



Long-term thinking. Everyday commitment.

**Fall Creek Homeowners Association, Inc.  
Humble, Texas**

**Corporate Office**

Reserve Advisors, Inc.  
735 N. Water Street, Suite 175  
Milwaukee, WI 53202

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted an Interim Reserve Analysis for Fall Creek Homeowners Association, Inc. (Fall Creek) located in Humble, Texas and submit our findings in this letter report. The effective date of this study is October 7, 2015. The purpose of this Interim Reserve Analysis is to assist Management and the Board in establishing a revised reserve contributions budget interim to a Reserve Study Update in view of limited changes to the Reserve Component Inventory and the financial status of the reserve fund since our last Full Reserve Study on September 10, 2014. At the request of Management and the Board, we also compare our updated findings with the original Full Reserve Study conducted on February 15, 2012.

The unaudited cash status of the reserve fund as of July 31, 2015 as reported by Management is \$324,839. We also include the reserve funds of \$50,000 for Serrano Creek and zero dollars (\$0) at Fairway Crossing in separate analyses. Attached hereto are the results of this limited investigation comprising the Interim Reserve Component Expenditures and Interim Reserve Funding Plan subject to the attached Professional Service Conditions. The first table Interim Reserve Expenditures includes the Reserve Component Inventory, Reserve Expenditures, estimates of future costs and anticipated times of replacements during the next 30 years. The second table Reserve Funding Plan includes Reserve Contributions for the next 30 years based on Reserve Expenditures.

The Interim Reserve Analysis Funding Analysis considers:

Local current and future costs of replacement for the Reserve Components

Inflation of construction materials, labor and equipment at an average annual rate of 3.2%. The increased rate of inflation resulted in higher expenditures throughout the Reserve Study with significantly higher expenditures occurring in the second half of the Reserve Study (2030-2044) when compared with the original Reserve Study conducted on February 15, 2012, which used a rate of 1%. This change underscores the need for timely Reserve Study Updates as many variables change after the study is conducted that may result in significant overfunding or underfunding the reserve account.

The anticipated effects of appreciation of the reserves over time in accord with an anticipated future return or yield on investment of your cash equivalent assets at an annual rate of 1.1%. This rate of return is an increase from the original Reserve Study conducted on February 15, 2012, which used a rate of 0.5%. Although substantial in nature, this increase was not significant enough to counter the respective increase in the rate of inflation.

This Interim Reserve Analysis also includes replacement of many elements that were previously considered “Long-Lived Elements”, or elements with projected replacements outside the 30 year period of analysis when the original Reserve Study was conducted on February 15, 2012. This Interim Reserve Analysis also includes additional phases for elements with ongoing phased or partial replacements, such as concrete flatwork and perimeter walls, which may have been outside the original 30 year period of analysis. We list these significant changes and additions from our original Reserve Study on February 15, 2012:

- A higher partial replacement percentage of sidewalks over the next 30 years was recommended based on conditions observed during our September 10, 2014 site visit. Also, additional phases of replacements and the increased compounding of replacement events in the second half of the analysis contributed to an increase on Line Item 4.140 of ***Reserve Expenditures***.
- Partial irrigation system replacements were added to the Reserve Expenditures on Line Item 4.420 of ***Reserve Expenditures***. The irrigation system was previously considered “Long-Lived Element” as replacements were outside the 30 year period of analysis when the original Reserve Study was conducted.
- A higher partial replacement percentage of perimeter walls over the next 30 years was recommended based on conditions observed during our September 10, 2014 site visit. Also additional phases of replacements and the increased compounding of replacement events in the second half of the analysis contributed to an increase on Line Items 4.640 and 4.641 of ***Reserve Expenditures***.
- The addition of new playground equipment throughout the community contributed to an increase on Line Item 4.660 of ***Reserve Expenditures***.

- The addition of a new pond and aerator resulted in an increase on Line Items 4.700 and 4.710 of *Reserve Expenditures*.
- Significant, unplanned repairs to the Pool House resulted in a lower than anticipated starting Reserve Balance.
- Repairs and maintenance to the water features and water slides were incorporated into the analysis on Line Item 6.970 of *Reserve Expenditures* based on historical expenditures and were previously classified as an operating budget expense.

Due to the significant changes outlined in this Interim Reserve Analysis, we recommend the Association implement phased increases in reserve funding to offset the increases in projected expenditures. We recommend the Association budget annual phased increases in reserve funding of \$32,000 from 2016 to 2019. We recommend the Association budget annual phased increases in reserve funding of \$64,000 from 2020 to 2023. Afterwards, we recommend the Association budget less significant increases that in part consider the effects of inflation through 2044, the extent of this Cash Flow Analysis. We do not recommend significant changes in funding at Serrano Creek or Fairway Crossing. This analysis does not consider any possible changes to the condition assessment since the last Reserve Study on September 10, 2014. We did not conduct an inspection of the property but rather relied on information provided to us by Management and the Board. We strongly recommend an update of the last Reserve Study within the next fiscal year.

Respectfully submitted on October 7, 2015 by  
RESERVE ADVISORS, INC.  
Analysis by: Timothy J. Matthiesen, RS<sup>1</sup>

<sup>1</sup> 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.

# RESERVE EXPENDITURES

Fall Creek  
Homeowners Association, Inc.  
Humble, Texas

**Explanatory Notes:**

- 1) **3.2%** is the estimated future Inflation Rate for estimating Future Replacement Costs.
- 2) **FY2014 is Fiscal Year beginning January 1, 2014 and ending December 31, 2014.**

Line Item	Quantities:		Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Unit Cost, \$	2014 Cost per Phase, \$	Total Future Costs, \$	RUL = 0 FY2014	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024	11 2025	12 2026	13 2027	14 2028	15 2029	
	30-Year Total	Per Phase				Useful	Remaining																				
<b>Property Site Elements</b>																											
4.120	18,360	4,590	Square Feet	Concrete Parking Areas, Partial	2024	to 75	10	8.00	36,720	273,226																	50,315
4.140	108,095	8,315	Square Feet	Concrete Sidewalks, Partial	2020	to 75	6	5.50	45,733	1,172,937							55,246				62,665						71,079
4.245	2,700	675	Linear Feet	Fences, Metal, Ends of Cul-de-Sacs and Pools, Phased	2035	to 35	21	56.00	37,800	322,806																	
4.420	5	1	Allowance	Irrigation System, Partial Replacements	2040	to 40	26	170,000.00	170,000	2,055,329																	
4.560	32	32	Each	Light Poles and Fixtures (Parking Areas Only)	2028	to 25	14	2,000.00	64,000	99,471																	99,471
4.640	8,200	820	Linear Feet	Perimeter Walls, Concrete, Partial	2025	to 40	11	70.00	57,400	1,095,450												81,169		86,447		92,068	
4.641	26,400	2,400	Linear Feet	Perimeter Walls, Masonry, Partial	2023	to 50	9	100.00	240,000	4,898,933											318,661		339,381		361,449	384,952	
4.660	4	1	Allowance	Playground Equipment, Phased	2021	15 to 20	7	60,000.00	60,000	406,192								74,801								90,362	
4.700	6	2	Each	Ponds, Aerators	2023	to 10	9	10,000.00	20,000	112,801											26,555						
4.710	800	160	Linear Feet	Ponds, Bulkheads, Partial	2026	to 50	12	150.00	24,000	228,899																35,024	
4.800	2	1	Allowance	Signage, LED Sign	2023	to 15	9	30,000.00	30,000	103,723																	39,833
4.830	144,000	28,800	Square Feet	Tennis Courts, Color Coat	2016	4 to 6	2	0.80	23,040	172,315			24,538														28,724
4.840	1,800	900	Linear Feet	Tennis Courts, Fence	2021	to 20	7	42.00	37,800	135,605																	47,125
4.850	18	18	Each	Tennis Courts, Light Poles and Fixtures	2031	to 30	17	3,000.00	54,000	92,246																	
4.860	28,800	28,800	Square Feet	Tennis Courts, Surface Replacement	2041	to 40	27	9.00	259,200	606,718																	
<b>Clubhouse Elements</b>																											
5.450	8	2	Each	Building Services Equipment, Split Systems, Phased	2018	12 to 18	4	6,000.00	12,000	82,642					13,611												17,512
5.500	3,600	3,600	Square Feet	Interior Renovation, Complete	2028	to 25	14	28.00	100,800	156,667																	156,667
5.510	10,800	3,600	Square Feet	Interior Renovation, Partial	2020	to 8	6	9.00	32,400	187,285																	39,140
5.600	28	28	Squares	Roof Assembly, Pool House, Asphalt Shingles	2032	15 to 20	18	400.00	11,200	19,745																	
5.601	184	92	Squares	Roof Assemblies, Remaining, Asphalt Shingles	2021	15 to 20	7	400.00	36,800	126,758																	45,878
5.700	17,100	5,700	Square Feet	Walls, Masonry and Stucco, Inspections, Paint Finishes and Repairs	2016	8 to 12	2	2.00	11,400	55,716																	12,141
5.800	900	900	Square Feet	Windows and Doors	2040	to 40	26	50.00	45,000	102,067																	
<b>North Pool Elements</b>																											
6.200	51,030	17,010	Square Feet	Concrete Deck, Inspections, Partial Replacements and Repairs	2016	8 to 12	2	2.00	34,020	153,907																	36,232
6.500	5	1	Allowance	Furniture, Phased (Includes South Pool)	2019	to 12	5	29,000.00	29,000	256,636																	33,947
6.600	5	1	Allowance	Mechanical Equipment, Phased	2016	to 15	2	15,500.00	15,500	124,799																	16,508
6.800	32,280	10,760	Square Feet	Pool Finish, Plaster	2022	8 to 12	8	7.00	75,320	411,635																	19,942
6.880	8	4	Each	Rest Rooms, Pool House and Tennis Courts	2023	to 20	9	5,000.00	20,000	76,414																	96,905
6.890	2,500	1,250	Square Feet	Shade Structures	2023	to 15	9	20.00	25,000	86,436																	26,555
6.970	3	1	Allowance	Water Features and Slides, Refinishing Applications	2021	6 to 8	7	45,000.00	45,000	236,873																	56,101
6.980	2	1	Allowance	Water Features, Replacement	2021	to 15	7	50,000.00	50,000	162,316																	62,334
6.990	200	200	Linear Feet	Water Slides, Replacement	2027	20 to 25	13	1,400.00	280,000	421,691																	421,691

# RESERVE EXPENDITURES

Fall Creek  
Homeowners Association, Inc.  
Humble, Texas

Line Item	Quantities:		Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Unit Cost, \$	2014 Cost per Phase, \$	Total Future Costs, \$	16 2030	17 2031	18 2032	19 2033	20 2034	21 2035	22 2036	23 2037	24 2038	25 2039	26 2040	27 2041	28 2042	29 2043	30 2044
	30-Year Total	Per Phase				Useful	Remaining																		
<b>Property Site Elements</b>																									
4.120	18,360	4,590	Square Feet	Concrete Parking Areas, Partial	2024	to 75	10	8.00	36,720	273,226	60,782						73,427							88,702	
4.140	108,095	8,315	Square Feet	Concrete Sidewalks, Partial	2020	to 75	6	5.50	45,733	1,172,937	75,701		80,623		85,866		91,449		97,395		103,728	107,048	110,473	114,008	117,656
4.245	2,700	675	Linear Feet	Fences, Metal, Ends of Cul-de-Sacs and Pools, Phased	2035	to 35	21	56.00	37,800	322,806						73,243		78,005		83,078		88,480			
4.420	5	1	Allowance	Irrigation System, Partial Replacements	2040	to 40	26	170,000.00	170,000	2,055,329											385,586	397,925	410,658	423,799	437,361
4.560	32	32	Each	Light Poles and Fixtures (Parking Areas Only)	2028	to 25	14	2,000.00	64,000	99,471															
4.640	8,200	820	Linear Feet	Perimeter Walls, Concrete, Partial	2025	to 40	11	70.00	57,400	1,095,450		98,054		104,430		111,221		118,453		126,155		134,358		143,095	
4.641	26,400	2,400	Linear Feet	Perimeter Walls, Masonry, Partial	2023	to 50	9	100.00	240,000	4,898,933		409,983		436,642		465,034		495,273		527,477		561,776		598,305	
4.660	4	1	Allowance	Playground Equipment, Phased	2021	15 to 20	7	60,000.00	60,000	406,192				109,160						131,869					
4.700	6	2	Each	Ponds, Aerators	2023	to 10	9	10,000.00	20,000	112,801				36,387										49,859	
4.710	800	160	Linear Feet	Ponds, Bulkheads, Partial	2026	to 50	12	150.00	24,000	228,899	39,727				45,061				51,112				57,975		
4.800	2	1	Allowance	Signage, LED Sign	2023	to 15	9	30,000.00	30,000	103,723									63,890						
4.830	144,000	28,800	Square Feet	Tennis Courts, Color Coat	2016	4 to 6	2	0.80	23,040	172,315		39,358					46,072								
4.840	1,800	900	Linear Feet	Tennis Courts, Fence	2021	to 20	7	42.00	37,800	135,605												88,480			
4.850	18	18	Each	Tennis Courts, Light Poles and Fixtures	2031	to 30	17	3,000.00	54,000	92,246		92,246													
4.860	28,800	28,800	Square Feet	Tennis Courts, Surface Replacement	2041	to 40	27	9.00	259,200	606,718												606,718			
<b>Clubhouse Elements</b>																									
5.450	8	2	Each	Building Services Equipment, Split Systems, Phased	2018	12 to 18	4	6,000.00	12,000	82,642					22,531								28,988		
5.500	3,600	3,600	Square Feet	Interior Renovation, Complete	2028	to 25	14	28.00	100,800	156,667															
5.510	10,800	3,600	Square Feet	Interior Renovation, Partial	2020	to 8	6	9.00	32,400	187,285							64,789								83,356
5.600	28	28	Squares	Roof Assembly, Pool House, Asphalt Shingles	2032	15 to 20	18	400.00	11,200	19,745			19,745												
5.601	184	92	Squares	Roof Assemblies, Remaining, Asphalt Shingles	2021	15 to 20	7	400.00	36,800	126,758										80,880					
5.700	17,100	5,700	Square Feet	Walls, Masonry and Stucco, Inspections, Paint Finishes and Repairs	2016	8 to 12	2	2.00	11,400	55,716													25,857		
5.800	900	900	Square Feet	Windows and Doors	2040	to 40	26	50.00	45,000	102,067												102,067			
<b>North Pool Elements</b>																									
6.200	51,030	17,010	Square Feet	Concrete Deck, Inspections, Partial Replacements and Repairs	2016	8 to 12	2	2.00	34,020	153,907							68,028								
6.500	5	1	Allowance	Furniture, Phased (Includes South Pool)	2019	to 12	5	29,000.00	29,000	256,636		49,540						59,845						72,295	
6.600	5	1	Allowance	Mechanical Equipment, Phased	2016	to 15	2	15,500.00	15,500	124,799					29,102							35,156			
6.800	32,280	10,760	Square Feet	Pool Finish, Plaster	2022	8 to 12	8	7.00	75,320	411,635			132,784										181,946		
6.880	8	4	Each	Rest Rooms, Pool House and Tennis Courts	2023	to 20	9	5,000.00	20,000	76,414														49,859	
6.890	2,500	1,250	Square Feet	Shade Structures	2023	to 15	9	20.00	25,000	86,436									53,242						
6.970	3	1	Allowance	Water Features and Slides, Refinishing Applications	2021	6 to 8	7	45,000.00	45,000	236,873			81,870								98,902				
6.980	2	1	Allowance	Water Features, Replacement	2021	to 15	7	50,000.00	50,000	162,316								99,982							
6.990	200	200	Linear Feet	Water Slides, Replacement	2027	20 to 25	13	1,400.00	280,000	421,691															

## RESERVE EXPENDITURES

Fall Creek  
Homeowners Association, Inc.  
Humble, Texas

**Explanatory Notes:**

- 1) **3.2%** is the estimated future Inflation Rate for estimating Future Replacement Costs.
- 2) **FY2014** is Fiscal Year beginning January 1, 2014 and ending December 31, 2014.

Line Item	Quantities:		Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Unit Cost, \$	2014 Cost per Phase, \$	Total Future Costs, \$	RUL = 0 FY2014	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024	11 2025	12 2026	13 2027	14 2028	15 2029
	30-Year Total	Per Phase				Useful	Remaining																			
<u>South Pool Elements</u>																										
7.200	17,190	5,730	Square Feet	Concrete Deck, Inspections, Partial Replacements and Repairs	2016	8 to 12	2	2.00	11,460	51,845			12,205										16,724			
7.600	5	1	Allowance	Mechanical Equipment, Phased	2016	to 15	2	10,000.00	10,000	80,516			10,650					12,866							15,542	
7.800	10,710	3,570	Square Feet	Plaster Finish	2021	8 to 12	7	7.00	24,990	132,340								31,155								
7.880	2	2	Each	Rest Rooms, Pool House	2027	to 20	13	5,000.00	10,000	15,060														15,060		
	1	1	Allowance	Reserve Study Update with Site Visit	2016	2	2	3,400.00	3,400	3,400			3,400													
<b>Anticipated Expenditures, By Year</b>										<b>\$14,721,399</b>	<b>0</b>	<b>0</b>	<b>115,674</b>	<b>0</b>	<b>13,611</b>	<b>33,947</b>	<b>94,386</b>	<b>346,118</b>	<b>129,713</b>	<b>444,798</b>	<b>112,980</b>	<b>461,559</b>	<b>152,530</b>	<b>975,009</b>	<b>384,568</b>	<b>477,020</b>

## RESERVE EXPENDITURES

Fall Creek  
Homeowners Association, Inc.  
Humble, Texas

Line Item	<u>Quantities:</u>		Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Unit Cost, \$	2014 Cost per Phase, \$	Total Future Costs, \$	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
	30-Year Total	Per Phase				Useful	Remaining				2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
<u>South Pool Elements</u>																									
7.200	17,190	5,730	Square Feet	Concrete Deck, Inspections, Partial Replacements and Repairs	2016	8 to 12	2	2.00	11,460	51,845							22,916								
7.600	5	1	Allowance	Mechanical Equipment, Phased	2016	to 15	2	10,000.00	10,000	80,516				18,776							22,682				
7.800	10,710	3,570	Square Feet	Plaster Finish	2021	8 to 12	7	7.00	24,990	132,340		42,690												58,495	
7.880	2	2	Each	Rest Rooms, Pool House	2027	to 20	13	5,000.00	10,000	15,060															
	1	1	Allowance	Reserve Study Update with Site Visit	2016	2	2	3,400.00	3,400	3,400															
<b>Anticipated Expenditures, By Year</b>										<b>\$14,721,399</b>	176,210	731,871	233,152	768,489	201,336	649,498	466,663	751,576	265,639	1,048,361	675,076	2,043,280	878,742	1,451,220	638,373

# RESERVE FUNDING PLAN

## CASH FLOW ANALYSIS

Fall Creek

Homeowners Association, Inc.

Humble, Texas

### Individual Reserve Budgets & Cash Flows for the Next 30 Years

	FY2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Reserves at Beginning of Year (Note 1)	n/a	324,839	428,962	450,096	619,949	810,161	1,014,193	1,224,050	1,247,451	1,553,057	1,609,558	2,015,909	2,092,322	2,496,895	2,096,009	2,302,098
<b>Total Recommended Reserve Contributions (Note 2)</b>	<b>n/a</b>	<b>100,000</b>	<b>132,000</b>	<b>164,000</b>	<b>196,000</b>	<b>228,000</b>	<b>292,000</b>	<b>356,000</b>	<b>420,000</b>	<b>484,000</b>	<b>499,500</b>	<b>515,500</b>	<b>532,000</b>	<b>549,000</b>	<b>566,600</b>	<b>584,700</b>
Plus Estimated Interest Earned, During Year (Note 3)	n/a	4,123	4,808	5,853	7,823	9,979	12,243	13,519	15,319	17,299	19,831	22,472	25,103	25,123	24,057	25,915
Less Anticipated Expenditures, By Year	n/a	0	(115,674)	0	(13,611)	(33,947)	(94,386)	(346,118)	(129,713)	(444,798)	(112,980)	(461,559)	(152,530)	(975,009)	(384,568)	(477,020)
<b>Anticipated Reserves at Year End</b>	<b><u>n/a</u></b>	<b><u>\$428,962</u></b>	<b><u>\$450,096</u></b>	<b><u>\$619,949</u></b>	<b><u>\$810,161</u></b>	<b><u>\$1,014,193</u></b>	<b><u>\$1,224,050</u></b>	<b><u>\$1,247,451</u></b>	<b><u>\$1,553,057</u></b>	<b><u>\$1,609,558</u></b>	<b><u>\$2,015,909</u></b>	<b><u>\$2,092,322</u></b>	<b><u>\$2,496,895</u></b>	<b><u>\$2,096,009</u></b>	<b><u>\$2,302,098</u></b>	<b><u>\$2,435,693</u></b>

(continued)

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

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Reserves at Beginning of Year	2,435,693	2,892,025	2,814,066	3,256,721	3,186,677	3,707,451	3,805,347	4,110,885	4,156,732	4,715,926	4,519,180	4,721,349	3,576,658	3,617,769	3,112,061
<b>Total Recommended Reserve Contributions</b>	<b>603,400</b>	<b>622,700</b>	<b>642,600</b>	<b>663,200</b>	<b>684,400</b>	<b>706,300</b>	<b>728,900</b>	<b>752,200</b>	<b>776,300</b>	<b>801,100</b>	<b>826,700</b>	<b>853,200</b>	<b>880,500</b>	<b>908,700</b>	<b>937,800</b>
Plus Estimated Interest Earned, During Year	29,142	31,212	33,207	35,245	37,710	41,094	43,301	45,223	48,533	50,515	50,545	45,389	39,353	36,812	35,880
Less Anticipated Expenditures, By Year	(176,210)	(731,871)	(233,152)	(768,489)	(201,336)	(649,498)	(466,663)	(751,576)	(265,639)	(1,048,361)	(675,076)	(2,043,280)	(878,742)	(1,451,220)	(638,373)
<b>Anticipated Reserves at Year End</b>	<b><u>\$2,892,025</u></b>	<b><u>\$2,814,066</u></b>	<b><u>\$3,256,721</u></b>	<b><u>\$3,186,677</u></b>	<b><u>\$3,707,451</u></b>	<b><u>\$3,805,347</u></b>	<b><u>\$4,110,885</u></b>	<b><u>\$4,156,732</u></b>	<b><u>\$4,715,926</u></b>	<b><u>\$4,519,180</u></b>	<b><u>\$4,721,349</u></b>	<b><u>\$3,576,658</u></b>	<b><u>\$3,617,769</u></b>	<b><u>\$3,112,061</u></b>	<b><u>\$3,447,368</u></b>

(NOTE 4)

### Explanatory Notes:

- 1) Year 2015 starting reserves are as of July 31, 2015; FY2015 starts January 1, 2015 and ends December 31, 2015.
- 2) Reserve Contributions for 2015 are budgeted; 2016 is the first year of recommended contributions.
- 3) 1.1% is the estimated annual rate of return on invested reserves.
- 4) Accumulated year 2044 ending reserves consider the need to fund for ongoing replacements to the concrete sidewalks, irrigation system, masonry perimeter walls and the age, size, overall condition and complexity of the property.



**Serrano Creek**  
**RESERVE EXPENDITURES**

Fall Creek  
Homeowners Association, Inc.  
Humble, Texas

**Explanatory Notes:**

- 1) **3.2%** is the estimated future Inflation Rate for estimating Future Replacement Costs.
- 2) **FY2014** is Fiscal Year beginning January 1, 2014 and ending December 31, 2014.

Line Item	Quantities:		Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Unit Cost, \$	2014 Cost per Phase, \$	Total Future Costs, \$	RUL = 0 FY2014	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024	11 2025	12 2026	13 2027	14 2028	15 2029
	30-Year Total	Per Phase				Useful	Remaining																			
8.180	59,400	9,900	Square Feet	Concrete Streets, Partial	2024	to 75	10	8.00	79,200	913,011											108,523				123,095	
8.320	12	4	Each	Gate Operators	2016	to 10	2	3,500.00	14,000	63,336		14,910											20,431			
8.330	4	4	Each	Gates	2026	to 20	12	3,000.00	12,000	17,512													17,512			
8.700	3	1	Each	Pond, Aerator	2020	to 10	6	10,000.00	10,000	51,315						12,080										
8.710	575	115	Linear Feet	Pond, Bulkhead, Partial	2022	to 50	8	150.00	17,250	155,852									22,194				25,979			
<b>Anticipated Expenditures, By Year</b>										<b>\$1,201,026</b>	<b>0</b>	<b>0</b>	<b>14,910</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,080</b>	<b>0</b>	<b>22,194</b>	<b>0</b>	<b>108,523</b>	<b>0</b>	<b>37,943</b>	<b>25,979</b>	<b>123,095</b>	<b>0</b>

**Serrano Creek**  
**RESERVE EXPENDITURES**

Fall Creek  
Homeowners Association, Inc.  
Humble, Texas

Line Item	Quantities:		Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Unit Cost, \$	2014 Cost per Phase, \$	Total Future Costs, \$	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
	30-Year Total	Per Phase				Useful	Remaining				2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
8.180	59,400	9,900	Square Feet	Concrete Streets, Partial	2024	to 75	10	8.00	79,200	913,011			139,624				158,372				179,638				203,759
8.320	12	4	Each	Gate Operators	2016	to 10	2	3,500.00	14,000	63,336							27,995								
8.330	4	4	Each	Gates	2026	to 20	12	3,000.00	12,000	17,512															
8.700	3	1	Each	Pond, Aerator	2020	to 10	6	10,000.00	10,000	51,315	16,553										22,682				
8.710	575	115	Linear Feet	Pond, Bulkhead, Partial	2022	to 50	8	150.00	17,250	155,852			30,411				35,598					41,670			
<b>Anticipated Expenditures, By Year</b>										<b>\$1,201,026</b>	16,553	0	170,035	0	0	0	186,367	35,598	0	0	202,320	0	41,670	0	203,759

# RESERVE FUNDING PLAN

## Serrano Creek

### CASH FLOW ANALYSIS

#### Fall Creek

#### Homeowners Association, Inc.

Humble, Texas

#### Individual Reserve Budgets & Cash Flows for the Next 30 Years

	FY2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Reserves at Beginning of Year (Note 1)	50,000	50,550	75,138	85,808	112,392	140,073	168,863	186,728	217,841	227,885	261,361	187,091	222,129	220,407	231,802	146,778
<b>Total Recommended Reserve Contributions (Note 2)</b>	<b>0</b>	<b>23,900</b>	<b>24,700</b>	<b>25,500</b>	<b>26,300</b>	<b>27,100</b>	<b>28,000</b>	<b>28,900</b>	<b>29,800</b>	<b>30,800</b>	<b>31,800</b>	<b>32,800</b>	<b>33,800</b>	<b>34,900</b>	<b>36,000</b>	<b>37,200</b>
Plus Estimated Interest Earned, During Year (Note 3)	550	688	880	1,084	1,381	1,690	1,945	2,213	2,438	2,676	2,453	2,238	2,421	2,474	2,071	1,819
Less Anticipated Expenditures, By Year	0	0	(14,910)	0	0	0	(12,080)	0	(22,194)	0	(108,523)	0	(37,943)	(25,979)	(123,095)	0
<b>Anticipated Reserves at Year End</b>	<b><u>\$50,550</u></b>	<b><u>\$75,138</u></b>	<b><u>\$85,808</u></b>	<b><u>\$112,392</u></b>	<b><u>\$140,073</u></b>	<b><u>\$168,863</u></b>	<b><u>\$186,728</u></b>	<b><u>\$217,841</u></b>	<b><u>\$227,885</u></b>	<b><u>\$261,361</u></b>	<b><u>\$187,091</u></b>	<b><u>\$222,129</u></b>	<b><u>\$220,407</u></b>	<b><u>\$231,802</u></b>	<b><u>\$146,778</u></b>	<b><u>\$185,797</u></b>

(continued)

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

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Reserves at Beginning of Year	185,797	209,808	251,934	124,860	168,666	214,361	261,966	124,111	137,846	189,034	242,394	94,517	150,155	166,216	226,162
<b>Total Recommended Reserve Contributions</b>	<b>38,400</b>	<b>39,600</b>	<b>40,900</b>	<b>42,200</b>	<b>43,600</b>	<b>45,000</b>	<b>46,400</b>	<b>47,900</b>	<b>49,400</b>	<b>51,000</b>	<b>52,600</b>	<b>54,300</b>	<b>56,000</b>	<b>57,800</b>	<b>59,600</b>
Plus Estimated Interest Earned, During Year	2,164	2,526	2,061	1,606	2,095	2,605	2,112	1,433	1,788	2,360	1,843	1,338	1,731	2,146	1,695
Less Anticipated Expenditures, By Year	(16,553)	0	(170,035)	0	0	0	(186,367)	(35,598)	0	0	(202,320)	0	(41,670)	0	(203,759)
<b>Anticipated Reserves at Year End</b>	<b><u>\$209,808</u></b>	<b><u>\$251,934</u></b>	<b><u>\$124,860</u></b>	<b><u>\$168,666</u></b>	<b><u>\$214,361</u></b>	<b><u>\$261,966</u></b>	<b><u>\$124,111</u></b>	<b><u>\$137,846</u></b>	<b><u>\$189,034</u></b>	<b><u>\$242,394</u></b>	<b><u>\$94,517</u></b>	<b><u>\$150,155</u></b>	<b><u>\$166,216</u></b>	<b><u>\$226,162</u></b>	<b><u>\$83,698</u></b>

(NOTES 4&5)

#### Explanatory Notes:

- 1) Year 2014 starting reserves are as of May 31, 2014; FY2014 starts January 1, 2014 and ends December 31, 2014.
- 2) Reserve Contributions for 2014 are budgeted; 2015 is the first year of recommended contributions.
- 3) 1.1% is the estimated annual rate of return on invested reserves.
- 4) Accumulated year 2044 ending reserves consider the age, size, overall condition and complexity of the property.
- 5) Threshold Funding Year (reserve balance at critical point).

Fairway Crossing  
**RESERVE EXPENDITURES**

Fall Creek  
Homeowners Association, Inc.  
Humble, Texas

**Explanatory Notes:**

- 1) **3.2%** is the estimated future Inflation Rate for estimating Future Replacement Costs.
- 2) **FY2014** is Fiscal Year beginning January 1, 2014 and ending December 31, 2014.

Line Item	Quantities:		Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Unit Cost, \$	2014 Cost per Phase, \$	Total Future Costs, \$	RUL = 0 FY2014	1 2015	2 2016	3 2017	4 2018	5 2019	6 2020	7 2021	8 2022	9 2023	10 2024	11 2025	12 2026	13 2027	14 2028	15 2029			
	30-Year Total	Per Phase				Useful	Remaining																						
9.180	35,000	7,000	Square Feet	Concrete Streets, Partial	2028	to 75	14	8.00	56,000	568,830																	87,037		
9.320	12	4	Each	Gate Operators	2017	to 10	3	3,500.00	14,000	65,363				15,387													21,085		
9.330	4	4	Each	Gates	2027	to 20	13	3,000.00	12,000	18,072																	18,072		
9.700	3	1	Each	Pond, Aerators	2020	to 10	6	10,000.00	10,000	51,315							12,080												
9.720	2,000	2,000	Square Yards	Pond, Sediment Removal, Partial	2037	to 30	23	27.00	54,000	111,436																			
<b>Anticipated Expenditures, By Year</b>										<b>\$815,016</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,387</b>	<b>0</b>	<b>0</b>	<b>12,080</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>39,157</b>	<b>87,037</b>	<b>0</b>

Fairway Crossing  
**RESERVE EXPENDITURES**

Fall Creek  
Homeowners Association, Inc.  
Humble, Texas

Line Item	Quantities:		Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Unit Cost, \$	2014 Cost per Phase, \$	Total Future Costs, \$	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30						
	30-Year Total	Per Phase				Useful	Remaining				2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044						
9.180	35,000	7,000	Square Feet	Concrete Streets, Partial	2028	to 75	14	8.00	56,000	568,830			98,724				111,980								127,017						144,072
9.320	12	4	Each	Gate Operators	2017	to 10	3	3,500.00	14,000	65,363								28,891													
9.330	4	4	Each	Gates	2027	to 20	13	3,000.00	12,000	18,072																					
9.700	3	1	Each	Pond, Aerators	2020	to 10	6	10,000.00	10,000	51,315	16,553																				22,682
9.720	2,000	2,000	Square Yards	Pond, Sediment Removal, Partial	2037	to 30	23	27.00	54,000	111,436								111,436													
<b>Anticipated Expenditures, By Year</b>										<b>\$815,016</b>	16,553	0	98,724	0	0	0	0	111,980	140,327	0	0	149,699	0	0	0	0	144,072				

# RESERVE FUNDING PLAN

## Fairway Crossing

### CASH FLOW ANALYSIS

Fall Creek

Homeowners Association, Inc.

Humble, Texas

#### Individual Reserve Budgets & Cash Flows for the Next 30 Years

	FY2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Reserves at Beginning of Year (Note 1)	0	0	17,697	36,192	40,022	59,969	80,739	90,194	112,603	135,963	160,283	185,575	211,849	239,216	228,316	169,958
<b>Total Recommended Reserve Contributions (Note 2)</b>	<b>0</b>	<b>17,600</b>	<b>18,200</b>	<b>18,800</b>	<b>19,400</b>	<b>20,000</b>	<b>20,600</b>	<b>21,300</b>	<b>22,000</b>	<b>22,700</b>	<b>23,400</b>	<b>24,100</b>	<b>24,900</b>	<b>25,700</b>	<b>26,500</b>	<b>27,300</b>
Plus Estimated Interest Earned, During Year (Note 3)	0	97	295	417	547	770	935	1,109	1,360	1,620	1,892	2,174	2,467	2,557	2,179	2,020
Less Anticipated Expenditures, By Year	0	0	0	(15,387)	0	0	(12,080)	0	0	0	0	0	0	(39,157)	(87,037)	0
<b>Anticipated Reserves at Year End</b>	<b>\$0</b>	<b>\$17,697</b>	<b>\$36,192</b>	<b>\$40,022</b>	<b>\$59,969</b>	<b>\$80,739</b>	<b>\$90,194</b>	<b>\$112,603</b>	<b>\$135,963</b>	<b>\$160,283</b>	<b>\$185,575</b>	<b>\$211,849</b>	<b>\$239,216</b>	<b>\$228,316</b>	<b>\$169,958</b>	<b>\$199,278</b>

(continued)

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

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Reserves at Beginning of Year	199,278	213,181	244,786	178,377	211,510	246,013	281,901	206,694	103,262	140,898	180,154	70,526	111,421	154,073	198,502
<b>Total Recommended Reserve Contributions</b>	<b>28,200</b>	<b>29,100</b>	<b>30,000</b>	<b>31,000</b>	<b>32,000</b>	<b>33,000</b>	<b>34,100</b>	<b>35,200</b>	<b>36,300</b>	<b>37,500</b>	<b>38,700</b>	<b>39,900</b>	<b>41,200</b>	<b>42,500</b>	<b>43,900</b>
Plus Estimated Interest Earned, During Year	2,256	2,505	2,315	2,133	2,503	2,888	2,673	1,695	1,336	1,756	1,371	995	1,452	1,929	1,633
Less Anticipated Expenditures, By Year	(16,553)	0	(98,724)	0	0	0	(111,980)	(140,327)	0	0	(149,699)	0	0	0	(144,072)
<b>Anticipated Reserves at Year End</b>	<b>\$213,181</b>	<b>\$244,786</b>	<b>\$178,377</b>	<b>\$211,510</b>	<b>\$246,013</b>	<b>\$281,901</b>	<b>\$206,694</b>	<b>\$103,262</b>	<b>\$140,898</b>	<b>\$180,154</b>	<b>\$70,526</b>	<b>\$111,421</b>	<b>\$154,073</b>	<b>\$198,502</b>	<b>\$99,963</b>

(NOTE 5)

(NOTE 4)

#### Explanatory Notes:

- 1) Year 2014 starting reserves are as of May 31, 2014; FY2014 starts January 1, 2014 and ends December 31, 2014.
- 2) Reserve Contributions for 2014 are budgeted; 2015 is the first year of recommended contributions.
- 3) 1.1% is the estimated annual rate of return on invested reserves.
- 4) Accumulated year 2044 ending reserves consider the age, size, overall condition and complexity of the property.
- 5) Threshold Funding Year (reserve balance at critical point).



### 3. PROFESSIONAL SERVICE CONDITIONS

**Our Services** - Reserve Advisors, Inc. will perform its services as an independent contractor in accordance with our professional practice standards. Our compensation is not contingent upon our conclusions.

Our inspection and analysis of the subject property is limited to visual observations and is noninvasive. We will inspect sloped roofs from the ground. We will inspect 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 our observation. Conditions can change between the time of inspection and the issuance of the report. Reserve Advisors does not investigate, nor assume any responsibility for any existence or impact of any hazardous materials, structural, latent or hidden defects which may or may not be present on or within the property. Our opinions of estimated costs and remaining useful lives are not a guarantee of the actual costs of replacement, a warranty of the common elements or other property elements, or a guarantee of remaining useful lives.

We assume, without independent verification, the accuracy of all data provided to us. You agree to indemnify and hold us 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 as 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 controlling person of Reserve Advisors, Inc., including any director, officer, employee, affiliate, or agent. Liability of Reserve Advisors, Inc. 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** - Reserve Advisors, Inc. will complete the services in accordance with the Proposal. All files, work papers or documents developed by us during the course of the engagement remains our property.

**Your Obligations** - You agree to provide us access to the subject property during our on-site visual inspection and tour. You will provide to us to the best of your ability and if reasonably available, historical and budgetary information, the governing documents, and other information that we request and deem necessary to complete our Study. You agree to pay our actual attorneys' fees and any other costs incurred in the event we have to initiate litigation to collect on any unpaid balance for our services.

**Use of Our Report and Your Name** - Use of our Report(s) is limited to only the purpose stated herein. Any use or reliance for any other purpose, by you or third parties, is invalid. Our Reserve Study Report in whole or part ***is not and cannot be used as a design specification, design engineering services or an appraisal.*** You may show our report in its entirety to those third parties who need to review the information contained herein. The Client and other third parties viewing this report should not reference our name or our report, in whole or in part, in any document prepared and/or distributed to third parties without our written consent. ***This report*** contains intellectual property developed by Reserve Advisors, Inc. specific to this engagement and ***cannot be reproduced or distributed to those who conduct reserve studies without the written consent of Reserve Advisors, Inc.***

We reserve the right to include our client's name in our client lists, but we will maintain the confidentiality of all conversations, documents provided to us, and the contents of our reports, subject to legal or administrative process or proceedings. These conditions can only be modified by written documents executed by both parties.



**Payment Terms, Due Dates and Interest Charges** - The retainer payment is due upon authorization and prior to shipment of the report. The final payment of the fee is due immediately upon receipt of the Report. Any outstanding balance after 30 days of the invoice date is subject to an interest charge of 1.5% per month. Any litigation necessary to collect an unpaid balance shall be venued in Milwaukee County Circuit Court in the State of Wisconsin.

#### **CONDITIONS OF OUR SERVICE ASSUMPTIONS**

To the best of our knowledge, all data set forth in this report are true and accurate. Although gathered from reliable sources, we make no guarantee nor assume liability for the accuracy of any data, opinions, or estimates identified as furnished by others that we used in formulating this analysis.

We did not make any soil analysis or geological study with this report; nor were any water, oil, gas, coal, or other subsurface mineral and use rights or conditions investigated.

Substances such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, environmental mold or other potentially hazardous materials could, if present, adversely affect the validity of this study. Unless otherwise stated in this report, the existence of hazardous substance, that may or may not be present on or in the property, was not considered. Our opinions are predicated on the assumption that there are no hazardous materials on or in the property. We assume no responsibility for any such conditions. We are not qualified to detect such substances, quantify the impact, or develop the remedial cost.

We have made a visual inspection of the property and noted visible physical defects, if any, in our report. Our inspection and analysis was made by employees generally familiar with real estate and building construction; however, we did not do any invasive testing. Accordingly, we do not opine on, nor are we responsible for, the structural integrity of the property including its conformity to specific governmental code requirements, such as fire, building and safety, earthquake, and occupancy, or any physical defects that were not readily apparent during the inspection.

Our opinions of the remaining useful lives of the property elements do not represent a guarantee or warranty of performance of the products, materials and workmanship.



## 4. CREDENTIALS

### HISTORY AND DEPTH OF SERVICE

**Founded in 1991**, Reserve Advisors, Inc. 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 principals are founders of Community Associations Institute's (CAI) Reserve Committee, that developed national standards for reserve study providers. One of our principals 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 a 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, Inc., 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. Each Team Review requires the attendance of several engineers, a Review Coordinator, Director of Quality Assurance and other participatory peers. 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, Inc. 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 the 100-story John Hancock Center in Chicago. 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 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.

**THEODORE J. SALGADO, P.E., PRA**  
**Principal**

Theodore J. Salgado is a co-founder of Reserve Advisors, Inc., which is dedicated to serving community associations, city and country clubs, religious organizations, educational facilities, and public and private entities throughout the United States. He is responsible for the production, management, review, and quality assurance of all reserve studies, defect identification transition studies, and consulting services for a nationwide portfolio of more than 6,000 clients. Under his direction, the firm conducts reserve study services for community associations, apartment complexes, churches, hotels, resorts, office towers and vintage architecturally ornate buildings.



**PRIOR RELEVANT EXPERIENCE**

Before founding Reserve Advisors, Inc. in 1991, Mr. Salgado, a professional engineer registered in the State of Wisconsin, served clients for over 15 years through American Appraisal Associates, the world's largest full service valuation firm. Mr. Salgado conducted facilities analyses of hospitals, steel mills and various other large manufacturing and petrochemical facilities and casinos.

He has served clients throughout the United States and in foreign countries, and frequently acted as project manager on complex valuation, and federal and state tax planning assignments. His valuation studies led to negotiated settlements on property tax disputes between municipalities and property owners.

Mr. Salgado has authored articles on the topic of reserve studies and facilities maintenance. He also co-authored "Reserves", an educational videotape produced by Reserve Advisors on the subject of Reserve Studies and maintaining appropriate reserves. Mr. Salgado has also written in-house computer applications manuals and taught techniques relating to valuation studies.

**EXPERT WITNESS**

Mr. Salgado has testified successfully before the Butler County Board of Tax Revisions in Ohio. His depositions in pretrial discovery proceedings relating to reserve studies of Crestview Estates Condominium Association in Wauconda, Illinois and the North Shore Club Associations in South Bend, Indiana have successfully assisted the parties in arriving at out of court settlements.

**EDUCATION**

**Milwaukee School of Engineering** - B.S. Architectural Engineering

**PROFESSIONAL AFFILIATIONS/DESIGNATIONS**

**American Association of Cost Engineers** - Past President, Wisconsin Section

**Association of Construction Inspectors** - Senior Designated Member and Certified Construction Inspector

**Association of Professional Reserve Analysts** - Past President, and Professional Reserve Analyst (PRA)

**Community Associations Institute** - Member and Volunteer Leader of multiple chapters throughout the United States

**Concordia Seminary, St. Louis** - Member, National Steering Committee

**Milwaukee School of Engineering** - Member, Corporation Board

**Professional Engineer, Wisconsin** - Registered in 1982

Ted continually maintains his professional skills through American Society of Civil Engineers, ASHRAE, Association of Construction Inspectors, and continuing education to maintain his professional engineer licenses.



**TIMOTHY J. MATTHIESEN, RS**  
**Responsible Advisor**

**CURRENT CLIENT SERVICES**

Timothy J. Matthiesen, a Civil Engineer, is an Advisor for Reserve Advisors, Inc., which is dedicated to serving community associations, religious organizations, educational facilities, and public and private entities throughout the United States. Mr. Matthiesen is responsible for the inspection and analysis of the property's current condition, recommending engineering solutions to prolong the lives of building components, forecasting capital expenditures for the repair and/or replacement of the property components, and technical report preparation on assignments. He is responsible for conducting Life Cycle Cost Analysis and Capital Replacement Forecast Services on townhomes, homeowners associations and planned unit developments.

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

**1900 Stevens Condominium Association** 1920's historic condominium situated in the Stevens Square area of Minneapolis that features a roof deck with views of the downtown skyline.

**Riverstone Homeowners Association** Developing community outside of Houston currently comprised of 2,400 homes. Amenities include gated sections, ponds, a water park and miles of perimeter walls.

**Four Seasons Resorts Colorado** A total of five Reserve Studies were completed for the recently constructed 45-story high rise in Denver and state of the art ski lodge in Vail.

**Sauganash Village Homeowners Association** Quiet, wooded community of townhomes on the north side of Chicago. The community features elegant, urban brick townhomes, private streets and a fountain.

**Insulators & Allied Workers Local No. 14** Headquarters of the insulators and allied workers union for the Philadelphia area that houses its offices, a ballroom and an educational center.

**Glenhaven Lakes Club** A homeowners association of over 1,000 homes set in the mountains north of Seattle. The community is responsible for its extensive private water system and maintenance equipment.

**Idaho Ronald McDonald House** Constructed in 1907, this prominent Victorian inspired home in downtown Boise was converted for Ronald McDonald House use in 1988. Subsequent additions were added in 1994 and 2002.

**Vint Hill Conservancy** Near Washington, D.C. is this former military base that has been converted into a mixed use development. Former army patrol roads comprise miles of recreational trails.

**Alpha Delta Pi Sorority House** Frank Lloyd Wright inspired prairie style house on the campus of the University of Arizona that maintains residences for over sixty students and a commercial kitchen.

**PRIOR RELEVANT EXPERIENCE**

Before joining Reserve Advisors, Inc., Mr. Matthiesen was a building inspector working with the Roman Catholic Archdiocese of Greater Milwaukee. He was responsible for the inspection and condition assessment of occupied and unoccupied school buildings throughout the state. His day to day duties included conducting on-site meetings with Parish representatives, completing detailed technical inspections and creating a database of building condition information for Archdiocese Officials.

Mr. Matthiesen has also worked for the Forest Preserve District of Kane County as a Civil Engineer. He was responsible for the inspection of existing park amenities and the design of new improvements. Park amenities and new improvements included parking lots and roadways, existing historic buildings and structures, community centers and trails comprised of asphalt, concrete, limestone and landscape.

**EDUCATION**

Marquette University - B.S. Civil Engineering

**PROFESSIONAL AFFILIATIONS**

*Reserve Specialist (RS)* - Community Associations Institute

## RESOURCES

Reserve Advisors, Inc. 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](http://www.iami.org). Several advisors and a Principal of Reserve Advisors, Inc. hold Senior Memberships with ACI.

**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](http://www.ashrae.org). Reserve Advisors, Inc. 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.msbinfo.com](http://www.msbinfo.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](http://www.rsmeans.com).

**Reserve Advisors, Inc.**, 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.