



Locksley Woods COA

Greenville, NC

Level of Service: Update "With-Site-Visit"

Report #: 32686-1

of Units: 178

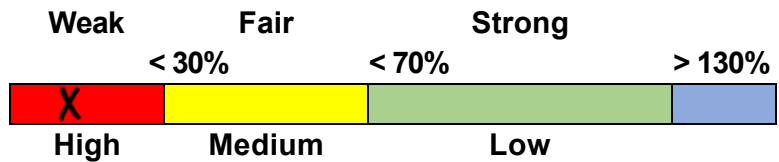
January 1, 2023 through December 31, 2023

Findings & Recommendations

as of January 1, 2023

Project Starting Reserve Balance	\$286,832
Currently Fully Funding Reserve Balance	\$2,460,984
Average Reserve Deficit (Surplus) Per Unit	\$12,214
Percent Funded	11.7 %
Recommended 2023 Fully Funding Contributions	\$115,700
Recommended 2023 Special Assessments for Reserves	\$534,000
Recommended 2024 Special Assessments for Reserves	\$534,000
Most Recent Reserve Contribution Rate	\$25,680

Reserve Fund Strength: 11.7%



Risk of Special Assessment:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	1.00 %
Annual Inflation Rate	3.50 %

This report is an "Update, With-Site-Visit" Reserve Study based on a prior study prepared by Association Reserves for your 2018 Fiscal Year. We performed the site inspection on 8/23/2022

This Reserve Study was prepared or overseen by a credentialed Reserve Specialist (RS). As of the start of the initial fiscal year shown in this study, your Reserve fund is determined to be 11.7 % Funded. Based on this figure, the Client's risk of special assessments & deferred maintenance is currently High. The objective of your multi-year Funding Plan is to Fully Fund your Reserves, where clients enjoy low risk of such Reserve cash flow problems.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions to \$115,700 in the upcoming fiscal year. Going forward, the contribution rate recommended here should be increased as illustrated on the 30-yr Summary Table. It is also recommended that two special assessments occurs in 2023 and 2024 to the amount of \$534,000 each year. This is to prepare the reserve account for the inevitable reserve component project costs. Especially the roofs and drainage projects.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Site and Grounds			
2107 Concrete Sidewalks - Repair	5	2	\$7,650
2113 Site Drainage System - Clean/Repair	30	1	\$60,000
2123 Asphalt - Seal/Repair	5	7	\$25,600
2125 Asphalt Phase 1 - Resurface	25	3	\$157,850
2125 Asphalt Phase 2 - Resurface	25	4	\$157,850
2139 Site Fencing (Wood) - Replace	30	0	\$2,500
2158 Retaining Walls - Repair	30	0	\$13,000
2160 Retention Ponds - Maintain	30	12	\$76,500
2166 Mailboxes - Replace	25	2	\$21,050
2169 Entry Sign - Refurbish	35	18	\$19,500
2183 Trees - Trim/Remove	2	0	\$7,450
2185 Landscaping - Refurbish	25	4	\$65,000
2541 Trash Dumpster - Replace	20	17	\$13,750
2543 Security Cameras - Upgrade/Replace	10	6	\$3,600
2560 Fire Extinguishers - Replace	10	8	\$5,750
2591 Irrigation System - Repair	20	1	\$46,500
2803 BBQs - Replace	20	6	\$11,500
3043 Water Table Repair - Allowance	5	4	\$13,550
Pool Area			
2367 Pool House Doors - Replace	40	8	\$10,250
2501 Entry System - Replace	12	8	\$3,400
2750 Bathrooms - Refurbish	30	2	\$5,105
2763 Pool Deck Furniture - Replace	10	5	\$5,345
2769 Pool Deck - Resurface (15%)	25	2	\$10,800
2771 Pool Fence - Replace	35	7	\$15,700
2773 Pool - Resurface	12	4	\$28,650
2779 Pool Filters - Replace	20	6	\$4,650
2783 Pool Pumps - Replace	10	2	\$4,000
2792 Pool Cover - Replace	15	5	\$7,600
Building Exteriors			
2303 Ext. Lights (Decorative) - Replace	25	0	\$17,150
2326 Balcony Railings - Replace	30	7	\$82,500
2328 Walkway Deck Railings - Replace	30	7	\$122,500
2337 Staircases/Handrails - Maintain	20	2	\$66,500
2356 Vinyl Siding (Phase 1) - Replace	40	17	\$577,500
2356 Vinyl Siding (Phase 2) - Replace	40	18	\$577,500
2381 Roof Phase 1 (Comp Shingle)-Replace	25	2	\$512,500

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
2381 Roof Phase 2 (Comp Shingle)-Replace	25	3	\$512,500
2387 Gutters/Dspts - Replace	30	3	\$39,750
3030 Bldg Exterior - Refurb	5	3	\$7,500

38 Total Funded Components

Note 1: Yellow highlighted line items are expected to require attention in this initial year, light blue highlighted items are expected to occur within the first-five years.