

CAPITAL RESERVE STUDY

FOR THE

**The Uplands Homeowners Association/
Potomac Overlook**

Fort Washington, Maryland



Management Company: Perterson Companies
Contact Name:

Project Number: 23-0089
Date: September 20, 2023

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Executive Summary

The Uplands Homeowners Association/ Potomac Overlook, is a current 382 unit home owners association, which when completed will be 511 units. The community is located in the National Harbor area, in Fort Washington.

The community was not completed at the time of this study with the areas north east of harbor port way incomplete and not included in this report.

Common owned components that have extended useful lives which should be added to future reserves updates include domestic water service valve replacement, sewer pipe repair, and entry guard house metal roof.

Level of Service	Level I: New Study
Fiscal Year of Study	2024

Current Status of Reserve Fund (Component Method)

Current Balance	\$124,646
Fully Funded Balance	\$707,850
Percent Funded	17.61%

Reserve Budget Recommendations

	Prior Budget Year Contribution	Component Method *	5% Threshold *	10% Threshold *
Contribution/Year	\$35,000	\$146,781	\$88,020	\$89,889
Contribution/Unit	\$92	\$384	\$230	\$235
Contribution/Unit/Month	\$8	\$32	\$19	\$20

* Please note that this is the contribution for the period of January 2024 through December 2024.

Reserve Study Disclosures

General - Becht Engineering BT is not aware of any involvement with this Association, which would lead to an actual or perceived conflict of interest.

Physical Analysis - The inspections performed to determine the current physical condition of the common elements were visual in nature; no destructive testing or invasive inspections were performed. Quantities were taken from a combination of field counts/measurements and plan take-offs.

Personnel Credentials - Preparation of this Reserve Study was performed by a CAI designated Reserve Specialist and licensed Building Inspector.

Completeness - This Reserve Study assumes that proper preventative and corrective maintenance has been and will continue to be performed on the common elements. Failure to properly maintain the common elements may lead to premature failure. It should be noted that higher rates of inflation, lower earned interest rates or prematurely failing components can result in a negative closing cash balance. In addition, it is important to note that the capital fund contributions each year are assumed to rise at the assumed rate of inflation. Failure to raise the annual contributions with inflation will reduce the closing balance and may lead to a future shortfall.

Reliance on Client Data - This Reserve Study was prepared based on certain information provided by an official representative of the Association. This information includes the current asset balance of the Reserve Fund and the ages of the common elements and dates of most recent replacements.

Scope - This Reserve Study is a reflection of the information provided to us and assembled for the Association's use for budgeting purposes, not for the purpose of performing an audit, quality/forensic analysis or background checks of historical records. Interpretation of contradictions that may exist within the governing document's definition of common elements is not within the scope of this Study.

Reserve Balance - The actual and projected Reserve Fund Balance is based upon information provided by the Association and was not audited.

Component Quantities - Where this Reserve Study is an update of a previously prepared Study, the Association is considered to have deemed previously developed component listings and quantities as accurate and reliable.

Estimated Replacement Costs - Replacement costs are to be considered estimated projections of the cost to replace common elements in kind. These cost estimates are to be considered preliminary until such time as a project specific design or scope of work is developed. These costs can be affected by many variables including inflation, project scope and hidden damage conditions.

Reserve Projects - While the information provided in this Study is to be considered reliable, on-site inspections are not to be considered a project audit or quality inspection.

Introduction

The purpose of a Capital Reserve Study is to estimate the amount of money that must be funded annually to replace those common element components that will require replacement before the end of the effective life of the project.

Mortgage lenders recognize the conditions of inadequate reserves. Reserves are important in preserving the qualities of a particular complex or building and therefore can affect property values. Consequently, capital reserves are directly related to the security and risk of a lender's investment and the marketability of the property.

The Capital Reserve Study develops a recommended basic annual contribution based upon current replacement costs. Inflation may increase future costs unpredictably, and the accumulation of interest on the reserve fund deposits increases available funds. Accurate projection of these factors is not possible. However, the effects of inflation and interest are shown via cash flow projections using assumed inflation and interest rates. Accurate reserve funding requires regular updates. The Community Associations Institute recommends yearly reviews and a formal study every three years.

Capital Reserve Methodology

In preparing this study, when provided, we reviewed the master deed and offering statement to identify the common element components that the Association owns. Industry guidelines suggest that only components with estimated remaining lives of 30 years or less be included in the capital reserve study. Components with estimated remaining lives that are greater than 30 years, such as building structures, piping and electrical wiring are usually replaced during a major renovation and financed at that time. Including these components in the reserve fund would result in an unrealistically high-recommended annual contribution to the capital reserve. With the Board's approval we may include certain items of longer life expectancy, such as retaining walls or building siding when doing so will reduce the likelihood of future substantial increases in contributions.

Quantities of the components to be included in the reserve fund were then determined by field measurements, as well as a review of building and site plans, if available.

Estimates of the costs to replace each component were derived from published industry standards, such as the R.S. Means Company cost-estimating guides and from our own experience in designing and supervising construction of similar projects. These cost estimates are to be considered preliminary until such time as a project specific design or scope of work is developed.

Finally, estimated remaining lives were determined for each of the included components based on the reported or evident present age, available industry data related to typical useful lives and the condition of the component, as determined by our physical inspection.

The capital reserve fund is not intended to cover annual maintenance. If maintenance items are included in the Capital Reserve Study, the tax status of the reserve fund can be jeopardized. However, expected lives are based on the assumption that proper annual maintenance is being performed. Therefore, this annual maintenance should be included in the Association's budget and maintenance fee. Without proper maintenance, accelerated deterioration can be expected, with shortened lives. Please note, it is only possible to reserve for future expenditures and that a current need must be financed separately by borrowing or assessments.

This Capital Reserve Study is developed as an aid in the proper financial planning of the Association. As such, the common element components included are evaluated for their physical condition and only for the purpose of estimating their remaining lives. Identification of possible deficient conditions is beyond the intent and scope of the Capital Reserve Study.

Capital Reserve Calculation

We have provided two Capital Reserve calculation methods as described below.

Component Method

The first method provided in this reserve study is what is known as the Component Method. This is the most conservative approach to calculating the reserve requirement. The Component Method analyzes each component individually and assumes that the money collected for each item will only be used to replace that item. Our program uses assumed rates of interest and inflation in the calculation of the annual contribution and fully funded balance. We compare the actual balance in the Association's Reserve Fund with the calculated fully funded balance and determine if a surplus or deficit condition exists. If a deficit condition exists, an additional contribution is calculated for each component to offset the deficit.

Threshold Funding Method

The second calculation method is known as the Threshold Funding Method. This method pools all the components and assumes that the money contributed to the fund is available for replacement of any item. Looking out over the next 30 years, the annual contribution is determined by lowering the contribution until the closing balance for any given year reaches a predetermined threshold. We typically provide two Threshold Method scenarios. These thresholds are based on a percentage of the current replacement cost of all the components in the Reserve Study. Basing the threshold on a percentage of the replacement cost of all components keeps the minimum proportional to the needs of a specific community.

This minimizes the annual contribution while maintaining a minimum closing balance. Determining the optimum minimum closing balance is a subjective task. Certainly, the lower the minimum acceptable balance is the greater the risk that the fund will experience a deficit. It should be noted that this method only considers Reserve Account balances over the next 30 years. Large capital expenditures just beyond the 30-year window will not be considered using this method until in the future they fall within the 30-year window.

Capital Reserve Recommendations

The Uplands Homeowners Association/ Potomac Overlook has a total of 13 components in the reserve analysis with a current Replacement Cost of \$1,445,124. The Uplands Homeowners Association/ Potomac Overlook has a total of \$124,646 in the reserve fund. Using the Component Method, we have determined that the Basic Annual Contribution to the reserve fund should be \$89,874. The fully funded balance required is \$707,850. This leaves deficit of \$583,204 in the reserve fund. The deficit will be offset on an annual basis, for each reserve component, based on the remaining lives. The total of the Contribution Adjustment is \$56,907. This results in a Total Contribution to the reserve fund for the budget year of \$146,781.

For the Threshold Funding calculations, as directed by the Association, we have used minimum closing balances of 5% and 10% of the Total Replacement Cost of all components. This means that using the given assumptions, the closing balance will never go below those minimum balances. The Threshold Funding results in first year Annual Contributions of \$88,020 and \$89,889.

We suggest that you plan your annual contributions over the next few years according to either the Component or Threshold Funding options. At no later than three years, we suggest that you contact us for an update based on a proper engineering review of the facility and replacement costs.

It should be noted that higher rates of inflation, lower earned interest rates or prematurely failing components can result in a negative closing cash balance. In addition, it is important to note that the capital fund contributions each year are assumed to rise at the assumed rate of inflation. Failure to raise the annual contributions with inflation will reduce the closing balance. We recommend that the Association review this Capital Reserve Study with their Certified Public Accountant to be utilized in the preparation of their annual budget.



James H. Stegemerten RS
Senior Project Manager
CAI Reserve Specialist #145



Component Narrative

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Electrical

Description:	Exterior Site Lighting - Fixture A - Pemco Cal1-PSS		
Quantity:	96 EA	Cost Per Unit:	\$650.00
		Typical Life:	35
		Replacement Cost:	\$62,400
		Est Rem Life:	27

Comment:
The estimated cost is for the upgrade of the fixture wiring and head replacement.



Description:	Exterior Site Lighting - Fixture B - Pemco CAV 371		
Quantity:	184 EA	Cost Per Unit:	\$375.00
		Typical Life:	35
		Replacement Cost:	\$69,000
		Est Rem Life:	27

Comment:
The estimated cost is for the upgrade of the fixture wiring and head replacement.



Component Narrative

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Electrical

Description:	Exterior Site Lighting - Fixture D - Pemco DanD2		
Quantity:	16 EA	Cost Per Unit:	\$425.00
		Typical Life:	35
		Replacement Cost:	\$6,800
		Est Rem Life:	27

Comment:
The estimated cost is for the upgrade of the fixture wiring and head replacement.



Description:	Landscape Lighting Allowance		
Quantity:	1 LS	Cost Per Unit:	\$15,000.00
		Typical Life:	15
		Replacement Cost:	\$15,000
		Est Rem Life:	10

Comment:
The estimated cost is for the replacement of the various landscape fixtures throughout the central park areas and site.



Component Narrative

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Site

Description:	Asphalt Paving		
Quantity:	35,558 SY	Cost Per Unit:	\$22.00
		Typical Life:	20
		Replacement Cost:	\$782,276
		Est Rem Life:	10

Comment:
The estimated cost is for the full mill and overlay of the asphalt paving. See map and the end of this report for areas included.

Asphalt paving requires regular maintenance, including crack filling and pot hole repair to prevent accelerated damage.



Description:	Concrete Curbing Replacement Allowance, 15%		
Quantity:	2,288 LF	Cost Per Unit:	\$38.00
		Typical Life:	30
		Replacement Cost:	\$86,944
		Est Rem Life:	20

Comment:
The estimated cost is for replacement of a percentage of the concrete over the life of this study. Concrete can have an extended useful life, but requires replacement due to various factors, so a percentage has been used to set funding aside for these replacements to be made as required. The total area is calculated as 15,255 lf.



Component Narrative

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Site

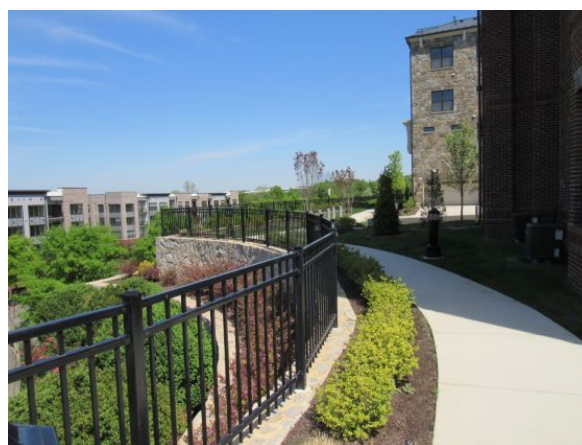
Description:	Concrete Sidewalks Replacement Allowance, 25%		
Quantity:	25,517 SF	Cost Per Unit:	\$12.00
		Typical Life:	30
		Replacement Cost:	\$306,204
		Est Rem Life:	20

Comment:
 The estimated cost is for replacement of a percentage of the concrete over the life of this study. Concrete can have an extended useful life, but requires replacement due to various factors, so a percentage has been used to set funding aside for these replacements to be made as required. The total area is calculated as 102,068 sf.



Description:	Fence, Aluminum Repair Allowance		
Quantity:	1 LS	Cost Per Unit:	\$25,000.00
		Typical Life:	25
		Replacement Cost:	\$25,000
		Est Rem Life:	15

Comment:
 The estimated cost is provided as a budget to make necessary repairs to the guard fencing located around the retaining wall areas. This aluminum fencing can have an extended life beyond the life of this study, but is anticipated to require maintenance and repair. The fencing area is approximately 3,340 lf.



Component Narrative

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Site

Description:	Furniture, Chairs Benches, Throughout Site		
Quantity:	1 LS	Cost Per Unit:	\$16,500.00
		Typical Life:	25
		Replacement Cost:	\$16,500
		Est Rem Life:	18

Comment:
The estimated cost is for the replacement of the site composite benches and chairs located throughout. These include 10 benches and 6 chairs.



Description:	Furniture, Wood Chairs Benches, Tables, Central Park Areas		
Quantity:	1 LS	Cost Per Unit:	\$36,500.00
		Typical Life:	25
		Replacement Cost:	\$36,500
		Est Rem Life:	15

Comment:
The estimated cost is for replacement of the teak furniture in the central park area and the other pocket park area along Windward Way. These include Adirondack chairs (30), tables for Adirondack chair sets (5), high table sets (2), and trash receptacles (2).



Component Narrative

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Site

Description:	Signage Allowance		
Quantity:	1 LS	Cost Per Unit:	\$18,500.00
		Typical Life:	25
		Replacement Cost:	\$18,500
		Est Rem Life:	20

Comment:
 The estimate cost is provided as a budget to replace common area signage as required, including street signage.



Component Narrative

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Miscellaneous

Description: Irrigation System Allowance			
Quantity:	1 LS	Cost Per Unit:	\$10,000.00
		Typical Life:	1
		Replacement Cost:	\$10,000
		Est Rem Life:	1

Comment:
 The estimated cost is for replacement of components of the multi-zone irrigation system. It is anticipated that this will be maintained with components replaced as required on a regular basis.

Description: Retaining Wall Inspection Allowance			
Quantity:	1 LS	Cost Per Unit:	\$10,000.00
		Typical Life:	10
		Replacement Cost:	\$10,000
		Est Rem Life:	10

Comment:
 The Association maintains several large masonry retaining walls, which have an extended useful life expectancy. However, it is recommended that a qualified firm inspect these walls periodically. funding is provided for these inspection services.



Capital Reserve Calculations



Reserve Summary

Project Name: The Uplands Homeowners Association/ Potomac Overlook
 Project Location: Fort Washington, Maryland
 Project Number: 23-0089
 Date of Study: September 2023
 Month Contributions Commence: January 2024

Interest Rate: 1.00%
 Inflation Rate: 3.00%

Electrical	Replacement Cost	RESERVES			CONTRIBUTION		
		Present Fund	Required Fund	Surplus (Deficit)	Basic Annual	Adjustment*	Total
Electrical	\$153,200	\$8,333	\$47,320	(\$38,987)	\$6,552	\$2,220	\$8,772
Site	\$1,271,924	\$116,313	\$660,530	(\$544,216)	\$71,968	\$54,687	\$126,655
Miscellaneous	\$20,000	\$0	\$0	\$0	\$11,353	\$0	\$11,353
TOTALS	\$1,445,124	\$124,646	\$707,850	(\$583,204)	\$89,874	\$56,907	\$146,781



Component Schedule

Project Name: The Uplands Homeowners Association/ Potomac Overlook
Project Location: Fort Washington, Maryland
Project Number: 23-0089
Date of Study: September 2023
Month Contributions Commence: January 2024

Interest Rate: 1.00%
Inflation Rate: 3.00%

Description	Replacement Cost	Est. Rem. Life	Typical Life	Basic Annual Contrib.	Percent Total	Present Fund	Required Fund	Surplus (Deficit)	Contrib. Adjustment
Electrical									
Exterior Site Lighting - Fixture A - Pemco Cal1-PSS	\$62,400	27	35	\$2,408	2.65%	\$3,301	\$18,744	(\$15,444)	\$752
Exterior Site Lighting - Fixture B - Pemco CAV 371	\$69,000	27	35	\$2,662	2.93%	\$3,650	\$20,727	(\$17,077)	\$831
Exterior Site Lighting - Fixture D - Pemco DanD2	\$6,800	27	35	\$262	0.29%	\$360	\$2,043	(\$1,683)	\$82
Landscape Lighting Allowance	\$15,000	10	15	\$1,219	0.82%	\$1,022	\$5,806	(\$4,784)	\$555
Site									
Asphalt Paving	\$782,276	10	20	\$49,513	64.16%	\$79,978	\$454,187	(\$374,209)	\$43,453
Concrete Curbing Replacement Allowance, 15%	\$86,944	20	30	\$3,854	5.18%	\$6,460	\$36,687	(\$30,226)	\$1,913
Concrete Sidewalks Replacement Allowance, 25%	\$306,204	20	30	\$13,574	18.25%	\$22,752	\$129,205	(\$106,453)	\$6,738
Fence, Aluminum Repair Allowance	\$25,000	15	25	\$1,302	1.72%	\$2,147	\$12,195	(\$10,047)	\$817
Furniture, Chairs Benches, Throughout Site	\$16,500	18	25	\$859	0.81%	\$1,016	\$5,769	(\$4,753)	\$330
Furniture, Wood Chairs Benches, Tables, Central Park Areas	\$36,500	15	25	\$1,901	2.52%	\$3,135	\$17,805	(\$14,669)	\$1,193
Signage Allowance	\$18,500	20	25	\$964	0.66%	\$825	\$4,684	(\$3,859)	\$244
Miscellaneous									
Irrigation System Allowance	\$10,000	1	1	\$10,192	0.00%	\$0	\$0	\$0	\$0
Retaining Wall Inspection Allowance	\$10,000	10	10	\$1,161	0.00%	\$0	\$0	\$0	\$0
Totals	\$1,445,124			\$89,874	100.00%	\$124,646	\$707,850	(\$583,204)	\$56,907



Component Detail

Project Name: The Uplands Homeowners Association/ Potomac Overlook
Project Location: Fort Washington, Maryland
Project Number: 23-0089
Date of Study: September 2023
Month Contributions Commence: January 2024

Interest Rate: 1.00%
Inflation Rate: 3.00%

Electrical	Quantity	Replacement Cost	RESERVES			CONTRIBUTION		
			Present Fund	Required Fund	Surplus (Deficit)	Basic Annual	Adjustment*	Total
Exterior Site Lighting - Fixture A - Pemco Cal1-PSS	96 EA	\$62,400	\$3,301	\$18,744	(\$15,444)	\$2,408	\$752	\$3,160
Exterior Site Lighting - Fixture B - Pemco CAV 371	184 EA	\$69,000	\$3,650	\$20,727	(\$17,077)	\$2,662	\$831	\$3,494
Exterior Site Lighting - Fixture D - Pemco DanD2	16 EA	\$6,800	\$360	\$2,043	(\$1,683)	\$262	\$82	\$344
Landscape Lighting Allowance	1 LS	\$15,000	\$1,022	\$5,806	(\$4,784)	\$1,219	\$555	\$1,775
TOTALS		\$153,200	\$8,333	\$47,320	(\$38,987)	\$6,552	\$2,220	\$8,772



Component Detail

Project Name: The Uplands Homeowners Association/ Potomac Overlook
Project Location: Fort Washington, Maryland
Project Number: 23-0089
Date of Study: September 2023
Month Contributions Commence: January 2024

Interest Rate: 1.00%
Inflation Rate: 3.00%

Site	Quantity	Replacement Cost	RESERVES			CONTRIBUTION		
			Present Fund	Required Fund	Surplus (Deficit)	Basic Annual	Adjustment*	Total
Asphalt Paving	35,558 SY	\$782,276	\$79,978	\$454,187	(\$374,209)	\$49,513	\$43,453	\$92,966
Concrete Curbing Replacement Allowance, 15%	2,288 LF	\$86,944	\$6,460	\$36,687	(\$30,226)	\$3,854	\$1,913	\$5,767
Concrete Sidewalks Replacement Allowance, 25%	25,517 SF	\$306,204	\$22,752	\$129,205	(\$106,453)	\$13,574	\$6,738	\$20,312
Fence, Aluminum Repair Allowance	1 LS	\$25,000	\$2,147	\$12,195	(\$10,047)	\$1,302	\$817	\$2,119
Furniture, Chairs Benches, Throughout Site	1 LS	\$16,500	\$1,016	\$5,769	(\$4,753)	\$859	\$330	\$1,189
Furniture, Wood Chairs Benches, Tables, Central Park Areas	1 LS	\$36,500	\$3,135	\$17,805	(\$14,669)	\$1,901	\$1,193	\$3,094
Signage Allowance	1 LS	\$18,500	\$825	\$4,684	(\$3,859)	\$964	\$244	\$1,208
TOTALS		\$1,271,924	\$116,313	\$660,530	(\$544,216)	\$71,968	\$54,687	\$126,655



Component Detail

Project Name: The Uplands Homeowners Association/ Potomac Overlook
Project Location: Fort Washington, Maryland
Project Number: 23-0089
Date of Study: September 2023
Month Contributions Commence: January 2024

Interest Rate: 1.00%
Inflation Rate: 3.00%

Miscellaneous	Quantity	Replacement Cost	RESERVES			CONTRIBUTION		
			Present Fund	Required Fund	Surplus (Deficit)	Basic Annual	Adjustment*	Total
Irrigation System Allowance	1 LS	\$10,000	\$0	\$0	\$0	\$10,192	\$0	\$10,192
Retaining Wall Inspection Allowance	1 LS	\$10,000	\$0	\$0	\$0	\$1,161	\$0	\$1,161
TOTALS		\$20,000	\$0	\$0	\$0	\$11,353	\$0	\$11,353

Disbursement Schedule

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Year	Description	Base Cost	Future Replacement Cost
<hr/>			
2025	Irrigation System Allowance	\$10,000	\$10,300
		\$10,000	\$10,300
<hr/>			
2026	Irrigation System Allowance	\$10,000	\$10,609
		\$10,000	\$10,609
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2027	Irrigation System Allowance	\$10,000	\$10,927
		\$10,000	\$10,927
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2028	Irrigation System Allowance	\$10,000	\$11,255
		\$10,000	\$11,255
<hr/>			
2029	Irrigation System Allowance	\$10,000	\$11,593
		\$10,000	\$11,593
<hr/>			
2030	Irrigation System Allowance	\$10,000	\$11,941
		\$10,000	\$11,941
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2031	Irrigation System Allowance	\$10,000	\$12,299
		\$10,000	\$12,299
<hr/>			
2032	Irrigation System Allowance	\$10,000	\$12,668
		\$10,000	\$12,668
<hr/>			
2033	Irrigation System Allowance	\$10,000	\$13,048
		\$10,000	\$13,048

Disbursement Schedule

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Year	Description	Base Cost	Future Replacement Cost
2034			
	Asphalt Paving	\$782,276	\$1,051,314
	Irrigation System Allowance	\$10,000	\$13,439
	Landscape Lighting Allowance	\$15,000	\$20,159
	Retaining Wall Inspection Allowance	\$10,000	\$13,439
		\$817,276	\$1,098,351
2035			
	Irrigation System Allowance	\$10,000	\$13,842
		\$10,000	\$13,842
2036			
	Irrigation System Allowance	\$10,000	\$14,258
		\$10,000	\$14,258
2037			
	Irrigation System Allowance	\$10,000	\$14,685
		\$10,000	\$14,685
2038			
	Irrigation System Allowance	\$10,000	\$15,126
		\$10,000	\$15,126
2039			
	Fence, Aluminum Repair Allowance	\$25,000	\$38,949
	Furniture, Wood Chairs Benches, Tables, Central Park Areas	\$36,500	\$56,866
	Irrigation System Allowance	\$10,000	\$15,580
		\$71,500	\$111,395
2040			
	Irrigation System Allowance	\$10,000	\$16,047
		\$10,000	\$16,047



Disbursement Schedule

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Year	Description	Base Cost	Future Replacement Cost
<hr/>			
2041	Irrigation System Allowance	\$10,000	\$16,528
		\$10,000	\$16,528
<hr/>			
2042	Furniture, Chairs Benches, Throughout Site	\$16,500	\$28,090
	Irrigation System Allowance	\$10,000	\$17,024
		\$26,500	\$45,114
<hr/>			
2043	Irrigation System Allowance	\$10,000	\$17,535
		\$10,000	\$17,535
<hr/>			
2044	Concrete Curbing Replacement Allowance, 15%	\$86,944	\$157,031
	Concrete Sidewalks Replacement Allowance, 25%	\$306,204	\$553,038
	Irrigation System Allowance	\$10,000	\$18,061
	Retaining Wall Inspection Allowance	\$10,000	\$18,061
	Signage Allowance	\$18,500	\$33,413
		\$431,648	\$779,604
<hr/>			
2045	Irrigation System Allowance	\$10,000	\$18,603
		\$10,000	\$18,603
<hr/>			
2046	Irrigation System Allowance	\$10,000	\$19,161
		\$10,000	\$19,161
<hr/>			
2047	Irrigation System Allowance	\$10,000	\$19,736
		\$10,000	\$19,736

Disbursement Schedule

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Year	Description	Base Cost	Future Replacement Cost
<hr/>			
2048	Irrigation System Allowance	\$10,000	\$20,328
		\$10,000	\$20,328
<hr/>			
2049	Irrigation System Allowance	\$10,000	\$20,938
	Landscape Lighting Allowance	\$15,000	\$31,407
		\$25,000	\$52,344
<hr/>			
2050	Irrigation System Allowance	\$10,000	\$21,566
		\$10,000	\$21,566
<hr/>			
2051	Exterior Site Lighting - Fixture A - Pemco Cal1-PSS	\$62,400	\$138,608
	Exterior Site Lighting - Fixture B - Pemco CAV 371	\$69,000	\$153,269
	Exterior Site Lighting - Fixture D - Pemco DanD2	\$6,800	\$15,105
	Irrigation System Allowance	\$10,000	\$22,213
		\$148,200	\$329,195
<hr/>			
2052	Irrigation System Allowance	\$10,000	\$22,879
		\$10,000	\$22,879
<hr/>			
2053	Irrigation System Allowance	\$10,000	\$23,566
		\$10,000	\$23,566
<hr/>			
2054	Asphalt Paving	\$782,276	\$1,898,789
	Irrigation System Allowance	\$10,000	\$24,273



Disbursement Schedule

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Interest Rate:	1.00%
Project Location:	Fort Washington, Maryland	Inflation Rate:	3.00%
Project Number:	23-0089		
Date of Study:	September 2023		
Month Contributions Commence:	January 2024		

Year	Description	Base Cost	Future Replacement Cost
	Retaining Wall Inspection Allowance	\$10,000	\$24,273
		\$802,276	\$1,947,334

Reserve Fund Scenario

Project Name: The Uplands Homeowners Association/ Potomac Overlook Calculation Method: Component
 Project Location: Fort Washington, Maryland
 Project Number: 23-0089 Interest Rate: 1.00%
 Date of Study: September 2023 Inflation Rate: 3.00%
 Month Contributions Commence: January 2024

Year	Opening Balance	Annual Contribution	Contribution Adjustment	Disbursements	Earned Interest	Closing Balance
2024	\$124,646	\$89,874	\$56,907	\$0	\$2,042	\$273,469
2025	\$273,469	\$92,570	\$58,615	\$10,300	\$3,554	\$417,907
2026	\$417,907	\$95,347	\$60,373	\$10,609	\$5,023	\$568,040
2027	\$568,040	\$98,207	\$62,184	\$10,927	\$6,549	\$724,054
2028	\$724,054	\$101,154	\$64,050	\$11,255	\$8,135	\$886,137
2029	\$886,137	\$104,188	\$65,971	\$11,593	\$9,783	\$1,054,487
2030	\$1,054,487	\$107,314	\$67,950	\$11,941	\$11,494	\$1,229,305
2031	\$1,229,305	\$110,533	\$69,989	\$12,299	\$13,271	\$1,410,800
2032	\$1,410,800	\$113,849	\$72,089	\$12,668	\$15,115	\$1,599,185
2033	\$1,599,185	\$117,265	\$74,251	\$13,048	\$17,029	\$1,794,682
2034	\$1,794,682	\$120,783	\$17,335	\$1,098,351	\$18,695	\$853,145
2035	\$853,145	\$124,406	\$17,855	\$13,842	\$9,302	\$990,866
2036	\$990,866	\$128,138	\$18,391	\$14,258	\$10,702	\$1,133,840
2037	\$1,133,840	\$131,982	\$18,943	\$14,685	\$12,156	\$1,282,236
2038	\$1,282,236	\$135,942	\$19,511	\$15,126	\$13,664	\$1,436,227
2039	\$1,436,227	\$140,020	\$16,966	\$111,395	\$15,213	\$1,497,031
2040	\$1,497,031	\$144,221	\$17,475	\$16,047	\$15,846	\$1,658,526
2041	\$1,658,526	\$148,547	\$17,999	\$16,528	\$17,487	\$1,826,031
2042	\$1,826,031	\$153,004	\$17,978	\$45,114	\$19,186	\$1,971,085
2043	\$1,971,085	\$157,594	\$18,517	\$17,535	\$20,665	\$2,150,326
2044	\$2,150,326	\$162,322	\$3,007	\$779,604	\$22,399	\$1,558,449
2045	\$1,558,449	\$167,191	\$3,097	\$18,603	\$16,507	\$1,726,641
2046	\$1,726,641	\$172,207	\$3,190	\$19,161	\$18,216	\$1,901,094
2047	\$1,901,094	\$177,373	\$3,286	\$19,736	\$19,990	\$2,082,006
2048	\$2,082,006	\$182,695	\$3,384	\$20,328	\$21,828	\$2,269,585
2049	\$2,269,585	\$188,175	\$3,486	\$52,344	\$23,734	\$2,432,636
2050	\$2,432,636	\$193,821	\$3,590	\$21,566	\$25,396	\$2,633,877
2051	\$2,633,877	\$199,635	\$0	\$329,195	\$27,420	\$2,531,737
2052	\$2,531,737	\$205,624	\$0	\$22,879	\$26,431	\$2,740,914
2053	\$2,740,914	\$211,793	\$0	\$23,566	\$28,556	\$2,957,697
2054	\$2,957,697	\$218,147	\$0	\$1,947,334	\$30,759	\$1,259,268

Reserve Fund Scenario

Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Calculation Method:	5% of Rep. Cost
Project Location:	Fort Washington, Maryland	Minimum Balance:	\$72,256
Project Number:	23-0089	Interest Rate:	1.00%
Date of Study:	September 2023	Inflation Rate:	3.00%
Month Contributions Commence:	January 2024		

Year	Opening Balance	Annual Contribution	Contribution Adjustment	Disbursements	Earned Interest	Closing Balance
2024	\$124,646	\$88,020	\$0	\$0	\$1,723	\$214,389
2025	\$214,389	\$90,661	\$0	\$10,300	\$2,635	\$297,385
2026	\$297,385	\$93,381	\$0	\$10,609	\$3,480	\$383,637
2027	\$383,637	\$96,182	\$0	\$10,927	\$4,357	\$473,249
2028	\$473,249	\$99,067	\$0	\$11,255	\$5,269	\$566,330
2029	\$566,330	\$102,039	\$0	\$11,593	\$6,216	\$662,992
2030	\$662,992	\$105,100	\$0	\$11,941	\$7,199	\$763,350
2031	\$763,350	\$108,253	\$0	\$12,299	\$8,220	\$867,524
2032	\$867,524	\$111,501	\$0	\$12,668	\$9,279	\$975,636
2033	\$975,636	\$114,846	\$0	\$13,048	\$10,378	\$1,087,812
2034	\$1,087,812	\$118,291	\$0	\$1,098,351	\$11,519	\$119,271
2035	\$119,271	\$121,840	\$0	\$13,842	\$1,853	\$229,122
2036	\$229,122	\$125,495	\$0	\$14,258	\$2,971	\$343,330
2037	\$343,330	\$129,260	\$0	\$14,685	\$4,133	\$462,038
2038	\$462,038	\$133,138	\$0	\$15,126	\$5,342	\$585,392
2039	\$585,392	\$137,132	\$0	\$111,395	\$6,597	\$617,726
2040	\$617,726	\$141,246	\$0	\$16,047	\$6,942	\$749,867
2041	\$749,867	\$145,483	\$0	\$16,528	\$8,287	\$887,109
2042	\$887,109	\$149,847	\$0	\$45,114	\$9,683	\$1,001,525
2043	\$1,001,525	\$154,342	\$0	\$17,535	\$10,851	\$1,149,183
2044	\$1,149,183	\$158,972	\$0	\$779,604	\$12,353	\$540,904
2045	\$540,904	\$163,741	\$0	\$18,603	\$6,296	\$692,338
2046	\$692,338	\$168,653	\$0	\$19,161	\$7,837	\$849,667
2047	\$849,667	\$173,713	\$0	\$19,736	\$9,438	\$1,013,082
2048	\$1,013,082	\$178,924	\$0	\$20,328	\$11,100	\$1,182,778
2049	\$1,182,778	\$184,292	\$0	\$52,344	\$12,826	\$1,327,552
2050	\$1,327,552	\$189,821	\$0	\$21,566	\$14,304	\$1,510,111
2051	\$1,510,111	\$195,516	\$0	\$329,195	\$16,160	\$1,392,592
2052	\$1,392,592	\$201,381	\$0	\$22,879	\$15,017	\$1,586,111
2053	\$1,586,111	\$207,422	\$0	\$23,566	\$16,985	\$1,786,952
2054	\$1,786,952	\$213,645	\$0	\$1,947,334	\$19,027	\$72,290



Reserve Fund Scenario

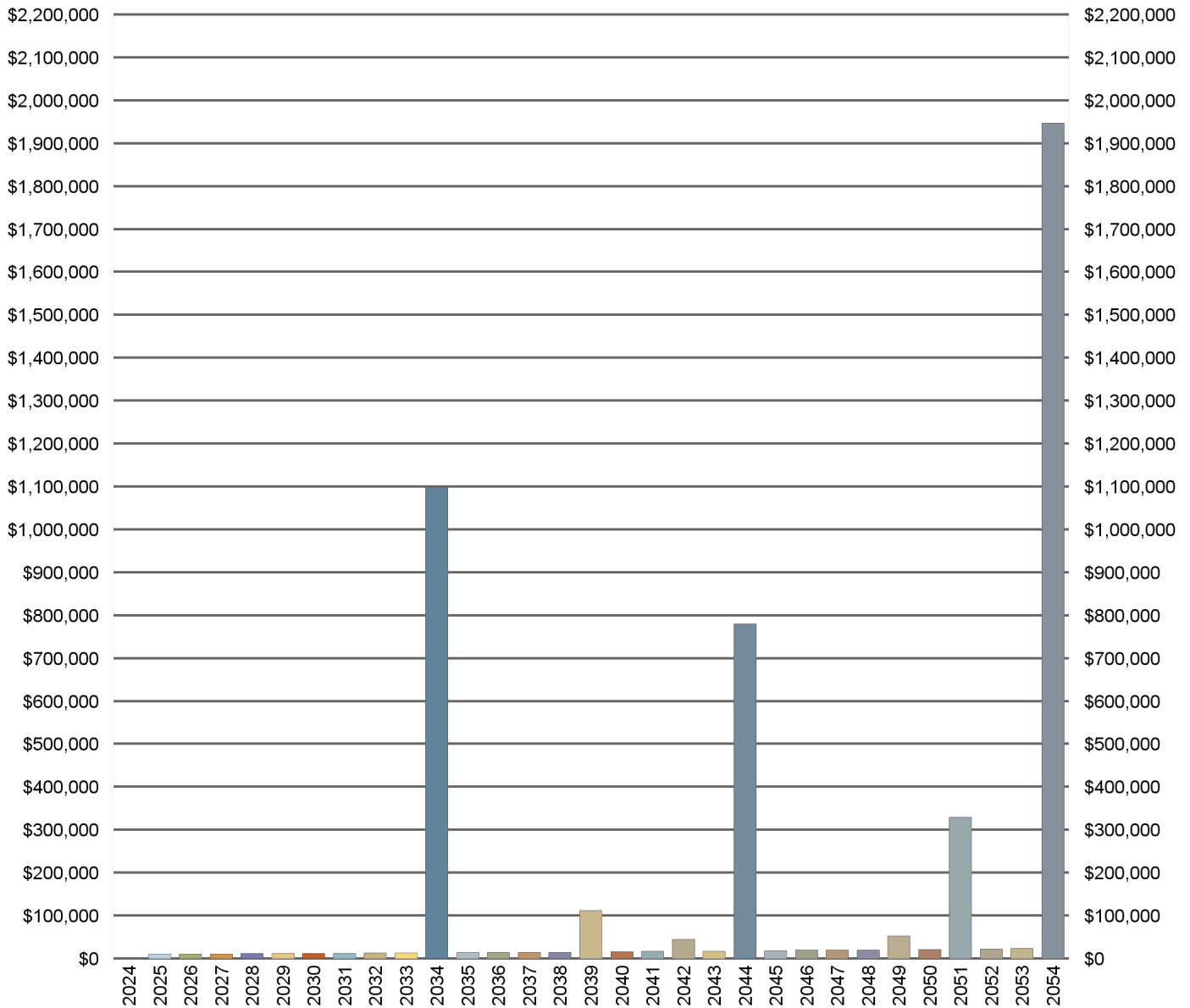
Project Name:	The Uplands Homeowners Association/ Potomac Overlook	Calculation Method:	10% of Rep. Cost
Project Location:	Fort Washington, Maryland	Minimum Balance:	\$144,512
Project Number:	23-0089	Interest Rate:	1.00%
Date of Study:	September 2023	Inflation Rate:	3.00%
Month Contributions Commence:	January 2024		

Year	Opening Balance	Annual Contribution	Contribution Adjustment	Disbursements	Earned Interest	Closing Balance
2024	\$124,646	\$89,889	\$0	\$0	\$1,733	\$216,268
2025	\$216,268	\$92,586	\$0	\$10,300	\$2,664	\$301,218
2026	\$301,218	\$95,364	\$0	\$10,609	\$3,529	\$389,502
2027	\$389,502	\$98,225	\$0	\$10,927	\$4,427	\$481,227
2028	\$481,227	\$101,172	\$0	\$11,255	\$5,360	\$576,504
2029	\$576,504	\$104,207	\$0	\$11,593	\$6,329	\$675,447
2030	\$675,447	\$107,333	\$0	\$11,941	\$7,336	\$778,175
2031	\$778,175	\$110,553	\$0	\$12,299	\$8,381	\$884,810
2032	\$884,810	\$113,870	\$0	\$12,668	\$9,465	\$995,477
2033	\$995,477	\$117,286	\$0	\$13,048	\$10,590	\$1,110,305
2034	\$1,110,305	\$120,805	\$0	\$1,098,351	\$11,757	\$144,516
2035	\$144,516	\$124,429	\$0	\$13,842	\$2,119	\$257,222
2036	\$257,222	\$128,162	\$0	\$14,258	\$3,266	\$374,392
2037	\$374,392	\$132,007	\$0	\$14,685	\$4,459	\$496,173
2038	\$496,173	\$135,967	\$0	\$15,126	\$5,698	\$622,712
2039	\$622,712	\$140,046	\$0	\$111,395	\$6,986	\$658,349
2040	\$658,349	\$144,247	\$0	\$16,047	\$7,365	\$793,914
2041	\$793,914	\$148,574	\$0	\$16,528	\$8,744	\$934,704
2042	\$934,704	\$153,031	\$0	\$45,114	\$10,176	\$1,052,797
2043	\$1,052,797	\$157,622	\$0	\$17,535	\$11,382	\$1,204,266
2044	\$1,204,266	\$162,351	\$0	\$779,604	\$12,922	\$599,935
2045	\$599,935	\$167,222	\$0	\$18,603	\$6,905	\$755,459
2046	\$755,459	\$172,239	\$0	\$19,161	\$8,488	\$917,025
2047	\$917,025	\$177,406	\$0	\$19,736	\$10,131	\$1,084,826
2048	\$1,084,826	\$182,728	\$0	\$20,328	\$11,838	\$1,259,064
2049	\$1,259,064	\$188,210	\$0	\$52,344	\$13,610	\$1,408,540
2050	\$1,408,540	\$193,856	\$0	\$21,566	\$15,135	\$1,595,965
2051	\$1,595,965	\$199,672	\$0	\$329,195	\$17,041	\$1,483,483
2052	\$1,483,483	\$205,662	\$0	\$22,879	\$15,949	\$1,682,215
2053	\$1,682,215	\$211,832	\$0	\$23,566	\$17,970	\$1,888,451
2054	\$1,888,451	\$218,187	\$0	\$1,947,334	\$20,066	\$179,370

Disbursements by Year

Project Name: The Uplands Homeowners Association/ Potomac Overlook
Project Location: Fort Washington, Maryland
Project Number: 23-0089
Date of Study: September 2023

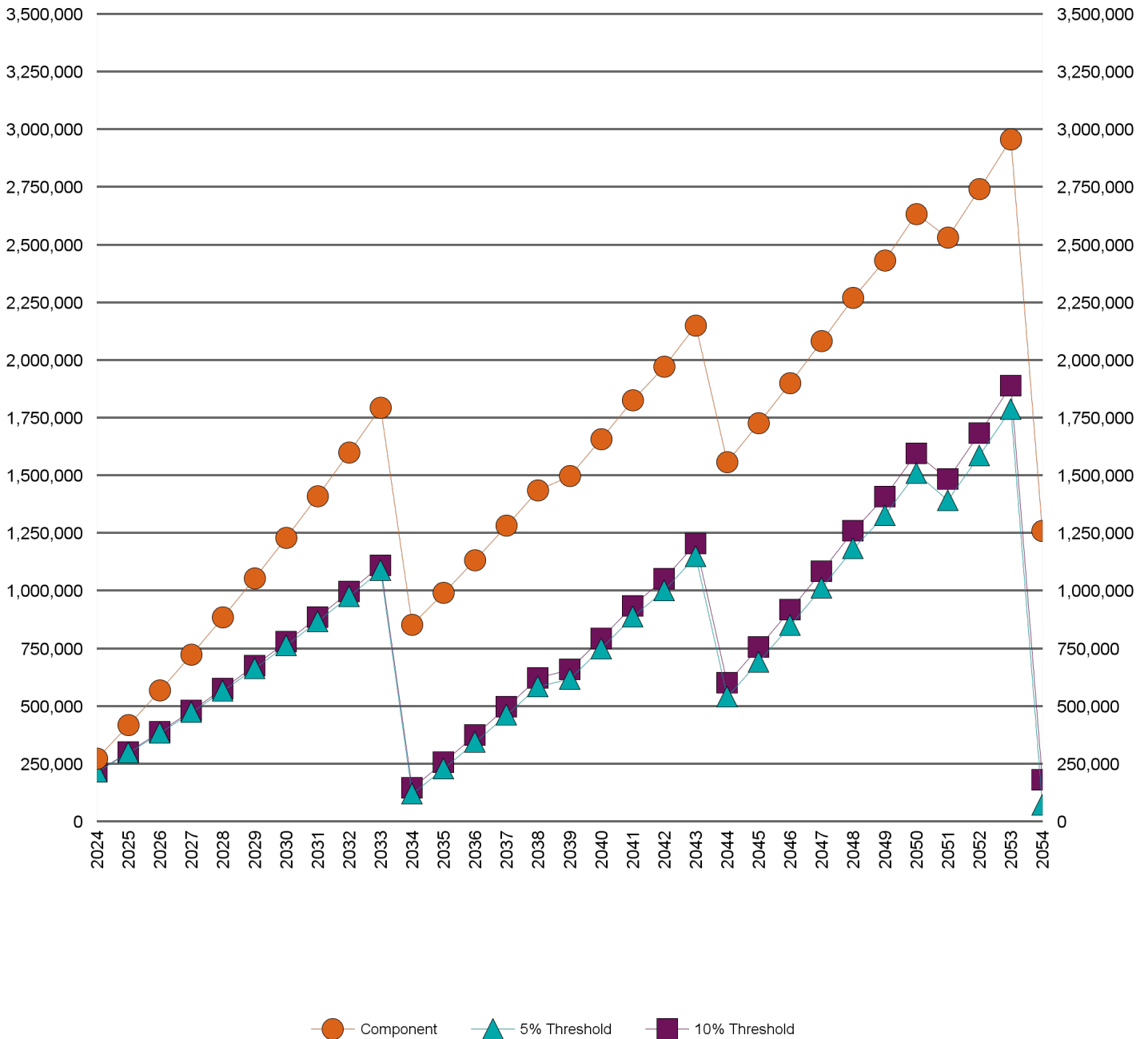
Interest Rate: 1.00%
Inflation Rate: 3.00%



Reserve Fund Closing Balance

Project Name: The Uplands Homeowners Association/ Potomac Overlook
Project Location: Fort Washington, Maryland
Project Number: 23-0089
Date of Study: September 2023

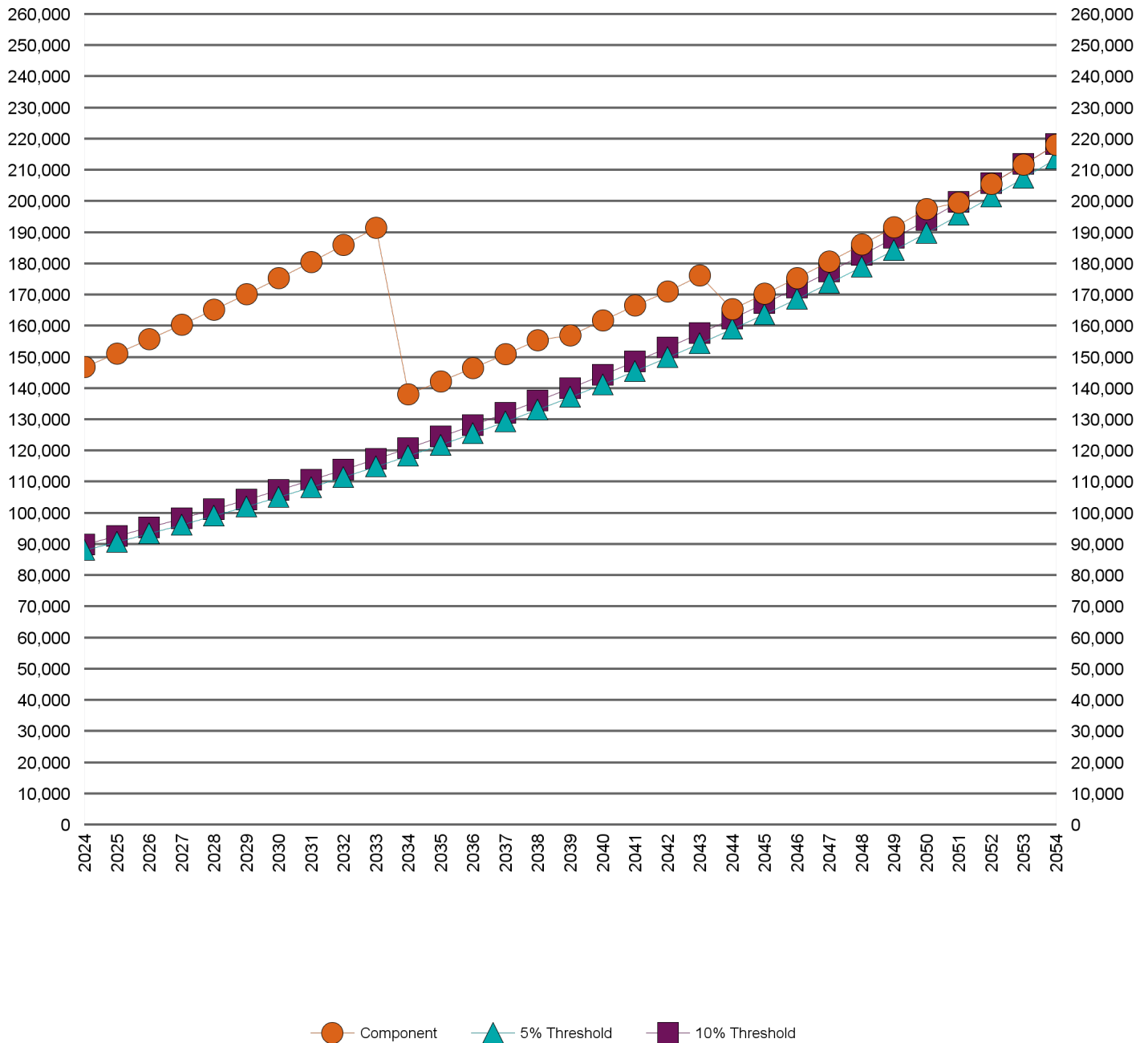
Interest Rate: 1.00%
Inflation Rate: 3.00%



Reserve Fund Contributions

Project Name: The Uplands Homeowners Association/ Potomac Overlook
Project Location: Fort Washington, Maryland
Project Number: 23-0089
Date of Study: September 2023

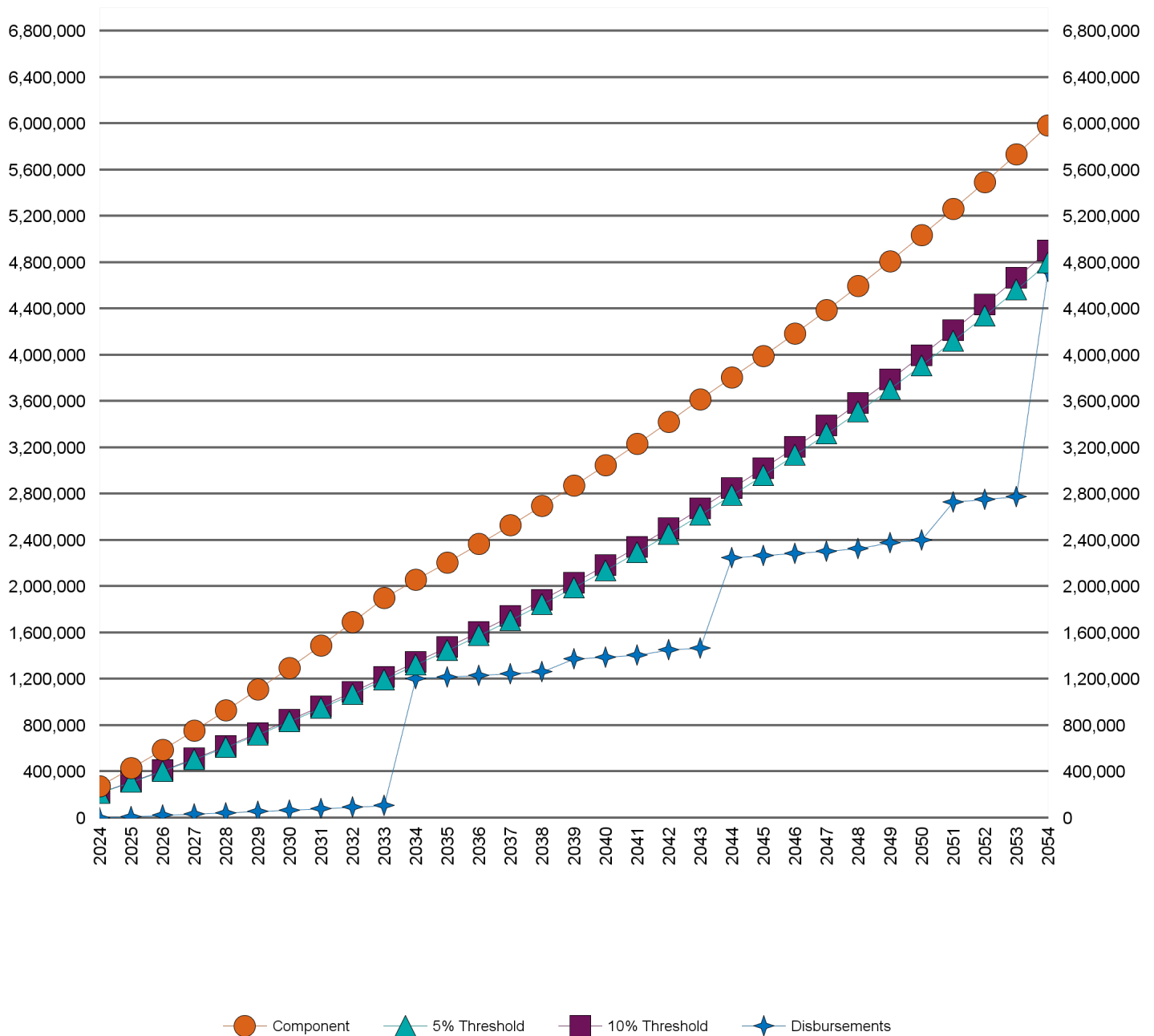
Interest Rate: 1.00%
Inflation Rate: 3.00%



Cumulative Contributions and Disbursements

Project Name: The Uplands Homeowners Association/ Potomac Overlook
Project Location: Fort Washington, Maryland
Project Number: 23-0089
Date of Study: September 2023

Interest Rate: 1.00%
Inflation Rate: 3.00%



Definitions

Definitions

Base Cost - See definition "Current Replacement Cost Allowance." This calculation, based on current costs, is increased according to the assumed rates of inflation in the "Disbursement Schedule."

Basic Annual Contribution - This is the amount that should have been contributed each year, while considering assumed rates of interest and inflation, to accumulate a reserve equal to the Current Replacement Cost at the anticipated replacement time (end-of-life). This is roughly calculated.

Contribution Adjustment - If the capital reserve fund for a component is not fully funded, this is the increase in annual contributions that would be required to fully fund the reserve before the estimated end-of-life. If the capital reserve fund for a component is over-funded, this is the decrease in annual contributions that would offset the over-funded condition.

Contribution, Total - This is the recommended Basic Annual Contribution plus the "Contribution Adjustment" (see definition) required to make up for past underfunding before replacement of the component is estimated to be required. The amount can decrease in future years because the required Contribution Adjustment decreases each year in which a reserve fund for a capital component is fully funded.

Current Replacement Cost - The estimated cost to replace a component in kind at the time of the Study.

Estimated Remaining Life - The anticipated number of years before replacement of this component can be expected to be necessary. This is based on the normal life, the current age, and an engineering assessment that considers site-specific condition.

Deficit - This shows the amount that the Present Fund is undercapitalized. It is the present fund minus the Required Fund, A positive number (surplus) means excess cash reserves have been set aside to date. A negative number indicates a deficit in the Present Fund; this underfunding can be made up in one of two ways: 1) an increase in the annual fees to catch up or, 2) a special assessment between now and when the component requires replacement. This Study assumes the second method is used and recommends annual makeup on that basis.

Interest - Interest accumulated on the capital reserve fund deposit based on the assumed interest rate listed at the top of the "Projected Cash Flow" pages.

Inflation - The increased cost of future replacement expenditures are based on an assumed rate of inflation.

Opening Balance - On the "Projected Cash Flow" pages, this is the reported total reserve fund on deposit

for the condominium Association.

Percent Funded - Represents the ratio of the Reserve Fund balance to the Required Fund or Fully Funded Balance. This is a measure of the financial health of the Reserve Fund and an indicator of the risk of the future necessity of special assessments.

Percentage Of Total - Percent of total recommended Basic Annual Contribution. This shows the significance of specific components relative to required contributions to the capital reserve fund.

Present Age - Age of the component at the time of this Study.

Present Fund - Present funds set aside for capital component replacement at this time. If present funds are not reserved for specific components but are an unallocated pool, the total present funds allocated between the components according to the Percentage Of Total column.

Required Fund - This amount should have been set aside for each component in the fund to be considered fully funded.

Surplus - This shows the amount that the Present Fund is overcapitalized. It is the present fund minus the Required Fund. A positive number (surplus) means excess cash reserves have been set aside to date.

Typical Life - The anticipated number of years that a component may be expected to provide adequate service. Please note that this is based on industry standards. A component may outlive, or require replacement prior to, its typical life.

Abbreviations:

EA - Each

LF - Linear Foot

LS - Lump Sum

SF - Square Foot

SY - Square Yard