:

- Financial
- Legal
- Reports & Plans
- Minutes
- Communication with Board
- Municipal Data

## **COMPONENT DESCRIPTIONS AND LIFE-CYCLE ANALYSIS**

### **COMPONENTS SUMMARY**

The following table indicates the components analysed within this study and includes the estimated Current Replacement Cost, Life Expectancy, Effective Age, and Remaining Life of each component. This list includes components which are common property and the responsibility of the corporation, have a limited and predictable lifespan, have expenses which occur less frequently than annually, and meet the expense threshold defined for this report. The components within this analysis are arranged in accordance with ASTM E1557-09, Standard Classification of Building Elements and Related Sitework-UNIFORMAT II.

There are components which are not included in this analysis which are common property. Although these may not meet the criteria for analysis within this report, they remain the responsibility of the corporation. Consideration for additional contingency funds should be made for any common components that are not indicated in the following list.

**COMPONENTS INCLUDED IN ANALYSIS**

<b>Level 3 Heading</b>	<b>Included Component</b>	<b>Budget</b>	<b>Life Expectancy</b>	<b>Effective Age</b>	<b>Remaining Life</b>
B2010 Exterior Walls	Exterior Coatings	129,000	15	12	3
	Brick (M)	12,000	25	10	15
B2020 Exterior Windows	Aluminum Windows	347,000	35	19	16
B2030 Exterior Doors	Overhead Door	34,000	40	15	25
	Patio Sliders - Vinyl	18,000	35	25	10
	Exterior Doors	31,000	40	25	15
B3010 Roof Coverings	Soffit - Metal	55,000	40	30	10
	Gutters & Downspouts	61,000	35	12	23
	Composite Shingle	217,000	30	7	23
D5010 Electrical Service & Distribution	Electrical Service	28,000	50	30	20
D5020 Lighting and Branch Wiring	Exterior Power & Illumination	11,000	30	15	15
G2020 Parking Lots	Asphalt - Resurface	58,000	30	15	15
G2030 Pedestrian Paving	Concrete Pavers	59,000	40	20	20
G2040 Site Development	Wood Fence	18,000	20	12	8
	Wood Fence (M)	7,000	7	5	2
	Wood - Decks	38,000	25	10	15
	Wood - Decks (M)	2,000	7	3	4
G4020 Site Lighting	Outdoor Light Pole	12,000	30	20	10
		1,137,000			

(m) indicates maintenance

## **FOUR PART TEST AND CONTINGENCIES**

The component life-cycle analysis is integral to the creation of an accurate funding model. Examination of the subject by-laws along with provincial legislation indicate the building elements the association is responsible for. These building elements are then observed to ensure they meet the criteria for inclusion in the reserve analysis.

### **FOUR PART TEST**

A component must be common property or managed property, and its repair or replacement must be corporation responsibility. The responsibilities for maintenance, repair, and replacement of common area components for each the unit owners and the strata corporation are defined within the subject by-laws and legislation.

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#### **Common Property and Association Responsibilities**

A component must have a limited-service life within the context of the property; the expense must also be reasonable predictable.

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#### **Limited and Predictable Lifespan**

The expense must occur less frequently than annually.

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#### **Expense Frequency**

No expense less than \$5,000 was considered within this report.

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#### **Expense Threshold**

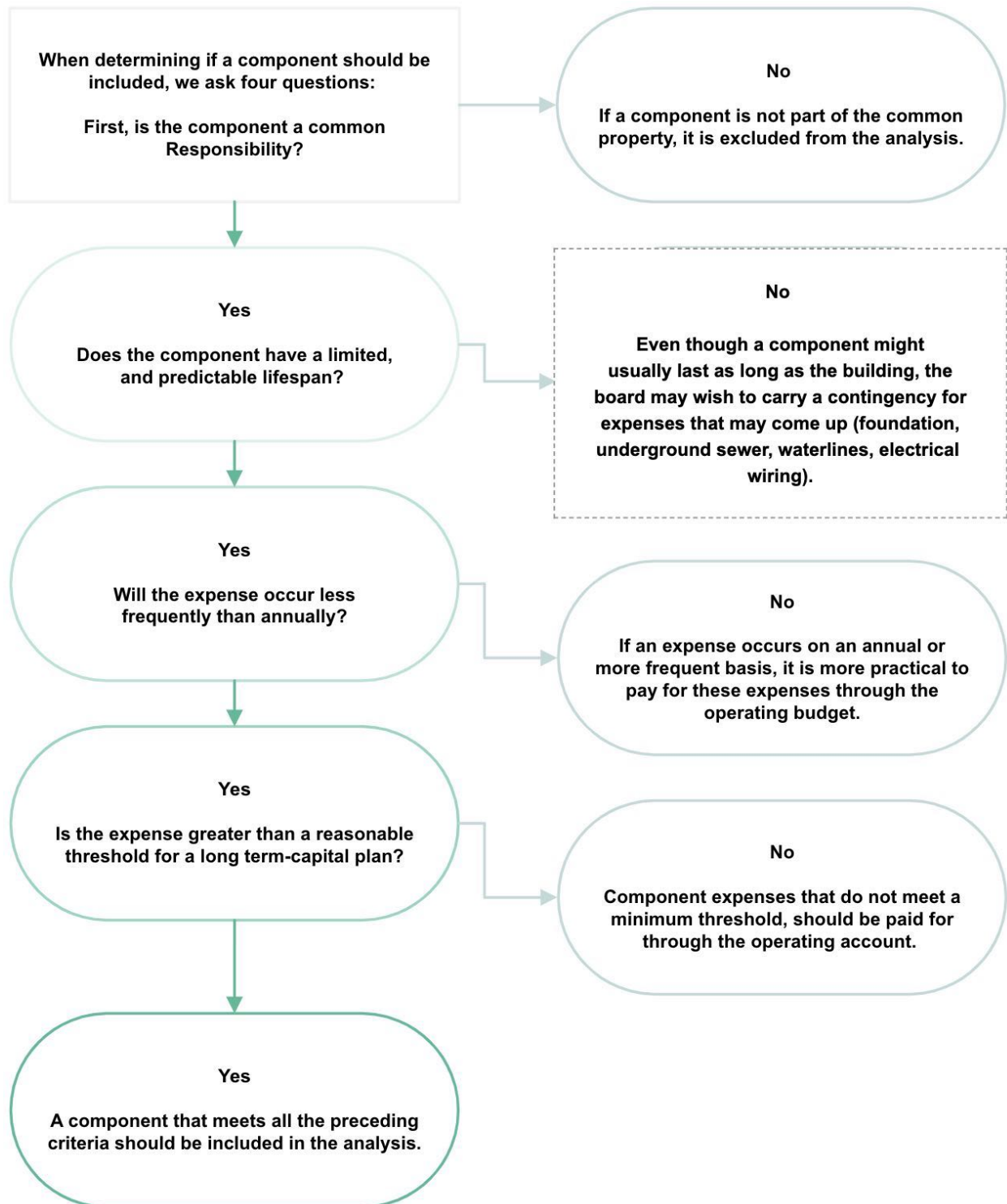
### **CONTINGENCIES**

**An organization should carefully consider carrying contingency funds for items that do not fall within the criteria established for inclusion within this Depreciation Report.**

**It is up to each board individually to determine if a contingency will be carried for unpredictable expenditures such as foundations, electrical wiring, waterlines, or underground sewer repairs.**



**FOUR PART TEST FLOWCHART**



### EXPENSE TIMING

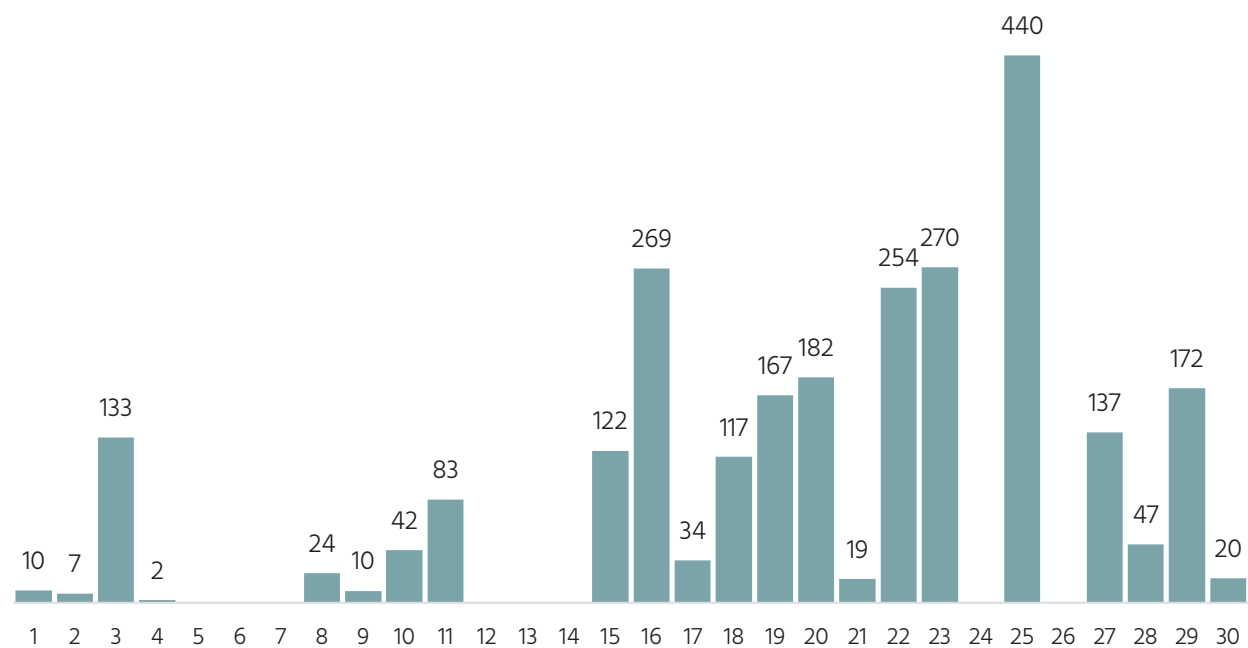
Each funding model is prepared using identical input expense data. They are based on the estimated life expectancy, effective age and inflation adjusted expenses of each component.

The estimated timing of expenses is shown for information only and is not a construction schedule. Expense timing is based on reasonable, published data while acknowledging local conditions. Components at the property may be subject to unknown effects or construction defects or other anomalies which may contribute to an early end to the useful life of each component. Conversely, expenses can occur later if deferred, or if the component over-performs.

It is up to the corporation and property stakeholders to determine when actual replacements and repairs should occur. The decision to replace, repair, defer maintenance or substitute materials is outside the scope of this report. Further professional advice and inspections should be considered as components approach the end of their useful life. This could include roof inspections, thermographic inspections, or consultation with specialized contractors.

In some cases, expenses are indicated on the cashflow in phases, or may occur in a year approximate to the remaining life. The purpose of either modification is to relieve pressure from peak years where a significant amount of expenses would otherwise be incurred. These modifications can contribute to a more stable contribution schedule.

### ESTIMATED INFLATION ADJUSTED ANNUAL EXPENDITURES (EXPRESSED IN THOUSANDS)



### FIVE-YEAR COMPONENT EXPENSE SUMMARY

A summary of expenses modeled to occur in the first five years are highlighted here. As mentioned in the previous section, it is up to the corporation and property stakeholders to determine when actual replacements and repairs should occur. The decision to replace, repair, defer maintenance or substitute materials is outside the scope of this report. Further professional advice and inspections should be considered as components approach the end of their useful life. This could include roof inspections, thermographic inspections, or consultation with specialized contractors.

Table 5: Five-Year Expense Summary (Maintenance is indicated with (m))

Payment Year	Component Name	Expense
1	Exterior Coatings	\$10,000
2	Wood Fence (M)	\$7,499
3	Exterior Coatings	\$133,025
4	Wood - Decks (M)	\$2,295
<b>Five Year Total</b>		<b>\$152,818</b>

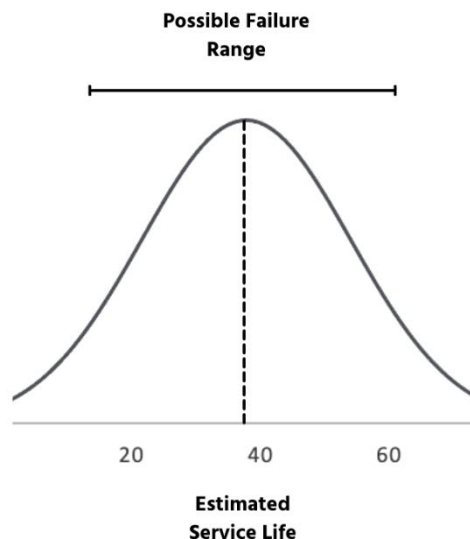
### RESERVE COMPONENTS AND LIFE-CYCLE ESTIMATES

The Effective Age assigned to each component should not be misinterpreted as the component’s Chronological Age. The effective age is defined on both objective and subjective elements and may not be equal to the Chronological Age. All life cycle estimates assume that the components were installed free of defects, and that there is no unobservable degradation present in the materials.

The service life of each component is derived from observed performance of similar properties, and published averages with local conditions taken into consideration. The effective age assigned is based on the observed condition of the component and any information provided (invoices, or engineering reports).

To reiterate information from the previous section, the service life of any given component may end at any time. Variables which are unobservable (e.g., construction quality, slow leak) or unpredictable (e.g., accelerated aggregate loss in asphalt roofing from hail damage) that can affect the service life in both positive and negative directions.

The preceding data and subsequent analysis can provide guidance for responsible planning and informed decision making. It is incumbent on the property stakeholders to regularly inspect and use sound judgement in the scheduling of actual reserve fund replacement or repair projects.



## **A SUBSTRUCTURE**

### **A10 - FOUNDATIONS**

#### **A1010 STANDARD FOUNDATIONS**

##### **Standard Foundations**

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Standard foundations are common property, but are considered to have a service life equal to the building. Reserve funds have not been allocated for the following elements related to the above, contingency funds may be considered by the board.

- Wall Foundations

#### **A1030 SLAB ON GRADE**

##### **Slab on Grade**

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Slab on grades are common property, but are considered to have a service life equal to the building. Reserve funds have not been allocated for the following elements related to the above, contingency funds may be considered by the board.

- Standard Slab on Grade
- Pits and Bases
- Foundation Drainage

### **A20 - BASEMENT CONSTRUCTION**

#### **A2020 BASEMENT WALLS**

##### **Basement Walls**

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Basement walls are common property, but are considered to have a service life equal to the building. Reserve funds have not been allocated for the following elements related to the above, contingency funds may be considered by the board.

- Basement Wall Construction
- Moisture Protection
- Basement Wall Insulation

## **B SHELL**

### **B10 - SUPERSTRUCTURE**

#### **B1020 ROOF CONSTRUCTION**

##### **Roof Construction**

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Components making up the roof construction are common property, but are considered to have a service life equal to the building. Reserve funds have not been allocated for the following elements related to the above, contingency funds may be considered by the board.

- Structural Frame

- Structural Interior Walls
- Roof Decks and Slabs

### **B1010 FLOOR CONSTRUCTION**

#### **Floor Construction**

Structural framing components are common property, but are considered to have a service life equal to the building. No reserve funds are allocated, contingency funds should be considered by the board.

- Structural Frame
- Structural Interior Walls
- Floor Decks and Slabs

### **B20 - EXTERIOR CLOSURE**

#### **B2010 EXTERIOR WALLS**

##### **Exterior Coatings**

Budget: \$129,000.00

Life Expectancy: 15

Effective Age: 12

Remaining Life: 3

Condition: Average



Cladding is the outer layer of the building envelope, with the highest exposure to environmental elements. It is intended to prevent the passage of air and water into the underlying assembly. Wood based systems require frequent painting to prevent water infiltration which can result in swelling, or other deformation of the materials.

Exterior coatings provide a shield between underlying materials, and the agents of degradation which can have a detrimental effect on those materials. Exterior coatings should be inspected on a regular basis with deficiencies corrected upon discovery between regular paint cycles. Special attention should be paid to south facing, or non-shaded areas.

The component should be inspected frequently for damage to the component materials or coatings. Deficiencies should be corrected upon discovery.

Examples of degradation include blistering, fading, loss of adhesion, cracking and peeling. Where installed over wood, or wood-based products, exterior coatings should be considered a high priority as they prevent premature failure of the underlying materials

Engineered wood siding makes up the majority of the cladding, and includes wood trims.

Some physical damage, warping, swelling and uncoated lower edge is observed, but was not typical. The paint was generally in acceptable condition. This with exception for the fascia, which appears to be nearing the end of its useful life.

Note that it is recommended that budget be allocated annually for maintenance of joint sealants.

### **Exterior Walls**

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Some exterior wall components are common property, but do not meet the criteria established for inclusion within this analysis.

The following elements are considered to have a service life equal to the building. No reserve funds are allocated, contingency funds should be considered by the board:

- Exterior Wall Backup Construction
- Insulation and Vapor Retarder
- Exterior Louvers and Screens

The following components should be inspected and maintained on an annual basis within the confines of the operating budget:

- Joint Sealants

### **Brick (M)**

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Budget: \$12,000.00

Life Expectancy: 25

Effective Age: 10

Remaining Life: 15

Condition: Average



When installed as a facing material, masonry is described as a veneer.

Masonry is a porous material, and although they can become wet, they dry out easily. Preventing moisture from migrating in to the interior materials is generally accomplished through a weather barrier, or drainage cavity.

The component should be inspected on a regular basis for damage that may cause materials to become un-attached, or where cracks may allow an excess of moisture to pass through wall. It is reasonable to expect the durability of the materials should be sufficient to last for the useful life of the building with regular and ongoing maintenance. Reserves allocated here are intended to provide for maintenance of the component of the mortar.

Brick veneer is installed on the front elevation of interior units at the basement level. In samples observed, no adverse degradation is apparent.

## B2020 EXTERIOR WINDOWS

### Aluminum Windows

Budget: \$347,000.00

Life Expectancy: 35

Effective Age: 19

Remaining Life: 16

Condition: Average



Dual-glazed windows are installed to provide light into the building, while preventing the passage of moisture or air. Sealed units also serve to reduce thermal losses by providing insulative qualities to the component.

Windows should be inspected regularly, and any deficiencies corrected upon discovery. Examples of defects include failure of sealed units, physical damage, caulking failure, poor operation and warping.

Aluminum frame windows with dual pane sealed units (some decorative inner grilles) are installed on each level. Window operation includes fixed and horizontal sliders.

The site representative indicates that sealed units are being replaced upon discovery. The effective age of the component has been reduced to acknowledge these repairs.

As the repairs are limited to replacement of the sealed glazing units, the replacement costs here are adjusted downward.

## B2030 EXTERIOR DOORS

### Exterior Doors

Budget: \$31,000.00

Life Expectancy: 40

Effective Age: 25

Remaining Life: 15

Condition: Average



Exterior doors are typically insulated, and coated to protect underlying materials. The perimeter of the doors have a weather stripping to prevent the passage of air or water into the building.

Metal clad raised panel, and solid wood doors including a viewing lite provide access to the front and rear of units where installed. Adverse degradation was not present in samples observed.

Note, that it is assumed that door hardware will be replaced within the confines of the operating budget; exterior coatings are provided for in "Exterior Coatings".



### Overhead Door

Budget: \$34,000.00  
Life Expectancy: 40  
Effective Age: 15  
Remaining Life: 25

Condition: Average

Overhead doors are constructed of hinged panels constructed of a variety of materials. Sectional overhead doors operate through manual or mechanical means.

No adverse degradation is apparent in samples observed. Reserve funds are not allocated for the operators, as they reside within the individual units.



### Patio Sliders - Vinyl

Budget: \$18,000.00  
Life Expectancy: 35  
Effective Age: 25  
Remaining Life: 10

Condition: Average

Dual-glazed vinyl patio sliders are installed to provide light, and pedestrian access into the building, while preventing the passage of moisture or air. Sealed units also serve to reduce thermal losses by providing insulative qualities to the component.

The doors should be inspected regularly, and any deficiencies corrected upon discovery. Examples of defects include failure of sealed units, physical damage, caulking failure, poor operation and warping.

Each outside unit includes sliding patio door.



## B30 - ROOFING

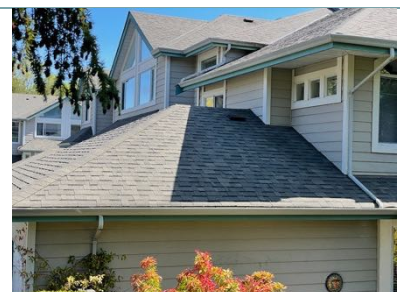
### B3010 ROOF COVERINGS

#### Composite Shingle

Budget: \$217,000.00  
Life Expectancy: 30  
Effective Age: 7  
Remaining Life: 23

Condition: Average

Composite shingles are installed to facilitate water movement away





from the building. Potential deterioration of asphalt shingled roofs includes granule loss, buckling or cracking, distortion, or missing materials. Blistering of the shingles can also occur caused by vaporization and expansion when the shingles are heated (e.g., poorly vented attic). Buckling of the shingles is another common form of deterioration caused by swelling and restraint of the shingle mat by the roofing nails.

Roofing should be inspected regularly to ensure the integrity of the building envelope is maintained. Deficiencies should be corrected upon discovery.

Documents indicate the roofing was replaced in 2015. The effective age has been reduced to acknowledge this replacement.

### **Gutters & Downspouts**

Budget: \$61,000.00

Life Expectancy: 35

Effective Age: 12

Remaining Life: 23

Condition: Average



Gutters are part of the rainwater system downstream of the roof which provides the means by which rainwater may be collected and directed away from the building surface and footprint. They should be regularly inspected to ensure that they remain free of debris so they may function as intended.

Downspouts are part of the rainwater system downstream of the gutter which provides the means by which rainwater may be directed away from the building.

Regular inspections should be undertaken to ensure that downspouts that become damaged are replaced quickly, and that the downspouts are directed such that the water is discharged while away from the building.

### **Roof Insulation and Fill**

Roof insulation and fill are common property, but are considered to have a service life equal to the building. No reserve funds are allocated, contingency funds should be considered by the board.

### **Soffit - Metal**

Budget: \$55,000.00

Life Expectancy: 40

Effective Age: 30

Remaining Life: 10

Condition: Average



Soffit is installed on the underside of horizontal surfaces providing

protection to the underlying materials. Vented soffit provides airflow required to prevent condensation and moisture buildup within building cavities.

Soffit should be inspected for loose, missing materials or damage, with deficiencies repaired upon discovery.

## **D SERVICES**

### **D20 - PLUMBING**

#### **D2020 DOMESTIC WATER DISTRIBUTION**

##### **Domestic Water Distribution**

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Some domestic water distribution components are common property, but are assumed to have a service life equal to the building. Reserve funds have not been allocated for the following elements related to the above, contingency funds may be considered by the board.

- Pipes and Fittings
- Valves and Hydrants
- Insulation and Identification

Leaks should be repaired upon discovery, and their locations recorded. It is recommended that samples of the domestic water distribution components be tested on a recurring basis. Ultrasonic testing, or destructive testing (cutting a sample) can be carried out and can provide additional information which is not discoverable through visual inspection.

Should it be discovered in the future that adverse degradation is present and replacement is required, the cashflows here will require adjustment.

#### **D2030 SANITARY WASTE**

##### **Sanitary Waste**

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Some components which make up the sanitary waste system are common property, but are considered to have a service life equal to the building. Reserve funds have not been allocated for the following elements related to the above, contingency funds may be considered by the board.

- Pipes and Fittings
- Waste Pipe and Fittings
- Vent Pipe and Fittings
- Floor Drains
- Sanitary and Vent Equipment
- Insulation and Identification

## D50 - ELECTRICAL

### D5010 ELECTRICAL SERVICE & DISTRIBUTION

#### Electrical Service

Budget: \$28,000.00

Life Expectancy: 50

Effective Age: 30

Remaining Life: 20

Condition: Average

The electrical distribution system includes a main disconnect, and house panels serving the common area components.

Much of the degradation that will occur over time will not necessarily be readily apparent under cursory observation. Thermographic inspections can expose otherwise concealed deficiencies like loose connections, corrosion, or over current conditions.

Electrical distribution includes two 600 amp service switches, and a 400 amp service housed in three maintenance areas. The main switches feed house subpanels, and individual unit meters.



### D5020 LIGHTING AND BRANCH WIRING

#### Branch Wiring

Some components which make up the branch wiring system may be common property, but are considered to have a service life equal to the building. Reserve funds have not been allocated for the following elements related to the above, contingency funds may be considered by the board.

#### Exterior Power & Illumination

Budget: \$11,000.00

Life Expectancy: 30

Effective Age: 15

Remaining Life: 15

Condition: Average

Electrical lighting will degrade over time, and is susceptible to environmental conditions. Water, UV and pollutants can degrade the fixture housings and connections.

Exterior lights are installed at each pedestrian access point. It is observed that some individuals have installed alternative fixtures. Where original fixtures are present, average condition is observed.



## **G BUILDING SITEWORK**

### **G20 - SITE IMPROVEMENTS**

#### **G2020 PARKING LOTS**

##### **Asphalt - Resurface**

Budget: \$58,000.00

Life Expectancy: 30

Effective Age: 15

Remaining Life: 15

Condition: Average



Asphalt pavement is subject to damage from substrate erosion; freeze thaw cycles, impacts, heat, chemicals (road salt) and wear and tear.

Regular maintenance of asphalt paving to fill large cracks, potholes or locations where standing water is present will help maximize the useful life of the component. If maintenance is not performed, the lot will likely not achieve the expected lifespan. Ongoing maintenance including crack filling and sealing should be undertaken on an annual basis to maximize the lifespan of the asphalt.

It should be noted that the costs allocated here are intended to provide for an overlay, not replacement of the entire system. If the base has deteriorated such that the subject is no longer a candidate for overlay, the replacement cost will increase.

Vehicles access the subject from Elk Lake Drive on the west side of the property. The lane extends throughout the project at the front side of the buildings, and includes parking and garage access. Asphalt curbs are observed, and an allowance for their upkeep included within this component.

The pavement observed was in good condition and appears to be well maintained. The effective age of the component is reduced to acknowledge this condition.

##### **Parking Lots**

Some components which make up the parking lots are common property but do not have a predictable service life.

- Bases and Subbases

The following elements are not expected to meet the expense threshold for this report, and are recommended and assumed to be repaired on an as-needed basis:

- Marking and Signage

### G2030 PEDESTRIAN PAVING

#### Concrete Pavers

Budget: \$59,000.00

Life Expectancy: 40

Effective Age: 20

Remaining Life: 20

Condition: Average

Concrete is subject to damage from substrate erosion; freeze thaw cycles, impacts and wear and tear. Salt damage can also accelerate deterioration, using salt for ice control should be avoided.

Concrete pavers are installed at front and rear access points.



### G2040 SITE DEVELOPMENT

#### Wood - Decks

Budget: \$38,000.00

Life Expectancy: 25

Effective Age: 10

Remaining Life: 15

Condition: Average

Wood decks deteriorate and will degrade from exposure to outdoor elements such as water and sun. Moisture will cause the wood to expand and contract when it dries, potentially causing warping, cracking, and splitting. Should the wood stay wet for long periods it has the potential to develop rot. Ongoing maintenance and inspections should be undertaken to ensure the wood decks reach their maximum lifespan.

Wood decks are installed at the rear of building D. The decks appeared to be in average condition.



#### Wood - Decks (M)

Budget: \$2,000.00

Life Expectancy: 7

Effective Age: 3

Remaining Life: 4

Condition: Average

In order for wood decks to reach their maximum lifespan, ongoing maintenance should be performed. Reserves allocated here are intended to provide for painting or sealing the decks to prevent moisture infiltration.

### **Wood Fence**

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Budget: \$18,000.00

Life Expectancy: 20

Effective Age: 12

Remaining Life: 8

Condition: Average



Wood fencing will degrade from exposure to outdoor elements such as water and sun. Moisture will cause the wood to expand and contract when it dries, potentially causing warping, cracking, and splitting. Should the wood stay wet for long periods it has the potential to develop rot. Ongoing maintenance and inspections should be undertaken to ensure the wood fences reach their maximum lifespan.

Some repairs were made to the fencing in 2014/16. Where observed the fence is in fair condition.

### **Wood Fence (M)**

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Budget: \$7,000.00

Life Expectancy: 7

Effective Age: 5

Remaining Life: 2

Condition: Average

In order for wood fencing to reach their maximum lifespan, ongoing maintenance should be performed. Reserves allocated here are intended to provide for painting or sealing the fencing to prevent moisture infiltration.

### **G2050 LANDSCAPING**

#### **Landscaping**

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Landscaping components are common property, but do not meet the criteria established for inclusion within this analysis. Landscaping elements are assumed to be maintained within the confines of the operating budget on an annual basis.

- Fine Grading and Soil Preparation
- Erosion Control Measures
- Topsoil and Planting Beds
- Seeding, Sprigging, and Sodding
- Plantings
- Planters
- Irrigation



## **G30 - SITE CIVIL / MECHANICAL UTILITIES**

### **G3010 WATER SUPPLY**

#### **Water Supply**

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Potable water distribution may be common property, but is considered to have a service life equal to the building. No reserve funds are allocated, contingency funds should be considered by the board.

- Potable Water Distribution
- Non-Potable Water Distribution

### **G3020 SANITARY SEWER**

#### **Sanitary Sewer**

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Sanitary sewer system components are common property, but are considered to have a service life equal to the building. No reserve funds are allocated, contingency funds should be considered by the board.

- Sanitary Sewer Piping
- Sanitary Sewer Manholes and Cleanouts

### **G3060 FUEL DISTRIBUTION**

#### **Fuel Distribution**

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Some fuel distribution components may be common property, but are considered to have a service life equal to the building. No reserve funds are allocated, contingency funds should be considered by the board.

- Gas Distribution Piping

## **G40 - ELECTRICAL UTILITIES**

### **G4020 SITE LIGHTING**

#### **Outdoor Light Pole**

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Budget: \$12,000.00

Life Expectancy: 30

Effective Age: 20

Remaining Life: 10

Condition: Average

Illumination of parking areas is made up of pole mounted fixtures on metal standards founded on concrete piles.



No Adverse degradation is apparent in samples observed; as they were viewed in daylight hours, operation is assumed.



**G4010 ELECTRICAL DISTRIBUTION**

**Electrical Distribution**

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Some electrical distribution components may be common property, but are considered to have a service life equal to the building. No reserve funds are allocated, contingency funds should be considered by the board.

- Underground Electric Conductors
- Grounding Systems
- Metering



## CERTIFICATION

We certify that, to the best of our knowledge and belief that:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal impartial and unbiased professional analyses, opinions and conclusions;
- We have no past, present or prospective interest in the property that is the subject of this report and no personal interest and/or professional interest or conflict with respect to the parties involved;
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- Our engagement in and compensation for this assignment is not contingent upon developing or reporting predetermined results;
- Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with Depreciation Report standards published by the Real Estate Institute of Canada and complies with the Strata Property Act, and Regulation, provincial legislation, and in conformity with CUSPAP;
- Except as herein disclosed, no one provided significant professional assistance to the person(s) signing this report;
- The undersigned are all members in good standing of the Appraisal Institute of Canada;
- As of the date of this report the undersigned have fulfilled the requirements of The AIC's Continuing Professional Development Program;
- The undersigned have the knowledge, and experience to complete the assignment competently. Cassidy MacDonald and Jon MacDonald possess qualifications meet the legislated requirements for Depreciation Report Providers;
- The undersigned hold Errors and Omission Insurance through Trisura Guarantee Insurance Company.

Respectfully submitted,



Cassidy MacDonald, AACI, P. App, CRP, BBE



Jon MacDonald, CET, GSC, PQS  
Candidate Member of the AIC

## KEY TEAM MEMBERS

### Cassidy MacDonald, AACI, P.App., CRP, BBE



Cassidy completed her Bachelor of Applied Business and Entrepreneurship degree at Mount Royal University. In 2014 she completed the Post-Graduate Certificate in Real Property Valuation (PGCV) program at the University of British Columbia and has since earned her AACI, P.App. designation with the Appraisal Institute of Canada. Cassidy provides fee appraisal services for a variety of commercial, industrial, and residential properties. Cassidy is also a Certified Reserve Planner (CRP) through the Real Estate Institute of Canada and has been providing reserve fund planning for condominium & strata corporations since 2010.



### Jon MacDonald, CET, GSC, CEC, Candidate Member of the AIC



Jon is a Certified Engineering Technologist (C.E.T.), with the Association of Science and Engineering Technologists of Alberta (ASET) a Candidate with AIC, and a Gold Seal Certified Estimator (CCA) and a Professional Quantity Surveyor (PQS).

He has worked with a range of condo, strata, non-profit and private commercial clients throughout Western Canada. A valuable part of the team, Jon is an experienced construction manager and brings real construction and technical expertise to the team.



The Association of Science & Engineering Technology Professionals of Alberta

## **ASSUMPTIONS, LIMITING CONDITIONS, DISCLAIMERS AND LIMITATIONS OF LIABILITY**

The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice (“CUSPAP”) and the following conditions:

1. This report is prepared only for the client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
3. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property’s owner or identifying the property owned by the listed client and/or applicant provided by the author is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
4. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the author. Any information provided by the author is for informational purposes only and any reliance is unreasonable. Any information provided by the author does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.

6. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to adequate time to review the report and related data, and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The author is not qualified to comment on detrimental environmental, chemical or biological conditions that may affect the subject property, including but not limited to pollution or contamination of land, buildings, water, groundwater or air which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.
10. The term “inspection” refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes as outlined in the scope of work for this assignment.
11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction,

workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.

12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the author's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.
13. The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the intended use.
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## GLOSSARY

For clarity the following terminology is used in this report and is based on definitions provided by the Institute of Real Estate Studies.

<b>ANNUAL RESERVE ASSESSMENT</b>	Amount required to be paid into the reserve fund annually and to be invested at the projected interest rate to fund the future reserve requirements.
<b>BENCHMARK ANALYSIS</b>	The definition of an optimal funding position whereby the current state of the reserve fund can be compared to optimal funding, and future annual assessments can be determined.
<b>CHRONOLOGICAL AGE</b>	The actual age of a component, based only on chronology, not condition.
<b>CURRENT REPLACEMENT COST ESTIMATES</b>	Costs of major repairs or replacements of various reserve components estimated on the basis of current prices, construction practices, physical inventory, and local conditions.
<b>CURRENT RESERVE FUND REQUIREMENTS</b>	Reserve funds required to be deposited today based on the calculations in accordance with the effective age of each reserve component.
<b>EFFECTIVE AGE</b>	The age of a component as a function of its condition and expected remaining life.
<b>ESTIMATED ACCRUED DEPRECIATION</b>	The estimated accrued depreciation of a component is the estimated value of the component depreciation accumulated at some point in time (usually the effective date of this report) from the point of acquisition. The contributing variables include the Current Replacement Cost, Effective Age and Life Expectancy of any given component.
<b>FUTURE REPLACEMENT COST ESTIMATES</b>	Cost estimates of major repairs and replacements at the end of the individual remaining life spans of the building components.
<b>FUTURE RESERVE FUND ACCUMULATIONS</b>	Current Reserve Requirements invested over the remaining life spans of the various reserve components.
<b>INFLATION FACTORS</b>	Long-term, average rate calculated to project cost estimates.
<b>INTEREST RATES</b>	Based on the analysis of long-term trends.



<b>LIFE CYCLE ANALYSIS</b>	The life cycle of a building component must be determined in order to properly time capital expenditures with the component's normal life span.
<b>LIFE EXPECTANCY (COMPONENT)</b>	The assumed life span of a reserve component based on industry statistics, data and experience.
<b>REMAINING LIFE</b>	Calculated by deducting the component effective age from the component life expectancy.
<b>REPLACEMENT/REPAIR COST</b>	The current estimated cost of replacing or repairing a reserve component.
<b>RESERVE COMPONENT</b>	Building improvements, which require major repairs or replacements over the life span of the project. A component must meet the criteria defined in this report to be considered relevant to the Depreciation Report.
<b>RESERVE FUND</b>	A collection of funds intended for capital expenditures meeting specific criteria, invested to ensure that time value of invested funds can be exploited.
<b>RESERVE FUND BALANCE</b>	The amount of funds put aside for the repair and replacement of Reserve Components as of the effective date of the Depreciation Report, or date declared by the organization.
<b>RESERVE FUND CONTRIBUTIONS</b>	Annual contributions to the reserve fund.
<b>RESERVE FUND DEFICIENCY</b>	The difference between the fully funded position defined in the Benchmark Analysis, and the actual reserve fund balance.
<b>TIME VALUE OF MONEY</b>	Concept in which confirms today's invested dollar is worth more than a dollar in the future because a dollar invested today will earn interest over time.



## **APPENDIX**

APPENDIX A: FUNDING MODEL 1 CASHFLOW DETAIL.....	A
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**APPENDIX A: FUNDING MODEL 1 CASHFLOW DETAIL**

# 30 Year Cash Flow, Model 1

Willowdale Court  
 4619 Elk Lake Drive  
 Victoria  
 Plan No. VIS2934

	2023	2024	2025	2026	2027	2028
<b>Opening Balance</b>	<b>191,246</b>	<b>209,028</b>	<b>233,205</b>	<b>136,428</b>	<b>172,524</b>	<b>217,064</b>
Contribution Change from Previous Year	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Annual Contribution	23,000	26,450	30,418	34,980	40,227	46,261
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	4,781	5,226	5,830	3,411	4,313	5,427
Total Expenditures	-10,000	-7,499	-133,025	-2,295	-	-
<b>Closing Balance</b>	<b>209,028</b>	<b>233,205</b>	<b>136,428</b>	<b>172,524</b>	<b>217,064</b>	<b>268,752</b>
<b>Percentage of Benchmark</b>	<b>33%</b>	<b>33%</b>	<b>21%</b>	<b>23%</b>	<b>27%</b>	<b>30%</b>

<b>Budgeted Expense Detail</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>
Exterior Coatings	10,000		133,025			
Brick (M)						
Aluminum Windows						
Overhead Door						
Patio Sliders - Vinyl						
Exterior Doors						
Soffit - Metal						
Gutters & Downspouts						
Composite Shingle						
Electrical Service						
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers						
Wood Fence						
Wood Fence (M)		7,499				
Wood - Decks						
Wood - Decks (M)				2,295		
Outdoor Light Pole						

# 30 Year Cash Flow, Model 1

Willowdale Court  
 4619 Elk Lake Drive  
 Victoria  
 Plan No. VIS2934

	2029	2030	2031	2032	2033	2034
<b>Opening Balance</b>	<b>268,752</b>	<b>328,671</b>	<b>374,365</b>	<b>444,542</b>	<b>494,249</b>	<b>516,434</b>
Contribution Change from Previous Year	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Annual Contribution	53,200	61,180	70,358	80,911	93,048	107,005
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	6,719	8,217	9,359	11,114	12,356	12,911
Total Expenditures	-	-23,703	-9,540	-42,318	-83,218	-
<b>Closing Balance</b>	<b>328,671</b>	<b>374,365</b>	<b>444,542</b>	<b>494,249</b>	<b>516,434</b>	<b>636,350</b>
<b>Percentage of Benchmark</b>	<b>33%</b>	<b>36%</b>	<b>39%</b>	<b>42%</b>	<b>44%</b>	<b>50%</b>

<b>Budgeted Expense Detail</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>	<b>Year 11</b>	<b>Year 12</b>
Exterior Coatings						
Brick (M)						
Aluminum Windows						
Overhead Door						
Patio Sliders - Vinyl				25,391		
Exterior Doors						
Soffit - Metal					80,298	
Gutters & Downspouts						
Composite Shingle						
Electrical Service						
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers						
Wood Fence		23,703				
Wood Fence (M)			9,540			
Wood - Decks						
Wood - Decks (M)					2,920	
Outdoor Light Pole				16,927		

# 30 Year Cash Flow, Model 1

Willowdale Court  
 4619 Elk Lake Drive  
 Victoria  
 Plan No. VIS2934

	2035	2036	2037	2038	2039	2040
<b>Opening Balance</b>	<b>636,350</b>	<b>775,315</b>	<b>936,212</b>	<b>1,000,058</b>	<b>943,444</b>	<b>1,148,156</b>
Contribution Change from Previous Year	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Annual Contribution	123,056	141,514	162,741	187,152	215,225	247,509
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	15,909	19,383	23,405	25,001	23,586	28,704
Total Expenditures	-	-	-122,300	-268,768	-34,099	-117,486
<b>Closing Balance</b>	<b>775,315</b>	<b>936,212</b>	<b>1,000,058</b>	<b>943,444</b>	<b>1,148,156</b>	<b>1,306,883</b>
<b>Percentage of Benchmark</b>	<b>56%</b>	<b>64%</b>	<b>69%</b>	<b>74%</b>	<b>86%</b>	<b>99%</b>

<b>Budgeted Expense Detail</b>	<b>Year 13</b>	<b>Year 14</b>	<b>Year 15</b>	<b>Year 16</b>	<b>Year 17</b>	<b>Year 18</b>
Exterior Coatings				55,921		59,904
Brick (M)			20,104			
Aluminum Windows				150,423		
Overhead Door						
Patio Sliders - Vinyl						
Exterior Doors			51,936			
Soffit - Metal						
Gutters & Downspouts						
Composite Shingle						
Electrical Service						
Exterior Power & Illumination			18,429			
Asphalt - Resurface Concrete				50,286		53,867
Pavers						
Wood Fence						
Wood Fence (M)				12,138		
Wood - Decks			31,832		34,099	
Wood - Decks (M)						3,715
Outdoor Light Pole						

# 30 Year Cash Flow, Model 1

Willowdale Court  
 4619 Elk Lake Drive  
 Victoria  
 Plan No. VIS2934

	2041	2042	2043	2044	2045	2046
<b>Opening Balance</b>	<b>1,306,883</b>	<b>1,244,807</b>	<b>1,157,075</b>	<b>1,229,497</b>	<b>1,069,300</b>	<b>889,051</b>
Contribution Change from Previous Year	-70.90%	-12.93%	0.00%	0.00%	0.00%	0.00%
Annual Contribution	72,029	62,716	62,716	62,716	62,716	62,716
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	32,672	31,120	28,927	30,737	26,733	22,226
Total Expenditures	-166,777	-181,568	-19,221	-253,650	-269,697	-
<b>Closing Balance</b>	<b>1,244,807</b>	<b>1,157,075</b>	<b>1,229,497</b>	<b>1,069,300</b>	<b>889,051</b>	<b>973,994</b>
<b>Percentage of Benchmark</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Budgeted Expense Detail</b>	<b>Year 19</b>	<b>Year 20</b>	<b>Year 21</b>	<b>Year 22</b>	<b>Year 23</b>	<b>Year 24</b>
Exterior Coatings		64,171		68,741		
Brick (M)						
Aluminum Windows	166,777			184,909		
Overhead Door						
Patio Sliders - Vinyl						
Exterior Doors						
Soffit - Metal						
Gutters & Downspouts					134,573	
Composite Shingle					119,682	
Electrical Service			19,221			
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers		117,398				
Wood Fence						
Wood Fence (M)					15,443	
Wood - Decks						
Wood - Decks (M)						
Outdoor Light Pole						

# 30 Year Cash Flow, Model 1

Willowdale Court  
 4619 Elk Lake Drive  
 Victoria  
 Plan No. VIS2934

	2047	2048	2049	2050	2051	2052
<b>Opening Balance</b>	<b>973,994</b>	<b>620,708</b>	<b>698,942</b>	<b>641,794</b>	<b>673,392</b>	<b>580,513</b>
Contribution Change from Previous Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Annual Contribution	62,716	62,716	62,716	62,716	62,716	62,716
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	24,350	15,518	17,474	16,045	16,835	14,513
Total Expenditures	-440,351	-	-137,338	-47,163	-172,430	-19,648
<b>Closing Balance</b>	<b>620,708</b>	<b>698,942</b>	<b>641,794</b>	<b>673,392</b>	<b>580,513</b>	<b>638,094</b>
<b>Percentage of Benchmark</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Budgeted Expense Detail</b>	<b>Year 25</b>	<b>Year 26</b>	<b>Year 27</b>	<b>Year 28</b>	<b>Year 29</b>	<b>Year 30</b>
Exterior Coatings						
Brick (M)						
Aluminum Windows	205,012					
Overhead Door	80,350					
Patio Sliders - Vinyl						
Exterior Doors						
Soffit - Metal						
Gutters & Downspouts						
Composite Shingle	128,206		137,338		147,119	
Electrical Service	22,057				25,311	
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers						
Wood Fence				47,163		
Wood Fence (M)						19,648
Wood - Decks						
Wood - Decks (M)	4,726					
Outdoor Light Pole						



## **APPENDIX B: FUNDING MODEL 2 CASHFLOW DETAIL**

## 30 Year Cash Flow, Model 2

Willowdale Court  
4619 Elk Lake Drive  
Victoria  
Plan No. VIS2934

	2023	2024	2025	2026	2027	2028
<b>Opening Balance</b>	<b>191,246</b>	<b>208,228</b>	<b>230,577</b>	<b>130,669</b>	<b>162,002</b>	<b>199,753</b>
Contribution Change from Previous Year	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%
Annual Contribution	22,200	24,642	27,353	30,361	33,701	37,408
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	4,781	5,206	5,764	3,267	4,050	4,994
Total Expenditures	-10,000	-7,499	-133,025	-2,295	-	-
<b>Closing Balance</b>	<b>208,228</b>	<b>230,577</b>	<b>130,669</b>	<b>162,002</b>	<b>199,753</b>	<b>242,156</b>
<b>Percentage of Benchmark</b>	<b>30%</b>	<b>30%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>30%</b>

<b>Budgeted Expense Detail</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>
Exterior Coatings	10,000		133,025			
Brick (M)						
Aluminum Windows						
Overhead Door						
Patio Sliders - Vinyl						
Exterior Doors						
Soffit - Metal						
Gutters & Downspouts						
Composite Shingle						
Electrical Service						
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers						
Wood Fence						
Wood Fence (M)		7,499				
Wood - Decks						
Wood - Decks (M)				2,295		
Outdoor Light Pole						



## 30 Year Cash Flow, Model 2

Willowdale Court  
4619 Elk Lake Drive  
Victoria  
Plan No. VIS2934

	2029	2030	2031	2032	2033	2034
<b>Opening Balance</b>	<b>242,156</b>	<b>289,733</b>	<b>319,364</b>	<b>368,969</b>	<b>392,663</b>	<b>382,297</b>
Contribution Change from Previous Year	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%
Annual Contribution	41,523	46,091	51,161	56,788	63,035	69,969
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	6,054	7,243	7,984	9,224	9,817	9,557
Total Expenditures	-	-23,703	-9,540	-42,318	-83,218	-
<b>Closing Balance</b>	<b>289,733</b>	<b>319,364</b>	<b>368,969</b>	<b>392,663</b>	<b>382,297</b>	<b>461,823</b>
<b>Percentage of Benchmark</b>	<b>30%</b>	<b>30%</b>	<b>30%</b>	<b>30%</b>	<b>30%</b>	<b>40%</b>

<b>Budgeted Expense Detail</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>	<b>Year 11</b>	<b>Year 12</b>
Exterior Coatings						
Brick (M)						
Aluminum Windows						
Overhead Door						
Patio Sliders - Vinyl				25,391		
Exterior Doors						
Soffit - Metal					80,298	
Gutters & Downspouts						
Composite Shingle						
Electrical Service						
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers						
Wood Fence		23,703				
Wood Fence (M)			9,540			
Wood - Decks						
Wood - Decks (M)					2,920	
Outdoor Light Pole				16,927		

## 30 Year Cash Flow, Model 2

Willowdale Court  
4619 Elk Lake Drive  
Victoria  
Plan No. VIS2934

	2035	2036	2037	2038	2039	2040
<b>Opening Balance</b>	<b>461,823</b>	<b>551,035</b>	<b>651,019</b>	<b>640,686</b>	<b>494,153</b>	<b>590,310</b>
Contribution Change from Previous Year	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%
Annual Contribution	77,666	86,209	95,692	106,218	117,902	130,871
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	11,546	13,776	16,275	16,017	12,354	14,758
Total Expenditures	-	-	-122,300	-268,768	-34,099	-117,486
<b>Closing Balance</b>	<b>551,035</b>	<b>651,019</b>	<b>640,686</b>	<b>494,153</b>	<b>590,310</b>	<b>618,453</b>
<b>Percentage of Benchmark</b>	<b>40%</b>	<b>40%</b>	<b>40%</b>	<b>40%</b>	<b>40%</b>	<b>50%</b>

<b>Budgeted Expense Detail</b>	<b>Year 13</b>	<b>Year 14</b>	<b>Year 15</b>	<b>Year 16</b>	<b>Year 17</b>	<b>Year 18</b>
Exterior Coatings				55,921		59,904
Brick (M)			20,104			
Aluminum Windows				150,423		
Overhead Door						
Patio Sliders - Vinyl						
Exterior Doors			51,936			
Soffit - Metal						
Gutters & Downspouts						
Composite Shingle						
Electrical Service						
Exterior Power & Illumination			18,429			
Asphalt - Resurface Concrete				50,286		53,867
Pavers						
Wood Fence						
Wood Fence (M)				12,138		
Wood - Decks			31,832		34,099	
Wood - Decks (M)						3,715
Outdoor Light Pole						

## 30 Year Cash Flow, Model 2

Willowdale Court  
 4619 Elk Lake Drive  
 Victoria  
 Plan No. VIS2934

	2041	2042	2043	2044	2045	2046
<b>Opening Balance</b>	<b>618,453</b>	<b>612,404</b>	<b>547,833</b>	<b>647,553</b>	<b>519,021</b>	<b>375,041</b>
Contribution Change from Previous Year	11.00%	-30.00%	3.50%	3.50%	3.50%	3.50%
Annual Contribution	145,267	101,687	105,246	108,929	112,742	116,688
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	15,461	15,310	13,696	16,189	12,976	9,376
Total Expenditures	-166,777	-181,568	-19,221	-253,650	-269,697	-
<b>Closing Balance</b>	<b>612,404</b>	<b>547,833</b>	<b>647,553</b>	<b>519,021</b>	<b>375,041</b>	<b>501,105</b>
<b>Percentage of Benchmark</b>	<b>50%</b>	<b>50%</b>	<b>50%</b>	<b>50%</b>	<b>40%</b>	<b>50%</b>

<b>Budgeted Expense Detail</b>	<b>Year 19</b>	<b>Year 20</b>	<b>Year 21</b>	<b>Year 22</b>	<b>Year 23</b>	<b>Year 24</b>
Exterior Coatings		64,171		68,741		
Brick (M)						
Aluminum Windows	166,777			184,909		
Overhead Door						
Patio Sliders - Vinyl						
Exterior Doors						
Soffit - Metal						
Gutters & Downspouts					134,573	
Composite Shingle					119,682	
Electrical Service			19,221			
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers		117,398				
Wood Fence						
Wood Fence (M)					15,443	
Wood - Decks						
Wood - Decks (M)						
Outdoor Light Pole						

## 30 Year Cash Flow, Model 2

Willowdale Court  
4619 Elk Lake Drive  
Victoria  
Plan No. VIS2934

	2047	2048	2049	2050	2051	2052
<b>Opening Balance</b>	<b>501,105</b>	<b>194,054</b>	<b>323,904</b>	<b>324,038</b>	<b>418,878</b>	<b>395,509</b>
Contribution Change from Previous Year	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Annual Contribution	120,772	124,999	129,374	133,902	138,589	143,439
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	12,528	4,851	8,098	8,101	10,472	9,888
Total Expenditures	-440,351	-	-137,338	-47,163	-172,430	-19,648
<b>Closing Balance</b>	<b>194,054</b>	<b>323,904</b>	<b>324,038</b>	<b>418,878</b>	<b>395,509</b>	<b>529,188</b>
<b>Percentage of Benchmark</b>	<b>30%</b>	<b>50%</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>

<b>Budgeted Expense Detail</b>	<b>Year 25</b>	<b>Year 26</b>	<b>Year 27</b>	<b>Year 28</b>	<b>Year 29</b>	<b>Year 30</b>
Exterior Coatings						
Brick (M)						
Aluminum Windows	205,012					
Overhead Door	80,350					
Patio Sliders - Vinyl						
Exterior Doors						
Soffit - Metal						
Gutters & Downspouts						
Composite Shingle	128,206		137,338		147,119	
Electrical Service	22,057				25,311	
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers						
Wood Fence				47,163		
Wood Fence (M)						19,648
Wood - Decks						
Wood - Decks (M)	4,726					
Outdoor Light Pole						



**APPENDIX C: FUNDING MODEL 3 CASHFLOW DETAIL**

### 30 Year Cash Flow, Model 3

Willowdale Court  
 4619 Elk Lake Drive  
 Victoria  
 Plan No. VIS2934

	2023	2024	2025	2026	2027	2028
<b>Opening Balance</b>	<b>191,246</b>	<b>207,858</b>	<b>229,385</b>	<b>128,105</b>	<b>157,403</b>	<b>192,327</b>
Contribution Change from Previous Year	9.15%	9.15%	9.15%	9.15%	9.15%	9.15%
Annual Contribution	21,831	23,829	26,010	28,390	30,989	33,825
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	4,781	5,196	5,735	3,203	3,935	4,808
Total Expenditures	-10,000	-7,499	-133,025	-2,295	-	-
<b>Closing Balance</b>	<b>207,858</b>	<b>229,385</b>	<b>128,105</b>	<b>157,403</b>	<b>192,327</b>	<b>230,961</b>
<b>Percentage of Benchmark</b>	<b>32%</b>	<b>32%</b>	<b>19%</b>	<b>21%</b>	<b>24%</b>	<b>26%</b>

Budgeted Expense Detail	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Exterior Coatings	10,000		133,025			
Brick (M)						
Aluminum Windows						
Overhead Door						
Patio Sliders - Vinyl						
Exterior Doors						
Soffit - Metal						
Gutters & Downspouts						
Composite Shingle						
Electrical Service						
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers						
Wood Fence						
Wood Fence (M)		7,499				
Wood - Decks						
Wood - Decks (M)				2,295		
Outdoor Light Pole						

### 30 Year Cash Flow, Model 3

Willowdale Court  
 4619 Elk Lake Drive  
 Victoria  
 Plan No. VIS2934

	2029	2030	2031	2032	2033	2034
<b>Opening Balance</b>	<b>230,961</b>	<b>273,656</b>	<b>297,096</b>	<b>338,973</b>	<b>353,145</b>	<b>331,167</b>
Contribution Change from Previous Year	9.15%	9.15%	9.15%	9.15%	9.15%	9.15%
Annual Contribution	36,922	40,301	43,990	48,016	52,411	57,208
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	5,774	6,841	7,427	8,474	8,829	8,279
Total Expenditures	-	-23,703	-9,540	-42,318	-83,218	-
<b>Closing Balance</b>	<b>273,656</b>	<b>297,096</b>	<b>338,973</b>	<b>353,145</b>	<b>331,167</b>	<b>396,654</b>
<b>Percentage of Benchmark</b>	<b>28%</b>	<b>28%</b>	<b>30%</b>	<b>30%</b>	<b>28%</b>	<b>31%</b>

<b>Budgeted Expense Detail</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>	<b>Year 11</b>	<b>Year 12</b>
Exterior Coatings						
Brick (M)						
Aluminum Windows						
Overhead Door						
Patio Sliders - Vinyl				25,391		
Exterior Doors						
Soffit - Metal					80,298	
Gutters & Downspouts						
Composite Shingle						
Electrical Service						
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers						
Wood Fence		23,703				
Wood Fence (M)			9,540			
Wood - Decks						
Wood - Decks (M)					2,920	
Outdoor Light Pole				16,927		

### 30 Year Cash Flow, Model 3

Willowdale Court  
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 Victoria  
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	2035	2036	2037	2038	2039	2040
<b>Opening Balance</b>	<b>396,654</b>	<b>469,015</b>	<b>548,900</b>	<b>514,721</b>	<b>340,030</b>	<b>403,073</b>
Contribution Change from Previous Year	9.15%	9.15%	9.15%	9.15%	9.15%	9.15%
Annual Contribution	62,444	68,160	74,399	81,208	88,641	96,755
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	9,916	11,725	13,723	12,868	8,501	10,077
Total Expenditures	-	-	-122,300	-268,768	-34,099	-117,486
<b>Closing Balance</b>	<b>469,015</b>	<b>548,900</b>	<b>514,721</b>	<b>340,030</b>	<b>403,073</b>	<b>392,418</b>
<b>Percentage of Benchmark</b>	<b>34%</b>	<b>37%</b>	<b>36%</b>	<b>27%</b>	<b>30%</b>	<b>30%</b>

<b>Budgeted Expense Detail</b>	<b>Year 13</b>	<b>Year 14</b>	<b>Year 15</b>	<b>Year 16</b>	<b>Year 17</b>	<b>Year 18</b>
Exterior Coatings				55,921		59,904
Brick (M)			20,104			
Aluminum Windows				150,423		
Overhead Door						
Patio Sliders - Vinyl						
Exterior Doors			51,936			
Soffit - Metal						
Gutters & Downspouts						
Composite Shingle						
Electrical Service						
Exterior Power & Illumination			18,429			
Asphalt - Resurface Concrete				50,286		53,867
Pavers						
Wood Fence						
Wood Fence (M)				12,138		
Wood - Decks			31,832		34,099	
Wood - Decks (M)						3,715
Outdoor Light Pole						



### 30 Year Cash Flow, Model 3

Willowdale Court  
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	2041	2042	2043	2044	2045	2046
<b>Opening Balance</b>	<b>392,418</b>	<b>341,063</b>	<b>283,298</b>	<b>396,988</b>	<b>290,609</b>	<b>178,093</b>
Contribution Change from Previous Year	9.15%	9.15%	9.15%	9.15%	9.15%	9.15%
Annual Contribution	105,611	115,277	125,829	137,346	149,917	163,639
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	9,810	8,527	7,082	9,925	7,265	4,452
Total Expenditures	-166,777	-181,568	-19,221	-253,650	-269,697	-
<b>Closing Balance</b>	<b>341,063</b>	<b>283,298</b>	<b>396,988</b>	<b>290,609</b>	<b>178,093</b>	<b>346,185</b>
<b>Percentage of Benchmark</b>	<b>27%</b>	<b>24%</b>	<b>32%</b>	<b>27%</b>	<b>20%</b>	<b>36%</b>

<b>Budgeted Expense Detail</b>	<b>Year 19</b>	<b>Year 20</b>	<b>Year 21</b>	<b>Year 22</b>	<b>Year 23</b>	<b>Year 24</b>
Exterior Coatings		64,171		68,741		
Brick (M)						
Aluminum Windows	166,777			184,909		
Overhead Door						
Patio Sliders - Vinyl						
Exterior Doors						
Soffit - Metal						
Gutters & Downspouts					134,573	
Composite Shingle					119,682	
Electrical Service			19,221			
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers		117,398				
Wood Fence						
Wood Fence (M)					15,443	
Wood - Decks						
Wood - Decks (M)						
Outdoor Light Pole						

### 30 Year Cash Flow, Model 3

Willowdale Court  
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	2047	2048	2049	2050	2051	2052
<b>Opening Balance</b>	<b>346,185</b>	<b>93,105</b>	<b>202,603</b>	<b>181,251</b>	<b>253,423</b>	<b>206,150</b>
Contribution Change from Previous Year	9.15%	-40.00%	3.50%	3.50%	3.50%	3.50%
Annual Contribution	178,617	107,170	110,921	114,803	118,821	122,980
Reserve Transfers/Special Assessments	-	-	-	-	-	-
Reserve Fund interest Income	8,655	2,328	5,065	4,531	6,336	5,154
Total Expenditures	-440,351	-	-137,338	-47,163	-172,430	-19,648
<b>Closing Balance</b>	<b>93,105</b>	<b>202,603</b>	<b>181,251</b>	<b>253,423</b>	<b>206,150</b>	<b>314,636</b>
<b>Percentage of Benchmark</b>	<b>15%</b>	<b>29%</b>	<b>28%</b>	<b>38%</b>	<b>36%</b>	<b>49%</b>

<b>Budgeted Expense Detail</b>	<b>Year 25</b>	<b>Year 26</b>	<b>Year 27</b>	<b>Year 28</b>	<b>Year 29</b>	<b>Year 30</b>
Exterior Coatings						
Brick (M)						
Aluminum Windows	205,012					
Overhead Door	80,350					
Patio Sliders - Vinyl						
Exterior Doors						
Soffit - Metal						
Gutters & Downspouts						
Composite Shingle	128,206		137,338		147,119	
Electrical Service	22,057				25,311	
Exterior Power & Illumination						
Asphalt - Resurface Concrete						
Pavers						
Wood Fence				47,163		
Wood Fence (M)						19,648
Wood - Decks						
Wood - Decks (M)	4,726					
Outdoor Light Pole						