



Reserve Analysis • Property Inspection • Construction Consultants

July 8, 2016

Red Hawk Homeowners Association, Inc.
C/o Peak to Peak Property Management, LLC
P.O. Box 1808
Castle Rock, CO 80104

Attention: Walter Figel and David Littler

Re: Reserve Analysis: Updated 2016 Version

Dear Mr. Figel, Mr. Littler, and Board of Directors:

As requested and contracted, Bradley Property Consultants, Inc. (“BPC”) revised and updated the 2014 reserve analysis for Red Hawk Homeowners Association, Inc. (Association), located in Castle Rock, Colorado.

This updated 2016 version of the reserve analysis was performed in June and July 2016. The reserve analysis takes into account the condition of the property at the present time and interpolates the financial and physical condition of the Association’s long term capital assets starting in 2016.

The 2014 reserve analysis was reviewed and the entire inventory list of the reserve analysis was analyzed as part of the updating process. BPC performed onsite inspections, referenced the governing documents for the Association, and interviewed Walter Figel who is familiar with the community. Valuable current information regarding replacements, repairs, and maintenance to the major capital assets of the Association was provided by Walter Figel.

The revisions and updating has brought the reserve analysis up to date with the current and expected replacement costs for the Association’s major components. The proposed maintenance expectations and comments by Walter Figel was very valuable in producing this document. The Association may wish to consider adding or deleting some categories and possibly phasing more of the categories to spread the financial responsibilities over a number of years. The phasing can be done as a future revision to this document.

The reserve analysis is in two parts. The first section is an explanation of terms and a description of the methods involved in arriving at the data for the project. The second section starts with the reserve analysis table showing project categories and overall suggested reserve deposits. This table should be reviewed carefully and revised as necessary. The rest of the second section includes tables of reserve balances for the next 40 years, a section of graphs depicting capital expenses and reserve balances over the same 40 year period, and a table of projected capital expenses.

CHANGES AND COMMENTS FOR THE UPDATED 2016 VERSION OF THE RESERVE ANALYSIS:

Unit abbreviations used the Reserve Analysis table: SF= square feet, LF= lineal feet, SY= square yard, LS= lump sum, EA= each, REPL.= replacement, ECON.= economic

1. The inventory list categories from the 2014 reserve analysis were examined and aged to coordinate with their condition. Some categories were given an extended life if they had not deteriorated significantly or if they had been replaced. Major repairs or replacements were also considered for each category.
2. The Association has completed some renovation projects over the past few years. The benefits of these projects were included in the updated reserve analysis. The updated reserve analysis also attempts to identify future issues of concern to the Association.

The inventory list categories of the 2014 reserve analysis were followed and reevaluated in this 2016 updated reserve analysis. Some categories were increased in an attempt to make the inventory list more complete and compatible with the Associations expected expenditures. **The new revised reserve analysis inventory list is contained in the reserve analysis tables. A summary of the major changes to the reserve analysis are:**

- a. The irrigation system category was increased to account for current estimated replacement costs in the Castle Rock area. This category was also slightly increased to account for the new irrigation installed at the new monuments and pocket parks.
- b. The expected economic life of the irrigation system was increased to 35 years due to the Association's increased effort to maintain the system and make periodic repairs as necessary.
- c. The remaining estimated life of the six foot fence and rail fence categories were extended due to the Association's commitment to perform major repairs on the fences. The Association is currently conducting numerous repairs and refurbishing of the fences.
- d. The landscape refurbish category remained the same to account for the new upgrades around the monuments, the installation of pocket parks, and the extended effort of the Association to properly maintain the landscape material.
- e. The concrete repair category remained the same at an estimated spending level of \$10,000.00 every 10 years.

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- f. The signage category was increased to account for the new monuments that were recently installed.
 - g. The estimated replacement cost of the large retaining wall at 1599 Tiff Grass Court was increased to account for increased construction costs for replacing this size of wall.
3. As noted above each of the original categories in the 2014 reserve analysis were reviewed and revised to reflect current and future replacement costs. The updated reserve analysis reflects the general condition of the capital assets as they existed at the time of this update.
4. The amount of reserves at the time of this update was \$460,000.00.

The work performed consisted of a review of the previous reserve study, site inspections, an interview with the board president, and some field measurements to determine the condition and value of items for which the Association is responsible for repair and replacement. This information was used to compile and revise the reserve analysis inventory list. The reserve analysis estimates remaining economic life of the items in the inventory list, replacement costs, and prorates existing reserves to these items. The analysis then estimates future contributions to project reserves so adequate funds will be available for future repairs and replacements.

Reserve Analysis Summary and Explanation of Terms

The analysis covers the common areas and items the Association is responsible for repairing and replacing. The Association has determined these items, or inventory list, by interpretation of the Declarations and Covenants for the Association and the historical maintenance schedule on the project. The inventory list should be reviewed and modified according to the actual needs of the Association. The inventory list was commented on above and is contained under the subheading of "Common Area" in the attached reserve analysis tables and graphs.

The analysis also uses the relationship of cost replacement and remaining life to determine future reserve needs. An explanation of the terms and column headings as used within the reserve analysis follows:

COMMON AREA

The common area covers the perimeter right of way landscaping, perimeter fence, and other items that are in common use by all members of the Association. It includes the sprinkler system and fixed items within the landscaped area. **The capital reserves inventory list for the Association is listed the reserve analysis tables. Please refer to the inventory list and the other sections of the report for specific comments on individual reserve analysis items.**

Some long-lasting items were not included in the analysis since they should survive the assumed economic life of the project. This analysis uses a 50-year useful economic life as a basis for replacement items. Most items considered to have an expected life of 50 years or longer were not included in the replacement schedule. These items include building foundations and internal structural components. Please see any special notes within the analysis that pertain to items that will last 50 years or more. Small or low cost items under \$3,000.00 were not included since these repairs and replacements tend to be funded through the annual operating budget rather than from capital reserves.

DEFINITION OF TERMS USED IN THE RESERVE ANALYSIS TABLE

Estimated Salvage Value

"Estimated Salvage Value" specifically relates to items which, by their nature, will not need total replacement at the end of their assumed economic life. The considerations affecting salvage value are its long-lasting components or parts, maintenance schedule, recent repairs or replacements, and importance to the appearance of the project. Items that directly affect the appearance and function of the project tend to be maintained more completely and more often. Hard scape items such as asphalt and concrete tend to be repaired as necessary rather than all at once. Some portions will last as long as the economic life of the project while other parts will need repairs, but not full replacement.

The "Estimated Salvage Value" identifies those items that will not need total replacement upon reaching their assumed economic life. The percentages noted on the schedule are based on our experience. They can be modified after discussions with the Board of Directors regarding areas and percentages best fitting with the overall maintenance philosophy of the project. Some items have had recent major repairs or replacements.

Replacement Costs

Replacement costs were arrived at using estimating procedures and our experience with bidding current market prices. The amounts are in current dollars and are estimates. They assume major repairs or replacements will be done all at the same time.

The actual costs for capital asset replacements may vary considerably depending on economic conditions, contract specifications, technological advances, regulatory changes, and maintenance schedules. A few adjustments for inflation were made for the replacement costs. Inflation values fluctuate and are not reliably defined. Over a long period of time, inflation is often offset by investment credits or interest earned. The varying rates and changes to the project can be reflected by periodic updates to the reserve analysis.

It is recommend updates to the reserve analysis be done on a consistent basis within a 3-5 year time period to account for any substantial changes in the capital assets and events directly

affecting the cost of capital asset replacements. Such changes would include insurance settlements, natural disasters, or unknown conditions requiring significant expenditures.

Estimated Economic Life

The estimated economic life and life left are our estimates obtained from published manuals, accepted industry standards, and our experience with similar projects. The estimated life remaining for the reserve items was determined after our visual inspections and discussions with the management company. The project was constructed between 2001-2004. The average age of the components had to be interpreted for each inventory item since some items will age faster than others. Some items have been repaired and replaced. The major replacements and repairs are reflected in the "Remaining Economic Life" and "Estimated Salvage Value" columns in the reserve analysis tables.

The "Desired Reserve Budget," "Reserves Available," and "Annual Deposit" are arrived at after determining the estimated replacement costs and economic life span of the reserve items.

Desired Reserve Budget

The "**Desired Reserve Budget**" is the estimated amount that would have been deposited by now if the inventory items had been included in a reserve deposit schedule from the beginning of the project. Each item's estimated replacement cost is divided by its proposed economic life and then multiplied by its age to arrive at the desired reserve budget. This is a "best case" scenario to show what would have been reserved to date for each item. These figures are used to develop a percentage or proportional relationship for each item as it relates to the total "Desired Reserve Budget." The item percentage is used to distribute the present reserves and analyze future needs.

Reserves Available

The actual reserves available are distributed to each inventory item in proportion to the "Desired Reserve Budget" figures. The proportion or percentage for each item as determined by the "Desired Reserve Budget" is multiplied by the actual reserves on hand to arrive at the reserve value for each item. The reserves available for this 2016 update were \$460,000.00.

Proposed Initial Deposit

The calculated initial annual deposit for each inventory item is equal to the difference between the estimated replacement cost and the reserves available, divided by the years of life remaining for the item. This is an estimated annual deposit for each item from this time forward. The deposits attempt to achieve the desired replacement reserves in the future.

Average Annual Contribution

The calculated annual deposits required over the life of the project will fluctuate as reserves are saved and spent in the anticipated cycles. The reserve analysis attempts to account for these cycles by calculating the average annual deposits necessary for a 40 year period. In calculating your requirements, the proposed initial deposit brings your reserve balance closer to what it should be now and the calculated average deposit lets the Association gauge what level of savings to achieve in the future.

The Association must consider that these amounts are determined as the best possible condition at a 100% funding level. To achieve an adequate reserve balance requires some long term planning. In most cases this 100% funding level is very difficult to achieve, especially if the reserves have not been analyzed for a long period of time. Most communities are doing very well if they can achieve 70-80% of the proposed annual contributions and reserve balances. A part of the planning process may be to establish a reasonable goal and attempt to reach the best result possible without extravagant demands on the homeowners.

As stated previously, it is recommended to perform periodic updates of the reserve analysis every 3-5 years to account for current replacements, changes in replacement costs, and changing interest rates. Interest earned will tend to offset inflation. Attempting to forecast into the future is tenuous at best. We believe it is preferable to make simple periodic updates to the reserve analysis and so the Association can make decisions based on the most recent information available. **The reserve analysis is a working document and should be adjusted as necessary to meet the needs and desires of the Association and reflect changing conditions.**

Bradley Property Consultants, Inc. performed this analysis at the request of the Board of Directors of Red Hawk Homeowners Association, Inc. The report is intended for the Association's exclusive use and should not be used for contracting work or relied upon by any other party. The analysis reflects conditions within the property that could be examined visually and is limited to the extent of the report. The analysis is also based upon representations made by Red Hawk Homeowners Association, Inc. in regard to existing reserve fund balances, recent replacements or repairs, and interpretation of the Declarations and Covenants for the project. While reasonable effort was made to ascertain the condition of the property and/or equipment within, it is not to be construed as a guarantee or warranty of the property or equipment therein, nor does it imply that all components will function properly on or after the date of this report. Acceptance of this report by the Association constitutes the agreement of the Association that the liability of Bradley Property Consultants, Inc. for any errors or omissions on negligent misrepresentations herein is limited to the fee paid for this report and that there shall be no liability whatsoever for incidental or consequential damages. Unless otherwise noted in the report, no sampling, testing, or dismantling of any equipment, systems or structural components of the property, other than the visual inspection, was performed. Further, no inspections or tests for soil quality or stability, asbestos, PCBs, or any other hazardous materials were undertaken nor was the quality or adequacy of the water and sewer service to the property analyzed. The inspections addressed herein were not undertaken to address any specific use or purpose contem-

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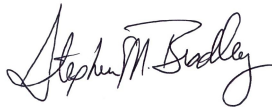
plated by the Association other than what was stated in the report. This report does not in any way address the property's compliance with any federal, state, or local laws, rules, regulations, or ordinances.

The updated reserve analysis will provide a useful planning guide. Actual experience in replacing items may differ significantly from the estimates given. Again, it is recommended to perform periodic updates to the reserve analysis to reflect changes to current conditions.

If you have any questions or require further information, please contact our office at any time.

Very truly yours,

BRADLEY PROPERTY CONSULTANTS, INC.

A handwritten signature in cursive script that reads "Stephen M. Bradley". The signature is written in black ink and is positioned below the company name.

Stephen M. Bradley, President

Enclosures and Attachments: Updated 2016 version of the reserve analysis



RED HAWK HOMEOWNERS ASSOCIATION

**RESERVE ANALYSIS
UPDATED 2016 VERSION: 7-8-16**

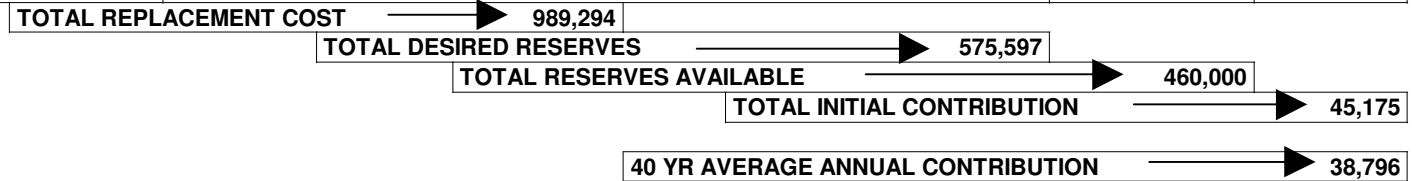
Project date: 2001-2004

Total units: 434

INVENTORY LIST	UNIT	QUANTITY	EST. SALVAGE VALUE %	UNIT REPL COST \$	EST. REPL COST \$	EST. ECON. LIFE YRS	EST. LIFE LEFT YRS	DESIRED RESERVE BUDGET \$	RESERVES AVAILABLE \$	PROPOSED INITIAL DEPOSIT \$
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COMMON AREA:

Sprinkler system	SF	165,400	30%	1.80	208,404	35	16	113,134	90,413	7,374
Landscape refurbish	LS	1		10,000	10,000	2	2	0	0	5,000
6' wood fence	LF	1,770		35.00	61,950	30	12	37,170	29,705	2,687
Concrete repairs: overall expense	LS	1		10,000	10,000	10	8	2,000	1,598	1,050
Rail fence: Phase 1	LF	6,300		20.00	126,000	30	9	88,200	70,487	6,168
Rail fence: Phase 2	LF	6,350		20.00	127,000	30	11	80,433	64,280	5,702
Rail fence: Phase 3	LF	6,316		20.00	126,320	30	12	75,792	60,571	5,479
Rail fence: Phase 4	LF	6,022		20.00	120,440	30	13	68,249	54,543	5,069
Rail fence: added in 2014	LF	1,038		20.00	20,760	30	28	1,384	1,106	702
Signage	LS	1		60	60	30	19	22	18	2
Lighting	LS	1		30,000	30,000	25	15	12,000	9,590	1,361
Retaining wall: 1599 Tiff Grass Ct.	LS	1		130,000	130,000	50	16	88,400	70,647	3,710
Retaining walls (wood)	SF	680		27.00	18,360	25	13	8,813	7,043	871
								575,597	460,000	45,175
CONTINGENCY		0%						0	0	0





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RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Projected Capital Expenses By Year

UPDATED 2016 VERSION: 7-8-16

	YEAR 2016	YEAR 2017	YEAR 2018	YEAR 2019	YEAR 2020	YEAR 2021	YEAR 2022	YEAR 2023	YEAR 2024	YEAR 2025	YEAR 2026
INVENTORY LIST	1	2	3	4	5	6	7	8	9	10	11
COMMON AREA:											
Sprinkler system	0	0	0	0	0	0	0	0	0	0	0
Landscape refurbish	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0
6' wood fence	0	0	0	0	0	0	0	0	0	0	0
Concrete repairs: overall expense	0	0	0	0	0	0	0	10,000	0	0	0
Rail fence: Phase 1	0	0	0	0	0	0	0	0	126,000	0	0
Rail fence: Phase 2	0	0	0	0	0	0	0	0	0	0	127,000
Rail fence: Phase 3	0	0	0	0	0	0	0	0	0	0	0
Rail fence: Phase 4	0	0	0	0	0	0	0	0	0	0	0
Rail fence: added in 2014	0	0	0	0	0	0	0	0	0	0	0
Signage	0	0	0	0	0	0	0	0	0	0	0
Lighting	0	0	0	0	0	0	0	0	0	0	0
Retaining wall: 1599 Tiff Grass Ct.	0	0	0	0	0	0	0	0	0	0	0
Retaining walls (wood)	0	0	0	0	0	0	0	0	0	0	0
Capital Expense	0	10,000	0	10,000	0	10,000	0	20,000	126,000	10,000	127,000



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RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Projected Capital Expenses By Year

UPDATED 2016 VERSION: 7-8-16

	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR
	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
INVENTORY LIST	12	13	14	15	16	17	18	19	20	21	22

COMMON AREA:											
Sprinkler system	0	0	0	0	208,404	0	0	0	0	0	0
Landscape refurbish	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000
6' wood fence	61,950	0	0	0	0	0	0	0	0	0	0
Concrete repairs: overall expense	0	0	0	0	0	0	10,000	0	0	0	0
Rail fence: Phase 1	0	0	0	0	0	0	0	0	0	0	0
Rail fence: Phase 2	0	0	0	0	0	0	0	0	0	0	0
Rail fence: Phase 3	126,320	0	0	0	0	0	0	0	0	0	0
Rail fence: Phase 4	0	120,440	0	0	0	0	0	0	0	0	0
Rail fence: added in 2014	0	0	0	0	0	0	0	0	0	0	0
Signage	0	0	0	0	0	0	0	60	0	0	0
Lighting	0	0	0	30,000	0	0	0	0	0	0	0
Retaining wall: 1599 Tiff Grass Ct.	0	0	0	0	130,000	0	0	0	0	0	0
Retaining walls (wood)	0	18,360	0	0	0	0	0	0	0	0	0
Capital Expense	198,270	138,800	10,000	30,000	348,404	0	20,000	60	10,000	0	10,000



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RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Projected Capital Expenses By Year

UPDATED 2016 VERSION: 7-8-16

	YEAR 2038	YEAR 2039	YEAR 2040	YEAR 2041	YEAR 2042	YEAR 2043	YEAR 2044	YEAR 2045	YEAR 2046	YEAR 2047	YEAR 2048
INVENTORY LIST	23	24	25	26	27	28	29	30	31	32	33

COMMON AREA:											
Sprinkler system	0	0	0	0	0	0	0	0	0	0	0
Landscape refurbish	0	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0
6' wood fence	0	0	0	0	0	0	0	0	0	0	0
Concrete repairs: overall expense	0	0	0	0	0	10,000	0	0	0	0	0
Rail fence: Phase 1	0	0	0	0	0	0	0	0	0	0	0
Rail fence: Phase 2	0	0	0	0	0	0	0	0	0	0	0
Rail fence: Phase 3	0	0	0	0	0	0	0	0	0	0	0
Rail fence: Phase 4	0	0	0	0	0	0	0	0	0	0	0
Rail fence: added in 2014	0	0	0	0	0	20,760	0	0	0	0	0
Signage	0	0	0	0	0	0	0	0	0	0	0
Lighting	0	0	0	0	0	0	0	0	0	0	0
Retaining wall: 1599 Tiff Grass Ct.	0	0	0	0	0	0	0	0	0	0	0
Retaining walls (wood)	0	0	0	0	0	0	0	0	0	0	0
Capital Expense	0	10,000	0	10,000	0	40,760	0	10,000	0	10,000	0



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RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Projected Capital Expenses By Year

UPDATED 2016 VERSION: 7-8-16

	YEAR 2049	YEAR 2050	YEAR 2051	YEAR 2052	YEAR 2053	YEAR 2054	YEAR 2055
INVENTORY LIST	34	35	36	37	38	39	40

COMMON AREA:							
Sprinkler system	0	0	0	0	0	0	0
Landscape refurbish	10,000	0	10,000	0	10,000	0	10,000
6' wood fence	0	0	0	0	0	0	0
Concrete repairs: overall expense	0	0	0	0	10,000	0	0
Rail fence: Phase 1	0	0	0	0	0	126,000	0
Rail fence: Phase 2	0	0	0	0	0	0	0
Rail fence: Phase 3	0	0	0	0	0	0	0
Rail fence: Phase 4	0	0	0	0	0	0	0
Rail fence: added in 2014	0	0	0	0	0	0	0
Signage	0	0	0	0	0	0	0
Lighting	0	0	0	0	0	0	30,000
Retaining wall: 1599 Tiff Grass Ct.	0	0	0	0	0	0	0
Retaining walls (wood)	0	0	0	0	18,360	0	0
Capital Expense	10,000	0	10,000	0	38,360	126,000	40,000



RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Reserve Balances Over Remaining Life of Components

UPDATED 2016 VERSION: 7-8-16

	YEAR 2016	YEAR 2017	YEAR 2018	YEAR 2019	YEAR 2020	YEAR 2021	YEAR 2022	YEAR 2023	YEAR 2024	YEAR 2025	YEAR 2026
INVENTORY LIST	1	2	3	4	5	6	7	8	9	10	11
COMMON AREA:											
Sprinkler system	97,787	105,162	112,536	119,911	127,285	134,660	142,034	149,408	156,783	164,157	171,532
Landscape refurbish	5,000	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000
6' wood fence	32,392	35,079	37,766	40,453	43,141	45,828	48,515	51,202	53,889	56,576	59,263
Concrete repairs: overall expense	2,649	3,699	4,749	5,799	6,849	7,900	8,950	10,000	1,000	2,000	3,000
Rail fence: Phase 1	76,655	82,823	88,991	95,159	101,327	107,496	113,664	119,832	126,000	4,200	8,400
Rail fence: Phase 2	69,982	75,684	81,385	87,087	92,789	98,491	104,193	109,895	115,596	121,298	127,000
Rail fence: Phase 3	66,050	71,529	77,008	82,487	87,966	93,445	98,924	104,404	109,883	115,362	120,841
Rail fence: Phase 4	59,612	64,681	69,750	74,819	79,888	84,957	90,026	95,095	100,164	105,233	110,302
Rail fence: added in 2014	1,808	2,510	3,212	3,914	4,616	5,318	6,020	6,721	7,423	8,125	8,827
Signage	20	22	24	27	29	31	33	35	38	40	42
Lighting	10,951	12,311	13,672	15,033	16,393	17,754	19,115	20,475	21,836	23,197	24,557
Retaining wall: 1599 Tiff Grass Ct.	74,356	78,066	81,775	85,485	89,195	92,904	96,614	100,323	104,033	107,742	111,452
Retaining walls (wood)	7,913	8,784	9,655	10,525	11,396	12,266	13,137	14,007	14,878	15,748	16,619
BASE RESERVES	505,175	550,349	585,524	630,699	665,874	711,048	746,223	791,398	816,523	733,679	766,835
CONTINGENCY	0	0	0	0	0	0	0	0	0	0	0
CAPITAL EXPENSES	0	(10,000)	0	(10,000)	0	(10,000)	0	(20,000)	(126,000)	(10,000)	(127,000)
ANNUAL DEPOSIT	45,175	45,175	45,175	45,175	45,175	45,175	45,175	45,175	45,125	43,156	43,156
TOTAL RESERVES	505,175	540,349	585,524	620,699	665,874	701,048	746,223	771,398	690,523	723,679	639,835



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RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Reserve Balances Over Remaining Life of Components

UPDATED 2016 VERSION: 7-8-16

INVENTORY LIST	YEAR 2027 12	YEAR 2028 13	YEAR 2029 14	YEAR 2030 15	YEAR 2031 16	YEAR 2032 17	YEAR 2033 18	YEAR 2034 19	YEAR 2035 20	YEAR 2036 21	YEAR 2037 22
COMMON AREA:											
Sprinkler system	178,906	186,281	193,655	201,030	208,404	5,954	11,909	17,863	23,818	29,772	35,726
Landscape refurbish	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000	10,000
6' wood fence	61,950	2,065	4,130	6,195	8,260	10,325	12,390	14,455	16,520	18,585	20,650
Concrete repairs: overall expense	4,000	5,000	6,000	7,000	8,000	9,000	10,000	1,000	2,000	3,000	4,000
Rail fence: Phase 1	12,600	16,800	21,000	25,200	29,400	33,600	37,800	42,000	46,200	50,400	54,600
Rail fence: Phase 2	4,233	8,467	12,700	16,933	21,167	25,400	29,633	33,867	38,100	42,333	46,567
Rail fence: Phase 3	126,320	4,211	8,421	12,632	16,843	21,053	25,264	29,475	33,685	37,896	42,107
Rail fence: Phase 4	115,371	120,440	4,015	8,029	12,044	16,059	20,073	24,088	28,103	32,117	36,132
Rail fence: added in 2014	9,529	10,231	10,933	11,635	12,337	13,039	13,741	14,443	15,145	15,847	16,548
Signage	44	47	49	51	53	56	58	60	2	4	6
Lighting	25,918	27,279	28,639	30,000	1,200	2,400	3,600	4,800	6,000	7,200	8,400
Retaining wall: 1599 Tiff Grass Ct.	115,162	118,871	122,581	126,290	130,000	2,600	5,200	7,800	10,400	13,000	15,600
Retaining walls (wood)	17,489	18,360	734	1,469	2,203	2,938	3,672	4,406	5,141	5,875	6,610
BASE RESERVES	681,523	523,051	422,858	451,464	459,911	147,423	183,340	199,257	235,113	261,029	296,946
CONTINGENCY	0	0	0	0	0	0	0	0	0	0	0
CAPITAL EXPENSES	(198,270)	(138,800)	(10,000)	(30,000)	(348,404)	0	(20,000)	(60)	(10,000)	0	(10,000)
ANNUAL DEPOSIT	41,688	39,797	38,607	38,607	38,446	35,917	35,917	35,917	35,916	35,916	35,916
TOTAL RESERVES	483,253	384,251	412,858	421,464	111,507	147,423	163,340	199,197	225,113	261,029	286,946

BPC, Inc., 7/2016



RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Reserve Balances Over Remaining Life of Components

UPDATED 2016 VERSION: 7-8-16

	YEAR 2038	YEAR 2039	YEAR 2040	YEAR 2041	YEAR 2042	YEAR 2043	YEAR 2044	YEAR 2045	YEAR 2046	YEAR 2047	YEAR 2048
INVENTORY LIST	23	24	25	26	27	28	29	30	31	32	33
COMMON AREA:											
Sprinkler system	41,681	47,635	53,590	59,544	65,498	71,453	77,407	83,362	89,316	95,270	101,225
Landscape refurbish	5,000	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000
6' wood fence	22,715	24,780	26,845	28,910	30,975	33,040	35,105	37,170	39,235	41,300	43,365
Concrete repairs: overall expense	5,000	6,000	7,000	8,000	9,000	10,000	1,000	2,000	3,000	4,000	5,000
Rail fence: Phase 1	58,800	63,000	67,200	71,400	75,600	79,800	84,000	88,200	92,400	96,600	100,800
Rail fence: Phase 2	50,800	55,033	59,267	63,500	67,733	71,967	76,200	80,433	84,667	88,900	93,133
Rail fence: Phase 3	46,317	50,528	54,739	58,949	63,160	67,371	71,581	75,792	80,003	84,213	88,424
Rail fence: Phase 4	40,147	44,161	48,176	52,191	56,205	60,220	64,235	68,249	72,264	76,279	80,293
Rail fence: added in 2014	17,250	17,952	18,654	19,356	20,058	20,760	692	1,384	2,076	2,768	3,460
Signage	8	10	12	14	16	18	20	22	24	26	28
Lighting	9,600	10,800	12,000	13,200	14,400	15,600	16,800	18,000	19,200	20,400	21,600
Retaining wall: 1599 Tiff Grass Ct.	18,200	20,800	23,400	26,000	28,600	31,200	33,800	36,400	39,000	41,600	44,200
Retaining walls (wood)	7,344	8,078	8,813	9,547	10,282	11,016	11,750	12,485	13,219	13,954	14,688
BASE RESERVES	322,862	358,779	384,695	420,611	446,528	482,444	477,591	513,497	539,404	575,310	601,216
CONTINGENCY	0	0	0	0	0	0	0	0	0	0	0
CAPITAL EXPENSES	0	(10,000)	0	(10,000)	0	(40,760)	0	(10,000)	0	(10,000)	0
ANNUAL DEPOSIT	35,916	35,916	35,916	35,916	35,916	35,916	35,906	35,906	35,906	35,906	35,906
TOTAL RESERVES	322,862	348,779	384,695	410,611	446,528	441,684	477,591	503,497	539,404	565,310	601,216



RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Reserve Balances Over Remaining Life of Components

UPDATED 2016 VERSION: 7-8-16

	YEAR 2049	YEAR 2050	YEAR 2051	YEAR 2052	YEAR 2053	YEAR 2054	YEAR 2055
INVENTORY LIST	34	35	36	37	38	39	40
COMMON AREA:							
Sprinkler system	107,179	113,134	119,088	125,042	130,997	136,951	142,906
Landscape refurbish	10,000	5,000	10,000	5,000	10,000	5,000	10,000
6' wood fence	45,430	47,495	49,560	51,625	53,690	55,755	57,820
Concrete repairs: overall expense	6,000	7,000	8,000	9,000	10,000	1,000	2,000
Rail fence: Phase 1	105,000	109,200	113,400	117,600	121,800	126,000	4,200
Rail fence: Phase 2	97,367	101,600	105,833	110,067	114,300	118,533	122,767
Rail fence: Phase 3	92,635	96,845	101,056	105,267	109,477	113,688	117,899
Rail fence: Phase 4	84,308	88,323	92,337	96,352	100,367	104,381	108,396
Rail fence: added in 2014	4,152	4,844	5,536	6,228	6,920	7,612	8,304
Signage	30	32	34	36	38	40	42
Lighting	22,800	24,000	25,200	26,400	27,600	28,800	30,000
Retaining wall: 1599 Tiff Grass Ct.	46,800	49,400	52,000	54,600	57,200	59,800	62,400
Retaining walls (wood)	15,422	16,157	16,891	17,626	18,360	734	1,469
BASE RESERVES	637,123	663,029	698,936	724,842	760,749	758,295	668,202
CONTINGENCY	0	0	0	0	0	0	0
CAPITAL EXPENSES	(10,000)	0	(10,000)	0	(38,360)	(126,000)	(40,000)
ANNUAL DEPOSIT	35,906	35,906	35,906	35,906	35,906	35,906	35,906
TOTAL RESERVES	627,123	663,029	688,936	724,842	722,389	632,295	628,202



**BRADLEY
PROPERTY
CONSULTANTS**

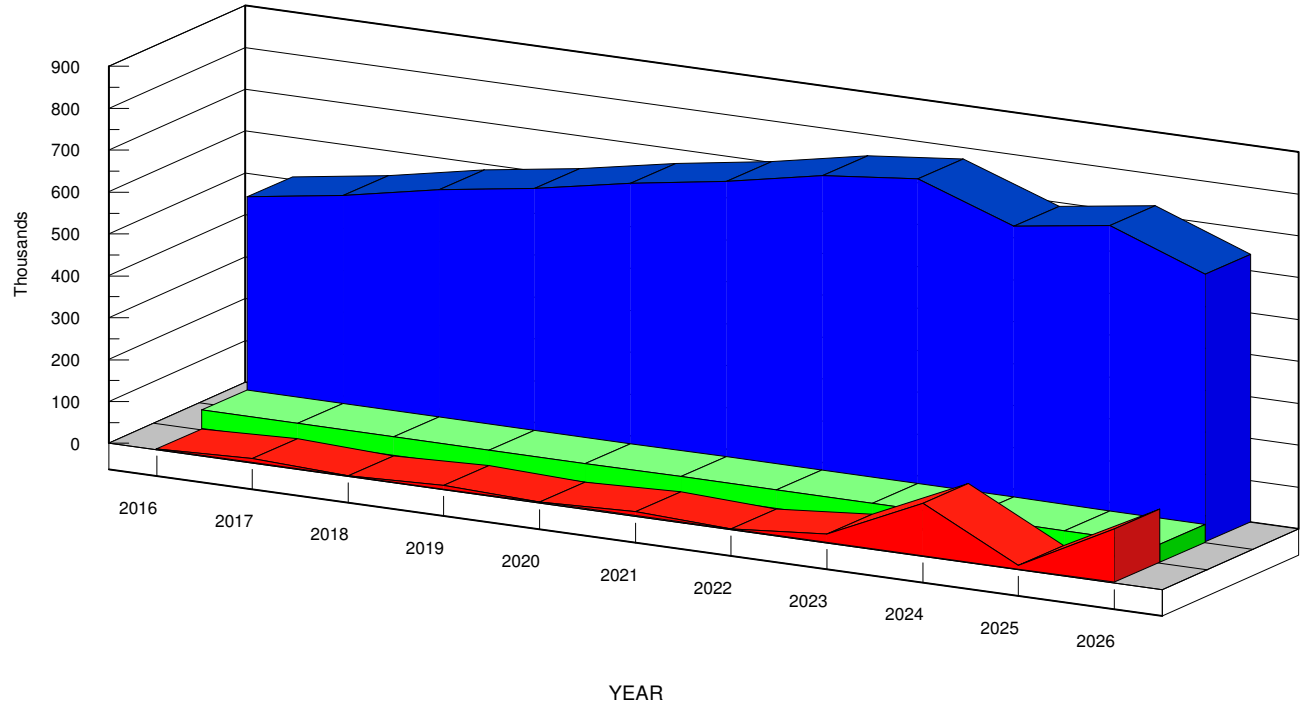
Property Inspection • Construction Consultants

1588 S. Clarkson St., Denver, CO 80210

Phone: (303)232-0252 Fax: (303)232-3243

RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Reserve Balances Over Remaining Life of Components



■ CAPITAL EXPENSES ■ ANNUAL DEPOSITS ■ TOTAL RESERVES

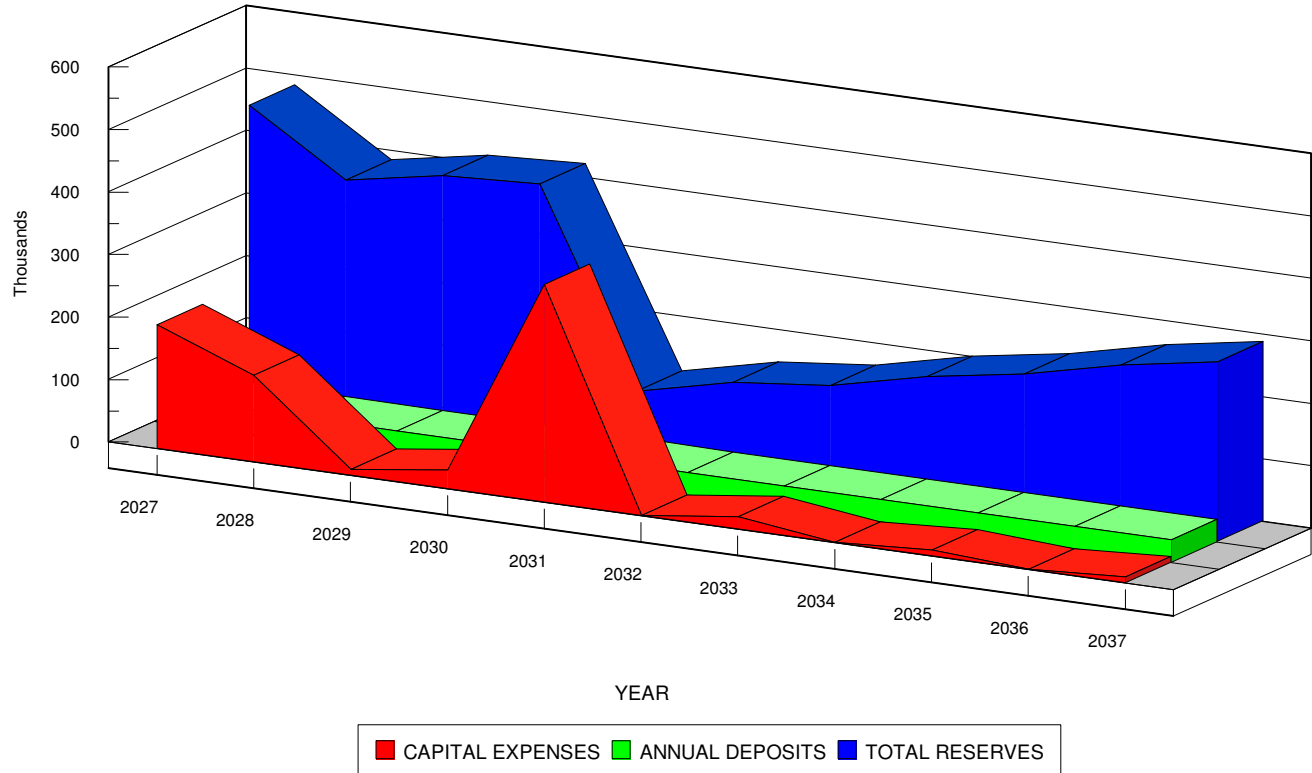
UPDATED 2016 VERSION: 7-8-16

RESERVES ON HAND YEAR 1	\$460,000
ENDING BALANCE YEAR 11	\$639,835
AVERAGE BALANCE	\$653,666

VALUE OF RESERVE ITEMS	\$989,294
AVERAGE CAPITAL EXPENSE	\$28,455
AVERAGE DEPOSIT	\$44,803

YEAR	1	2	3	4	5	6	7	8	9	10	11
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
CAPITAL EXPENSES	0	(10,000)	0	(10,000)	0	(10,000)	0	(20,000)	(126,000)	(10,000)	(127,000)
ANNUAL DEPOSITS	45,175	45,175	45,175	45,175	45,175	45,175	45,175	45,175	45,125	43,156	43,156
TOTAL RESERVES	505,175	540,349	585,524	620,699	665,874	701,048	746,223	771,398	690,523	723,679	639,835

RED HAWK HOMEOWNERS ASSOCIATION
RESERVE ANALYSIS- Reserve Balances Over Remaining Life of Components



UPDATED 2016 VERSION: 7-8-16

RESERVES ON HAND YEAR 12	\$771,398
ENDING BALANCE YEAR 22	\$286,946
AVERAGE BALANCE	\$281,489

VALUE OF RESERVE ITEMS	\$989,294
AVERAGE CAPITAL EXPENSE	\$69,594
AVERAGE DEPOSIT	\$37,513

YEAR	12 2027	13 2028	14 2029	15 2030	16 2031	17 2032	18 2033	19 2034	20 2035	21 2036	22 2037
CAPITAL EXPENSES	(198,270)	(138,800)	(10,000)	(30,000)	(348,404)	0	(20,000)	(60)	(10,000)	0	(10,000)
ANNUAL DEPOSITS	41,688	39,797	38,607	38,607	38,446	35,917	35,917	35,917	35,916	35,916	35,916
TOTAL RESERVES	483,253	384,251	412,858	421,464	111,507	147,423	163,340	199,197	225,113	261,029	286,946



**BRADLEY
PROPERTY
CONSULTANTS**

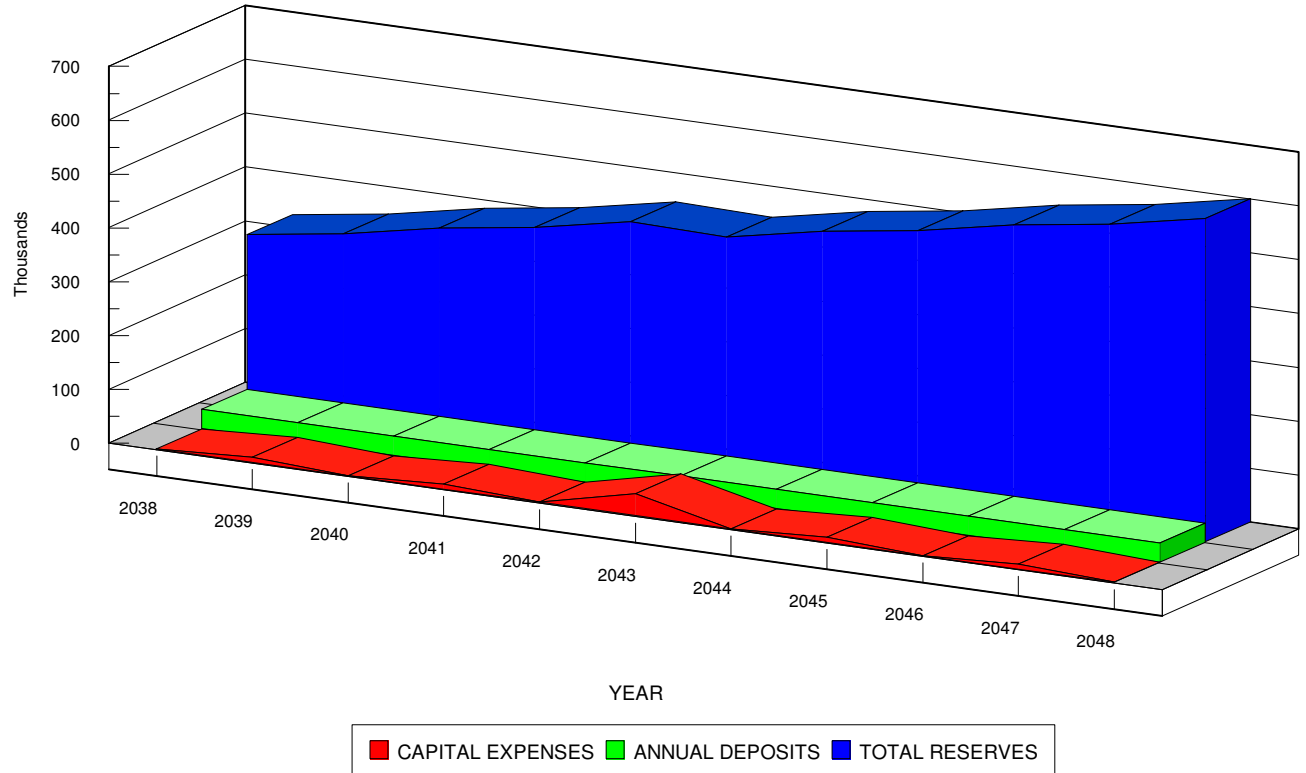
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RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Reserve Balances Over Remaining Life of Components



UPDATED 2016 VERSION: 7-8-16

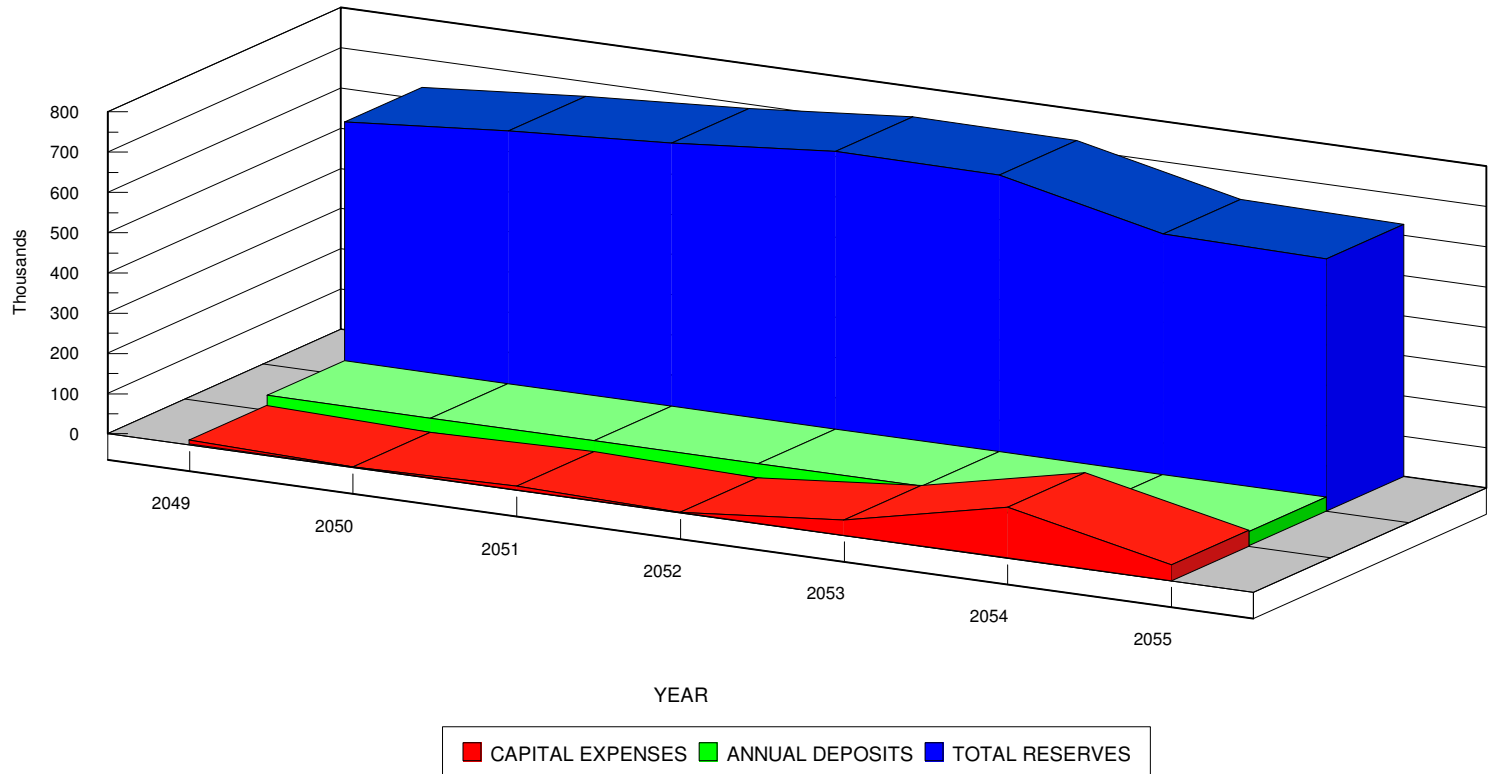
RESERVES ON HAND YEAR 23	\$199,197
ENDING BALANCE YEAR 33	\$601,216
AVERAGE BALANCE	\$458,380

VALUE OF RESERVE ITEMS	\$989,294
AVERAGE CAPITAL EXPENSE	\$7,342
AVERAGE DEPOSIT	\$35,912

YEAR	23 2038	24 2039	25 2040	26 2041	27 2042	28 2043	29 2044	30 2045	31 2046	32 2047	33 2048
CAPITAL EXPENSES	0	(10,000)	0	(10,000)	0	(40,760)	0	(10,000)	0	(10,000)	0
ANNUAL DEPOSITS	35,916	35,916	35,916	35,916	35,916	35,916	35,906	35,906	35,906	35,906	35,906
TOTAL RESERVES	322,862	348,779	384,695	410,611	446,528	441,684	477,591	503,497	539,404	565,310	601,216

RED HAWK HOMEOWNERS ASSOCIATION

RESERVE ANALYSIS- Reserve Balances Over Remaining Life of Components



UPDATED 2016 VERSION: 7-8-16

RESERVES ON HAND YEAR 34	\$503,497
ENDING BALANCE YEAR 40	\$628,202
AVERAGE BALANCE	\$669,545

VALUE OF RESERVE ITEMS	\$989,294
AVERAGE CAPITAL EXPENSE	\$176,363
AVERAGE DEPOSIT	\$35,906

YEAR	34 2049	35 2050	36 2051	37 2052	38 2053	39 2054	40 2055
CAPITAL EXPENSES	(10,000)	0	(10,000)	0	(38,360)	(126,000)	(40,000)
ANNUAL DEPOSITS	35,906	35,906	35,906	35,906	35,906	35,906	35,906
TOTAL RESERVES	627,123	663,029	688,936	724,842	722,389	632,295	628,202