# RESERVE EXPENDITURES

**for**
**Pawleys Place**
**Homeowners Association, Inc.**
Murrells Inlet, South Carolina

**Explanatory Notes:**
1) **2.75%** is the estimated future Inflation Rate for estimating Future Replacement Costs.
2) FY 2009 is Fiscal Year beginning January 1 and ending December 31.

| Line Item | Quantities: 30-Year Total | Per Phase | Units | Reserve Component Inventory | Estimated 1st Year of Replacement | Life Analysis, Years Useful | Remaining | Unit Cost, $ | 2009 Cost of Replacement per Phase, $ | Total Future Costs of Replacement, $ | (See Notes 1 & 2) RUL = 0 FY2009 | 1 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 | 6 2015 | 7 2016 | 8 2017 | 9 2018 | 10 2019 | 11 2020 | 12 2021 | 13 2022 | 14 2023 | 15 2024 | 16 2025 | 17 2026 | 18 2027 | 19 2028 | 20 2029 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | **Exterior Building Elements** | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.260 | 181 | **181** | Each | Light Fixtures | 2024 | to 25 | 15 | 90.00 | 16,290 | **24,471** | | | | | | | | | | | | | | | 24,471 | | | | | |
| 1.280 | 5,300 | **1,325** | Squares | Roofs, Asphalt Shingles, Phased Replacements | 2018 | 15 to 20 | 9 | 270.00 | 357,750 | **2,518,919** | | | | | | | | | 456,684 | 469,243 | | | | | | | | | | |
| 1.501 | 22,100 | **11,050** | Square Feet | Screens and Frames, Phased Replacements | 2023 | to 25 | 14 | 10.00 | 110,500 | **327,543** | | | | | | | | | | | | | | 161,550 | 165,993 | | | | | |
| 1.560 | 300 | **300** | Pairs | Shutters, Vinyl | 2024 | to 25 | 15 | 120.00 | 36,000 | **54,079** | | | | | | | | | | | | | | | 54,079 | | | | | |
| 1.651 | 12 | **1** | Allowance | Trim, Wood, Doors and Windows, Paint Finishes, Phased Applications | 2010 | 4 to 6 | 1 | 8,000.00 | 8,000 | **150,354** | | 8,220 | | | | 9,162 | 9,414 | | | | 10,493 | 10,782 | | | | 12,018 | 12,348 | | | | 13,763 |
| 1.820 | 30,200 | **15,100** | Square Feet | Walls, Masonry, Inspections and Partial Repointing | 2014 | to 15 | 5 | 0.55 | 8,305 | **23,799** | | | | | | 9,511 | | | | | | | | | | | | | | 14,288 |
| 1.920 | 211,500 | **105,750** | Square Feet | Walls, Vinyl Siding, Phased Replacement | 2038 | to 40 | 29 | 4.25 | 449,438 | **2,001,258** | | | | | | | | | | | | | | | | | | | | |
| | | | | **Property Site Elements** | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4.020 | 73,750 | **14,750** | Square Yards | Asphalt Pavement, Crack Repair and Patch | 2012 | 3 to 5 | 3 | 0.30 | 4,425 | **35,225** | | | | 4,800 | | | | | 5,498 | | | | | | | | | 7,211 | | |
| 4.040 | 14,750 | **14,750** | Square Yards | Asphalt Pavement, Mill and Overlay | 2022 | 20 to 25 | 13 | 11.50 | 169,625 | **241,354** | | | | | | | | | | | | | 241,354 | | | | | | | |
| 4.080 | 2,230 | **1,115** | Square Yards | Asphalt Pavement, Total Replacement, Walking Paths | 2017 | 15 to 20 | 8 | 10.00 | 11,150 | **36,427** | | | | | | | | | 13,853 | | | | | | | | | | | |
| 4.100 | 18 | **18** | Each | Catch Basins, Inspections and Capital Repairs | 2022 | 20 to 25 | 13 | 600.00 | 10,800 | **15,367** | | | | | | | | | | | | | 15,367 | | | | | | | |
| 4.110 | 2,100 | **2,100** | Linear Feet | Concrete Curbs and Gutters, Partial Replacements | 2022 | to 65 | 13 | 22.00 | 46,200 | **65,736** | | | | | | | | | | | | | 65,736 | | | | | | | |
| 4.120 | 8,450 | **1,690** | Square Feet | Concrete Driveways, Partial Replacements | 2015 | to 65 | 6 | 8.00 | 13,520 | **106,271** | | | | | | | 15,910 | | | | 18,221 | | | | | | 20,868 | | | |
| 4.140 | 4,250 | **850** | Square Feet | Concrete Sidewalks, Partial Replacements | 2015 | to 65 | 6 | 7.00 | 5,950 | **46,769** | | | | | | | 7,002 | | | | 8,019 | | | | | | 9,184 | | | |
| 4.410 | 4 | **1** | Each | Irrigation System, Pumps, Phased Replacements | 2014 | to 15 | 5 | 5,000.00 | 5,000 | **31,145** | | | | | | 5,726 | | | | | | 6,924 | | | | | | 8,372 | | |
| 4.420 | 5 | **1** | Allowance | Irrigation System, Phased Replacement | 2035 | 35 to 40 | 26 | 20,000.00 | 20,000 | **213,900** | | | | | | | | | | | | | | | | | | | | |
| 4.500 | 6 | **1** | Allowance | Landscape, Partial Replacements | 2012 | to 5 | 3 | 35,000.00 | 35,000 | **328,417** | | | | 37,968 | | | | | 43,483 | | | | 49,800 | | | | | 57,035 | | |
| 4.600 | 19 | **19** | Each | Mailbox Stations | 2023 | to 25 | 14 | 1,150.00 | 21,850 | **31,945** | | | | | | | | | | | | | | 31,945 | | | | | | |
| 4.691 | 1,175 | **1,175** | Linear Feet | Pond, Bulkhead, Timber | 2029 | 15 to 20 | 20 | 60.00 | 70,500 | **121,290** | | | | | | | | | | | | | | | | | | | | 121,290 |
| 4.700 | 8 | **4** | Each | Ponds, Aerators | 2014 | 10 to 15 | 5 | 5,500.00 | 22,000 | **63,045** | | | | | | 25,196 | | | | | | | | | | | | | | 37,849 |
| 4.720 | 3 | **1** | Allowance | Ponds, Erosion Control and Partial Dredging (2009 is budgeted) | 2009 | to 20 | 0 | 15,000.00 | 15,000 | **58,524** | 5,000 | | | | | | | | | | 19,675 | | | | | | | | | | |
| 4.810 | 2 | **1** | Allowance | Signage | 2018 | 15 to 20 | 9 | 18,000.00 | 18,000 | **61,452** | | | | | | | | | | 22,978 | | | | | | | | | | |
| | | | | **Pool Elements** | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6.101 | 225 | **225** | Square Feet | Arbors, Wood | 2019 | 15 to 20 | 10 | 20.00 | 4,500 | **5,902** | | | | | | | | | | | 5,902 | | | | | | | | | |
| 6.200 | 14,400 | **4,800** | Square Feet | Concrete Deck, Inspections, Coatings, Partial Replacements and Repairs | 2011 | 8 to 12 | 2 | 3.25 | 15,600 | **66,408** | | | 16,470 | | | | | | | | | | 21,603 | | | | | | | | |
| 6.400 | 490 | **245** | Linear Feet | Fence, Vinyl | 2019 | 15 to 20 | 10 | 18.00 | 4,410 | **15,736** | | | | | | | | | | | 5,784 | | | | | | | | | |
| 6.500 | 180 | **30** | Each | Furniture, Phased Replacements | 2011 | to 10 | 2 | 175.00 | 5,250 | **47,944** | | | 5,543 | | | | | 6,348 | | | | | 7,270 | | | | | 8,326 | | |
| 6.800 | 3,000 | **1,000** | Square Feet | Plaster Finish Replacement and Tile Repairs | 2011 | 8 to 12 | 2 | 11.00 | 11,000 | **46,826** | | | 11,613 | | | | | | | | | | 15,233 | | | | | | | | |
| 6.901 | 2 | **2** | Each | Rest Rooms, Renovation | 2029 | to 30 | 20 | 4,200.00 | 8,400 | **14,452** | | | | | | | | | | | | | | | | | | | | 14,452 |
| | | **1** | Allowance | **Reserve Study Update with Site Visit** | 2011 | 2 | 2 | 4,000.00 | 4,000 | **4,000** | | | 4,000 | | | | | | | | | | | | | | | | | |
| | | | | **Anticipated Expenditures, By Year** | | | | | | $6,758,558 | 5,000 | 8,220 | 37,626 | 42,768 | 0 | 49,595 | 32,326 | 6,348 | 62,834 | 479,662 | 511,097 | 37,022 | 51,030 | 372,257 | 193,495 | 256,561 | 42,400 | 8,326 | 64,246 | 8,372 | 201,642 |

# RESERVE EXPENDITURES

**for**

**Pawleys Place**

**Homeowners Association, Inc.**

Murrells Inlet, South Carolina

| Line Item | Reserve Component Inventory | 21 2030 | 22 2031 | 23 2032 | 24 2033 | 25 2034 | 26 2035 | 27 2036 | 28 2037 | 29 2038 | 30 2039 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Exterior Building Elements** | | | | | | | | | | |
| 1.260 | Light Fixtures | | | | | | | | | | |
| 1.280 | Roofs, Asphalt Shingles, Phased Replacements | | | | | | | | | 785,693 | 807,299 |
| 1.501 | Screens and Frames, Phased Replacements | | | | | | | | | | |
| 1.560 | Shutters, Vinyl | | | | | | | | | | |
| 1.651 | Trim, Wood, Doors and Windows, Paint Finishes, Phased Applications | 14,142 | | | | 15,763 | 16,196 | | | | 18,053 |
| 1.820 | Walls, Masonry, Inspections and Partial Repointing | | | | | | | | | | |
| 1.920 | Walls, Vinyl Siding, Phased Replacement | | | | | | | | | 987,057 | 1,014,201 |
| | **Property Site Elements** | | | | | | | | | | |
| 4.020 | Asphalt Pavement, Crack Repair and Patch | | | 8,258 | | | | | 9,458 | | |
| 4.040 | Asphalt Pavement, Mill and Overlay | | | | | | | | | | |
| 4.080 | Asphalt Pavement, Total Replacement, Walking Paths | | | | | | 22,574 | | | | |
| 4.100 | Catch Basins, Inspections and Capital Repairs | | | | | | | | | | |
| 4.110 | Concrete Curbs and Gutters, Partial Replacements | | | | | | | | | | |
| 4.120 | Concrete Driveways, Partial Replacements | 23,900 | | | | | 27,372 | | | | |
| 4.140 | Concrete Sidewalks, Partial Replacements | 10,518 | | | | | 12,046 | | | | |
| 4.410 | Irrigation System, Pumps, Phased Replacements | | | | | | 10,123 | | | | |
| 4.420 | Irrigation System, Phased Replacement | | | | | | 40,491 | 41,604 | 42,749 | 43,924 | 45,132 |
| 4.500 | Landscape, Partial Replacements | | | 65,321 | | | | | 74,810 | | |
| 4.600 | Mailbox Stations | | | | | | | | | | |
| 4.691 | Pond, Bulkhead, Timber | | | | | | | | | | |
| 4.700 | Ponds, Aerators | | | | | | | | | | |
| 4.720 | Ponds, Erosion Control and Partial Dredging (2009 is budgeted) | | | | | | | | | | 33,849 |
| 4.810 | Signage | | | | | | | | 38,474 | | |
| | **Pool Elements** | | | | | | | | | | |
| 6.101 | Arbors, Wood | | | | | | | | | | |
| 6.200 | Concrete Deck, Inspections, Coatings, Partial Replacements and Repairs | | 28,335 | | | | | | | | |
| 6.400 | Fence, Vinyl | | | | | | | | | | 9,952 |
| 6.500 | Furniture, Phased Replacements | | 9,536 | | | | | 10,921 | | | |
| 6.800 | Plaster Finish Replacement and Tile Repairs | | 19,980 | | | | | | | | |
| 6.901 | Rest Rooms, Renovation | | | | | | | | | | |
| | **Reserve Study Update with Site Visit** | | | | | | | | | | |
| | **Anticipated Expenditures, By Year** | 48,560 | 57,851 | 73,579 | 0 | 15,763 | 128,802 | 52,525 | 165,491 | 1,816,674 | 1,928,486 |

# RESERVE FUNDING PLAN

**CASH FLOW ANALYSIS**
**Pawleys Place**
**Homeowners Association, Inc.**
**Murrells Inlet, South Carolina**

Individual Reserve Budgets & Cash Flows for the Next 30 Years

| | | | FY2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Reserves at Beginning of Year (Note 1)** | | 191,869 | 208,486 | 284,144 | 362,925 | 469,398 | 625,135 | 737,936 | 874,575 | 1,044,427 | 1,164,968 | 871,368 | 544,792 | 695,248 | 839,413 | 667,072 | 676,984 |
| | **Total Recommended Reserve Contributions (Note 2)** | | **19,955** | **79,000** | **110,000** | **141,000** | **144,900** | **148,900** | **153,000** | **157,200** | **161,500** | **165,900** | **170,500** | **175,200** | **180,000** | **185,000** | **190,100** | **195,300** |
| Plus | **Estimated Interest Earned, During Year (Note 3)** | | 1,661 | 4,878 | 6,407 | 8,241 | 10,837 | 13,496 | 15,965 | 19,000 | 21,875 | 20,162 | 14,021 | 12,278 | 15,195 | 14,916 | 13,307 | 12,927 |
| Less | **Anticipated Expenditures, By Year** | | (5,000) | (8,220) | (37,626) | (42,768) | 0 | (49,595) | (32,326) | (6,348) | (62,834) | (479,662) | (511,097) | (37,022) | (51,030) | (372,257) | (193,495) | (256,561) |
| | **Anticipated Reserves at Year End** | | $208,486 | 284,144 | 362,925 | 469,398 | 625,135 | 737,936 | 874,575 | 1,044,427 | 1,164,968 | 871,368 | 544,792 | 695,248 | 839,413 | 667,072 | 676,984 | 628,650 |
| | Predicted Reserves based on 2009 funding level of: | $47,893 | 208,486 | 253,000 | 268,000 | 279,000 | 333,000 | 338,000 | 360,000 | 409,000 | 402,000 | (26,000) | (494,000) | | | | | |

**(continued)**

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

| | | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Reserves at Beginning of Year** | 628,650 | 801,106 | 1,016,981 | 1,186,451 | 1,421,601 | 1,472,312 | 1,684,912 | 1,898,743 | 2,107,530 | 2,401,575 | 2,692,549 | 2,882,243 | 3,160,043 | 3,336,777 | 1,857,027 |
| | **Total Recommended Reserve Contributions** | **200,700** | **206,200** | **211,900** | **217,700** | **223,700** | **229,900** | **236,200** | **242,700** | **249,400** | **256,300** | **263,300** | **270,500** | **277,900** | **285,500** | **293,400** |
| Plus | **Estimated Interest Earned, During Year** | 14,156 | 18,001 | 21,816 | 25,822 | 28,653 | 31,260 | 35,482 | 39,666 | 44,645 | 50,437 | 55,196 | 59,825 | 64,325 | 51,424 | 20,790 |
| Less | **Anticipated Expenditures, By Year** | (42,400) | (8,326) | (64,246) | (8,372) | (201,642) | (48,560) | (57,851) | (73,579) | 0 | (15,763) | (128,802) | (52,525) | (165,491) | (1,816,674) | (1,928,486) |
| | **Anticipated Reserves at Year End** | 801,106 | 1,016,981 | 1,186,451 | 1,421,601 | 1,472,312 | 1,684,912 | 1,898,743 | 2,107,530 | 2,401,575 | 2,692,549 | 2,882,243 | 3,160,043 | 3,336,777 | 1,857,027 | 242,731 |
| | | | | | | | | | | | | | | | | **(NOTE 4)** |
| | | | | | | | | | | | | | | | | **(NOTE 5)** |

**Explanatory Notes:**

**1)** Year 2009 starting reserves are as of July 31, 2009; FY 2009 starts January 1 and ends December 31.
**2)** Reserve Contributions for 2009 are the remaining budgeted 5 months; 2010 is the first year of recommended contributions.
**3)** 2.0% is the estimated annual rate of return on invested reserves; 2009 is a partial year of interest earned.
**4)** Threshold Funding Year (reserve balance at critical point).
**5)** Accumulated year 2039 ending reserves consider the age, size, overall condition and complexity of the property.