

# Michigan Reserve Associates LLC

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November 17, 2023

Board of Directors  
The Reserve at the Fairways Phase 1 Association, Inc.  
7002 Salon Circle  
Huber Heights, Ohio 45424

Re: Preliminary Reserve Study – Next Steps in the Process  
The Reserve at the Fairways Phase 1 Association, Inc.  
Huber Heights, Ohio

Dear Board of Directors:

Please find enclosed the preliminary reserve study. In this letter I will comment briefly on the next steps required to finalize the reserve study.

Now that the preliminary report has been delivered, the next step is a collaborative review process. I truly regard this process as a partnership in which all of us are working to provide the best and most accurate reserve study possible. This process typically takes most associations about one to two months to complete. During that time, the Association should carefully read the preliminary reserve report and review the accompanying charts and graphs. All comments are welcome. In particular, the Association should make sure that all Reserve Components have been accounted for and that the reserve fund balance information provided to Michigan Reserve Associates has been presented back to the Association accurately.

Please note that the reserve component list and cash flow pages located in the addenda of the reserve study have been optimized for ledger-size paper. If you choose to print out the reserve study, please print these pages on ledger-size paper to provide the most legible reading experience. Alternatively, you can use the “zoom” function in the Adobe Acrobat reader to adjust the pages to your specific needs on your video screen.

**If at the end of the review process you decide that no changes are needed, then the reserve study process is complete and no further communications are needed with Michigan Reserve Associates.**

However, if you wish to request changes to the reserve study, please follow the series of escalating communication steps detailed below. It is our experience that virtually all issues and questions can be resolved by using the following protocol.

- 1) Submit questions and comments in writing (email preferred) and reference the reserve study report's page numbers when relevant. All communications should be vetted internally and funneled through a designated point person, such as a board member or property manager. It can get confusing if multiple people request changes, especially

November 17, 2023

Page 2

if there is not common agreement from the Association on what those changes should be.

- 2) If, after written communications have been completed, more in-depth communication is needed, a conference call can be arranged. Please provide a list of general topics and questions in advance so that we are effective with our time together.

Sincerely,



Paul K.T. Conahan, MBA, RS



Kai B. Conahan

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# RESERVE STUDY

## (UPDATE, WITH-SITE-VISIT/ON-SITE REVIEW)

The Reserve at the Fairways Phase 1 Association, Inc.  
Huber Heights, Ohio

Commencing First Fiscal Year: January 1, 2024 to December 31, 2024



Photo: View of entry area



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November 17, 2023

Board of Directors  
The Reserve at the Fairways Phase 1 Association, Inc.  
7002 Salon Circle  
Huber Heights, Ohio 45424

Re: "Update, With Site-Visit/On-Site Review" Reserve Study  
The Reserve at the Fairways Phase 1 Association, Inc.  
Huber Heights, Ohio

Dear Board of Directors:

In fulfillment of our agreement as outlined in the letter of engagement dated February 22, 2023, we are pleased to transmit this "Update, With Site-Visit/On-Site Review" Reserve Study for The Reserve at the Fairways Phase 1 Association, Inc.. This report details the development of our study and sets forth our conclusions, along with supporting data and reasoning which forms the basis of our conclusions.

The conclusions in this Reserve Study are qualified by certain definitions, assumptions, limiting conditions, and certifications which are set forth in the attached report.

The intended user of this report is The Reserve at the Fairways Phase 1 Association, Inc.. This study is to be used by the intended user for the purpose of budgeting and long-term major repair and replacement planning. The scope of work included in this study is unique to the intended use and intended user, and this report may not be utilized for any other use or user.

This study complies with the standards promulgated by the Community Associations Institute (CAI) for a "Update, With Site-Visit/On-Site Review" Reserve Study. In addition, this study adheres to the applicable sections of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation, as well as the Code of Professional Ethics of the Appraisal Institute.

This letter also confirms that Michigan Reserve Associates has provided the client with an option to receive an **Update With Site Visit** reserve study within five-years of the date shown above. This option provides the client with the right to receive an updated reserve study at a guaranteed price of **\$1,820** and this option may be used more than once in a five-year period.

Respectfully submitted,

A handwritten signature in black ink that reads "Paul Conahan".

Paul K.T. Conahan, MBA, RS  
State Certified General Real Estate Appraiser  
License No. 1201002454

A handwritten signature in black ink that reads "Kai Conahan".

Kai B. Conahan



# TABLE OF CONTENTS

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<b>SUMMARY AND RECOMMENDED FUNDING PLAN.....</b>	<b>2</b>
Introduction.....	2
Recommended Funding Plan.....	4
<b>INTRODUCTION AND METHODOLOGY .....</b>	<b>8</b>
Introduction.....	8
Methodology.....	11
<b>PHYSICAL ANALYSIS .....</b>	<b>16</b>
Identification of Reserve Components .....	16
Aerial and Location Map.....	16
Condition Assessment .....	20
Building Components.....	20
Site Components.....	23
Clubhouse and Pool Components.....	26
<b>FINANCIAL ANALYSIS .....</b>	<b>28</b>
Financial Assumptions.....	28
Estimation of Inflation Rate .....	29
Summary and Conclusion of Selected Rates.....	30
<b>ADDENDA .....</b>	<b>A</b>
Photographs .....	B
Reserve Expenditures and Reserve Funding Plan .....	P
Historic and Recommended Reserve Funding Plan .....	Q
Reserve Funding Plan Graphs .....	R
Certifications, Assumptions and Limiting Conditions .....	U
Qualifications – Paul K.T. Conahan, MBA, RS .....	Z

## SUMMARY AND RECOMMENDED FUNDING PLAN

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### INTRODUCTION

A Reserve Study is a tool which anticipates major common area repair and replacement expenses and develops a prudent Reserve Funding Plan to pay for these expenses. By its nature, a Reserve Study must make assumptions about the future, which can sometimes be unpredictable. However, by using meticulous research and analysis together with proven methodologies, a well-executed Reserve Study provides condominium associations with valuable budget planning information and guidance on upcoming long-term maintenance and repairs.

In addition, a Reserve Study is a key marketing component for well-run condominium associations, since potential buyers can be assured that common elements will be cared for, and that association fees will not increase dramatically due to a lack of foresight and planning.

The Reserve at the Fairways Phase 1 Association, Inc. (The Reserve at the Fairways) directed Michigan Reserve Associates to do a “Update, With Site-Visit/On-Site Review” Reserve Study. On May 10, 2023 we performed an on-site noninvasive inspection.

A Reserve Study consists of two major components.

Physical Analysis	Financial Analysis
<ul style="list-style-type: none"><li>• Component Survey and Inventory</li><li>• Assessment of Component Condition</li><li>• Estimate of Useful Life, Effective Age, Remaining Useful Life, and Replacement Cost</li></ul>	<ul style="list-style-type: none"><li>• Current Reserve Fund Status</li><li>• Recommended Funding Plan</li></ul>

The Reserve at the Fairways consists of 44 units. The project was built in several phases spanning 2005 to 2007.

The Reserve Components were established based on our review of the governing documents (e.g., master deed and bylaws for condominiums, declaration of covenants and restrictions

and/or bylaws for homeowners associations, or occupancy agreement in a cooperative association), and interviews with representatives of the Association. The following table provides an inventory of the reserve components:

### Inventory of Reserve Components

<u>Reserve Component Inventory</u>	<u>Quantities</u>	<u>First Year of</u>	<u>Life Analysis (Yrs.)</u>	
	<u>Total</u>	<u>Replacement</u>	<u>Normal</u>	<u>Remaining</u>
<u>Building Components</u>				
Asphalt Roof Shingles+Gutters; Overlay 2014-15; Phased Replacement	46,220 SF	2034	20	11
Asphalt Roof Shingles+Gutters; Full Replacement 2018-19; Phased Replacement	62,103 SF	2043	25	20
Trim; Painting, Caulking and Partial Replacement	44 UNITS	2033	10	10
Exterior Light Fixtures; Replacement	176 UNITS	2037	25	14
<u>Site Components</u>				
Concrete Sidewalks (4"); Phased Partial Replacement	6,416 SF	2026	30-50	3
Concrete Curbing; Phased Partial Replacement	7,122 LF	2026	30-50	3
Asphalt; Phased Mill and Overlay	82,163 SF	2028	20	5
Detention Pond; Inspect and Clean	1 LOT	2028	10	5
Detention Pond; Fountains; Replacement	2 UNITS	2024	10	1
Catch Basins; Phased Capital Repairs	15 UNITS	2033	20	10
Pole Lights; Phased Replacement	15 UNITS	2037	30	14
Mail Stations (Metal); Replacement	7 UNITS	2030	25	7
Entry Area Automatic Lift Gate; Entry; Replacement	1 UNIT	2044	25	21
Entry Area Automatic Lift Gate; Exit; Replacement	1 UNIT	2030	25	7
Bollard Light Fixtures; Replacement	9 UNITS	2035	30	12
Vinyl Fencing; Replacement	516 LF	2043	40	20
<u>Clubhouse and Pool Components</u>				
Clubhouse; Asphalt Shingles+Gutters; Overlay 2014; Replacement	7,502 SF	2034	20	11
Clubhouse; Exterior Painting	3,663 SF	2028	8	5
Clubhouse; Windows and Doors; Phased Replacement	756 SF	2035	30	12
Clubhouse; Forced-Air Furnace+Cooling; Replacement	1 LOT	2030	20	7
Clubhouse; Interior Renovations; Partial Flooring/Painting	2,544 SF	2030	20	7
Clubhouse; Wood Blinds (6' x 6'); Replacement	13 UNITS	2028	20	5
Clubhouse; Bathrooms; Partial Renovations	1 LOT	2030	25	7
Clubhouse; Exercise Equipment (Treadmills, Elliptical, Recumbent); Rep.	4 UNITS	2027	15	4
Clubhouse; Security System; Modernization	1 LOT	2033	10	10
Pool; Fiberglass Walls; Capital Repairs or Replacement	1 LOT	2048	N/A	25
Pool; Painting	1 LOT	2027	4	4
Pool; Coping and Tile; Replacement	160 LF	2030	25	7
Pool; Concrete Crack Repairs	1 LOT	2033	10	10
Pool; Furniture; Replacement	1 LOT	2029	10	6
Pool; Vinyl Fencing; Replacement	215 LF	2043	40	20
<u>Other Components</u>				
Reserve Study; Update (Guaranteed Update Price Years 1-5)	1 UNIT	2028	5	5

## RECOMMENDED FUNDING PLAN

The purpose of this reserve study is to assist the client in developing the budget for the next fiscal year. Since the next fiscal year for The Reserve at the Fairways commences January 1, 2024, the reserve fund balance as of January 1, 2024 must be calculated to account for revenues and expenses between the present date and the start of the new fiscal year.

According to information provided by the Association, The Reserve at the Fairways reserve fund balance as of January 1, 2024 will be \$262,459. This balance was calculated by taking the reserve balance of \$350,196 as of April 30, 2023, then adding \$41,192 in anticipated reserve revenue until the end of the fiscal year, then adding \$10,071 in earned interest until the end of the fiscal year, and deducting \$139,000 in anticipated reserve expenditures until the end of the fiscal year. This calculation is shown below.

### Projected Reserve Fund Balance as of – 01/01/2024

Reserve Fund Balance as of – 04/30/2023	\$	350,196
Plus Remaining Reserve Contribution until End of Current Fiscal Year		41,192
Plus Estimated Interest From Reserve Funds Until End of Current Fiscal Year		10,071
Minus Remaining Reserve Expenditures Until End of Current Fiscal Year		
Community Wide Painting	\$	50,000
Road Sealing and Catch Basin Repair		46,000
Clubhouse Security System Upgrade		5,500
Pool Concrete Crack Repairs		10,000
Pool Painting		12,500
Building Trim Project		15,000
Total Expenditures To Deduct		<u>(139,000)</u>
Equals Projected Reserve Fund Balance as of – 01/01/2024	\$	262,459

Using the current Reserve Contribution amount plus a typical 4% annual increase, the projected Reserve Balance will remain positive for the entire projection period. This indicates that the current Reserve Balance and annual Reserve Contributions will fund all anticipated Reserve Expenditures (see “Reserve Funding Plan Graphs” beginning on page R).

This Reserve Study calculates Reserve Expenditures based on local costs, estimated interest which will accrue to the Reserve Funds collected, and accounting for projected future inflation for materials and workmanship.

The following is our recommended Reserve Funding Plan Contributions for the duration of the projection period, along with a snapshot of the current and Recommended Reserve Contribution.

### Recommended Annual Reserve Contributions

Year	Recommended Reserve Contrib.	Additional Recommended Reserve Contribution	Year	Recommended Reserve Contrib.	Additional Recommended Reserve Contribution
2024	\$ 70,700	\$ -	2037	\$ 103,900	\$ -
2025	72,800	-	2038	107,000	-
2026	75,000	-	2039	110,200	-
2027	77,300	-	2040	113,500	-
2028	79,600	-	2041	116,900	-
2029	82,000	-	2042	120,400	-
2030	84,500	-	2043	124,000	-
2031	87,000	-	2044	127,700	-
2032	89,600	-	2045	131,500	-
2033	92,300	-	2046	135,400	-
2034	95,100	-	2047	139,500	-
2035	98,000	-	2048	143,700	-
2036	100,900	-			

### Snapshot of Current and Recommended Reserve Contributions

	Annual Amount	Per Unit Per Month (Avg.)
Projected Reserve Contribution at Start of Next Fiscal Year●	\$ 64,260	\$ 121.70
Recommended Reserve Contribution at Start of Next Fiscal Year (Years 1-25 w/3%/Yr Increase)	\$ 70,700	\$ 133.90
Amount Increase/(Decrease) Current vs. Recommended (Year 1)	\$ 6,440	\$ 12.20

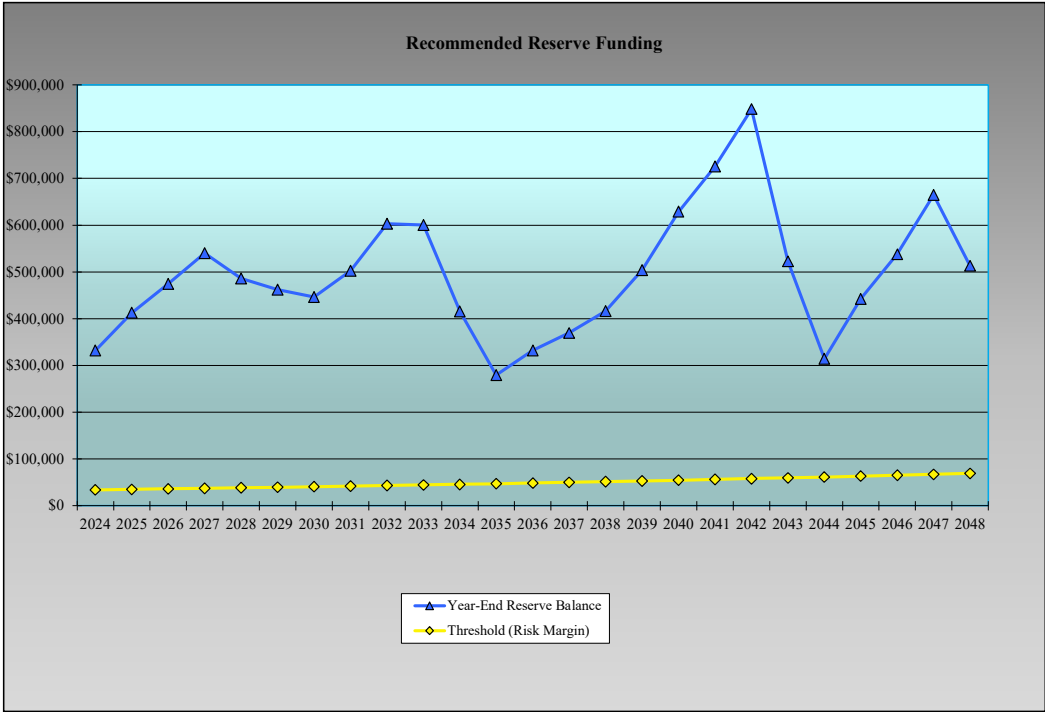
● Based on the association's current budgeted Reserve Contribution plus 4% typical annual increase

The recommended year 2024 Reserve Contribution of \$70,700 (\$133.90 per unit per month) reflects an increase of \$6,440, relative to the projected historic Reserve Contribution, or an increase of \$12.20 per unit per month. Starting with the 2024 Recommended Reserve

Contribution of \$70,700 per annum and then increasing the Recommended Reserve Contribution by 3.0% per year, the Association’s Reserves will typically remain above zero as well as above the Threshold for all years shown (“Threshold” is discussed in the next paragraph).

By following the recommended Reserve Contributions, the Association will gradually accrue a Reserve Fund which will provide the financial means to address the major Reserve Component Expenditures which will arise in the future. The recommended Reserve Contribution amount will provide adequate, but not excessive, levels of Reserves, while still maintaining a reasonable Threshold Margin which suits the particular needs of the Association and will provide a “safety buffer” for unanticipated Reserve Expenditures which are unpredictable but inevitable.

The following graph illustrates the year-end Reserve Fund balance using the Recommended Reserve Funding Plan for the next 25 years.



In order to ensure that significant overfunding or underfunding does not occur, we recommend that The Reserve at the Fairways Phase 1 Association, Inc. update this Reserve Study every three to five years, or when any major changes in the Physical or Financial analysis occur. Such changes include accelerated Reserve Component Expenditures undertaken at the client's discretion, addition (construction) or demolition of Reserve Components, interest rate changes on reserve investments, and changes in local building costs.



## INTRODUCTION AND METHODOLOGY

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### INTRODUCTION

A Reserve Study is a tool which anticipates major common area repair and replacement expenses and develops a prudent Reserve Funding Plan to pay for these expenses. By its nature, a Reserve Study must make assumptions about the future, which can sometimes be unpredictable. However, by using meticulous research and analysis together with proven methodologies, a well-executed Reserve Study provides condominium associations with valuable budget planning information, and guidance on upcoming long-term maintenance and repairs.

In addition, a Reserve Study is a key marketing component for well-run condominium associations, since potential buyers can be assured that common elements will be cared for, and that association fees will not increase dramatically due to a lack of foresight and planning.

There are three levels of service for Reserve Studies as espoused by the Community Associations Institute.<sup>1</sup>

I) **Full:** A Full Reserve Study consists of the following:

- Component Inventory
- Condition Assessment (based upon on-site visual observation)
- Life and Valuation Estimates
- Reserve Fund Status
- Recommended Reserve Funding Plan

II) **Update, With-Site-Visit/On-Site Review**, consists of:

- Component Inventory (verification only, not quantification)
- Condition Assessment (based upon on-site visual observation)
- Life and Valuation Estimates

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<sup>1</sup> "RS National Reserve Study Standards," Community Associations Institute, April 2009, p. 2.

- Reserve Fund Status
- Recommended Reserve Funding Plan

**III) Update, No-Site-Visit/Off-Site Review**, consists of:

- Life and Valuation Estimates
- Reserve Fund Status
- Recommended Reserve Funding Plan

This is a “Update, With Site-Visit/On-Site Review” Reserve Study. For simplicity, the terms “Update, With Site-Visit/On-Site Review” Reserve Study and “Reserve Study” will be used interchangeably following this section.

Typically, the Level I (Full Reserve Study) option is only required for an association’s first Reserve Study. This is our most comprehensive offering and should be used by associations which are ordering their first reserve study, or whose previous reserve study is so dated and/or inaccurate as to require a “blank slate” approach to re-survey the various common element components and their conditions. As part of our scope of work, we will thoroughly review your governing documents, maintenance schedule, and interview Board members and/or property management representatives to determine what items should be included in the list of reserve components. We will then estimate Useful Life, Remaining Useful Life, and Replacement Cost, all documented and supported with color photographs. From this Physical Analysis we will then perform a Financial Analysis which will account for your current reserve funding situation and recommend an ongoing Reserve Funding Plan.

Level II (Update, With-Site-Visit/On-Site Review) reserve studies are recommended if the association is confident that the Reserve Components have been accurately surveyed, and no major changes have occurred since the last Full Reserve Study. The scope of work includes an on-site inspection to update Useful Life, Remaining Useful Life, Cost Figures, and Financial Assumptions, but component quantities will not be re-surveyed.

When doing an “Update With Site Visit” assignment, the Reserve Component inventory is not quantified. The quantification of reserve components as determined by the previous reserve study will be assumed to be accurate.

Level III (Update, No-Site-Visit/Off-Site Review) reserve studies are useful when the association is confident that the Reserve Components have been accurately identified and surveyed, but due to the minimal number of Reserve Components, and short-time period elapsed since the last Reserve Study, the association does not feel an on-site inspection would be required. In order to provide a credible reserve study, we only provide this type of reserve study for existing clients, and our previous reserve study (with site visit) is less than five years old. Narrative content of this type of Reserve Study is extremely limited, with most communication occurring via an Executive Summary, charts and graphs (Reserve Expenditures and Reserve Funding Plan).

When doing an “Update Without Site Visit” assignment, the Reserve Component conditions are not visually confirmed and updated, and the Remaining Useful Lives of the Reserve Components will typically be calculated based on the assumption that the actual time elapsed since the previous reserve study is added to the effective age as determined in the previous reserve study. The quantification of Reserve Components as determined by the previous reserve study will be assumed to be accurate.

The Reserve at the Fairways Phase 1 Association, Inc. (The Reserve at the Fairways) directed Michigan Reserve Associates to do a “Update, With Site-Visit/On-Site Review” Reserve Study. On May 10, 2023 we performed an on-site noninvasive inspection.

## **METHODOLOGY**

The Physical Analysis precedes the Financial Analysis since we must first determine the projected expenses before evaluating the Association's financial status to develop a Recommended Reserve Funding Plan.

The Physical Analysis therefore starts with an inventory of Reserve Components. To establish what items to include in our inventory, we reviewed the Association's governing documents, recent Reserve expenditures, and conducted interviews with the Association's representatives to determine if there are historical precedents which warrant inclusion in the Reserve Component Inventory.

### **What Physical Assets Should be Included in an Inventory of Reserve Components?**

Reserves are large items that require advance planning to repair or replace. Operating expenses are ongoing, predictable expenses that repeat throughout the year or from year-to-year, with modest unanticipated items typically covered by a maintenance contingency in the budget, whereas larger items may be covered by additional assessments or insurance.

There is a national standard five-part test to establish whether an item should be funded through reserves. First, the item must be a common element maintenance responsibility. Second, the component must have a limited life. Third, the limited life must be predictable. Fourth, the item must be above a threshold cost. Fifth, the item is required by local codes. A sixth criteria is not part of the national standard but is inherent in the methodology used in this Reserve Study. Only Reserve Components which fall within the 25-year time horizon are included in our analysis. Therefore, Reserve Components presented in this Reserve Study are association responsibilities, major items, with limited and predictable lives which fall within the 25-year projection period. Items such as foundations and major infrastructure components are not included in reserves since they do not have limited useful life expectancies which can be predicted. Small items, such as metal street signs are not considered Reserve Components due to their nominal costs (i.e., they do not pass Test # 4 above).<sup>2</sup>

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<sup>2</sup> *Ibid.*, p. 2.

As it relates to the Association, we suggested that items costing more than \$5,000 and that have a minimum predictable Useful Life of at least three years be considered Reserve Components. The reason for this is that there should be a firewall between the reserve and operating accounts so that reserve funds do not get treated as an extension of operating funds. Reserve expenses are typically defined as being used for major repairs and replacements. We are not lawyers, but we do recommend that the Association adopt a clear definition of what constitutes a Reserve Component which will be funded via Reserve Funds. We recommend that the Association consult with an experienced community association attorney to develop such a definition of Reserve Components.

#### How are Useful Life and Remaining Useful Life Established?

Useful Life is estimated based on our experience with the Reserve Component, after accounting for quality, expected maintenance, and weather exposure. Remaining Useful Life is primarily a function of the current noninvasive observed condition. The complement of Remaining Useful Life is Effective Age. Typically, Effective Age does not equal Actual Age due to differences in quality, rate of wear, and degree of maintenance attention a particular item receives. For Reserve Components where age characteristics are not readily visible (e.g., complex heating/cooling systems, elevators, security systems, etc.), we rely on interviews with the Association's service vendor. If the vendor is no longer available, we use national benchmarks, primarily from the Marshall & Swift cost estimating service.

#### How are Cost Estimates Established?

Whenever possible, we use recent historical information for Reserve Components which have been replaced or repaired, since this gives an actual localized data point from which to estimate future costs. Additional sources of information are comparisons with other condominium and homeowners associations for which we have performed work, as well as interviews with local vendors. Costs are also compared with those published by Marshall & Swift to provide a feedback mechanism to verify local vendor costs against national and regional cost data.

### How Much Reserves Should We Contribute?

We utilize four principles when developing a Recommended Reserve Funding Plan. First, there must be sufficient cash on hand to handle the Reserve projects which arise. Second, we seek to provide a stable rate of contribution since this makes it easier for the Association and Association residents to plan their budgets year-to-year. Third, the Reserve Funding Recommendation attempts to evenly distribute the contributions over the years so that owners pay their fair share in proportion to the time that they have owned their unit. Finally, the Recommended Reserve Funding Plan must be fiscally responsible using reasonable and prudent financial assumptions with a risk profile tailored to the client.<sup>3</sup>

### What is Our Funding Goal?

There are four different funding goals which are independent of the methodology utilized. These goals are:

- 1) **Baseline Funding:** Anticipated costs and their expected timing over the projection period are calculated. The reserve contribution is then set to keep the reserve cash balance above zero.
- 2) **Full Funding:** Setting a reserve funding goal of attaining and maintaining reserves at or near 100% funded. For example, an association would set aside \$10,000 per year for a component (e.g., roof) which will cost \$100,000 to replace in 10 years. Full funding is considered the most expensive (and therefore conservative) funding formula since money for all reserve components is set aside and accounted for.
- 3) **Statutory Funding:** Establishing a reserve funding goal of setting aside the specific minimum or regulatory amount of reserves requires by local statutes.
- 4) **Threshold Funding:** Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount. Depending on the threshold, this funding goal may be more or less conservative than Full Funding.

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<sup>3</sup> *Ibid.*, p. 4.

With Baseline Funding, there is no margin for error, and if expenses are higher than budgeted, or projects occur earlier than planned, additional assessments can occur, although this risk can be somewhat alleviated by regular updates to the Reserve Study.

Statutory Funding is not recommended because there is no direct correlation between the statutory minimum and the association's actual financial needs. For example, a statutory 10% minimum for the reserve contribution might be acceptable for a newer development with relatively few common elements, and a properly developed maintenance and overall budget plan. However, the 10% minimum might be wildly off the mark for an older development with extensive common element obligations and a maintenance and overall budget that are themselves underfunded.

In our opinion, Full Funding provides an excessive level of funding since the Association is typically setting aside money that it will not be using for decades. On the other hand, this funding goal has the distinction of typically being the most conservative funding formula which may be seen as a virtue by some associations.

We recommend using Threshold Funding with a safety margin set above 100% of Baseline Funding. Although the safety margin is arbitrary, it should be customized to the client's risk profile. As a rule of thumb, we suggest a safety margin of \$750 per unit as prudent for associations similar to the subject. When an association is considering what their threshold safety margin should be, a good question to ask is "What is a reasonable level of money to have on hand due to unpredictable events?" Small amounts can usually be covered by maintenance contingency funds or short-term loans, while very large unplanned events are typically covered by insurance.<sup>4</sup>

An added benefit of using Threshold Funding as recommended above is that it provides a layer of global risk management against the many future unknowns which must be assumed for the purposes of a reserve study. For example, reserve studies must make assumptions about future rates of inflation, rates of return on reserve investments, and the Useful Lives of

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<sup>4</sup> *Ibid.*, p. 3.



Reserve Components. One way of accounting for the many different risk factors inherent in reserve study assumptions would be to attempt to individually forecast the future replacement cost for each Reserve Component. For example, certain Reserve Components which depend on petroleum-based commodity materials (such as paving and roof shingles) have recently been increasing at a rate significantly greater than inflation. However, not only would it be impractical to forecast future Replacement Costs for potentially dozens of Reserve Components (some of which may actually experience deflation over time), it is more straightforward to concede that future risk can realistically only be managed at a macro, rather than micro, level.

## PHYSICAL ANALYSIS

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### IDENTIFICATION OF RESERVE COMPONENTS

The Reserve at the Fairways consists of 44 units. Project was completed in several phases spanning 2005 to 2007. The following graphic provides an aerial view of the project.

### AERIAL AND LOCATION MAP



The Physical Analysis starts with an inventory of Reserve Components. To establish what items to include in our inventory, we reviewed the Association's governing documents, recent Reserve expenditures, and conducted interviews with the Association's representatives. Please see the Reserve Expenditures spreadsheet in the Addenda for a listing of individual line items, estimates for Useful Life, Remaining Useful Life, and current Replacement Cost for each component.

When doing an “Update With Site Visit” assignment, the Reserve Component inventory was not quantified, although minor additions/deletions of the component inventory, along with their quantities and install dates, were accounted for. The quantification of Reserve Components as determined by the previous reserve study was assumed to be accurate.

Changes made to the Reserve Component inventory, since the prior Reserve Study, are as follows:

- UPDATED: All Reserve Component current Replacement Costs and replacement dates were updated.
- Other additions/deletions/changes to Useful Life
  - ADDED: “Pool; painting” was added to the component list.
  - ADDED: “Pool; concrete crack repairs” was added to the component list.
  - ADDED: “Clubhouse; security system; modernization” was added to the component list.
  - ADDED: “Site; detention pond; fountains; replacement” was added to the component list.
  - MODIFIED: “Pool; plaster/Marcite; replacement” was modified to “pool; fiberglass walls; capital repairs or replacement.”

Based on the national five-part test described on page 11, there are certain items which have not been included in this reserve study.

Items which may pass the five-part inclusion test as a Reserve Component discussed on page 11 but were specifically excluded in this Reserve Study at the direction of the client are:

- Site; asphalt seal coating – This optional item will either not be performed or will be funded from operations at the client’s discretion. The primary function of the seal coat is an aesthetic one. Although co-owners typically find the uniform appearance of the roadways appealing, the sealcoat does not penetrate the asphalt and provides little rejuvenative effect. An annual crack filling maintenance program should still be implemented regardless of whether there is a seal coating program in place or not.

In addition, there is growing concern that coal tar sealants, which are commonly used in seal coating applications, pose a cancer risk to humans, and may also appear in runoff which can adversely impact the environment. Asphalt-based products typically cost about the same as coal tar products and contain significantly lower levels of cancer-linked chemicals, although there is some debate on whether asphalt-based sealants perform as well as coal tar sealants.

Items which may fail the five-part inclusion test as a Reserve Component discussed on page 11 but were specifically included in this Reserve Study at the direction of the Client are:

- None noted

Noteworthy items which did not meet the criteria (see page 11) for inclusion as Reserve Components are broken down by category below:

**Item failed test #1 (Not an Association common element maintenance/replacement responsibility)**

- Units; interior surfaces; replacement (owner responsibility)
- Units; mechanical systems; replacement (owner responsibility)
- Units; garage doors and opening mechanisms; replacement (owner responsibility)
- Units; patios; replacement (owner responsibility)
- Units; entries, stairways, and stoops; replacement (owner responsibility)
- Units; windows and doors; replacement (owner responsibility)

**Item failed test #2 (No limited life)**

- None noted

**Item failed test #3 (No Predictable Limited Life)**

- Site; electrical power distribution systems; replacement
- Site; sewer and water mains; replacement
- Site; tree and shrub replacement
- Site; routine asphalt crack filling and repair

- Units; foundations; replacement
- Units; structural framing; replacement

**Item failed test #4 (Cost is Below the Assumed Threshold Amount of \$5,000)**

- Items in this category which are assumed to be funded (either on an “as needed” or scheduled basis) by the Association’s operating budget are:
  - Site; street signs; replacement
  - Site; flagpoles; replacement
  - Site; pond aerator; replacement
  - Site; routine pond maintenance
  - Pool; routine maintenance
  - Pool; filters (2 units); replacement
  - Pool; pumps; replacement
  - Clubhouse; water heater; replacement
  - Clubhouse; televisions and furnishings; replacement
  - Clubhouse; gas fireplace; replacement
  - Storage shed; paint and re-roof

Noteworthy items which passed Tests 1-4 on page 11, and are thus considered Reserve Components, but were not explicitly accounted for in this Reserve Study because the Remaining Useful Life is beyond the 25-year time horizon:

- Clubhouse; exercise equipment (weight machines; free weights; benches); replacement “as needed” from operations
- Units; cement fiber siding; replacement
- Units; vinyl siding; replacement
- Units; adhered concrete masonry veneer (manufactured stone siding); replacement
- Site; entry sign; replacement
- Site; pond dredging
- Site; underground sprinkler equipment; lines will last beyond the 25-year projection period; sprinklers heads, valves, and control boxes are assumed to be replaced “as needed” from operations

- Pool; paver pool deck area; replacement

## CONDITION ASSESSMENT

The following narrative details the condition assessment of the significant Reserve Components, along with relevant commentary and cost source, if applicable.

### BUILDING COMPONENTS

**Asphalt Roof Shingles (Including Gutter and Downspout Replacement):** Asphalt shingles were observed to be in average condition.

The following roofs were “overlay” installation in which new asphalt shingles were installed over old asphalt shingle. Useful life of the existing overlay installation is estimated at 20 years. Replacement cost was based on recent 2018-19 costs which include additional costs for atypical expected roof deck replacement since the 2018-19 roofs required additional roof deck replacement.

Address	Roof Areas
8821-8827 Salon Circle	10,209
8831-8837 Salon Circle	7,931
8832-8838 Lyon Street	8,048
6989-6995 Salon Circle	8,048
6978 -6982 Salon Circle	5,992
6962-6966 Salon Circle	5,992
<b>Total Roof Square Feet*</b>	<b>46,220</b>

\*Includes adjustment for waste factor and roof pitch

The following roofs were full replacements in which the old asphalt shingles were removed and new asphalt shingles were installed. Useful life of the existing full replacement roofs is estimated at 25 years.

Address	Roof Areas
6988-6998 Monte Carlo Way	13,747
6986-7000 Salon Circle	16,803
8833-8841 Lyon Street	16,046
6970-6976 Salon Circle	5,992
6954-6958 Salon Circle	5,992
6950 Salon Circle	3,523
<b>Total Roof Square Feet*</b>	<b>62,103</b>

\*Includes adjustment for waste factor and roof pitch

At time of replacement, existing roofing is assumed to be completely removed and then replaced using shingles with a 25-year warranty (which is typically the longest warranty offered for condominium associations). Full roof replacement cost was estimated using the Marshall and Swift Valuation Service as well as actual costs from the Association's 2018-2019 roofing projects adjusted downwards for the atypical wood deck replacement which was required in the 2018-19 roof replacement project.

We recommend that the Association implement a regular annual inspection program to ensure that trees are not rubbing against roof shingles, since constant friction can dramatically shorten the Useful Life of the asphalt shingles.

A 10% cost factor is included in the overall asphalt shingle replacement cost to account for typical partial replacement of wood decking/sheathing.

When evaluating roof shingles, the following are the primary indicators that it is time for a roof replacement:

Granule Loss: Asphalt shingles are made-up of a base supporting material, asphalt, and mineral granules. The granules protect against ultra-violet degradation and physical damage. Excessive granule loss leads to bald patches, and these areas lead to drying out and splitting.



Lifting and Curling: As shingles near the end of their useful life, the most obvious physical indicator is lifting and curling, which telegraph that the shingles are drying out. At this stage, roof failure is imminent, and a roof replacement, or a reroofing will need to be completed.

A roof replacement involves removing the existing shingles down to the sheathing, and replacing with new shingles. A reroofing (or “overlay”) is installation of new shingles over the old shingles, assuming there is only one layer of old shingles and no curling. In general, a roof replacement is the preferred roofing method since most roofing manufacturer warranties only apply to full replacements. In addition, reroofs typically have a shorter useful life since the new shingles are installed on an uneven surface and do not lay flat, making them prone to blow offs and cracks forming over the uneven surfaces, similar to street reflective cracking in asphalt overlays.

**Trim Exterior Painting, Caulking, and Partial Replacement:** Painting is projected to occur every eight to ten years.

Scope of work is assumed to include:

- Application of bleach solution to treat mold and mildew
- Power washing of the exterior to remove any loose coatings, dirt, etc.
- Re-nail any loose trim and siding
- Repair or replace any loose or split caulk. Caulk all butt joints at the siding
- Mask and protect all adjacent surfaces not painted
- Primarily spray application, with roll and brush application when applicable

Cost source for painting was provided by a review of actual bids for similar associations and cross-checked using information from the Marshall & Swift Valuation Service.

**Exterior Light Fixtures:** Typical Useful Life is 25 years and current replacement cost assumes replacement with standard (e.g., Coachman-style units) in a single phase to insure

identical units are purchased together. Cost includes removal of the existing units and installation of the new light fixtures. We recommend purchasing 5-10% additional units to keep on hand for future replacements since identical units may be difficult to obtain in the future.

## **SITE COMPONENTS**

**Vinyl Fencing:** The vinyl privacy fencing for the units and clubhouse would typically have a Useful Life of 40 years. At time of replacement the existing fencing is assumed to be completely replaced. Cost data for this item was obtained via a review of projects completed at similar associations from our in-house data base in the 2022-2023 fiscal years.

**Concrete Sidewalks:** This item has a Useful Life which can range from 30 to 50 years. Observed condition is average. Replacement will be 4" of concrete. Since sections of concrete can be selectively replaced, and since concrete can vary significantly in wear and tear, only partial replacement of the concrete sidewalks was assumed, with the remainder being easily repaired or simply used for an extended period. It was assumed that approximately 5-10% of concrete sidewalks would require replacement after 15-20 years of original installation, and then an additional 5-10% of concrete sidewalks would be replaced every five years thereafter. These replacements are assumed to work together with ongoing maintenance (such as leveling) and smaller concrete replacements (i.e., those projects costing less than \$5,000), which will occur via operations.

We recommend that any weeds that are growing between or through the concrete slabs be immediately treated with an herbicide such as Roundup. If the Association wishes to limit the use of herbicides, application of a vinegar solution (20% acetic acid) and water has been shown to be effective for approximately two months (these results are comparable to the use of Roundup). Failure to implement a regular weed abatement program can dramatically shorten the Useful Life of the concrete sidewalks.

**Concrete Curbing:** This item has a Useful Life which can range from 30 to 50 years. Observed condition is average. Since sections of concrete can be selectively replaced, and since concrete can vary significantly in wear and tear, only partial replacement of the concrete curbs was assumed, with the remainder being easily repaired or simply used for an extended period. It was assumed that approximately 5-10% of concrete curbing would require replacement after 15-20 years of original installation, and then an additional 5-10% of concrete curbing would be replaced every five years thereafter. These replacements are assumed to work together with ongoing maintenance and smaller curb replacements (i.e., those projects costing less than \$5,000), which will occur via operations.

**Asphalt Pavement (Mill and Overlay):** This item has a Useful Life of approximately 18 years. Replacement will consist of milling out the existing asphalt, with a minimum 1½” overlay. Current observed condition is average. Cost source for this item was obtained via review of information from Michigan-based vendors, and was cross-checked for reasonableness using the Marshall and Swift Valuation Service.

The asphalt west of the intersection of Monte Carlo Way and Lyon Street has been excluded since this is the responsibility of a separate owner. In addition the asphalt west of 6950 Salon Circle has been excluded due to the same rationale.

Total replacement is an alternative to a mill and overlay project. For total replacement, the entire asphalt layer is removed, and the underlying base is typically repaired and recompact where needed. Total replacement is recommended when asphalt is structurally failing due to defects or a poorly installed base, which is usually indicated by a shortened useful life. However, total replacement is significantly more expensive than mill and overlay due to the greater scope of work involved.

We recommend that any weeds that are growing between or through the asphalt be immediately treated with an herbicide such as Roundup. If the Association wishes to limit the use of herbicides, application of a vinegar solution (20% acetic acid) and water has been shown to be effective for approximately two months (these results are comparable to the use

of Roundup). Failure to implement a regular weed abatement program can dramatically shorten the Useful Life of the asphalt surfacing.

For most associations without asphalt defects or base issues, a mill and overlay can provide a good balance of cost versus benefit.

**Catch Basins (Capital Repairs):** Because of their function channeling storm water runoff, catch basins typically require capital repairs to account for the steady impact of water erosion in and around the catch basin area. Capital repairs typically take the form of removing the surrounding asphalt and/or concrete, partially rebuilding portions of the below grade catch basin structure, and then installing new asphalt and/or concrete around the metal catch basin grate. A relatively recent alternative catch basin repair procedure involves application of a structural polymer which fills voids and hardens upon application and is typically guaranteed for 10 years. The structural polymer method of catch basin capital repairs typically costs 25%-50% of the cost of the traditional rebuilding method. However, the traditional method of partially rebuilding each catch basin has been assumed in this reserve study since it typically lasts twice as long as the structural polymer guarantee.

**Detention Pond (Inspect and Clean):** The cost shown is an average allowance based on costs obtained from other associations. However, conditions unique to the site may dramatically impact the detention pond maintenance cost. For example, if a phragmites invasion occurred on site, and a subsequent inspection and maintenance request from the township required the Association to remove the phragmites, the overall pond maintenance cost would increase significantly beyond the allowance.

**Pole Lights:** Typical Useful Life is 30 years. At time of replacement the existing underground wiring and conduit is assumed to not require significant replacement. Replacement units are assumed to be metal bases and poles with contemporary Light Emitting Diode (LED) bulbs using a standard base (e.g., E-27 base).

**Mail Stations:** Typical Useful Life is 25 years and current replacement cost assumes replacement “like with like” similar mail stations and includes removal of the existing units and installation of the new units.

#### **CLUBHOUSE AND POOL COMPONENTS**

**Asphalt Roof Shingles (Including Gutter and Downspout Replacement):** The clubhouse roof was an “overlay” installation in which new asphalt shingles were installed over old asphalt shingle. Useful life of the existing overlay installation is estimated at 20 years. Replacement cost was based on recent 2018-19 costs which include additional costs for atypical expected roof deck replacement since the 2018-19 roofs required additional roof deck replacement.

**Exterior Painting and Caulking (Including Trim):** Painting is projected to occur every eight to ten years.

Scope of work is assumed to include:

- Application of bleach solution to treat mold and mildew
- Power washing of the exterior to remove any loose coatings, dirt, etc.
- Re-nail any loose trim and siding
- Repair or replace any loose or split caulk. Caulk all butt joints at the siding
- Mask and protect all adjacent surfaces not painted
- Primarily spray application, with roll and brush application when applicable

Cost source for painting was provided by a review of actual bids for similar associations and cross-checked using information from the Marshall & Swift Valuation Service.

**Windows and Doors:** Useful life can vary widely depending on usage patterns and orientation to the elements, with a 30-year useful life being typical/average. Replacement units are assumed to approximate the quality of the original units.

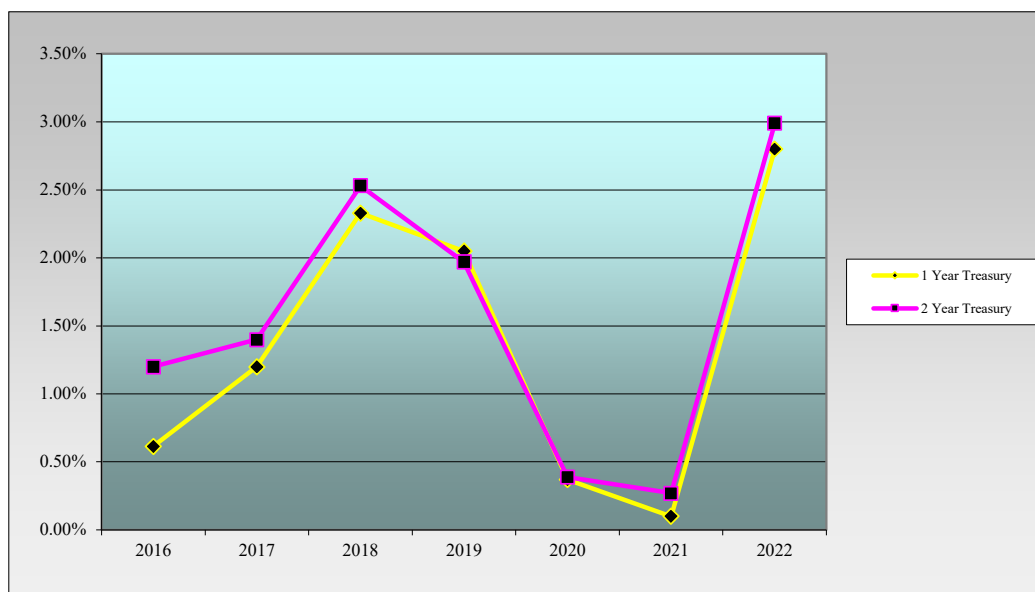
**Pool Fiberglass Walls:** Useful life was provided by Mr. Adam Readnower from Dayton Pools (937) 321-1493.

## FINANCIAL ANALYSIS

### FINANCIAL ASSUMPTIONS

The following chart details the historical trend for typical savings investment vehicles (one- and two-year Treasuries) as published by the U.S. Treasury Department.

**Trend for Sample Investment Types**



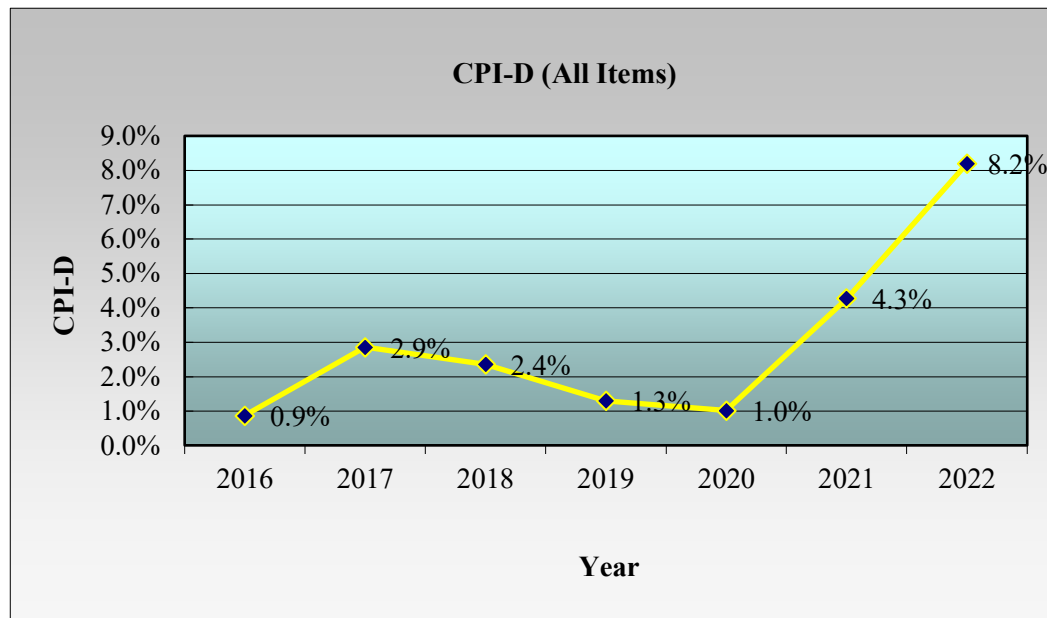
Treasuries provide a good investment benchmark since they reflect a very safe investment whose risk profile matches that of most condominium associations. By using “laddering” in which maturities are staggered over time, an Association can often gain some of the higher yield of a longer-term investment, while still having access to liquid funds as the various investments mature in over time.

A broad-based analysis of rates is required since the investment yield-rate selected will be utilized for the entire 25-year projection period, and the rate selected should therefore reflect what can be expected during a 25-year time period, with only partial consideration given to current investment rates.

For the purposes of this Reserve Study, we will use a Reserve savings yield rate of 2.0%. We did not make any adjustments to account for the impact of Federal Income Tax on investment income since the Association's tax situation can change over time. We advise the client to consult with its accountant and/or professional investment advisor to develop or refine an investment strategy consistent with the Association's risk profile and Reserve investment profile.

### ESTIMATION OF INFLATION RATE

The following graph illustrates the five-year historical trend for the Consumer Price Index (CPI-D; all Items) as published by the U.S. Bureau of Labor Statistics.



As discussed for Reserve savings rates, a broad-based analysis of rates is required since the inflation rate selected will be utilized for the entire 25-year projection period. In addition, the CPI-D measures inflation for a wide-range of goods, and therefore does not correlate directly with changes in the cost of materials and labor for repair/replacement of Reserve Components.

For the purposes of this Reserve Study, we will use a 3.0% annual inflation rate. Although inflation may be above or below a 3.0% annual inflation rate during any particular year of the



25-year projection period, we anticipate a 3.0% annual inflation rate to represent the long-term average.

#### **SUMMARY AND CONCLUSION OF SELECTED RATES**

Having the Reserve savings yield rate less than the expected long-term inflation rate is a conservative assumption since most investments are made with the primary purpose of matching or exceeding inflation. However, associations typically follow a reserve investment policy which strongly emphasizes safety and preservation of capital. Since risk and reward are directly related, the lower risk profile utilized by associations typically results in a lower rate of return, and therefore having the reserve savings investment yield be less than the expected inflation rate was considered reasonable.

## **ADDENDA**

## PHOTOGRAPHS



Photograph 1: View of entry area



Photograph 2: Typical view of building exterior elevation

## PHOTOGRAPHS



Photograph 3: Typical view of building exterior elevation



Photograph 4: Typical view of building exterior elevation



## PHOTOGRAPHS



Photograph 5: Typical view of building asphalt shingle roof



Photograph 6: Typical view of exterior light fixture

## PHOTOGRAPHS



Photograph 7: Typical view of concrete sidewalk



Photograph 8: Typical view of concrete curb



## PHOTOGRAPHS



Photograph 9: Typical view of asphalt street



Photograph 10: Typical view of asphalt street



## PHOTOGRAPHS



Photograph 11: Typical view of asphalt street



Photograph 12: Typical view of metal catch basin



## PHOTOGRAPHS



Photograph 13: Typical view of pole light



Photograph 14: Typical view of metal mail stations

## PHOTOGRAPHS



Photograph 15: Typical view of entry area automatic lift gate



Photograph 16: Typical view of bollard light fixture



## PHOTOGRAPHS



Photograph 17: Typical view of vinyl fence



Photograph 18: Typical view of clubhouse exterior elevation

## PHOTOGRAPHS



Photograph 19: Typical view of clubhouse exterior elevation



Photograph 20: Typical view of clubhouse asphalt shingle roof



## PHOTOGRAPHS



Photograph 21: Typical view of clubhouse window



Photograph 22: Typical view of clubhouse forced-air furnace

## PHOTOGRAPHS



Photograph 23: Typical view of clubhouse interior



Photograph 24: Typical view of clubhouse bathroom

## PHOTOGRAPHS



Photograph 25: Typical view of clubhouse exercise equipment



Photograph 26: Typical view of pool area



## PHOTOGRAPHS



Photograph 27: Typical view of pool area vinyl fence



RESERVE EXPENDITURES AND RESERVE FUNDING PLAN

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Assumptions

3.0% annual inflation rate

2024 year of analysis

		Remaining Useful Lives and Estimated Future Replacements Costs																												
	Quantities	First Year of	Life Analysis (Yrs.)			RUL=1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Reserve Component Inventory	Total	Replacement	Normal	Remaining	Unit Cost (\$)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
<u>Building Components</u>																														
Asphalt Roof Shingles+Gutters; Overlay 2014-15; Phased Replacement	46,220 SF	2034	20	11	6.40 /SF	-	-	-	-	-	-	-	-	-	-	198,771	204,734	-	-	-	-	-	-	-	-	-	-	-	-	-
Asphalt Roof Shingles+Gutters; Full Replacement 2018-19; Phased Replacement	62,103 SF	2043	25	20	5.25 /SF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	285,857	294,433	-	-	-	-
Trim; Painting, Caulking and Partial Replacement	44 UNITS	2033	10	10	1,150 /UNIT	-	-	-	-	-	-	-	-	-	66,022	-	-	-	-	-	-	-	-	-	88,727	-	-	-	-	-
Exterior Light Fixtures; Replacement	176 UNITS	2037	25	14	85 /UNIT	-	-	-	-	-	-	-	-	-	-	-	-	-	21,969	-	-	-	-	-	-	-	-	-	-	-
<u>Site Components</u>																														
Concrete Sidewalks (4"); Phased Partial Replacement	6,416 SF	2026	30-50	3	8.75 /SF	-	-	2,978	-	-	-	-	3,452	-	-	-	-	4,002	-	-	-	-	4,640	-	-	-	-	5,379	-	-
Concrete Curbing; Phased Partial Replacement	7,122 LF	2026	30-50	3	50.00 /LF	-	-	18,889	-	-	-	-	21,898	-	-	-	-	25,386	-	-	-	-	29,429	-	-	-	-	34,116	-	-
Asphalt; Phased Mill and Overlay	82,163 SF	2028	20	5	2.25 /SF	-	-	-	-	104,035	107,156	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	187,898
Detention Pond; Inspect and Clean	1 LOT	2028	10	5	8,000 /LOT	-	-	-	-	9,004	-	-	-	-	-	-	-	-	-	12,101	-	-	-	-	-	-	-	-	-	16,262
Detention Pond; Fountains; Replacement	2 UNITS	2024	10	1	3,500 /UNIT	7,000	-	-	-	-	-	-	-	-	-	9,407	-	-	-	-	-	-	-	-	-	12,643	-	-	-	-
Catch Basins; Phased Capital Repairs	15 UNITS	2033	20	10	2,000 /UNIT	-	-	-	-	-	-	-	-	-	19,572	20,159	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pole Lights; Phased Replacement	15 UNITS	2037	30	14	3,500 /UNIT	-	-	-	-	-	-	-	-	-	-	-	-	-	38,549	39,705	-	-	-	-	-	-	-	-	-	-
Mail Stations (Metal); Replacement	7 UNITS	2030	25	7	3,000 /UNIT	-	-	-	-	-	-	25,075	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Entry Area Automatic Lift Gate; Entry; Replacement	1 UNIT	2044	25	21	8,500 /UNIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,352	-	-	-	-
Entry Area Automatic Lift Gate; Exit; Replacement	1 UNIT	2030	25	7	8,500 /UNIT	-	-	-	-	-	-	10,149	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bollard Light Fixtures; Replacement	9 UNITS	2035	30	12	675 /UNIT	-	-	-	-	-	-	-	-	-	-	-	8,409	-	-	-	-	-	-	-	-	-	-	-	-	-
Vinyl Fencing; Replacement	516 LF	2043	40	20	45.00 /LF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,179	10,484	10,799	11,123	-	-
<u>Clubhouse and Pool Components</u>																														
Clubhouse; Asphalt Shingles+Gutters; Overlay 2014; Replacement	7,502 SF	2034	20	11	6.40 /SF	-	-	-	-	-	-	-	-	-	-	64,525	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clubhouse; Exterior Painting	3,663 SF	2028	8	5	2.25 /SF	-	-	-	-	9,276	-	-	-	-	-	-	-	11,751	-	-	-	-	-	-	-	14,886	-	-	-	-
Clubhouse; Windows and Doors; Phased Replacement	756 SF	2035	30	12	50.00 /SF	-	-	-	-	-	-	-	-	-	-	-	13,081	13,473	13,878	14,294	-	-	-	-	-	-	-	-	-	-
Clubhouse; Forced-Air Furnace+Cooling; Replacement	1 LOT	2030	20	7	9,500 /LOT	-	-	-	-	-	-	11,343	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clubhouse; Interior Renovations; Partial Flooring/Painting	2,544 SF	2030	20	7	11.50 /SF	-	-	-	-	-	-	34,933	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clubhouse; Wood Blinds (6' x 6'); Replacement	13 UNITS	2028	20	5	800 /UNIT	-	-	-	-	11,705	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,141
Clubhouse; Bathrooms; Partial Renovations	1 LOT	2030	25	7	12,500 /LOT	-	-	-	-	-	-	14,926	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clubhouse; Exercise Equipment (Treadmills, Elliptical, Recumbent); Rep.	4 UNITS	2027	15	4	4,000 /UNIT	-	-	-	8,742	9,004	-	-	-	-	-	-	-	-	-	-	-	-	-	13,619	14,028	-	-	-	-	-
Clubhouse; Security System; Modernization	1 LOT	2033	10	10	5,500 /LOT	-	-	-	-	-	-	-	-	-	7,176	-	-	-	-	-	-	-	-	-	9,644	-	-	-	-	-
Pool; Fiberglass Walls; Capital Repairs or Replacement	1 LOT	2048	N/A	25	40,000 /LOT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	81,312
Pool; Painting	1 LOT	2027	4	4	12,500 /LOT	-	-	-	13,659	-	-	-	15,373	-	-	-	17,303	-	-	-	19,475	-	-	-	21,919	-	-	-	24,670	-
Pool; Coping and Tile; Replacement	160 LF	2030	25	7	75.00 /LF	-	-	-	-	-	-	14,329	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pool; Concrete Crack Repairs	1 LOT	2033	10	10	10,000 /LOT	-	-	-	-	-	-	-	-	-	13,048	-	-	-	-	-	-	-	-	-	17,535	-	-	-	-	-
Pool; Furniture; Replacement	1 LOT	2029	10	6	8,000 /LOT	-	-	-	-	-	9,274	-	-	-	-	-	-	-	-	-	12,464	-	-	-	-	-	-	-	-	-
Pool; Vinyl Fencing; Replacement	215 LF	2043	40	20	45.00 /LF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,965	-	-	-	-	-
<u>Other Components</u>																														
Reserve Study; Update (Guaranteed Update Price Years 1-5)	1 UNIT	2028	5	5	1,820 /UNIT	-	-	-	-	2,048	-	-	-	-	2,375	-	-	-	-	2,753	-	-	-	-	3,191	-	-	-	-	3,700
					Total Expenditures	7,000	-	21,867	22,401	145,073	116,430	110,756	40,724	-	108,192	292,862	243,527	54,612	74,396	68,853	31,938	-	34,068	13,619	468,046	347,798	10,799	50,618	24,670	310,313

HISTORIC AND RECOMMENDED RESERVE FUNDING PLAN  
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Assumptions

- 2.0% Average Interest Rate Earned on Invested Reserves
- 4.0% Annual Increase in Collected Reserve Funds for Historic Projection
- 3.0% Annual Increase in Collected Reserve Funds for Recommended Funding Plan
- \$ 750 Per Unit; Threshold For 1st Year
- 44 Number of Units
- No Autocalculate Reserve Contributions

Historic Reserve Funding Projection

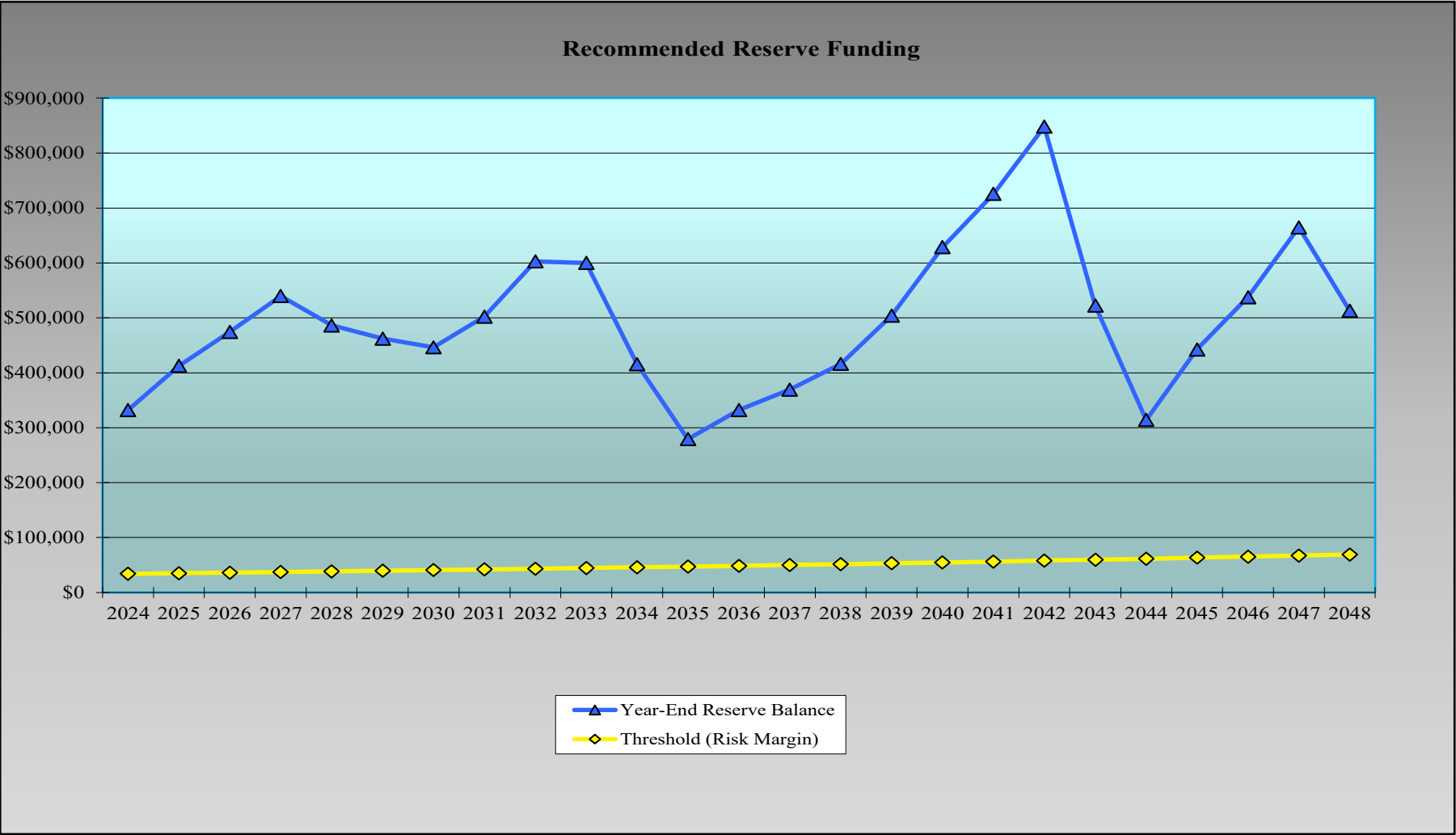
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	
Plus	Reserve Balance at Beginning of Fiscal Year	\$ 262,459	\$ 325,668	\$ 399,740	\$ 456,128	\$ 515,921	\$ 457,160	\$ 428,908	\$ 408,925	\$ 461,863	\$ 560,002	\$ 555,469	\$ 369,873	\$ 233,746	\$ 287,812	\$ 327,336	\$ 377,519	\$ 470,120	\$ 601,191	\$ 705,682	\$ 837,773	\$ 523,343	\$ 328,347	\$ 472,144	\$ 584,919	\$ 732,055	
	Recurring Reserve Contribution	64,260	66,830	69,503	72,283	75,175	78,182	81,309	84,561	87,944	91,461	95,120	98,925	102,882	106,997	111,277	115,728	120,357	125,171	130,178	135,385	140,801	146,433	152,290	158,381	164,717	
Plus	Additional Reserve Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equals	Interim Reserve Balance	326,718	392,498	469,243	528,411	591,095	535,342	510,216	493,486	549,807	651,464	650,589	468,797	336,628	394,809	438,612	493,247	590,477	726,362	835,860	973,158	664,143	474,780	624,434	743,300	896,772	
Plus	Estimated Interest Earned, During Year <sup>1</sup>	5,950	7,242	8,752	9,910	11,138	9,995	9,464	9,100	10,196	12,197	12,146	8,476	5,796	6,922	7,760	8,812	10,714	13,388	15,533	18,231	12,002	8,163	11,103	13,425	16,436	
Equals	New Reserve Balance	332,668	399,740	477,995	538,322	602,233	545,337	519,681	502,587	560,002	663,661	662,735	477,273	342,424	401,732	446,372	502,058	601,191	739,751	851,393	991,389	676,145	482,943	635,537	756,725	913,208	
Less	Anticipated Expenditures, By Year	(7,000)	-	(21,867)	(22,401)	(145,073)	(116,430)	(110,756)	(40,724)	-	(108,192)	(292,862)	(243,527)	(54,612)	(74,396)	(68,853)	(31,938)	-	(34,068)	(13,619)	(468,046)	(347,798)	(10,799)	(50,618)	(24,670)	(310,313)	
Equals	Anticipated Balance of Reserve Fund at Year End	\$ 325,668	\$ 399,740	\$ 456,128	\$ 515,921	\$ 457,160	\$ 428,908	\$ 408,925	\$ 461,863	\$ 560,002	\$ 555,469	\$ 369,873	\$ 233,746	\$ 287,812	\$ 327,336	\$ 377,519	\$ 470,120	\$ 601,191	\$ 705,682	\$ 837,773	\$ 523,343	\$ 328,347	\$ 472,144	\$ 584,919	\$ 732,055	\$ 602,895	
Threshold Target		\$33,000	\$ 33,990	\$ 35,010	\$ 36,060	\$ 37,142	\$ 38,256	\$ 39,404	\$ 40,586	\$ 41,803	\$ 43,058	\$ 44,349	\$ 45,680	\$ 47,050	\$ 48,462	\$ 49,915	\$ 51,413	\$ 52,955	\$ 54,544	\$ 56,180	\$ 57,866	\$ 59,602	\$ 61,390	\$ 63,231	\$ 65,128	\$ 67,082	\$ 69,095
Amount Over/Under Threshold		\$ 291,678	\$ 364,730	\$ 420,068	\$ 478,779	\$ 418,904	\$ 389,504	\$ 368,339	\$ 420,060	\$ 516,945	\$ 511,120	\$ 324,193	\$ 186,696	\$ 239,351	\$ 277,420	\$ 326,106	\$ 417,165	\$ 546,647	\$ 649,502	\$ 779,907	\$ 463,741	\$ 266,958	\$ 408,912	\$ 519,790	\$ 664,973	\$ 533,801	

Recommended Funding Plan

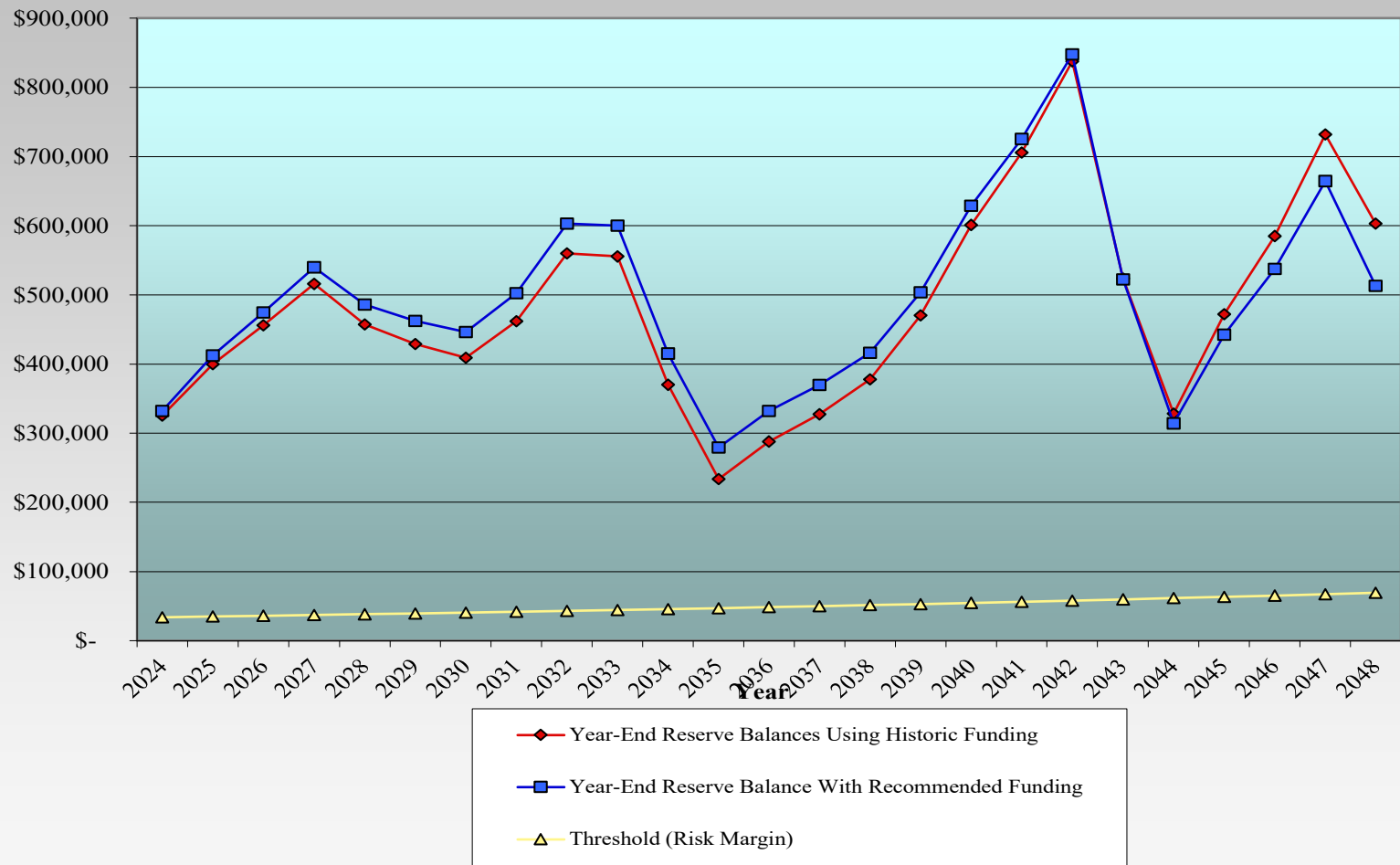
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
	Reserve Balance at Beginning of Fiscal Year	\$ 262,459	\$ 332,179	\$ 412,416	\$ 474,614	\$ 539,848	\$ 486,040	\$ 462,225	\$ 446,135	\$ 502,282	\$ 602,905	\$ 600,077	\$ 415,353	\$ 279,202	\$ 332,173	\$ 369,454	\$ 416,156	\$ 503,942	\$ 628,758	\$ 725,439	\$ 848,040	\$ 522,306	\$ 314,046	\$ 442,462	\$ 537,569	\$ 664,671
Plus	Recommended Recurring Reserve Contributions	70,700	72,800	75,000	77,300	79,600	82,000	84,500	87,000	89,600	92,300	95,100	98,000	100,900	103,900	107,000	110,200	113,500	116,900	120,400	124,000	127,700	131,500	135,400	139,500	143,700
Plus	Additional Reserve Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equals	Interim Reserve Balance	333,159	404,979	487,416	551,914	619,448	568,040	546,725	533,135	591,882	695,205	695,177	513,353	380,102	436,073	476,454	526,356	617,442	745,658	845,839	972,040	650,006	445,546	577,862	677,069	808,371
Plus	Estimated Interest Earned, During Year <sup>1</sup>	6,020	7,437	9,066	10,335	11,665	10,615	10,166	9,871	11,022	13,064	13,038	9,375	6,684	7,776	8,555	9,524	11,316	13,849	15,821	18,312	11,838	7,714	10,325	12,272	14,860
Equals	New Reserve Balance	339,179	412,416	496,482	562,249	631,113	578,655	556,891	543,006	602,905	708,269	708,215	522,729	386,785	443,849	485,009	535,880	628,758	759,507	861,660	990,353	661,844	453,261	588,187	689,341	823,231
Less	Anticipated Expenditures, By Year	(7,000)	-	(21,867)	(22,401)	(145,073)	(116,430)	(110,756)	(40,724)	-	(108,192)	(292,862)	(243,527)	(54,612)	(74,396)	(68,853)	(31,938)	-	(34,068)	(13,619)	(468,046)	(347,798)	(10,799)	(50,618)	(24,670)	(310,313)
Equals	Anticipated Balance of Reserve Fund at Year End	\$ 332,179	\$ 412,416	\$ 474,614	\$ 539,848	\$ 486,040	\$ 462,225	\$ 446,135	\$ 502,282	\$ 602,905	\$ 600,077	\$ 415,353	\$ 279,202	\$ 332,173	\$ 369,454	\$ 416,156	\$ 503,942	\$ 628,758	\$ 725,439	\$ 848,040	\$ 522,306	\$ 314,046	\$ 442,462	\$ 537,569	\$ 664,671	\$ 512,918
Amount Over/Under Threshold		\$ 298,189	\$ 377,406	\$ 438,554	\$ 502,707	\$ 447,784	\$ 422,821	\$ 405,549	\$ 460,479	\$ 559,847	\$ 555,728	\$ 369,674	\$ 232,152	\$ 283,712	\$ 319,538	\$ 364,743	\$ 450,986	\$ 574,214	\$ 669,258	\$ 790,174	\$ 462,704	\$ 252,657	\$ 379,230	\$ 472,441	\$ 597,589	\$ 443,823

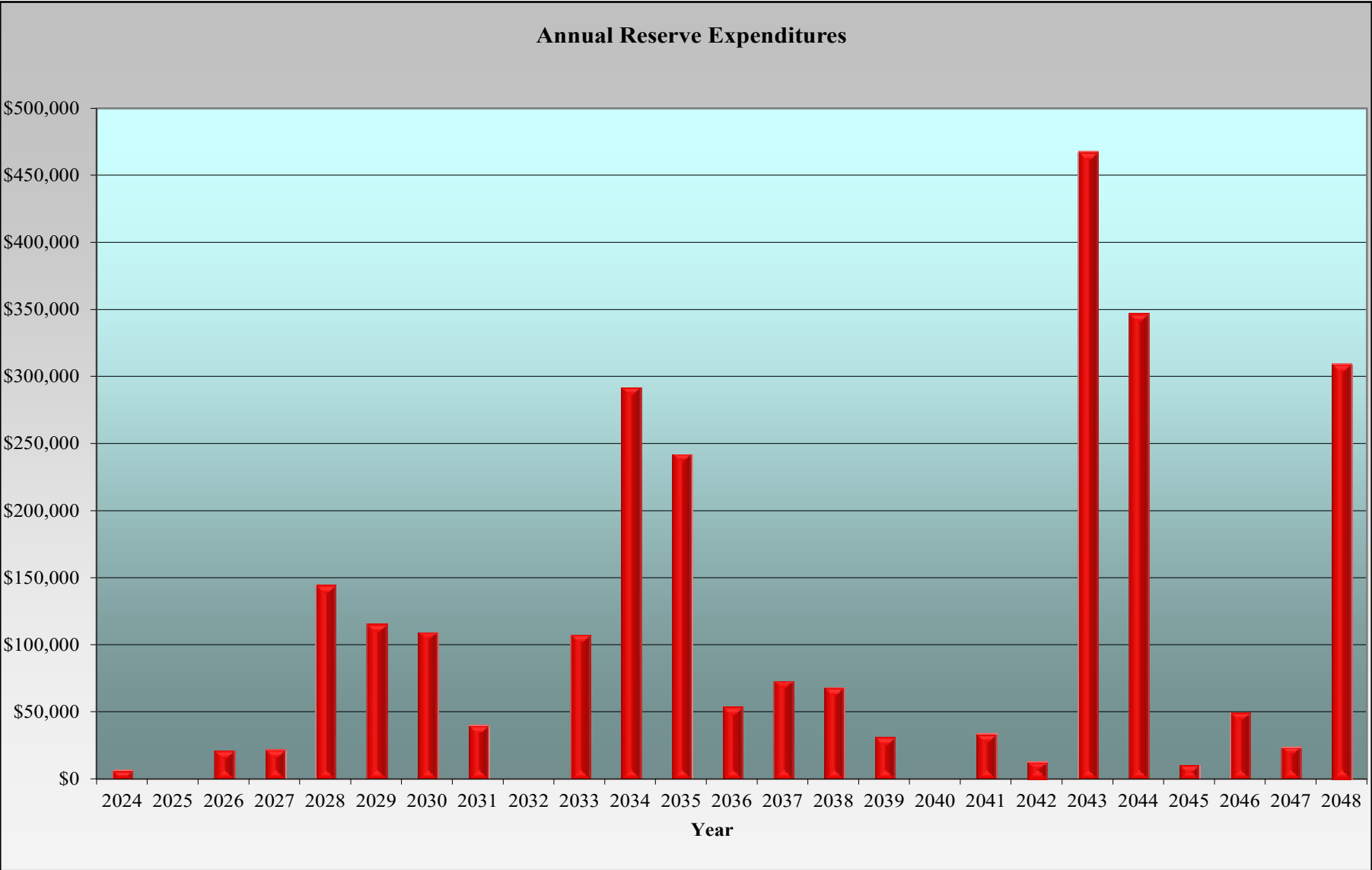
<sup>1</sup> Assuming reserves are invested monthly during the course of the year

RESERVE FUNDING PLAN GRAPHS



**Reserve Balances - Historic vs. Recommended**





## CERTIFICATIONS, ASSUMPTIONS AND LIMITING CONDITIONS

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### Certifications

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined outcome that favors the cause of the client, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions are developed, and this report has been prepared, in conformity with the relevant sections of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Code of Professional Ethics of the Appraisal Institute.
- I have made a non-invasive inspection of the property that is the subject of this report.
- No other person(s) provided significant professional assistance to the persons signing this report.
- I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- In Michigan, appraisers are required to be licensed/certified and are regulated by the Michigan Department of Consumer and Industry Services, Licensing Division, P.O. Box 30018, Lansing, Michigan 48909.



Paul K.T. Conahan, MBA, RS  
State Certified General Real Estate Appraiser  
License No. 1201002454



Kai B. Conahan

## **Assumptions and Limiting Conditions**

### Assumptions

- When doing an “Update With Site Visit” assignment, the Reserve Component inventory was not quantified, although minor additions/deletions of the component inventory, along with their quantities and install dates, were accounted for. The quantification of Reserve Components as determined by the previous reserve study were assumed to be accurate.
- When doing an “Update Without Site Visit” assignment, the Reserve Component conditions were not visually confirmed and updated, and the Remaining Useful Lives of the Reserve Components were calculated based on the assumption that the actual time elapsed since the previous reserve study was added to the effective age as determined in the previous reserve study. However, minor additions/deletions of the Reserve Components, along with their quantities and dates of installation, as reported by the client, were accounted for. Excluding any changes reported by the client, the quantification of Reserve Components as determined by the previous reserve study were assumed to be accurate.
- Responsible and competent property management are assumed. This includes not only responsible and competent oversight with regard to the repair and replacement of the Reserve Components, but also responsible and competent financial management, with particular regard to prudent investment of the Association’s reserve funds.
- Information furnished by representatives of the Association regarding financial, physical, quantity, or historical issues were assumed reliable. However, no warranty is given for the accuracy of this information. The actual or projected total reserve balance presented in the Reserve Study is based upon information provided but was not audited. Client’s receipt of the final reserve study will serve as verification that the client has reviewed the reserve study and confirmed that all information provided by the Association has been accurately represented in the final reserve study.
- It is assumed that there are no hidden or unapparent conditions on the property, subsoil or structure. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
- Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the author of this report. The author has no knowledge of the existence of such materials on or in the property. The author, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, lead-based paint, or other potentially hazardous materials may adversely affect the property and require remediation. We assumed that there are no such materials on the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
- It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws, and all other applicable laws and regulations.

- It is assumed that all required licenses, certificates of occupancy, consents or other legislative or administrative authority from any local, state or national government or private entity or organization have been obtained.
- The client is assumed to have deemed previously developed component quantities as accurate and reliable (for update reports only).
- The current work is reliant on the validity of prior Reserve Studies (for update reports only).

#### Limiting Conditions

- Any dispute arising under this agreement will be settled using binding arbitration under the rules of the American Arbitration Association. Arbitration shall be held in the City of Ann Arbor, Michigan, and one arbitrator will be appointed. Any arbitration award may be entered by any court of competent jurisdiction. The Client understands that absent these provisions, the Client would have the right to sue in court and have a jury trial.
- Unless the time frame is shorter under applicable law, any legal action or claim relating to the reserve study or reserve study provider shall be filed in the applicable arbitration tribunal, within two years from the date of delivery to Client of the reserve study to which the claims or causes of action relate or, in the case of acts or conduct after delivery of the report, two years from the date of the alleged acts or conduct. The time frame stated in this section shall not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages. The time frame stated shall apply to all non-criminal claims or causes of action of any type.
- By its nature, a reserve study must make assumptions about the future. Michigan Reserve Associates LLC cannot be held responsible for unforeseeable events that dramatically alter future costs from those projected in the reserve study.
- Reserve Studies do not typically include the repair or replacement of plumbing, electrical wiring, or telephone lines.
- Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection.
- For mechanical systems, we have observed those parts of the mechanical equipment and systems that constitute an integral part of the property and that are generally visible. From such observation, we have reported any apparent conditions that we believe might bear on the conclusions of this report. We have not, however, extensively tested such mechanical systems and equipment, and we assume no responsibility for their operating performance.
- No invasive testing was performed on the Reserve Components. We render no opinion on the structural integrity of the property, nor do we offer an opinion as to conformity with governmental code requirements.
- Our opinion of Remaining Useful Life is not a guarantee or warranty of the Reserve Components.



- This study is to be used by the intended user for the purpose of budgeting and long-term major repair and replacement planning. The scope of work included in this study is unique to the intended use and intended user, and this report may not be utilized for any other use or user. Such other uses include, but are not limited to, performing an audit, quality/forensic analysis, or background checks of historical records. The client and its representatives may not transmit this reserve study in any fashion to persons or entities that perform reserve studies.
- Client agreed to furnish Michigan Reserve Associates LLC with a complete and up-to-date set of governing documents. Michigan Reserve Associates LLC cannot be held responsible for incomplete or incorrect documents. We are not attorneys and we cannot guarantee that all reserve components have been properly included or excluded in the reserve study. Client agrees to review the reserve study for accuracy during the review process, and seek legal counsel when necessary. Client agrees that all responsibility for the list of reserve components presented in the final reserve study shall be borne by the client.
- The Americans with Disabilities Act (ADA) became effective on January 26, 1992. We have not made a specific compliance survey and analysis of the subject property to determine whether or not it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more requirements of the ADA. If so, this fact could have a negative impact on the property and trigger compliance costs. We did not consider noncompliance with the ADA requirements for this assignment.
- Our inspection did not address or render an opinion on repairs or replacements arising from original construction defects or unpredictable acts of nature.
- We are not financial advisors, and we recommend that the client consult with its accountant and/or professional investment advisor(s) to develop and refine an investment strategy consistent with the Association's risk profile and Reserve investment profile.
- We are not attorneys, and we recommend that the client consult with its attorney regarding reserve requirements and any other interpretations of relevant law, such as, but not limited to, the Michigan Condominium Act, complementary legislation such as the Nonprofit Corporation Act, and Administrative Rulings.
- Roof areas were measured from the ground using generally accepted techniques which take into account the building footprint, roof overhang, roof pitch, and unique roofing characteristics.
- Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of Michigan Reserve Associates LLC, and in any event only with properly written qualifications and only in its entirety.
- Any illustrative material in this report is included only to assist the reader in visualizing the property and/or provide graphical support to the narrative text.

- We are not by reason of this report, required to give further in-person consultation, testimony or be in attendance in court with reference to the property in question unless prior arrangements have been made.
- Liability due to negligence is limited to the actual cost paid by the client for this engagement.
- Michigan Reserve Associates LLC reserves the right to include your Association's name in our client list. However, all information provided to us, as well as details of interviews, conversations, and the Reserve Study shall be strictly confidential and will not be disbursed to any third party.

## QUALIFICATIONS – PAUL K.T. CONAHAN, MBA, RS

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### CONTACT INFORMATION

Mail: 424 Little Lake Drive, Suite 23, Ann Arbor, Michigan 48103

Phone: Office: (734) 661-1259 Direct: (734) 417-4736

E-mail: paul@MichiganReserveAssociates.com

Web: www.MichiganReserveAssocaites.com



### EMPLOYMENT RECORD

Principal, Michigan Reserve Associates LLC, Ann Arbor, Michigan, 2005-Present

Principal, Davis M. Somers Commercial Appraisal Company, Ann Arbor, Michigan, 2018 to the present

Principal, Davis M. Somers Company, Ann Arbor, Michigan, 1991-2018

REALTOR® Associate, Fee Simple Realty, Honolulu, Hawaii, 1985-1987

### ADDITIONAL EXPERIENCE

Qualified as Expert Witness, Washtenaw County Circuit Court

Michigan Department of Transportation Approved Level II Appraiser

Approved Fee Appraiser for the United States Veterans Administration

### EDUCATION AND DESIGNATIONS

Bachelor of Arts (BA), Biopsychology, Vassar College, Poughkeepsie, New York, Graduated in 1991

Master of Business Administration (MBA) With an Emphasis in Real Estate and Finance, Stephen M. Ross School of Business, University of Michigan, Graduated in 1999

Reserve Specialist (RS), Community Associations Institute, Alexandria, Virginia, Awarded in 2010

### APPRAISAL EDUCATION (MOST RECENT SHOWN FIRST)

Residential Property Inspection for Appraisers, McKissock, January 2023

Green Building Concepts for Appraisers, McKissock, January 2023

Residential Construction and the Appraisers, January 2022

Residential Property Inspection for Appraisers, McKissock, January 2021

Residential Construction and the Appraiser, McKissock, January 2021

2020-2021 7-Hour National USPAP Update Course, McKissock, February 2020  
Michigan Law, McKissock, February 2020  
Essential Elements of Disclosures and Disclaimers, February 2020  
Residential Construction for Appraisers, McKissock, February 2019  
Essential Elements of Disclosures and Disclaimers, McKissock, February 2019  
Understanding Residential Construction, McKissock, February 2018  
2018-2019 7-Hour National USPAP Update Course, McKissock, February 2018  
Michigan Law, McKissock, February 2018  
Green Building Construction, McKissock, January 2017  
Essential Elements of Disclosures and Disclaimers, McKissock, January 2017  
2016-17 7-Hour National USPAP Update Course, McKissock, February 2016  
Contemporary Michigan Property Tax Issues, Appraisal Institute, February 2016  
Fundamental Concepts of Analysis, McKissock, January 2015  
Appraising Fast Food Properties, McKissock, January 2015  
Environmental Issues for Appraisers, McKissock, February 2014  
Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets (Course 833), Appraisal Institute, Instructor James Vernor, Ph.D., MAI, April 2012  
Essential Elements of Disclosures and Disclaimers, McKissock, December 2011  
Appraising Convenience Stores, Appraisal Institute, January 2011  
GIS, The Executive Overview, Appraisal Institute, January 2011  
Commercial/Residential Construction Inspection, Appraisal Institute, April 2009  
Appraising from Blueprints and Specifications, Appraisal Institute, April 2009  
Valuation of Detrimental Conditions, Appraisal Institute, Novi, December 2007  
What Clients Would Like Their Appraisers to Know, Southfield, December 2006  
Effective Appraisal Writing, Appraisal Institute, Ypsilanti, Michigan, October 2006  
Appraising Local Retail Properties, Appraisal Institute, Southfield, Michigan, June 2004  
Appraising the Tough Ones, Appraisal Institute, Ypsilanti, Michigan, December 2003  
Highest & Best Use and Market Analysis (Course 520), Appraisal Institute, Troy, Michigan, April/May 2001

Other Relevant Courses Taken:

Advanced Applications (Course 550), Appraisal Institute  
Report Writing and Valuation Analysis (Course 540), Appraisal Institute  
Advanced Income Capitalization (Course 510), Appraisal Institute  
Challenged and passed Appraisal Procedures (Course 120), Appraisal Institute

Capitalization Theory and Techniques Part A, Appraisal Institute  
The Appraiser as an Expert Witness, Appraisal Institute

**LICENSES**

Certified General Real Estate Appraiser Number 1201002454, State of Michigan, Obtained in 1993

Active Real Estate Associate Broker License Number 6502139365, State of Michigan, Obtained in 2002 (Michigan Real Estate Salesperson License obtained in 1992)

Inactive Real Estate Sales License Number RS-36782, State of Hawaii, Obtained in 1985

**ASSOCIATIONS**

Member, Community Associations Institute, Since 2005

Member, United Condominium Owners of Michigan, Since 2005

Member, International Right of Way Association, Gardena, California, Since 1996

**REGULATORY NOTES**

In Michigan, appraisers are required to be licensed/certified and are regulated by the Michigan Department of Labor and Economic Growth, Licensing Division, P.O. Box 30018, Lansing, Michigan 48909.

**PARTIAL LIST OF CLIENTS**

Condominium/Homeowners Associations

1001 Covington Association (Detroit)

297 Condominium Owners Association  
(Muskegon)

Aberdeen at Hartford Association  
(Macomb)

Autumn Woods Condominium  
Association (Ypsilanti)

Bay Cliff Estates Association (Suttons  
Bay)

Bellefontaine Meadows Homeowners  
Association (Dayton, Ohio)

Benstein Crossing Condominium  
Association (Commerce Township)

Birch Grove II Condominium Association  
(Chesterfield)

Black Bear Farms Co-Owners'  
Association (Traverse City)

Breaker Cove (Bay City)

Brentwood Park Condominium  
Association (East Lansing)

Bridgewater Place Condominium  
Association (Bridgewater)

Byron Forest Condominium Association  
(Byron Center)

Cedar Creek Commons Association  
(Traverse City)

Centennial Farm Phase I, Inc. (South  
Lyon)

Centennial Farm Phase II, Inc. (South  
Lyon)

Chateau Vert Association (Ypsilanti)

Chapel Hill Condominium Association  
(Ann Arbor)

Chelsea Square Condominium  
Association (Canton)

Colony Farms Condominium Association  
(Plymouth)

Cornerstone Village Homeowners Association (Macomb)

Cottage Glens Owners Association (Williamsburg)

Creekwood Estates Association (Bay City)

Crossings at Irving Avenue Condominium Association (Royal Oak)

Crystal Village Manor (Marysville)

Douglas Harbor Village Condominium Association (Douglas)

Eaglecrest Condominium Association (Grand Rapids)

East Lansing City Center Condominium Association (East Lansing)

Echo Valley Condominium Association (Farmington Hills)

Fairlane Woods Association (Dearborn)

Fairways at Oak Pointe Condominium Association (Brighton)

Fieldstone Village Condominium Association (Chelsea)

Forest at Orchard Lake Association (Farmington Hills)

Fox Pointe Association (Ann Arbor)

Gallery Park Homeowners Association (Ann Arbor)

Glen Arbor Condominium Association (Grand Blanc)

Great Oak Cohousing Association (Ann Arbor)

Grosse Pointe Gardens Association (Harper Woods)

Hamilton House Condominium Association (Okemos)

Hampton Ridge North HOA (Canton)

Harbour Towne Condominium Association (Muskegon)

Haven Condominium Association (South Haven)

Heatherwood Condominium Association (Ann Arbor)

Highland Park Condominium Association (Cleveland, Ohio)

Heritage Falls Condominium Association (Ann Arbor)

Hidden Creek of Oceola Condominium Association (Howell)

Hidden Glen Condominium Association (Canton)

Hidden Lake Community Association (South Lyon)

Hometown Village of Marion Association (Howell)

Hometown Village at Waterstone Association (Oxford)

Indian Village Condominium Association (Grand Rapids)

Island Lake of Novi Community Association (Novi)

Island Lake South Harbor Association (Novi)

Island Lake Woods Association (Novi)

Kirkway Homeowners Association (Canton)

Knightsbridge Gate Association (Novi)

Lake Ridge Condominium Association (Traverse City)

Lakeside Village Association (Haslett)

Lakeside Village North Association (Haslett)

Lake Village II (Walled Lake)

Legacy Park Condominium Association (Dearborn Heights)

Liberty Lofts Condominium Association (Ann Arbor)

Links of Pheasant Run Condominium Association (Canton)

Locklin Pines Cluster Condominium Association (West Bloomfield)

Lost Creek Condominium Association (East Lansing)

LVP Property Owners Association (Findlay, Ohio)

Marquette Village Condominium Association (Westland)

Meadowview Common Condominium Association (Elk Rapids)

Newberry Place Cohousing Condominium Association (Grand Rapids)

Northridge Estates Homeowners Association (Northville)

Northridge Villas Association (Northville)

Northville Hills Golf Club Homeowners Association (Northville)

Northville Hollow Condominium Association (Northville)

Oakhurst Owners' Association (Clarkston)

Oakley Meadow Condominiums Association (Tiffin, Ohio)

Okemos Preserve Condominium Association (East Lansing)

Oxford Park Condominium Association (Canton)

Parkview Manor Association (Flint)

Parkway Condominium Association (Livonia)

Perry Farm Village Association (Harbor Springs)

Pheasant Run Condominium Association (Portage)

Pine Creek Condominiums of Haslett Association (Haslett)

Pinehurst Condominium Association (Trenton)

Pittsfield Village Condominium Association (Ann Arbor)

Plymouth Corners Condominium Association (Plymouth)

Plymouth Landing Association (Canton)

Pointe Park Homeowners Association (Grosse Point Park)

Providence Tower Association (Southfield)

Quail Run of South Lyon Condominium Association (South Lyon)

Raintree Condominiums of Chesterfield Association (Chesterfield)

Reserve at Tull Lake Condominium Association (White Lake)

River House Co-Op (Detroit)

River Park Estates Condominium Association (Lansing)

River's Edge at Cherry Hill Village I Homeowners Association (Canton)

Riverside Glen Homeowners Association (Macomb)

Riverside Park Place Condominium Association (Ann Arbor)

River South Homeowners Association (Fairview Park, Ohio)

Rochester Park II Association (Rochester)

Saddlebrook Condominium Homeowners Association (Plymouth)

Saddle Creek Association (South Lyon)

Sand Piper Condominium Association (Glen Arbor)

St. Lawrence Estates Condominium Association (Northville)

Scio Village Condominium Association (Ann Arbor)

Spruce Manor Condominium Association  
(Royal Oak)

Steeple Chase of Northville Owners  
Association (Northville)

Steeple Ridge Condominium Association  
(Clarkston)

Stone Lake Condominium Association  
(East Lansing)

Stonewater Homeowners Association  
(Northville)

Stratford Townhouses Consumer Housing  
Cooperative (Grand Rapids)

Sunset Torch Association (Bellaire)

The Atrium Inn Condominium  
Association (Boyne City)

The Courtyards at Little Bear  
Condominium Association (Lewis Center,  
Ohio)

The Landings at Rayner Ponds  
Condominium Association (Mason)

The Links of Northville Hills Golf Club  
Condominium Association (Northville)

The Lodge at East Bay Co-Owners  
Association (Elk Rapids)

The Maples of Novi, Maple Pointe  
Association (Novi)

The Mountain Grand Owners'  
Association (Boyne Falls)

The Ponds Cooperative Homes (Okemos)

The Preserve at Maple Lake Association  
(Milford)

The Ravines of Northville Homeowners  
Association (Northville)

The Reserve at the Fairways  
Condominium Phase 1 Association, Inc.  
(Huber Heights, Ohio)

The Residences at TPC Association  
(Dearborn)

The Village Condominium Association  
(Grosse Pointe)

The Willits Condominium Association  
(Birmingham)

Thornberry Condominium Association  
(Midland)

Thornton Farms Condominium  
Association (Dexter)

Tollgate Woods Homeowners Association  
(Novi)

Touchstone Cohousing Association (Ann  
Arbor)

Traditions at Cambridge Association  
(Canton)

University Commons Condominium  
Association (Ann Arbor)

Valley Wood Condominium Association  
(Livonia)

Vantage Pointe Condominium  
Association (Glen Arbor)

Venn Manor (Detroit)

Verndale Lakes Condominium  
Association (Lansing)

Versailles Place Condominium  
Association (Farmington Hills)

Village Oaks Common Areas Association  
(Novi)

Villa Capri Condominium Association  
(Warren)

Villas at Northville Hills Condominium  
Association (Northville)

Villas at Stonehenge Condominium  
Association (Kalamazoo)

Vistas of Central Park Condominium  
Association (Canton)

Walden Hills II Condominium  
Association (Ann Arbor)



Walnut Woods Condominium Association  
(West Bloomfield)

Walton Pond Condominium Association  
(Pontiac)

Waters Edge Condominium Association  
(Clarkston)

Waterside Homeowners Association  
(Maumee, Ohio)

Wedgewood Village Association  
(Plymouth)

Whetherstone Condominium Association  
(White Lake)

Whitney Court of West Bloomfield (West  
Bloomfield)

Windward Court Condominium  
Association (Detroit)

Woodfield Square Association (Brighton)

Woodland Creek Condominium  
Association (Kentwood)

Woodland Ridge of Commerce  
Association (Commerce Township)

Woodland Trails Condominium  
Association (Okemos)

Woodlore Condominium Owners  
Association (Livonia)

Woods of Northville (Plymouth)

Woodside Meadows Condominium  
Association (Ann Arbor)

Woodward Place Association  
(Birmingham)

Woodward Place at Brush Park I  
Association (Detroit)

Woodwind Glen Condominium  
Association (South Lyon)

Educational/Institutional/Non-Residential  
Organizations

Anthroposophical Society in America  
(Ann Arbor)

Chelsea District Library (Chelsea)

Frankenmuth James E. Wickson District  
Library, Frankenmuth

Gateway Center Association (Office  
Condominiums; Saline)

Grace Lutheran Church (La Grange,  
Illinois)

Michigan Friends Center (Chelsea)

New Life Church (Ann Arbor)

Oak Grove AME Church (Detroit)

Orion Township Public Library (Orion  
Township)

Rudolph Steiner School of Ann Arbor  
(Ann Arbor)

St. Joseph River Yacht Club (St. Joseph)

Southeast Michigan Construction  
Academy (Madison Heights)

The Waterfront Marina of St. Joseph (St.  
Joseph)

Ward Evangelical Presbyterian Church  
(Northville)

## QUALIFICATIONS – KAI B. CONAHAN

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### CONTACT INFORMATION

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Web: [www.MichiganReserveAssocaites.com](http://www.MichiganReserveAssocaites.com)



### EMPLOYMENT RECORD

Project Manager, Michigan Reserve Associates LLC, Ann Arbor, Michigan, 2021-Present

Para-Professional, KPMG U.S., New York, New York, June 2021 to August 2021

### EDUCATION AND DESIGNATIONS

Bachelor of Science (BS), Business and Finance, New York University Shanghai, Shanghai, China, Graduated in 2021

### PARTIAL LIST OF CLIENTS

#### Condominium/Homeowners Associations

Ann Arbor Ridgewood Condominium Association (Ann Arbor)

Bridgetown Condominium Association (Chelsea)

Central Lofts Condominium Association (South Haven)

River Bluff Condominium Association (Rockford)

Indian Mill Creek Condominium Association (Grand Rapids)

Whetherstone Condominium Association (White Lake)

Newport West Condominium Association (Ann Arbor)

200 River Place Lofts Association (Detroit)

Villas at Stonebrook Condominium Association (Novi)

Beacon Cove Condominium Association (Port Austin)

Crystal Waters Condominium Association (Holland)

The Village of Camelot at Tullymore Homeowners Association (Stanwood)

Central Parkway Condominium Association (Westland)

Sand Piper Condominium Association (Glen Arbor)

Quail Run Owners Association (Battle Creek)

The Legacy of Farmington Hills Condominium Association (Farmington Hills)

Country Club Village of Northville III Condominium Association (Northville)

Huntington Woods II Condominium Association (Saline)

South Beach Condominium Association  
(Glen Arbor)

Benstein Crossing Condominium  
Association (Commerce Township)

Summit View Condominium Association  
(Ann Arbor)

Northville Colony Estates Association  
(Northville)

Cobblestone Ridge Manor Condominium  
Association (Van Buren)

Locklin Pines Cluster Condominium  
Association (West Bloomfield)

Bennington Green Association (Bloomfield  
Hills)

Townes at Mill Street Condominium  
Association (Plymouth)

Wedgewood Village Association  
(Plymouth)

Evans Landing Condominium Association  
(Luna Pier)

Cannon Place North Condominium  
Association (Rockford)

Hamilton House Condominium  
Association (Okemos)

Carriage Pointe at Applegate  
Condominium Association (Kalamazoo)

Northridge Village Association  
(Northville)

Willowcreek Condominiums of Delta  
Township Association (Lansing)

The Commons at Sierrafeld Condominium  
Association (Byron Center)

Brentwood Park Condominium  
Association (East Lansing)

Heritage at Riverbend Condominium  
Association (Detroit)

Franklin Village Townhouse  
Condominium Association (Southfield)

Twin Islands Condominium Association  
(Ann Arbor)

Echo Valley Condominium Association  
(Farmington Hills)

Village Place Homeowners Association  
(Grand Ledge)

Aspen Trails Condominium Association  
(Grand Rapids)

Walden Village Homeowners Association  
(Ann Arbor)

Champion Woods Condominium  
Association (Okemos)

Bella Terra of Novi Condominium  
Association (Novi)

Bayview Condominium Association  
(Manistee)

Main Street Commons Condominium  
Association (Ann Arbor)

The Barkentine Condominium Association  
(Suttons Bay)

Lake Ridge Condominium Association  
(Traverse City)

Carnegie Park Condominium Association  
(Southfield)

La Croft Condominium Association  
(Charlevoix)

Lakes of Buckingham Co-Owners  
Association (Fort Wayne, Indiana)

Forestridge Condominium Homeowners'  
Association (Midland)

Heathmoor Condominium Association  
(Grand Rapids)

Fieldstone Village Condominium  
Association (Chelsea)

Harbour Cove Condominium Association  
(Ypsilanti)

The Pines of Parkview Hills Association  
(Kalamazoo)

Chapel Hill Condominium Association  
(Ann Arbor)

The Condominium Homes at Stevens  
Pointe Association (Byron Center)

Tuscany Reserve of Plymouth  
Condominium Association (Plymouth)

Arbor Glen Condominium Association  
(Canton)

Gregory Meadows Condominium  
Association (Plymouth)

Bailey's Grove Condominium Association  
(Kentwood)

Riverbend Condominium Association  
(Plymouth)

Milford Knolls Condominium Association  
(Milford)

Willow Brook Village Homeowners  
Association (Canton)

Gateway Center Association (Saline)

Oakmonte Homeowners Association  
(Rochester)

Shoreline East Condominium Association  
(Detroit)

750 Forest Association (Birmingham)

Sloan Plaza Condominium Association  
(Ann Arbor)

Charington Condominium Association  
(Clawson)

Colonial at Tribute Association (Wixom)

Cressbrook Association (Franklin)

Crestwood Village of Rochester Hills  
Condominium Association (Rochester  
Hills)

Crossings at Irving Avenue (Royal Oak)

Crystal Lofts Association (Detroit)

Square Lake Hills Association (Bloomfield  
Hills)

Highland Lakes Condominium Association  
(Northville)

Breckenridge Condominium Association  
(Lake Orion)

Madison Manor Association (Macomb)

Hampton Ridge at East Village  
Condominium Association (Lansing)

Verndale Lakes Condominiums II  
Association (Lansing)

Liberty Lofts Condominium Association  
(Ann Arbor)

Bridgewater Place Condominium (New  
Buffalo)

Educational/Institutional/Non-Residential  
Organizations

Chelsea District Library (Chelsea)

Frankenmuth James E. Wickson District  
Library, Frankenmuth

New Life Church (Ann Arbor)

Orion Township Public Library (Orion  
Township)

Southeast Michigan Construction Academy  
(Madison Heights)