

# RESERVE ANALYSIS REPORT

**University Terrace Berkeley Homeowners Association**

Berkeley, California

Version 2

Wednesday, April 22, 2015



## MURRAY JOSEPH & ASSOCIATES

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April 22, 2015

Ms. Dina Varellas, Manager  
University Terrace Berkeley Homeowners Association  
c/o Willis Management Group, Inc.  
3180 Crow Canyon Place, Suite 100  
San Ramon, CA 94583

Dear Ms. Varellas:

Enclosed is the completed revised reserve study for University Terrace Berkeley Homeowners Association for the fiscal year beginning July 1, 2015. Your report is presented in two parts:

**Preface** offers an easy-to-understand introduction to reserve budgeting and terminology along with a Users' Guide to your reserve analysis study.

**Report** includes your reserve analysis study, including an Executive Summary, a Calculation of Percent Funded, a Management/Accounting Summary, Detail Reports for each asset, Projections with graphs, Annual Expenditure Detail, and an alphabetical Detail Report Index. The table of contents lists the pages of all reports.

**Building 9 association will be 59% funded and the Common Area components will be 57% at the beginning of FY 2015-2016 fiscal year.** The Directed Cash Flow analysis is a cash flow analysis with the restricted parameter being the initial contribution to reserves. For Building 9 this initial annual contribution was set to \$12,426 and increased by 1.85% in subsequent years on a path to the fully funded level. For the Common Area components this initial annual contribution was set to \$76,608 and increased by 4.85% in subsequent years. Please note by following this plan, the reserves for the Common Area components will decline to the 12% level in the 2025-2026 fiscal year before a path to the fully funded level is eventually plotted.

We trust you find our report format both informative and useful. We have enjoyed serving you and providing University Terrace Berkeley Homeowners Association with the most detailed, comprehensive and useful reserve analysis study available. If you have any additional questions or comments, please feel free to call me.

Thank you.

Sincerely,

Murray A. Joseph  
Consultant

## Disclosure Statement

This document has been provided pursuant to an agreement containing restrictions on its use. No part of this document may be copied or distributed, in any form or by any means, nor disclosed to third parties without the express written permission of *Murray Joseph & Associates*. The client shall have the right to reproduce and distribute copies of this report, or the information contained within, as may be required for compliance with all applicable regulations.

All studies performed by *Murray Joseph & Associates* are prepared by a Professional Reserve Analyst (PRA). This reserve analysis study and the parameters under which it has been completed are based on information provided to us in part by representatives of the association, its contractors, assorted vendors, specialist and independent contractors, the California Department of Real Estate, various construction pricing and scheduling manuals, and our own experience in the field of reserve analysis study preparation. Conditions are based on visual inspections only when accessible, and no destructive testing is performed.

It has been assumed, unless otherwise noted in this report, all assets have been designed and constructed properly and no effort is made to determine whether construction is proper. Each estimated useful life approximates that of the norm per industry standards and/or manufacture specifications used and regular maintenance is performed so normal lives may be achieved. In some cases, estimates may have been used on assets that have an indeterminable but potential liability to the association. No destructive testing is performed. All of the cost and useful life estimates are estimates and not specifications for work to be completed. Costs and useful lives will vary from projections. The use of the report is for budgetary purposes. The decision for the inclusion of these, as well as all assets considered, is left to the client.

**We recommend your reserve analysis study be updated on an annual basis due to fluctuation in interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and subsequent computations made in preparing this reserve analysis study are retained in our computer files. Therefore, annual updates may be completed quickly and inexpensively each year.**

*Murray Joseph & Associates* thank you for using our services and invite you to call us at any time should you have any questions or comments or need assistance. In addition, any of the parameters and estimates used in this study may be changed at your request, after which we will provide you with a revised study.

## Preface

This preface is intended to provide an introduction to the enclosed reserve analysis as well as detailed information regarding the reserve analysis report format and reserve fund calculation methods. The following sections are included in this preface:

- **Introduction to Reserve Budgeting**
- **Understanding the Reserve Analysis**
- **Reserve Budget Calculation Methods**
- **Glossary of Key Terms**

### ◆ ◆ INTRODUCTION TO RESERVE BUDGETING ◆ ◆

The Board of Directors of an association has a legal and fiduciary duty to maintain the community in a good state of repair. Individual unit property values are significantly impacted by the level of maintenance and upkeep provided by the association as well as the amount of the regular assessment charged to each owner.

A prudent plan must be implemented to address the issues of long-range maintenance, repair and replacement of the common areas. Additionally, the plan should recognize that the value of each unit is affected by the amount of the regular assessment charged to each unit.

There is a fine line between “not enough,” “just right” and “too much.” Each member of an association should contribute to the reserve fund for their proportionate amount of “depreciation” (or “use”) of the reserve components. Through time, if each owner contributes his “fair share” into the reserve fund for the depreciation of the reserve components, then the possibility of large increases in regular assessments or special assessments will be minimized.

An accurate reserve analysis and a “healthy” reserve fund are essential to protect and maintain the association's common areas and the property values of the individual unit owners. A comprehensive reserve analysis is one of the most significant elements of any association's long-range plan and provides the critical link between sound business judgment and good fiscal planning. The reserve analysis provides a “financial blueprint” for the future of an association.

### ◆ ◆ UNDERSTANDING THE RESERVE ANALYSIS ◆ ◆

In order for the reserve analysis to be useful, it must be understandable by a variety of individuals. Board members (from seasoned, experienced Board members to new Board members), property managers, accountants, attorneys and even homeowners may ultimately review the reserve analysis. The reserve analysis must be detailed enough to provide a comprehensive analysis, yet simple enough to enable less experienced individuals to understand the results.

## Preface

There are four key bits of information that a comprehensive reserve analysis should provide. These items include:

- **Budget**

Amount recommended to be transferred into the reserve account each month of the fiscal year for which the reserve analysis was prepared. In some cases, the reserve analysis may present two or more funding plans based on different calculation models (i.e. Component Method, Minimum Cash Flow Method, etc.). The Board should have a clear understanding of the differences among these funding models prior to implementing one of them in the annual budget.

- **Percent Funded**

Measure of the reserve fund “health” (expressed as a percentage) as of the beginning of the fiscal year for which the reserve analysis was prepared. Remember, “100% funded” means the association has accumulated the proportionately correct amount of money, to date, for the reserve components it maintains.

- **Projections**

Indicate the “level of service” the association will provide the membership as well as a “road map” for the fiscal future of the association. The projections define the timetables for repairs and replacements, such as when the buildings will be painted or when the asphalt will be seal coated. The projections also show the financial plan for the association – when an underfunded association will “catch up” or how a properly funded association will remain fiscally “healthy.”

- **Inventory**

Complete listing of the reserve components. Key bits of information are available for each reserve component, including placed-in-service date, useful life, remaining life, replacement year, quantity, current cost of replacement, future cost of replacement and analyst’s comments.

In this section, a description of most of the summary or report sections are provided along with comments regarding what to look for and how to use each section. All reserve analyses may not include all of the summaries or report formats described herein.

In some cases, the reserve analysis may be a lengthy document of one hundred pages or more. A complete and thorough review of the reserve analysis is always a good idea. However, if time is limited, it is suggested that a thorough review of the summary pages be made. If a “red flag” is raised in this review, the reader should then check the detail information, of the component in question, for all relevant information.

# Preface

- **Executive Summary**

Provides general information about the client, global parameters used in the calculation of the reserve analysis as well as the core results of the reserve analysis.

**Client Information**  
Provides various client information including fiscal year for which the analysis was prepared, number of units, phasing, etc.

**Global Parameters**  
Displays the calculation parameters that were used to calculate the reserve analysis including inflation, annual contribution increase, investment rate, tax rate and contingency.

**Community Profile**  
Provides brief description of the community, as well as other “global” type comments.

**Sample Community Association  
Executive Summary  
Component Calculation Method**

| Client Information: |                        | Global Parameters:           |        |
|---------------------|------------------------|------------------------------|--------|
| Account Number      | 12345                  | Inflation Rate               | 3.00%  |
| Version Number      | 1                      | Annual Contribution Increase | 3.00%  |
| Analysis Date       | 04/20/1999             | Investment Rate              | 5.50%  |
| Fiscal Year         | 1/1/1999 to 12/31/1999 | Taxes on Investments         | 30.00% |
| Number of Units     | 150                    | Contingency                  | 3.00%  |
| Phasing             | 4 of 4                 |                              |        |

**Community Profile:**  
This community was constructed in four phases between 1985 and 1987. For budgeting purposes, unless otherwise indicated, we have used January 1985 as the average placed-in-service date for aging the original components included in this analysis.  
Last field inspection: April 2, 1999.

| Adequacy of Reserves as of January 1, 1999: |              |
|---|--------------|
| Anticipated Reserve Balance                 | \$550,000.00 |
| Theoretically Ideal Reserve Balance         | \$642,347.96 |
| Percent Funded                              | 85.62%       |

| Recommended Funding for the 1999 Fiscal Year: |             |          |
|---|-------------|----------|
|   | Monthly     | Per Unit |
| Member Contribution                           | \$8,922.43  | \$59.48  |
| Interest Contribution                         | \$1,643.05  | \$9.91   |
| Total Contribution                            | \$10,465.48 | \$69.39  |

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**Adequacy of Reserves**  
Displays the results of calculations with regard to the “health” of the reserve fund as of the beginning of the fiscal year for which the reserve analysis was prepared. Provides the anticipated reserve balance, theoretically ideal reserve balance and the percent funded.

**Recommended Funding**  
Provides the results of calculations with regard to the “bottom line.” Indicates the monthly reserve funding recommendation from the membership, anticipated interest contribution and the total contribution requirement.



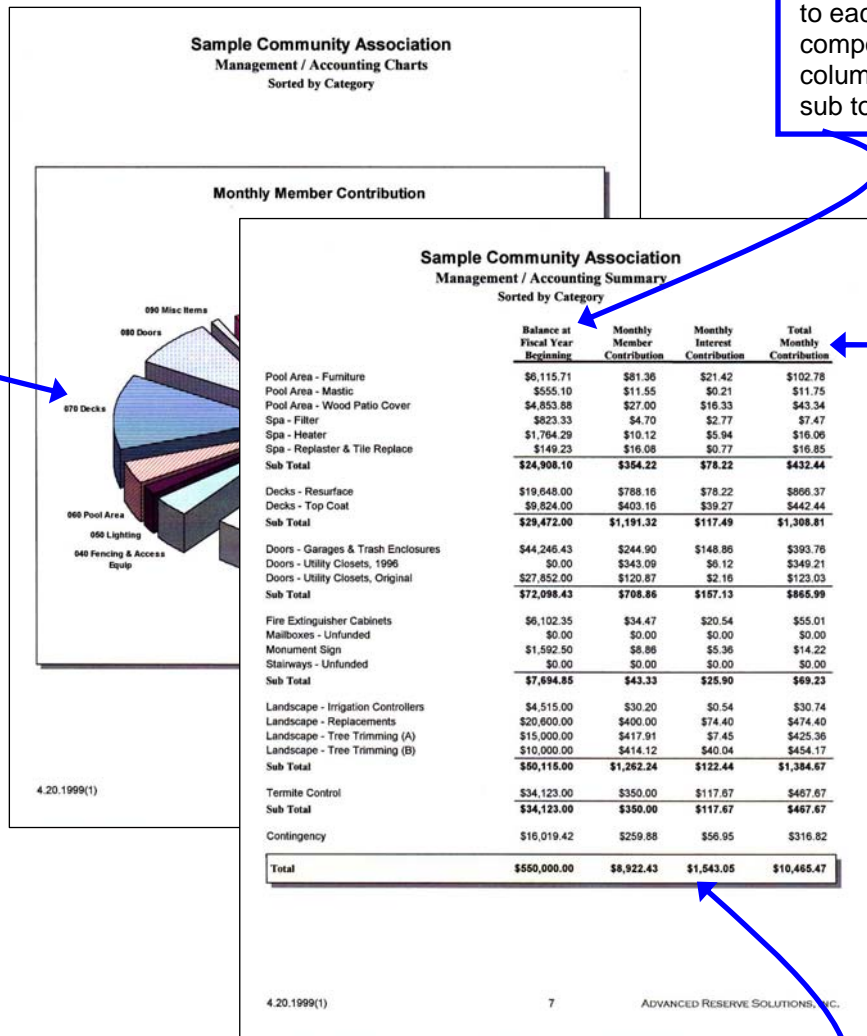
# Preface

- Management / Accounting Summary and Charts**

Summary displays all reserve components, shown here in “category” order. Provides the assigned reserve funds at the beginning of the fiscal year for which the reserve analysis was prepared along with the monthly member contribution, interest contribution and total contribution for each component and category. Three pie charts show graphically how the total reserve fund is distributed amongst the reserve component categories and how each category is funded on a monthly basis.

**Pie Charts**  
Show graphically how the reserve fund is distributed amongst the reserve components and how the components are funded.

**Balance at FYB**  
Shows the amount of reserve funds assigned to each reserve component. And, this column is conveniently sub totaled.



**Monthly Funding**  
Displays the monthly funding for each component from the members and interest. Total monthly funding is also indicated. And, these columns are conveniently sub totaled.

The total assigned reserves and monthly funding are provided at the bottom of this summary.

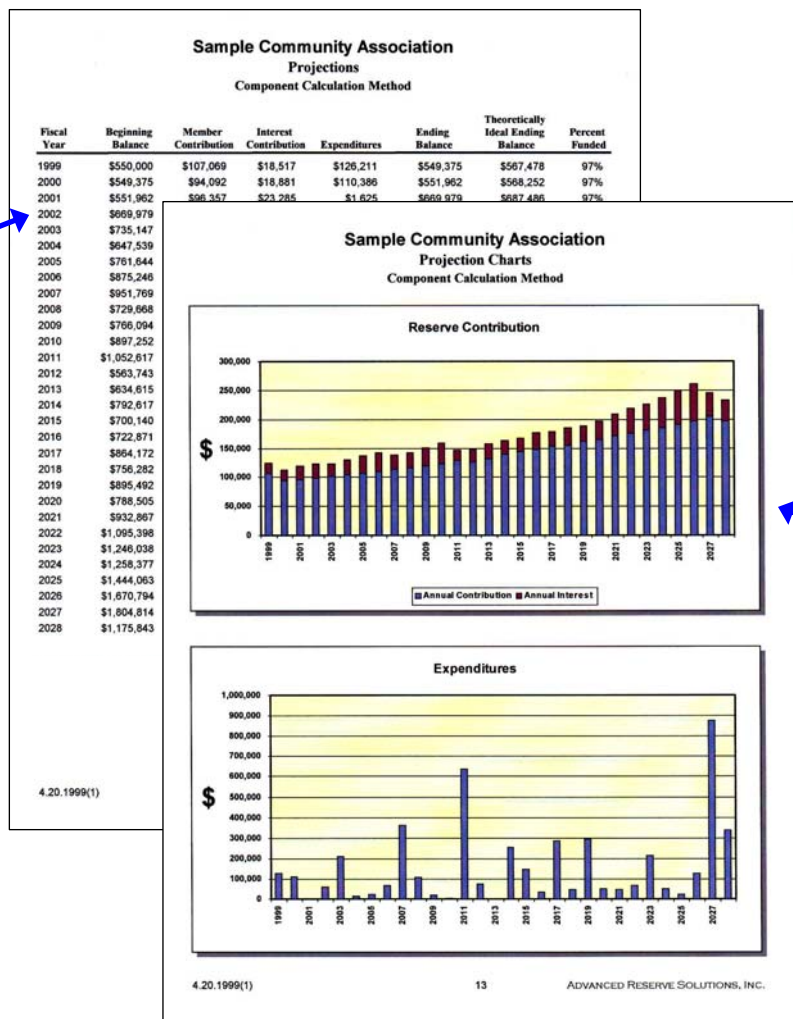
**Could your Treasurer or accountant ask for anything else?**



# Preface

- Projections and Charts**

Summary displays projections of beginning reserve balance, member contribution, interest contribution, expenditures and ending reserve balance for each year of the projection period (shown here for 30 years). The two columns on the right-hand side provide the theoretically ideal ending balance and the percent funded for each year. Four charts show the same information in an easy-to-understand graphic format.



Improved format makes the numbers as easy to read and understand as possible.

Charts make it easy to understand the funding plan through time.

## Preface

### ◆ ◆ CALCULATION METHODS ◆ ◆

There are only a few *true* reserve funding calculation methods used by reserve analysis firms. Some articles in trade publications seem to indicate that there are dozens of “unique” and different reserve calculation methods (i.e. component, cash flow, pooling, front-loading, splitting, etc.). Most “unique” calculation methods are actually hybrid derivatives of either the component method or the cash flow method.

The following sections describe the calculation methods utilized most often for our clients.

- **Component Calculation Method**

This calculation method develops a funding plan for each individual reserve component included in the reserve analysis. The sum of the funding plans for each component equal the total funding plan for the association.

This calculation method is typically the most conservative. This method structures a funding plan that enables the association to pay all reserve expenditures as they come due, enables the association to achieve the ideal level of reserves in time, and then enables the association to maintain the ideal level of reserves through time.

One of the major benefits of using this calculation method is that for any single component (or group of components), the accumulated balance and reserve funding can be reported. For example, using this calculation method, the reserve analysis can indicate the amount of current reserve funds “in the bank” for the roofs and the amount of money being funded towards the roofs each month. Using other calculation methods, this information cannot be calculated and therefore, cannot be reported.

The following is a detailed description of the Component Calculation Method:

**Step 1:** Calculation of Theoretically Ideal Balance for each component

The theoretically ideal balance is calculated for each component based on its age, useful life and current cost. The actual formula is as follows:

$$\text{Theoretically Ideal Balance} = (\text{Age} / \text{Useful Life}) * \text{Current Cost}$$

**Step 2:** Distribution of current reserve funds

The association’s current reserve funds are assigned to (or distributed amongst) the reserve components based on each component’s remaining life and theoretically ideal balance as follows:

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*Pass 1:* Components are organized in remaining life order, from least to greatest, and the current reserve funds are assigned to each component up to its theoretically ideal balance, until reserves are exhausted.

*Pass 2:* If all components are assigned their theoretically ideal balance and additional funds exist, they are assigned in a “second pass.” Again, the components are organized in remaining life order, from least to greatest, and the remaining current reserve funds are assigned to each component up to its current cost, until reserves are exhausted.

*Pass 3:* If all components are assigned their current cost and additional funds exist, they are assigned in a “third pass.” Components with a remaining life of zero years are assigned double their current cost.

Distributing, or assigning, the current reserve funds in this manner is the most efficient use of the funds on hand – it defers the make-up period of any underfunded reserves over the lives of the components with the largest remaining lives.

### **Step 3:** Developing a funding plan

After step 2, all components have a “starting” balance. A calculation is made to determine what funding would be required to get from the starting balance to the future cost over the number of years remaining until replacement. The funding plan incorporates the annual contribution increase parameter to develop “stair stepped” contribution.

For example, if an association needs to accumulate \$100,000 in ten years, \$10,000 could be contributed each year. Alternatively, the association could contribute \$8,723 in the first year and increase the contribution by 3% each year thereafter until the tenth year.

In most cases, this rate should match the Inflation Parameter. Matching the Annual Contribution Increase Parameter to the Inflation Parameter indicates, in theory, that Member Contributions should increase at the same rate as the cost of living (Inflation Parameter). Due to the “time value of money,” this creates the most equitable distribution of Member Contributions through time.

Using an Annual Contribution Increase Parameter that is greater than the Inflation Parameter will reduce the burden to the current membership at the expense of the future membership. Using an Annual Contribution Increase Parameter that is less than the Inflation Parameter will increase the burden to the current membership to the benefit of the future membership. The following chart shows a comparison:

## Preface

|         | <u>0% Increase</u>  | <u>3% Increase</u>  | <u>10% Increase</u> |
|---------|---------------------|---------------------|---------------------|
| Year 1  | \$10,000.00         | \$8,723.05          | \$6,274.54          |
| Year 2  | \$10,000.00         | \$8,984.74          | \$6,901.99          |
| Year 3  | \$10,000.00         | \$9,254.28          | \$7,592.19          |
| Year 4  | \$10,000.00         | \$9,531.91          | \$8,351.41          |
| Year 5  | \$10,000.00         | \$9,817.87          | \$9,186.55          |
| Year 6  | \$10,000.00         | \$10,112.41         | \$10,105.21         |
| Year 7  | \$10,000.00         | \$10,415.78         | \$11,115.73         |
| Year 8  | \$10,000.00         | \$10,728.25         | \$12,227.30         |
| Year 9  | \$10,000.00         | \$11,050.10         | \$13,450.03         |
| Year 10 | \$10,000.00         | \$11,381.60         | \$14,795.04         |
| TOTAL   | <u>\$100,000.00</u> | <u>\$100,000.00</u> | <u>\$100,000.00</u> |

This parameter is used to develop a funding plan only; it does not mean that the reserve contributions must be raised each year. There are far more significant factors that will contribute to a Total Reserve Contribution increase or decrease from year to year than this parameter.

- **Minimum Cash Flow Method**

This calculation method develops a funding plan based on current reserve funds and projected expenditures during a “window,” typically 30 years.

This calculation method is not as conservative as the Component Method and will typically produce a lower monthly reserve contribution. This method structures a funding plan that enables the association to pay for all reserve expenditures as they come due, but is not concerned with the ideal level of reserves through time. Consequently, this funding method can allow an association to become increasingly underfunded, while never running completely out of money during the “window.”

This calculation method structures a funding plan that is the “bare” minimum required to pay for all reserve expenditures as they come due during the “window.” This method disregards components that do not have an expenditure associated with them during the “window.” This method tests reserve contributions to determine the minimum contribution necessary, based on the association's beginning reserve balance and anticipated expenses through time, so that the reserve balance in any one year does not drop below \$0 (or some other threshold level).

- **Directed Cash Flow Method**

This calculation method is a hybrid of the Minimum Cash Flow Method which enables the development of “custom” or “non-traditional” funding plans which may include deferred contributions or special assessments.

This method is similar to the Minimum Cash Flow Method in the sense that it is making calculations based on all reserve expenditures during the “window.” This calculation method can be used to calculate a reserve contribution that enables the association to become “ideally funded” in time.

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### ◆ ◆ GLOSSARY OF KEY TERMS ◆ ◆

- **Annual Contribution Increase Parameter**

The rate used in the calculation of the funding plan developed by the Component Calculation Method and Minimum Cash Flow Method. This rate is used on an annual compounding basis. This rate represents, in theory, the rate the association expects to increase contributions each year.

In most cases, this rate should match the Inflation Parameter. Matching the Annual Contribution Increase Parameter to the Inflation Parameter indicates, in theory, that Member Contributions should increase at the same rate as the cost of living (Inflation Parameter). Due to the “time value of money,” this creates the most equitable distribution of Member Contributions through time.

This parameter is used to develop a funding plan only; it does not mean that the reserve contributions must be raised each year. There are far more significant factors that will contribute to a Total Reserve Contribution increase or decrease from year to year than this parameter.

See the description of “Calculation Methods” in this preface for more detail on this parameter.

- **Anticipated Reserve Balance (or Reserve Funds)**

The amount of money, as of a certain point in time, held by the association to be used for the repair or replacement of Reserve Components.

This figure is “anticipated” because it is calculated based on the most current financial information available as of the analysis date, which is almost always prior to the Fiscal Year beginning date for which the reserve analysis is prepared.

- **Assigned Funds (and “Fixed” Assigned Funds)**

The amount of money, as of the Fiscal Year beginning date for which the reserve analysis is prepared, that a Reserve Component has been assigned based on the Component Calculation Method.

Assigned Funds do not apply to the Minimum Cash Flow Calculation Method or the Directed Cash Flow Calculation Method.

The Assigned Funds are considered “Fixed” when the normal calculation process is bypassed and a specific amount of money is assigned to a Reserve Component. For example, if the normal calculation process assigns \$10,000 to the roofs, but the association would like to show \$20,000 assigned to roofs, “fixed” funds of \$20,000 can be assigned.

The Component Calculation Method assigns funds to each component in the most efficient manner possible; assigning “fixed” reserves in this manner can have a detrimental impact on the association’s overall budget structure in the long run. A more detailed description of the actual calculation process is included in the “Calculation Methods” section of the preface.

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- **Component Calculation Method (or Component Method)**

Reserve funding calculation method developed based on each individual component. A more detailed description of the actual calculation process is included in the “Calculation Methods” section of the preface.

- **Contingency Parameter**

The rate used as a built-in buffer in the calculation of the funding plan developed by the Component Calculation Method. This rate will assign a percentage of the Reserve Funds, as of the Fiscal Year beginning, as contingency funds and will also determine the level of funding toward the contingency each month.

- **Current Replacement Cost**

The amount of money, as of the Fiscal Year beginning date for which the reserve analysis is prepared, that a Reserve Component is expected to cost to replace.

- **Directed Cash Flow Calculation Method (or Directed Cash Flow Method)**

Reserve funding calculation method developed based on total annual expenditures. A more detailed description of the actual calculation process is included in the “Calculation Methods” section of the preface.

- **Fiscal Year**

Indicates the budget year for the association for which the reserve analysis was prepared. The fiscal year beginning (FYB) is the first day of the budget year; the fiscal year end (FYE) is the last day of the budget year.

- **Future Replacement Cost**

The amount of money, as of the Fiscal Year during which replacement of a Reserve Component is scheduled, that a Reserve Component is expected to cost to replace. This cost is calculated using the Current Replacement Cost compounded annually by the Inflation Parameter.

- **Global Parameters**

The financial parameters used to calculate the reserve analysis (see Inflation Parameter, Annual Contribution Increase Parameter, Investment Rate Parameter and Taxes on Investments Parameter).

- **Inflation Parameter**

The rate used in the calculation of future costs for Reserve Components. This rate is used on an annual compounding basis. This rate represents the rate the association expects the cost of goods and services relating to their Reserve Components to increase each year.

- **Interest Contribution**

The amount of money contributed to the Reserve Fund by the interest earned on the Reserve Fund and Member Contributions.

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- **Investment Rate Parameter**

The gross rate used in the calculation of Interest Contribution (interest earned) from the Reserve Balance and Member Contributions. This rate (net of the Taxes on Investments Parameter) is used on a monthly compounding basis. This parameter represents the weighted average interest rate the association expects to earn on their Reserve Fund investments.

- **Membership Contribution**

The amount of money contributed to the Reserve Fund by the association's membership.

- **Minimum Cash Flow Calculation Method (or Minimum Cash Flow Method)**

Reserve funding calculation method developed based on total annual expenditures. A more detailed description of the actual calculation process is included in the "Calculation Methods" section of the preface.

- **Monthly Contribution (and "Fixed" Monthly Contribution)**

The amount of money, for the Fiscal Year which the reserve analysis is prepared, that a Reserve Component will be funded based on the Component Calculation Method.

Monthly Contribution does not apply to the Minimum Cash Flow Calculation Method or the Directed Cash Flow Calculation Method.

The Monthly Contribution is considered "Fixed" when the normal calculation process is bypassed and a specific amount of money is funded to a Reserve Component. For example, if the normal calculation process funds \$1,000 to the roofs each month, but the association would like to show \$500 funded to roofs each month, a "fixed" contribution of \$500 can be assigned.

The Component Calculation Method funds each component in the most efficient manner possible; assigning a "fixed" contribution in this manner can have a detrimental impact on the association's overall budget structure in the long run. A more detailed description of the actual calculation process is included in the "Calculation Methods" section of the preface.

- **Number of Units (or other assessment basis)**

Indicates the number of units for which the reserve analysis was prepared. In "phased" developments (see Phasing), this number represents the number of units, and corresponding common area components, that existed as of a certain point in time.

For some associations, assessments and reserve contributions are based on a unit of measure other than the number of units. Examples include time-interval weeks for timeshare resorts or lot acreage for industrial developments.

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- **One-Time Replacement**

Used for components that will be budgeted for only once.

- **Percent Funded**

A measure (expressed as a percentage) of the association's reserve fund "health" as of a certain point in time. This number is the ratio of the Anticipated Reserve Fund Balance to the Theoretically Ideal Reserve Balance:

$$\text{Percent Funded} = \frac{\text{Anticipated Reserve Fund Balance}}{\text{Theoretically Ideal Reserve Balance}}$$

An association that is 100% funded does not have all of the Reserve Funds necessary to replace all of its Reserve Components immediately; it has the proportionately appropriate Reserve Funds for the Reserve Components it maintains, based on each component's Current Replacement Cost, age and Useful Life.

- **Percentage of Replacement**

The percentage of the Reserve Component that is expected to be replaced.

For most Reserve Components, this percentage should be 100%. In some cases, this percentage may be more or less than 100%. For example, fencing which is shared with a neighboring community may be set at 50%.

- **Phasing**

Indicates the number of phases for which the reserve analysis was prepared and the total number of phases expected at build-out (i.e. Phase 4 of 7). In phased developments, the first number represents the number of phases, and corresponding common area components, that existed as of a certain point in time. The second number represents the number of phases that are expected to exist at build-out.

- **Placed-In-Service Date**

The date (month and year) that the Reserve Component was originally put into service or last replaced.

- **Remaining Life**

The length of time, in years, until a Reserve Component is scheduled to be replaced.

- **Remaining Life Adjustment**

The length of time, in years, that a Reserve Component is expected to last in excess (or deficiency) of its Useful Life for the current cycle of replacement.



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If the current cycle of replacement for a Reserve Component is expected to be greater than or less than the “normal” life expectancy, the Reserve Component’s life should be adjusted using a Remaining Life Adjustment.

For example, if wood trim is painted normally on a 4 year cycle, the Useful Life should be 4 years. However, when it comes time to paint the wood trim and it is determined that it can be deferred for an additional year, the Useful Life should remain at 4 years and a Remaining Life Adjustment of +1 year should be used.

- **Replacement Year**

The Fiscal Year that a Reserve Component is scheduled to be replaced.

- **Reserve Components**

Line items included in the reserve analysis.

- **Salvage Value**

The amount of money that is expected to be received at the point in time that a Reserve Component is replaced.

For example, the “trade-in allowance” received at the time a security vehicle is replaced should be considered as its Salvage Value.

- **Taxes on Investments Parameter**

The rate used to offset the Investment Rate Parameter in the calculation of the Interest Contribution. This parameter represents the marginal tax rate the association expects to pay on interest earned by the Reserve Funds and Member Contributions.

- **Theoretically Ideal Reserve Balance (or Ideal Reserves)**

The amount of money that should theoretically have accumulated in the reserve fund as of a certain point in time. Ideal reserves are calculated for each Reserve Component based on the Current Replacement Cost, age and Useful Life:

$$\text{Ideal Reserves} = \frac{\text{Age}}{\text{Useful Life}} \times \text{Current Replacement Cost}$$

The Theoretically Ideal Reserve Balance is the sum of the Ideal Reserves for each Reserve Component.

An association that has accumulated the Theoretically Ideal Reserve Balance does not have all of the funds necessary to replace all of its Reserve Components immediately; it has the proportionately appropriate Reserve Funds for the Reserve Components it maintains, based on each component’s Current Replacement Cost, age and Useful Life.

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- **Total Contribution**

The sum of the Membership Contribution and Interest Contribution.

- **Useful Life**

The length of time, in years, that a Reserve Component is expected to last each time it is replaced. See also Remaining Life Adjustment.

# RESERVE ANALYSIS REPORT

**University Terrace Berkeley Homeowners Association (Building 9)**

Berkeley, California

Version 2

Wednesday, April 22, 2015



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# University Terrace Berkeley Homeowners Association (Building 9)

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# University Terrace Berkeley Homeowners Association (Building 9)

## Executive Summary

### Directed Cash Flow Calculation Method

#### Client Information:

|                 |                       |
|-----------------|-----------------------|
| Account Number  | 11005                 |
| Version Number  | 2                     |
| Analysis Date   | 04/22/2015            |
| Fiscal Year     | 7/1/2015 to 6/30/2016 |
| Number of Units | 19                    |
| Phasing         | 1 of 1                |

#### Global Parameters:

|                              |         |
|------------------------------|---------|
| Inflation Rate               | 2.50 %  |
| Annual Contribution Increase | 1.85 %  |
| Investment Rate              | 2.50 %  |
| Taxes on Investments         | 30.00 % |
| Contingency                  | 3.00 %  |

#### Community Profile:

For budgeting purposes, unless otherwise indicated, we have used July 1994 as the average placed-in-service date for aging the original components included in this analysis.

The client has directed us to include these specific components exclusive to building 9.

Field evaluations: April 16, 2014; March 2011; May 2008; January 2005

#### Adequacy of Reserves as of July 1, 2015:

|                              |                     |
|------------------------------|---------------------|
| Anticipated Reserve Balance  | <b>\$66,001.00</b>  |
| Fully Funded Reserve Balance | <b>\$110,134.22</b> |
| Percent Funded               | <b>59.93%</b>       |

| Recommended Funding for the 2015-2016 Fiscal Year: | Annual          | Monthly           | Per Unit       |
|--|-----------------|-------------------|----------------|
|  |                 |                   | Per Month      |
| Member Contribution                                | <b>\$12,426</b> | <b>\$1,035.50</b> | <b>\$54.50</b> |
| Interest Contribution                              | <b>\$328</b>    | <b>\$27.30</b>    | <b>\$1.44</b>  |
| Total Contribution                                 | <b>\$12,754</b> | <b>\$1,062.80</b> | <b>\$55.94</b> |

# University Terrace Berkeley Homeowners Association (Building 9)

## Calculation of Percent Funded

Sorted by Category

|                                    | Remaining<br>Life | Useful<br>Life | Current<br>Cost     | Fully<br>Funded<br>Balance |
|------------------------------------|-------------------|----------------|---------------------|----------------------------|
| <b><u>030 Paint</u></b>            |                   |                |                     |                            |
| Paint - Interiors, Corridors       | 1                 | 17             | \$12,623.58         | \$11,881.02                |
| <b>Sub Total</b>                   | <b>1</b>          | <b>17</b>      | <b>\$12,623.58</b>  | <b>\$11,881.02</b>         |
| <b><u>050 Lighting</u></b>         |                   |                |                     |                            |
| Lighting - Interiors               | 14                | 25             | \$11,480.00         | \$5,051.20                 |
| <b>Sub Total</b>                   | <b>14</b>         | <b>25</b>      | <b>\$11,480.00</b>  | <b>\$5,051.20</b>          |
| <b><u>070 Interiors</u></b>        |                   |                |                     |                            |
| Interiors - Carpet                 | 0                 | 10             | \$12,136.00         | \$12,136.00                |
| <b>Sub Total</b>                   | <b>0</b>          | <b>10</b>      | <b>\$12,136.00</b>  | <b>\$12,136.00</b>         |
| <b><u>080 Elevator</u></b>         |                   |                |                     |                            |
| Elevator - Load Test               | 0                 | 5              | \$975.00            | \$975.00                   |
| Elevator - Major Repairs           | 19                | 40             | \$56,500.00         | \$29,662.50                |
| Elevator - Minor Repairs           | 0                 | 10             | \$6,800.00          | \$6,800.00                 |
| <b>Sub Total</b>                   | <b>0-19</b>       | <b>5-40</b>    | <b>\$64,275.00</b>  | <b>\$37,437.50</b>         |
| <b><u>085 Hot Water</u></b>        |                   |                |                     |                            |
| Hot Water - Boiler                 | 0                 | 20             | \$20,000.00         | \$20,000.00                |
| Hot Water - Pumps                  | 8                 | 10             | \$8,825.00          | \$1,765.00                 |
| Hot Water - Storage Tanks          | 0                 | 20             | \$5,900.00          | \$5,900.00                 |
| Hot Water - Storage Tanks, 2010    | 16                | 20             | \$3,100.00          | \$620.00                   |
| Hot Water - Storage Tanks, 2015    | 20                | 20             | \$5,900.00          | \$0.00                     |
| <b>Sub Total</b>                   | <b>0-20</b>       | <b>10-20</b>   | <b>\$43,725.00</b>  | <b>\$28,285.00</b>         |
| <b><u>090 Other</u></b>            |                   |                |                     |                            |
| Baseboard Heaters                  | 3                 | 14             | \$1,700.00          | \$1,335.71                 |
| Entrance Access Phone              | 0                 | 14             | \$4,500.00          | \$4,500.00                 |
| Pedestrian Door Operator           | 9                 | 14             | \$9,800.00          | \$3,500.00                 |
| Sump Pump                          | 0                 | 10             | \$2,800.00          | \$2,800.00                 |
| <b>Sub Total</b>                   | <b>0-9</b>        | <b>10-14</b>   | <b>\$18,800.00</b>  | <b>\$12,135.71</b>         |
| Contingency                        | n.a.              | n.a.           | n.a.                | \$3,207.79                 |
| <b>Total</b>                       | <b>0-20</b>       | <b>5-40</b>    | <b>\$163,039.58</b> | <b>\$110,134.22</b>        |
| <b>Anticipated Reserve Balance</b> |                   |                |                     | <b>\$66,001.00</b>         |
| <b>Percent Funded</b>              |                   |                |                     | <b>59.93%</b>              |

# University Terrace Berkeley Homeowners Association (Building 9)

## Distribution of Current Reserve Funds

Sorted by Remaining Life

|                                 | Remaining<br>Life | Fully<br>Funded<br>Balance | Assigned<br>Reserves |
|---------------------------------|-------------------|----------------------------|----------------------|
| Elevator - Load Test            | 0                 | \$975.00                   | \$975.00             |
| Elevator - Minor Repairs        | 0                 | \$6,800.00                 | \$6,800.00           |
| Entrance Access Phone           | 0                 | \$4,500.00                 | \$4,500.00           |
| Hot Water - Boiler              | 0                 | \$20,000.00                | \$20,000.00          |
| Hot Water - Storage Tanks       | 0                 | \$5,900.00                 | \$5,900.00           |
| Interiors - Carpet              | 0                 | \$12,136.00                | \$12,136.00          |
| Sump Pump                       | 0                 | \$2,800.00                 | \$2,800.00           |
| Paint - Interiors, Corridors    | 1                 | \$11,881.02                | \$10,967.64          |
| Baseboard Heaters               | 3                 | \$1,335.71                 | \$0.00               |
| Hot Water - Pumps               | 8                 | \$1,765.00                 | \$0.00               |
| Pedestrian Door Operator        | 9                 | \$3,500.00                 | \$0.00               |
| Lighting - Interiors            | 14                | \$5,051.20                 | \$0.00               |
| Hot Water - Storage Tanks, 2010 | 16                | \$620.00                   | \$0.00               |
| Elevator - Major Repairs        | 19                | \$29,662.50                | \$0.00               |
| Hot Water - Storage Tanks, 2015 | 20                | \$0.00                     | \$0.00               |
| Contingency                     | n.a.              | \$3,207.79                 | \$1,922.36           |
| <b>Total</b>                    | <b>0-20</b>       | <b>\$110,134.22</b>        | <b>\$66,001.00</b>   |
| <b>Percent Funded</b>           |                   |                            | <b>59.93%</b>        |

# University Terrace Berkeley Homeowners Association (Building 9)

## Management / Accounting Summary

Directed Cash Flow Calculation Method; Sorted by Category

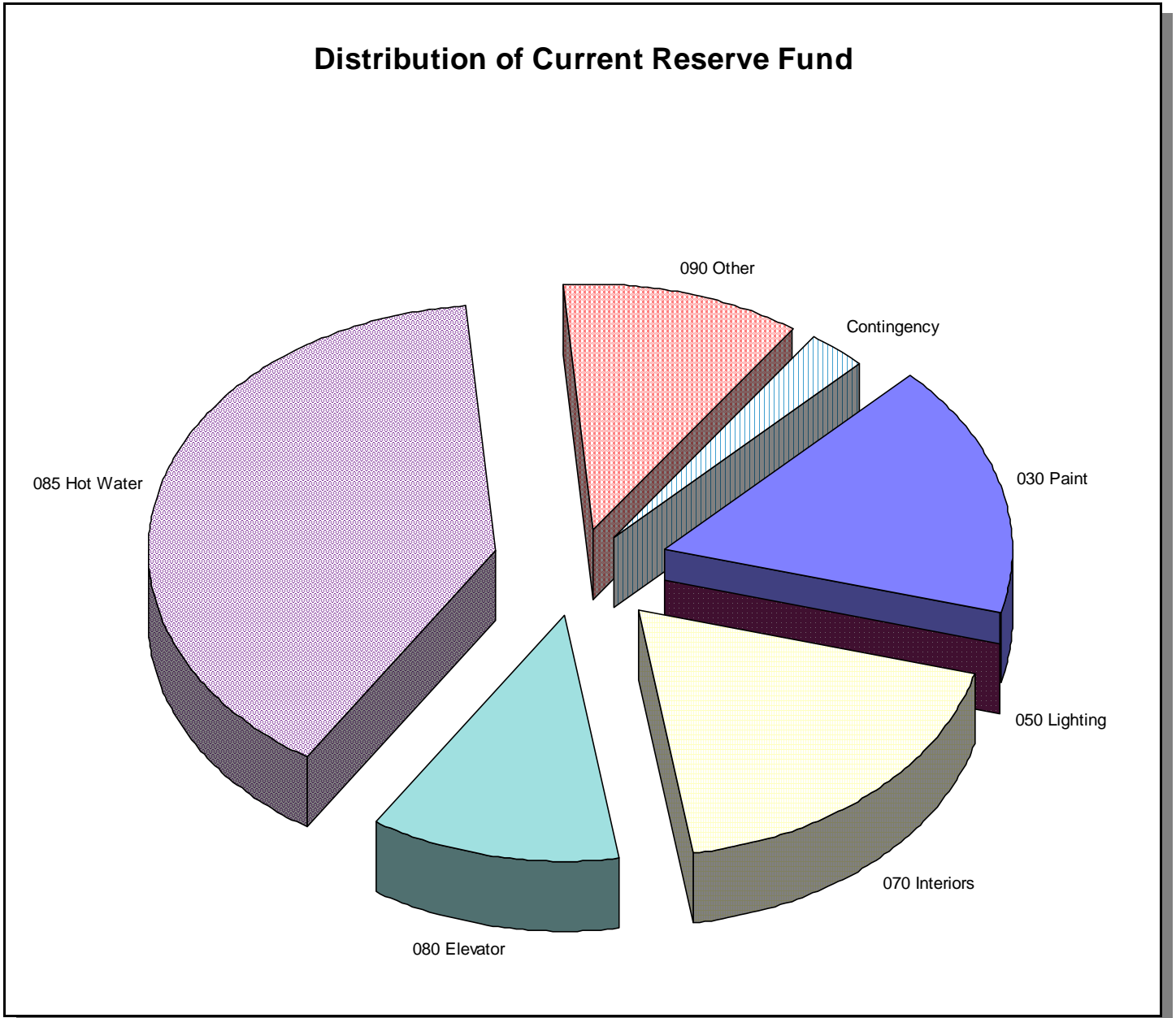
|                                 | Balance at<br>Fiscal Year<br>Beginning | Monthly<br>Member<br>Contribution | Monthly<br>Interest<br>Contribution | Total<br>Monthly<br>Contribution |
|---------------------------------|--|-----------------------------------|-------------------------------------|----------------------------------|
| <b><u>030 Paint</u></b>         |  |                                   |                                     |                                  |
| Paint - Interiors, Corridors    | \$10,967.64                            | \$126.78                          | \$16.51                             | \$143.28                         |
| <b>Sub Total</b>                | <b>\$10,967.64</b>                     | <b>\$126.78</b>                   | <b>\$16.51</b>                      | <b>\$143.28</b>                  |
| <b><u>050 Lighting</u></b>      |  |                                   |                                     |                                  |
| Lighting - Interiors            | \$0.00                                 | \$65.45                           | \$0.58                              | \$66.04                          |
| <b>Sub Total</b>                | <b>\$0.00</b>                          | <b>\$65.45</b>                    | <b>\$0.58</b>                       | <b>\$66.04</b>                   |
| <b><u>070 Interiors</u></b>     |  |                                   |                                     |                                  |
| Interiors - Carpet              | \$12,136.00                            | \$94.28                           | \$0.84                              | \$95.12                          |
| <b>Sub Total</b>                | <b>\$12,136.00</b>                     | <b>\$94.28</b>                    | <b>\$0.84</b>                       | <b>\$95.12</b>                   |
| <b><u>080 Elevator</u></b>      |  |                                   |                                     |                                  |
| Elevator - Load Test            | \$975.00                               | \$14.64                           | \$0.13                              | \$14.78                          |
| Elevator - Major Repairs        | \$0.00                                 | \$245.55                          | \$2.18                              | \$247.73                         |
| Elevator - Minor Repairs        | \$6,800.00                             | \$52.83                           | \$0.47                              | \$53.29                          |
| <b>Sub Total</b>                | <b>\$7,775.00</b>                      | <b>\$313.02</b>                   | <b>\$2.78</b>                       | <b>\$315.80</b>                  |
| <b><u>085 Hot Water</u></b>     |  |                                   |                                     |                                  |
| Hot Water - Boiler              | \$20,000.00                            | \$83.14                           | \$0.74                              | \$83.88                          |
| Hot Water - Pumps               | \$0.00                                 | \$84.54                           | \$0.75                              | \$85.29                          |
| Hot Water - Storage Tanks       | \$5,900.00                             | \$24.53                           | \$0.22                              | \$24.74                          |
| Hot Water - Storage Tanks, 2010 | \$0.00                                 | \$15.68                           | \$0.14                              | \$15.82                          |
| Hot Water - Storage Tanks, 2015 | \$0.00                                 | \$24.53                           | \$0.22                              | \$24.74                          |
| <b>Sub Total</b>                | <b>\$25,900.00</b>                     | <b>\$232.40</b>                   | <b>\$2.08</b>                       | <b>\$234.48</b>                  |
| <b><u>090 Other</u></b>         |  |                                   |                                     |                                  |
| Baseboard Heaters               | \$0.00                                 | \$41.98                           | \$0.37                              | \$42.35                          |
| Entrance Access Phone           | \$4,500.00                             | \$25.66                           | \$0.23                              | \$25.89                          |
| Pedestrian Door Operator        | \$0.00                                 | \$84.02                           | \$0.75                              | \$84.77                          |
| Sump Pump                       | \$2,800.00                             | \$21.75                           | \$0.19                              | \$21.94                          |
| <b>Sub Total</b>                | <b>\$7,300.00</b>                      | <b>\$173.41</b>                   | <b>\$1.54</b>                       | <b>\$174.95</b>                  |
| Contingency                     | \$1,922.36                             | \$30.16                           | \$2.96                              | \$33.12                          |
| <b>Total</b>                    | <b>\$66,001.00</b>                     | <b>\$1,035.50</b>                 | <b>\$27.30</b>                      | <b>\$1,062.80</b>                |



# University Terrace Berkeley Homeowners Association (Building 9)

## Management / Accounting Charts

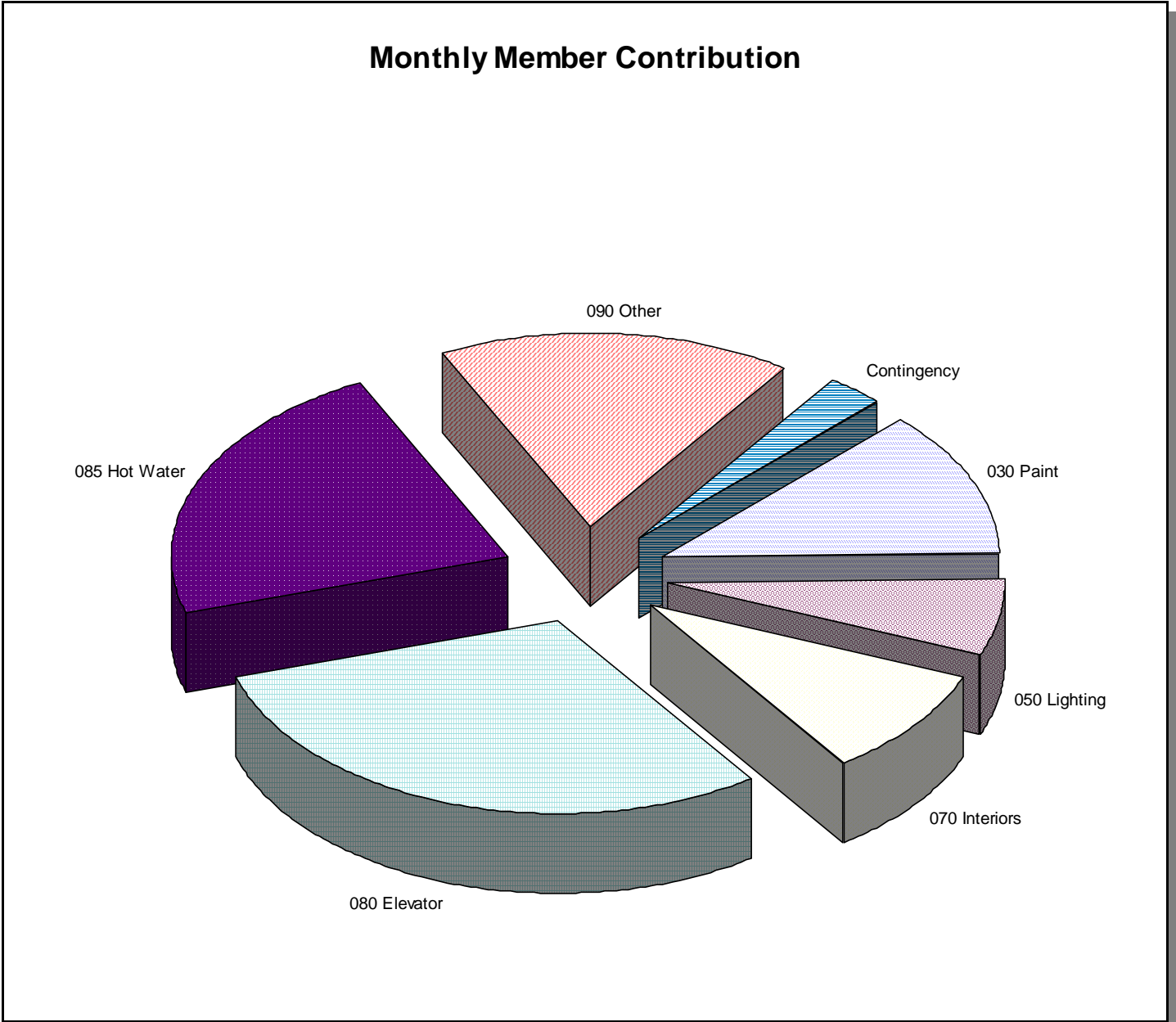
Directed Cash Flow Calculation Method; Sorted by Category



# University Terrace Berkeley Homeowners Association (Building 9)

## Management / Accounting Charts

Directed Cash Flow Calculation Method; Sorted by Category



# University Terrace Berkeley Homeowners Association (Building 9)

## Projections

### Directed Cash Flow Calculation Method

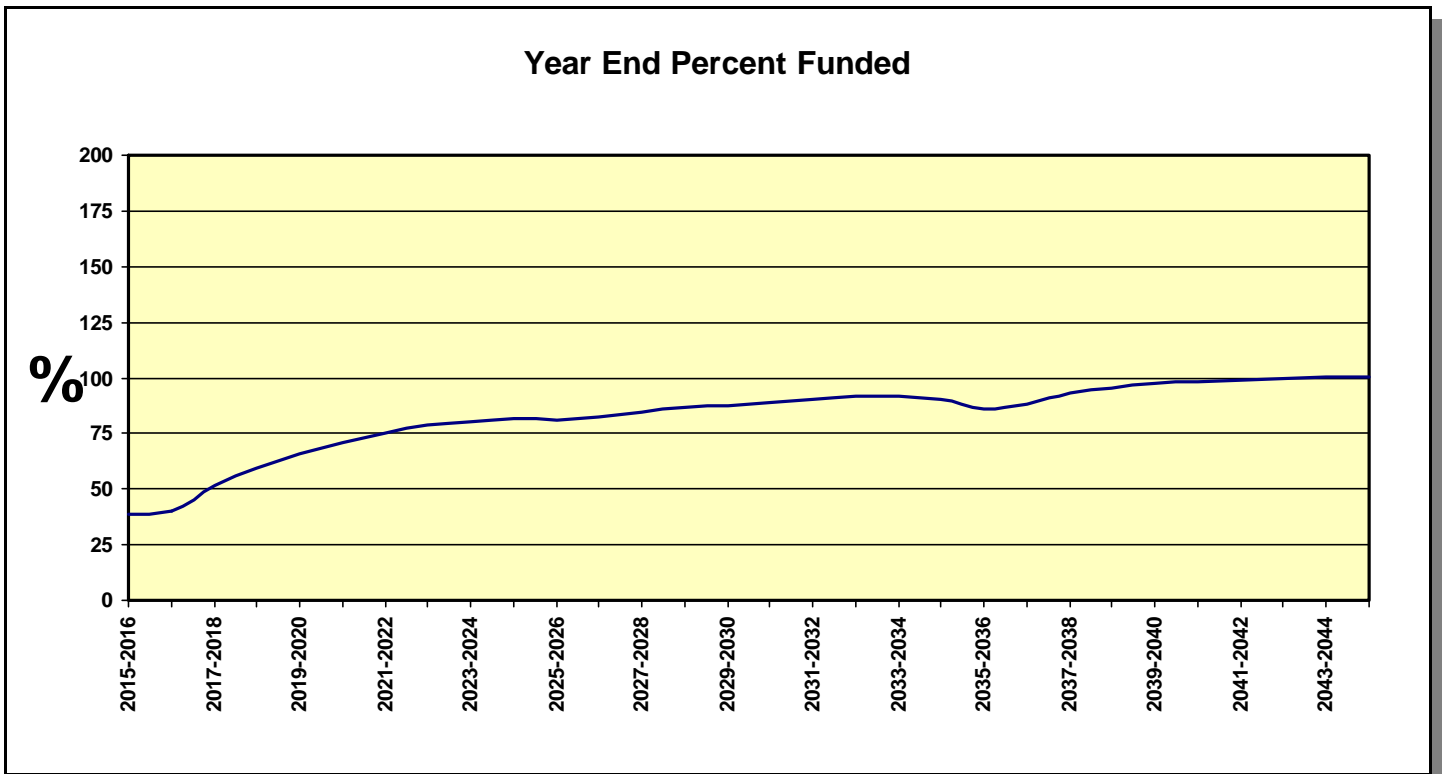
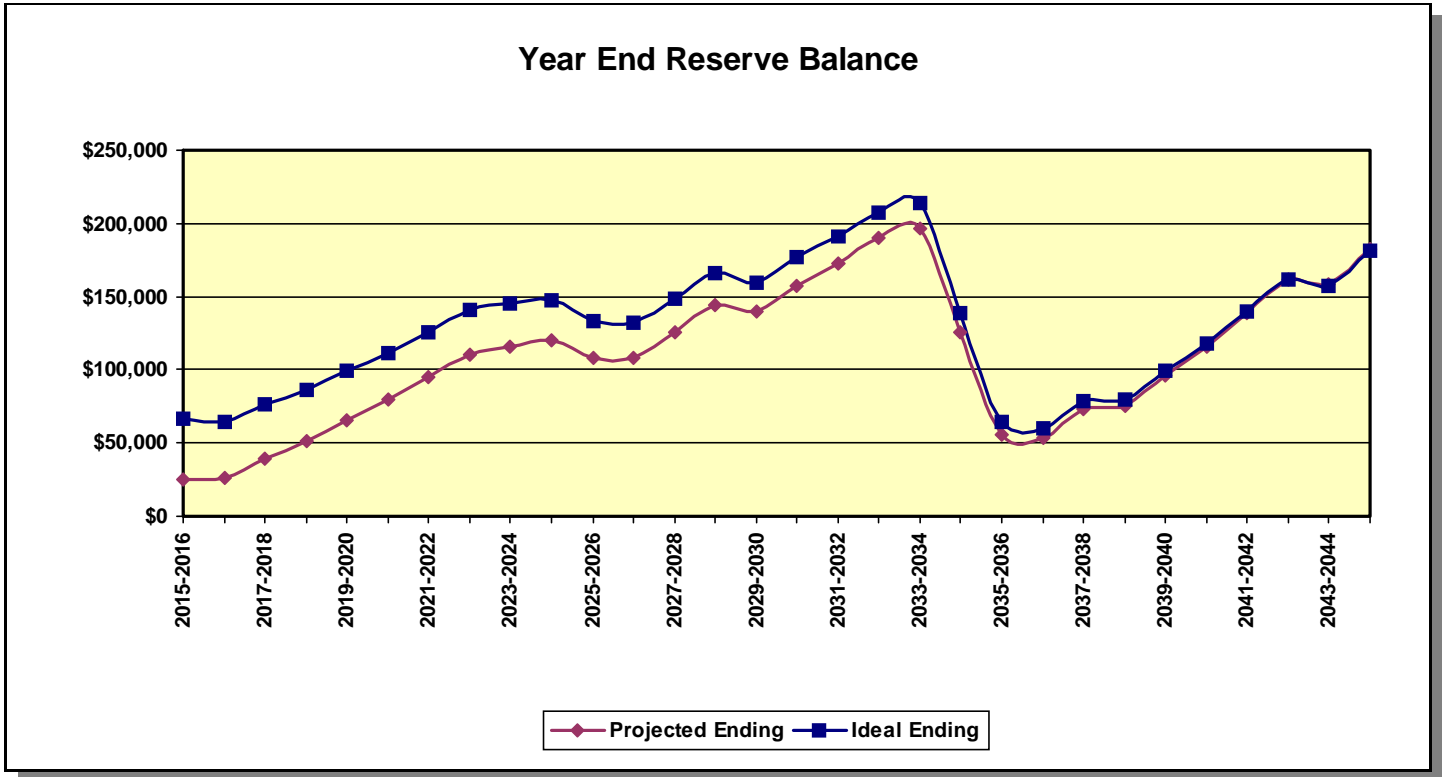
| Fiscal Year | Beginning Balance | Member Contribution | Interest Contribution | Expenditures | Ending Balance | Fully Funded Ending Balance | Percent Funded |
|-------------|-------------------|---------------------|-----------------------|--------------|----------------|-----------------------------|----------------|
| 2015-2016   | \$66,001          | \$12,426            | \$328                 | \$53,111     | \$25,644       | \$66,057                    | 39%            |
| 2016-2017   | \$25,644          | \$12,656            | \$326                 | \$12,939     | \$25,686       | \$64,082                    | 40%            |
| 2017-2018   | \$25,686          | \$12,890            | \$557                 | \$0          | \$39,133       | \$75,970                    | 52%            |
| 2018-2019   | \$39,133          | \$13,128            | \$764                 | \$1,831      | \$51,195       | \$86,479                    | 59%            |
| 2019-2020   | \$51,195          | \$13,371            | \$1,011               | \$0          | \$65,577       | \$99,448                    | 66%            |
| 2020-2021   | \$65,577          | \$13,619            | \$1,247               | \$1,103      | \$79,340       | \$111,846                   | 71%            |
| 2021-2022   | \$79,340          | \$13,871            | \$1,511               | \$0          | \$94,722       | \$125,995                   | 75%            |
| 2022-2023   | \$94,722          | \$14,127            | \$1,785               | \$0          | \$110,634      | \$140,782                   | 79%            |
| 2023-2024   | \$110,634         | \$14,389            | \$1,878               | \$10,752     | \$116,149      | \$144,878                   | 80%            |
| 2024-2025   | \$116,149         | \$14,655            | \$1,951               | \$12,239     | \$120,516      | \$147,805                   | 82%            |
| 2025-2026   | \$120,516         | \$14,926            | \$1,733               | \$29,072     | \$108,103      | \$133,340                   | 81%            |
| 2026-2027   | \$108,103         | \$15,202            | \$1,737               | \$16,563     | \$108,479      | \$132,032                   | 82%            |
| 2027-2028   | \$108,479         | \$15,483            | \$2,038               | \$0          | \$126,001      | \$148,499                   | 85%            |
| 2028-2029   | \$126,001         | \$15,770            | \$2,350               | \$0          | \$144,121      | \$165,707                   | 87%            |
| 2029-2030   | \$144,121         | \$16,061            | \$2,274               | \$22,579     | \$139,877      | \$159,845                   | 88%            |
| 2030-2031   | \$139,877         | \$16,359            | \$2,575               | \$1,412      | \$157,398      | \$176,529                   | 89%            |
| 2031-2032   | \$157,398         | \$16,661            | \$2,830               | \$4,602      | \$172,287      | \$190,617                   | 90%            |
| 2032-2033   | \$172,287         | \$16,969            | \$3,130               | \$2,587      | \$189,800      | \$207,548                   | 91%            |
| 2033-2034   | \$189,800         | \$17,283            | \$3,245               | \$13,764     | \$196,564      | \$213,474                   | 92%            |
| 2034-2035   | \$196,564         | \$17,603            | \$2,016               | \$90,324     | \$125,860      | \$139,103                   | 90%            |
| 2035-2036   | \$125,860         | \$17,929            | \$789                 | \$89,323     | \$55,255       | \$64,320                    | 86%            |
| 2036-2037   | \$55,255          | \$18,261            | \$748                 | \$21,202     | \$53,061       | \$59,987                    | 88%            |
| 2037-2038   | \$53,061          | \$18,598            | \$1,086               | \$0          | \$72,745       | \$78,340                    | 93%            |
| 2038-2039   | \$72,745          | \$18,942            | \$1,131               | \$17,293     | \$75,525       | \$79,317                    | 95%            |
| 2039-2040   | \$75,525          | \$19,293            | \$1,488               | \$0          | \$96,306       | \$99,008                    | 97%            |
| 2040-2041   | \$96,306          | \$19,650            | \$1,825               | \$1,808      | \$115,974      | \$117,724                   | 99%            |
| 2041-2042   | \$115,974         | \$20,013            | \$2,207               | \$0          | \$138,194      | \$139,271                   | 99%            |
| 2042-2043   | \$138,194         | \$20,384            | \$2,602               | \$0          | \$161,180      | \$161,822                   | 100%           |
| 2043-2044   | \$161,180         | \$20,761            | \$2,541               | \$26,603     | \$157,879      | \$157,327                   | 100%           |
| 2044-2045   | \$157,879         | \$21,145            | \$2,956               | \$0          | \$181,979      | \$181,294                   | 100%           |

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

# University Terrace Berkeley Homeowners Association (Building 9)

## Projection Charts

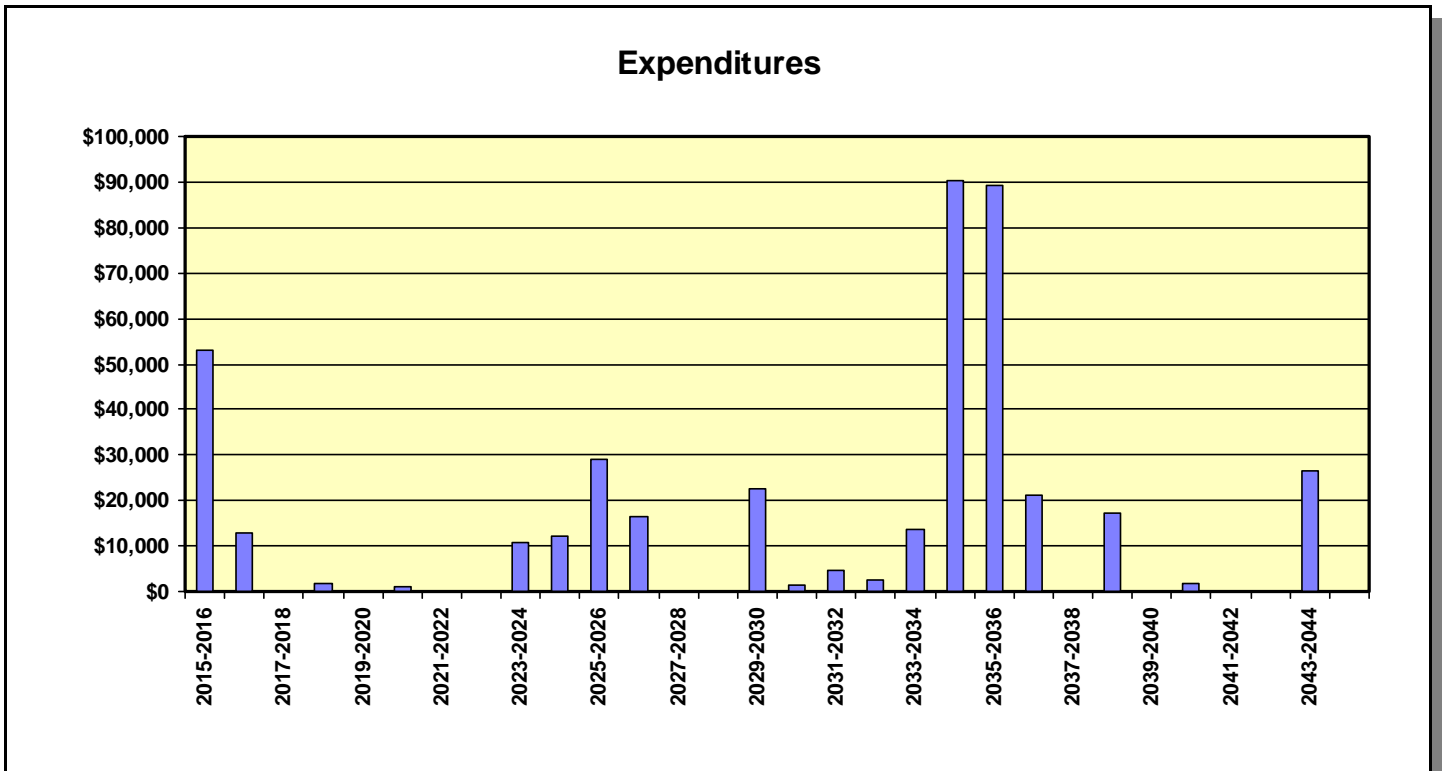
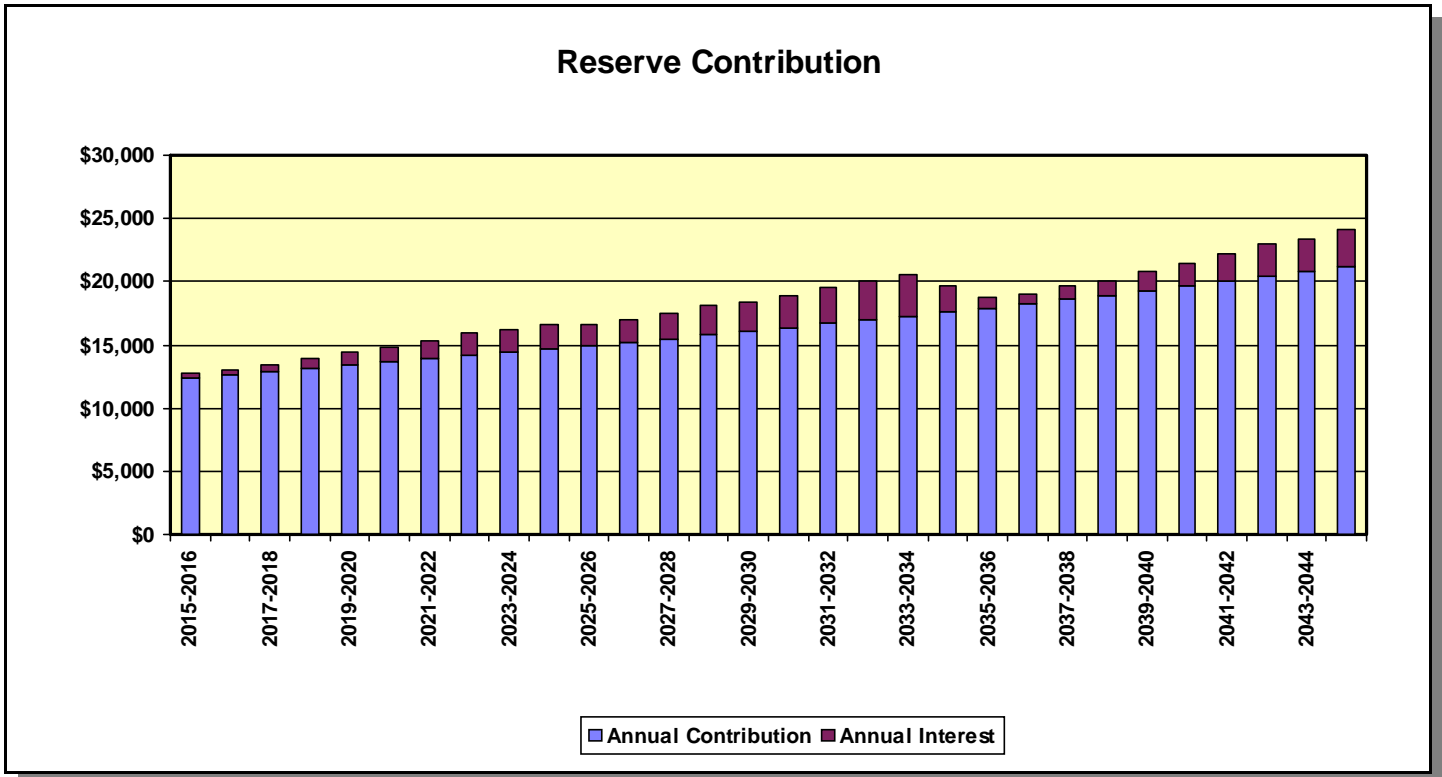
### Directed Cash Flow Calculation Method



# University Terrace Berkeley Homeowners Association (Building 9)

## Projection Charts

### Directed Cash Flow Calculation Method



# University Terrace Berkeley Homeowners Association (Building 9)

## Annual Expenditure Detail

Sorted by Description

### 2015-2016 Fiscal Year

|                           |             |
|---------------------------|-------------|
| Elevator - Load Test      | \$975.00    |
| Elevator - Minor Repairs  | \$6,800.00  |
| Entrance Access Phone     | \$4,500.00  |
| Hot Water - Boiler        | \$20,000.00 |
| Hot Water - Storage Tanks | \$5,900.00  |
| Interiors - Carpet        | \$12,136.00 |
| Sump Pump                 | \$2,800.00  |

**Sub Total** \$53,111.00

### 2016-2017 Fiscal Year

|                              |             |
|------------------------------|-------------|
| Paint - Interiors, Corridors | \$12,939.17 |
|------------------------------|-------------|

**Sub Total** \$12,939.17

### 2018-2019 Fiscal Year

|                   |            |
|-------------------|------------|
| Baseboard Heaters | \$1,830.71 |
|-------------------|------------|

**Sub Total** \$1,830.71

### 2020-2021 Fiscal Year

|                      |            |
|----------------------|------------|
| Elevator - Load Test | \$1,103.12 |
|----------------------|------------|

**Sub Total** \$1,103.12

### 2023-2024 Fiscal Year

|                   |             |
|-------------------|-------------|
| Hot Water - Pumps | \$10,752.41 |
|-------------------|-------------|

**Sub Total** \$10,752.41

### 2024-2025 Fiscal Year

|                          |             |
|--------------------------|-------------|
| Pedestrian Door Operator | \$12,238.86 |
|--------------------------|-------------|

**Sub Total** \$12,238.86

### 2025-2026 Fiscal Year

|                          |             |
|--------------------------|-------------|
| Elevator - Load Test     | \$1,248.08  |
| Elevator - Minor Repairs | \$8,704.57  |
| Interiors - Carpet       | \$15,535.11 |
| Sump Pump                | \$3,584.24  |

**Sub Total** \$29,072.00

### 2026-2027 Fiscal Year

|                              |             |
|------------------------------|-------------|
| Paint - Interiors, Corridors | \$16,563.23 |
|------------------------------|-------------|

**Sub Total** \$16,563.23

# University Terrace Berkeley Homeowners Association (Building 9)

## Annual Expenditure Detail

Sorted by Description

### 2029-2030 Fiscal Year

Entrance Access Phone \$6,358.38

Lighting - Interiors \$16,220.94

**Sub Total** \$22,579.32

### 2030-2031 Fiscal Year

Elevator - Load Test \$1,412.09

**Sub Total** \$1,412.09

### 2031-2032 Fiscal Year

Hot Water - Storage Tanks, 2010 \$4,601.97

**Sub Total** \$4,601.97

### 2032-2033 Fiscal Year

Baseboard Heaters \$2,586.75

**Sub Total** \$2,586.75

### 2033-2034 Fiscal Year

Hot Water - Pumps \$13,763.99

**Sub Total** \$13,763.99

### 2034-2035 Fiscal Year

Elevator - Major Repairs \$90,323.74

**Sub Total** \$90,323.74

### 2035-2036 Fiscal Year

Elevator - Load Test \$1,597.65

Elevator - Minor Repairs \$11,142.59

Hot Water - Boiler \$32,772.33

Hot Water - Storage Tanks \$9,667.84

Hot Water - Storage Tanks, 2015 \$9,667.84

Interiors - Carpet \$19,886.25

Sump Pump \$4,588.13

**Sub Total** \$89,322.62

### 2036-2037 Fiscal Year

Paint - Interiors, Corridors \$21,202.34

**Sub Total** \$21,202.34

### 2038-2039 Fiscal Year

Pedestrian Door Operator \$17,293.18

# University Terrace Berkeley Homeowners Association (Building 9)

## Annual Expenditure Detail

Sorted by Description

|                              |                    |
|------------------------------|--------------------|
| <b>Sub Total</b>             | <u>\$17,293.18</u> |
| <b>2040-2041 Fiscal Year</b> |                    |
| Elevator - Load Test         | \$1,807.60         |
| <b>Sub Total</b>             | <u>\$1,807.60</u>  |
| <b>2043-2044 Fiscal Year</b> |                    |
| Entrance Access Phone        | \$8,984.23         |
| Hot Water - Pumps            | \$17,619.07        |
| <b>Sub Total</b>             | <u>\$26,603.30</u> |



# University Terrace Berkeley Homeowners Association (Building 9)

## Component Detail

Sorted by Category

### Paint - Interiors, Corridors

|                   |           |                  |                |
|-------------------|-----------|------------------|----------------|
| Category          | 030 Paint | Quantity         | 13,014 sq. ft. |
|                   |           | Unit Cost        | \$0.970        |
|                   |           | % of Replacement | 100.00%        |
|                   |           | Current Cost     | \$12,623.58    |
| Placed In Service | 07/99     | Future Cost      | \$12,939.17    |
| Useful Life       | 10        |                  |                |
| Adjustment        | +7        |                  |                |
| Remaining Life    | 1         |                  |                |
| Replacement Year  | 2016-2017 |                  |                |

#### Comments:

According to the client, the corridors of building 9 were painted in about 1999.

The actual month this component was placed into service is not available. For budgeting purposes we have used the month corresponding to the beginning of the client's fiscal year.

The remaining life of this component has been extended due to its condition at our most recent field inspection.

# University Terrace Berkeley Homeowners Association (Building 9)

## Component Detail

Sorted by Category

### Lighting - Interiors

|                   |              |                  |             |
|-------------------|--------------|------------------|-------------|
| Category          | 050 Lighting | Quantity         | 1 total     |
|                   |              | Unit Cost        | \$11,480.00 |
|                   |              | % of Replacement | 100.00%     |
|                   |              | Current Cost     | \$11,480.00 |
| Placed In Service | 07/04        | Future Cost      | \$16,220.94 |
| Useful Life       | 25           |                  |             |
| Remaining Life    | 14           |                  |             |
| Replacement Year  | 2029-2030    |                  |             |

Comments:

The actual date this component was placed into service is not available. For budgeting purposes, this date has been estimated based on its condition at our most recent field inspection.

|                                 |   |          |   |             |
|---------------------------------|---|----------|---|-------------|
| 7 EXIT signs (corridors)        | @ | \$215.00 | = | \$1,505.00  |
| 9 emergency back-up (corridors) | @ | \$300.00 | = | \$2,700.00  |
| 7 wall fixtures                 | @ | \$165.00 | = | \$1,155.00  |
| 36 recessed spots               | @ | \$170.00 | = | \$6,120.00  |
|                                 |   | TOTAL    | = | \$11,480.00 |

### Interiors - Carpet

|                   |               |                  |              |
|-------------------|---------------|------------------|--------------|
| Category          | 070 Interiors | Quantity         | 328 sq. yds. |
|                   |               | Unit Cost        | \$37.000     |
|                   |               | % of Replacement | 100.00%      |
|                   |               | Current Cost     | \$12,136.00  |
| Placed In Service | 07/94         | Future Cost      | \$15,535.11  |
| Useful Life       | 10            |                  |              |
| Remaining Life    | 0             |                  |              |
| Replacement Year  | 2015-2016     |                  |              |

Comments:

This is the quantity for the corridors only.

# University Terrace Berkeley Homeowners Association (Building 9)

## Component Detail

Sorted by Category

### Elevator - Load Test

|                   |              |                  |            |
|-------------------|--------------|------------------|------------|
| Category          | 080 Elevator | Quantity         | 1 elevator |
|                   |              | Unit Cost        | \$975.000  |
|                   |              | % of Replacement | 100.00%    |
|                   |              | Current Cost     | \$975.00   |
| Placed In Service | 07/07        | Future Cost      | \$1,103.12 |
| Useful Life       | 5            |                  |            |
| Remaining Life    | 0            |                  |            |
| Replacement Year  | 2015-2016    |                  |            |

#### Comments:

The client had the 5-year load test performed on the elevator in July 2007 for a cost of \$740.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

### Elevator - Major Repairs

|                   |              |                  |              |
|-------------------|--------------|------------------|--------------|
| Category          | 080 Elevator | Quantity         | 1 elevator   |
|                   |              | Unit Cost        | \$56,500.000 |
|                   |              | % of Replacement | 100.00%      |
|                   |              | Current Cost     | \$56,500.00  |
| Placed In Service | 07/94        | Future Cost      | \$90,323.74  |
| Useful Life       | 40           |                  |              |
| Remaining Life    | 19           |                  |              |
| Replacement Year  | 2034-2035    |                  |              |

#### Comments:

We have included this component for modernization and future major elevator repairs/replacements.

# University Terrace Berkeley Homeowners Association (Building 9)

## Component Detail

Sorted by Category

### Elevator - Minor Repairs

|                   |              |                  |             |
|-------------------|--------------|------------------|-------------|
| Category          | 080 Elevator | Quantity         | 1 elevator  |
|                   |              | Unit Cost        | \$6,800.000 |
|                   |              | % of Replacement | 100.00%     |
|                   |              | Current Cost     | \$6,800.00  |
| Placed In Service | 07/05        | Future Cost      | \$8,704.57  |
| Useful Life       | 10           |                  |             |
| Remaining Life    | 0            |                  |             |
| Replacement Year  | 2015-2016    |                  |             |

#### Comments:

We have included this component for minor repairs on a 10-year cycle beginning July 2005.

### Hot Water - Boiler

|                   |               |                  |              |
|-------------------|---------------|------------------|--------------|
| Category          | 085 Hot Water | Quantity         | 1 total      |
|                   |               | Unit Cost        | \$20,000.000 |
|                   |               | % of Replacement | 100.00%      |
|                   |               | Current Cost     | \$20,000.00  |
| Placed In Service | 07/94         | Future Cost      | \$32,772.33  |
| Useful Life       | 20            |                  |              |
| Remaining Life    | 0             |                  |              |
| Replacement Year  | 2015-2016     |                  |              |

#### Comments:

This system has dual Caravan boilers located on the ground floor of the building.

According to the client, boiler repairs were completed in November 2012 for a cost of \$1,100.

# University Terrace Berkeley Homeowners Association (Building 9)

## Component Detail

Sorted by Category

### Hot Water - Pumps

|                   |               |                  |             |
|-------------------|---------------|------------------|-------------|
| Category          | 085 Hot Water | Quantity         | 1 total     |
|                   |               | Unit Cost        | \$8,825.000 |
|                   |               | % of Replacement | 100.00%     |
|                   |               | Current Cost     | \$8,825.00  |
| Placed In Service | 07/13         | Future Cost      | \$10,752.41 |
| Useful Life       | 10            |                  |             |
| Remaining Life    | 8             |                  |             |
| Replacement Year  | 2023-2024     |                  |             |

Comments:

During our most recent field evaluation, we noted one of the Balder pumps had been replaced as was the smaller circulating pump. We have included all the pumps in this component.

The actual date this component was placed into service is not available. For budgeting purposes, this date has been estimated based on its condition at our most recent field inspection.

|                       |   |            |   |            |
|-----------------------|---|------------|---|------------|
| 2 Balder boiler pumps | @ | \$3,850.00 | = | \$7,700.00 |
| 1 circulating pump    | @ | \$1,125.00 | = | \$1,125.00 |
|                       |   | TOTAL      | = | \$8,825.00 |

### Hot Water - Storage Tanks

|                   |               |                  |             |
|-------------------|---------------|------------------|-------------|
| Category          | 085 Hot Water | Quantity         | 1 tank      |
|                   |               | Unit Cost        | \$5,900.000 |
|                   |               | % of Replacement | 100.00%     |
|                   |               | Current Cost     | \$5,900.00  |
| Placed In Service | 07/94         | Future Cost      | \$9,667.84  |
| Useful Life       | 20            |                  |             |
| Remaining Life    | 0             |                  |             |
| Replacement Year  | 2015-2016     |                  |             |

Comments:

This is a 100 gallon A.O. Smith water storage tanks located on the ground floor of the building.

# University Terrace Berkeley Homeowners Association (Building 9)

## Component Detail

Sorted by Category

### Hot Water - Storage Tanks, 2010

|                   |               |                  |            |
|-------------------|---------------|------------------|------------|
| Category          | 085 Hot Water | Quantity         | 1 tank     |
|                   |               | Unit Cost        | \$3,100.00 |
|                   |               | % of Replacement | 100.00%    |
|                   |               | Current Cost     | \$3,100.00 |
| Placed In Service | 07/11         | Future Cost      | \$4,601.97 |
| Useful Life       | 20            |                  |            |
| Remaining Life    | 16            |                  |            |
| Replacement Year  | 2031-2032     |                  |            |

#### Comments:

According to the client, this American Standard water storage tank located on the ground floor of the building was installed in June 2010 for a total cost of \$2,700.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

For budgeting purposes, we have used the next fiscal year's beginning date as the placed-in-service date for this component.

# University Terrace Berkeley Homeowners Association (Building 9)

## Component Detail

Sorted by Category

### Hot Water - Storage Tanks, 2015

|                   |               |                  |             |
|-------------------|---------------|------------------|-------------|
| Category          | 085 Hot Water | Quantity         | 1 tank      |
|                   |               | Unit Cost        | \$5,900.000 |
|                   |               | % of Replacement | 100.00%     |
|                   |               | Current Cost     | \$5,900.00  |
| Placed In Service | 07/15         | Future Cost      | \$9,667.84  |
| Useful Life       | 20            |                  |             |
| Remaining Life    | 20            |                  |             |
| Replacement Year  | 2035-2036     |                  |             |

#### Comments:

The client informs us the association's intention to replace one of the 100-gallon water storage tanks located on the ground floor of the building before the beginning of the 2015-2016 fiscal year for a cost of about \$5,900.

The cost for this component is based on actual quotations provided to the client.

For budgeting purposes, we have used the next fiscal year's beginning date as the placed-in-service date for this component.

# University Terrace Berkeley Homeowners Association (Building 9)

## Component Detail

Sorted by Category

### Baseboard Heaters

|                   |           |                  |            |
|-------------------|-----------|------------------|------------|
| Category          | 090 Other | Quantity         | 4 heaters  |
|                   |           | Unit Cost        | \$425.000  |
|                   |           | % of Replacement | 100.00%    |
|                   |           | Current Cost     | \$1,700.00 |
| Placed In Service | 07/04     | Future Cost      | \$1,830.71 |
| Useful Life       | 14        |                  |            |
| Remaining Life    | 3         |                  |            |
| Replacement Year  | 2018-2019 |                  |            |

#### Comments:

These are the 10' baseboard heaters located in the stairwells.

The actual date this component was placed into service is not available. For budgeting purposes, this date has been estimated based on its condition at our most recent field inspection.

### Entrance Access Phone

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 090 Other | Quantity         | 1 phone     |
|                   |           | Unit Cost        | \$4,500.000 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$4,500.00  |
| Placed In Service | 07/94     | Future Cost      | \$6,358.38  |
| Useful Life       | 14        |                  |             |
| Remaining Life    | 0         |                  |             |
| Replacement Year  | 2015-2016 |                  |             |

#### Comments:

We anticipate this push-button entrance access phone replaced with a more technologically advanced unit.



# University Terrace Berkeley Homeowners Association (Building 9)

## Component Detail

Sorted by Category

### Pedestrian Door Operator

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 090 Other | Quantity         | 1 operator  |
|                   |           | Unit Cost        | \$9,800.000 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$9,800.00  |
| Placed In Service | 07/10     | Future Cost      | \$12,238.86 |
| Useful Life       | 14        |                  |             |
| Remaining Life    | 9         |                  |             |
| Replacement Year  | 2024-2025 |                  |             |

#### Comments:

According to the client, this pedestrian entry door operator was installed in 2010 for a total cost of \$8,907.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

The actual month this component was placed into service is not available. For budgeting purposes we have used the month corresponding to the beginning of the client's fiscal year.

# University Terrace Berkeley Homeowners Association (Building 9)

## Component Detail

Sorted by Category

### Sump Pump

|                   |           |                  |            |
|-------------------|-----------|------------------|------------|
| Category          | 090 Other | Quantity         | 1 pump     |
|                   |           | Unit Cost        | \$2,800.00 |
|                   |           | % of Replacement | 100.00%    |
|                   |           | Current Cost     | \$2,800.00 |
| Placed In Service | 07/04     | Future Cost      | \$3,584.24 |
| Useful Life       | 10        |                  |            |
| Remaining Life    | 0         |                  |            |
| Replacement Year  | 2015-2016 |                  |            |

#### Comments:

There is a sump pump for Building 9 in the community room storage room.

The actual date this component was placed into service is not available. For budgeting purposes, this date has been estimated based on its condition at our most recent field inspection.

# University Terrace Berkeley Homeowners Association (Building 9)

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Number of components included in this reserve analysis is 15.

# University Terrace Berkeley Homeowners Association (Building 9)

## Executive Summary

### Directed Cash Flow Calculation Method

**Client Information:**

|                 |                       |
|-----------------|-----------------------|
| Account Number  | 11005                 |
| Version Number  | 2                     |
| Analysis Date   | 04/22/2015            |
| Fiscal Year     | 7/1/2015 to 6/30/2016 |
| Number of Units | 19                    |
| Phasing         | 1 of 1                |

**Global Parameters:**

|                              |         |
|------------------------------|---------|
| Inflation Rate               | 2.50 %  |
| Annual Contribution Increase | 1.85 %  |
| Investment Rate              | 2.50 %  |
| Taxes on Investments         | 30.00 % |
| Contingency                  | 3.00 %  |

**Community Profile:**

For budgeting purposes, unless otherwise indicated, we have used July 1994 as the average placed-in-service date for aging the original components included in this analysis.

The client has directed us to include these specific components exclusive to building 9.

Field evaluations: April 16, 2014; March 2011; May 2008; January 2005

**Adequacy of Reserves as of July 1, 2015:**

|                              |                     |
|------------------------------|---------------------|
| Anticipated Reserve Balance  | <b>\$66,001.00</b>  |
| Fully Funded Reserve Balance | <b>\$110,134.22</b> |
| Percent Funded               | <b>59.93%</b>       |

| <b>Recommended Funding for the 2015-2016 Fiscal Year:</b> | <b>Annual</b>   | <b>Monthly</b>    | <b>Per Unit<br/>Per Month</b> |
|---|-----------------|-------------------|-------------------------------|
| Member Contribution                                       | <b>\$12,426</b> | <b>\$1,035.50</b> | <b>\$54.50</b>                |
| Interest Contribution                                     | <b>\$328</b>    | <b>\$27.30</b>    | <b>\$1.44</b>                 |
| Total Contribution  | <b>\$12,754</b> | <b>\$1,062.80</b> | <b>\$55.94</b>                |

# University Terrace Berkeley Homeowners Association (Building 9)

## Projections

### Directed Cash Flow Calculation Method

| Fiscal Year | Beginning Balance | Member Contribution | Interest Contribution | Expenditures | Ending Balance | Fully Funded Ending Balance | Percent Funded |
|-------------|-------------------|---------------------|-----------------------|--------------|----------------|-----------------------------|----------------|
| 2015-2016   | \$66,001          | \$12,426            | \$328                 | \$53,111     | \$25,644       | \$66,057                    | 39%            |
| 2016-2017   | \$25,644          | \$12,656            | \$326                 | \$12,939     | \$25,686       | \$64,082                    | 40%            |
| 2017-2018   | \$25,686          | \$12,890            | \$557                 | \$0          | \$39,133       | \$75,970                    | 52%            |
| 2018-2019   | \$39,133          | \$13,128            | \$764                 | \$1,831      | \$51,195       | \$86,479                    | 59%            |
| 2019-2020   | \$51,195          | \$13,371            | \$1,011               | \$0          | \$65,577       | \$99,448                    | 66%            |
| 2020-2021   | \$65,577          | \$13,619            | \$1,247               | \$1,103      | \$79,340       | \$111,846                   | 71%            |
| 2021-2022   | \$79,340          | \$13,871            | \$1,511               | \$0          | \$94,722       | \$125,995                   | 75%            |
| 2022-2023   | \$94,722          | \$14,127            | \$1,785               | \$0          | \$110,634      | \$140,782                   | 79%            |
| 2023-2024   | \$110,634         | \$14,389            | \$1,878               | \$10,752     | \$116,149      | \$144,878                   | 80%            |
| 2024-2025   | \$116,149         | \$14,655            | \$1,951               | \$12,239     | \$120,516      | \$147,805                   | 82%            |
| 2025-2026   | \$120,516         | \$14,926            | \$1,733               | \$29,072     | \$108,103      | \$133,340                   | 81%            |
| 2026-2027   | \$108,103         | \$15,202            | \$1,737               | \$16,563     | \$108,479      | \$132,032                   | 82%            |
| 2027-2028   | \$108,479         | \$15,483            | \$2,038               | \$0          | \$126,001      | \$148,499                   | 85%            |
| 2028-2029   | \$126,001         | \$15,770            | \$2,350               | \$0          | \$144,121      | \$165,707                   | 87%            |
| 2029-2030   | \$144,121         | \$16,061            | \$2,274               | \$22,579     | \$139,877      | \$159,845                   | 88%            |
| 2030-2031   | \$139,877         | \$16,359            | \$2,575               | \$1,412      | \$157,398      | \$176,529                   | 89%            |
| 2031-2032   | \$157,398         | \$16,661            | \$2,830               | \$4,602      | \$172,287      | \$190,617                   | 90%            |
| 2032-2033   | \$172,287         | \$16,969            | \$3,130               | \$2,587      | \$189,800      | \$207,548                   | 91%            |
| 2033-2034   | \$189,800         | \$17,283            | \$3,245               | \$13,764     | \$196,564      | \$213,474                   | 92%            |
| 2034-2035   | \$196,564         | \$17,603            | \$2,016               | \$90,324     | \$125,860      | \$139,103                   | 90%            |
| 2035-2036   | \$125,860         | \$17,929            | \$789                 | \$89,323     | \$55,255       | \$64,320                    | 86%            |
| 2036-2037   | \$55,255          | \$18,261            | \$748                 | \$21,202     | \$53,061       | \$59,987                    | 88%            |
| 2037-2038   | \$53,061          | \$18,598            | \$1,086               | \$0          | \$72,745       | \$78,340                    | 93%            |
| 2038-2039   | \$72,745          | \$18,942            | \$1,131               | \$17,293     | \$75,525       | \$79,317                    | 95%            |
| 2039-2040   | \$75,525          | \$19,293            | \$1,488               | \$0          | \$96,306       | \$99,008                    | 97%            |
| 2040-2041   | \$96,306          | \$19,650            | \$1,825               | \$1,808      | \$115,974      | \$117,724                   | 99%            |
| 2041-2042   | \$115,974         | \$20,013            | \$2,207               | \$0          | \$138,194      | \$139,271                   | 99%            |
| 2042-2043   | \$138,194         | \$20,384            | \$2,602               | \$0          | \$161,180      | \$161,822                   | 100%           |
| 2043-2044   | \$161,180         | \$20,761            | \$2,541               | \$26,603     | \$157,879      | \$157,327                   | 100%           |
| 2044-2045   | \$157,879         | \$21,145            | \$2,956               | \$0          | \$181,979      | \$181,294                   | 100%           |

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

# University Terrace Berkeley Homeowners Association (Building 9)

## Membership Disclosure Summary

Sorted by Category

| Major Reserve Components | Current Cost | Assigned Reserves | Remaining Life Range | Useful Life Range |
|--------------------------|--------------|-------------------|----------------------|-------------------|
| 030 Paint                | \$12,624     | \$10,968          | 1                    | 17                |
| 050 Lighting             | \$11,480     | \$0               | 14                   | 25                |
| 070 Interiors            | \$12,136     | \$12,136          | 0                    | 10                |
| 080 Elevator             | \$64,275     | \$7,775           | 0-19                 | 5-40              |
| 085 Hot Water            | \$43,725     | \$25,900          | 0-20                 | 10-20             |
| 090 Other                | \$18,800     | \$7,300           | 0-9                  | 10-14             |
| Contingency              | n.a.         | \$1,922           | n.a.                 | n.a.              |
| Total                    | \$163,040    | \$66,001          | 0-20                 | 5-40              |

# RESERVE ANALYSIS REPORT

**University Terrace Berkeley Homeowners Association**

Berkeley, California

Version 2

Wednesday, April 22, 2015



## MURRAY JOSEPH & ASSOCIATES

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# University Terrace Berkeley Homeowners Association

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# University Terrace Berkeley Homeowners Association

## Executive Summary

### Directed Cash Flow Calculation Method

#### Client Information:

|                 |                       |
|-----------------|-----------------------|
| Account Number  | 11005                 |
| Version Number  | 2                     |
| Analysis Date   | 04/22/2015            |
| Fiscal Year     | 7/1/2015 to 6/30/2016 |
| Number of Units | 56                    |
| Phasing         | 1 of 1                |

#### Global Parameters:

|                              |         |
|------------------------------|---------|
| Inflation Rate               | 2.50 %  |
| Annual Contribution Increase | 4.85 %  |
| Investment Rate              | 2.50 %  |
| Taxes on Investments         | 30.00 % |
| Contingency                  | 3.00 %  |

#### Community Profile:

For budgeting purposes, unless otherwise indicated, we have used July 1994 as the average placed-in-service date for aging the original components included in this analysis.

Field evaluations: April 16, 2014; March 2011; May 2008; January 2005

#### Adequacy of Reserves as of July 1, 2015:

|                              |              |
|------------------------------|--------------|
| Anticipated Reserve Balance  | \$467,294.00 |
| Fully Funded Reserve Balance | \$806,293.68 |
| Percent Funded               | 57.96%       |

| Recommended Funding for the 2015-2016 Fiscal Year: | Annual   | Monthly    | Per Unit  |
|--|----------|------------|-----------|
|  |          |            | Per Month |
| Member Contribution                                | \$76,608 | \$6,384.00 | \$114.00  |
| Interest Contribution                              | \$2,788  | \$232.32   | \$4.15    |
| Total Contribution                                 | \$79,396 | \$6,616.32 | \$118.15  |

# University Terrace Berkeley Homeowners Association

## Calculation of Percent Funded

Sorted by Category

|  | Remaining<br>Life | Useful<br>Life | Current<br>Cost     | Fully<br>Funded<br>Balance |
|--|-------------------|----------------|---------------------|----------------------------|
| <b><u>010 Asphalt</u></b>                |                   |                |                     |                            |
| Asphalt - Overlay/Replace                | 5                 | 26             | \$59,316.40         | \$47,909.40                |
| Asphalt - Repairs                        | 1                 | 6              | \$6,594.59          | \$5,495.49                 |
| Asphalt - Seal                           | 1                 | 6              | \$5,931.64          | \$4,943.03                 |
| <b>Sub Total</b>                         | <b>1-5</b>        | <b>6-26</b>    | <b>\$71,842.63</b>  | <b>\$58,347.92</b>         |
| <b><u>020 Roofs</u></b>                  |                   |                |                     |                            |
| Roofs - Building 9, Gutters & Downspouts | 4                 | 25             | \$2,220.00          | \$1,864.80                 |
| Roofs - Building 9, Low Slope            | 6                 | 16             | \$76,316.40         | \$47,697.75                |
| Roofs - Building 9, Metal Cap Coating    | 9                 | 10             | \$8,875.00          | \$467.11                   |
| Roofs - Carports                         | 9                 | 30             | \$15,876.00         | \$11,113.20                |
| Roofs - Composition Shingle              | 0                 | 21             | \$172,138.75        | \$172,138.75               |
| Roofs - Composition Shingle, Bldg 2      | 26                | 36             | \$51,000.00         | \$14,166.67                |
| Roofs - Composition Shingle, Bldgs 4     | 31                | 36             | \$25,000.00         | \$3,472.22                 |
| Roofs - Composition Shingle, Bldgs 6 & 7 | 34                | 36             | \$50,000.00         | \$2,777.78                 |
| Roofs - Gutters & Downspouts             | 0                 | 18             | \$34,651.55         | \$34,651.55                |
| Roofs - Gutters, Buildings #3 & #4       | 17                | 18             | \$5,640.95          | \$288.61                   |
| Roofs - Mailbox Kiosks                   | 35                | 36             | \$4,500.00          | \$63.38                    |
| Roofs - Storage Shed                     | 11                | 12             | \$5,360.00          | \$233.04                   |
| <b>Sub Total</b>                         | <b>0-35</b>       | <b>10-36</b>   | <b>\$451,578.65</b> | <b>\$288,934.85</b>        |
| <b><u>030 Paint</u></b>                  |                   |                |                     |                            |
| Paint - Exteriors, Building 9            | 9                 | 10             | \$20,838.00         | \$1,765.93                 |
| Paint - Exteriors, Stucco                | 9                 | 10             | \$53,271.40         | \$4,514.53                 |
| Paint - Exteriors, Trim                  | 4                 | 5              | \$29,680.00         | \$5,117.24                 |
| Paint - Interiors, Community Room        | 2                 | 10             | \$2,533.68          | \$2,026.94                 |
| Paint - Light Poles/Carports             | 4                 | 5              | \$8,074.00          | \$1,392.07                 |
| Paint - Metal                            | 4                 | 5              | \$4,700.00          | \$810.34                   |
| <b>Sub Total</b>                         | <b>2-9</b>        | <b>5-10</b>    | <b>\$119,097.08</b> | <b>\$15,627.06</b>         |
| <b><u>040 Fencing</u></b>                |                   |                |                     |                            |
| Fencing - Patio, Unfunded                | n.a.              | n.a.           | \$0.00              | \$0.00                     |
| Fencing - Wrought Iron                   | 9                 | 30             | \$5,726.00          | \$4,008.20                 |
| <b>Sub Total</b>                         | <b>9</b>          | <b>30</b>      | <b>\$5,726.00</b>   | <b>\$4,008.20</b>          |
| <b><u>050 Lighting</u></b>               |                   |                |                     |                            |
| Lighting - Bollards                      | 1                 | 22             | \$17,600.00         | \$16,800.00                |
| Lighting - Carports                      | 4                 | 25             | \$1,085.00          | \$911.40                   |
| Lighting - Exteriors                     | 1                 | 22             | \$19,955.00         | \$19,047.95                |

# University Terrace Berkeley Homeowners Association

## Calculation of Percent Funded

Sorted by Category

|   | Remaining<br>Life | Useful<br>Life | Current<br>Cost     | Fully<br>Funded<br>Balance |
|---|-------------------|----------------|---------------------|----------------------------|
| Lighting - Exteriors, Building 9                | 1                 | 22             | \$5,875.00          | \$5,607.95                 |
| Lighting - Interiors                            | 4                 | 25             | \$7,345.00          | \$6,169.80                 |
| Lighting - Street                               | 4                 | 25             | \$36,000.00         | \$30,240.00                |
| <b>Sub Total</b>                                | <b>1-4</b>        | <b>22-25</b>   | <b>\$87,860.00</b>  | <b>\$78,777.11</b>         |
| <b><u>070 Interiors</u></b>                     |                   |                |                     |                            |
| Interiors - Banquet Furniture                   | 2                 | 10             | \$3,000.00          | \$2,400.00                 |
| Interiors - Cabinets/Counters                   | 4                 | 25             | \$4,995.00          | \$4,195.80                 |
| Interiors - Carpet                              | 1                 | 9              | \$4,070.00          | \$3,617.78                 |
| Interiors - Plumbing Fixtures                   | 4                 | 25             | \$13,070.00         | \$10,978.80                |
| <b>Sub Total</b>                                | <b>1-4</b>        | <b>9-25</b>    | <b>\$25,135.00</b>  | <b>\$21,192.38</b>         |
| <b><u>080 Balconies/Stairs</u></b>              |                   |                |                     |                            |
| Balconies - Concrete, Repairs                   | 5                 | 12             | \$72,450.00         | \$42,262.50                |
| Balconies - Membrane, Recoat                    | 0                 | 21             | \$15,050.00         | \$15,050.00                |
| Balconies - Membrane, Replace                   | 0                 | 21             | \$63,000.00         | \$63,000.00                |
| Balconies - Membrane, Replace, Building 9       | 0                 | 21             | \$49,000.00         | \$49,000.00                |
| Balconies - Railings, Building 9                | 22                | 25             | \$110,400.00        | \$13,248.00                |
| Stairs - Repair/Replace, Unfunded               | n.a.              | n.a.           | \$0.00              | \$0.00                     |
| <b>Sub Total</b>                                | <b>0-22</b>       | <b>12-25</b>   | <b>\$309,900.00</b> | <b>\$182,560.50</b>        |
| <b><u>090 Other</u></b>                         |                   |                |                     |                            |
| Doors   | 4                 | 25             | \$1,600.00          | \$1,344.00                 |
| Fire Extinguisher Cabinets                      | 4                 | 25             | \$6,480.00          | \$5,443.20                 |
| Fire Protection - Extinguisher Cabinets, Bldg 9 | 9                 | 30             | \$1,620.00          | \$1,134.00                 |
| Fire Protection - Recertification               | 2                 | 5              | \$7,800.00          | \$4,680.00                 |
| Fire Protection - System                        | 4                 | 25             | \$34,000.00         | \$28,560.00                |
| Grounds - Benches/Picnic Tables                 | 1                 | 22             | \$11,950.00         | \$11,406.82                |
| Grounds - Play Structure                        | 6                 | 15             | \$25,000.00         | \$15,000.00                |
| Mailboxes                                       | 3                 | 24             | \$14,000.00         | \$12,250.00                |
| Mailboxes - Building 9                          | 1                 | 22             | \$2,950.00          | \$2,815.91                 |
| Railing - Metal Pipe                            | 14                | 35             | \$17,510.00         | \$10,506.00                |
| Signs - Directional                             | 1                 | 22             | \$4,200.00          | \$4,009.09                 |
| Signs - Directional, 2009                       | 9                 | 15             | \$9,100.00          | \$3,640.00                 |
| Signs - Maps                                    | 10                | 15             | \$3,300.00          | \$1,100.00                 |
| Window Repairs                                  | 0                 | 2              | \$5,000.00          | \$5,000.00                 |
| Wood-Destroying Pests/Organisms                 | 10                | 11             | \$29,000.00         | \$2,636.36                 |
| <b>Sub Total</b>                                | <b>0-14</b>       | <b>2-35</b>    | <b>\$173,510.00</b> | <b>\$109,525.38</b>        |

# University Terrace Berkeley Homeowners Association

## Calculation of Percent Funded

Sorted by Category

|                                    | Remaining<br>Life | Useful<br>Life | Current<br>Cost       | Fully<br>Funded<br>Balance |
|------------------------------------|-------------------|----------------|-----------------------|----------------------------|
| <b>100 Landscaping</b>             |                   |                |                       |                            |
| Irrigation - Backflow Devices      | 4                 | 25             | \$9,775.00            | \$8,211.00                 |
| Irrigation - Controllers           | 1                 | 22             | \$4,400.00            | \$4,200.00                 |
| Irrigation - Valve Replacement     | 0                 | 3              | \$5,425.00            | \$5,425.00                 |
| Landscape Renovations              | 2                 | 5              | \$10,000.00           | \$6,000.00                 |
| <b>Sub Total</b>                   | <b>0-4</b>        | <b>3-25</b>    | <b>\$29,600.00</b>    | <b>\$23,836.00</b>         |
| Contingency                        | n.a.              | n.a.           | n.a.                  | \$23,484.28                |
| <b>Total</b>                       | <b>0-35</b>       | <b>2-36</b>    | <b>\$1,274,249.36</b> | <b>\$806,293.68</b>        |
| <b>Anticipated Reserve Balance</b> |                   |                |                       | <b>\$467,294.00</b>        |
| <b>Percent Funded</b>              |                   |                |                       | <b>57.96%</b>              |

# University Terrace Berkeley Homeowners Association

## Distribution of Current Reserve Funds

Sorted by Remaining Life

|   | Remaining<br>Life | Fully<br>Funded<br>Balance | Assigned<br>Reserves |
|---|-------------------|----------------------------|----------------------|
| Balconies - Membrane, Recoat              | 0                 | \$15,050.00                | \$15,050.00          |
| Balconies - Membrane, Replace             | 0                 | \$63,000.00                | \$63,000.00          |
| Balconies - Membrane, Replace, Building 9 | 0                 | \$49,000.00                | \$49,000.00          |
| Irrigation - Valve Replacement            | 0                 | \$5,425.00                 | \$5,425.00           |
| Roofs - Composition Shingle               | 0                 | \$172,138.75               | \$172,138.75         |
| Roofs - Gutters & Downspouts              | 0                 | \$34,651.55                | \$34,651.55          |
| Window Repairs                            | 0                 | \$5,000.00                 | \$5,000.00           |
| <br>                                      |                   |                            |                      |
| Asphalt - Repairs                         | 1                 | \$5,495.49                 | \$5,495.49           |
| Asphalt - Seal                            | 1                 | \$4,943.03                 | \$4,943.03           |
| Grounds - Benches/Picnic Tables           | 1                 | \$11,406.82                | \$11,406.82          |
| Interiors - Carpet                        | 1                 | \$3,617.78                 | \$3,617.78           |
| Irrigation - Controllers                  | 1                 | \$4,200.00                 | \$4,200.00           |
| Lighting - Bollards                       | 1                 | \$16,800.00                | \$16,800.00          |
| Lighting - Exteriors                      | 1                 | \$19,047.95                | \$19,047.95          |
| Lighting - Exteriors, Building 9          | 1                 | \$5,607.95                 | \$5,607.95           |
| Mailboxes - Building 9                    | 1                 | \$2,815.91                 | \$2,815.91           |
| Signs - Directional                       | 1                 | \$4,009.09                 | \$4,009.09           |
| <br>                                      |                   |                            |                      |
| Fire Protection - Recertification         | 2                 | \$4,680.00                 | \$4,680.00           |
| Interiors - Banquet Furniture             | 2                 | \$2,400.00                 | \$2,400.00           |
| Landscape Renovations                     | 2                 | \$6,000.00                 | \$6,000.00           |
| Paint - Interiors, Community Room         | 2                 | \$2,026.94                 | \$2,026.94           |
| <br>                                      |                   |                            |                      |
| Mailboxes                                 | 3                 | \$12,250.00                | \$12,250.00          |
| <br>                                      |                   |                            |                      |
| Doors                                     | 4                 | \$1,344.00                 | \$1,344.00           |
| Fire Extinguisher Cabinets                | 4                 | \$5,443.20                 | \$0.00               |
| Fire Protection - System                  | 4                 | \$28,560.00                | \$0.00               |
| Interiors - Cabinets/Counters             | 4                 | \$4,195.80                 | \$0.00               |
| Interiors - Plumbing Fixtures             | 4                 | \$10,978.80                | \$0.00               |
| Irrigation - Backflow Devices             | 4                 | \$8,211.00                 | \$0.00               |
| Lighting - Carports                       | 4                 | \$911.40                   | \$911.40             |
| Lighting - Interiors                      | 4                 | \$6,169.80                 | \$0.00               |
| Lighting - Street                         | 4                 | \$30,240.00                | \$0.00               |
| Paint - Exteriors, Trim                   | 4                 | \$5,117.24                 | \$0.00               |
| Paint - Light Poles/Carports              | 4                 | \$1,392.07                 | \$0.00               |
| Paint - Metal                             | 4                 | \$810.34                   | \$0.00               |
| Roofs - Building 9, Gutters & Downspouts  | 4                 | \$1,864.80                 | \$1,861.82           |
| <br>                                      |                   |                            |                      |
| Asphalt - Overlay/Replace                 | 5                 | \$47,909.40                | \$0.00               |
| Balconies - Concrete, Repairs             | 5                 | \$42,262.50                | \$0.00               |

# University Terrace Berkeley Homeowners Association

## Distribution of Current Reserve Funds

Sorted by Remaining Life

|   | Remaining<br>Life | Fully<br>Funded<br>Balance | Assigned<br>Reserves |
|---|-------------------|----------------------------|----------------------|
| Grounds - Play Structure                        | 6                 | \$15,000.00                | \$0.00               |
| Roofs - Building 9, Low Slope                   | 6                 | \$47,697.75                | \$0.00               |
| Fencing - Wrought Iron                          | 9                 | \$4,008.20                 | \$0.00               |
| Fire Protection - Extinguisher Cabinets, Bldg 9 | 9                 | \$1,134.00                 | \$0.00               |
| Paint - Exteriors, Building 9                   | 9                 | \$1,765.93                 | \$0.00               |
| Paint - Exteriors, Stucco                       | 9                 | \$4,514.53                 | \$0.00               |
| Roofs - Building 9, Metal Cap Coating           | 9                 | \$467.11                   | \$0.00               |
| Roofs - Carports                                | 9                 | \$11,113.20                | \$0.00               |
| Signs - Directional, 2009                       | 9                 | \$3,640.00                 | \$0.00               |
| Signs - Maps                                    | 10                | \$1,100.00                 | \$0.00               |
| Wood-Destroying Pests/Organisms                 | 10                | \$2,636.36                 | \$0.00               |
| Roofs - Storage Shed                            | 11                | \$233.04                   | \$0.00               |
| Railing - Metal Pipe                            | 14                | \$10,506.00                | \$0.00               |
| Roofs - Gutters, Buildings #3 & #4              | 17                | \$288.61                   | \$0.00               |
| Balconies - Railings, Building 9                | 22                | \$13,248.00                | \$0.00               |
| Roofs - Composition Shingle, Bldg 2             | 26                | \$14,166.67                | \$0.00               |
| Roofs - Composition Shingle, Bldgs 4            | 31                | \$3,472.22                 | \$0.00               |
| Roofs - Composition Shingle, Bldgs 6 & 7        | 34                | \$2,777.78                 | \$0.00               |
| Roofs - Mailbox Kiosks                          | 35                | \$63.38                    | \$0.00               |
| Fencing - Patio, Unfunded                       | n.a.              | \$0.00                     | \$0.00               |
| Stairs - Repair/Replace, Unfunded               | n.a.              | \$0.00                     | \$0.00               |
| Contingency                                     | n.a.              | \$23,484.28                | \$13,610.50          |
| <b>Total</b>                                    | <b>0-35</b>       | <b>\$806,293.68</b>        | <b>\$467,294.00</b>  |
| <b>Percent Funded</b>                           |                   |                            | <b>57.96%</b>        |

# University Terrace Berkeley Homeowners Association

## Management / Accounting Summary

### Directed Cash Flow Calculation Method; Sorted by Category

|  | Balance at<br>Fiscal Year<br>Beginning | Monthly<br>Member<br>Contribution | Monthly<br>Interest<br>Contribution | Total<br>Monthly<br>Contribution |
|--|--|-----------------------------------|-------------------------------------|----------------------------------|
| <b><u>010 Asphalt</u></b>                |  |                                   |                                     |                                  |
| Asphalt - Overlay/Replace                | \$0.00                                 | \$520.48                          | \$6.58                              | \$527.06                         |
| Asphalt - Repairs                        | \$5,495.49                             | \$51.57                           | \$7.43                              | \$58.99                          |
| Asphalt - Seal                           | \$4,943.03                             | \$46.38                           | \$6.68                              | \$53.06                          |
| <b>Sub Total</b>                         | <b>\$10,438.52</b>                     | <b>\$618.43</b>                   | <b>\$20.69</b>                      | <b>\$639.12</b>                  |
| <b><u>020 Roofs</u></b>                  |  |                                   |                                     |                                  |
| Roofs - Building 9, Gutters & Downspouts | \$1,861.82                             | \$4.55                            | \$2.36                              | \$6.90                           |
| Roofs - Building 9, Low Slope            | \$0.00                                 | \$553.52                          | \$7.00                              | \$560.52                         |
| Roofs - Building 9, Metal Cap Coating    | \$0.00                                 | \$41.86                           | \$0.53                              | \$42.39                          |
| Roofs - Carports                         | \$0.00                                 | \$74.88                           | \$0.95                              | \$75.83                          |
| Roofs - Composition Shingle              | \$172,138.75                           | \$157.53                          | \$2.00                              | \$159.53                         |
| Roofs - Composition Shingle, Bldg 2      | \$0.00                                 | \$71.42                           | \$0.91                              | \$72.33                          |
| Roofs - Composition Shingle, Bldgs 4     | \$0.00                                 | \$27.96                           | \$0.35                              | \$28.31                          |
| Roofs - Composition Shingle, Bldgs 6 & 7 | \$0.00                                 | \$49.46                           | \$0.63                              | \$50.08                          |
| Roofs - Gutters & Downspouts             | \$34,651.55                            | \$75.54                           | \$0.96                              | \$76.50                          |
| Roofs - Gutters, Buildings #3 & #4       | \$0.00                                 | \$13.14                           | \$0.17                              | \$13.31                          |
| Roofs - Mailbox Kiosks                   | \$0.00                                 | \$4.28                            | \$0.05                              | \$4.33                           |
| Roofs - Storage Shed                     | \$0.00                                 | \$20.34                           | \$0.26                              | \$20.60                          |
| <b>Sub Total</b>                         | <b>\$208,652.12</b>                    | <b>\$1,094.46</b>                 | <b>\$16.15</b>                      | <b>\$1,110.61</b>                |
| <b><u>030 Paint</u></b>                  |  |                                   |                                     |                                  |
| Paint - Exteriors, Building 9            | \$0.00                                 | \$98.28                           | \$1.24                              | \$99.52                          |
| Paint - Exteriors, Stucco                | \$0.00                                 | \$251.26                          | \$3.18                              | \$254.43                         |
| Paint - Exteriors, Trim                  | \$0.00                                 | \$328.18                          | \$4.15                              | \$332.33                         |
| Paint - Interiors, Community Room        | \$2,026.94                             | \$12.04                           | \$2.65                              | \$14.69                          |
| Paint - Light Poles/Carports             | \$0.00                                 | \$89.28                           | \$1.13                              | \$90.41                          |
| Paint - Metal                            | \$0.00                                 | \$51.97                           | \$0.65                              | \$52.62                          |
| <b>Sub Total</b>                         | <b>\$2,026.94</b>                      | <b>\$831.00</b>                   | <b>\$13.00</b>                      | <b>\$844.00</b>                  |
| <b><u>040 Fencing</u></b>                |  |                                   |                                     |                                  |
| Fencing - Patio, Unfunded                | \$0.00                                 | \$0.00                            | \$0.00                              | \$0.00                           |
| Fencing - Wrought Iron                   | \$0.00                                 | \$27.01                           | \$0.34                              | \$27.35                          |
| <b>Sub Total</b>                         | <b>\$0.00</b>                          | <b>\$27.01</b>                    | <b>\$0.34</b>                       | <b>\$27.35</b>                   |
| <b><u>050 Lighting</u></b>               |  |                                   |                                     |                                  |
| Lighting - Bollards                      | \$16,800.00                            | \$41.70                           | \$21.23                             | \$62.93                          |
| Lighting - Carports                      | \$911.40                               | \$2.21                            | \$1.15                              | \$3.35                           |

# University Terrace Berkeley Homeowners Association

## Management / Accounting Summary

### Directed Cash Flow Calculation Method; Sorted by Category

|   | Balance at<br>Fiscal Year<br>Beginning | Monthly<br>Member<br>Contribution | Monthly<br>Interest<br>Contribution | Total<br>Monthly<br>Contribution |
|---|--|-----------------------------------|-------------------------------------|----------------------------------|
| Lighting - Exteriors                            | \$19,047.95                            | \$47.28                           | \$24.08                             | \$71.35                          |
| Lighting - Exteriors, Building 9                | \$5,607.95                             | \$13.92                           | \$7.08                              | \$21.00                          |
| Lighting - Interiors                            | \$0.00                                 | \$81.21                           | \$1.02                              | \$82.24                          |
| Lighting - Street                               | \$0.00                                 | \$398.06                          | \$5.03                              | \$403.09                         |
| <b>Sub Total</b>                                | <b>\$42,367.31</b>                     | <b>\$584.37</b>                   | <b>\$59.60</b>                      | <b>\$643.96</b>                  |
| <b><u>070 Interiors</u></b>                     |  |                                   |                                     |                                  |
| Interiors - Banquet Furniture                   | \$2,400.00                             | \$14.25                           | \$3.14                              | \$17.39                          |
| Interiors - Cabinets/Counters                   | \$0.00                                 | \$55.23                           | \$0.70                              | \$55.93                          |
| Interiors - Carpet                              | \$3,617.78                             | \$21.66                           | \$4.73                              | \$26.39                          |
| Interiors - Plumbing Fixtures                   | \$0.00                                 | \$144.52                          | \$1.83                              | \$146.34                         |
| <b>Sub Total</b>                                | <b>\$6,017.78</b>                      | <b>\$235.66</b>                   | <b>\$10.39</b>                      | <b>\$246.05</b>                  |
| <b><u>080 Balconies/Stairs</u></b>              |  |                                   |                                     |                                  |
| Balconies - Concrete, Repairs                   | \$0.00                                 | \$635.73                          | \$8.04                              | \$643.76                         |
| Balconies - Membrane, Recoat                    | \$15,050.00                            | \$132.06                          | \$1.67                              | \$133.73                         |
| Balconies - Membrane, Replace                   | \$63,000.00                            | \$0.00                            | \$0.00                              | \$0.00                           |
| Balconies - Membrane, Replace, Building 9       | \$49,000.00                            | \$429.96                          | \$5.43                              | \$435.39                         |
| Balconies - Railings, Building 9                | \$0.00                                 | \$189.79                          | \$2.40                              | \$192.19                         |
| Stairs - Repair/Replace, Unfunded               | \$0.00                                 | \$0.00                            | \$0.00                              | \$0.00                           |
| <b>Sub Total</b>                                | <b>\$127,050.00</b>                    | <b>\$1,387.54</b>                 | <b>\$17.54</b>                      | <b>\$1,405.08</b>                |
| <b><u>090 Other</u></b>                         |  |                                   |                                     |                                  |
| Doors   | \$1,344.00                             | \$3.25                            | \$1.69                              | \$4.95                           |
| Fire Extinguisher Cabinets                      | \$0.00                                 | \$71.65                           | \$0.91                              | \$72.56                          |
| Fire Protection - Extinguisher Cabinets, Bldg 9 | \$0.00                                 | \$7.64                            | \$0.10                              | \$7.74                           |
| Fire Protection - Recertification               | \$4,680.00                             | \$71.61                           | \$6.67                              | \$78.28                          |
| Fire Protection - System                        | \$0.00                                 | \$375.94                          | \$4.75                              | \$380.70                         |
| Grounds - Benches/Picnic Tables                 | \$11,406.82                            | \$28.31                           | \$14.42                             | \$42.73                          |
| Grounds - Play Structure                        | \$0.00                                 | \$181.32                          | \$2.29                              | \$183.61                         |
| Mailboxes                                       | \$12,250.00                            | \$29.90                           | \$15.48                             | \$45.38                          |
| Mailboxes - Building 9                          | \$2,815.91                             | \$6.99                            | \$3.55                              | \$10.54                          |
| Railing - Metal Pipe                            | \$0.00                                 | \$50.86                           | \$0.65                              | \$51.51                          |
| Signs - Directional                             | \$4,009.09                             | \$9.95                            | \$5.06                              | \$15.01                          |
| Signs - Directional, 2009                       | \$0.00                                 | \$42.92                           | \$0.54                              | \$43.47                          |
| Signs - Maps                                    | \$0.00                                 | \$13.89                           | \$0.18                              | \$14.07                          |
| Window Repairs                                  | \$5,000.00                             | \$112.34                          | \$1.42                              | \$113.76                         |



# University Terrace Berkeley Homeowners Association

## Management / Accounting Summary

### Directed Cash Flow Calculation Method; Sorted by Category

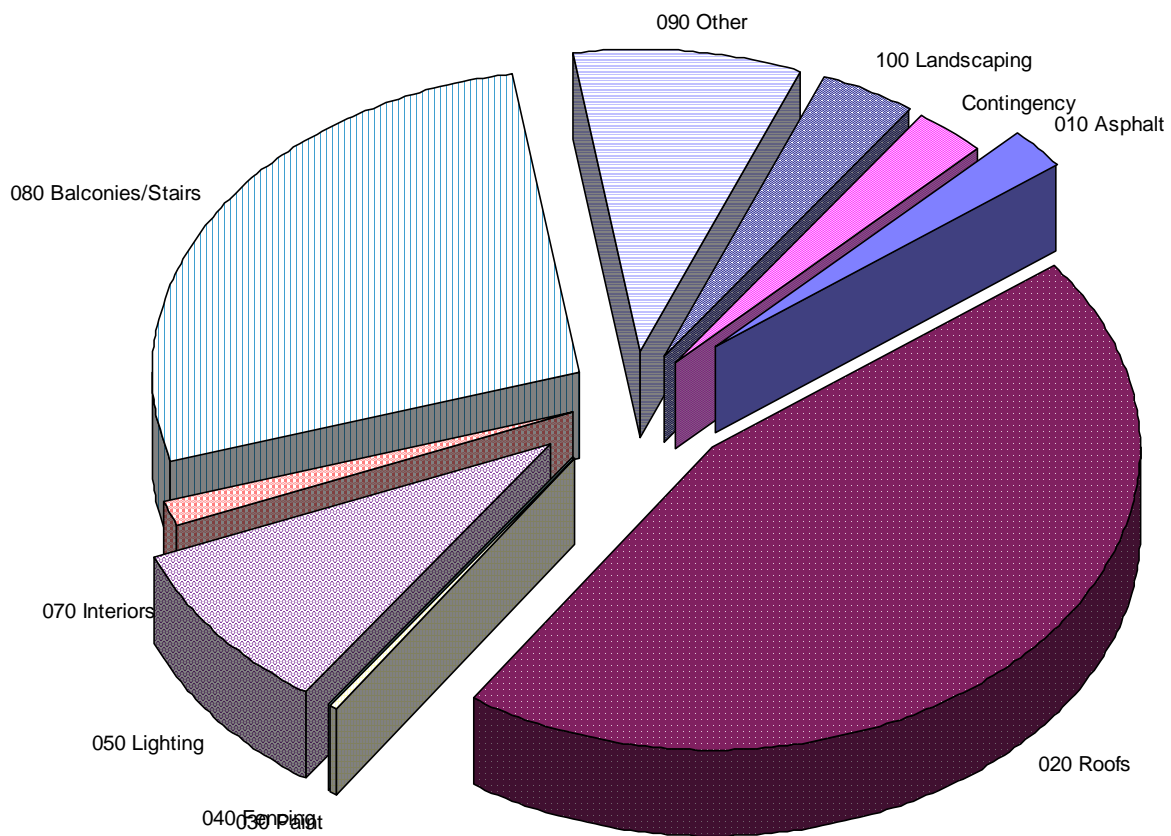
|                                 | <b>Balance at<br/>Fiscal Year<br/>Beginning</b> | <b>Monthly<br/>Member<br/>Contribution</b> | <b>Monthly<br/>Interest<br/>Contribution</b> | <b>Total<br/>Monthly<br/>Contribution</b> |
|---------------------------------|---|--|--|---|
| Wood-Destroying Pests/Organisms | \$0.00  | \$122.07                                   | \$1.54                                       | \$123.61                                  |
| <b>Sub Total</b>                | <b>\$41,505.82</b>                              | <b>\$1,128.65</b>                          | <b>\$59.25</b>                               | <b>\$1,187.91</b>                         |
| <b><u>100 Landscaping</u></b>   |   |  |  |   |
| Irrigation - Backflow Devices   | \$0.00  | \$108.08                                   | \$1.37                                       | \$109.45                                  |
| Irrigation - Controllers        | \$4,200.00                                      | \$10.42                                    | \$5.31                                       | \$15.73                                   |
| Irrigation - Valve Replacement  | \$5,425.00                                      | \$80.62                                    | \$1.02                                       | \$81.64                                   |
| Landscape Renovations           | \$6,000.00                                      | \$91.80                                    | \$8.55                                       | \$100.36                                  |
| <b>Sub Total</b>                | <b>\$15,625.00</b>                              | <b>\$290.93</b>                            | <b>\$16.25</b>                               | <b>\$307.18</b>                           |
| Contingency                     | \$13,610.50                                     | \$185.94                                   | \$19.12                                      | \$205.07                                  |
| <b>Total</b>                    | <b>\$467,294.00</b>                             | <b>\$6,384.00</b>                          | <b>\$232.32</b>                              | <b>\$6,616.32</b>                         |

# University Terrace Berkeley Homeowners Association

## Management / Accounting Charts

Directed Cash Flow Calculation Method; Sorted by Category

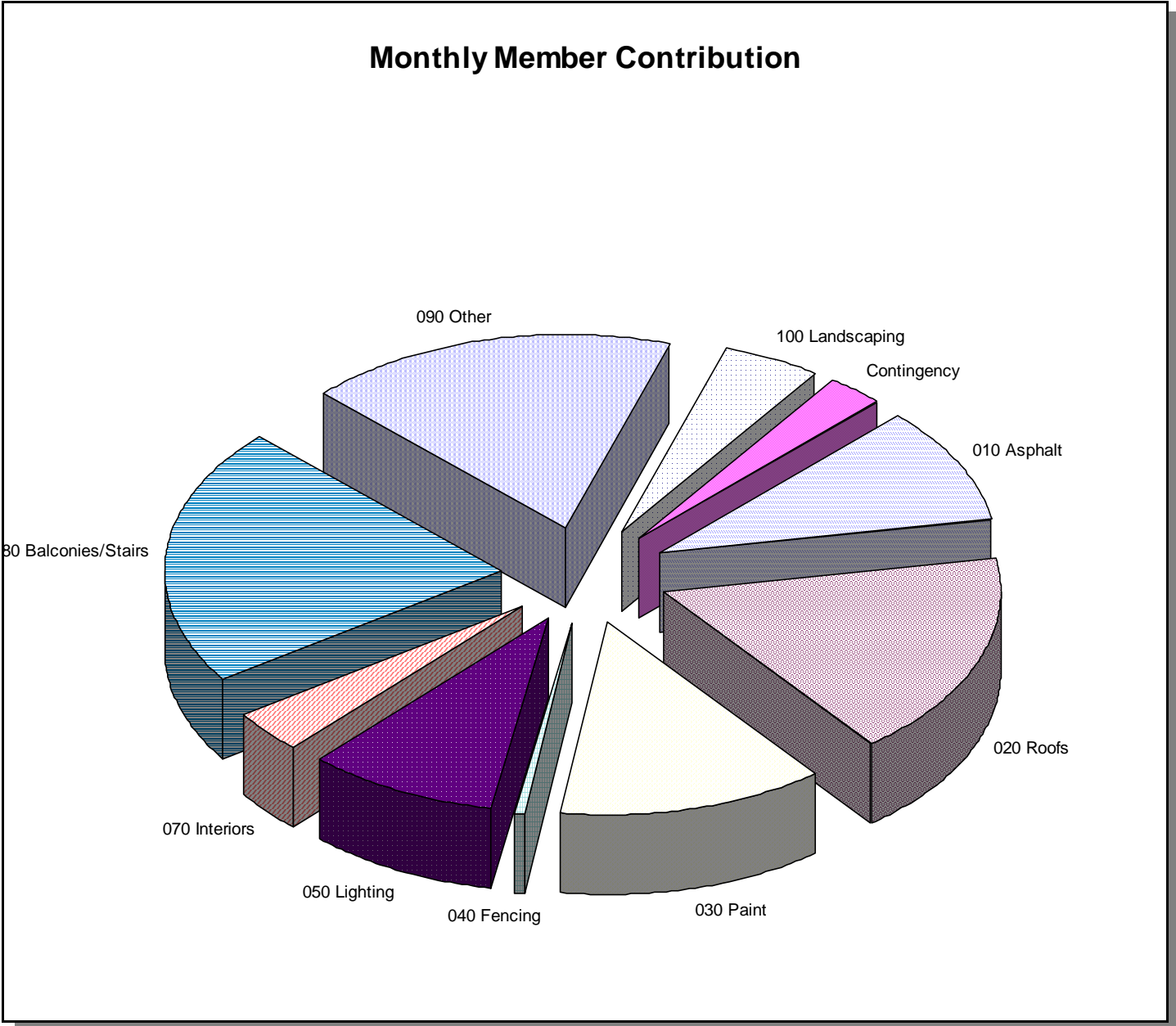
### Distribution of Current Reserve Fund



# University Terrace Berkeley Homeowners Association

## Management / Accounting Charts

Directed Cash Flow Calculation Method; Sorted by Category



# University Terrace Berkeley Homeowners Association

## Projections

### Directed Cash Flow Calculation Method

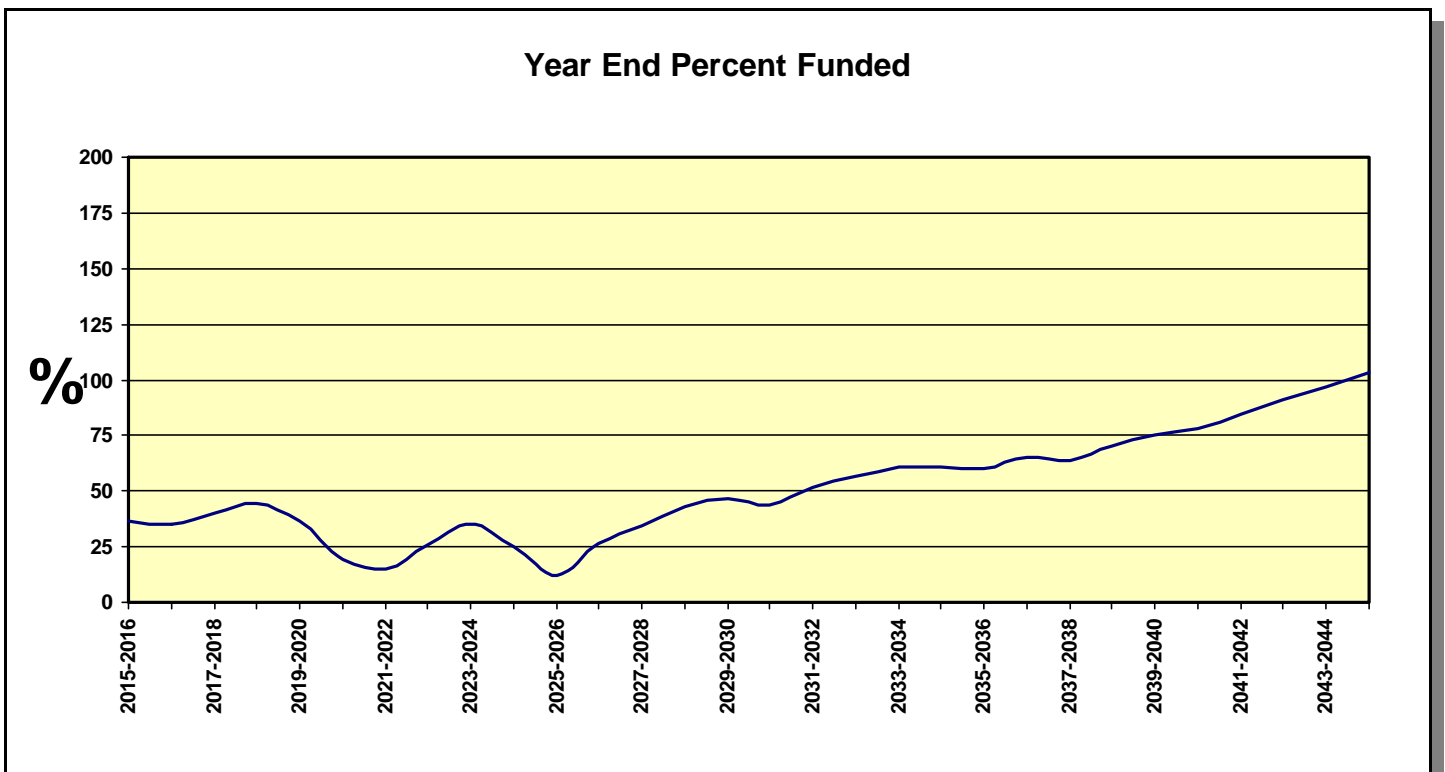
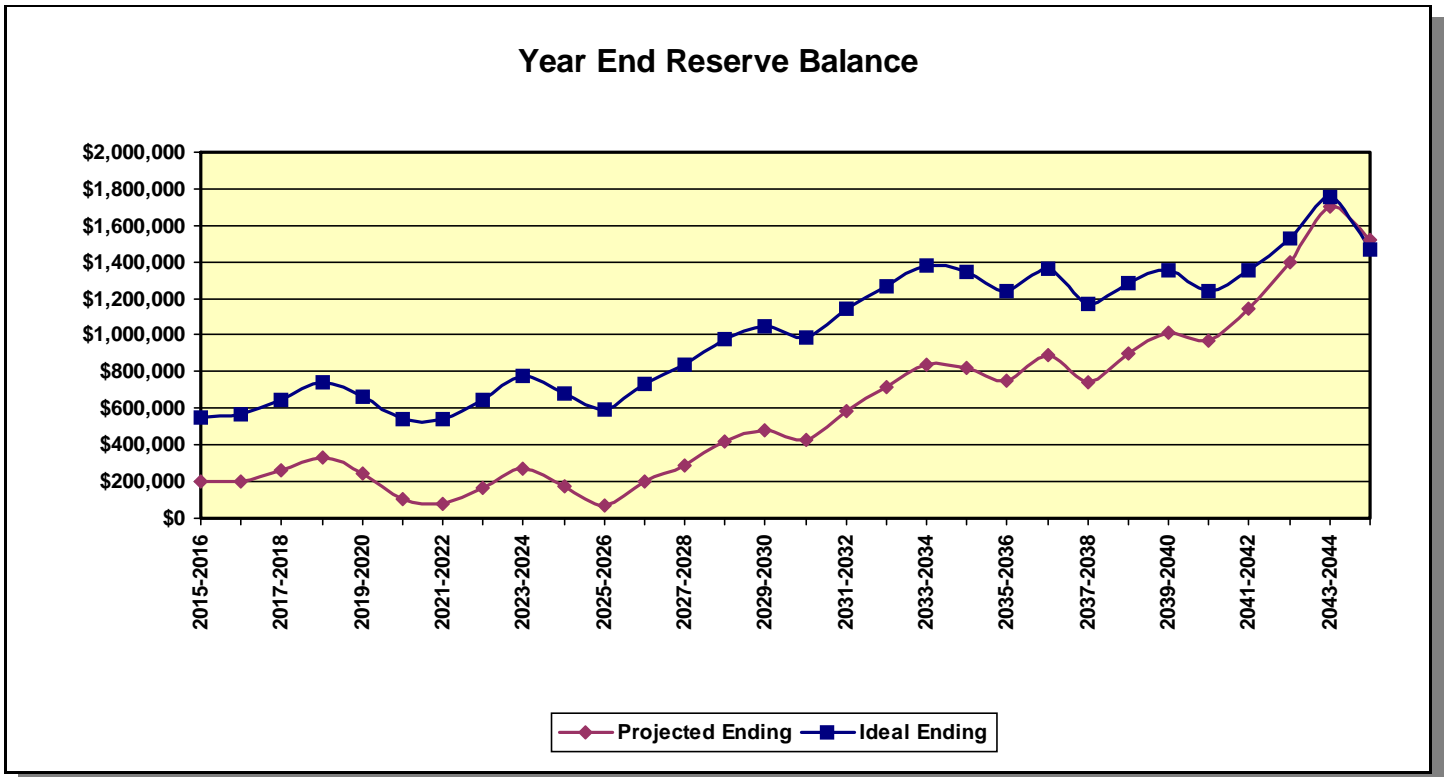
| Fiscal Year | Beginning Balance | Member Contribution | Interest Contribution | Expenditures | Ending Balance | Fully Funded Ending Balance | Percent Funded |
|-------------|-------------------|---------------------|-----------------------|--------------|----------------|-----------------------------|----------------|
| 2015-2016   | \$467,294         | \$76,608            | \$2,788               | \$344,265    | \$202,425      | \$552,032                   | 37%            |
| 2016-2017   | \$202,425         | \$80,323            | \$2,708               | \$85,614     | \$199,842      | \$568,346                   | 35%            |
| 2017-2018   | \$199,842         | \$84,219            | \$3,679               | \$29,768     | \$257,972      | \$646,349                   | 40%            |
| 2018-2019   | \$257,972         | \$88,304            | \$4,894               | \$20,919     | \$330,251      | \$738,086                   | 45%            |
| 2019-2020   | \$330,251         | \$92,587            | \$3,378               | \$181,052    | \$245,164      | \$665,309                   | 37%            |
| 2020-2021   | \$245,164         | \$97,077            | \$949                 | \$235,721    | \$107,469      | \$545,699                   | 20%            |
| 2021-2022   | \$107,469         | \$101,785           | \$430                 | \$129,586    | \$80,099       | \$537,966                   | 15%            |
| 2022-2023   | \$80,099          | \$106,722           | \$1,900               | \$21,159     | \$167,562      | \$647,398                   | 26%            |
| 2023-2024   | \$167,562         | \$111,898           | \$3,663               | \$11,051     | \$272,072      | \$773,195                   | 35%            |
| 2024-2025   | \$272,072         | \$117,325           | \$1,874               | \$219,440    | \$171,831      | \$684,935                   | 25%            |
| 2025-2026   | \$171,831         | \$123,015           | \$98                  | \$222,479    | \$72,465       | \$594,718                   | 12%            |
| 2026-2027   | \$72,465          | \$128,981           | \$2,194               | \$7,033      | \$196,608      | \$732,865                   | 27%            |
| 2027-2028   | \$196,608         | \$135,237           | \$3,757               | \$45,402     | \$290,201      | \$837,225                   | 35%            |
| 2028-2029   | \$290,201         | \$141,796           | \$5,958               | \$17,268     | \$420,687      | \$977,246                   | 43%            |
| 2029-2030   | \$420,687         | \$148,673           | \$7,000               | \$91,792     | \$484,568      | \$1,045,520                 | 46%            |
| 2030-2031   | \$484,568         | \$155,884           | \$5,962               | \$217,817    | \$428,597      | \$985,971                   | 43%            |
| 2031-2032   | \$428,597         | \$163,444           | \$8,637               | \$13,657     | \$587,021      | \$1,144,080                 | 51%            |
| 2032-2033   | \$587,021         | \$171,371           | \$10,771              | \$54,728     | \$714,435      | \$1,266,476                 | 56%            |
| 2033-2034   | \$714,435         | \$179,683           | \$12,811              | \$70,304     | \$836,625      | \$1,379,278                 | 61%            |
| 2034-2035   | \$836,625         | \$188,397           | \$12,403              | \$219,636    | \$817,789      | \$1,341,126                 | 61%            |
| 2035-2036   | \$817,789         | \$197,534           | \$11,090              | \$279,384    | \$747,029      | \$1,242,923                 | 60%            |
| 2036-2037   | \$747,029         | \$207,115           | \$13,488              | \$77,095     | \$890,537      | \$1,359,912                 | 65%            |
| 2037-2038   | \$890,537         | \$217,160           | \$10,806              | \$377,231    | \$741,271      | \$1,167,140                 | 64%            |
| 2038-2039   | \$741,271         | \$227,692           | \$13,393              | \$86,095     | \$896,261      | \$1,281,203                 | 70%            |
| 2039-2040   | \$896,261         | \$238,735           | \$15,340              | \$135,761    | \$1,014,576    | \$1,350,076                 | 75%            |
| 2040-2041   | \$1,014,576       | \$250,314           | \$14,476              | \$308,360    | \$971,006      | \$1,242,956                 | 78%            |
| 2041-2042   | \$971,006         | \$262,454           | \$17,368              | \$106,416    | \$1,144,411    | \$1,350,975                 | 85%            |
| 2042-2043   | \$1,144,411       | \$275,183           | \$21,609              | \$45,238     | \$1,395,965    | \$1,531,017                 | 91%            |
| 2043-2044   | \$1,395,965       | \$288,530           | \$26,776              | \$9,982      | \$1,701,288    | \$1,757,631                 | 97%            |
| 2044-2045   | \$1,701,288       | \$302,523           | \$23,428              | \$511,448    | \$1,515,792    | \$1,465,461                 | 103%           |

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

# University Terrace Berkeley Homeowners Association

## Projection Charts

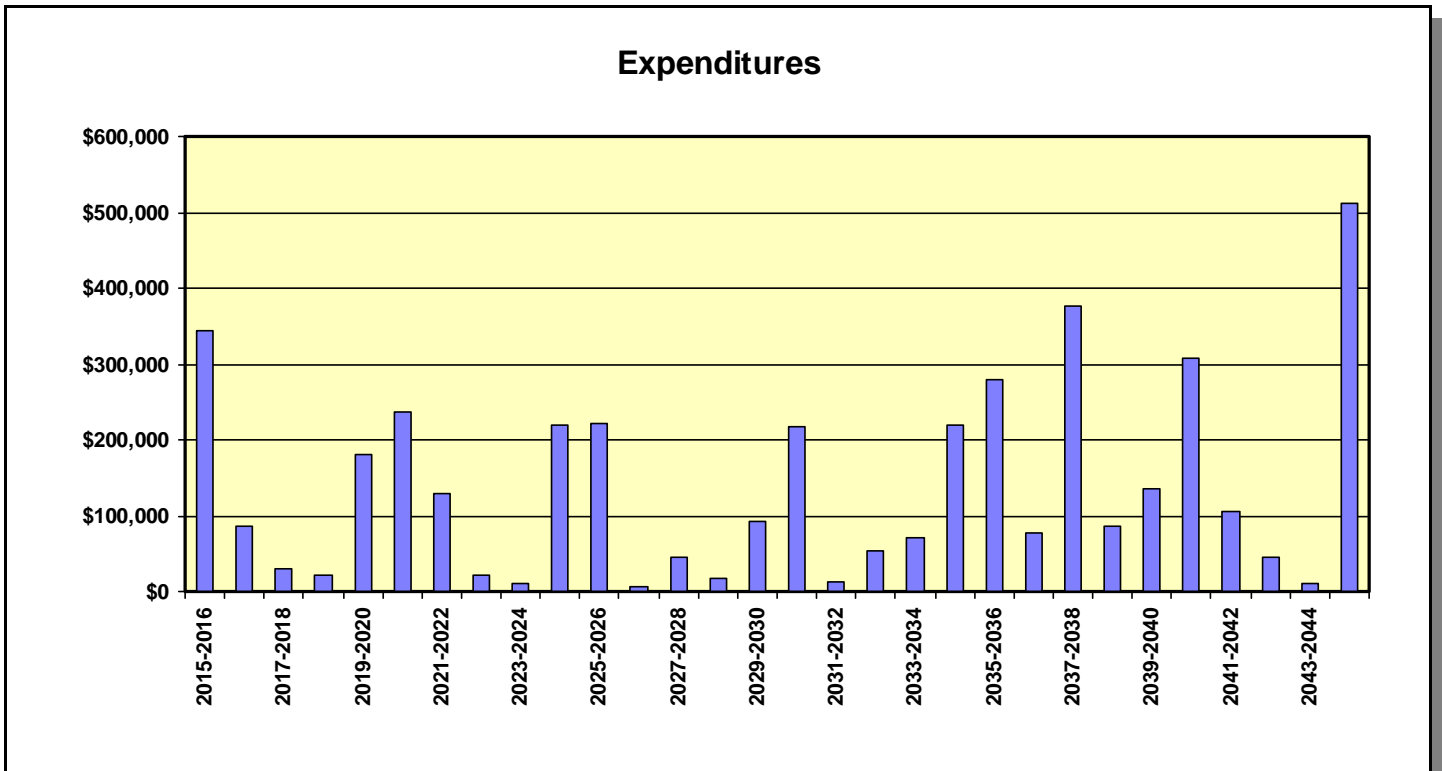
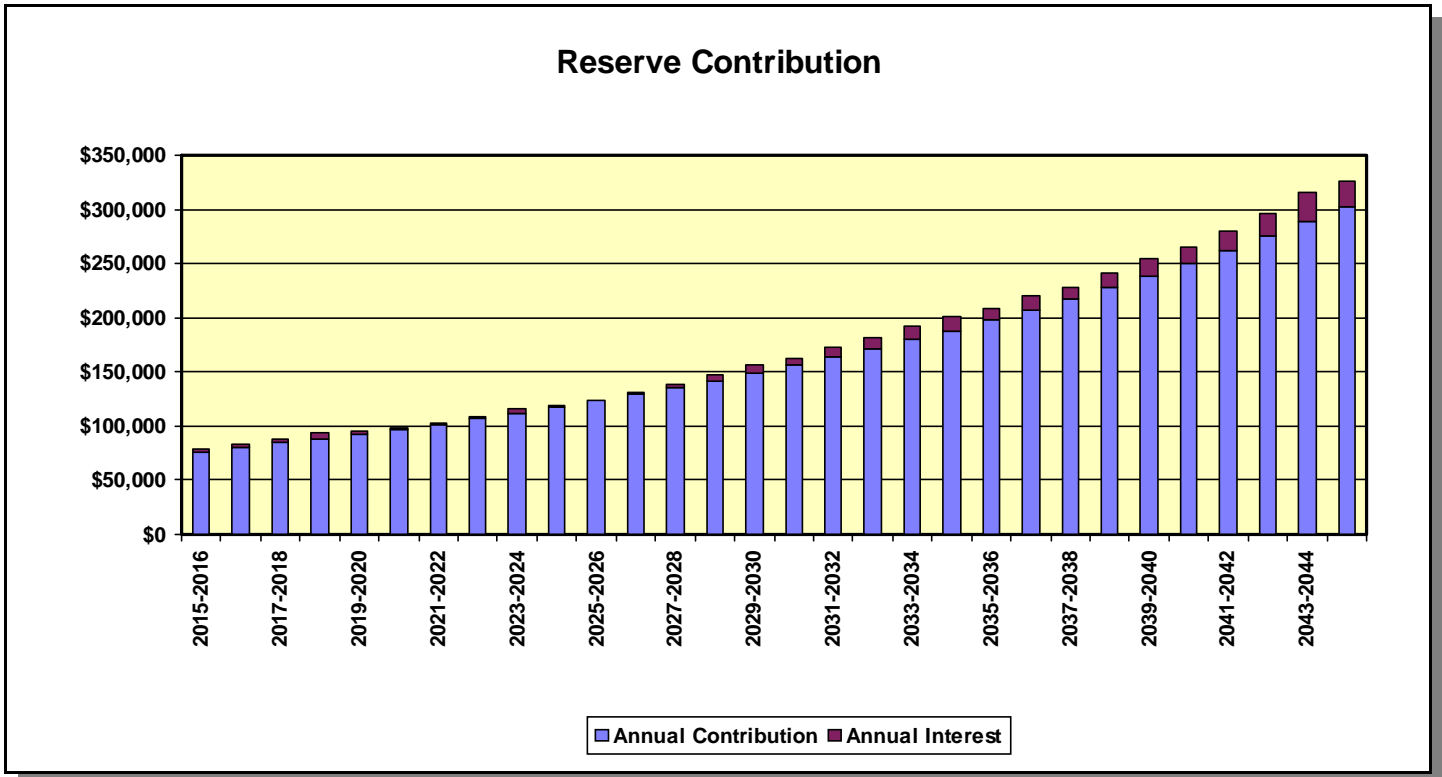
### Directed Cash Flow Calculation Method



# University Terrace Berkeley Homeowners Association

## Projection Charts

### Directed Cash Flow Calculation Method



# University Terrace Berkeley Homeowners Association

## Annual Expenditure Detail

Sorted by Description

### 2015-2016 Fiscal Year

|   |              |
|---|--------------|
| Balconies - Membrane, Recoat              | \$15,050.00  |
| Balconies - Membrane, Replace             | \$63,000.00  |
| Balconies - Membrane, Replace, Building 9 | \$49,000.00  |
| Irrigation - Valve Replacement            | \$5,425.00   |
| Roofs - Composition Shingle               | \$172,138.75 |
| Roofs - Gutters & Downspouts              | \$34,651.55  |
| Window Repairs                            | \$5,000.00   |

### Sub Total

**\$344,265.30**

### 2016-2017 Fiscal Year

|                                  |             |
|----------------------------------|-------------|
| Asphalt - Repairs                | \$6,759.45  |
| Asphalt - Seal                   | \$6,079.93  |
| Grounds - Benches/Picnic Tables  | \$12,248.75 |
| Interiors - Carpet               | \$4,171.75  |
| Irrigation - Controllers         | \$4,510.00  |
| Lighting - Bollards              | \$18,040.00 |
| Lighting - Exteriors             | \$20,453.88 |
| Lighting - Exteriors, Building 9 | \$6,021.88  |
| Mailboxes - Building 9           | \$3,023.75  |
| Signs - Directional              | \$4,305.00  |

### Sub Total

**\$85,614.38**

### 2017-2018 Fiscal Year

|                                   |             |
|-----------------------------------|-------------|
| Fire Protection - Recertification | \$8,194.88  |
| Interiors - Banquet Furniture     | \$3,151.88  |
| Landscape Renovations             | \$10,506.25 |
| Paint - Interiors, Community Room | \$2,661.95  |
| Window Repairs                    | \$5,253.13  |

### Sub Total

**\$29,768.07**

### 2018-2019 Fiscal Year

|                                |             |
|--------------------------------|-------------|
| Irrigation - Valve Replacement | \$5,842.13  |
| Mailboxes                      | \$15,076.47 |

### Sub Total

**\$20,918.60**

### 2019-2020 Fiscal Year

|                            |             |
|----------------------------|-------------|
| Doors                      | \$1,766.10  |
| Fire Extinguisher Cabinets | \$7,152.71  |
| Fire Protection - System   | \$37,529.64 |

# University Terrace Berkeley Homeowners Association

## Annual Expenditure Detail

Sorted by Description

|   |                     |
|---|---------------------|
| Interiors - Cabinets/Counters             | \$5,513.55          |
| Interiors - Plumbing Fixtures             | \$14,426.83         |
| Irrigation - Backflow Devices             | \$10,789.77         |
| Lighting - Carports                       | \$1,197.64          |
| Lighting - Interiors                      | \$8,107.51          |
| Lighting - Street                         | \$39,737.26         |
| Paint - Exteriors, Trim                   | \$32,761.17         |
| Paint - Light Poles/Carports              | \$8,912.19          |
| Paint - Metal                             | \$5,187.92          |
| Roofs - Building 9, Gutters & Downspouts  | \$2,450.46          |
| Window Repairs                            | \$5,519.06          |
| <b>Sub Total</b>                          | <b>\$181,051.81</b> |
| <b>2020-2021 Fiscal Year</b>              |                     |
| Asphalt - Overlay/Replace                 | \$67,111.06         |
| Asphalt - Repairs                         | \$7,461.17          |
| Asphalt - Seal                            | \$6,711.11          |
| Balconies - Concrete, Repairs             | \$81,970.53         |
| Balconies - Membrane, Recoat              | \$17,027.69         |
| Balconies - Membrane, Replace, Building 9 | \$55,439.00         |
| <b>Sub Total</b>                          | <b>\$235,720.56</b> |
| <b>2021-2022 Fiscal Year</b>              |                     |
| Grounds - Play Structure                  | \$28,992.34         |
| Irrigation - Valve Replacement            | \$6,291.34          |
| Roofs - Building 9, Low Slope             | \$88,503.63         |
| Window Repairs                            | \$5,798.47          |
| <b>Sub Total</b>                          | <b>\$129,585.77</b> |
| <b>2022-2023 Fiscal Year</b>              |                     |
| Fire Protection - Recertification         | \$9,271.75          |
| Landscape Renovations                     | \$11,886.86         |
| <b>Sub Total</b>                          | <b>\$21,158.61</b>  |
| <b>2023-2024 Fiscal Year</b>              |                     |
| Interiors - Carpet                        | \$4,958.90          |
| Window Repairs                            | \$6,092.01          |
| <b>Sub Total</b>                          | <b>\$11,050.91</b>  |



# University Terrace Berkeley Homeowners Association

## Annual Expenditure Detail

Sorted by Description

### 2024-2025 Fiscal Year

|   |             |
|---|-------------|
| Asphalt - Repairs                               | \$8,235.74  |
| Asphalt - Seal                                  | \$7,407.81  |
| Fencing - Wrought Iron                          | \$7,150.99  |
| Fire Protection - Extinguisher Cabinets, Bldg 9 | \$2,023.16  |
| Irrigation - Valve Replacement                  | \$6,775.08  |
| Paint - Exteriors, Building 9                   | \$26,023.81 |
| Paint - Exteriors, Stucco                       | \$66,528.68 |
| Paint - Exteriors, Trim                         | \$37,066.25 |
| Paint - Light Poles/Carports                    | \$10,083.32 |
| Paint - Metal                                   | \$5,869.66  |
| Roofs - Building 9, Metal Cap Coating           | \$11,083.66 |
| Roofs - Carports                                | \$19,826.95 |
| Signs - Directional, 2009                       | \$11,364.65 |

### Sub Total

**\$219,439.75**

### 2025-2026 Fiscal Year

|   |             |
|---|-------------|
| Balconies - Concrete, Repairs             | \$92,742.13 |
| Balconies - Membrane, Recoat              | \$19,265.27 |
| Balconies - Membrane, Replace, Building 9 | \$62,724.14 |
| Signs - Maps                              | \$4,224.28  |
| Window Repairs                            | \$6,400.42  |
| Wood-Destroying Pests/Organisms           | \$37,122.45 |

### Sub Total

**\$222,478.69**

### 2026-2027 Fiscal Year

|                      |            |
|----------------------|------------|
| Roofs - Storage Shed | \$7,032.78 |
|----------------------|------------|

### Sub Total

**\$7,032.78**

### 2027-2028 Fiscal Year

|                                   |             |
|-----------------------------------|-------------|
| Fire Protection - Recertification | \$10,490.13 |
| Interiors - Banquet Furniture     | \$4,034.67  |
| Irrigation - Valve Replacement    | \$7,296.02  |
| Landscape Renovations             | \$13,448.89 |
| Paint - Interiors, Community Room | \$3,407.52  |
| Window Repairs                    | \$6,724.44  |

### Sub Total

**\$45,401.67**

### 2028-2029 Fiscal Year

|                   |            |
|-------------------|------------|
| Asphalt - Repairs | \$9,090.71 |
|-------------------|------------|

# University Terrace Berkeley Homeowners Association

## Annual Expenditure Detail

Sorted by Description

|   |                     |
|---|---------------------|
| Asphalt - Seal                            | \$8,176.83          |
| <b>Sub Total</b>                          | <b>\$17,267.54</b>  |
| <b>2029-2030 Fiscal Year</b>              |                     |
| Paint - Exteriors, Trim                   | \$41,937.06         |
| Paint - Light Poles/Carports              | \$11,408.35         |
| Paint - Metal                             | \$6,640.98          |
| Railing - Metal Pipe                      | \$24,741.17         |
| Window Repairs                            | \$7,064.87          |
| <b>Sub Total</b>                          | <b>\$91,792.43</b>  |
| <b>2030-2031 Fiscal Year</b>              |                     |
| Balconies - Concrete, Repairs             | \$104,929.20        |
| Balconies - Membrane, Recoat              | \$21,796.89         |
| Balconies - Membrane, Replace, Building 9 | \$70,966.61         |
| Interiors - Carpet                        | \$5,894.57          |
| Irrigation - Controllers                  | \$6,372.51          |
| Irrigation - Valve Replacement            | \$7,857.02          |
| <b>Sub Total</b>                          | <b>\$217,816.80</b> |
| <b>2031-2032 Fiscal Year</b>              |                     |
| Signs - Directional                       | \$6,234.92          |
| Window Repairs                            | \$7,422.53          |
| <b>Sub Total</b>                          | <b>\$13,657.45</b>  |
| <b>2032-2033 Fiscal Year</b>              |                     |
| Asphalt - Repairs                         | \$10,034.45         |
| Asphalt - Seal                            | \$9,025.69          |
| Fire Protection - Recertification         | \$11,868.62         |
| Landscape Renovations                     | \$15,216.18         |
| Roofs - Gutters, Buildings #3 & #4        | \$8,583.37          |
| <b>Sub Total</b>                          | <b>\$54,728.31</b>  |
| <b>2033-2034 Fiscal Year</b>              |                     |
| Irrigation - Valve Replacement            | \$8,461.15          |
| Roofs - Gutters & Downspouts              | \$54,044.59         |
| Window Repairs                            | \$7,798.29          |
| <b>Sub Total</b>                          | <b>\$70,304.03</b>  |
| <b>2034-2035 Fiscal Year</b>              |                     |
| Grounds - Benches/Picnic Tables           | \$19,103.87         |

# University Terrace Berkeley Homeowners Association

## Annual Expenditure Detail

Sorted by Description

|   |                     |
|---|---------------------|
| Paint - Exteriors, Building 9             | \$33,312.67         |
| Paint - Exteriors, Stucco                 | \$85,162.33         |
| Paint - Exteriors, Trim                   | \$47,447.94         |
| Paint - Light Poles/Carports              | \$12,907.50         |
| Paint - Metal                             | \$7,513.66          |
| Roofs - Building 9, Metal Cap Coating     | \$14,188.02         |
| <b>Sub Total</b>                          | <b>\$219,635.99</b> |
| <b>2035-2036 Fiscal Year</b>              |                     |
| Balconies - Concrete, Repairs             | \$118,717.76        |
| Balconies - Membrane, Recoat              | \$24,661.18         |
| Balconies - Membrane, Replace, Building 9 | \$80,292.21         |
| Window Repairs                            | \$8,193.08          |
| Wood-Destroying Pests/Organisms           | \$47,519.88         |
| <b>Sub Total</b>                          | <b>\$279,384.10</b> |
| <b>2036-2037 Fiscal Year</b>              |                     |
| Asphalt - Repairs                         | \$11,076.15         |
| Asphalt - Seal                            | \$9,962.67          |
| Grounds - Play Structure                  | \$41,989.55         |
| Irrigation - Valve Replacement            | \$9,111.73          |
| Mailboxes - Building 9                    | \$4,954.77          |
| <b>Sub Total</b>                          | <b>\$77,094.87</b>  |
| <b>2037-2038 Fiscal Year</b>              |                     |
| Balconies - Railings, Building 9          | \$190,061.48        |
| Fire Protection - Recertification         | \$13,428.26         |
| Interiors - Banquet Furniture             | \$5,164.71          |
| Interiors - Carpet                        | \$7,006.80          |
| Landscape Renovations                     | \$17,215.71         |
| Paint - Interiors, Community Room         | \$4,361.91          |
| Roofs - Building 9, Low Slope             | \$131,384.13        |
| Window Repairs                            | \$8,607.86          |
| <b>Sub Total</b>                          | <b>\$377,230.86</b> |
| <b>2038-2039 Fiscal Year</b>              |                     |
| Lighting - Bollards                       | \$31,057.15         |
| Lighting - Exteriors                      | \$35,212.81         |
| Lighting - Exteriors, Building 9          | \$10,367.09         |
| Roofs - Storage Shed                      | \$9,458.31          |

# University Terrace Berkeley Homeowners Association

## Annual Expenditure Detail

Sorted by Description

|   |                     |
|---|---------------------|
| <b>Sub Total</b>                          | <b>\$86,095.36</b>  |
| <b>2039-2040 Fiscal Year</b>              |                     |
| Irrigation - Backflow Devices             | \$17,680.30         |
| Irrigation - Valve Replacement            | \$9,812.34          |
| Lighting - Carports                       | \$1,962.47          |
| Paint - Exteriors, Trim                   | \$53,682.99         |
| Paint - Light Poles/Carports              | \$14,603.65         |
| Paint - Metal                             | \$8,501.01          |
| Roofs - Building 9, Gutters & Downspouts  | \$4,015.37          |
| Signs - Directional, 2009                 | \$16,459.41         |
| Window Repairs                            | \$9,043.63          |
| <b>Sub Total</b>                          | <b>\$135,761.16</b> |
| <b>2040-2041 Fiscal Year</b>              |                     |
| Asphalt - Repairs                         | \$12,226.00         |
| Asphalt - Seal                            | \$10,996.93         |
| Balconies - Concrete, Repairs             | \$134,318.25        |
| Balconies - Membrane, Recoat              | \$27,901.86         |
| Balconies - Membrane, Replace, Building 9 | \$90,843.26         |
| Mailboxes                                 | \$25,955.22         |
| Signs - Maps                              | \$6,118.02          |
| <b>Sub Total</b>                          | <b>\$308,359.53</b> |
| <b>2041-2042 Fiscal Year</b>              |                     |
| Roofs - Composition Shingle, Bldg 2       | \$96,914.93         |
| Window Repairs                            | \$9,501.46          |
| <b>Sub Total</b>                          | <b>\$106,416.39</b> |
| <b>2042-2043 Fiscal Year</b>              |                     |
| Fire Protection - Recertification         | \$15,192.84         |
| Irrigation - Valve Replacement            | \$10,566.82         |
| Landscape Renovations                     | \$19,478.00         |
| <b>Sub Total</b>                          | <b>\$45,237.66</b>  |
| <b>2043-2044 Fiscal Year</b>              |                     |
| Window Repairs                            | \$9,982.48          |
| <b>Sub Total</b>                          | <b>\$9,982.48</b>   |
| <b>2044-2045 Fiscal Year</b>              |                     |
| Asphalt - Repairs                         | \$13,495.21         |

# University Terrace Berkeley Homeowners Association

## Annual Expenditure Detail

Sorted by Description

|                                       |                     |
|---------------------------------------|---------------------|
| Asphalt - Seal                        | \$12,138.55         |
| Doors                                 | \$3,274.25          |
| Fire Extinguisher Cabinets            | \$13,260.72         |
| Fire Protection - System              | \$69,577.85         |
| Interiors - Cabinets/Counters         | \$10,221.80         |
| Interiors - Carpet                    | \$8,328.88          |
| Interiors - Plumbing Fixtures         | \$26,746.54         |
| Irrigation - Controllers              | \$9,004.19          |
| Lighting - Interiors                  | \$15,030.86         |
| Lighting - Street                     | \$73,670.67         |
| Paint - Exteriors, Building 9         | \$42,643.04         |
| Paint - Exteriors, Stucco             | \$109,014.99        |
| Paint - Exteriors, Trim               | \$60,737.37         |
| Paint - Light Poles/Carports          | \$16,522.69         |
| Paint - Metal                         | \$9,618.11          |
| Roofs - Building 9, Metal Cap Coating | \$18,161.87         |
| <b>Sub Total</b>                      | <b>\$511,447.61</b> |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Asphalt - Overlay/Replace

|                   |             |                  |                |
|-------------------|-------------|------------------|----------------|
| Category          | 010 Asphalt | Quantity         | 17,446 sq. ft. |
|                   |             | Unit Cost        | \$3.400        |
|                   |             | % of Replacement | 100.00%        |
|                   |             | Current Cost     | \$59,316.40    |
| Placed In Service | 07/94       | Future Cost      | \$67,111.06    |
| Useful Life       | 25          |                  |                |
| Adjustment        | +1          |                  |                |
| Remaining Life    | 5           |                  |                |
| Replacement Year  | 2020-2021   |                  |                |

#### Comments:

Most asphalt areas can be expected to last approximately 25 years before it will become necessary for an overlay to be applied. This can double the life of the surface upon application. We recommend the client obtain a consultant to prepare the application specifications, and to work with the contractor during actual installation. It is recommended that the client obtain bids for such a consultation near the end of the estimated useful life.

The remaining life of the asphalt overlay has been adjusted to align with the future replacement cycles of the asphalt repairs and seal coating.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Asphalt - Repairs

|                   |             |                  |                |
|-------------------|-------------|------------------|----------------|
| Category          | 010 Asphalt | Quantity         | 17,446 sq. ft. |
|                   |             | Unit Cost        | \$6.300        |
|                   |             | % of Replacement | 6.00%          |
|                   |             | Current Cost     | \$6,594.59     |
| Placed In Service | 07/10       | Future Cost      | \$6,759.45     |
| Useful Life       | 4           |                  |                |
| Adjustment        | +2          |                  |                |
| Remaining Life    | 1           |                  |                |
| Replacement Year  | 2016-2017   |                  |                |

#### Comments:

It is estimated that a percentage of the asphalt areas will require repair or replacement. The actual condition of the asphalt should be monitored through time and these estimates adjusted accordingly.

We have budgeted for the asphalt to be repaired on the same cycle and in conjunction with the seal coating of the asphalt.

The remaining life of this component has been extended due to the current financial condition of the client.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Asphalt - Seal

|                   |             |                  |                |
|-------------------|-------------|------------------|----------------|
| Category          | 010 Asphalt | Quantity         | 17,446 sq. ft. |
|                   |             | Unit Cost        | \$0.340        |
|                   |             | % of Replacement | 100.00%        |
|                   |             | Current Cost     | \$5,931.64     |
|                   |             | Future Cost      | \$6,079.93     |
| Placed In Service | 07/10       |                  |                |
| Useful Life       | 4           |                  |                |
| Adjustment        | +2          |                  |                |
| Remaining Life    | 1           |                  |                |
| Replacement Year  | 2016-2017   |                  |                |

#### Comments:

Asphalt surfaces should be seal coated within 3 years of their initial installation. Thereafter, a 3 to 5 year cycle should be observed and adjusted according to the client's particular needs.

According to the client, the asphalt was sealed in 2010 for a cost of \$5,157.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

The actual month this component was placed into service is not available. For budgeting purposes we have used the month corresponding to the beginning of the client's fiscal year.

The remaining life of this component has been extended due to the current financial condition of the client.



# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Roofs - Building 9, Gutters & Downspouts

|                   |           |                  |              |
|-------------------|-----------|------------------|--------------|
| Category          | 020 Roofs | Quantity         | 185 lin. ft. |
|                   |           | Unit Cost        | \$12.000     |
|                   |           | % of Replacement | 100.00%      |
|                   |           | Current Cost     | \$2,220.00   |
| Placed In Service | 07/94     | Future Cost      | \$2,450.46   |
| Useful Life       | 20        |                  |              |
| Adjustment        | +5        |                  |              |
| Remaining Life    | 4         |                  |              |
| Replacement Year  | 2019-2020 |                  |              |

Comments:

During our most recent field evaluation, we noted the gutters of Building 9 appeared to be replaced. We have extended the life to reflect the gutter replacement.

|            |              |
|------------|--------------|
| gutters    | 50 lin. ft.  |
| downspouts | 135          |
|            | 185 lin. ft. |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Roofs - Building 9, Low Slope

|                   |           |                  |                |
|-------------------|-----------|------------------|----------------|
| Category          | 020 Roofs | Quantity         | 13,158 sq. ft. |
|                   |           | Unit Cost        | \$5.800        |
|                   |           | % of Replacement | 100.00%        |
|                   |           | Current Cost     | \$76,316.40    |
| Placed In Service | 07/05     | Future Cost      | \$88,503.63    |
| Useful Life       | 16        |                  |                |
| Remaining Life    | 6         |                  |                |
| Replacement Year  | 2021-2022 |                  |                |

Comments:

According to the client, the building 9 roof was replaced with a 4-ply low slope roofing system in about July 2005 for a cost of \$50,510. We noted the front entry section of the roofing appeared to be a single-ply product.

According to the client, roof maintenance was completed in January 2015 for a cost of \$833.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

In order to ensure a high quality installation, the client may wish to obtain the services of an independent roofing consultant to work with the client and the roofing contractor providing installation. Consultants are available for the preparation of installation specifications and, if desired, to work with the contractor during the installation process. Fees for these services vary based on the size of the project and detail required by the client.

|            |                |
|------------|----------------|
| roof field | 10,758 sq. ft. |
| roof wall  | 2,400          |
|            | 13,158 sq. ft. |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Roofs - Building 9, Metal Cap Coating

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 020 Roofs | Quantity         | 1 total     |
|                   |           | Unit Cost        | \$8,875.000 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$8,875.00  |
| Placed In Service | 01/15     | Future Cost      | \$11,083.66 |
| Useful Life       | 10        |                  |             |
| Remaining Life    | 9         |                  |             |
| Replacement Year  | 2024-2025 |                  |             |

#### Comments:

According to the client, a silicone roof coating was applied to the metal cap at the outside perimeter of the building roof in January 2015 for a total cost of \$8,738.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

### Roofs - Carports

|                   |           |                  |               |
|-------------------|-----------|------------------|---------------|
| Category          | 020 Roofs | Quantity         | 3,024 sq. ft. |
|                   |           | Unit Cost        | \$5.250       |
|                   |           | % of Replacement | 100.00%       |
|                   |           | Current Cost     | \$15,876.00   |
| Placed In Service | 07/94     | Future Cost      | \$19,826.95   |
| Useful Life       | 30        |                  |               |
| Remaining Life    | 9         |                  |               |
| Replacement Year  | 2024-2025 |                  |               |

#### Comments:

These are corrugated metal carport roofs.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Roofs - Composition Shingle

|                   |           |                  |                |
|-------------------|-----------|------------------|----------------|
| Category          | 020 Roofs | Quantity         | 19,673 sq. ft. |
|                   |           | Unit Cost        | \$8.750        |
|                   |           | % of Replacement | 100.00%        |
|                   |           | Current Cost     | \$172,138.75   |
|                   |           | Future Cost      | \$418,733.59   |
| Placed In Service | 07/94     |                  |                |
| Useful Life       | 36        |                  |                |
| Adjustment        | -15       |                  |                |
| Remaining Life    | 0         |                  |                |
| Replacement Year  | 2015-2016 |                  |                |

#### Comments:

We anticipate replacement with a 40-year composition shingle roof and adjusted the remaining life to reflect the current condition.

The client informs us roof inspections were completed in July 2012 for a cost of \$4,500.

The cost includes stucco repairs required during replacement.

During our most recent field evaluation, we noted a couple of sections of building 2 had roofs replaced. For budgeting purposes, we have included the whole building in this component.

In order to ensure a high quality installation, the client may wish to obtain the services of an independent roofing consultant to work with the client and the roofing contractor providing installation. Consultants are available for the preparation of installation specifications and, if desired, to work with the contractor during the installation process. Fees for these services vary based on the size of the project and detail required by the client.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Roofs - Composition Shingle, Bldg 2

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 020 Roofs | Quantity         | 1 building  |
|                   |           | Unit Cost        | \$51,000.00 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$51,000.00 |
| Placed In Service | 07/05     | Future Cost      | \$96,914.93 |
| Useful Life       | 36        |                  |             |
| Remaining Life    | 26        |                  |             |
| Replacement Year  | 2041-2042 |                  |             |

#### Comments:

According to the client, the building 2 roof was replaced with a 40-year composition shingle roof in about July 2005 for a cost of about \$41,000.

The cost includes stucco repairs required during replacement.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

5,847 sq. ft.

In order to ensure a high quality installation, the client may wish to obtain the services of an independent roofing consultant to work with the client and the roofing contractor providing installation. Consultants are available for the preparation of installation specifications and, if desired, to work with the contractor during the installation process. Fees for these services vary based on the size of the project and detail required by the client.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Roofs - Composition Shingle, Bldgs 4

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 020 Roofs | Quantity         | 1 building  |
|                   |           | Unit Cost        | \$25,000.00 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$25,000.00 |
| Placed In Service | 07/10     | Future Cost      | \$53,750.17 |
| Useful Life       | 36        |                  |             |
| Remaining Life    | 31        |                  |             |
| Replacement Year  | 2046-2047 |                  |             |

#### Comments:

During our most recent field evaluation, we noted building 4 appeared to have a newer roof.

Building 4 is about 3,781 sq. ft.

The actual date this component was placed into service is not available. For budgeting purposes, this date has been estimated based on its condition at our most recent field inspection.

In order to ensure a high quality installation, the client may wish to obtain the services of an independent roofing consultant to work with the client and the roofing contractor providing installation. Consultants are available for the preparation of installation specifications and, if desired, to work with the contractor during the installation process. Fees for these services vary based on the size of the project and detail required by the client.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Roofs - Composition Shingle, Bldgs 6 & 7

|                   |           |                  |              |
|-------------------|-----------|------------------|--------------|
| Category          | 020 Roofs | Quantity         | 2 buildings  |
|                   |           | Unit Cost        | \$25,000.00  |
|                   |           | % of Replacement | 100.00%      |
|                   |           | Current Cost     | \$50,000.00  |
| Placed In Service | 07/13     | Future Cost      | \$115,766.11 |
| Useful Life       | 36        |                  |              |
| Remaining Life    | 34        |                  |              |
| Replacement Year  | 2049-2050 |                  |              |

#### Comments:

According to the client, the roofs of buildings 6 & 7 were replaced with a 40-year composition shingle product in about May 2013 for a per building cost of about \$23,650.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

For budgeting purposes, we have used the next fiscal year's beginning date as the placed-in-service date for this component.

Building 6 is about 3,781 sq. ft.  
Building 7 is about 3,435 sq. ft.

In order to ensure a high quality installation, the client may wish to obtain the services of an independent roofing consultant to work with the client and the roofing contractor providing installation. Consultants are available for the preparation of installation specifications and, if desired, to work with the contractor during the installation process. Fees for these services vary based on the size of the project and detail required by the client.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Roofs - Gutters & Downspouts

|                   |           |                  |              |
|-------------------|-----------|------------------|--------------|
| Category          | 020 Roofs | Quantity         | 1 total      |
|                   |           | Unit Cost        | \$40,292.500 |
|                   |           | % of Replacement | 86.00%       |
|                   |           | Current Cost     | \$34,651.55  |
| Placed In Service | 07/94     | Future Cost      | \$54,044.59  |
| Useful Life       | 18        |                  |              |
| Remaining Life    | 0         |                  |              |
| Replacement Year  | 2015-2016 |                  |              |

Comments:

According to the client, the gutters of buildings #3 & #4 were replaced in August 2014 for a cost of \$5,625. The downspouts were saved and reused.

We have reflected the original gutters & downspouts in the percentage replacement adjustment.

|                           |   |              |          |                    |
|---------------------------|---|--------------|----------|--------------------|
| 1,876 lin. ft. gutters    | @ | \$10.00      | =        | \$18,760.00        |
| 2,610 lin. ft. downspouts | @ | \$8.25       | =        | \$21,532.50        |
|                           |   | <b>TOTAL</b> | <b>=</b> | <u>\$40,292.50</u> |



# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Roofs - Gutters, Buildings #3 & #4

|                   |           |                  |              |
|-------------------|-----------|------------------|--------------|
| Category          | 020 Roofs | Quantity         | 1 total      |
|                   |           | Unit Cost        | \$40,292.500 |
|                   |           | % of Replacement | 14.00%       |
|                   |           | Current Cost     | \$5,640.95   |
| Placed In Service | 08/14     | Future Cost      | \$8,583.37   |
| Useful Life       | 18        |                  |              |
| Remaining Life    | 17        |                  |              |
| Replacement Year  | 2032-2033 |                  |              |

#### Comments:

According to the client, the gutters of buildings #3 & #4 were replaced in August 2014 for a cost of \$5,625. The downspouts were saved and reused.

We have reflected these newer gutters in the percentage replacement adjustment.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Roofs - Mailbox Kiosks

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 020 Roofs | Quantity         | 5 locations |
|                   |           | Unit Cost        | \$900.000   |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$4,500.00  |
| Placed In Service | 01/15     | Future Cost      | \$10,679.42 |
| Useful Life       | 36        |                  |             |
| Remaining Life    | 35        |                  |             |
| Replacement Year  | 2050-2051 |                  |             |

#### Comments:

According to the client, a new 40-year composition shingle roofing product replaced the old roofing and gutters and downspouts were replaced in January 2015 for a total cost of \$4,368.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

### Roofs - Storage Shed

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 020 Roofs | Quantity         | 1 total     |
|                   |           | Unit Cost        | \$5,360.000 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$5,360.00  |
| Placed In Service | 01/15     | Future Cost      | \$7,032.78  |
| Useful Life       | 12        |                  |             |
| Remaining Life    | 11        |                  |             |
| Replacement Year  | 2026-2027 |                  |             |

#### Comments:

According to the client, the storage shed had the roof replaced with a Certainteed Glassbase roof in February 2015 for a total cost of \$5,360. A 12-year warranty came with the roof.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Paint - Exteriors, Building 9

|                   |           |                  |                |
|-------------------|-----------|------------------|----------------|
| Category          | 030 Paint | Quantity         | 13,892 sq. ft. |
|                   |           | Unit Cost        | \$1.500        |
|                   |           | % of Replacement | 100.00%        |
|                   |           | Current Cost     | \$20,838.00    |
| Placed In Service | 09/14     | Future Cost      | \$26,023.81    |
| Useful Life       | 10        |                  |                |
| Remaining Life    | 9         |                  |                |
| Replacement Year  | 2024-2025 |                  |                |

#### Comments:

According to the client, the community exteriors were painted in September 2014 for a total cost of about \$111,000.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

According to the client, building 9 was painted in September 2007 for a cost of \$16,600.

### Paint - Exteriors, Stucco

|                   |           |                  |                |
|-------------------|-----------|------------------|----------------|
| Category          | 030 Paint | Quantity         | 76,102 sq. ft. |
|                   |           | Unit Cost        | \$0.700        |
|                   |           | % of Replacement | 100.00%        |
|                   |           | Current Cost     | \$53,271.40    |
| Placed In Service | 09/14     | Future Cost      | \$66,528.68    |
| Useful Life       | 10        |                  |                |
| Remaining Life    | 9         |                  |                |
| Replacement Year  | 2024-2025 |                  |                |

#### Comments:

According to the client, the community exteriors were painted in September 2014 for a total cost of about \$111,000.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Paint - Exteriors, Trim

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 030 Paint | Quantity         | 56 units    |
|                   |           | Unit Cost        | \$530.000   |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$29,680.00 |
| Placed In Service | 09/14     | Future Cost      | \$32,761.17 |
| Useful Life       | 5         |                  |             |
| Remaining Life    | 4         |                  |             |
| Replacement Year  | 2019-2020 |                  |             |

#### Comments:

According to the client, the community exteriors were painted in September 2014 for a total cost of about \$111,000.

According to the client, the exterior trim and door painting was completed on buildings 1-8 in November 2008 for a total cost of \$24,321.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Paint - Interiors, Community Room

|                   |           |                  |               |
|-------------------|-----------|------------------|---------------|
| Category          | 030 Paint | Quantity         | 2,346 sq. ft. |
|                   |           | Unit Cost        | \$1.080       |
|                   |           | % of Replacement | 100.00%       |
|                   |           | Current Cost     | \$2,533.68    |
| Placed In Service | 07/07     | Future Cost      | \$2,661.95    |
| Useful Life       | 10        |                  |               |
| Remaining Life    | 2         |                  |               |
| Replacement Year  | 2017-2018 |                  |               |

#### Comments:

According to the client, the community room in building 9 was painted in about 2007 for a cost of about \$2,000.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

The actual month this component was placed into service is not available. For budgeting purposes we have used the month corresponding to the beginning of the client's fiscal year.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Paint - Light Poles/Carports

|                   |           |                  |            |
|-------------------|-----------|------------------|------------|
| Category          | 030 Paint | Quantity         | 1 total    |
|                   |           | Unit Cost        | \$8,074.00 |
|                   |           | % of Replacement | 100.00%    |
|                   |           | Current Cost     | \$8,074.00 |
| Placed In Service | 09/14     | Future Cost      | \$8,912.19 |
| Useful Life       | 5         |                  |            |
| Remaining Life    | 4         |                  |            |
| Replacement Year  | 2019-2020 |                  |            |

Comments:

According to the client, the community exteriors were painted in September 2014 for a total cost of about \$111,000.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

|                           |   |            |   |            |
|---------------------------|---|------------|---|------------|
| 3 carports                | @ | \$1,950.00 | = | \$5,850.00 |
| 22 bollard light fixtures | @ | \$52.00    | = | \$1,144.00 |
| 10 street light poles     | @ | \$108.00   | = | \$1,080.00 |
|                           |   | TOTAL      | = | \$8,074.00 |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Paint - Metal

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 030 Paint | Quantity         | 1 total     |
|                   |           | Unit Cost        | \$4,700.000 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$4,700.00  |
| Placed In Service | 09/14     | Future Cost      | \$5,187.92  |
| Useful Life       | 5         |                  |             |
| Remaining Life    | 4         |                  |             |
| Replacement Year  | 2019-2020 |                  |             |

#### Comments:

According to the client, the community exteriors were painted in September 2014 for a total cost of about \$111,000.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

According to the client, the mailbox kiosks, handrails, wrought iron fencing and misc. green/blue trim were painted in 2009 for a cost of \$4,175.

5 mailbox kiosks  
288 sq. ft. of wrought iron fencing  
1,425 sq. ft. of balcony/stairs pipe railing

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Fencing - Patio, Unfunded

|                   |             |                  |           |
|-------------------|-------------|------------------|-----------|
| Category          | 040 Fencing | Quantity         | 1 comment |
|                   |             | Unit Cost        | \$0.000   |
|                   |             | % of Replacement | 0.00%     |
|                   |             | Current Cost     | \$0.00    |
| Placed In Service | 01/05       | Future Cost      | \$0.00    |
| Useful Life       | n.a.        |                  |           |
| Remaining Life    | n.a.        |                  |           |
| Replacement Year  | n.a.        |                  |           |

#### Comments:

Pursuant to the CC&Rs, after the complete patio fencing, all future patio fencing will be a responsibility of the individual unit owner, thus no reserve funding has been provided.

The patio fencing was replaced in January 2005 for a cost of \$53,518.

1,295 lin. ft. of 4' fencing  
461 lin. ft. of 4' fencing with 2' lattice

The quantity includes patio gates.



# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Fencing - Wrought Iron

|                   |             |                  |            |
|-------------------|-------------|------------------|------------|
| Category          | 040 Fencing | Quantity         | 1 total    |
|                   |             | Unit Cost        | \$5,726.00 |
|                   |             | % of Replacement | 100.00%    |
|                   |             | Current Cost     | \$5,726.00 |
| Placed In Service | 07/94       | Future Cost      | \$7,150.99 |
| Useful Life       | 30          |                  |            |
| Remaining Life    | 9           |                  |            |
| Replacement Year  | 2024-2025   |                  |            |

Comments:

This is the fencing at the courtyard entrance on California Street.

|                             |   |          |   |            |
|-----------------------------|---|----------|---|------------|
| 72 - lin. ft. of 4' fencing | @ | \$58.00  | = | \$4,176.00 |
| 2 - 2.5' x 4' gates         | @ | \$775.00 | = | \$1,550.00 |
|                             |   | TOTAL    | = | \$5,726.00 |

### Lighting - Bollards

|                   |              |                  |             |
|-------------------|--------------|------------------|-------------|
| Category          | 050 Lighting | Quantity         | 22 fixtures |
|                   |              | Unit Cost        | \$800.00    |
|                   |              | % of Replacement | 100.00%     |
|                   |              | Current Cost     | \$17,600.00 |
| Placed In Service | 07/94        | Future Cost      | \$18,040.00 |
| Useful Life       | 22           |                  |             |
| Remaining Life    | 1            |                  |             |
| Replacement Year  | 2016-2017    |                  |             |

Comments:

These are the 3.5' metal bollard fixtures located throughout the grounds.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Lighting - Carports

|                   |              |                  |            |
|-------------------|--------------|------------------|------------|
| Category          | 050 Lighting | Quantity         | 7 fixtures |
|                   |              | Unit Cost        | \$155.000  |
|                   |              | % of Replacement | 100.00%    |
|                   |              | Current Cost     | \$1,085.00 |
| Placed In Service | 07/94        | Future Cost      | \$1,197.64 |
| Useful Life       | 20           |                  |            |
| Adjustment        | +5           |                  |            |
| Remaining Life    | 4            |                  |            |
| Replacement Year  | 2019-2020    |                  |            |

Comments:

The remaining life of this component has been extended due to its condition at our most recent field inspection.

### Lighting - Exteriors

|                   |              |                  |              |
|-------------------|--------------|------------------|--------------|
| Category          | 050 Lighting | Quantity         | 1 total      |
|                   |              | Unit Cost        | \$19,955.000 |
|                   |              | % of Replacement | 100.00%      |
|                   |              | Current Cost     | \$19,955.00  |
| Placed In Service | 07/94        | Future Cost      | \$20,453.88  |
| Useful Life       | 22           |                  |              |
| Remaining Life    | 1            |                  |              |
| Replacement Year  | 2016-2017    |                  |              |

Comments:

|                              |   |          |   |             |
|------------------------------|---|----------|---|-------------|
| 56 entry globes              | @ | \$155.00 | = | \$8,680.00  |
| 31 patio globes              | @ | \$155.00 | = | \$4,805.00  |
| 23 balcony globes            | @ | \$155.00 | = | \$3,565.00  |
| 12 wall fixtures             | @ | \$165.00 | = | \$1,980.00  |
| 5 mailbox kiosk fluorescents | @ | \$185.00 | = | \$925.00    |
|                              |   | TOTAL    | = | \$19,955.00 |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Lighting - Exteriors, Building 9

|                   |              |                  |            |
|-------------------|--------------|------------------|------------|
| Category          | 050 Lighting | Quantity         | 1 total    |
|                   |              | Unit Cost        | \$5,875.00 |
|                   |              | % of Replacement | 100.00%    |
|                   |              | Current Cost     | \$5,875.00 |
| Placed In Service | 07/94        | Future Cost      | \$6,021.88 |
| Useful Life       | 22           |                  |            |
| Remaining Life    | 1            |                  |            |
| Replacement Year  | 2016-2017    |                  |            |

Comments:

|                     |   |          |   |            |
|---------------------|---|----------|---|------------|
| 10 wall fixtures    | @ | \$165.00 | = | \$1,650.00 |
| 1 ceiling square    | @ | \$205.00 | = | \$205.00   |
| 3 flood fixtures    | @ | \$185.00 | = | \$555.00   |
| 18 balcony fixtures | @ | \$165.00 | = | \$2,970.00 |
| 3 patio fixtures    | @ | \$165.00 | = | \$495.00   |
|                     |   | TOTAL    | = | \$5,875.00 |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Lighting - Interiors

|                   |              |                  |            |
|-------------------|--------------|------------------|------------|
| Category          | 050 Lighting | Quantity         | 1 total    |
|                   |              | Unit Cost        | \$7,345.00 |
|                   |              | % of Replacement | 100.00%    |
|                   |              | Current Cost     | \$7,345.00 |
| Placed In Service | 07/94        | Future Cost      | \$8,107.51 |
| Useful Life       | 25           |                  |            |
| Remaining Life    | 4            |                  |            |
| Replacement Year  | 2019-2020    |                  |            |

Comments:

These are the building 9 community room and lower corridor light fixtures.

|  |   |          |   |            |
|--|---|----------|---|------------|
| 2 - EXIT signs (community room)        | @ | \$215.00 | = | \$430.00   |
| 2 - EXIT signs (corridor)              | @ | \$215.00 | = | \$430.00   |
| 1 - emergency back-up (community rm)   | @ | \$300.00 | = | \$300.00   |
| 1 - emergency back-up (corridor)       | @ | \$300.00 | = | \$300.00   |
| 1 - wall fixture                       | @ | \$165.00 | = | \$165.00   |
| 6 - recessed spots                     | @ | \$170.00 | = | \$1,020.00 |
| 9 - quadruple fluorescents             | @ | \$220.00 | = | \$1,980.00 |
| 4 - 4' double fluorescents (restrooms) | @ | \$210.00 | = | \$840.00   |
| 2 - emergency back-ups (restrooms)     | @ | \$300.00 | = | \$600.00   |
| 4 - 4' double fluorescents (storage)   | @ | \$210.00 | = | \$840.00   |
| 2 - 8' double fluorescents (storage)   | @ | \$220.00 | = | \$440.00   |
|  |   | TOTAL    | = | \$7,345.00 |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Lighting - Street

|                   |              |                  |             |
|-------------------|--------------|------------------|-------------|
| Category          | 050 Lighting | Quantity         | 10 fixtures |
|                   |              | Unit Cost        | \$3,600.000 |
|                   |              | % of Replacement | 100.00%     |
|                   |              | Current Cost     | \$36,000.00 |
| Placed In Service | 07/94        | Future Cost      | \$39,737.26 |
| Useful Life       | 25           |                  |             |
| Remaining Life    | 4            |                  |             |
| Replacement Year  | 2019-2020    |                  |             |

#### Comments:

These are the 25' painted metal poles with fixtures.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Interiors - Banquet Furniture

|                   |               |                  |            |
|-------------------|---------------|------------------|------------|
| Category          | 070 Interiors | Quantity         | 1 total    |
|                   |               | Unit Cost        | \$3,000.00 |
|                   |               | % of Replacement | 100.00%    |
|                   |               | Current Cost     | \$3,000.00 |
| Placed In Service | 07/07         | Future Cost      | \$3,151.88 |
| Useful Life       | 10            |                  |            |
| Remaining Life    | 2             |                  |            |
| Replacement Year  | 2017-2018     |                  |            |

#### Comments:

This component is for the folding chairs and banquet tables.

According to the client, new community room furniture was purchased in 2007 for a cost of \$1,000.

The actual month this component was placed into service is not available. For budgeting purposes we have used the month corresponding to the beginning of the client's fiscal year.

The cost estimate for this component has been calculated based on the inventory identified herein. It is likely that future replacements will vary and, therefore, the cost used should be considered as a general indication of budgetary needs rather than specific to this inventory.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Interiors - Cabinets/Counters

|                   |               |                  |            |
|-------------------|---------------|------------------|------------|
| Category          | 070 Interiors | Quantity         | 1 total    |
|                   |               | Unit Cost        | \$4,995.00 |
|                   |               | % of Replacement | 100.00%    |
|                   |               | Current Cost     | \$4,995.00 |
| Placed In Service | 07/94         | Future Cost      | \$5,513.55 |
| Useful Life       | 25            |                  |            |
| Remaining Life    | 4             |                  |            |
| Replacement Year  | 2019-2020     |                  |            |

Comments:

We noted a microwave oven we anticipate replaced through the operational budget and/or reserve contingency.

|                                      |   |          |   |            |
|--------------------------------------|---|----------|---|------------|
| 11 lin. ft. of laminate counters     | @ | \$195.00 | = | \$2,145.00 |
| 5 lin. ft. of laminate wall cabinets | @ | \$260.00 | = | \$1,300.00 |
| 5 lin. ft. of laminate base cabinets | @ | \$310.00 | = | \$1,550.00 |
|                                      |   | TOTAL    | = | \$4,995.00 |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Interiors - Carpet

|                   |               |                  |              |
|-------------------|---------------|------------------|--------------|
| Category          | 070 Interiors | Quantity         | 110 sq. yds. |
|                   |               | Unit Cost        | \$37.000     |
|                   |               | % of Replacement | 100.00%      |
|                   |               | Current Cost     | \$4,070.00   |
| Placed In Service | 07/07         | Future Cost      | \$4,171.75   |
| Useful Life       | 7             |                  |              |
| Adjustment        | +2            |                  |              |
| Remaining Life    | 1             |                  |              |
| Replacement Year  | 2016-2017     |                  |              |

#### Comments:

This is the community room carpet.

According to the client, the community room carpet was replaced in 2007 for a cost of \$3,000.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

The actual month this component was placed into service is not available. For budgeting purposes we have used the month corresponding to the beginning of the client's fiscal year.

The remaining life of this component has been extended due to the current financial condition of the client.



# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Interiors - Plumbing Fixtures

|                   |               |                  |             |
|-------------------|---------------|------------------|-------------|
| Category          | 070 Interiors | Quantity         | 1 total     |
|                   |               | Unit Cost        | \$13,070.00 |
|                   |               | % of Replacement | 100.00%     |
|                   |               | Current Cost     | \$13,070.00 |
| Placed In Service | 07/94         | Future Cost      | \$14,426.83 |
| Useful Life       | 25            |                  |             |
| Remaining Life    | 4             |                  |             |
| Replacement Year  | 2019-2020     |                  |             |

Comments:

|                                 |   |            |   |             |
|---------------------------------|---|------------|---|-------------|
| 3 toilet partitions             | @ | \$1,225.00 | = | \$3,675.00  |
| 3 toilets                       | @ | \$1,025.00 | = | \$3,075.00  |
| 2 sinks (restrooms)             | @ | \$800.00   | = | \$1,600.00  |
| 1 stainless community room sink | @ | \$800.00   | = | \$800.00    |
| 1 stainless drinking fountain   | @ | \$1,300.00 | = | \$1,300.00  |
| 2 urinals                       | @ | \$1,000.00 | = | \$2,000.00  |
| 1 urinal partition              | @ | \$620.00   | = | \$620.00    |
|                                 |   | TOTAL      | = | \$13,070.00 |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Balconies - Concrete, Repairs

|                   |                      |                  |              |
|-------------------|----------------------|------------------|--------------|
| Category          | 080 Balconies/Stairs | Quantity         | 23 balconies |
|                   |                      | Unit Cost        | \$21,000.000 |
|                   |                      | % of Replacement | 15.00%       |
|                   |                      | Current Cost     | \$72,450.00  |
| Placed In Service | 07/08                | Future Cost      | \$81,970.53  |
| Useful Life       | 5                    |                  |              |
| Adjustment        | +7                   |                  |              |
| Remaining Life    | 5                    |                  |              |
| Replacement Year  | 2020-2021            |                  |              |

#### Comments:

According to the client, all but 3 of the common membrane balconies have been replaced with concrete balconies.

Once all the membrane balconies are replaced with concrete balconies, we do not anticipate wholesale replacements to be required. Prudent budgeting dictates some repairs/replacements will be required as reflected by the percentage replacement and useful life adjustments. We have begun the cycle July 2008.

This component, and all information contained herein, has been provided by the client and incorporated into this analysis at their request.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

|                                     |
|-------------------------------------|
| <b>Balconies - Membrane, Recoat</b> |
|-------------------------------------|

|                   |                      |                  |             |
|-------------------|----------------------|------------------|-------------|
| Category          | 080 Balconies/Stairs | Quantity         | 1 total     |
|                   |                      | Unit Cost        | \$15,050.00 |
|                   |                      | % of Replacement | 100.00%     |
|                   |                      | Current Cost     | \$15,050.00 |
|                   |                      | Future Cost      | \$17,027.69 |
| Placed In Service | 07/94                |                  |             |
| Useful Life       | 5                    |                  |             |
| Adjustment        | +16                  |                  |             |
| Remaining Life    | 0                    |                  |             |
| Replacement Year  | 2015-2016            |                  |             |

Comments:

We have budgeted for the recoating of the building 9 membrane decking.

The client advises us balcony inspections were performed in August 2012 for a cost of \$1,250. The client completed select balcony recoating and concrete repairs in spring 2013 for about \$5,825. We have extended the life of the recoating to reflect the selected work.

|                      |   |            |   |                    |
|----------------------|---|------------|---|--------------------|
| 14 smaller balconies | @ | \$900.00   | = | \$12,600.00        |
| 2 larger balconies   | @ | \$1,225.00 | = | <u>\$2,450.00</u>  |
|                      |   | TOTAL      | = | <u>\$15,050.00</u> |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

| <b>Balconies - Membrane, Replace</b> |                      | <b>One Time Replacement</b> |             |
|--------------------------------------|----------------------|-----------------------------|-------------|
| Category                             | 080 Balconies/Stairs | Quantity                    | 3 balconies |
|                                      |                      | Unit Cost                   | \$21,000.00 |
|                                      |                      | % of Replacement            | 100.00%     |
|                                      |                      | Current Cost                | \$63,000.00 |
| Placed In Service                    | 07/94                | Future Cost                 | \$0.00      |
| Useful Life                          | 21                   |                             |             |
| Remaining Life                       | 0                    |                             |             |
| Replacement Year                     | 2015-2016            |                             |             |

### Comments:

According to the client, all but 3 of the common membrane balconies have been replaced with concrete balconies. This component reflects the remaining 3 balconies that have not been replaced.

The decking at 2120 Jefferson had an elastomeric membrane installed and top coat applied in 2010 for a total cost of \$1,895.

This component, and all information contained herein, has been provided by the client and incorporated into this analysis at their request.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Balconies - Membrane, Replace, Building 9

|                   |                      |                  |              |
|-------------------|----------------------|------------------|--------------|
| Category          | 080 Balconies/Stairs | Quantity         | 1 total      |
|                   |                      | Unit Cost        | \$245,000.00 |
|                   |                      | % of Replacement | 20.00%       |
|                   |                      | Current Cost     | \$49,000.00  |
|                   |                      | Future Cost      | \$55,439.00  |
| Placed In Service | 07/94                |                  |              |
| Useful Life       | 5                    |                  |              |
| Adjustment        | +16                  |                  |              |
| Remaining Life    | 0                    |                  |              |
| Replacement Year  | 2015-2016            |                  |              |

Comments:

This component, and all information contained herein, has been provided by the client and incorporated into this analysis at their request.

We have budgeted for 20% of the balconies requiring repairs/replacements after an initial 22-year cycle reflected by the percentage replacement and useful life adjustments.

- 10 - 6' x 14' balconies
- 4 - 6' x 18' balconies
- 2 - 6' x 44' balconies

|  |                      |   |             |   |              |
|--|----------------------|---|-------------|---|--------------|
|  | 14 smaller balconies | @ | \$14,500.00 | = | \$203,000.00 |
|  | 2 larger balconies   | @ | \$21,000.00 | = | \$42,000.00  |
|  |                      |   | TOTAL       | = | \$245,000.00 |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Balconies - Railings, Building 9

|                   |                      |                  |              |
|-------------------|----------------------|------------------|--------------|
| Category          | 080 Balconies/Stairs | Quantity         | 16 balconies |
|                   |                      | Unit Cost        | \$6,900.000  |
|                   |                      | % of Replacement | 100.00%      |
|                   |                      | Current Cost     | \$110,400.00 |
| Placed In Service | 07/12                | Future Cost      | \$190,061.48 |
| Useful Life       | 25                   |                  |              |
| Remaining Life    | 22                   |                  |              |
| Replacement Year  | 2037-2038            |                  |              |

#### Comments:

According to the client, all 16 of the balcony railings for Building 9 were replaced in May 2012 for a total cost of \$87,786. Additional costs were incurred for developing a scope of work in July 2011 for \$11,834 and pre-engineering costs in January 2012 for a total cost of \$2,605.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Stairs - Repair/Replace, Unfunded

|                   |                      |                  |              |
|-------------------|----------------------|------------------|--------------|
| Category          | 080 Balconies/Stairs | Quantity         | 27 stairways |
|                   |                      | Unit Cost        | \$0.000      |
|                   |                      | % of Replacement | 0.00%        |
|                   |                      | Current Cost     | \$0.00       |
|                   |                      | Future Cost      | \$0.00       |
| Placed In Service | 07/94                |                  |              |
| Useful Life       | n.a.                 |                  |              |
| Remaining Life    | n.a.                 |                  |              |
| Replacement Year  | n.a.                 |                  |              |

#### Comments:

These 15' stairways leading to the upstairs residences are constructed of 2 wood stringers, concrete treads and two wood landings.

Pursuant to the CC&Rs, the individual homeowners are responsible for their exclusive use common areas, thus no funding has been provided.

### Doors

|                   |           |                  |            |
|-------------------|-----------|------------------|------------|
| Category          | 090 Other | Quantity         | 2 doors    |
|                   |           | Unit Cost        | \$800.000  |
|                   |           | % of Replacement | 100.00%    |
|                   |           | Current Cost     | \$1,600.00 |
|                   |           | Future Cost      | \$1,766.10 |
| Placed In Service | 07/94     |                  |            |
| Useful Life       | 25        |                  |            |
| Remaining Life    | 4         |                  |            |
| Replacement Year  | 2019-2020 |                  |            |

#### Comments:

We have budgeted for door replacement for those doors with exposures to the elements.

1 courtyard access door  
1 side storage area door

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Fire Extinguisher Cabinets

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 090 Other | Quantity         | 24 cabinets |
|                   |           | Unit Cost        | \$270.000   |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$6,480.00  |
| Placed In Service | 07/94     | Future Cost      | \$7,152.71  |
| Useful Life       | 25        |                  |             |
| Remaining Life    | 4         |                  |             |
| Replacement Year  | 2019-2020 |                  |             |

Comments:

### Fire Protection - Extinguisher Cabinets, Bldg 9

|                   |           |                  |            |
|-------------------|-----------|------------------|------------|
| Category          | 090 Other | Quantity         | 6 cabinets |
|                   |           | Unit Cost        | \$270.000  |
|                   |           | % of Replacement | 100.00%    |
|                   |           | Current Cost     | \$1,620.00 |
| Placed In Service | 07/94     | Future Cost      | \$2,023.16 |
| Useful Life       | 30        |                  |            |
| Remaining Life    | 9         |                  |            |
| Replacement Year  | 2024-2025 |                  |            |

Comments:

|                        |   |          |
|------------------------|---|----------|
| corridors/storage area | 6 | cabinets |
| community room         | 1 |          |
|                        | 7 | cabinets |



# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Fire Protection - Recertification

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 090 Other | Quantity         | 1 system    |
|                   |           | Unit Cost        | \$7,800.000 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$7,800.00  |
| Placed In Service | 07/12     | Future Cost      | \$8,194.88  |
| Useful Life       | 5         |                  |             |
| Remaining Life    | 2         |                  |             |
| Replacement Year  | 2017-2018 |                  |             |

#### Comments:

According to the client, the fire sprinkler system was inspected and recertified in June 2012 for a total cost of \$7,453.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

For budgeting purposes, we have used the next fiscal year's beginning date as the placed-in-service date for this component.

### Fire Protection - System

|                   |           |                  |              |
|-------------------|-----------|------------------|--------------|
| Category          | 090 Other | Quantity         | 1 system     |
|                   |           | Unit Cost        | \$34,000.000 |
|                   |           | % of Replacement | 100.00%      |
|                   |           | Current Cost     | \$34,000.00  |
| Placed In Service | 07/94     | Future Cost      | \$37,529.64  |
| Useful Life       | 25        |                  |              |
| Remaining Life    | 4         |                  |              |
| Replacement Year  | 2019-2020 |                  |              |

#### Comments:

We have included this component for future system replacements due to technology enhancements and modernization.

According to the client, the fire sprinklers in all the units were replaced in May 2007.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Grounds - Benches/Picnic Tables

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 090 Other | Quantity         | 1 total     |
|                   |           | Unit Cost        | \$11,950.00 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$11,950.00 |
| Placed In Service | 07/94     | Future Cost      | \$12,248.75 |
| Useful Life       | 18        |                  |             |
| Adjustment        | +4        |                  |             |
| Remaining Life    | 1         |                  |             |
| Replacement Year  | 2016-2017 |                  |             |

Comments:

The remaining life of this component has been extended due to the current financial condition of the client.

|                               |   |            |   |             |
|-------------------------------|---|------------|---|-------------|
| 2 - 6' portable picnic tables | @ | \$900.00   | = | \$1,800.00  |
| 7 - 6' stationary benches     | @ | \$1,450.00 | = | \$10,150.00 |
|                               |   | TOTAL      | = | \$11,950.00 |

### Grounds - Play Structure

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 090 Other | Quantity         | 1 structure |
|                   |           | Unit Cost        | \$25,000.00 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$25,000.00 |
| Placed In Service | 07/06     | Future Cost      | \$28,992.34 |
| Useful Life       | 15        |                  |             |
| Remaining Life    | 6         |                  |             |
| Replacement Year  | 2021-2022 |                  |             |

Comments:

This is the tot lot play structure.

The actual date this component was placed into service is not available. For budgeting purposes, this date has been estimated based on its condition at our most recent field inspection.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Mailboxes

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 090 Other | Quantity         | 1 total     |
|                   |           | Unit Cost        | \$14,000.00 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$14,000.00 |
| Placed In Service | 07/94     | Future Cost      | \$15,076.47 |
| Useful Life       | 22        |                  |             |
| Adjustment        | +2        |                  |             |
| Remaining Life    | 3         |                  |             |
| Replacement Year  | 2018-2019 |                  |             |

Comments:

According to the client, new mailbox catches and brackets were installed on the mailboxes in February 2015 for a cost of \$965. We have extended the life of the mailboxes to reflect the repairs.

|                         |   |            |   |             |
|-------------------------|---|------------|---|-------------|
| 5 set of 15 boxes       | @ | \$1,750.00 | = | \$8,750.00  |
| 5 set of 2 parcel boxes | @ | \$1,050.00 | = | \$5,250.00  |
|                         |   | TOTAL      | = | \$14,000.00 |

### Mailboxes - Building 9

|                   |           |                  |            |
|-------------------|-----------|------------------|------------|
| Category          | 090 Other | Quantity         | 1 total    |
|                   |           | Unit Cost        | \$2,950.00 |
|                   |           | % of Replacement | 100.00%    |
|                   |           | Current Cost     | \$2,950.00 |
| Placed In Service | 07/94     | Future Cost      | \$3,023.75 |
| Useful Life       | 20        |                  |            |
| Adjustment        | +2        |                  |            |
| Remaining Life    | 1         |                  |            |
| Replacement Year  | 2016-2017 |                  |            |

Comments:

The remaining life of this component has been extended due to its condition at our most recent field inspection.

|                         |   |            |   |            |
|-------------------------|---|------------|---|------------|
| 1 set of 18 boxes       | @ | \$1,900.00 | = | \$1,900.00 |
| 1 set of 2 parcel boxes | @ | \$1,050.00 | = | \$1,050.00 |
|                         |   | TOTAL      | = | \$2,950.00 |

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Railing - Metal Pipe

|                   |           |                  |              |
|-------------------|-----------|------------------|--------------|
| Category          | 090 Other | Quantity         | 170 lin. ft. |
|                   |           | Unit Cost        | \$103.000    |
|                   |           | % of Replacement | 100.00%      |
|                   |           | Current Cost     | \$17,510.00  |
| Placed In Service | 07/94     | Future Cost      | \$24,741.17  |
| Useful Life       | 35        |                  |              |
| Remaining Life    | 14        |                  |              |
| Replacement Year  | 2029-2030 |                  |              |

Comments:

We anticipate the painting of the railing will be completed through the exterior painting component or the operating budget.

|                          |              |
|--------------------------|--------------|
| 1' single pipe railing   | 28 lin. ft.  |
| 3.5' single pipe railing | 120          |
| 3.5' multi-pipe railing  | 22           |
|                          | 170 lin. ft. |

### Signs - Directional

|                   |           |                  |            |
|-------------------|-----------|------------------|------------|
| Category          | 090 Other | Quantity         | 6 signs    |
|                   |           | Unit Cost        | \$700.000  |
|                   |           | % of Replacement | 100.00%    |
|                   |           | Current Cost     | \$4,200.00 |
| Placed In Service | 07/94     | Future Cost      | \$4,305.00 |
| Useful Life       | 15        |                  |            |
| Adjustment        | +7        |                  |            |
| Remaining Life    | 1         |                  |            |
| Replacement Year  | 2016-2017 |                  |            |

Comments:

These are the 3' wood posts with directional signs located throughout the grounds.

The remaining life of this component has been extended due to the current financial condition of the client.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Signs - Directional, 2009

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 090 Other | Quantity         | 13 signs    |
|                   |           | Unit Cost        | \$700.000   |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$9,100.00  |
| Placed In Service | 07/09     | Future Cost      | \$11,364.65 |
| Useful Life       | 15        |                  |             |
| Remaining Life    | 9         |                  |             |
| Replacement Year  | 2024-2025 |                  |             |

#### Comments:

These are the 3' metal posts with directional signs located mostly at the parking area.

According to the client, these signs were installed in 2009 for a total cost of \$7,407.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

The actual month this component was placed into service is not available. For budgeting purposes we have used the month corresponding to the beginning of the client's fiscal year.

10 Reserved Parking  
3 other

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Signs - Maps

|                   |           |                  |            |
|-------------------|-----------|------------------|------------|
| Category          | 090 Other | Quantity         | 5 maps     |
|                   |           | Unit Cost        | \$660.000  |
|                   |           | % of Replacement | 100.00%    |
|                   |           | Current Cost     | \$3,300.00 |
| Placed In Service | 07/10     | Future Cost      | \$4,224.28 |
| Useful Life       | 15        |                  |            |
| Remaining Life    | 10        |                  |            |
| Replacement Year  | 2025-2026 |                  |            |

#### Comments:

These are the 1' x 2' directory maps located at the mailbox kiosks.

The actual date this component was placed into service is not available. For budgeting purposes, this date has been estimated based on its condition at our most recent field inspection.

### Window Repairs

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 090 Other | Quantity         | 1 total     |
|                   |           | Unit Cost        | \$5,000.000 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$5,000.00  |
| Placed In Service | 07/13     | Future Cost      | \$5,253.13  |
| Useful Life       | 2         |                  |             |
| Remaining Life    | 0         |                  |             |
| Replacement Year  | 2015-2016 |                  |             |

#### Comments:

This component, and all information contained herein, has been provided by the client and incorporated into this analysis at their request.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Wood-Destroying Pests/Organisms

|                   |           |                  |             |
|-------------------|-----------|------------------|-------------|
| Category          | 090 Other | Quantity         | 1 total     |
|                   |           | Unit Cost        | \$29,000.00 |
|                   |           | % of Replacement | 100.00%     |
|                   |           | Current Cost     | \$29,000.00 |
| Placed In Service | 07/14     | Future Cost      | \$37,122.45 |
| Useful Life       | 10        |                  |             |
| Adjustment        | +1        |                  |             |
| Remaining Life    | 10        |                  |             |
| Replacement Year  | 2025-2026 |                  |             |

#### Comments:

According to the client, about \$28,000 in rot damage repairs/replacements to woodwork/trim were completed before the end of the 2013-2014 fiscal year.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

For budgeting purposes, we have used the next fiscal year's beginning date as the placed-in-service date for this component.

1 - 2 unit building  
4 - 3 unit buildings  
1 - 4 unit building  
1 - 5 unit building  
1 - 6 unit building  
1 - building 9

Effective September 25, 1987 an amendment to Civil Code Section 1364 relating to responsibilities for the repair and maintenance of termite damage in various types of common interest developments was signed into California law as follows:

#### Section 1364(b):

(1) In a community apartment project, condominium project, or stock cooperative, as defined in Section 1351, unless otherwise provided in the declaration, the association is responsible for the repair and maintenance of the common area occasioned by the presence of wood-destroying pests or organisms.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

|                                      |
|--------------------------------------|
| <b>Irrigation - Backflow Devices</b> |
|--------------------------------------|

|                   |                 |                  |             |
|-------------------|-----------------|------------------|-------------|
| Category          | 100 Landscaping | Quantity         | 1 total     |
|                   |                 | Unit Cost        | \$9,775.00  |
|                   |                 | % of Replacement | 100.00%     |
|                   |                 | Current Cost     | \$9,775.00  |
|                   |                 | Future Cost      | \$10,789.77 |
| Placed In Service | 07/94           |                  |             |
| Useful Life       | 20              |                  |             |
| Adjustment        | +5              |                  |             |
| Remaining Life    | 4               |                  |             |
| Replacement Year  | 2019-2020       |                  |             |

Comments:

These devices require an annual inspection and should be repaired as needed. We have budgeted for the eventual replacement of the backflow prevention devices.

These devices are located at the front of building 9.

The remaining life of this component has been extended due to its condition at our most recent field inspection.

|                  |   |            |   |            |
|------------------|---|------------|---|------------|
| 1 smaller device | @ | \$2,050.00 | = | \$2,050.00 |
| 1 larger device  | @ | \$7,725.00 | = | \$7,725.00 |
|                  |   | TOTAL      | = | \$9,775.00 |



# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Irrigation - Controllers

|                   |                 |                  |               |
|-------------------|-----------------|------------------|---------------|
| Category          | 100 Landscaping | Quantity         | 2 controllers |
|                   |                 | Unit Cost        | \$2,200.000   |
|                   |                 | % of Replacement | 100.00%       |
|                   |                 | Current Cost     | \$4,400.00    |
| Placed In Service | 07/94           | Future Cost      | \$4,510.00    |
| Useful Life       | 14              |                  |               |
| Adjustment        | +8              |                  |               |
| Remaining Life    | 1               |                  |               |
| Replacement Year  | 2016-2017       |                  |               |

#### Comments:

During our most recent field evaluation, we did not have access to the controllers.

The remaining life of this component has been extended due to the current financial condition of the client.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Irrigation - Valve Replacement

|                   |                 |                  |            |
|-------------------|-----------------|------------------|------------|
| Category          | 100 Landscaping | Quantity         | 7 valves   |
|                   |                 | Unit Cost        | \$775.000  |
|                   |                 | % of Replacement | 100.00%    |
|                   |                 | Current Cost     | \$5,425.00 |
| Placed In Service | 07/12           | Future Cost      | \$5,842.13 |
| Useful Life       | 3               |                  |            |
| Remaining Life    | 0               |                  |            |
| Replacement Year  | 2015-2016       |                  |            |

#### Comments:

This component, and all information contained herein, has been provided by the client and incorporated into this analysis at their request.

The client is replacing old brass valves with plastic valves as they fail.

There are a total of 38 valves, of which 14 have already been replaced. The client anticipates 5-8 valves requiring replacement over the next 3 years. The cost per valve is \$635 in 2007.

The client informs us one of the valves was replaced in the 2011-2012 fiscal year.

We have budgeted for 7 valves requiring replacement on a 3-year cycle beginning July 2012.

# University Terrace Berkeley Homeowners Association

## Component Detail

Sorted by Category

### Landscape Renovations

|                   |                 |                  |             |
|-------------------|-----------------|------------------|-------------|
| Category          | 100 Landscaping | Quantity         | 1 total     |
|                   |                 | Unit Cost        | \$10,000.00 |
|                   |                 | % of Replacement | 100.00%     |
|                   |                 | Current Cost     | \$10,000.00 |
| Placed In Service | 07/12           | Future Cost      | \$10,506.25 |
| Useful Life       | 5               |                  |             |
| Remaining Life    | 2               |                  |             |
| Replacement Year  | 2017-2018       |                  |             |

#### Comments:

According to the client, some landscape/irrigation renovations were completed in May 2012 for a total cost of \$9,965.

We have budgeted for landscape/irrigation renovations on a 5-year cycle.

The current cost used for this component is based on actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

For budgeting purposes, we have used the next fiscal year's beginning date as the placed-in-service date for this component.

# University Terrace Berkeley Homeowners Association

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# University Terrace Berkeley Homeowners Association

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Number of components included in this reserve analysis is 58.

# University Terrace Berkeley Homeowners Association

## Executive Summary

### Directed Cash Flow Calculation Method

#### Client Information:

|                 |                       |
|-----------------|-----------------------|
| Account Number  | 11005                 |
| Version Number  | 2                     |
| Analysis Date   | 04/22/2015            |
| Fiscal Year     | 7/1/2015 to 6/30/2016 |
| Number of Units | 56                    |
| Phasing         | 1 of 1                |

#### Global Parameters:

|                              |         |
|------------------------------|---------|
| Inflation Rate               | 2.50 %  |
| Annual Contribution Increase | 4.85 %  |
| Investment Rate              | 2.50 %  |
| Taxes on Investments         | 30.00 % |
| Contingency                  | 3.00 %  |

#### Community Profile:

For budgeting purposes, unless otherwise indicated, we have used July 1994 as the average placed-in-service date for aging the original components included in this analysis.

Field evaluations: April 16, 2014; March 2011; May 2008; January 2005

#### Adequacy of Reserves as of July 1, 2015:

|                              |              |
|------------------------------|--------------|
| Anticipated Reserve Balance  | \$467,294.00 |
| Fully Funded Reserve Balance | \$806,293.68 |
| Percent Funded               | 57.96%       |

| Recommended Funding for the 2015-2016 Fiscal Year: | Annual   | Monthly    | Per Unit  |
|--|----------|------------|-----------|
|  |          |            | Per Month |
| Member Contribution                                | \$76,608 | \$6,384.00 | \$114.00  |
| Interest Contribution                              | \$2,788  | \$232.32   | \$4.15    |
| Total Contribution                                 | \$79,396 | \$6,616.32 | \$118.15  |

# University Terrace Berkeley Homeowners Association

## Projections

### Directed Cash Flow Calculation Method

| Fiscal Year | Beginning Balance | Member Contribution | Interest Contribution | Expenditures | Ending Balance | Fully Funded Ending Balance | Percent Funded |
|-------------|-------------------|---------------------|-----------------------|--------------|----------------|-----------------------------|----------------|
| 2015-2016   | \$467,294         | \$76,608            | \$2,788               | \$344,265    | \$202,425      | \$552,032                   | 37%            |
| 2016-2017   | \$202,425         | \$80,323            | \$2,708               | \$85,614     | \$199,842      | \$568,346                   | 35%            |
| 2017-2018   | \$199,842         | \$84,219            | \$3,679               | \$29,768     | \$257,972      | \$646,349                   | 40%            |
| 2018-2019   | \$257,972         | \$88,304            | \$4,894               | \$20,919     | \$330,251      | \$738,086                   | 45%            |
| 2019-2020   | \$330,251         | \$92,587            | \$3,378               | \$181,052    | \$245,164      | \$665,309                   | 37%            |
| 2020-2021   | \$245,164         | \$97,077            | \$949                 | \$235,721    | \$107,469      | \$545,699                   | 20%            |
| 2021-2022   | \$107,469         | \$101,785           | \$430                 | \$129,586    | \$80,099       | \$537,966                   | 15%            |
| 2022-2023   | \$80,099          | \$106,722           | \$1,900               | \$21,159     | \$167,562      | \$647,398                   | 26%            |
| 2023-2024   | \$167,562         | \$111,898           | \$3,663               | \$11,051     | \$272,072      | \$773,195                   | 35%            |
| 2024-2025   | \$272,072         | \$117,325           | \$1,874               | \$219,440    | \$171,831      | \$684,935                   | 25%            |
| 2025-2026   | \$171,831         | \$123,015           | \$98                  | \$222,479    | \$72,465       | \$594,718                   | 12%            |
| 2026-2027   | \$72,465          | \$128,981           | \$2,194               | \$7,033      | \$196,608      | \$732,865                   | 27%            |
| 2027-2028   | \$196,608         | \$135,237           | \$3,757               | \$45,402     | \$290,201      | \$837,225                   | 35%            |
| 2028-2029   | \$290,201         | \$141,796           | \$5,958               | \$17,268     | \$420,687      | \$977,246                   | 43%            |
| 2029-2030   | \$420,687         | \$148,673           | \$7,000               | \$91,792     | \$484,568      | \$1,045,520                 | 46%            |
| 2030-2031   | \$484,568         | \$155,884           | \$5,962               | \$217,817    | \$428,597      | \$985,971                   | 43%            |
| 2031-2032   | \$428,597         | \$163,444           | \$8,637               | \$13,657     | \$587,021      | \$1,144,080                 | 51%            |
| 2032-2033   | \$587,021         | \$171,371           | \$10,771              | \$54,728     | \$714,435      | \$1,266,476                 | 56%            |
| 2033-2034   | \$714,435         | \$179,683           | \$12,811              | \$70,304     | \$836,625      | \$1,379,278                 | 61%            |
| 2034-2035   | \$836,625         | \$188,397           | \$12,403              | \$219,636    | \$817,789      | \$1,341,126                 | 61%            |
| 2035-2036   | \$817,789         | \$197,534           | \$11,090              | \$279,384    | \$747,029      | \$1,242,923                 | 60%            |
| 2036-2037   | \$747,029         | \$207,115           | \$13,488              | \$77,095     | \$890,537      | \$1,359,912                 | 65%            |
| 2037-2038   | \$890,537         | \$217,160           | \$10,806              | \$377,231    | \$741,271      | \$1,167,140                 | 64%            |
| 2038-2039   | \$741,271         | \$227,692           | \$13,393              | \$86,095     | \$896,261      | \$1,281,203                 | 70%            |
| 2039-2040   | \$896,261         | \$238,735           | \$15,340              | \$135,761    | \$1,014,576    | \$1,350,076                 | 75%            |
| 2040-2041   | \$1,014,576       | \$250,314           | \$14,476              | \$308,360    | \$971,006      | \$1,242,956                 | 78%            |
| 2041-2042   | \$971,006         | \$262,454           | \$17,368              | \$106,416    | \$1,144,411    | \$1,350,975                 | 85%            |
| 2042-2043   | \$1,144,411       | \$275,183           | \$21,609              | \$45,238     | \$1,395,965    | \$1,531,017                 | 91%            |
| 2043-2044   | \$1,395,965       | \$288,530           | \$26,776              | \$9,982      | \$1,701,288    | \$1,757,631                 | 97%            |
| 2044-2045   | \$1,701,288       | \$302,523           | \$23,428              | \$511,448    | \$1,515,792    | \$1,465,461                 | 103%           |

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

# University Terrace Berkeley Homeowners Association

## Membership Disclosure Summary

Sorted by Category

| Major Reserve Components | Current Cost | Assigned Reserves | Remaining Life Range | Useful Life Range |
|--------------------------|--------------|-------------------|----------------------|-------------------|
| 010 Asphalt              | \$71,843     | \$10,439          | 1-5                  | 6-26              |
| 020 Roofs                | \$451,579    | \$208,652         | 0-35                 | 10-36             |
| 030 Paint                | \$119,097    | \$2,027           | 2-9                  | 5-10              |
| 040 Fencing              | \$5,726      | \$0               | 9                    | 30                |
| 050 Lighting             | \$87,860     | \$42,367          | 1-4                  | 22-25             |
| 070 Interiors            | \$25,135     | \$6,018           | 1-4                  | 9-25              |
| 080 Balconies/Stairs     | \$309,900    | \$127,050         | 0-22                 | 12-25             |
| 090 Other                | \$173,510    | \$41,506          | 0-14                 | 2-35              |
| 100 Landscaping          | \$29,600     | \$15,625          | 0-4                  | 3-25              |
| Contingency              | n.a.         | \$13,611          | n.a.                 | n.a.              |
| Total                    | \$1,274,249  | \$467,294         | 0-35                 | 2-36              |