Revised
RESERVE STUDY
Kissing Camels
Property Owners Association, Inc.

Colorado, Springs

Inspected - June 2, 2022
Revised - September 13, 2022

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Corporate Office
Reserve Advisors, LLC
735 N. Water Street, Suite 175
Milwaukee, WI 53202

Kissing Camels Property Owners Association, Inc.
Colorado, Springs

Dear Board of Directors of Kissing Camels Property Owners Association, Inc.:

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Reserve Study* of Kissing Camels Property Owners Association, Inc. in Colorado, Springs and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, June 2, 2022.

This *Reserve Study* exceeds the Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a "Level II Reserve Study Update."

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. We look forward to continuing to help Kissing Camels Property Owners Association, Inc. plan for a successful future.

As part of our long-term thinking and everyday commitment to our clients, we are available to answer any questions you may have regarding this study.

Respectfully submitted on September 13, 2022 by

Reserve Advisors, LLC

Visual Inspection and Report by: Nicholas M. Johanning, RS[1]
Review by: Nicole L. Lowery, RS, PRA[2], Associate Director of Quality Assurance

[1] RS (Reserve Specialist) is the reserve provider professional designation of the Community Associations Institute (CAI) representing America's more than 300,000 condominium, cooperative and homeowners associations.
[2] PRA (Professional Reserve Analyst) is the professional designation of the Association of Professional Reserve Analysts. Learn more about APRA at http://www.apra-usa.com.

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1. RESERVE STUDY EXECUTIVE SUMMARY

Client: Kissing Camels Property Owners Association, Inc. (Kissing Camels)
Location: Colorado, Springs
Reference: 110482

Property Basics: Kissing Camels Property Owners Association, Inc. is a homeowners association which is responsible for the common elements shared by 800 single family homes. The community was built in 1960 and construction is ongoing.

Reserve Components Identified: 124 *Street* and 20 *Site* Reserve Components.

Inspection Date: June 2, 2022. We conducted the original inspection on July 20, 2011.

Funding Goal: The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes this threshold funding year in 2049 due to ongoing mill and overlayment of the asphalt pavement streets throughout the community.

Cash Flow Method: We use the Cash Flow Method to compute the Reserve Funding Plan. This method offsets future variable Reserve Expenditures with existing and future stable levels of reserve funding. Our application of this method also considers:

- Current and future local costs of replacement
- 0.7% anticipated annual rate of return on invested reserves
- At the request of Management and the Board we use a 6% future Inflation Rate in 2023, 5% future Inflation Rate in 2024 and 2025, 4% future Inflation Rate from 2026 through 2030 and a 3.5% future Inflation Rate from 2031 through 2052 for estimating Future Replacement Costs

Sources for *Local* Costs of Replacement: Our proprietary database, historical costs and published sources, i.e., R.S. Means, Incorporated.

Unaudited Cash Status of Reserve Fund:

- $2,114,588 as of February 28, 2022[1]
- 2022 budgeted Reserve Contributions of $426,107

Project Prioritization: We note anticipated Reserve Expenditures for the next 30 years in the ***Reserve Expenditures*** tables and include a ***Five-Year Outlook*** table following the ***Reserve Funding Plan*** in Section 3. We recommend the Association prioritize the following projects in the next five years based on the conditions identified:

- Ongoing slurry applications and mill and overlayment of the streets to maintain a safe driving surface throughout the community and maximize the overall useful life
- Paint finishes to the metal fences, and replacement of the wire and chain link fences to maintain the overall safety of the community
- Ongoing tree mitigation and partial landscape replacements to maintain the overall aesthetic of throughout the community

[1] The Fiscal Year (FY 2022) for Kissing Camels begins July 1, 2021 and ends June 30, 2022. For brevity, we refer to the Fiscal Year by its ending year, i.e. Fiscal Year 2021-22 is FY 2022 or simply 2022.

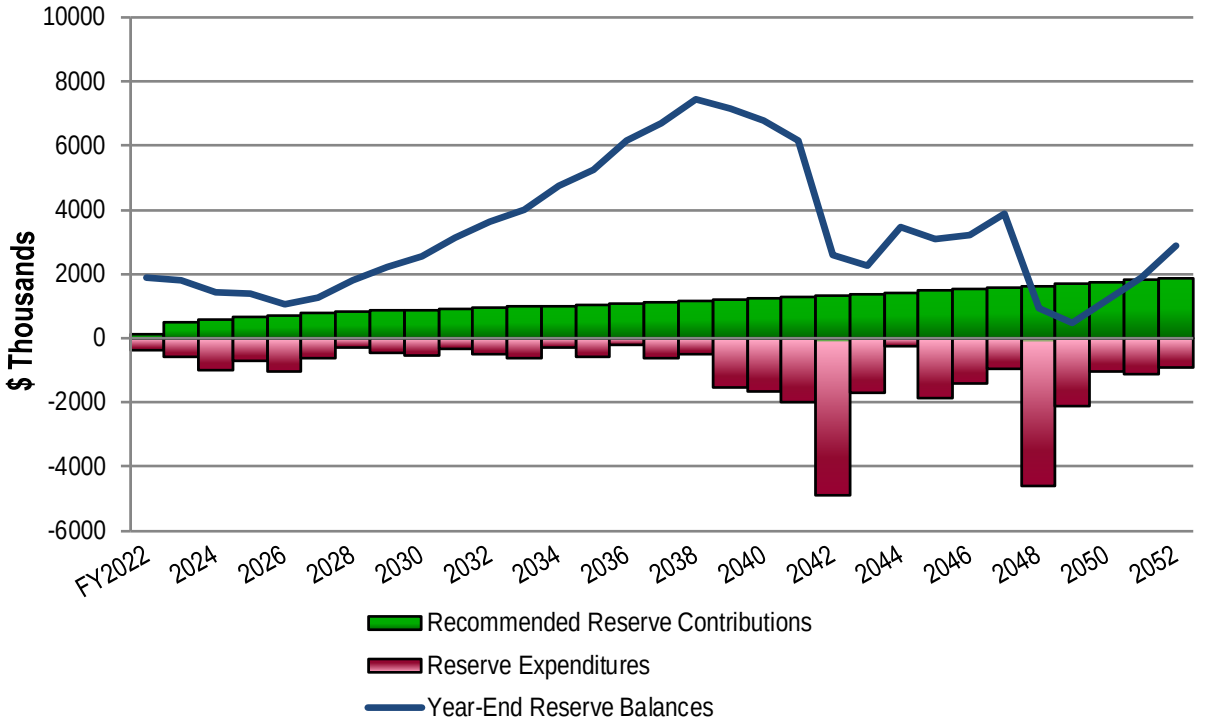
Recommended Reserve Funding: We recommend the following in order to achieve a stable and equitable Funding Plan:

- Phased increases of approximately $73,800 from 2023 through 2027
- Inflationary increases through 2052, the limit of this study's Cash Flow Analysis
- Initial adjustment in Reserve Contributions of $73,793 represents an average monthly increase of $7.69 per homeowner and about a five percent (5.3%) adjustment in the 2022 total Operating Budget of $1,385,320.

Kissing Camels

Recommended Reserve Funding Table and Graph

Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2023	499,900	1,816,060	2033	977,400	3,991,868	2043	1,378,500	2,273,250
2024	573,700	1,423,472	2034	1,011,600	4,734,422	2044	1,426,700	3,459,814
2025	647,500	1,383,799	2035	1,047,000	5,233,230	2045	1,476,600	3,073,903
2026	721,300	1,068,466	2036	1,083,600	6,159,018	2046	1,528,300	3,226,486
2027	795,100	1,265,574	2037	1,121,500	6,705,067	2047	1,581,800	3,877,244
2028	822,900	1,814,815	2038	1,160,800	7,432,394	2048	1,637,200	921,503
2029	851,700	2,205,533	2039	1,201,400	7,141,551	2049	1,694,500	497,263
2030	881,500	2,553,938	2040	1,243,400	6,792,013	2050	1,753,800	1,200,141
2031	912,400	3,152,187	2041	1,286,900	6,145,180	2051	1,815,200	1,895,246
2032	944,300	3,618,215	2042	1,331,900	2,595,828	2052	1,878,700	2,869,705



2. RESERVE STUDY REPORT

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Reserve Study* of

Kissing Camels Property Owners Association, Inc.

Colorado, Springs

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, June 2, 2022. We conducted the original inspection on July 20, 2011.

We present our findings and recommendations in the following report sections and spreadsheets:

- **Identification of Property -** Segregates all property into several areas of responsibility for repair or replacement
- **Reserve Expenditures -** Identifies reserve components and related quantities, useful lives, remaining useful lives and future reserve expenditures during the next 30 years
- **Reserve Funding Plan -** Presents the recommended Reserve Contributions and year-end Reserve Balances for the next 30 years
- **Five-Year Outlook -** Identifies reserve components and anticipated reserve expenditures during the first five years
- **Reserve Component Detail -** Describes the reserve components, includes photographic documentation of the condition of various property elements, describes our recommendations for repairs or replacement, and includes detailed solutions and procedures for replacements for the benefit of current and future board members
- **Methodology -** Lists the national standards, methods and procedures used to develop the Reserve Study
- **Definitions -** Contains definitions of terms used in the Reserve Study, consistent with national standards
- **Professional Service Conditions -** Describes Assumptions and Professional Service Conditions
- **Credentials and Resources**

IDENTIFICATION OF PROPERTY

Our investigation includes Reserve Components or property elements as set forth in your Declaration. The Expenditure tables in Section 3 list the elements contained in this study. Our analysis begins by segregating the property elements into several areas of responsibility for repair and replacement.

Our process of identification helps assure that future boards and the management team understand whether reserves, the operating budget or Homeowners fund certain replacements and assists in preparation of the annual budget. We derive these segregated classes of property from our review of the information provided by the Association and through conversations with Management and the Board. These classes of property include:

- Reserve Components
- Long-Lived Property Elements
- Operating Budget Funded Repairs and Replacements
- Property Maintained by Homeowners
- Property Maintained by Others

We advise the Board conduct an annual review of these classes of property to confirm its policy concerning the manner of funding, i.e., from reserves or the operating budget. The Reserve Study identifies Reserve Components as set forth in your Declaration or which were identified as part of your request for proposed services. Reserve Components are defined by CAI as property elements with:

- Kissing Camels responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies

- Replacement cost above a minimum threshold

Long-Lived Property Elements may not have predictable Remaining Useful Lives or their replacement may occur beyond the 30-year scope of the study. The operating budget should fund infrequent repairs. Funding untimely or unexpected replacements from reserves will necessitate increases to Reserve Contributions. Periodic updates of this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan. We identify the following Long-Lived Property Elements as excluded from the 30-year Reserve Expenditures at this time:

- Electrical Systems, Common
- Foundation, Guard House
- Inlet/Outlet Structures, Concrete, Storm Water Management System
- Retaining Wall, Concrete, Replacement
- Structural Frames, Guard House

Concrete retaining wall

The operating budget provides money for the repair and replacement of certain Reserve Components. The Association may develop independent criteria for use of operating and reserve funds. For purposes of calculating appropriate Reserve Contributions, we identify the following list of Operating Budget Funded Repairs and Replacements:

- General Maintenance to the Common Elements
- Expenditures less than $2,500 (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions.)
- Catch Basins
- Dog Waste Stations
- Guard House, Exterior Renovations (Excluding Roof, Windows and Doors)
- Flag Poles
- Guard House, Interior Renovations
- Guard Rails
- Irrigation System, Maintenance

- Landscape, Annual Maintenance
- Paint Finishes, Touch Up
- Perimeter Walls, Stucco and Masonry, Paint Finishes and Capital Repairs
- Pipes, Common, Guard House
- Ponds, Detention, Maintenance
- Other Repairs normally funded through the Operating Budget

Flag pole

Detention pond

Certain items have been designated as the responsibility of the homeowners to repair or replace at their cost. Property Maintained by Homeowners, including items billed back to Homeowners, relates to unit:

- Homes and Lots

Certain items have been designated as the responsibility of others to repair or replace. Property Maintained by Others relates to:

- Clubhouse, Recreation Center and Associated Elements (Garden of the Gods Club)
- Golf Course and Associated Elements (Garden of the Gods Club)
- Sub Associations Maintained Elements (Excluding the Streets) (Individual Sub Associations)

3. RESERVE EXPENDITURES and FUNDING PLAN

The tables following this introduction present:

Reserve Expenditures

- Line item numbers
- Total quantities
- Quantities replaced per phase (in a single year)
- Reserve component inventory
- Estimated first year of event (i.e., replacement, application, etc.)
- Life analysis showing
  - useful life
  - remaining useful life
- 2022 local cost of replacement
  - Per unit
  - Per phase
  - Replacement of total quantity
- Percentage of future expenditures anticipated during the next 30 years
- Schedule of estimated future costs for each reserve component including inflation

Reserve Funding Plan

- Reserves at the beginning of each year
- Total recommended reserve contributions
- Estimated interest earned from invested reserves
- Anticipated expenditures by year
- Anticipated reserves at year end

Five-Year Outlook

- Line item numbers
- Reserve component inventory of only the expenditures anticipated to occur within the first five years
- Schedule of estimated future costs for each reserve component anticipated to occur within the first five years

The purpose of a Reserve Study is to provide an opinion of reasonable annual Reserve Contributions. Prediction of exact timing and costs of minor Reserve Expenditures typically will not significantly affect the 30-year cash flow analysis. Adjustments to the times and/or costs of expenditures may not always result in an adjustment in the recommended Reserve Contributions.

Financial statements prepared by your association, by you or others might rely in part on information contained in this section. For your convenience, we have provided an electronic data file containing the tables of ***Reserve Expenditures*** and ***Reserve Funding Plan***.

Street

RESERVE EXPENDITURES

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Explanatory Notes:

1) 3.5% is Reserve Advisors estimated Inflation Rate for estimating Future Replacement Costs. At the request of Management and the Board we use an estimated Inflation Rate of 6% in 2023, 5% in 2024 and 2025, 4% from 2026 through 2030 and 3.5% from 2031 through 2052

2) FY2022 is Fiscal Year beginning July 1, 2021 and ending June 30, 2022.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Life Analysis, Years Remaining	Unit Cost, $	Percentage Ownership	Per Phase (2022)	Total (2022)	Percentage of Future Expenditures	RUL = 0 FY2022	1 2023	2 2024	3 2025	4 2026	5 2027	6 2028	7 2029	8 2030	9 2031	10 2032	11 2033	12 2034	13 2035	14 2036	15 2037
				Street Elements																								
				Area 1: Primary Roads																								
1.101	173,830	173,830	Square Feet	Asphalt Pavement, Kissing Camels Drive, Slurry	2025	8 to 12	3	0.45	100%	78,224	78,224	2.2%				91,416									123,314			
1.103	173,830	173,830	Square Feet	Asphalt Pavement, Kissing Camels Drive, Mill and Overlay (2")	2024	15 to 25	2	1.84	100%	319,847	319,847	1.3%			355,991													
1.105	173,830	173,830	Square Feet	Asphalt Pavement, Kissing Camels Drive, Mill and Overlay (3"+)	2048	15 to 25	26	4.16	100%	723,133	723,133	7.1%																
1.107	69,375	69,375	Square Feet	Asphalt Pavement, Hill Circle from Kissing Camels Drive to North Gate, Slurry	2025	8 to 12	3	0.45	100%	31,219	31,219	0.9%				36,484									49,214			
1.109	69,375	69,375	Square Feet	Asphalt Pavement, Hill Circle from Kissing Camels Drive to North Gate, Mill and Overlay (2")	2024	15 to 25	2	1.84	100%	127,650	127,650	0.5%			142,075													
1.111	69,375	69,375	Square Feet	Asphalt Pavement, Hill Circle from Kissing Camels Drive to North Gate, Mill and Overlay (3"+)	2048	15 to 25	26	4.16	100%	288,600	288,600	2.8%																
1.113	76,260	76,260	Square Feet	Asphalt Pavement, North Gate to Glen Vista Point, Slurry (2025 is Accelerated Timing)	2025	8 to 12	3	0.45	100%	34,317	34,317	0.9%				40,105					48,794							
1.115	76,260	76,260	Square Feet	Asphalt Pavement, North Gate to Glen Vista Point, Mill and Overlay (2") (2024 is Accelerated Timing)	2024	15 to 25	2	1.84	100%	140,318	140,318	1.3%			156,175					191,838								
1.119	41,350	41,350	Square Feet	Asphalt Pavement, Glen Vista Point to North End of Glen Vista Point, Slurry	2025	8 to 12	3	0.45	100%	18,608	18,608	0.5%				21,746									29,333			
1.121	41,350	41,350	Square Feet	Asphalt Pavement, Glen Vista Point to North End of Glen Vista Point, Mill and Overlay (2")	2032	15 to 25	10	1.84	100%	76,084	76,084	0.4%											115,885					
1.125	82,350	82,350	Square Feet	Asphalt Pavement, Hill Circle - Glen Vista Point to Greenside Point, Slurry	2027	8 to 12	5	0.45	100%	37,058	37,058	1.1%						46,841								62,580		
1.129	82,350	82,350	Square Feet	Asphalt Pavement, Hill Circle - Glen Vista Point to Greenside Point, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	342,576	342,576	2.7%																
1.131	68,250	68,250	Square Feet	Asphalt Pavement, Hill Circle - Greenside Point to Kissing Camels Drive, Slurry	2027	8 to 12	5	0.45	100%	30,713	30,713	0.9%						38,821								51,865		
1.135	68,250	68,250	Square Feet	Asphalt Pavement, Hill Circle - Greenside Point to Kissing Camels Drive, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	283,920	283,920	2.3%																
1.137	97,755	97,755	Square Feet	Asphalt Pavement, Hill Circle - Kissing Camels Drive to Camels Ridge, Slurry	2027	8 to 12	5	0.45	100%	43,990	43,990	1.3%						55,604								74,286		
1.141	97,755	97,755	Square Feet	Asphalt Pavement, Hill Circle - Kissing Camels Drive to Camels Ridge, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	406,661	406,661	3.3%																
1.143	78,814	78,814	Square Feet	Asphalt Pavement, Hill Circle - Camels Ridge to South End of Median at Curve, Slurry	2027	8 to 12	5	0.45	100%	35,466	35,466	1.1%						44,830								59,892		
1.147	78,814	78,814	Square Feet	Asphalt Pavement, Hill Circle - Camels Ridge to South End of Median at Curve, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	327,866	327,866	2.6%																
1.149	39,846	39,846	Square Feet	Asphalt Pavement, Hill Circle - South End of Median at Curve to Hillbrook, Slurry	2023	8 to 12	1	0.45	100%	17,931	17,931	0.5%		19,007								26,387						
1.153	39,846	39,846	Square Feet	Asphalt Pavement, Hill Circle - South End of Median at Curve to Hillbrook, Mill and Overlay (3"+)	2046	15 to 25	24	4.16	100%	165,759	165,759	1.5%																
1.155	27,180	27,180	Square Feet	Asphalt Pavement, Grand Market Place, Slurry	2023	8 to 12	1	0.45	100%	12,231	12,231	0.3%		12,965								17,999						
1.159	27,180	27,180	Square Feet	Asphalt Pavement, Grand Market Place, Mill and Overlay (3"+)	2046	15 to 25	24	4.16	100%	113,069	113,069	1.0%																
1.161	71,850	71,850	Square Feet	Asphalt Pavement, Hillbrook to Kissing Camels Drive, Slurry	2028	8 to 12	6	0.45	100%	32,333	32,333	1.0%							42,504								56,511	
1.165	71,850	71,850	Square Feet	Asphalt Pavement, Hillbrook to Kissing Camels Drive, Mill and Overlay (3"+)	2043	15 to 25	21	4.16	100%	298,896	298,896	2.5%																
				Area 2: Northwest																								
1.201	72,160	72,160	Square Feet	Asphalt Pavement, Camelrock View, Slurry	2024	8 to 12	2	0.45	100%	32,472	32,472	0.9%			36,141								49,459					
1.205	72,160	72,160	Square Feet	Asphalt Pavement, Camelrock View, Mill and Overlay (3"+)	2039	15 to 25	17	4.16	100%	300,186	300,186	2.2%																
1.207	70,890	70,890	Square Feet	Asphalt Pavement, Camels View, Slurry	2024	8 to 12	2	0.45	100%	31,901	31,901	0.9%			35,505								48,588					
1.211	70,890	70,890	Square Feet	Asphalt Pavement, Camels View, Mill and Overlay (3+")	2039	15 to 25	17	4.16	100%	294,902	294,902	2.1%																
1.213	20,922	20,922	Square Feet	Asphalt Pavement, Twinflower, Slurry	2026	8 to 12	4	0.45	100%	9,415	9,415	0.3%					11,443								15,361			
1.215	20,922	20,922	Square Feet	Asphalt Pavement, Twinflower, Mill and Overlay (2")	2025	15 to 25	3	1.84	100%	38,496	38,496	0.2%				44,989												
1.217	20,922	20,922	Square Feet	Asphalt Pavement, Twinflower, Mill and Overlay (3"+)	2049	15 to 25	27	4.16	100%	87,036	87,036	0.9%																
1.219	50,794	50,794	Square Feet	Asphalt Pavement, Camel Grove, Slurry	2026	8 to 12	4	0.45	100%	22,857	22,857	0.7%					27,781								37,294			
1.221	50,794	50,794	Square Feet	Asphalt Pavement, Camel Grove, Mill and Overlay (2")	2025	15 to 25	3	1.84	100%	93,461	93,461	0.4%				109,224												
1.223	50,794	50,794	Square Feet	Asphalt Pavement, Camel Grove, Mill and Overlay (3"+)	2049	15 to 25	27	4.16	100%	211,303	211,303	2.2%																
1.225	36,817	36,817	Square Feet	Asphalt Pavement, Lyda Lane, Slurry	2026	8 to 12	4	0.45	100%	16,568	16,568	0.5%					20,136								27,032			
1.227	36,817	36,817	Square Feet	Asphalt Pavement, Lyda Lane, Mill and Overlay (2")	2025	15 to 25	3	1.84	100%	67,743	67,743	0.3%				79,168												
1.229	36,817	36,817	Square Feet	Asphalt Pavement, Lyda Lane, Mill and Overlay (3"+)	2049	15 to 25	27	4.16	100%	153,159	153,159	1.6%																
1.231	35,100	35,100	Square Feet	Asphalt Pavement, Lyons Point, Slurry	2026	8 to 12	4	0.45	100%	15,795	15,795	0.5%					19,197								25,771			
1.233	35,100	35,100	Square Feet	Asphalt Pavement, Lyons Point, Mill and Overlay (2")	2041	15 to 25	19	1.84	100%	64,584	64,584	0.5%																
				Area 3: Northeast																								
1.301	29,363	29,363	Square Feet	Asphalt Pavement, Reserve Point, Slurry	2024	8 to 12	2	0.45	100%	13,213	13,213	0.4%			14,707								20,126					
1.303	29,363	29,363	Square Feet	Asphalt Pavement, Reserve Point, Mill and Overlay (2")	2023	15 to 25	1	1.84	100%	54,028	54,028	0.2%		57,270														
1.305	29,363	29,363	Square Feet	Asphalt Pavement, Reserve Point, Mill and Overlay (3"+)	2047	15 to 25	25	4.16	100%	122,150	122,150	1.2%																

Street

RESERVE EXPENDITURES

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Cost, $	Percentage Ownership	Costs, $ Per Phase (2022)	Total (2022)	Percentage of Future Expenditures	16 2038	17 2039	18 2040	19 2041	20 2042	21 2043	22 2044	23 2045	24 2046	25 2047	26 2048	27 2049	28 2050	29 2051	30 2052
				Street Elements																							
				Area 1: Primary Roads																							
1.101	173,830	173,830	Square Feet	Asphalt Pavement, Kissing Camels Drive, Slurry	2025	8 to 12	3	0.45	100%	78,224	78,224	2.2%				162,381								213,825			
1.103	173,830	173,830	Square Feet	Asphalt Pavement, Kissing Camels Drive, Mill and Overlay (2")	2024	15 to 25	2	1.84	100%	319,847	319,847	1.3%															
1.105	173,830	173,830	Square Feet	Asphalt Pavement, Kissing Camels Drive, Mill and Overlay (3"+)	2048	15 to 25	26	4.16	100%	723,133	723,133	7.1%											1,909,843				
1.107	69,375	69,375	Square Feet	Asphalt Pavement, Hill Circle from Kissing Camels Drive to North Gate, Slurry	2025	8 to 12	3	0.45	100%	31,219	31,219	0.9%				64,806								85,337			
1.109	69,375	69,375	Square Feet	Asphalt Pavement, Hill Circle from Kissing Camels Drive to North Gate, Mill and Overlay (2")	2024	15 to 25	2	1.84	100%	127,650	127,650	0.5%															
1.111	69,375	69,375	Square Feet	Asphalt Pavement, Hill Circle from Kissing Camels Drive to North Gate, Mill and Overlay (3"+)	2048	15 to 25	26	4.16	100%	288,600	288,600	2.8%											762,212				
1.113	76,260	76,260	Square Feet	Asphalt Pavement, North Gate to Glen Vista Point, Slurry (2025 is Accelerated Timing)	2025	8 to 12	3	0.45	100%	34,317	34,317	0.9%	64,252								84,608						
1.115	76,260	76,260	Square Feet	Asphalt Pavement, North Gate to Glen Vista Point, Mill and Overlay (2") (2024 is Accelerated Timing)	2024	15 to 25	2	1.84	100%	140,318	140,318	1.3%															
1.119	41,350	41,350	Square Feet	Asphalt Pavement, Glen Vista Point to North End of Glen Vista Point, Slurry	2025	8 to 12	3	0.45	100%	18,608	18,608	0.5%				38,626								50,864			
1.121	41,350	41,350	Square Feet	Asphalt Pavement, Glen Vista Point to North End of Glen Vista Point, Mill and Overlay (2")	2032	15 to 25	10	1.84	100%	76,084	76,084	0.4%															
1.125	82,350	82,350	Square Feet	Asphalt Pavement, Hill Circle - Glen Vista Point to Greenside Point, Slurry	2027	8 to 12	5	0.45	100%	37,058	37,058	1.1%						82,405								108,512	
1.129	82,350	82,350	Square Feet	Asphalt Pavement, Hill Circle - Glen Vista Point to Greenside Point, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	342,576	342,576	2.7%					736,026									
1.131	68,250	68,250	Square Feet	Asphalt Pavement, Hill Circle - Greenside Point to Kissing Camels Drive, Slurry	2027	8 to 12	5	0.45	100%	30,713	30,713	0.9%						68,296								89,932	
1.135	68,250	68,250	Square Feet	Asphalt Pavement, Hill Circle - Greenside Point to Kissing Camels Drive, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	283,920	283,920	2.3%					610,003									
1.137	97,755	97,755	Square Feet	Asphalt Pavement, Hill Circle - Kissing Camels Drive to Camels Ridge, Slurry	2027	8 to 12	5	0.45	100%	43,990	43,990	1.3%						97,821								128,810	
1.141	97,755	97,755	Square Feet	Asphalt Pavement, Hill Circle - Kissing Camels Drive to Camels Ridge, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	406,661	406,661	3.3%					873,712									
1.143	78,814	78,814	Square Feet	Asphalt Pavement, Hill Circle - Camels Ridge to South End of Median at Curve, Slurry	2027	8 to 12	5	0.45	100%	35,466	35,466	1.1%						78,867								103,852	
1.147	78,814	78,814	Square Feet	Asphalt Pavement, Hill Circle - Camels Ridge to South End of Median at Curve, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	327,866	327,866	2.6%					704,422									
1.149	39,846	39,846	Square Feet	Asphalt Pavement, Hill Circle - South End of Median at Curve to Hillbrook, Slurry	2023	8 to 12	1	0.45	100%	17,931	17,931	0.5%	34,747									45,755					
1.153	39,846	39,846	Square Feet	Asphalt Pavement, Hill Circle - South End of Median at Curve to Hillbrook, Mill and Overlay (3"+)	2046	15 to 25	24	4.16	100%	165,759	165,759	1.5%									408,676						
1.155	27,180	27,180	Square Feet	Asphalt Pavement, Grand Market Place, Slurry	2023	8 to 12	1	0.45	100%	12,231	12,231	0.3%	23,702									31,211					
1.159	27,180	27,180	Square Feet	Asphalt Pavement, Grand Market Place, Mill and Overlay (3"+)	2046	15 to 25	24	4.16	100%	113,069	113,069	1.0%									278,769						
1.161	71,850	71,850	Square Feet	Asphalt Pavement, Hillbrook to Kissing Camels Drive, Slurry	2028	8 to 12	6	0.45	100%	32,333	32,333	1.0%							74,415								97,990
1.165	71,850	71,850	Square Feet	Asphalt Pavement, Hillbrook to Kissing Camels Drive, Mill and Overlay (3"+)	2043	15 to 25	21	4.16	100%	298,896	298,896	2.5%						664,660									
				Area 2: Northwest																							
1.201	72,160	72,160	Square Feet	Asphalt Pavement, Camelrock View, Slurry	2024	8 to 12	2	0.45	100%	32,472	32,472	0.9%		65,128									85,761				
1.205	72,160	72,160	Square Feet	Asphalt Pavement, Camelrock View, Mill and Overlay (3"+)	2039	15 to 25	17	4.16	100%	300,186	300,186	2.2%	581,709														
1.207	70,890	70,890	Square Feet	Asphalt Pavement, Camels View, Slurry	2024	8 to 12	2	0.45	100%	31,901	31,901	0.9%		63,982									84,251				
1.211	70,890	70,890	Square Feet	Asphalt Pavement, Camels View, Mill and Overlay (3+")	2039	15 to 25	17	4.16	100%	294,902	294,902	2.1%	571,471														
1.213	20,922	20,922	Square Feet	Asphalt Pavement, Twinflower, Slurry	2026	8 to 12	4	0.45	100%	9,415	9,415	0.3%					20,228								26,637		
1.215	20,922	20,922	Square Feet	Asphalt Pavement, Twinflower, Mill and Overlay (2")	2025	15 to 25	3	1.84	100%	38,496	38,496	0.2%															
1.217	20,922	20,922	Square Feet	Asphalt Pavement, Twinflower, Mill and Overlay (3"+)	2049	15 to 25	27	4.16	100%	87,036	87,036	0.9%												237,913			
1.219	50,794	50,794	Square Feet	Asphalt Pavement, Camel Grove, Slurry	2026	8 to 12	4	0.45	100%	22,857	22,857	0.7%					49,109								64,668		
1.221	50,794	50,794	Square Feet	Asphalt Pavement, Camel Grove, Mill and Overlay (2")	2025	15 to 25	3	1.84	100%	93,461	93,461	0.4%															
1.223	50,794	50,794	Square Feet	Asphalt Pavement, Camel Grove, Mill and Overlay (3"+)	2049	15 to 25	27	4.16	100%	211,303	211,303	2.2%												577,599			
1.225	36,817	36,817	Square Feet	Asphalt Pavement, Lyda Lane, Slurry	2026	8 to 12	4	0.45	100%	16,568	16,568	0.5%					35,596								46,873		
1.227	36,817	36,817	Square Feet	Asphalt Pavement, Lyda Lane, Mill and Overlay (2")	2025	15 to 25	3	1.84	100%	67,743	67,743	0.3%															
1.229	36,817	36,817	Square Feet	Asphalt Pavement, Lyda Lane, Mill and Overlay (3"+)	2049	15 to 25	27	4.16	100%	153,159	153,159	1.6%												418,661			
1.231	35,100	35,100	Square Feet	Asphalt Pavement, Lyons Point, Slurry	2026	8 to 12	4	0.45	100%	15,795	15,795	0.5%					33,936								44,687		
1.233	35,100	35,100	Square Feet	Asphalt Pavement, Lyons Point, Mill and Overlay (2")	2041	15 to 25	19	1.84	100%	64,584	64,584	0.5%				134,067											
				Area 3: Northeast																							
1.301	29,363	29,363	Square Feet	Asphalt Pavement, Reserve Point, Slurry	2024	8 to 12	2	0.45	100%	13,213	13,213	0.4%		26,501									34,897				
1.303	29,363	29,363	Square Feet	Asphalt Pavement, Reserve Point, Mill and Overlay (2")	2023	15 to 25	1	1.84	100%	54,028	54,028	0.2%															
1.305	29,363	29,363	Square Feet	Asphalt Pavement, Reserve Point, Mill and Overlay (3"+)	2047	15 to 25	25	4.16	100%	122,150	122,150	1.2%										311,699					

Street

RESERVE EXPENDITURES

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Explanatory Notes:

1) 3.5% is Reserve Advisors estimated Inflation Rate for estimating Future Replacement Costs. At the request of Management and the Board we use an estimated Inflation Rate of 6% in 2023, 5% in 2024 and 2025, 4% from 2026 through 2030 and 3.5% from 2031 through 2052

2) FY2022 is Fiscal Year beginning July 1, 2021 and ending June 30, 2022.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Cost, $	Percentage Ownership	Costs, $ Per Phase (2022)	Total (2022)	Percentage of Future Expenditures	RUL = 0 FY2022	1 2023	2 2024	3 2025	4 2026	5 2027	6 2028	7 2029	8 2030	9 2031	10 2032	11 2033	12 2034	13 2035	14 2036	15 2037
1.307	13,427	13,427	Square Feet	Asphalt Pavement, Greenside Point, Slurry	2024	8 to 12	2	0.45	100%	6,042	6,042	0.2%			6,725								9,203					
1.309	13,427	13,427	Square Feet	Asphalt Pavement, Greenside Point, Mill and Overlay (2")	2023	15 to 25	1	1.84	100%	24,706	24,706	0.1%		26,188														
1.311	13,427	13,427	Square Feet	Asphalt Pavement, Greenside Point, Mill and Overlay (3"+)	2047	15 to 25	25	4.16	100%	55,856	55,856	0.5%																
1.313	10,547	10,547	Square Feet	Asphalt Pavement, Star Rise Point, Slurry	2024	8 to 12	2	0.45	100%	4,746	4,746	0.1%			5,282								7,229					
1.315	10,547	10,547	Square Feet	Asphalt Pavement, Star Rise Point, Mill and Overlay (2")	2023	15 to 25	1	1.84	100%	19,406	19,406	0.1%		20,571														
1.317	10,547	10,547	Square Feet	Asphalt Pavement, Star Rise Point, Mill and Overlay (3"+)	2047	15 to 25	25	4.16	100%	43,876	43,876	0.4%																
1.319	5,642	5,642	Square Feet	Asphalt Pavement, Lumina View, Slurry	2024	8 to 12	2	0.45	100%	2,539	2,539	0.1%			2,826								3,867					
1.321	5,642	5,642	Square Feet	Asphalt Pavement, Lumina View, Mill and Overlay (2")	2023	15 to 25	1	1.84	100%	10,381	10,381	0.0%		11,004														
1.323	5,642	5,642	Square Feet	Asphalt Pavement, Lumina View, Mill and Overlay (3"+)	2047	15 to 25	25	4.16	100%	23,471	23,471	0.2%																
1.325	37,290	37,290	Square Feet	Asphalt Pavement, Coyote Point, Slurry	2025	8 to 12	3	0.45	100%	16,781	16,781	0.5%				19,611								26,453				
1.327	37,290	37,290	Square Feet	Asphalt Pavement, Coyote Point, Mill and Overlay (2")	2032	15 to 25	10	1.84	100%	68,614	68,614	0.4%											104,507					
1.331	12,502	12,502	Square Feet	Asphalt Pavement, Elisa Court, Slurry	2025	8 to 12	3	0.45	100%	5,626	5,626	0.2%				6,575								8,869				
1.333	12,502	12,502	Square Feet	Asphalt Pavement, Elisa Court, Mill and Overlay (2")	2032	15 to 25	10	1.84	100%	23,004	23,004	0.1%											35,037					
				Area 4: East																								
1.401	7,452	7,452	Square Feet	Asphalt Pavement, Alta Mesa Court, Slurry	2023	8 to 12	1	0.45	100%	3,353	3,353	0.1%		3,555								4,935						
1.403	7,452	7,452	Square Feet	Asphalt Pavement, Alta Mesa Court, Mill and Overlay (2")	2046	15 to 25	24	1.84	100%	13,712	13,712	0.1%																
1.405	7,452	7,452	Square Feet	Asphalt Pavement, Alta Mesa Court, Mill and Overlay (3"+)	2022	15 to 25	0	4.16	100%	31,000	31,000	0.1%	31,000															
1.407	13,652	13,652	Square Feet	Asphalt Pavement, Brushland Court, Slurry	2023	8 to 12	1	0.45	100%	6,143	6,143	0.2%		6,512								9,041						
1.409	13,652	13,652	Square Feet	Asphalt Pavement, Brushland Court, Mill and Overlay (2")	2046	15 to 25	24	1.84	100%	25,120	25,120	0.2%																
1.411	13,652	13,652	Square Feet	Asphalt Pavement, Brushland Court, Mill and Overlay (3"+)	2022	15 to 25	0	4.16	100%	56,792	56,792	0.2%	56,792															
1.413	11,077	11,077	Square Feet	Asphalt Pavement, Edgecliff Court, Slurry	2023	8 to 12	1	0.45	100%	4,985	4,985	0.1%		5,284								7,336						
1.415	11,077	11,077	Square Feet	Asphalt Pavement, Edgecliff Court, Mill and Overlay (2")	2046	15 to 25	24	1.84	100%	20,382	20,382	0.2%																
1.417	11,077	11,077	Square Feet	Asphalt Pavement, Edgecliff Court, Mill and Overlay (3"+)	2022	15 to 25	0	4.16	100%	46,080	46,080	0.2%	46,080															
1.419	11,602	11,602	Square Feet	Asphalt Pavement, Cumulus View, Slurry	2023	8 to 12	1	0.45	100%	5,221	5,221	0.1%		5,534								7,683						
1.421	11,602	11,602	Square Feet	Asphalt Pavement, Cumulus View, Mill and Overlay (2")	2046	15 to 25	24	1.84	100%	21,348	21,348	0.2%																
1.423	11,602	11,602	Square Feet	Asphalt Pavement, Cumulus View, Mill and Overlay (3"+)	2022	15 to 25	0	4.16	100%	48,264	48,264	0.2%	48,264															
1.425	13,125	13,125	Square Feet	Asphalt Pavement, Moonrise Court, Slurry	2023	8 to 12	1	0.45	100%	5,906	5,906	0.2%		6,261								8,692						
1.427	13,125	13,125	Square Feet	Asphalt Pavement, Moonrise Court, Mill and Overlay (2")	2046	15 to 25	24	1.84	100%	24,150	24,150	0.2%																
1.429	13,125	13,125	Square Feet	Asphalt Pavement, Moonrise Court, Mill and Overlay (3"+)	2022	15 to 25	0	4.16	100%	54,600	54,600	0.2%	54,600															
1.431	66,002	66,002	Square Feet	Asphalt Pavement, Camels Ridge Lane, Slurry	2027	8 to 12	5	0.45	100%	29,701	29,701	0.9%						37,543							50,156			
1.435	66,002	66,002	Square Feet	Asphalt Pavement, Camels Ridge Lane, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	274,568	274,568	2.2%																
1.437	60,612	60,612	Square Feet	Asphalt Pavement, Camels Ridge Lane - Hill Circle Side Street, Slurry	2027	8 to 12	5	0.45	100%	27,275	27,275	0.8%						34,477							46,060			
1.441	60,612	60,612	Square Feet	Asphalt Pavement, Camels Ridge Lane - Hill Circle Side Street, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	252,146	252,146	2.0%																
				Area 5: Park/C. Point																								
1.501	7,777	7,777	Square Feet	Asphalt Pavement, Park - Shebas Way, Slurry	2025	8 to 12	3	0.45	100%	3,500	3,500	0.1%				4,090								5,517				
1.505	7,777	7,777	Square Feet	Asphalt Pavement, Park - Shebas Way, Mill and Overlay (3"+)	2040	15 to 25	18	4.16	100%	32,352	32,352	0.2%																
1.507	40,316	40,316	Square Feet	Asphalt Pavement, Park - Camel Drive, Slurry	2025	8 to 12	3	0.45	100%	18,142	18,142	0.5%				21,202								28,600				
1.511	40,316	40,316	Square Feet	Asphalt Pavement, Park - Camel Drive, Mill and Overlay (3"+)	2040	15 to 25	18	4.16	100%	167,715	167,715	1.3%																
1.513	35,767	35,767	Square Feet	Asphalt Pavement, Park - Smoochers Circle, Slurry	2025	8 to 12	3	0.45	100%	16,095	16,095	0.5%				18,810								25,373				
1.517	35,767	35,767	Square Feet	Asphalt Pavement, Park - Smoochers Circle, Mill and Overlay (3"+)	2040	15 to 25	18	4.16	100%	148,791	148,791	1.1%																
1.519	12,580	12,580	Square Feet	Asphalt Pavement, Park - Sheiks, Slurry	2025	8 to 12	3	0.45	100%	5,661	5,661	0.2%				6,616								8,924				
1.523	12,580	12,580	Square Feet	Asphalt Pavement, Park - Sheiks, Mill and Overlay (3"+)	2040	15 to 25	18	4.16	100%	52,333	52,333	0.4%																
1.525	10,419	10,419	Square Feet	Asphalt Pavement, Park - Shebas Place, Slurry	2025	8 to 12	3	0.45	100%	4,689	4,689	0.1%				5,479								7,391				
1.529	10,419	10,419	Square Feet	Asphalt Pavement, Park - Shebas Place, Mill and Overlay (3"+)	2040	15 to 25	18	4.16	100%	43,343	43,343	0.3%																
1.531	9,400	9,400	Square Feet	Asphalt Pavement, Virdian Point, Slurry	2025	8 to 12	3	0.45	100%	4,230	4,230	0.1%				4,943								6,668				
1.533	9,400	9,400	Square Feet	Asphalt Pavement, Virdian Point, Mill and Overlay (2")	2040	15 to 25	18	1.84	100%	17,296	17,296	0.1%																

Street

RESERVE EXPENDITURES

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Cost, $	Percentage Ownership	Costs, $ Per Phase (2022)	Total (2022)	Percentage of Future Expenditures	16 2038	17 2039	18 2040	19 2041	20 2042	21 2043	22 2044	23 2045	24 2046	25 2047	26 2048	27 2049	28 2050	29 2051	30 2052
1.307	13,427	13,427	Square Feet	Asphalt Pavement, Greenside Point, Slurry	2024	8 to 12	2	0.45	100%	6,042	6,042	0.2%			12,118								15,958				
1.309	13,427	13,427	Square Feet	Asphalt Pavement, Greenside Point, Mill and Overlay (2")	2023	15 to 25	1	1.84	100%	24,706	24,706	0.1%															
1.311	13,427	13,427	Square Feet	Asphalt Pavement, Greenside Point, Mill and Overlay (3"+)	2047	15 to 25	25	4.16	100%	55,856	55,856	0.5%										142,532					
1.313	10,547	10,547	Square Feet	Asphalt Pavement, Star Rise Point, Slurry	2024	8 to 12	2	0.45	100%	4,746	4,746	0.1%			9,519								12,535				
1.315	10,547	10,547	Square Feet	Asphalt Pavement, Star Rise Point, Mill and Overlay (2")	2023	15 to 25	1	1.84	100%	19,406	19,406	0.1%															
1.317	10,547	10,547	Square Feet	Asphalt Pavement, Star Rise Point, Mill and Overlay (3"+)	2047	15 to 25	25	4.16	100%	43,876	43,876	0.4%										111,960					
1.319	5,642	5,642	Square Feet	Asphalt Pavement, Lumina View, Slurry	2024	8 to 12	2	0.45	100%	2,539	2,539	0.1%			5,092								6,705				
1.321	5,642	5,642	Square Feet	Asphalt Pavement, Lumina View, Mill and Overlay (2")	2023	15 to 25	1	1.84	100%	10,381	10,381	0.0%															
1.323	5,642	5,642	Square Feet	Asphalt Pavement, Lumina View, Mill and Overlay (3"+)	2047	15 to 25	25	4.16	100%	23,471	23,471	0.2%										59,892					
1.325	37,290	37,290	Square Feet	Asphalt Pavement, Coyote Point, Slurry	2025	8 to 12	3	0.45	100%	16,781	16,781	0.5%				34,834								45,870			
1.327	37,290	37,290	Square Feet	Asphalt Pavement, Coyote Point, Mill and Overlay (2")	2032	15 to 25	10	1.84	100%	68,614	68,614	0.4%															
1.331	12,502	12,502	Square Feet	Asphalt Pavement, Elisa Court, Slurry	2025	8 to 12	3	0.45	100%	5,626	5,626	0.2%				11,679								15,378			
1.333	12,502	12,502	Square Feet	Asphalt Pavement, Elisa Court, Mill and Overlay (2")	2032	15 to 25	10	1.84	100%	23,004	23,004	0.1%															
				Area 4: East																							
1.401	7,452	7,452	Square Feet	Asphalt Pavement, Alta Mesa Court, Slurry	2023	8 to 12	1	0.45	100%	3,353	3,353	0.1%		6,498								8,557					
1.403	7,452	7,452	Square Feet	Asphalt Pavement, Alta Mesa Court, Mill and Overlay (2")	2046	15 to 25	24	1.84	100%	13,712	13,712	0.1%									33,806						
1.405	7,452	7,452	Square Feet	Asphalt Pavement, Alta Mesa Court, Mill and Overlay (3"+)	2022	15 to 25	0	4.16	100%	31,000	31,000	0.1%															
1.407	13,652	13,652	Square Feet	Asphalt Pavement, Brushland Court, Slurry	2023	8 to 12	1	0.45	100%	6,143	6,143	0.2%		11,905								15,677					
1.409	13,652	13,652	Square Feet	Asphalt Pavement, Brushland Court, Mill and Overlay (2")	2046	15 to 25	24	1.84	100%	25,120	25,120	0.2%									61,932						
1.411	13,652	13,652	Square Feet	Asphalt Pavement, Brushland Court, Mill and Overlay (3"+)	2022	15 to 25	0	4.16	100%	56,792	56,792	0.2%															
1.413	11,077	11,077	Square Feet	Asphalt Pavement, Edgecliff Court, Slurry	2023	8 to 12	1	0.45	100%	4,985	4,985	0.1%		9,659								12,720					
1.415	11,077	11,077	Square Feet	Asphalt Pavement, Edgecliff Court, Mill and Overlay (2")	2046	15 to 25	24	1.84	100%	20,382	20,382	0.2%									50,251						
1.417	11,077	11,077	Square Feet	Asphalt Pavement, Edgecliff Court, Mill and Overlay (3"+)	2022	15 to 25	0	4.16	100%	46,080	46,080	0.2%															
1.419	11,602	11,602	Square Feet	Asphalt Pavement, Cumulus View, Slurry	2023	8 to 12	1	0.45	100%	5,221	5,221	0.1%		10,117								13,323					
1.421	11,602	11,602	Square Feet	Asphalt Pavement, Cumulus View, Mill and Overlay (2")	2046	15 to 25	24	1.84	100%	21,348	21,348	0.2%									52,632						
1.423	11,602	11,602	Square Feet	Asphalt Pavement, Cumulus View, Mill and Overlay (3"+)	2022	15 to 25	0	4.16	100%	48,264	48,264	0.2%															
1.425	13,125	13,125	Square Feet	Asphalt Pavement, Moonrise Court, Slurry	2023	8 to 12	1	0.45	100%	5,906	5,906	0.2%		11,445								15,071					
1.427	13,125	13,125	Square Feet	Asphalt Pavement, Moonrise Court, Mill and Overlay (2")	2046	15 to 25	24	1.84	100%	24,150	24,150	0.2%									59,541						
1.429	13,125	13,125	Square Feet	Asphalt Pavement, Moonrise Court, Mill and Overlay (3"+)	2022	15 to 25	0	4.16	100%	54,600	54,600	0.2%															
1.431	66,002	66,002	Square Feet	Asphalt Pavement, Camels Ridge Lane, Slurry	2027	8 to 12	5	0.45	100%	29,701	29,701	0.9%						66,046									86,970
1.435	66,002	66,002	Square Feet	Asphalt Pavement, Camels Ridge Lane, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	274,568	274,568	2.2%					589,911										
1.437	60,612	60,612	Square Feet	Asphalt Pavement, Camels Ridge Lane - Hill Circle Side Street, Slurry	2027	8 to 12	5	0.45	100%	27,275	27,275	0.8%						60,653									79,868
1.441	60,612	60,612	Square Feet	Asphalt Pavement, Camels Ridge Lane - Hill Circle Side Street, Mill and Overlay (3"+)	2042	15 to 25	20	4.16	100%	252,146	252,146	2.0%					541,737										
				Area 5: Park/C. Point																							
1.501	7,777	7,777	Square Feet	Asphalt Pavement, Park - Shebas Way, Slurry	2025	8 to 12	3	0.45	100%	3,500	3,500	0.1%				7,265								9,566			
1.505	7,777	7,777	Square Feet	Asphalt Pavement, Park - Shebas Way, Mill and Overlay (3"+)	2040	15 to 25	18	4.16	100%	32,352	32,352	0.2%			64,888												
1.507	40,316	40,316	Square Feet	Asphalt Pavement, Park - Camel Drive, Slurry	2025	8 to 12	3	0.45	100%	18,142	18,142	0.5%				37,661								49,592			
1.511	40,316	40,316	Square Feet	Asphalt Pavement, Park - Camel Drive, Mill and Overlay (3"+)	2040	15 to 25	18	4.16	100%	167,715	167,715	1.3%			336,378												
1.513	35,767	35,767	Square Feet	Asphalt Pavement, Park - Smoochers Circle, Slurry	2025	8 to 12	3	0.45	100%	16,095	16,095	0.5%				33,411								43,996			
1.517	35,767	35,767	Square Feet	Asphalt Pavement, Park - Smoochers Circle, Mill and Overlay (3"+)	2040	15 to 25	18	4.16	100%	148,791	148,791	1.1%			298,424												
1.519	12,580	12,580	Square Feet	Asphalt Pavement, Park - Sheiks, Slurry	2025	8 to 12	3	0.45	100%	5,661	5,661	0.2%				11,751								15,474			
1.523	12,580	12,580	Square Feet	Asphalt Pavement, Park - Sheiks, Mill and Overlay (3"+)	2040	15 to 25	18	4.16	100%	52,333	52,333	0.4%			104,962												
1.525	10,419	10,419	Square Feet	Asphalt Pavement, Park - Shebas Place, Slurry	2025	8 to 12	3	0.45	100%	4,689	4,689	0.1%				9,733								12,816			
1.529	10,419	10,419	Square Feet	Asphalt Pavement, Park - Shebas Place, Mill and Overlay (3"+)	2040	15 to 25	18	4.16	100%	43,343	43,343	0.3%			86,931												
1.531	9,400	9,400	Square Feet	Asphalt Pavement, Virdian Point, Slurry	2025	8 to 12	3	0.45	100%	4,230	4,230	0.1%				8,781								11,563			
1.533	9,400	9,400	Square Feet	Asphalt Pavement, Virdian Point, Mill and Overlay (2")	2040	15 to 25	18	1.84	100%	17,296	17,296	0.1%			34,690												

Street

RESERVE EXPENDITURES

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Explanatory Notes:

1) 3.5% is Reserve Advisors estimated Inflation Rate for estimating Future Replacement Costs. At the request of Management and the Board we use an estimated Inflation Rate of 6% in 2023, 5% in 2024 and 2025, 4% from 2026 through 2030 and 3.5% from 2031 through 2052

2) FY2022 is Fiscal Year beginning July 1, 2021 and ending June 30, 2022.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Cost, $	Percentage Ownership	Costs, $ Per Phase (2022)	Total (2022)	Percentage of Future Expenditures	RUL = 0 FY2022	1 2023	2 2024	3 2025	4 2026	5 2027	6 2028	7 2029	8 2030	9 2031	10 2032	11 2033	12 2034	13 2035	14 2036	15 2037
				Area 6: South																								
1.601	27,258	27,258	Square Feet	Asphalt Pavement, The Retreat, Slurry	2025	8 to 12	3	0.45	100%	12,266	12,266	0.3%				14,335								19,337				
1.603	27,258	27,258	Square Feet	Asphalt Pavement, The Retreat, Mill and Overlay (2")	2040	15 to 25	18	1.84	100%	50,155	50,155	0.4%																
1.607	9,408	9,408	Square Feet	Asphalt Pavement, Hillbrook Lane, Slurry	2022	8 to 12	0	0.45	100%	4,234	4,234	0.1%	4,234								6,020							
1.609	9,408	9,408	Square Feet	Asphalt Pavement, Hillbrook Lane, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	17,311	17,311	0.2%																
1.613	14,832	14,832	Square Feet	Asphalt Pavement, Valleybrook, Slurry	2022	8 to 12	0	0.45	100%	6,674	6,674	0.2%	6,674								9,490							
1.615	14,832	14,832	Square Feet	Asphalt Pavement, Valleybrook, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	27,291	27,291	0.2%																
1.619	18,786	18,786	Square Feet	Asphalt Pavement, Rockbrook Lane, Slurry	2022	8 to 12	0	0.45	100%	8,454	8,454	0.2%	8,454								12,020							
1.621	18,786	18,786	Square Feet	Asphalt Pavement, Rockbrook Lane, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	34,566	34,566	0.3%																
1.625	20,472	20,472	Square Feet	Asphalt Pavement, Shadybrook Lane, Slurry	2022	8 to 12	0	0.45	100%	9,212	9,212	0.2%	9,212								13,099							
1.627	20,472	20,472	Square Feet	Asphalt Pavement, Shadybrook Lane, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	37,668	37,668	0.3%																
1.631	10,379	10,379	Square Feet	Asphalt Pavement, Inwood Circle, Slurry	2022	8 to 12	0	0.45	100%	4,671	4,671	0.1%	4,671								6,641							
1.633	10,379	10,379	Square Feet	Asphalt Pavement, Inwood Circle, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	19,097	19,097	0.2%																
1.637	8,416	8,416	Square Feet	Asphalt Pavement, Sunnybrook Circle, Slurry	2022	8 to 12	0	0.45	100%	3,787	3,787	0.1%	3,787								5,385							
1.639	8,416	8,416	Square Feet	Asphalt Pavement, Sunnybrook Circle, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	15,485	15,485	0.1%																
1.643	11,054	11,054	Square Feet	Asphalt Pavement, Hill Lane, Slurry	2022	8 to 12	0	0.45	100%	4,974	4,974	0.1%	4,974								7,073							
1.645	11,054	11,054	Square Feet	Asphalt Pavement, Hill Lane, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	20,339	20,339	0.2%																
1.649	30,225	30,225	Square Feet	Asphalt Pavement, Sunnybrook Lane, Slurry	2026	8 to 12	4	0.45	100%	13,601	13,601	0.4%					16,531								22,192			
1.653	30,225	30,225	Square Feet	Asphalt Pavement, Sunnybrook Lane, Mill and Overlay (3"+)	2041	15 to 25	19	4.16	100%	125,736	125,736	1.0%																
1.655	36,000	36,000	Square Feet	Asphalt Pavement, Inwood Road, Slurry	2026	8 to 12	4	0.45	100%	16,200	16,200	0.5%					19,690								26,432			
1.659	36,000	36,000	Square Feet	Asphalt Pavement, Inwood Road, Mill and Overlay (3"+)	2041	15 to 25	19	4.16	100%	149,760	149,760	1.2%																
				Area 7: Center/South																								
1.701	28,848	28,848	Square Feet	Asphalt Pavement, Chilson Lane, Slurry	2026	8 to 12	4	0.45	100%	12,982	12,982	0.4%					15,778								21,181			
1.705	28,848	28,848	Square Feet	Asphalt Pavement, Chilson Lane, Mill and Overlay (3"+)	2041	15 to 25	19	4.16	100%	120,008	120,008	0.9%																
1.707	26,750	26,750	Square Feet	Asphalt Pavement, Courtyard - Stagsleap Point, Slurry	2022	8 to 12	0	0.45	100%	12,038	12,038	0.3%	12,038								17,116							
1.711	26,750	26,750	Square Feet	Asphalt Pavement, Courtyard - Stagsleap Point, Mill and Overlay (3"+)	2037	15 to 25	15	4.16	100%	111,280	111,280	0.8%																201,306
1.713	8,984	8,984	Square Feet	Asphalt Pavement, Courtyard - Bishop Pine, Slurry	2022	8 to 12	0	0.45	100%	4,043	4,043	0.1%	4,043								5,748							
1.717	8,984	8,984	Square Feet	Asphalt Pavement, Courtyard - Bishop Pine, Mill and Overlay (3"+)	2037	15 to 25	15	4.16	100%	37,373	37,373	0.3%																67,609
1.719	14,730	14,730	Square Feet	Asphalt Pavement, Courtyard - Alder Point, Slurry	2022	8 to 12	0	0.45	100%	6,629	6,629	0.2%	6,628								9,425							
1.723	14,730	14,730	Square Feet	Asphalt Pavement, Courtyard - Alder Point, Mill and Overlay (3"+)	2037	15 to 25	15	4.16	100%	61,277	61,277	0.4%																110,850
1.725	29,993	29,993	Square Feet	Asphalt Pavement, Signature Point, Slurry	2026	8 to 12	4	0.45	100%	13,497	13,497	0.4%					16,404								22,022			
1.729	29,993	29,993	Square Feet	Asphalt Pavement, Signature Point, Mill and Overlay (3"+)	2041	15 to 25	19	4.16	100%	124,771	124,771	1.0%																
				Area 8: East																								
1.801	49,000	49,000	Square Feet	Asphalt Pavement, RRP1, Slurry	2027	8 to 12	5	0.45	100%	22,050	22,050	0.7%						27,872								37,236		
1.803	49,000	49,000	Square Feet	Asphalt Pavement, RRP1, Mill and Overlay (2")	2042	15 to 25	20	1.84	100%	90,160	90,160	0.7%																
1.807	49,000	49,000	Square Feet	Asphalt Pavement, RRP4 and Fillmore Gate, Slurry	2028	8 to 12	6	0.45	100%	22,050	22,050	0.7%							28,986								38,539	
1.809	49,000	49,000	Square Feet	Asphalt Pavement, RRP4 and Fillmore Gate, Mill and Overlay (2")	2043	15 to 25	21	1.84	100%	90,160	90,160	0.7%																
				Extra Projects																								
1.901	1	1	Allowance	Concrete Flatwork, Partial Replacements	2022	ongoing	0	5,300.00	100%	5,300	5,300	1.2%	5,300	5,618	5,899	6,194	6,442	6,699	6,967	7,246	7,536	7,800	8,073	8,355	8,648	8,950	9,263	9,588
1.903	1	1	Allowance	Crackfill, Asphalt Pavement	2022	ongoing	0	10,600.00	100%	10,600	10,600	2.3%	10,600	11,236	11,798	12,388	12,883	13,399	13,935	14,492	15,072	15,599	16,145	16,710	17,295	17,900	18,527	19,175
1.905	1	1	Allowance	Consultant Fees	2022	ongoing	0	24,480.00	100%	24,480	24,480	5.3%	24,480	25,949	27,246	28,609	29,753	30,943	32,181	33,468	34,807	36,025	37,286	38,591	39,942	41,340	42,786	44,284
1.907	1	1	Allowance	Contingency (Assumes 6% of Yearly Area 1-8 Work)	2022	ongoing	0	varies	100%	varies	varies	5.2%	18,087	10,449	45,326	31,488	8,818	17,159	4,289	11,510	8,449	4,924	23,634	20,340	11,837	22,925	5,703	22,786
				Anticipated Expenditures, By Year ($26,797,384 over 30 years)									359,918	227,403	845,696	603,472	204,856	354,188	128,862	258,554	206,675	146,421	479,039	422,989	275,007	473,190	171,329	475,598

Street

RESERVE EXPENDITURES

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Cost, $	Percentage Ownership	Costs, $ Per Phase (2022)	Total (2022)	Percentage of Future Expenditures	16 2038	17 2039	18 2040	19 2041	20 2042	21 2043	22 2044	23 2045	24 2046	25 2047	26 2048	27 2049	28 2050	29 2051	30 2052
				Area 6: South																							
1.601	27,258	27,258	Square Feet	Asphalt Pavement, The Retreat, Slurry	2025	8 to 12	3	0.45	100%	12,266	12,266	0.3%				25,463								33,530			
1.603	27,258	27,258	Square Feet	Asphalt Pavement, The Retreat, Mill and Overlay (2")	2040	15 to 25	18	1.84	100%	50,155	50,155	0.4%			100,593												
1.607	9,408	9,408	Square Feet	Asphalt Pavement, Hillbrook Lane, Slurry	2022	8 to 12	0	0.45	100%	4,234	4,234	0.1%	7,927								10,438						
1.609	9,408	9,408	Square Feet	Asphalt Pavement, Hillbrook Lane, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	17,311	17,311	0.2%								41,236							
1.613	14,832	14,832	Square Feet	Asphalt Pavement, Valleybrook, Slurry	2022	8 to 12	0	0.45	100%	6,674	6,674	0.2%	12,497								16,456						
1.615	14,832	14,832	Square Feet	Asphalt Pavement, Valleybrook, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	27,291	27,291	0.2%								65,010							
1.619	18,786	18,786	Square Feet	Asphalt Pavement, Rockbrook Lane, Slurry	2022	8 to 12	0	0.45	100%	8,454	8,454	0.2%	15,828								20,842						
1.621	18,786	18,786	Square Feet	Asphalt Pavement, Rockbrook Lane, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	34,566	34,566	0.3%								82,340							
1.625	20,472	20,472	Square Feet	Asphalt Pavement, Shadybrook Lane, Slurry	2022	8 to 12	0	0.45	100%	9,212	9,212	0.2%	17,248								22,713						
1.627	20,472	20,472	Square Feet	Asphalt Pavement, Shadybrook Lane, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	37,668	37,668	0.3%								89,730							
1.631	10,379	10,379	Square Feet	Asphalt Pavement, Inwood Circle, Slurry	2022	8 to 12	0	0.45	100%	4,671	4,671	0.1%	8,745								11,515						
1.633	10,379	10,379	Square Feet	Asphalt Pavement, Inwood Circle, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	19,097	19,097	0.2%								45,492							
1.637	8,416	8,416	Square Feet	Asphalt Pavement, Sunnybrook Circle, Slurry	2022	8 to 12	0	0.45	100%	3,787	3,787	0.1%	7,091								9,337						
1.639	8,416	8,416	Square Feet	Asphalt Pavement, Sunnybrook Circle, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	15,485	15,485	0.1%								36,888							
1.643	11,054	11,054	Square Feet	Asphalt Pavement, Hill Lane, Slurry	2022	8 to 12	0	0.45	100%	4,974	4,974	0.1%	9,313								12,264						
1.645	11,054	11,054	Square Feet	Asphalt Pavement, Hill Lane, Mill and Overlay (2")	2045	15 to 25	23	1.84	100%	20,339	20,339	0.2%								48,450							
1.649	30,225	30,225	Square Feet	Asphalt Pavement, Sunnybrook Lane, Slurry	2026	8 to 12	4	0.45	100%	13,601	13,601	0.4%					29,222								38,481		
1.653	30,225	30,225	Square Feet	Asphalt Pavement, Sunnybrook Lane, Mill and Overlay (3"+)	2041	15 to 25	19	4.16	100%	125,736	125,736	1.0%				261,010											
1.655	36,000	36,000	Square Feet	Asphalt Pavement, Inwood Road, Slurry	2026	8 to 12	4	0.45	100%	16,200	16,200	0.5%					34,806								45,833		
1.659	36,000	36,000	Square Feet	Asphalt Pavement, Inwood Road, Mill and Overlay (3"+)	2041	15 to 25	19	4.16	100%	149,760	149,760	1.2%				310,880											
				Area 7: Center/South																							
1.701	28,848	28,848	Square Feet	Asphalt Pavement, Chilson Lane, Slurry	2026	8 to 12	4	0.45	100%	12,982	12,982	0.4%					27,891								36,727		
1.705	28,848	28,848	Square Feet	Asphalt Pavement, Chilson Lane, Mill and Overlay (3"+)	2041	15 to 25	19	4.16	100%	120,008	120,008	0.9%				249,119											
1.707	26,750	26,750	Square Feet	Asphalt Pavement, Courtyard - Stagsleap Point, Slurry	2022	8 to 12	0	0.45	100%	12,038	12,038	0.3%	22,538								29,678						
1.711	26,750	26,750	Square Feet	Asphalt Pavement, Courtyard - Stagsleap Point, Mill and Overlay (3"+)	2037	15 to 25	15	4.16	100%	111,280	111,280	0.8%															
1.713	8,984	8,984	Square Feet	Asphalt Pavement, Courtyard - Bishop Pine, Slurry	2022	8 to 12	0	0.45	100%	4,043	4,043	0.1%	7,569								9,967						
1.717	8,984	8,984	Square Feet	Asphalt Pavement, Courtyard - Bishop Pine, Mill and Overlay (3"+)	2037	15 to 25	15	4.16	100%	37,373	37,373	0.3%															
1.719	14,730	14,730	Square Feet	Asphalt Pavement, Courtyard - Alder Point, Slurry	2022	8 to 12	0	0.45	100%	6,629	6,629	0.2%	12,411								16,342						
1.723	14,730	14,730	Square Feet	Asphalt Pavement, Courtyard - Alder Point, Mill and Overlay (3"+)	2037	15 to 25	15	4.16	100%	61,277	61,277	0.4%															
1.725	29,993	29,993	Square Feet	Asphalt Pavement, Signature Point, Slurry	2026	8 to 12	4	0.45	100%	13,497	13,497	0.4%					28,998								38,185		
1.729	29,993	29,993	Square Feet	Asphalt Pavement, Signature Point, Mill and Overlay (3"+)	2041	15 to 25	19	4.16	100%	124,771	124,771	1.0%				259,006											
				Area 8: East																							
1.801	49,000	49,000	Square Feet	Asphalt Pavement, RRP1, Slurry	2027	8 to 12	5	0.45	100%	22,050	22,050	0.7%						49,033								64,567	
1.803	49,000	49,000	Square Feet	Asphalt Pavement, RRP1, Mill and Overlay (2")	2042	15 to 25	20	1.84	100%	90,160	90,160	0.7%					193,709										
1.807	49,000	49,000	Square Feet	Asphalt Pavement, RRP4 and Fillmore Gate, Slurry	2028	8 to 12	6	0.45	100%	22,050	22,050	0.7%							50,749								66,827
1.809	49,000	49,000	Square Feet	Asphalt Pavement, RRP4 and Fillmore Gate, Mill and Overlay (2")	2043	15 to 25	21	1.84	100%	90,160	90,160	0.7%						200,490									
				Extra Projects																							
1.901	1	1	Allowance	Concrete Flatwork, Partial Replacements	2022	ongoing	0	5,300.00	100%	5,300	5,300	1.2%	9,923	10,271	10,630	11,002	11,387	11,786	12,198	12,625	13,067	13,524	13,998	14,488	14,995	15,519	16,063
1.903	1	1	Allowance	Crackfill, Asphalt Pavement	2022	ongoing	0	10,600.00	100%	10,600	10,600	2.3%	19,846	20,541	21,260	22,004	22,774	23,571	24,396	25,250	26,134	27,049	27,995	28,975	29,989	31,039	32,125
1.905	1	1	Allowance	Consultant Fees	2022	ongoing	0	24,480.00	100%	24,480	24,480	5.3%	45,834	47,438	49,099	50,817	52,595	54,437	56,342	58,314	60,355	62,467	64,653	66,916	69,259	71,682	74,191
1.907	1	1	Allowance	Contingency (Assumes 6% of Yearly Area 1-8 Work)	2022	ongoing	0	varies	100%	varies	varies	5.2%	11,125	75,675	72,552	99,628	270,558	82,096	7,510	24,549	71,386	46,104	174,730	109,319	20,525	39,751	9,889
				Anticipated Expenditures, By Year ($26,797,384 over 30 years)									272,147	1,415,178	1,362,747	1,843,924	4,866,620	1,540,161	225,610	529,884	1,360,709	917,541	3,193,538	2,041,682	476,859	820,502	297,085

Site

RESERVE EXPENDITURES

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Explanatory Notes:

1) **3.5%** **is Reserve Advisors estimated Inflation Rate for estimating Future Replacement Costs. At the request of Management and the Board we use an estimated Inflation Rate of 6% in 2023, 5% in 2024 and 2025, 4% from 2026 through 2030 and 3.5% from 2031 through 2052**
2) **FY2022 is Fiscal Year beginning July 1, 2021 and ending June 30, 2022.**

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis Years Useful	Life Analysis Years Remaining	Costs, $ Unit (2022)	Costs, $ Per Phase (2022)	Costs, $ Total (2022)	Percentage of Future Expenditures	RUL = 0 FY2022	1 2023	2 2024	3 2025	4 2026	5 2027	6 2028	7 2029	8 2030	9 2031	10 2032	11 2033	12 2034	13 2035	14 2036	15 2037
				Property Site Elements																							
4.220	4,900	**4,900**	Linear Feet	Fences, Chain Link (Incl. Out Breakers)	2026	to 25	4	36.00	176,400	176,400	**7.9%**					214,397											
4.240	6,500	**6,500**	Linear Feet	Fences, Metal, Paint Finishes	2024	6 to 8	2	15.00	97,500	97,500	**11.2%**			108,518							143,483						
4.245	6,500	**6,500**	Linear Feet	Fences, Metal, Replacement	2045	to 30	23	60.00	390,000	390,000	**10.8%**																
4.286	9,300	**9,300**	Linear Feet	Fence, Wire (Replace with Chain Link and Out Breakers)	2023	to 25	1	36.00	334,800	334,800	**14.4%**		354,888														
4.310	1	**1**	Allowance	Gate Entry System, RFID Readers	2030	10 to 15	8	66,000.00	66,000	66,000	**4.8%**									93,842							
4.315	1	**1**	Allowance	Gate Future Full Service Entrance, Proposed	2026	N/A	4	500,000.00	500,000	500,000	**7.1%**					607,702											
4.320	10	**10**	Each	Gate Operators	2030	to 10	8	5,800.00	58,000	58,000	**4.2%**									82,467							
4.330	10	**10**	Each	Gates	2030	to 20	8	6,600.00	66,000	66,000	**3.3%**									93,842							
4.400	3	**3**	Each	Irrigation System, Controls	2033	to 15	11	8,500.00	25,500	25,500	**1.2%**												40,199				
4.420	5	**1**	Allowance	Irrigation System, Replacement, Phased	2025	to 40+	3 to 19	50,000.00	50,000	250,000	**4.7%**				58,433				68,358				78,822				90,450
4.500	1	**1**	Allowance	Landscape, Tree Mitigation and Partial Replacements	2023	ongoing	1	15,000.00	15,000	15,000	**10.1%**		15,900	16,695	17,530	18,231	18,960	19,719	20,507	21,328	22,074	22,847	23,646	24,474	25,331	26,217	27,135
4.560	70	**23**	Each	Light Poles and Fixtures, Phased	2027	to 25	5 to 7	4,000.00	93,320	280,000	**7.6%**						117,959	122,676	127,584								
4.650	1	**1**	Allowance	Pipes, Subsurface Utilities, Partial	2027	to 85+	5	50,000.00	50,000	50,000	**4.7%**						63,201								84,436		
4.800	1	**1**	Allowance	Signage, Entrance Monuments, Renovation	2028	15 to 20	6	10,000.00	10,000	10,000	**0.5%**							13,146									
4.810	3	**1**	Allowance	Signage, Street and Traffic Identification, Phased	2025	15 to 20	3 to 15	15,000.00	15,000	45,000	**1.6%**				17,530						22,074						27,135
4.820	1	**1**	Allowance	Site Furniture, Benches	2039	15 to 25	17	10,000.00	10,000	10,000	**0.2%**																
				Guard House Elements																							
5.070	1	**1**	Each	Air Handling and Condensing Units, Split System	2024	12 to 18	2	6,000.00	6,000	6,000	**0.2%**			6,678													
5.600	8	**8**	Squares	Roof, Concrete Tiles	2030	to 30	8	2,500.00	20,000	20,000	**0.3%**									28,437							
5.720	2	**1**	Allowance	Security System, Phased (Incl. Entire Community)	2027	10 to 15	5 to 11	41,000.00	41,000	82,000	**4.8%**						51,825						64,634				
5.800	250	**250**	Square Feet	Windows and Doors	2030	to 40	8	65.00	16,250	16,250	**0.3%**									23,105							
				Anticipated Expenditures, By Year ($8,579,171 over 30 years)								0	370,788	131,891	93,493	840,330	251,945	155,541	216,449	343,021	187,631	22,847	207,301	24,474	109,767	26,217	144,720

Site

RESERVE EXPENDITURES

Years 2038 to 2052

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis Years Useful	Life Analysis Years Remaining	Costs, $ Unit (2022)	Costs, $ Per Phase (2022)	Costs, $ Total (2022)	Percentage of Future Expenditures	16 2038	17 2039	18 2040	19 2041	20 2042	21 2043	22 2044	23 2045	24 2046	25 2047	26 2048	27 2049	28 2050	29 2051	30 2052
				Property Site Elements																						
4.220	4,900	**4,900**	Linear Feet	Fences, Chain Link (Incl. Out Breakers)	2026	to 25	4	36.00	176,400	176,400	**7.9%**											465,884				
4.240	6,500	**6,500**	Linear Feet	Fences, Metal, Paint Finishes	2024	6 to 8	2	15.00	97,500	97,500	**11.2%**	182,550							232,255							295,492
4.245	6,500	**6,500**	Linear Feet	Fences, Metal, Replacement	2045	to 30	23	60.00	390,000	390,000	**10.8%**								929,019							
4.286	9,300	**9,300**	Linear Feet	Fence, Wire (Replace with Chain Link and Out Breakers)	2023	to 25	1	36.00	334,800	334,800	**14.4%**											884,229				
4.310	1	**1**	Allowance	Gate Entry System, RFID Readers	2030	10 to 15	8	66,000.00	66,000	66,000	**4.8%**			132,374										186,726		
4.315	1	**1**	Allowance	Gate Future Full Service Entrance, Proposed	2026	N/A	4	500,000.00	500,000	500,000	**7.1%**															
4.320	10	**10**	Each	Gate Operators	2030	to 10	8	5,800.00	58,000	58,000	**4.2%**			116,328										164,093		
4.330	10	**10**	Each	Gates	2030	to 20	8	6,600.00	66,000	66,000	**3.3%**													186,726		
4.400	3	**3**	Each	Irrigation System, Controls	2033	to 15	11	8,500.00	25,500	25,500	**1.2%**								60,744							
4.420	5	**1**	Allowance	Irrigation System, Replacement, Phased	2025	to 40+	3 to 19	50,000.00	50,000	250,000	**4.7%**				103,793											
4.500	1	**1**	Allowance	Landscape, Tree Mitigation and Partial Replacements	2023	ongoing	1	15,000.00	15,000	15,000	**10.1%**	28,085	29,067	30,085	31,138	32,228	33,356	34,523	35,731	36,982	38,277	39,616	41,003	42,438	43,923	45,460
4.560	70	**23**	Each	Light Poles and Fixtures, Phased	2027	to 25	5 to 7	4,000.00	93,320	280,000	**7.6%**															282,823
4.650	1	**1**	Allowance	Pipes, Subsurface Utilities, Partial	2027	to 85+	5	50,000.00	50,000	50,000	**4.7%**						111,186								146,410	
4.800	1	**1**	Allowance	Signage, Entrance Monuments, Renovation	2028	15 to 20	6	10,000.00	10,000	10,000	**0.5%**											26,411				
4.810	3	**1**	Allowance	Signage, Street and Traffic Identification, Phased	2025	15 to 20	3 to 15	15,000.00	15,000	45,000	**1.6%**						33,356						41,003			
4.820	1	**1**	Allowance	Site Furniture, Benches	2039	15 to 25	17	10,000.00	10,000	10,000	**0.2%**		19,378													
				Guard House Elements																						
5.070	1	**1**	Each	Air Handling and Condensing Units, Split System	2024	12 to 18	2	6,000.00	6,000	6,000	**0.2%**					12,891										
5.600	8	**8**	Squares	Roof, Concrete Tiles	2030	to 30	8	2,500.00	20,000	20,000	**0.3%**															
5.720	2	**1**	Allowance	Security System, Phased (Incl. Entire Community)	2027	10 to 15	5 to 11	41,000.00	41,000	82,000	**4.8%**		79,451						97,666					120,056		
5.800	250	**250**	Square Feet	Windows and Doors	2030	to 40	8	65.00	16,250	16,250	**0.3%**															
				Anticipated Expenditures, By Year ($8,579,171 over 30 years)								210,635	127,896	278,787	134,931	45,119	177,898	34,523	1,355,415	36,982	38,277	1,416,140	82,006	579,983	310,389	623,775

RESERVE FUNDING PLAN

Street and Site

CASH FLOW ANALYSIS

Kissing Camels

Property Owners Association, Inc.

Colorado, Springs

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Reserves at Beginning of Year	*(Note 1)*	2,114,588	1,901,385	1,816,060	1,423,472	1,383,799	1,068,466	1,265,574	1,814,815	2,205,533	2,553,938	3,152,187	3,618,215	3,991,868	4,734,422	5,233,230	6,159,018
Total Recommended Reserve Contributions	*(Note 2)*	**142,036**	**499,900**	**573,700**	**647,500**	**721,300**	**795,100**	**822,900**	**851,700**	**881,500**	**912,400**	**944,300**	**977,400**	**1,011,600**	**1,047,000**	**1,083,600**	**1,121,500**
Estimated Interest Earned, During Year	*(Note 3)*	4,680	12,966	11,299	9,791	8,553	8,141	10,744	14,022	16,600	19,902	23,614	26,542	30,435	34,765	39,734	44,867
Anticipated Expenditures, By Year		(359,918)	(598,191)	(977,587)	(696,965)	(1,045,186)	(606,133)	(284,403)	(475,003)	(549,696)	(334,052)	(501,886)	(630,290)	(299,481)	(582,957)	(197,546)	(620,318)
Anticipated Reserves at Year End		$1,901,385	$1,816,060	$1,423,472	$1,383,799	$1,068,466	$1,265,574	$1,814,815	$2,205,533	$2,553,938	$3,152,187	$3,618,215	$3,991,868	$4,734,422	$5,233,230	$6,159,018	$6,705,067

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Reserves at Beginning of Year	6,705,067	7,432,394	7,141,551	6,792,013	6,145,180	2,595,828	2,273,250	3,459,814	3,073,903	3,226,486	3,877,244	921,503	497,263	1,200,141	1,895,246
Total Recommended Reserve Contributions	**1,160,800**	**1,201,400**	**1,243,400**	**1,286,900**	**1,331,900**	**1,378,500**	**1,426,700**	**1,476,600**	**1,528,300**	**1,581,800**	**1,637,200**	**1,694,500**	**1,753,800**	**1,815,200**	**1,878,700**
Estimated Interest Earned, During Year	49,309	50,831	48,597	45,122	30,487	16,982	19,996	22,788	21,974	24,776	16,737	4,948	5,920	10,796	16,619
Anticipated Expenditures, By Year	(482,782)	(1,543,074)	(1,641,534)	(1,978,855)	(4,911,739)	(1,718,059)	(260,133)	(1,885,299)	(1,397,691)	(955,818)	(4,609,678)	(2,123,688)	(1,056,842)	(1,130,891)	(920,860)
Anticipated Reserves at Year End	$7,432,394	$7,141,551	$6,792,013	$6,145,180	$2,595,828	$2,273,250	$3,459,814	$3,073,903	$3,226,486	$3,877,244	$921,503	$497,263 *(NOTE 5)*	$1,200,141	$1,895,246	$2,869,705 *(NOTE 4)*

Explanatory Notes:

1) Year 2022 starting reserves are as of February 28, 2022; FY2022 starts July 1, 2021 and ends June 30, 2022.

2) Reserve Contributions for 2022 are the remaining budgeted 4 months; 2023 is the first year of recommended contributions.

3) **0.7%** is the estimated annual rate of return on invested reserves; 2022 is a partial year of interest earned.

4) Accumulated year 2052 ending reserves consider the age, size, overall condition and complexity of the property.

5) Threshold Funding Year (reserve balance at critical point).

*Refer to the Reserve Expenditures pages for the full list of reserve elements

Street

FIVE-YEAR OUTLOOK

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Line Item	Reserve Component Inventory	RUL = 0 FY2022	1 2023	2 2024	3 2025	4 2026	5 2027
	Street Elements						
	Area 1: Primary Roads						
1.101	Asphalt Pavement, Kissing Camels Drive, Slurry				91,416		
1.103	Asphalt Pavement, Kissing Camels Drive, Mill and Overlay (2")			355,991			
1.107	Asphalt Pavement, Hill Circle from Kissing Camels Drive to North Gate, Slurry				36,484		
1.109	Asphalt Pavement, Hill Circle from Kissing Camels Drive to North Gate, Mill and Overlay (2")			142,075			
1.113	Asphalt Pavement, North Gate to Glen Vista Point, Slurry (2025 is Accelerated Timing)				40,105		
1.115	Asphalt Pavement, North Gate to Glen Vista Point, Mill and Overlay (2") (2024 is Accelerated Timing)			156,175			
1.119	Asphalt Pavement, Glen Vista Point to North End of Glen Vista Point, Slurry				21,746		
1.125	Asphalt Pavement, Hill Circle - Glen Vista Point to Greenside Point, Slurry						46,841
1.131	Asphalt Pavement, Hill Circle - Greenside Point to Kissing Camels Drive, Slurry						38,821
1.137	Asphalt Pavement, Hill Circle - Kissing Camels Drive to Camels Ridge, Slurry						55,604
1.143	Asphalt Pavement, Hill Circle - Camels Ridge to South End of Median at Curve, Slurry						44,830
1.149	Asphalt Pavement, Hill Circle - South End of Median at Curve to Hillbrook, Slurry		19,007				
1.155	Asphalt Pavement, Grand Market Place, Slurry		12,965				
	Area 2: Northwest						
1.201	Asphalt Pavement, Camelrock View, Slurry			36,141			
1.207	Asphalt Pavement, Camels View, Slurry			35,505			
1.213	Asphalt Pavement, Twinflower, Slurry					11,443	
1.215	Asphalt Pavement, Twinflower, Mill and Overlay (2")				44,989		
1.219	Asphalt Pavement, Camel Grove, Slurry					27,781	
1.221	Asphalt Pavement, Camel Grove, Mill and Overlay (2")				109,224		
1.225	Asphalt Pavement, Lyda Lane, Slurry					20,136	
1.227	Asphalt Pavement, Lyda Lane, Mill and Overlay (2")				79,168		
1.231	Asphalt Pavement, Lyons Point, Slurry					19,197	
	Area 3: Northeast						
1.301	Asphalt Pavement, Reserve Point, Slurry			14,707			
1.303	Asphalt Pavement, Reserve Point, Mill and Overlay (2")		57,270				
1.307	Asphalt Pavement, Greenside Point, Slurry			6,725			
1.309	Asphalt Pavement, Greenside Point, Mill and Overlay (2")		26,188				
1.313	Asphalt Pavement, Star Rise Point, Slurry			5,282			
1.315	Asphalt Pavement, Star Rise Point, Mill and Overlay (2")		20,571				
1.319	Asphalt Pavement, Lumina View, Slurry			2,826			
1.321	Asphalt Pavement, Lumina View, Mill and Overlay (2")		11,004				
1.325	Asphalt Pavement, Coyote Point, Slurry				19,611		
1.331	Asphalt Pavement, Elisa Court, Slurry				6,575		

Street

FIVE-YEAR OUTLOOK

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Line Item	Reserve Component Inventory	RUL = 0 FY2022	1 2023	2 2024	3 2025	4 2026	5 2027
	Area 4: East						
1.401	Asphalt Pavement, Alta Mesa Court, Slurry		3,555				
1.405	Asphalt Pavement, Alta Mesa Court, Mill and Overlay (3"+)	31,000					
1.407	Asphalt Pavement, Brushland Court, Slurry		6,512				
1.411	Asphalt Pavement, Brushland Court, Mill and Overlay (3"+)	56,792					
1.413	Asphalt Pavement, Edgecliff Court, Slurry		5,284				
1.417	Asphalt Pavement, Edgecliff Court, Mill and Overlay (3"+)	46,080					
1.419	Asphalt Pavement, Cumulus View, Slurry		5,534				
1.423	Asphalt Pavement, Cumulus View, Mill and Overlay (3"+)	48,264					
1.425	Asphalt Pavement, Moonrise Court, Slurry		6,261				
1.429	Asphalt Pavement, Moonrise Court, Mill and Overlay (3"+)	54,600					
1.431	Asphalt Pavement, Camels Ridge Lane, Slurry						37,543
1.437	Asphalt Pavement, Camels Ridge Lane - Hill Circle Side Street, Slurry						34,477
	Area 5: Park/C. Point						
1.501	Asphalt Pavement, Park - Shebas Way, Slurry				4,090		
1.507	Asphalt Pavement, Park - Camel Drive, Slurry				21,202		
1.513	Asphalt Pavement, Park - Smoochers Circle, Slurry				18,810		
1.519	Asphalt Pavement, Park - Sheiks, Slurry				6,616		
1.525	Asphalt Pavement, Park - Shebas Place, Slurry				5,479		
1.531	Asphalt Pavement, Virdian Point, Slurry				4,943		
	Area 6: South						
1.601	Asphalt Pavement, The Retreat, Slurry				14,335		
1.607	Asphalt Pavement, Hillbrook Lane, Slurry	4,234					
1.613	Asphalt Pavement, Valleybrook, Slurry	6,674					
1.619	Asphalt Pavement, Rockbrook Lane, Slurry	8,454					
1.625	Asphalt Pavement, Shadybrook Lane, Slurry	9,212					
1.631	Asphalt Pavement, Inwood Circle, Slurry	4,671					
1.637	Asphalt Pavement, Sunnybrook Circle, Slurry	3,787					
1.643	Asphalt Pavement, Hill Lane, Slurry	4,974					
1.649	Asphalt Pavement, Sunnybrook Lane, Slurry					16,531	
1.655	Asphalt Pavement, Inwood Road, Slurry					19,690	
	Area 7: Center/South						
1.701	Asphalt Pavement, Chilson Lane, Slurry					15,778	
1.707	Asphalt Pavement, Courtyard - Stagsleap Point, Slurry	12,038					
1.713	Asphalt Pavement, Courtyard - Bishop Pine, Slurry	4,043					
1.719	Asphalt Pavement, Courtyard - Alder Point, Slurry	6,628					

*Refer to the Reserve Expenditures pages for the full list of reserve elements

Street

FIVE-YEAR OUTLOOK

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Line Item	Reserve Component Inventory	RUL = 0 FY2022	1 2023	2 2024	3 2025	4 2026	5 2027
1.725	Asphalt Pavement, Signature Point, Slurry					16,404	
	Area 8: East						
1.801	Asphalt Pavement, RRP1, Slurry						27,872
	Extra Projects						
1.901	Concrete Flatwork, Partial Replacements	5,300	5,618	5,899	6,194	6,442	6,699
1.903	Crackfill, Asphalt Pavement	10,600	11,236	11,798	12,388	12,883	13,399
1.905	Consultant Fees	24,480	25,949	27,246	28,609	29,753	30,943
1.907	Contingency (Assumes 6% of Yearly Area 1-8 Work)	18,087	10,449	45,326	31,488	8,818	17,159
	Anticipated Expenditures, By Year ($26,797,384 over 30 years)	359,918	227,403	845,696	603,472	204,856	354,188

*Refer to the Reserve Expenditures pages for the full list of reserve elements

Site

FIVE-YEAR OUTLOOK

Kissing Camels
Property Owners Association, Inc.
Colorado, Springs

Line Item	Reserve Component Inventory	RUL = 0 FY2022	1 2023	2 2024	3 2025	4 2026	5 2027
	Property Site Elements						
4.220	Fences, Chain Link (Incl. Out Breakers)					214,397	
4.240	Fences, Metal, Paint Finishes			108,518			
4.286	Fence, Wire (Replace with Chain Link and Out Breakers)		354,888				
4.315	Gate Future Full Service Entrance, Proposed					607,702	
4.420	Irrigation System, Replacement, Phased				58,433		
4.500	Landscape, Tree Mitigation and Partial Replacements		15,900	16,695	17,530	18,231	18,960
4.560	Light Poles and Fixtures, Phased						117,959
4.650	Pipes, Subsurface Utilities, Partial						63,201
4.810	Signage, Street and Traffic Identification, Phased				17,530		
	Guard House Elements						
5.070	Air Handling and Condensing Units, Split System			6,678			
5.720	Security System, Phased (Incl. Entire Community)						51,825
	Anticipated Expenditures, By Year ($8,579,171 over 30 years)	0	370,788	131,891	93,493	840,330	251,945

4. RESERVE COMPONENT DETAIL

The Reserve Component Detail of this *Reserve Study* includes enhanced solutions and procedures for select significant components. This section describes the Reserve Components, documents specific problems and condition assessments, and may include detailed solutions and procedures for necessary capital repairs and replacements for the benefit of current and future board members. We advise the Board use this information to help define the scope and procedures for repair or replacement when soliciting bids or proposals from contractors. *However, the Report in whole or part is not and should not be used as a design specification or design engineering service*.

Street Elements

Asphalt Pavement, Repaving

Line Items: Refer to table below

Quantity: Kissing Camels maintains approximately 1,916,230 square feet or 212,915 square yards of asphalt pavement streets throughout the community. The Association maintains the pavement as eight different areas and the following table depicts the line items, locations and quantities of each area:

Line Items	Area	Quantity (SF)
1.101 - 1.165	1: Primary Roads	826,860
1.201 - 1.233	2: Northwest	286,683
1.301 - 1.333	3:Northeast	108,771
1.401 - 1.441	4: East	183,522
1.501 - 1.533	5: Park/ C. Point	116,259
1.601 - 1.659	6: South	186,830
1.701 - 1.729	7: Center/South	109,305
1.801 - 1.809	8: East	98,000
	Total:	**1,916,230**

History: The pavement throughout the community is at various ages and conditions and our estimate of timing for all street maintenance and replacements is based on the provided Kissing Camels Property Owners Association (KCPOA) 10-year road maintenance plan which was last updated on May 1, 2022. The Association plans to apply a slurry application the year directly after a mill and overlay event. Additionally, we consider a “Mill and Overlay (3”+) to be the equivalent to a total replacement.

Condition: Various conditions ranging from good to poor overall with periodic cracks, pot hole formation and settlement evident

Asphalt pavement street overview

Pavement cracks at Edge Cliff Court

Pavement cracks at Alta Mesa Court

Pavement cracks at Kissing Camels Drive

Pavement cracks at Kissing Camels Drive

Pavement cracks and pot hole formation at Kissing Camels Drive

Pavement cracks at Kissing Camels Drive

Pavement cracks and settlement at Kissing Camels Drive

Pavement cracks at Kissing Camels Drive

Pavement cracks at the east entrance street

Pavement cracks at Sunnybrook Lane

Pavement cracks at Hillbrook Lane

Pavement cracks at Sheiks Place

Pavement cracks at Smoochers Circle

Pavement cracks at Smoochers Circle

Pavement cracks at the west residential entrance

Pavement cracks at Camelrock View

Pavement cracks at Camel Grove

Pavement cracks and deterioration at Kissing Camels Drive

Pavement cracks at Hill Circle

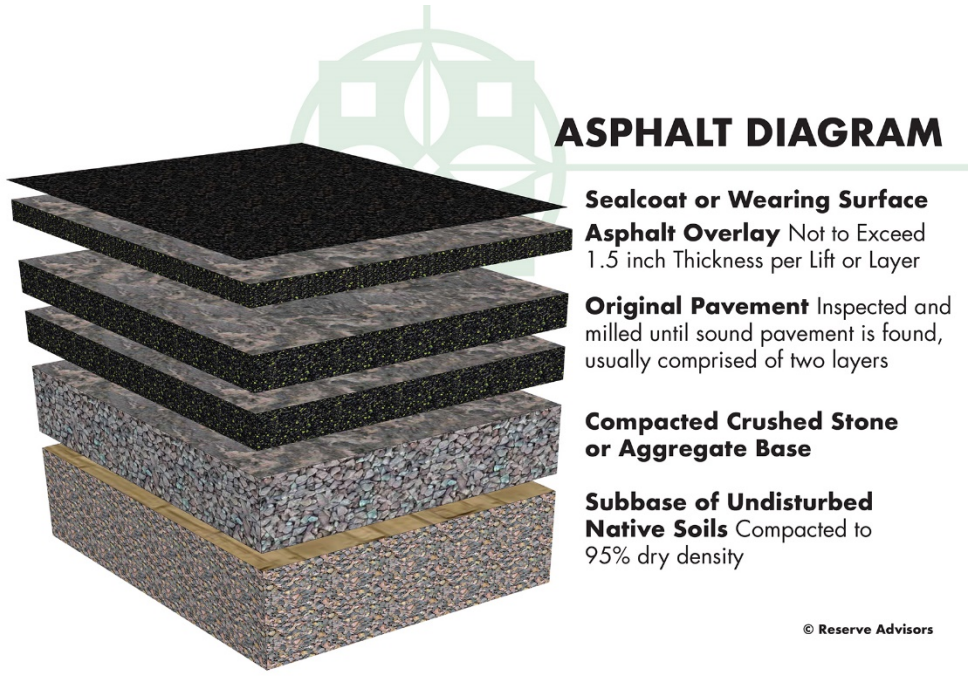
Pavement cracks at Moonrise Court

Pavement cracks at Cumulus View

Useful Life: Based on conversations with Management and the Board, the Association plans to apply a slurry coating every 8- to 12-years, and mill and overlay the pavement every 15- to 25-years.

Component Detail Notes: The initial installation of asphalt uses at least two lifts, or two separate applications of asphalt, over the base course. The first lift is the binder course. The second lift is the wearing course. The wearing course comprises a finer aggregate for a smoother more watertight finish.

The following diagram depicts the typical components although it may not reflect the actual configuration at Kissing Camels:



The manner of repaving is either a mill and overlay or total replacement. A mill and overlay is a method of repaving where cracked, worn and failed pavement is mechanically removed or milled until sound pavement is found. A new layer of asphalt is overlaid atop the remaining base course of pavement. Total replacement includes the removal of all existing asphalt down to the base course of aggregate and native soil followed by the application of two or more new lifts of asphalt. We recommend mill and overlayment on asphalt pavement that exhibits normal deterioration and wear. We recommend total replacement of asphalt pavement that exhibits severe deterioration, inadequate drainage, pavement that has been overlaid multiple times in the past or where the configuration makes overlayment not possible. Based on the apparent visual condition and configuration of the asphalt pavement, we recommend the mill and overlay method for initial repaving followed by the total replacement method for subsequent repaving at Kissing Camels.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Inspect for settlement, large cracks and trip hazards, and ensure proper drainage
    - Repair areas which could cause vehicular damage such as potholes
- As needed:
    - Perform crack repairs and patching

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimates of cost for all projects related to the street elements is based on information provided by the Association on the KCPOA 10-year road maintenance plan.

Concrete Flatwork

Line Item: 1.901

Quantity: Approximately 49,500 linear feet of concrete curbs and gutters, 12,000 square feet of concrete sidewalks primarily along the east section of Hill Circle and 14,500 square feet of concrete streets at the main entrance to the community

Condition: Good to fair overall with periodic cracks and settlement evident

Concrete cracks and damage at Smoochers Circle

Concrete cracks at Hill Circle

Concrete cracks at Hill Circle

Concrete damage at Smoochers Circle

Sidewalk cracks

Sidewalk cracks

Street cracks

Street cracks

Useful Life: Up to 65 years although interim deterioration of areas is common

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect and repair major cracks, spalls and trip hazards
  - Mark with orange safety paint prior to replacement or repair
  - Repair or perform concrete leveling in areas in immediate need of repair or possible safety hazard

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost is based on information provided by the Association on the KCPOA 10-year road maintenance plan.

Crackfill, Asphalt Pavement

Line Item: 1.903

History: The Association annually budgets $10,600 plus inflation for additional crackfill projects at the streets throughout the community.

Useful Life: Ongoing

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost is based on information provided by the Association on the KCPOA 10-year road maintenance plan.

Consultant Fees

Line Item: 1.905

History: The Association annually budgets $24,480 plus inflation for consultant fees of the streets throughout the community.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost is based on information provided by the Association on the KCPOA 10-year road maintenance plan.

Contingency

Line Item: 1.907

History: The Association annually budgets for a contingency fee of approximately 6% for the projects completed on the streets throughout the community.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost is based on information provided by the Association on the KCPOA 10-year road maintenance plan.

Property Site Elements

Fences, Chain Link

Line Item: 4.220

Quantity: Approximately along the 4,900 linear feet along the southeastern perimeter of the community

History: The age was unavailable at the time of our inspection

Condition: Good to fair overall with warped webbing evident

Chain link fence

Fence warped webbing

Useful Life: Up to 25 years

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect and repair loose sections, and damage
  - Repair leaning sections and clear vegetation from fence areas which could cause damage

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Fences, Metal

Line Items: 4.240 and 4.245

Quantity: Approximately 6,500 linear feet along the northwest perimeter of the community

History:

- Fences: Installed and/or replaced around 2014 or 2015
- Paint finishes: original

Condition: Good overall with isolated leaning sections and picket damage

Metal fence

Metal fence

Fence leaning section

Fence leaning section

Fence picket damage

Fence picket damage

Useful Life: Six- to eight-years for paint finishes and up to 30 years for replacement

Component Detail Notes: Metal components at grade and key structural connections are especially prone to failure if not thoroughly maintained. Secure and rust free fasteners and connections will prevent premature deterioration. Preparation of the metal before application of the paint finish is critical to maximize the useful life of the finish.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Inspect and repair loose fasteners or sections, finish deterioration, and damage
    - Repair leaning sections and clear vegetation from fence areas which could cause damage

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Fence, Wire

Line Item: 4.286

Quantity: Approximately 9,300 linear feet of wire fence located along the southwest perimeter of the community

History: The age was unavailable at the time of our inspection and the Association plans to replace the wire fence with a chain link fence featuring out breakers or barbed wire in 2023 for added security to the community

Condition: Good overall

Wire fence

Useful Life: Up to 25 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Gate Entry System

Line Item: 4.310

Quantity: The Association utilizes an RFID reader entry system at the three common entrances

History: Installed in 2021

Condition: Reported satisfactory

Gate entry RFID barcode scanner

Useful Life: 10- to 15-years

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Inspect panel for damage and ensure the panel is mounted securely, tighten or replace any loose or damaged fasteners.
  - Inspect panel for proper operation of buttons, displays, microphone and speaker.
- Annually:
  - Check power connections, and if applicable, functionality of battery power supply systems

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Gate Future Full Service Entrance

Line Item: 4.315

Quantity, History and Condition: The Association plans to add an additional full service entrance to the community in the next five years. Currently, the Association utilizes a construction gate entrance near the south perimeter of the community located near Fillmore Street and Hill Circle. The Association may convert this to a future gate entrance following the completion of construction and future updates to this study will consider changes and adjustments as needed.

Construction gate entrance

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost is based on information provided by the Association.

Gates and Operators

Line Items: 4.320 and 4.330

Quantity: 10 gates and 10 operators

History:

- Gates: The age was unavailable at the time of our inspection
- Operators: Replaced in 2020

Condition:

- Gates: Good overall condition
- Operators: Reported satisfactory

Steel gates at main entrance

Steel gates at west residential entrance

Swing arm gate

Gate operator

Useful Life: Up to 10 years for the operators and up to 20 years for the gates

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
    - Ensure gates operate freely
    - Inspect for any wear, rust and loose fasteners
    - Inspect and correct tension in belts and chains, and lubricate hinges and chains as necessary
    - Check alignment of pulleys
    - Check for no oil leakage at the gear box
    - Check the control board for water damage. Clean and remove insects and other pests as needed.
    - Check all wiring for insulation damage and loose connections. If applicable, check functionality of battery power supply systems

Priority/Criticality: Not recommended to defer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost for replacement of the gate operators is based on information provided by the Association. Additionally, our estimate of cost for replacement of the gates includes an allowance for replacement of the two swing arm gates.

Irrigation System, Controllers

Line Item: 4.400

Quantity: Three each

History: Replaced in 2021

Condition: Reported satisfactory without operational deficiencies

Useful Life: Up to 15 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost is based on information provided by the Association.

Irrigation System, Replacement

Line Item: 4.420

History: The age was unavailable at the time of our inspection and Management and the Board report sections of the irrigation system may be original to construction of the community in the 1960s.

Condition: Satisfactory operational condition and Management and the Board do not report any deficiencies

Useful Life: Up to 40 years

Component Detail Notes: Irrigation systems typically include the following components:

- Electronic controls (timer)
- Impact rotors
- Network of supply pipes
- Pop-up heads
- Valves

Kissing Camels should anticipate interim and partial replacements of the system network supply pipes and other components as normal maintenance to maximize the useful life of the irrigation system. The Association should fund these ongoing seasonal repairs through the operating budget.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:

- Conduct seasonal repairs which includes valve repairs, controller repairs, partial head replacements and pipe repairs
- Blow out irrigation water lines and drain building exterior faucets each fall if applicable

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Based on the age of the irrigation system failure as a single event is unlikely, therefore, we anticipate a phased replacement of the irrigation system.

Landscape

Line Item: 4.500

Component Detail Notes: The Association contains a large quantity of trees, shrubbery and other landscape elements. Replacement of these elements is an ongoing need. Many associations budget for these replacements as normal maintenance. Other associations fund ongoing replacements from reserves. Large amounts of landscape may need replacement due to disease, drought or other forces of nature. If the cost of removal and replacement is substantial, funding from reserves is logical. The Association may also desire to periodically update the appearance of the community through major improvements to the landscape.

Landscape overview

Useful Life: At the request of Management and the Board, we include an ongoing annual landscape allowance for tree mitigation and partial landscape replacements.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Light Poles and Fixtures

Line Item: 4.560

Quantity: 70 metal poles with light fixtures

History: The age was unavailable at the time of our inspection.

Condition: Good overall

Light pole and fixtures

Light pole and fixture

Useful Life: Up to 25 years

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- As-needed:
  - Inspect and repair broken or dislodged fixtures, and leaning or damaged poles
  - Replaced burned out bulbs as needed

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pipes, Subsurface Utilities

Line Item: 4.650

Quantity and History: Based on the layout and configuration of the property, we estimate approximately 55,000 linear feet of common subsurface utility pipes and the pipes are at various ages

Condition: Reported satisfactory

Useful Life: Up to and likely beyond 85 years

Component Detail Notes: The Association maintains the subsurface utility pipes throughout the property. The exact amounts and locations of the subsurface utility pipes were not ascertained due to the nature of the underground construction and the non-invasive nature of the inspection.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- As-needed:
  - Video inspect waste pipes for breaks and damaged piping
  - Monitor for water and gas leaks through pressure losses and present odors
  - Partially replace damaged section of pipes

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. At this time, we do not anticipate replacement of continuous lengths of subsurface utility pipes. Rather we recommend the Association budget for repairs to isolated occurrences of breached utilities. Although it is likely that the times of replacement and extent of repair costs may vary from the budgetary allowance, Kissing Camels could budget sufficient reserves for these utility repairs and have the opportunity to adjust its future reserves up or down to meet any changes to these budgetary estimates. Updates of this Reserve Study would incorporate changes to budgetary costs through a continued historical analysis of the rate of deterioration and actual repairs to budget sufficient reserves.

Signage, Entrance Monuments

Line Item: 4.800

Quantity: The property identification signage includes the following elements:

- Light fixtures
- Letters
- Landscaping
- Stone, Masonry

History: The age was unavailable at the time of our inspection.

Condition: Good overall

Entrance monument

Useful Life: 15- to 20-years

Component Detail Notes: Community signage contributes to the overall aesthetic appearance of the property to owners and potential buyers. Renovation or replacement of community signs is often predicated upon the desire to "update" the perceived identity of the community rather than for utilitarian concerns. Therefore, the specific times for replacement or renovation are discretionary.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Inspect and repair damage, vandalism and loose components
    - Verify lighting is working properly
    - Touch-up paint finish applications if applicable

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost for renovation includes repairs to the stone masonry and replacement of the remaining components listed above.

Signage, Street and Traffic Identification

Line Item: 4.810

History: Various ages

Condition: Good overall

Traffic management signage

Useful Life: 15- to 20-years

Component Detail Notes: The community signs contribute to the overall aesthetic appearance of the property to owners and potential buyers. Replacement of community signs is often predicated upon the desire to "update" the perceived identity of the community rather than for utilitarian concerns. Therefore, the specific time for replacement of the signs is discretionary.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Inspect and repair damage, vandalism and loose components
    - Verify lighting is working properly if applicable
    - Touch-up paint finish applications if applicable

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Site Furniture

Line Item: 4.820

History: Installed from 2018 through 2022.

Condition: Good overall

Site furniture

Site furniture

Useful Life: 15- to 25-years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost is based on information provided by the Association.

Guard House Elements

Guard house overview

Air Handling and Condensing Units, Split System

Line Item: 5.070

Quantity: One *Carrier* split system

History: The age was unavailable at the time of our inspection

Condition: Reported satisfactory without operational deficiencies

Guard house condensing unit

Useful Life: 12- to 18-years

Component Detail Notes: A split system air conditioner consists of an outside condensing unit, an interior evaporator coil, refrigerant lines and an interior air handling unit. The condensing unit has a cooling capacity of two-tons.

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. We also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
  - Lubricate motors and bearings
  - Change or clean air filters as needed
  - Inspect condenser base and piping insulation
  - Inspect base pan, coil, cabinet and clear obstructions as necessary
- Annually:
  - Clean coils and drain pans, clean fan assembly, check refrigerant charge, inspect fan drive system and controls
  - Inspect and clean accessible ductwork as needed
  - Clean debris from inside cabinet, inspect condenser compressor and associated tubing for damage

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The condensing unit may require replacement prior to replacement of the related interior forced air unit. For purposes of this Reserve Study, we assume coordination of replacement of the interior forced air unit, evaporator coil, refrigerant lines and exterior condensing unit.

Roof, Concrete Tiles

Line Item: 5.600

Quantity: Approximately eight *squares*[1]

History: The age was unavailable at the time of our inspection

Condition: Good overall with isolated dislodged and damaged tiles evident from our visual inspection from the ground. Management and the Board do not report a history of leaks.

Gate house concrete tile roof

Dislodged tiles

Damaged tiles

Useful Life: Up to 30 years

Component Detail Notes: A tile roof rarely fails at all points of application simultaneously. Rather, occurrences of roof leaks will increase as more concrete tiles crack, break and dislodge. This deterioration will result in increased maintenance costs

[1] We quantify the roof area in squares where one square is equal to 100 square feet of surface area.

such that replacement becomes the least costly long-term alternative as compared to ongoing repairs.

A concrete tile roof system comprises sheathing, underlayments, battens and the tiles themselves. Replacement standards should conform to the local building code and manufacturer's specifications at the time of actual replacement. The manner of construction is such that the underlayment is the primary line of defense from water infiltration. The tiles act to shade the underlayment from harmful sunlight and to protect the roof from heavy winds. Most storm water is shed from the roof tiles into the gutters or over the edge of the roof. However, this tile style is meant to allow water to pass between the tiles onto the underlayment. The underlayment thus sheds any remaining water into the gutters. In fact, horizontal driving rains will force their way up and under the tile only to be shed at some other point.

Preventative Maintenance Notes: We recommend the Association maintain a service and inspection contract with a qualified professional and record all documentation of repairs conducted. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Record any areas of water infiltration, flashing deterioration, damage or loose tiles
    - Implement repairs as needed if issues are reoccurring
    - Ensure proper ventilation and verify vents are clear of debris and not blocked from attic insulation
    - Trim tree branches that are near or in contact with roof
    - Periodic cleaning at areas with organic growth (We do not recommend pressure washing as it may cause further damage to tiles.)

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Security System

Line Item: 5.720

Quantity: Kissing Camels utilizes the following security system components:

- Cameras
- Multiplexer
- Recorder

History: The Association upgraded the security system in 2021

Condition: Reported satisfactory without operational deficiencies

Access control point

Security system cameras

Useful Life: 10- to 15-years

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Check cameras for proper focus, fields of view are unobstructed and camera and lenses are clean and dust-free
  - Check recording equipment for proper operation
  - Verify monitors are free from distortion with correct brightness and contrast
- Annually:
  - Check exposed wiring and cables for wear, proper connections and signal transmission
  - Check power connections, and if applicable, functionality of battery power supply systems

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost is based on information provided by the Association and we anticipate replacement of up to fifty percent (50%) of the security system components per event.

Windows and Doors

Line Item: 5.800

Quantity: Approximately 250 square feet

History: The age was unavailable at the time of our inspection

Condition: Good condition

Guard house windows and doors

Useful Life: Up to 40 years

Priority/Criticality: Not recommended to defer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Reserve Study Update

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. Many variables change after the study is conducted that may result in significant overfunding or underfunding the reserve account. Variables that may affect the Reserve Funding Plan include, but are not limited to:

- Deferred or accelerated capital projects based on Board discretion
- Changes in the interest rates on reserve investments
- Changes in the *local* construction inflation rate
- Additions and deletions to the Reserve Component Inventory
- The presence or absence of maintenance programs
- Unusually mild or extreme weather conditions
- Technological advancements

Periodic updates incorporate these variable changes since the last Reserve Study or Update. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. Budgeting for an Update demonstrates the Board's objective to continue fulfilling its fiduciary responsibility to maintain the commonly owned property and to fund reserves appropriately.

5. METHODOLOGY

Reserves for replacement are the amounts of money required for future expenditures to repair or replace Reserve Components that wear out before the entire facility or project wears out. Reserving funds for future repair or replacement of the Reserve Components is also one of the most reliable ways of protecting the value of the property's infrastructure and marketability.

Kissing Camels can fund capital repairs and replacements in any combination of the following:

1. Increases in the operating budget during years when the shortages occur
2. Loans using borrowed capital for major replacement projects
3. Level monthly reserve assessments annually adjusted upward for inflation to increase reserves to fund the expected major future expenditures
4. Special assessments

We do not advocate special assessments or loans unless near term circumstances dictate otherwise. Although loans provide a gradual method of funding a replacement, the costs are higher than if the Association were to accumulate reserves ahead of the actual replacement. Interest earnings on reserves also accumulate in this process of saving or reserving for future replacements, thereby defraying the amount of gradual reserve collections. We advocate the third method of *Level Monthly Reserve Assessments* with relatively minor annual adjustments. The method ensures that Homeowners pay their "fair share" of the weathering and aging of the commonly owned property each year. Level reserve assessments preserve the property and enhance the resale value of the homes.

This Reserve Study is in compliance with and exceeds the National standards[1] set forth by the Association of Professional Reserve Analysts (APRA) fulfilling the requirements of a "Level II Reserve Study Update." These standards require a Reserve Component to have a "predictable remaining Useful Life." Estimating Remaining Useful Lives and Reserve Expenditures beyond 30 years is often indeterminate. Long-Lived Property Elements are necessarily excluded from this analysis. We considered the following factors in our analysis:

- The Cash Flow Method to compute, project and illustrate the 30-year Reserve Funding Plan
- Local[2] costs of material, equipment and labor
- Current and future costs of replacement for the Reserve Components
- Costs of demolition as part of the cost of replacement
- Local economic conditions and a historical perspective to arrive at our estimate of long-term future inflation for construction costs in Colorado, Springs at an annual inflation rate[3]. Isolated or regional markets of

[1] Identified in the APRA "Standards - Terms and Definitions" and the CAI "Terms and Definitions".
[2] See Credentials for additional information on our use of published sources of cost data.
[3] Derived from Marshall & Swift, historical costs and the Bureau of Labor Statistics.

greater construction (development) activity may experience slightly greater rates of inflation for both construction materials and labor.

- The past and current maintenance practices of Kissing Camels and their effects on remaining useful lives
- Financial information provided by the Association pertaining to the cash status of the reserve fund and budgeted reserve contribution
- The anticipated effects of appreciation of the reserves over time in accord with a return or yield on investment of your cash equivalent assets. (We did not consider the costs, if any, of Federal and State Taxes on income derived from interest and/or dividend income).
- The Funding Plan excludes necessary operating budget expenditures. It is our understanding that future operating budgets will provide for the ongoing normal maintenance of Reserve Components.

Updates to this Reserve Study will continue to monitor historical facts and trends concerning the external market conditions.

6. CREDENTIALS

HISTORY AND DEPTH OF SERVICE

Founded in 1991, Reserve Advisors is the leading provider of reserve studies, insurance appraisals, developer turnover transition studies, expert witness services, and other engineering consulting services. Clients include community associations, resort properties, hotels, clubs, non-profit organizations, apartment building owners, religious and educational institutions, and office/commercial building owners in 48 states, Canada and throughout the world.

The **architectural engineering consulting firm** was formed to take a leadership role in helping fiduciaries, boards, and property managers manage their property like a business with a long-range master plan known as a Reserve Study.

Reserve Advisors employs the **largest staff of Reserve Specialists** with bachelor's degrees in engineering dedicated to Reserve Study services. Our founders are also founders of Community Associations Institute's (CAI) Reserve Committee that developed national standards for reserve study providers. One of our founders is a Past President of the Association of Professional Reserve Analysts (APRA). Our vast experience with a variety of building types and ages, on-site examination and historical analyses are keys to determining accurate remaining useful life estimates of building components.

No Conflict of Interest - As consulting specialists, our **independent opinion** eliminates any real or perceived conflict of interest because we do not conduct or manage capital projects.

TOTAL STAFF INVOLVEMENT

Several staff members participate in each assignment. The responsible advisor involves the staff through a Team Review, exclusive to Reserve Advisors, and by utilizing the experience of other staff members, each of whom has served hundreds of clients. We conduct Team Reviews, an internal quality assurance review of each assignment, including: the inspection; building component costing; lifing; and technical report phases of the assignment. Due to our extensive experience with building components, we do not have a need to utilize subcontractors.

OUR GOAL

To help our clients fulfill their fiduciary responsibilities to maintain property in good condition.

VAST EXPERIENCE WITH A VARIETY OF BUILDINGS

Reserve Advisors has conducted reserve studies for a multitude of different communities and building types. We've analyzed thousands of buildings, from as small as a 3,500-square foot day care center to a 2,600,000-square foot 98-story highrise. We also routinely inspect buildings with various types of mechanical systems such as simple electric heat, to complex systems with air handlers, chillers, boilers, elevators, and life safety and security systems.

We're familiar with all types of building exteriors as well. Our well-versed staff regularly identifies optimal repair and replacement solutions for such building exterior surfaces such as adobe, brick, stone, concrete, stucco, EIFS, wood products, stained glass and aluminum siding, and window wall systems.

OLD TO NEW

Reserve Advisors' experience includes ornate and vintage buildings as well as modern structures. Our specialists are no strangers to older buildings. We're accustomed to addressing the unique challenges posed by buildings that date to the 1800's. We recognize and consider the methods of construction employed into our analysis. We recommend appropriate replacement programs that apply cost effective technologies while maintaining a building's character and appeal.

NICHOLAS M. JOHANNING, E.I.T., RS
Responsible Advisor

CURRENT CLIENT SERVICES

Nicholas M. Johanning, a Civil Engineer, is an Advisor for Reserve Advisors. Mr. Johanning is responsible for the inspection and analysis of the condition of clients' properties, and recommending engineering solutions to prolong the lives of the components. He also forecasts capital expenditures for the repair and/or replacement of the property components and prepares technical reports on assignments. He is responsible for conducting Life Cycle Cost Analysis and Capital Replacement Forecast services on townhomes, homeowners associations, planned unit developments and recreational associations.

The following is a partial list of clients served by Nicholas Johanning demonstrating his breadth of experiential knowledge of community associations in construction and related buildings systems.

Ranch at Roaring Fork Homeowners Association, Inc. Situated in Carbondale, Colorado, this community features 162 single family homes and 60 units in 14 condominium buildings. The Association features a golf course, water treatment facility and asphalt pavement streets.

Hampden Terrace Homeowners Association Built in 2002, this community of 50 units in seven buildings is located in Aurora, CO. These uniquely shaped buildings feature masonry veneer walls, balconies, patios and asphalt shingle roofs. The property includes concrete access streets and sidewalks, masonry retaining walls and an inviting entrance monument.

Lorian at Prospect Creek Owners Association, Inc. Located in picturesque Mountain Village, Colorado, this condominium style development of 20 units features an outdoor pool, concrete plaza deck and two common underground garages.

The Town Homes at Coal Creek Homeowners Association This townhome style development of 112 units in 29 buildings and is located in Louisville, Colorado. Exterior features of the buildings include stucco wall finishes and asphalt shingle roofs and the site contains a pool, concrete flatwork and asphalt pavement streets.

Cornerstone Lake Condominium Association, Inc. This townhome style development of 122 units in 16 buildings is located in Farmington, Minnesota. Exterior features of the buildings include vinyl siding, brick masonry and asphalt shingle roofs. The site consists of a pond, asphalt pavement, concrete flatwork, vinyl fences and an irrigation system.

Blue Water Keyes Horizontal Property Regime Built in 2006, this 14-story mid-rise in Myrtle Beach, South Carolina includes stucco exterior finishes, a modified bitumen roof, indoor and outdoor poles, and concrete breezeways and balconies. The building also utilizes two elevators, and various pool mechanical equipment, including a dehumidifier.

PRIOR RELEVANT EXPERIENCE

Before joining Reserve Advisors, Mr. Johanning attended the University of Toledo in Toledo, Ohio where he attained his Bachelor of Science degree in Civil Engineering. During his time at the University of Toledo, Mr. Johanning helped his senior design group develop a water reduction plan for the buildings on the University of Toledo's campus. This project included designs for improving fixture efficiencies within selected buildings and estimations of water reduction and financial savings. Mr. Johanning also interned for The Douglas Company and R.A. Plumbing and Heating as an estimating engineer.

EDUCATION

University of Toledo - B.S. Civil Engineering

PROFESSIONAL AFFILIATIONS / DESIGNATIONS

Engineer In Training (E.I.T.) Registration
Reserve Specialist (RS) - Community Associations Institute

ALAN M. EBERT, P.E., PRA, RS
Director of Quality Assurance

CURRENT CLIENT SERVICES

Alan M. Ebert, a Professional Engineer, is the Director of Quality Assurance for Reserve Advisors. Mr. Ebert is responsible for the management, review and quality assurance of reserve studies. In this role, he assumes the responsibility of stringent report review analysis to assure report accuracy and the best solution for Reserve Advisors' clients.

Mr. Ebert has been involved with thousands of Reserve Study assignments. The following is a partial list of clients served by Alan Ebert demonstrating his breadth of experiential knowledge of community associations in construction and related buildings systems.

Brownsville Winter Haven Located in Brownsville, Texas, this unique homeowners association contains 525 units. The Association maintains three pools and pool houses, a community and management office, landscape and maintenance equipment, and nine irrigation canals with associated infrastructure.

Rosemont Condominiums This unique condominium is located in Alexandria, Virginia and dates to the 1940's. The two mid-rise buildings utilize decorative stone and brick masonry. The development features common interior spaces, multi-level wood balconies and common asphalt parking areas.

Stillwater Homeowners Association Located in Naperville, Illinois, Stillwater Homeowners Association maintains four tennis courts, an Olympic sized pool and an upscale ballroom with commercial-grade kitchen. The community also maintains three storm water retention ponds and a detention basin.

Birchfield Community Services Association This extensive Association comprises seven separate parcels which include 505 townhome and single family homes. This Community Services Association is located in Mt. Laurel, New Jersey. Three lakes, a pool, a clubhouse and management office, wood carports, aluminum siding, and asphalt shingle roofs are a few of the elements maintained by the Association.

Oakridge Manor Condominium Association Located in Londonderry, New Hampshire, this Association includes 104 units at 13 buildings. In addition to extensive roads and parking areas, the Association maintains a large septic system and significant concrete retaining walls.

Memorial Lofts Homeowners Association This upscale high rise is located in Houston, Texas. The 20 luxury units include large balconies and decorative interior hallways. The 10-story building utilizes a painted stucco facade and TPO roof, while an on-grade garage serves residents and guests.

PRIOR RELEVANT EXPERIENCE

Mr. Ebert earned his Bachelor of Science degree in Geological Engineering from the University of Wisconsin-Madison. His relevant course work includes foundations, retaining walls, and slope stability. Before joining Reserve Advisors, Mr. Ebert was an oilfield engineer and tested and evaluated hundreds of oil and gas wells throughout North America.

EDUCATION

University of Wisconsin-Madison - B.S. Geological Engineering

PROFESSIONAL AFFILIATIONS/DESIGNATIONS

Professional Engineering License – Wisconsin, North Carolina, Illinois, Colorado
Reserve Specialist (RS) **-** Community Associations Institute
Professional Reserve Analyst (PRA) **-** Association of Professional Reserve Analysts

NICOLE L. LOWERY, PRA, RS
Associate Director of Quality Assurance

CURRENT CLIENT SERVICES

Nicole L. Lowery, a Civil Engineer, is an Associate Director of Quality Assurance for Reserve Advisors. Ms. Lowery is responsible for the management, review and quality assurance of reserve studies. In this role, she assumes the responsibility of stringent report review analysis to assure report accuracy and the best solution for Reserve Advisors' clients.

Ms. Lowery has been involved with hundreds of Reserve Study assignments. The following is a partial list of clients served by Nicole Lowery demonstrating her breadth of experiential knowledge of community associations in construction and related buildings systems.

Amelia Surf & Racquet Club This oceanfront condominium community comprises 156 units in three mid rise buildings. This Fernandina Beach, Florida development contains amenities such as clay tennis courts, two pools and boardwalks.

Ten Museum Park This boutique, luxury 50-story high rise building in downtown Miami, Florida consists of 200 condominium units. The amenities comprise six pools including resistance and plunge pools, a full-service spa and a state-of-the-art fitness center. The property also contains a multi-level parking garage.

3 Chisolm Street Homeowners Association This historic Charleston, South Carolina community was constructed in 1929 and 1960 and comprises brick and stucco construction with asphalt shingle and modified bitumen roofs. The unique buildings were originally the Murray Vocational School. The buildings were transformed in 2002 to 27 high-end condominiums. The property includes a courtyard and covered parking garage.

Lakes of Pine Run Condominium Association This condominium community comprises 112 units in 41 buildings of stucco construction with asphalt shingle roofs. Located in Ormond Beach, Florida, it has a domestic water treatment plant and wastewater treatment plant for the residents of the property.

Rivertowne on the Wando Homeowners Association This exclusive river front community is located on the Wando River in Mount Pleasant, South Carolina. This unique Association includes several private docks along the Wando River, a pool and tennis courts for use by its residents.

Biltmore Estates Homeowners Association This private gated community is located in Miramar, Florida, just northwest of Miami, Florida and consists of 128 single family homes. The lake front property maintains a pool, a pool house and private streets.

Bellavista at Miromar Lakes Condominium Association Located in the residential waterfront resort community of Miromar Lakes Beach & Golf Club in Fort Myers, Florida, this property comprises 60 units in 15 buildings. Amenities include a clubhouse and a pool.

PRIOR RELEVANT EXPERIENCE

Before joining Reserve Advisors, Ms. Lowery was a project manager with Kipcon in New Brunswick, New Jersey and the Washington, D.C. Metro area for eight years, where she was responsible for preparing reserve studies and transition studies for community associations. Ms. Lowery successfully completed the bachelors program in Civil Engineering from West Virginia University in Morgantown, West Virginia.

EDUCATION

West Virginia University - B.S. Civil Engineering

PROFESSIONAL AFFILIATIONS / DESIGNATIONS

Reserve Specialist (RS) - Community Associations Institute
Professional Reserves Analyst (PRA) - Association of Professional Reserve Analysts

RESOURCES

Reserve Advisors utilizes numerous resources of national and local data to conduct its Professional Services. A concise list of several of these resources follows:

Association of Construction Inspectors, (ACI) the largest professional organization for those involved in construction inspection and construction project management. ACI is also the leading association providing standards, guidelines, regulations, education, training, and professional recognition in a field that has quickly become important procedure for both residential and commercial construction, found on the web at www.iami.org.

American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., (ASHRAE) the American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., devoted to the arts and sciences of heating, ventilation, air conditioning and refrigeration; recognized as the foremost, authoritative, timely and responsive source of technical and educational information, standards and guidelines, found on the web at www.ashrae.org. Reserve Advisors actively participates in its local chapter and holds individual memberships.

Community Associations Institute, (CAI) America's leading advocate for responsible communities noted as the only national organization dedicated to fostering vibrant, responsive, competent community associations. Their mission is to assist community associations in promoting harmony, community, and responsible leadership.

Marshall & Swift / Boeckh, (MS/B) the worldwide provider of building cost data, co-sourcing solutions, and estimating technology for the property and casualty insurance industry found on the web at www.marshallswift.com.

R.S. Means CostWorks, North America's leading supplier of construction cost information. As a member of the Construction Market Data Group, Means provides accurate and up-to-date cost information that helps owners, developers, architects, engineers, contractors and others to carefully and precisely project and control the cost of both new building construction and renovation projects found on the web at www.rsmeans.com.

Reserve Advisors' library of numerous periodicals relating to reserve studies, condition analyses, chapter community associations, and historical costs from thousands of capital repair and replacement projects, and product literature from manufacturers of building products and building systems.

7. DEFINITIONS

Definitions are derived from the standards set forth by the Community Associations Institute (CAI) representing America's 305,000 condominium and homeowners associations and cooperatives, and the Association of Professional Reserve Analysts, setting the standards of care for reserve study practitioners.

Cash Flow Method - A method of calculating Reserve Contributions where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Component Method - A method of developing a Reserve Funding Plan with the total contribution is based on the sum of the contributions for individual components.

Current Cost of Replacement - That amount required today derived from the quantity of a *Reserve Component* and its unit cost to replace or repair a Reserve Component using the most current technology and construction materials, duplicating the productive utility of the existing property at current *local* market prices for *materials*, *labor* and manufactured equipment, contractors' overhead, profit and fees, but without provisions for building permits, overtime, bonuses for labor or premiums for material and equipment. We include removal and disposal costs where applicable.

Fully Funded Balance - The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost similar to Total Accrued Depreciation.

Funding Goal (Threshold) - The stated purpose of this Reserve Study is to determine the adequate, not excessive, minimal threshold reserve balances.

Future Cost of Replacement - *Reserve Expenditure* derived from the inflated current cost of replacement or current cost of replacement as defined above, with consideration given to the effects of inflation on local market rates for materials, labor and equipment.

Long-Lived Property Component - Property component of Kissing Camels responsibility not likely to require capital repair or replacement during the next 30 years with an unpredictable remaining Useful Life beyond the next 30 years.

Percent Funded - The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.

Remaining Useful Life - The estimated remaining functional or useful time in years of a *Reserve Component* based on its age, condition and maintenance.

Reserve Component - Property elements with: 1) Kissing Camels responsibility; 2) limited Useful Life expectancies; 3) predictable Remaining Useful Life expectancies; and 4) a replacement cost above a minimum threshold.

Reserve Component Inventory - Line Items in ***Reserve Expenditures*** that identify a *Reserve Component*.

Reserve Contribution - An amount of money set aside or *Reserve Assessment* contributed to a *Reserve Fund* for future *Reserve Expenditures* to repair or replace *Reserve Components*.

Reserve Expenditure - Future Cost of Replacement of a Reserve Component.

Reserve Fund Status - The accumulated amount of reserves in dollars at a given point in time, i.e., at year end.

Reserve Funding Plan - The portion of the Reserve Study identifying the *Cash Flow Analysis* and containing the recommended Reserve Contributions and projected annual expenditures, interest earned and reserve balances.

Reserve Study - A budget planning tool that identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures.

Useful Life - The anticipated total time in years that a *Reserve Component* is expected to serve its intended function in its present application or installation.

8. PROFESSIONAL SERVICE CONDITIONS

Our Services - Reserve Advisors, LLC (RA) performs its services as an independent contractor in accordance with our professional practice standards and its compensation is not contingent upon our conclusions. The purpose of our reserve study is to provide a budget planning tool that identifies the current status of the reserve fund, and an opinion recommending an annual funding plan to create reserves for anticipated future replacement expenditures of the property.

Our inspection and analysis of the subject property is limited to visual observations, is noninvasive and is not meant to nor does it include investigation into statutory, regulatory or code compliance. RA inspects sloped roofs from the ground and inspects flat roofs where safe access (stairs or ladder permanently attached to the structure) is available. The report is based upon a "snapshot in time" at the moment of inspection. RA may note visible physical defects in our report. The inspection is made by employees generally familiar with real estate and building construction but in the absence of invasive testing RA cannot opine on, nor is RA responsible for, the structural integrity of the property including its conformity to specific governmental code requirements for fire, building, earthquake, and occupancy, or any physical defects that were not readily apparent during the inspection.

RA is not responsible for conditions that have changed between the time of inspection and the issuance of the report. RA does not investigate, nor assume any responsibility for any existence or impact of any hazardous materials, such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, environmental mold or other potentially hazardous materials or structural defects that are latent or hidden defects which may or may not be present on or within the property. RA does not make any soil analysis or geological study as part of its services; nor does RA investigate water, oil, gas, coal, or other subsurface mineral and use rights or such hidden conditions. RA assumes no responsibility for any such conditions. The Report contains opinions of estimated costs and remaining useful lives which are neither a guarantee of the actual costs of replacement nor a guarantee of remaining useful lives of any property element.

RA assumes, without independent verification, the accuracy of all data provided to it. You agree to indemnify and hold RA harmless against and from any and all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which we have relied upon supplied by you or others under your direction, or which may result from any improper use or reliance on the Report by you or third parties under your control or direction. Your obligation for indemnification and reimbursement shall extend to any director, officer, employee, affiliate, or agent of RA. Liability of RA and its employees, affiliates, and agents for errors and omissions, if any, in this work is limited to the amount of its compensation for the work performed in this engagement.

Report - RA completes the services in accordance with the Proposal. The Report represents a valid opinion of RA's findings and recommendations and is deemed complete. RA, however, considers any additional information made available to us within 6 months of issuing the Report if a timely request for a revised Report is made. RA retains the right to withhold a revised Report if payment for services was not tendered in a timely manner. All information received by RA and all files, work papers or documents developed by RA during the course of the engagement shall remain the property of RA and may be used for whatever purpose it sees fit.

Your Obligations - You agree to provide us access to the subject property for an on-site visual inspection You agree to provide RA all available, historical and budgetary information, the governing documents, and other information that we request and deem necessary to complete the Report. You agree to pay actual attorneys' fees and any other costs incurred to collect on any unpaid balance for RA's services.

Use of Our Report and Your Name - Use of this Report is limited to only the purpose stated herein. You hereby acknowledge that any use or reliance by you on the Report for any unauthorized purpose is at your own risk and you shall hold RA harmless from any consequences of such use. Use by any unauthorized third party is unlawful. The Report in whole or in part ***is not and cannot be used*** *as a design specification for design engineering purposes or as an appraisal.* You may show our Report in its entirety to the following third parties: members of your organization, your accountant, attorney, financial institution and property manager who need to review the information contained herein. Without the written consent of RA, you shall not disclose the Report to any other third party. The Report contains intellectual property developed by RA and ***shall not be reproduced or distributed to any party that conducts reserve studies without the written consent of RA.***

RA will include your name in our client lists. RA reserves the right to use property information to obtain estimates of replacement costs, useful life of property elements or otherwise as RA, in its sole discretion, deems appropriate.

Payment Terms, Due Dates and Interest Charges - Retainer payment is due upon authorization and prior to inspection. The balance is due net 30 days from the report shipment date. Any balance remaining 30 days after delivery of the Report shall accrue an interest charge of 1.5% per month. Any litigation necessary to collect an unpaid balance shall be venued in Milwaukee County Circuit Court for the State of Wisconsin.