

Executive Summary

Association: Cardinal Creek HOA Assoc. #: 28830-1
Location: Norman, OK
of Units: 112
Report Period: January 1, 2018 through December 31, 2018

Results as-of 1/1/2018:

Projected Starting Reserve Balance:	\$10,000
Fully Funded Reserve Balance:	\$584,255
Reserve Deficit (Surplus) Per Unit:	\$5,127
Percent Funded:	1.7%
Recommended 2018 monthly Reserve Contribution:	\$8,160
Recommended 2018 Special Assessment for Reserves:	\$0
Most Recent Reserve Contribution Rate:	\$2,500

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves.....1.00%
Annual Inflation Rate3.00%

- This Reserve Study is based on the information provided to our firm, shown in the attached appendix, without oversight or review by Association Reserves, Inc. personnel.
- Because your Reserve Fund is 1.7% Funded (the ratio of actual Reserve cash to the calculated *deteriorated fraction* of your Reserve assets), this represents a weak position, typified by a high risk of special assessments or cash-flow deficiencies.
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions.
- Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost	Future Cost
1	Roof - Replace	25	18	\$625,400	\$1,064,702
2	Fence - Repaint	5	2	\$4,500	\$4,774
3	Fence - Replace	10	2	\$32,000	\$33,949
4	Buildings - Repaint	5	2	\$50,000	\$53,045
5	Railroad Tie replacement	10	3	\$30,000	\$32,782
6	Stucco Repair	15	5	\$60,000	\$69,556
7	Sidewalk and Curb Replacement	25	4	\$35,000	\$39,393
8	Street Sealing and Repair	7	2	\$45,000	\$47,741
9	Sewer Line Replacements	30	7	\$150,000	\$184,481
10	Lighting Replacment/Repairs	20	5	\$25,000	\$28,982
11	Stair Replacement/Repairs	30	8	\$15,000	\$19,002
12	Balcony Repairs	20	7	\$15,000	\$18,448
13	Entrance Gate Replacement	30	7	\$12,000	\$14,758
14	Pool Repairs	30	3	\$10,000	\$10,927
15	Pool Deck	30	3	\$22,000	\$24,040
16	Clubhouse Repairs	30	5	\$20,000	\$23,185
17	Hot Water Systems	10	2	\$1,500	\$1,591
18	Mechanical	12	6	\$18,000	\$21,493
19	Electrical Systems	15	8	\$10,000	\$12,668
20	Sprinkler System	15	7	\$8,000	\$9,839
20	Total Funded Components				