Ashland Park POA

Ashland Park Drive, Ashland, VA 23005

CAPITAL RESERVE STUDY & FINANCIAL ANALYSIS

Final Report

FINAL PUBLICATION

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Richmond, Virginia 23230

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INTERACTIVE RESERVE MANAGEMENT

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Capital Reserve Study Level I

Final Report

FINAL PUBLICATION

Date: 1/8/2026

DMA Project #2509004

Prepared for: Ashland Park POA

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DMA Reserves, Inc.

Welcome to NAVIGATOR™ - DMA's Interactive Reserve Study

Thank you for retaining DMA Reserves Inc. to prepare this Capital Reserve Analysis and Report. This report and the accompanying supplemental reports have been prepared using NAVIGATOR™, DMA's proprietary operating system that combines our extensive database of reserve component information, local and national cost data, an annually updated inflation analysis and client-specific information with the industry's most powerful data analysis tools. NAVIGATOR™ is a robust tool to evaluate your reserves today and in the future to steer your funding plan through the ever-changing real-life conditions that affect your community over time.

With this study, you have a ***free*** subscription service to our NAVIGATOR™ **PORTAL** where you can access your final reserve study reports, the complete photographic record of your property and all components, all information and documentation that you submitted for this study, as well as other resources available only to our clients.

Perform your own analysis in our Sandbox using your Client Review version of our latest study.

Perform your own "what if" scenarios - NAVIGATOR™ will keep a record of them for you.

When you replace a component or get a new estimate for replacement, you can update that component in our Component Record . These Documented Costs will create an accurate history of your community to better inform future projections.

You should review your reserve expenditures and funding plan at least annually as part of your annual budgeting process, but also at any time that significant changes are made or anticipated to be made to the reserve account. At any time, you may contact DMA to complete a Level III Financial Update of your study based on any actual capital component replacements that you have made or expect to make, including corresponding adjustments to the funding plan. We provide this service on an hourly fee basis. As part of these adjustments, DMA will update all component costs and useful life estimates, as well as the current inflation rate and your current rates of return on investments. Each Level III final report can be used to create a new updated Client Review study in the PORTAL.

DMA provides free Portal access for 5 years from the publication date of your last Level I or II reserve study. We recommend a Level II update every five (5) years at a minimum. The five-year update will include a site visit to re-inspect the components, evaluate their condition and their remaining life, add any new components, and delete any that have been removed. We will also update the unit costs, inflation, interest, and threshold factors and revise the funding model. You can request these updates in the NAVIGATOR™ **PORTAL.** Fees for these updates, also called Level II reserve studies, are determined when you request the update. DMA will provide a new proposal for this work.

Thank you again for the opportunity to provide you with this analysis.

Douglas L. Greene, RS, NCARB
President, DMA Reserves, Inc.

CONTENTS OF THIS REPORT

ADDITIONAL SEPARATE FILES PROVIDED

Component Record

– includes detail information about quantities, locations, lifecycle projections, client historical cost data, comments from DMA staff and estimated replacement costs for all components. All cost projections are in current values.

Annual Capital Reserve Expenditures

– includes budgeted expenditures per year in total and by component. All costs are in future values based on the inflation rate used in the study.

Photographic Record

– digital folder of all photographs taken on site (provided on the NAVIGATOR PORTAL).

Purpose of the Reserve Study

A Capital Reserve Study is an analysis of existing capital assets on a developed property, that will each require replacement over the life of the property due to age, wear and tear, failure, or obsolescence. Typical users of a Capital Reserve Study are common interest communities such as property or homeowner associations, condominiums and cooperatives, but can also include any property owner or business. In a common interest community, the governing board has a fiduciary duty to the members to maintain the property in good condition, including maintaining funding for future capital replacements in a dedicated account, called a reserve account, and / or adopting a financial plan for replacements which may include financing or other outside sources of funds. Each capital asset is referred to in this study as a component of your Capital Reserves. All components eventually need to be replaced in full or in part, although they may normally function for 10, 20, 30 years, or longer. Regular operating and maintenance budgets do not cover the funding required for these needs. This capital reserve study will provide one or more recommended plans to adequately fund your reserves.

A reserve study is a general predictor for replacement of components, however it is not a required maintenance or replacement schedule. Specific decisions about replacement of each component should be made by Management and the Board based on this information and on a periodic assessment of the actual condition of each component.

Level I and Level II reserve studies include a walk-through visual inspection of the property and all reserve components. They are not an in-depth engineering assessment of the component's functional operation, defects, or design, and do not include testing, destructive inspection or inspection of concealed spaces or normally inaccessible locations. Our company is staffed with construction professionals – architects, engineers and designers who understand the general nature of all the components listed. However, in-depth assessments of specific components including testing and disassembly are outside the scope of the reserve analysis. Where clients have specific questions or concerns about the condition, operation, or suitability of specific components to their purpose, they should retain the services of specialized consultants who can provide such assessments. DMA may recommend such additional studies for specific components when our observations warrant.

No reserve study can guarantee any specific result relative to the actual future performance of capital components nor guarantee actual replacement costs due to the large number of variants outside of the analyst's control. This reserve study is a tool to assist you in developing a logical funding plan for your property or facility, and DMA does not provide a warranty of any specific future costs or replacement occurrences for any components in this study, or that the recommended funding plan will match all future capital needs. DMA recommends updating this study when there are material changes to your components or your expenditure activity from what was projected. Updates will incorporate your actual present and recent experience into all current assessments and future projections.

Governing Statutes

Virginia Updated on: 9/12/2022

Associations must conduct a reserve study at least once every five years to determine the necessity and amount of reserves required to repair, replace and restore the common elements or capital components. The board of directors must review the study at least annually and make adjustments as the board determines to keep the funding of reserves sufficient. The statutory provisions on reserves also include requirements for the contents of the association budget if reserves are determined to be a necessity. Section 55.1-1965.

Resale certificates must include the current reserve study report or a summary thereof, a statement of the status and amount of any reserve or replacement fund and any portion of the fund designated for any specified project by the association. Section 55.1-1991.

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Introduction to Physical Analysis and Financial Analysis

Final Report

Published on: Thursday, January 8, 2026

This is the **Final Report** of your Capital Reserve Study. This **Capital Reserve Study and Financial Analysis** includes a summary schedule of components, recommended cash flow funding plan, projected annual reserve expenditure lists and an assessment allocation model that puts the reserve account in context of your overall budget. An explanation of how the cash flow analysis works is also provided.

The Schedule of Components is based on the companion report - **Component Record and Physical Analysis.** This is the permanent record of all components developed from our on-site inspection of your community and our review of historical information and governing documents that you provided to us. Please review the companion report to see detailed component information and our observations and condition assessments.

Physical Analysis

The Schedule of Components in this report lists all reserve components identified and observed at this property for this Reserve Account by name and location. It lists the quantity and unit of measure for each component and the expected percentage of replacement per occurrence (100% or partial). It lists the estimated or actual date that the component was placed in service, its estimated useful life, remaining life, and the estimated next year of replacement. It provides an estimated or actual unit cost (cost per unit of measure) and the estimated current replacement cost. Additional information about each component and its history, as well as DMA observations or comments are provided in the companion Component Record. DMA's analysts take many photos on site. These are available to you on the Navigator Portal and can be downloaded if desired.

Physical Analysis Summary and Action Items:
1. There are no concerns or issues to report.

Financial Analysis

Your funding plan is calculated using the Cash Flow method with a minimum threshold, also called the Threshold Method. The cash flow graphs show the projected annual expenditure from your reserve account using the red bars, the projected end-of-year reserve balance using the green bars, and the minimum reserves balance level to keep the account safely funded using the yellow line. The corresponding numbers for these graphics are in the tables above the graph, 10 years per page. Both the future expenditures and the minimum balance are indexed to inflation, which will show general increases as you go from left to right.

Your fiscal budget year runs from January 1st to December 31st, and your current fiscal year is FY 2025. The current fiscal year is Year 1 of our study.

The cash flow funding plan recommends that you transfer $1,946 to the reserve account in Year 2, which is a 28% increase over the current budget. The plan recommends annual increases of 28% per year for years 4 through 2029. Beginning in 2030, the plan recommends reducing

the annual reserve transfer rate to 3% per year for the remainder of the study period.
Keep in mind that this only relates to the reserve account and not your total assessments. Review the Assessment Allocation Model included in this report to put your reserve account in context with your overall assessments.

Component Summary

Section	Section Name	Total Replacement Expense for Study Year Number of Components	Replacement Expense	% of Replacement Exp
1	1 - SIGNAGE	3	$7,651	8.2%
2	2 - SITE AMENITIES	7	$21,305	22.9%
3	3 - RECREATIONAL AMENITIES	11	$64,162	68.9%
Totals		**21**	**$93,118**	**100.0%**

Replacement Expense is for ALL included components in today's dollars.

Component Replacement Expense Summary

Line	Component Name and Location	In-Service/ Replace Year	Current Estimated Useful Life	Remain Useful Life	Next Repl Year	Quant	Units	Turn key	Unit Cost	% Repl	Replacement Exp for Study Year
001.000 - SIGNAGE											
001.000.0001	Monument sign	2020	35	30	2055	1	LS	1	$3,996.00	100%	$3,996.00
ASSEMBLY	Site-Wide										
001.000.0002	Sign stone base	2020	50	45	2070	1	LS	1	$811.00	100%	$811.00
ASSEMBLY	Site-Wide										
001.000.0003	Traffic control sign	2020	20	15	2040	12	EA	1	$237.01	100%	$2,844.00
	Site-Wide										
Total for 001.000 - SIGNAGE											**$7,651.00**
002.000 - SITE AMENITIES											
002.000.0001	Residential post light	2020	30	25	2050	13	EA	1	$623.90	100%	$8,111.00
	Site-Wide										
002.000.0002	Vinyl fence, 3-rail	2020	35	30	2055	112	LF	1	$29.48	100%	$3,302.00
	Site-Wide										
002.000.0003	Remove trees	2020	5	0	2025	3	EA	1	$1,188.57	100%	$3,566.00
	Site-Wide										
002.000.0004	Landscape Irrigation Controller - Replace	2025	10	10	2035	87	GSF	1	$1.59	100%	$1,400.00
	Entrance										
	A documented cost was used for this component cost										
				Year	**Quant**	**Unit**	**Repl %**		**Unit Cost**		**Replacement Cost**
	Replacement cost is an estimate by DMA.			2025	2	EA	100.0%		$700.00		$1,400.00
002.000.0005	Landscape Irrigation System - Replace	2020	10	5	2030	2300	GSF	1	$1.59	100%	$3,657.00
	Entrance										
002.000.0006	Asphalt trail paving	2020	20	15	2040	45	SY	1	$14.20	100%	$639.00
	Site-Wide										

Component Replacement Expense Summary

Line	Component Name and Location	In-Service/ Replace Year	Current Estimated Useful Life	Remain Useful Life	Next Repl Year	Quant	Units	Turn key	Unit Cost	% Repl	Replacement Exp for Study Year
002.000.0007	Concrete pavement repair Gazebo	2020	25	20	2045	815	SF	1	$15.45	5%	$630.00
Total for 002.000 - SITE AMENITIES											**$21,305.00**
003.000 - RECREATIONAL AMENITIES											
003.000.0001	Shelter structure Gazebo	2023	60	58	2083	480	SF	1	$50.19	100%	$24,091.00
003.000.0002	Asphalt Shingle Roof Gazebo	2023	30	28	2053	7	SQ	1	$511.08	100%	$3,629.00
003.000.0003	Reinforced concrete pad Gazebo	2020	32	27	2052	480	SF	1	$36.50	100%	$17,520.00
003.000.0004	Vinyl Beadboard Gazebo	2023	30	28	2053	340	SF	1	$13.16	100%	$4,474.00
003.000.0005	Paddle fan Gazebo	2020	24	19	2044	1	EA	1	$510.63	100%	$511.00
003.000.0006	Floodlights, exterior Gazebo	2020	30	25	2050	2	EA	1	$894.20	100%	$1,788.00
003.000.0007	Ceiling hat can, recessed, round Gazebo	2020	32	27	2052	4	EA	1	$240.69	100%	$963.00
003.000.0008	Vinyl siding Gazebo	2020	45	40	2065	412	SF	1	$11.35	100%	$4,676.00
003.000.0009	Storage room door Gazebo	2020	45	40	2065	1	EA	1	$1,158.88	100%	$1,159.00
003.000.0010	Electric service & panel Gazebo	2020	50	45	2070	1	EA	1	$3,900.32	100%	$3,900.00

Component Replacement Expense Summary

Line	Component Name and Location	In-Service/ Replace Year	Current Estimated Useful Life	Remain Useful Life	Next Repl Year	Quant	Units	Turn key	Unit Cost	% Repl	Replacement Exp for Study Year
003.000.0011	Picnic Table Gazebo	2020	20	15	2040	2	EA	1	$725.74	100%	$1,451.00
Total for 003.000 - RECREATIONAL AMENITIES											**$64,162.00**

Component Replacement Expense Summary Total for Ashland Park POA Final Report

Total Replacement Expense for Study Year	**$93,118.00**

Financial Summary

Study Year 2025

Fiscal Year 1/1/2025 to 12/31/2025

Budgeted Total Assessment for current fiscal year	$53,085
Budgeted Replacement Reserve Transfer (Assessment) for current fiscal year	$1,520
Balance of the Replacement Reserve Account as of 1/1/2025	$0

Source of current financial information

Documents include Income Statement and 2025 Estimated Operating Budget.

Total current replacement value of all components	$93,118
Minimum Threshold Reserve Balance in Study Year	$4,656

Threshold calculated as 5% of total current replacement value of all components.

Recommended Reserve Transfers (first 5 years)

Year	Reserve Transfer Amount	% Increase
2025	$1,520	0.00%
2026	$1,946	28.00%
2027	$2,491	28.00%
2028	$3,188	28.00%
2029	$4,081	28.00%

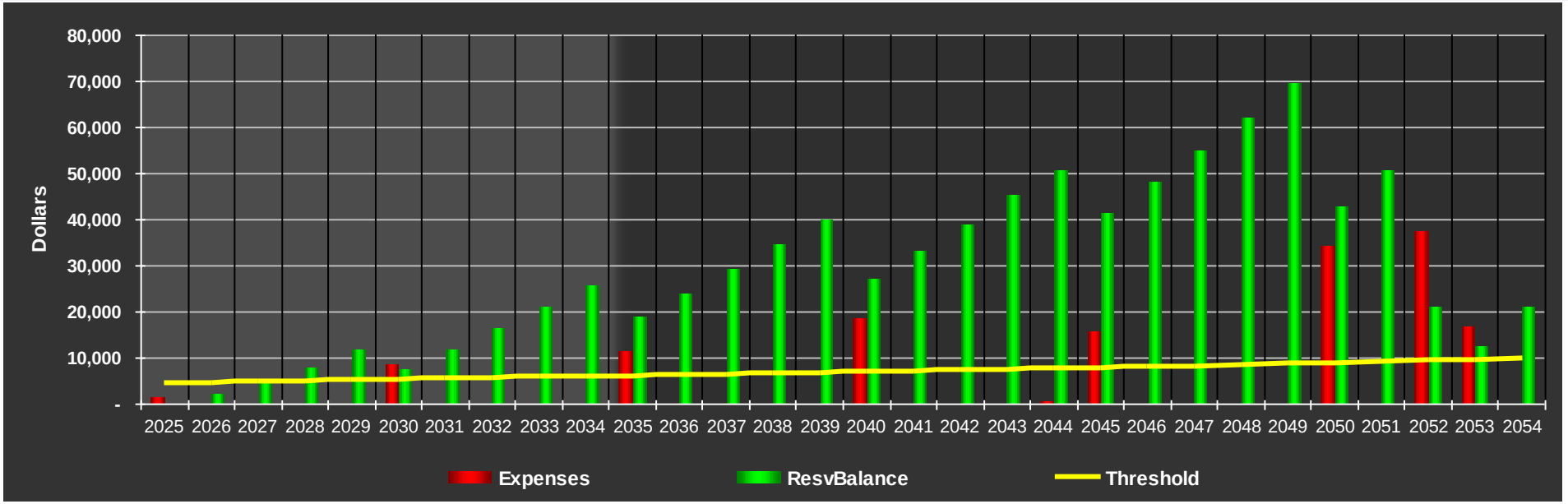
Cash Flow Study Period is 30 Years

Please see the recommended funding plan for the entire study period on the following pages.

This is a Cash Flow analysis, which DMA recommends for your funding plan. DMA also offers an alternate component method “Full Funding” analysis, which can be provided upon request as a separate report

Navigator Cash Flow Funding Plan

NAVIGATOR™



Cash Flow Summary

Years:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Beginning Balance	**$0**	**$120**	**$2,066**	**$4,557**	**$7,745**	**$11,826**	**$7,546**	**$11,875**	**$16,334**	**$20,927**
Transfer to Reserves	$1,520	$1,946	$2,491	$3,188	$4,081	$4,203	$4,329	$4,459	$4,593	$4,731
Yearly Expenditures	-$1,400	$0	$0	$0	$0	-$8,483	$0	$0	$0	$0
Ending Balance	**$120**	**$2,066**	**$4,557**	**$7,745**	**$11,826**	**$7,546**	**$11,875**	**$16,334**	**$20,927**	**$25,658**
Threshold	$4,656	$4,814	$5,007	$5,167	$5,319	$5,468	$5,617	$5,767	$5,919	$6,073
Transfer Change +/-	*0.00%*	*28.00%*	*28.00%*	*28.00%*	*28.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*

Final Report

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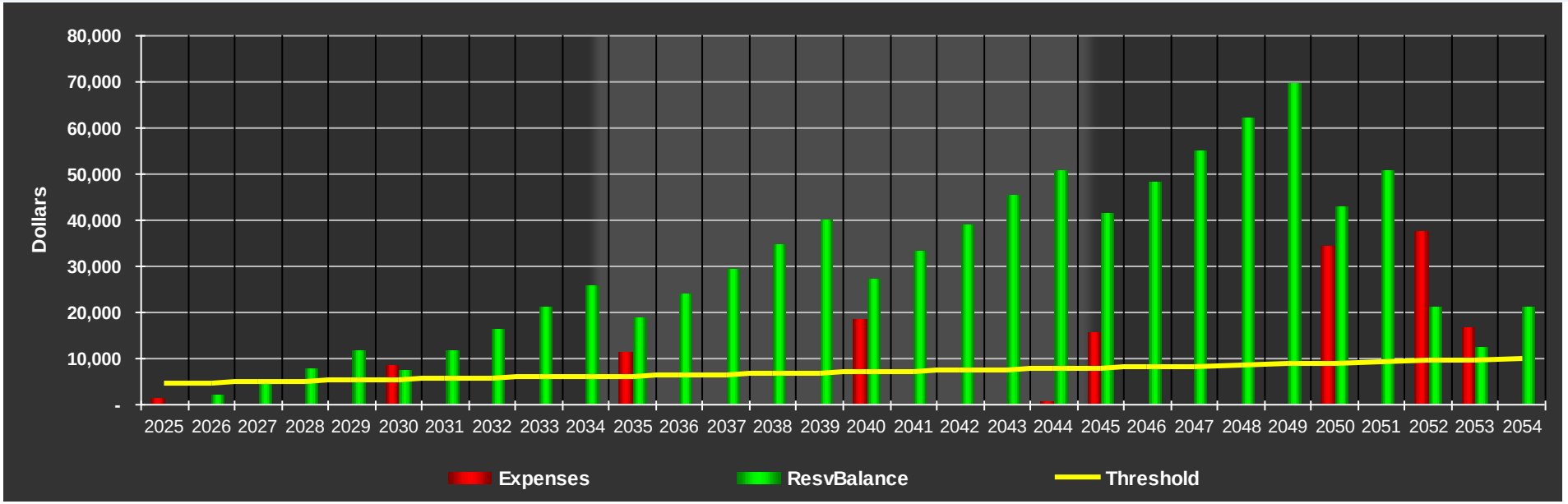

Cash Flow Summary

Years:	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Beginning Balance	**$25,658**	**$18,994**	**$24,013**	**$29,183**	**$34,508**	**$39,993**	**$27,239**	**$33,059**	**$39,054**	**$45,229**
Transfer to Reserves	$4,873	$5,019	$5,170	$5,325	$5,485	$5,650	$5,820	$5,995	$6,175	$6,360
Yearly Expenditures	-$11,537	$0	$0	$0	$0	-$18,405	$0	$0	$0	-$856
Ending Balance	**$18,994**	**$24,013**	**$29,183**	**$34,508**	**$39,993**	**$27,239**	**$33,059**	**$39,054**	**$45,229**	**$50,733**
Threshold	$6,229	$6,389	$6,552	$6,718	$6,888	$7,062	$7,239	$7,421	$7,606	$7,795
Transfer Change +/-	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*

Final Report

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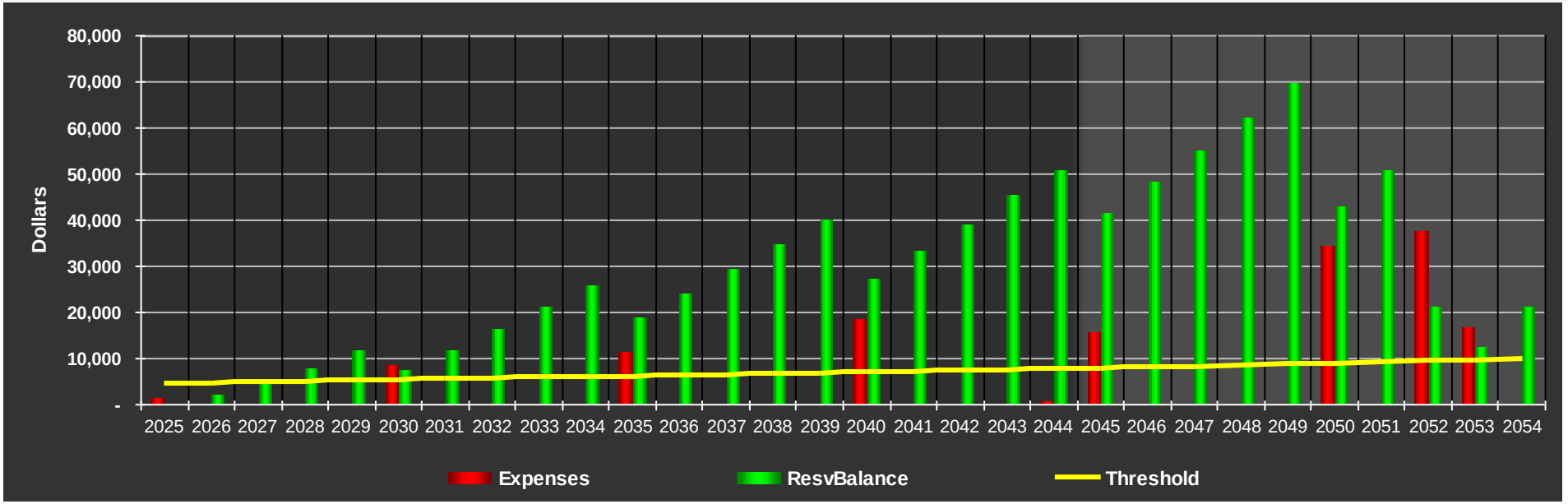


Cash Flow Summary

Years:	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Beginning Balance	**$50,733**	**$41,406**	**$48,154**	**$55,104**	**$62,263**	**$69,637**	**$42,800**	**$50,623**	**$21,038**	**$12,428**
Transfer to Reserves	$6,551	$6,748	$6,950	$7,159	$7,374	$7,595	$7,823	$8,058	$8,300	$8,549
Yearly Expenditures	-$15,877	$0	$0	$0	$0	-$34,432	$0	-$37,643	-$16,910	$0
Ending Balance	**$41,406**	**$48,154**	**$55,104**	**$62,263**	**$69,637**	**$42,800**	**$50,623**	**$21,038**	**$12,428**	**$20,977**
Threshold	$7,990	$8,189	$8,392	$8,600	$8,813	$9,031	$9,254	$9,482	$9,717	$9,957
Transfer Change +/-	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*

Navigator Assessment Allocation Model: Annual Change

Year	Operating Assessment *	% of Budget	% Ann Increase	Reserve Transfer	% of Budget	% Ann Increase	Total Budget Assessments	% Ann Increase	Special Assessments	Total ALL Assessments	% Ann Increase
2025	$51,565	97.1%	0.0%	$1,520	2.9%	0.0%	**$53,085**	0.0%	$0	**$53,085**	0.0%
2026	$52,839	96.4%	2.5%	$1,946	3.6%	28.0%	**$54,785**	3.2%	$0	**$54,785**	3.2%
2027	$54,794	95.5%	3.7%	$2,491	4.5%	28.0%	**$57,285**	4.5%	$0	**$57,285**	4.5%
2028	$56,476	94.4%	3.1%	$3,188	5.6%	28.0%	**$59,664**	4.0%	$0	**$59,664**	4.0%
2029	$58,086	93.0%	2.9%	$4,081	7.0%	28.0%	**$62,167**	3.9%	$0	**$62,167**	3.9%
2030	$59,683	91.4%	2.7%	$4,203	8.7%	3.0%	**$63,886**	2.3%	$0	**$63,886**	2.3%
2031	$61,283	89.3%	2.7%	$4,329	10.7%	3.0%	**$65,612**	0.4%	$0	**$65,612**	0.4%
2032	$62,900	86.8%	2.6%	$4,459	13.2%	3.0%	**$67,359**	-1.8%	$0	**$67,359**	-1.8%
2033	$64,542	87.1%	2.6%	$4,593	12.9%	3.0%	**$69,135**	-4.6%	$0	**$69,135**	-4.6%
2034	$66,214	87.4%	2.6%	$4,731	12.6%	3.0%	**$70,945**	-4.2%	$0	**$70,945**	-4.2%

* In the model above, the annual reserve transfer amounts are as recommended in this analysis. The operating assessment budget amount is increased annually at a rate based on client input and may not reflect any actual budget planning that will be undertaken as part of the association's annual budgeting process. The purpose of this analysis is to show the potential impact of the reserve recommendation on a hypothetical overall budget.

Navigator Assessment Allocation Model: Annual Assessment Per Unit

Unit Type			Alloc %	Year	Operating *	Reserve	Special	TOTAL
Single Family Homes Comm	**136**	**Units**	100.0%	**2025**	$379.16	$11.18	$0.00	**$390.34**
	136	**Units**	100.0%	**2026**	$388.52	$14.31	$0.00	**$402.83**
	136	**Units**	100.0%	**2027**	$402.90	$18.32	$0.00	**$421.22**
	136	**Units**	100.0%	**2028**	$415.27	$23.44	$0.00	**$438.71**
	136	**Units**	100.0%	**2029**	$427.10	$30.01	$0.00	**$457.11**
	136	**Units**	100.0%	**2030**	$438.85	$30.90	$0.00	**$469.75**
	136	**Units**	100.0%	**2031**	$450.61	$31.83	$0.00	**$482.44**
	136	**Units**	100.0%	**2032**	$462.50	$32.79	$0.00	**$495.29**
	136	**Units**	100.0%	**2033**	$474.57	$33.77	$0.00	**$508.34**
	136	**Units**	100.0%	**2034**	$486.87	$34.79	$0.00	**$521.66**

DMA Assessment Allocation Model: Average Monthly Assessment per Unit

Unit Type			Alloc %	Year	Monthly Operating *	Monthly Reserve	Monthly Special	Monthly TOTAL
Single Family Homes Comm	**136**	**Units**	100.0%	**2025**	$31.60	$0.93	$0.00	**$32.53**
	136	**Units**	100.0%	**2026**	$32.38	$1.19	$0.00	**$33.57**
	136	**Units**	100.0%	**2027**	$33.57	$1.53	$0.00	**$35.10**
	136	**Units**	100.0%	**2028**	$34.61	$1.95	$0.00	**$36.56**
	136	**Units**	100.0%	**2029**	$35.59	$2.50	$0.00	**$38.09**
	136	**Units**	100.0%	**2030**	$36.57	$2.58	$0.00	**$39.15**
	136	**Units**	100.0%	**2031**	$37.55	$2.65	$0.00	**$40.20**
	136	**Units**	100.0%	**2032**	$38.54	$2.73	$0.00	**$41.27**
	136	**Units**	100.0%	**2033**	$39.55	$2.81	$0.00	**$42.36**
	136	**Units**	100.0%	**2034**	$40.57	$2.90	$0.00	**$43.47**

The Financial Analysis

Parameters:

- Fiscal Year: Your budget year, identified with a start date and an end date. The most common fiscal year is the calendar year with a start date of January 1st and an end date of December 31st. For some associations, the fiscal year begins on another month, such June 1st, (ending on May 31st).
- Study Year: Your current fiscal year, unless otherwise noted in the study. When a fiscal year is not the calendar year, it may be defined as the year that includes the end date. For example, a fiscal year starting June 1st, 2020 and ending May 31st, 2021 is typically identified as FY 2021. In the DMA reserve study, the study year will be defined as year 2021. In studies that are completed close to the end of the fiscal year, DMA may elect to move ahead to the upcoming fiscal year to be the study year.
- Reserve Account Starting Balance: This is the total of all funds in cash and investment accounts for an identified capital reserve account, as defined in the association balance sheet for the period ending at the end of the previous fiscal year. Accounting methods and balance sheet vary. If the reserve account balance is not easily discernable from the balance sheet, then it is the association's responsibility to provide DMA with this value as of that date. If the study year is moved ahead to the upcoming fiscal year, the reserve account balance for that date needs to be estimated. Note: a balance sheet may include other factors that affect the reserve account balance used in the study. These can include outstanding loans from the reserve account to the operating account, any payables due from the reserve account that are not included in the funding plan, non-collected funds due to the reserve account or prepaid assessments already in the reserve account, among others. It is the association's responsibility to adjust the starting balance of the reserve account to reflect any of these factors that may be material. In the case of new communities, unbuilt communities or communities without existing reserve accounts, this starting balance may be $0.00.
- Average Earnings Rate: This is the average of the rates of return on interest or income from reserve funds on deposit in banks and in investment accounts. This is the net income to the reserve account from these deposits, exclusive of taxes. If the association advises DMA that this income is not paid back into the reserve account, then the earnings rate in this study will be 0.00%.
- Budgeted Contribution: This is the cash contribution or transfer of assessment funds to the reserve account in the association's budget for the fiscal year corresponding to the study year. In the case of new communities, unbuilt communities or communities without existing reserve accounts, there may be no budgeted contribution, in which case this study will recommend the initial contribution.

CURRENT FUNDING STATUS – PERCENT FUNDED AND FUNDING DEFICIT

To assess your current funding level DMA calculates the percent funded for each component in the study at a point in time – generally at the beginning of the fiscal year corresponding with Year 1 of the study (study year). We use an inflation-adjusted method for calculating the relative replacement value of each component (the amount of money that should be available to replace the component if it were fully funded) and compare the total value for all components to the actual total balance of the reserve account. This is called the percent funded.

Note: the term "fully funded" does not mean that the total replacement cost of every component is always available at any time. It means that the funding level is sufficient such that the total replacement cost will be funded at the time that the component is projected to be replaced.The funding deficit (or surplus) is the difference between the combined inflation-adjusted replacement values of all components and the actual reserve account balance.

Some states require that reserve studies provide this information, and the Community Associations Institute requires that reserve studies provide a statement on the relative health of the reserve account. This information should meet both requirements, but we do not use this to project a long-term funding solution for your reserve account.

DMA'S INTERACTIVE CASH FLOW FUNDING PLAN

- Baseline Funding Model – The goal of this model is to keep the reserve cash balance above zero. This means that at no time during the funding period will the projected reserve balance drop below zero dollars. This is the least conservative model. An association using this model must understand that even a minor reduction in a component's remaining useful life can result in a deficit in the reserve cash balance. Associations can implement this model more safely by conducting annual reserve updates that include field observations.
- Threshold Funding Model – This model sets a minimum cash reserve balance at a predetermined dollar amount. This minimum balance becomes the "threshold" above which the reserve account should remain in every year of the study. There are two ways to set this threshold in NAVIGATOR™. The first way is simply to choose a specific dollar amount. The second way is to set a minimum dollar value based on a percentage of the total one-time replacement values of all components in the study. Different thresholds can be evaluated in the *working session*.
- Full Funding Model – (Also called the Component Method.) NAVIGATOR™ can also provide this funding model, upon request, in a separate report. This is the most conservative funding model. It funds each component as its own line-item budget. The goal of this model is to attain and maintain the reserves at or near 100%. For example, if an association has a component with a 10-year life and a $10,000 replacement cost, it should have $3,000 set aside for its replacement after three years. In this case, $3,000 equals full funding. This method is only good for year-to-year projections and does not include inflation. DMA does not recommend this funding model, however some clients use it and some jurisdictions may require it.

NAVIGATOR™ uses a Cash Flow Funding Model to calculate your recommended reserve funding plan. This model includes our Reserve Navigator graph which shows the entire study period, which typically is 30 years. DMA can revise this study period to a minimum of 20 years or up to 50 years. Different study periods can be looked at in the live working session. This model includes two additional options:

The Reserve Navigator graph shows the projected total reserve expenditures in each year (red bars), the end-or-year reserve account balance (green bars) and the minimum threshold balance (yellow line) over the entire reserve study period. The table below the graph shows the beginning and end reserve balances in each year, the contribution or transfer to reserves in each year, the interest income in each year (if any) and the total expenditures in each year. Expenditures are adjusted for inflation. Ten year periods are shown on each page, and the graph is repeated on each subsequent page with the tabular period highlighted.

The goal of the Cash Flow funding plan is to keep your account above a minimum balance over the life of the study while ensuring that all components are fully funded when they are scheduled to be replaced. We can set that minimum balance to zero dollars ($0.00), and convert this to a baseline funding model but we strongly recommend against using that model for your funding plan. We set the minimum account balance, or "threshold", at a level above zero, in order to provide a buffer for the variations in actual expenditures that will inevitably occur over the life of the study. We generate that number from a percentage of the total estimated one-time replacement costs of all components in current dollars. The percentage amount is entered into the study as a bottom limit for the cash flow in the account. We then index this amount to the projected rate of inflation so that it increases every year in proportion to the relative value of the dollar. Note: The threshold amount is an arbitrary number. It is not set by any law or any accounting standard. We can look at different threshold amounts in the working session and evaluate what would be most appropriate for your association and the expenditure projections. Ultimately, you the client can establish the threshold amount.

Reserve Account Transfer Change Rate

As inflation decreases the value of the dollar over time, it is logical to introduce a transfer change rate to the reserve contribution so that it grows in relation to the growth in actual costs over time. If we did not do this - if we kept the contribution constant - owners today would have to contribute a much larger amount in order to offset the declining value of the same contributions made in the future. The change rate provides parity for present and future owners.

In communities that are underfunded, it may be necessary to use a change rate that is greater than the inflation rate in order to gradually increase your contributions to an acceptable level. The Reserve Account Transfer Change Rate is expressed as a percentage (%). We can adjust this rate as a constant over the entire study period, or manually adjust it from year to year, to help us design the appropriate funding plan.

Specific Project Funding, Special Assessments and Commercial Loans

In some instances, it will be necessary for an association to fund a specific single project or one or more years of total reserve expenses with additional funds. This may be due to a history of underfunding the reserves, or it may be due to an unexpected significant expense in a given year. This additional funding can come from two sources – a special assessment and a commercial loan. DMA studies can include either or both options as appropriate to the needs and resources of the community and its members. We can evaluate both options, and also a combination option, in the working session. A funding solution that includes one or more of these options can become part of the published reserve funding plan.

Assessment Allocation Model

This reserve analysis also includes an Assessment Allocation Model. It is important to keep the reserve account funding in perspective with your overall assessment needs. Usually, the reserve budget is smaller than your operating budget and this model puts your reserve account in context of your overall budget. Keep in mind that this is only an example model. DMA does not have any responsibility for your overall budget or your operating budget, and this model makes a specific assumption about the growth of your operating budget over the next few years which may vary from your actual budget. This model shows percentage of your overall budget allotted to reserves and shows how the recommended reserve funding plan in this study might affect your overall budget in the next several years.

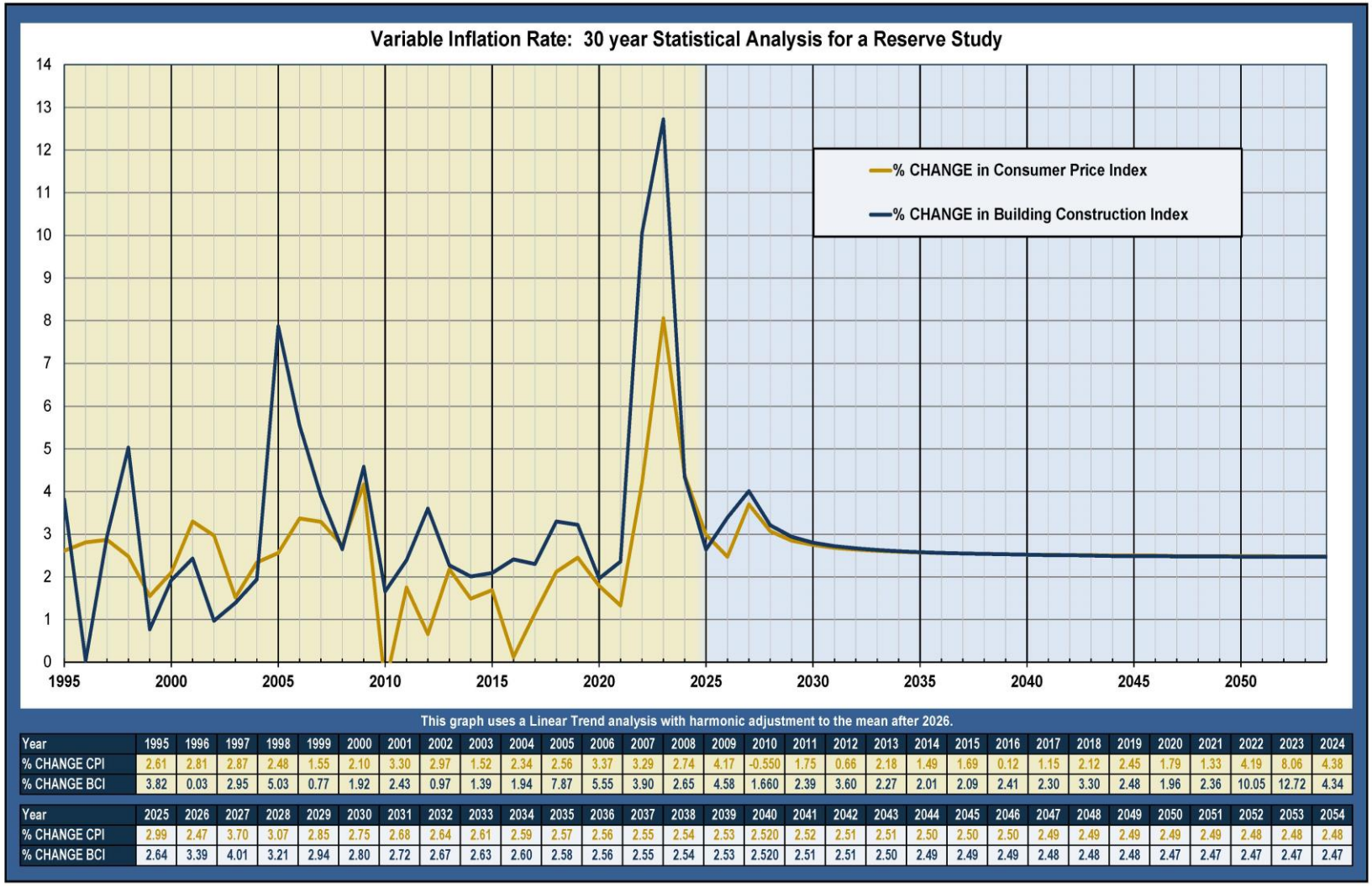
Inflation

This study includes a projected inflation rate for the study period. While this is only a projection, it is also important to understand how significantly inflation impacts replacement costs projected to occur 5, 10, 20 or more years from now: At an inflation rate of just 3.00% a project that costs $10,000 in the current year will cost over $18,000 in 20 years.

For non-building related components (such as a television), we use the Consumer Price Index (CPI), published by the U.S. Department of Labor, and is a yearly index of price changes for general consumer goods. For building related components (such as flooring), DMA uses a focused building construction inflation (BCI) index provided by R.S. Means. The BCI is an historical record of actual yearly changes to construction costs and is focused on residential or non-residential construction as opposed to the CPI. Each year our rates are updated to include the most recently published rates.

DMA offers two methods for calculating inflation expenditures: Straight-Line and Variable. The Straight Line method uses the same inflation rate over the course of the study period. If your study uses the Straight Line method, we use the most current index available and we use that same rate to project inflation for all years in the study. The Variable Rate uses a rate that changes each year using the Holt-Winters algorithm of regression analysis. If your study uses the Variable Rate method, please refer to the following graph for the yearly rate.

DMA Reserves
INTERACTIVE RESERVE MANAGEMENT



This graph uses a Linear Trend analysis with harmonic adjustment to the mean after 2026.

Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
% CHANGE CPI	2.61	2.81	2.87	2.48	1.55	2.10	3.30	2.97	1.52	2.34	2.56	3.37	3.29	2.74	4.17	-0.550	1.75	0.66	2.18	1.49	1.69	0.12	1.15	2.12	2.45	1.79	1.33	4.19	8.06	4.38
% CHANGE BCI	3.82	0.03	2.95	5.03	0.77	1.92	2.43	0.97	1.39	1.94	7.87	5.55	3.90	2.65	4.58	1.660	2.39	3.60	2.27	2.01	2.09	2.41	2.30	3.30	2.48	1.96	2.36	10.05	12.72	4.34

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
% CHANGE CPI	2.99	2.47	3.70	3.07	2.85	2.75	2.68	2.64	2.61	2.59	2.57	2.56	2.55	2.54	2.53	2.520	2.52	2.51	2.51	2.50	2.50	2.50	2.49	2.49	2.49	2.49	2.49	2.48	2.48	2.48
% CHANGE BCI	2.64	3.39	4.01	3.21	2.94	2.80	2.72	2.67	2.63	2.60	2.58	2.56	2.55	2.54	2.53	2.520	2.51	2.51	2.50	2.49	2.49	2.49	2.48	2.48	2.48	2.47	2.47	2.47	2.47	2.47

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Reserve Expenditure 30 year Summary

Total Replacement Expenses by Section for Entire Study Period

Section	Section Name	Replacement Expenses	% of Replacement Exp
1	SIGNAGE	$4,314	3.0%
2	SITE AMENITIES	$80,187	55.1%
3	RECREATIONAL AMENITIES	$61,043	41.9%
Totals		**$145,544**	**100.0%**

Replacement Expenses are the projected inflation adjusted expense of ALL components within the timeframe of this analysis.

Year 2025

Line #	Component	Location	Replacement Cost *
002.000.0004	Landscape Irrigation Controller - Replace	Entrance	$1,400.00
Total Expenditures for Year 2025			**$1,400.00**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2030

Line #	Component	Location	Replacement Cost *
002.000.0003	Remove trees	Site-Wide	$4,188.26
002.000.0005	Landscape Irrigation System - Replace	Entrance	$4,295.15
Total Expenditures for Year 2030			**$8,483.41**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2035

Line #	Component	Location	Replacement Cost *
002.000.0003	Remove trees	Site-Wide	$4,771.08
002.000.0004	Landscape Irrigation Controller - Replace	Entrance	$1,873.11
002.000.0005	Landscape Irrigation System - Replace	Entrance	$4,892.84
Total Expenditures for Year 2035			**$11,537.03**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2040

Line #	Component	Location	Replacement Cost *
001.000.0003	Traffic control sign	Site-Wide	$4,313.51
002.000.0003	Remove trees	Site-Wide	$5,408.59
002.000.0005	Landscape Irrigation System - Replace	Entrance	$5,546.61
002.000.0006	Asphalt trail paving	Site-Wide	$969.17
003.000.0011	Picnic Table	Gazebo	$2,166.41
Total Expenditures for Year 2040			**$18,404.29**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2044

Line #	Component	Location	Replacement Cost *
003.000.0005	Paddle fan	Gazebo	$855.57
Total Expenditures for Year 2044			**$855.57**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2045

Line #	Component	Location	Replacement Cost *
002.000.0003	Remove trees	Site-Wide	$6,119.33
002.000.0004	Landscape Irrigation Controller - Replace	Entrance	$2,402.42
002.000.0005	Landscape Irrigation System - Replace	Entrance	$6,275.47
002.000.0007	Concrete pavement repair	Gazebo	$1,081.10
Total Expenditures for Year 2045			**$15,878.32**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2050

Line #	Component	Location	Replacement Cost *
002.000.0001	Residential post light	Site-Wide	$15,732.27
002.000.0003	Remove trees	Site-Wide	$6,916.71
002.000.0005	Landscape Irrigation System - Replace	Entrance	$7,093.20
002.000.0007	Concrete pavement repair	Gazebo	$1,221.98
003.000.0006	Floodlights, exterior	Gazebo	$3,468.05
Total Expenditures for Year 2050			**$34,432.21**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2052

Line #	Component	Location	Replacement Cost *
003.000.0003	Reinforced concrete pad	Gazebo	$35,681.65
003.000.0007	Ceiling hat can, recessed, round	Gazebo	$1,961.27
Total Expenditures for Year 2052			**$37,642.92**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Year 2053

Line #	Component	Location	Replacement Cost *
003.000.0002	Asphalt Shingle Roof	Gazebo	$7,573.48
003.000.0004	Vinyl Beadboard	Gazebo	$9,336.92
Total Expenditures for Year 2053			**$16,910.40**

* The Inflation Rate for expenditures follows the variable rate established by DMA. Please see the Financial Analysis Section for yearly inflation amounts.

Personnel and Project Information

PROPERTY INFORMATION

Community Size (Number of Units):	136	**Year(s) constructed:**	2020
Unit Types:	Single Family Homes Community	**Year converted:**	N/A

This study was prepared by Mordechai Abada, NCARB, a Reserve Analyst. Mr. Abada holds a Bachelor of Architecture from Kent State University.
The field survey, inventory, and condition assessment was conducted by Mordechai Abada.
DMA was awarded the contract on 9/4/2025
DMA conducted site visits at the property on 10/24/2025
The Working Session was held on 12/2/2025
Photographs were taken at the site and a digital folder can be provided upon request at the completion of the project.

In addition to the on-site review of components, DMA also reviewed the following information provided by the client:

- 2025 Est Operating Budget Final and SD
- 2206_2018-05-10 Pavilion_1759757017_0.pdf
- 2206_Articles of Incorp_1759756940_0.pdf
- 2206_Ashland Park Site Plan with walking trails and ball field_1759757034_1.pdf
- 2206_Aug 25 BS - IS_1759756908_0.pdf
- 2206_Bylaws_1759756940_1.pdf
- 2206_Protective Covenants_1759756940_2.pdf
- Plat Section 1A 1B 1C and Section 2 Recorded

Standards, Limitations, Conditions, Disclosure and Restrictions

STUDY STANDARDS

This study was conducted in accordance with the Community Associations Institute National Reserve Study Standards. A summary of the standards is contained in our information article entitled “National Standards” which is included in the Appendix.

The data and analysis information that forms a part of this report contains proprietary programming and program coding that is not available for distribution to outside parties. Copies of the data and analysis have been made available in Adobe's Portable Document Format and included as part of this report. Upon request, component information can also be provided in Excel format for easier viewing and navigating through the data.

STUDY LIMITATIONS AND CONDITIONS

1. No destructive testing, lab analysis or other investigative methods were used to determine the condition of the components. Due to these limitations, as set forth in the reserve study guidelines that we subscribe to, the limited visual observations that were made are not sufficient to be considered a qualified architectural or engineering assessment of the state or condition of the components.
2. All common areas on the property were observed unless access was limited or not made available to us at the time of the inspection. The observations and opinions expressed herein with regard to the useful life of the components are based on our general professional knowledge of construction and our knowledge of the typical replacement experience of many communities and other entities with the same component types.
3. The inventory included taking field measurements, measurements from aerial and satellite imagery, digitized measurement over photo imagery and takeoffs and measurements from design and as-built drawings as there were deemed to be reliable. In the case of a Level II Update the quantities provided by the Client from previous studies was utilized when it was deemed to be reliable and accurate. In the case of a Level III Update all inventory data from previous studies provided by the Client was deemed accurate and reliable.
4. Our projections of remaining useful life are not architectural or engineering recommendations for executing specific projects. As the end of the remaining useful life approaches, as set forth in this study, the association should seek professional architectural, engineering, contractor, service providers or qualified product manufacturer or supplier assistance, as appropriate, and as to the need for and the scheduling of each specific replacement project. Particularly those of any significant magnitude.
5. An asset can be made up of several components that need to be maintained, repaired and replaced. Other elements of the asset may be considered permanent with respect to the asset. The schedule of components provided herein, is based upon information received from the client regarding the common elements and/or assets that the client is responsible for. It is the client's responsibility to verify that the schedule of components is complete.
6. Financial information including the present fund balance, interest from funds on deposit, and recent capital expenditures, were provided by the Client and are deemed reliable and complete by DMA Reserves, Inc.
7. Information provided by the Association about prior reserve replacement projects is considered to be reliable and complete. No inspection by DMA Reserves, Inc. should be interpreted as a project audit or quality inspection.
8. Industry Life Expectancy is based on printed product literature, product or material warranties, industry standards literature, and on the opinions of manufacturers, installers, or maintenance contractors based on their experience with these products and materials.
9. Unit prices are based on published unit price standards such as R. S. Means "Residential Cost Data", Facilities Maintenance and Repair Cost Data, and "Facilities Construction Cost Data", latest editions, and on pricing obtained from contractors, installers, or manufacturers. All prices are given in present dollars unless noted otherwise. Prices listed are not guaranteed as exact quotes for work included.

10 This analysis incorporates assumptions about the future rate of inflation, and the future interest income on your account deposits. If significant changes occur in either of these rates, this calculation should be re-run with current information.

11 The results of this analysis are predicated on your contributing the recommended amount in each previous year and on expenses occurring generally as predicted. This Reserve Study can be updated as a Level III study every year up to 4 years from the original study date, and should be updated with a Level II study or replaced with a new Level I study every 3 to 5 years, which may depend on statutory requirements, to correct for normal variations.

12 DMA's Capital Replacement Reserve Studies are designed to be used as planning tools. They are a reflection of information provided by the Client and our analytical inputs, and are assembled for the Client's use. This reserve study should not be used for the purpose of performing an audit, quality/forensic analysis, or for background checks of historical records.

DISCLOSURE

DMA does not have any financial interest in this community or facility, its management company or any vendor mentioned or used in this study beyond this work. This study represents all facts known to DMA at the time of it's preparation that if purposefully omitted would cause a distortion of the Client's situation regarding it's capital reserve plan.

LEGAL RESTRICTIONS ON USE OF THIS INFORMATION

Ownership of Reports, Electronic Files, Data, Media, Software Programs and Other Related Materials: Reports, electronic files, media, and software programs are instruments of professional service and the intellectual property of DMA Reserves Inc., and where appropriate, shall be protected and copyrighted under the laws of the United States with all rights reserved. The Client and their authorized representative or agent are entitled to use these documents in connection with this project. This use may include distribution of DMA reports including electronic files to membership, including publication on private member access portions of client's website. Client may also share DMA reports with Client's accountants, auditors, and bankers, and may include DMA reports in required disclosures to buyers or prospective members in accordance with governing statutes. DMA reports, electronic files, data, media, software programs, written and electronic communications relative to this project, may NOT be shared with or distributed to ANY THIRD PARTIES not defined above without the express written consent of DMA Reserves Inc.

Use of Electronic Files, Media, Software and Programs: DMA may transmit these documents as electronic files. DMA shall not be responsible for any viruses that may be transmitted with the electronic files, media, software or programs furnished to the Client. DMA shall not be responsible for any data erosion, erasure, alteration or failure of electronic files, media, software or programs that may occur at the time of transmission or over time. DMA makes no warranty as to the compatibility of the electronic files, media, software or programs with any operating system or programs.