

FULL RESERVE STUDY

*DEVAUN PARK
CALABASH, NC*

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1.0 INTRODUCTION

The Devaun Park Community Association authorized Criterium-Giles Engineers to conduct a Reserve Fund Study for the Devaun Park community located in Calabash, North Carolina. Studies of this nature are important to ensure a community has sufficient funds for long-term, periodic capital expenditure requirements. Anticipating large expenditures over an extended period of time through a structured analysis and scheduling process assists the Association in meeting financial requirements without increasing the service fees above permitted maximums, borrowing the funds, or levying special financial assessments to the home owners.

Per discussion with the Board, Devaun Park Community Association (DPCA) does not own the common areas in Devaun Park. As such, DPCA is only responsible for routine maintenance of the common areas. All common areas are owned by the developer, Stanaland Stewart Company, LLC (SSC). SSC is responsible for capital improvements and any other costs associated with property ownership. Common areas include the roads, sidewalks, community fences, small parcels of open land throughout Devaun Park, and the pool and clubhouse. The storm water permit for all of Devaun Park is owned by Horry County State Bank and, as the permit owners, they are responsible for the storm water infrastructure in Devaun Park.

Typically, a community association has two broad cash requirements: the general operating reserves and the capital repair and replacement reserves. In this report, we will focus on those items falling under the capital repair and replacement reserve criteria. We have projected a capital repair and replacement reserve for twenty (20) years. The first ten years are the most reliable. Such a study should be updated every five years.

This report is structured to analyze components of the community for which the Association is responsible and to assess a useful expected life and useful remaining life to those components. The anticipated scheduled repair or replacement of the component and the anticipated expense for the activity are then analyzed in conjunction with the current capital reserves funding program for the community. Funding program recommendations are made with the objective of limiting substantial cash excesses while minimizing financial burdens that can result from significant cash inadequacies.

This report is intended to be used as a tool to determine reserve fund allocation requirements for the community, to manage future Association obligations, and to inform the community of future financial needs in general. The report that follows has been prepared from the perspective of what an owner of this property would benefit from knowing. Some items, beyond those of immediate concern, may be discussed. Therefore, the report should be read in its entirety in order to fully understand all of the information that has been obtained.

2.0 EXECUTIVE SUMMARY

Devaun Park is a community south of Calabash located off Devaun Park Boulevard near Beach Drive. The Master association consists of 260 single family lots, of which approximately 225 are vacant. The construction of the community was completed in the early-2000s, with the clubhouse and amenity center constructed in 2006 according to Brunswick County real estate data.

The association has responsibility for maintaining the roofs, gutters, siding and trim on the clubhouse, and the interior furnishings and finishes, as well as various site improvements. The most significant maintenance items include the asphalt parking lot and streets, concrete flatwork and curbing, drainage and irrigation systems, common area site fencing, wood boardwalks, several gazebos/shelters, and 2 small ponds with fountains. Amenities include a pool, and associated mechanical systems and furniture. Per discussion with the Board, buildings and amenities along the Calabash River are owned by the bank and not the responsibility of the Association.

The buildings, common areas and grounds are generally in good condition. Based on our evaluation, the current level of funding does not maintain a positive balance through the term of this study. Assuming that Devaun Park Community Association becomes the owner of the common areas, we have provided recommendations for annual reserve contribution schedules that provide sufficient funding to meet capital expenditure requirements in the next twenty years. A more detailed analysis of the reserve fund has been provided in Appendix A.

Some significant expenditures are expected over the term of the study. Some of the more notable examples are listed below:

- Repair, seal and resurface asphalt paved streets and parking areas
- Paint, repair, and re-roof the clubhouse
- Resurface pool
- Dredge and repair pond

There are, of course, other capital expenditures to be expected over the next twenty years. Those items that will require attention are discussed later in this report. For your convenience, we have prepared the following summary of the condition of the major systems of the property.

PROPERTY SUMMARY			
SYSTEM	CONDITION	ACTIVITY REQUIRED	ANTICIPATED YEAR OF ACTIVITY
SITE			
Asphalt paved streets and parking area	G	repair/resurface	2022-2035
Concrete flatwork & curbing	G	repair sections	2022-2030
Drainage systems and ponds	G	repair/improve	2020-2036
BUILDING EXTERIOR			
Roof	G	paint/repair	2026
Siding and trim	G	paint/repair	2018-2032
BUILDING INTERIOR			
Restrooms/clubhouse interior	G	refurbish	2032
MECHANICAL			
Pool pump and filtration equipment	G	replace components	2017-2033
HVAC units (clubhouse)	G	replace	2021-2036
AMENITIES			
Pool	G	Resurface	2023-2033
Pool furnishings	G	replace components	2020-2036

Table 2.1 Property Summary

3.0 PURPOSE & SCOPE

3.1 Purpose

The purpose of this study is to perform a reserve fund analysis and to determine a capital needs plan. It is intended to be used as a tool for the Devaun Park Community Association in determining the allocation requirements into the reserve fund in order to meet future anticipated capital expenditures for the community.

This report forecasts obligations for the community twenty years into the future. It should be noted that events might occur that could have an effect on the underlying component or system useful life assumptions used in this study. Likewise, inevitable market fluctuations can have an impact on component or system replacement and repair costs. Therefore, a study such as this should be updated from time to time, usually on a three to five-year cycle, in order to reflect the most accurate needs and obligations of the community.

3.2 Scope

This study has been performed according to the scope as generally defined by the Devaun Park Community Association, Criterium-Giles Engineers Inc., CAS, Inc., and the standards of the Community Associations Institute. The findings and recommendations are based on interviews with the community's management personnel; a review of available documents; and an investigation of the buildings and site.

The "Cash Flow Method" of calculating reserves has been utilized, whereby contributions to the reserve fund are designed to offset the variable annual expenditures. Funding alternates are recommended which are designed to achieve a "Baseline Funding" goal by maintaining a positive balance for the term of the study.

The guidelines used to determine which physical components within the community are to be included in the component inventory are based on the following general criteria:

1. The component must be a common element, or otherwise noted to be the responsibility of the Association to replace.
2. The component must have an estimated remaining useful life of twenty years or less. As the site ages, additional components may need to be added.
3. The funding for replacement should be from one source only, not funded from another area of the budget or through a maintenance contract.
4. The cost of replacement should be high enough to make it financially unsound to fund it from the operating budget.

Our reserve study analysis included evaluating the following association property:

- **Buildings:** The HOA is responsible for maintenance of the clubhouse, including the roofing, windows, and painting and repairing the siding and trim. Refurbishment of the interior finishes and furnishings will also be required over the term.

- **Mechanical Systems:** The Association is responsible for the maintenance of the common area pool pump and filtration equipment as well as the plumbing and HVAC equipment serving the clubhouse.
- **Site and Grounds:** The HOA is responsible for the maintenance of the asphalt paving at the streets and parking area, concrete curb and gutter and flatwork, common area drainage and irrigation systems, small ponds with fountains, painted wood fencing, gazebos and shelters, and entrance signage.

The above list was obtained from the site inspection and discussions with the management firm prior to the inspection.

This study estimates the funding levels required for maintaining the long-term viability of the facility. Our approach involves:

1. Examining association managed equipment, building and site facilities.
2. Predicting their remaining service life and, approximating how frequently they will require repair or replacement.
3. Estimating repair or replacement costs (in 2016 dollars) for each capital item.
4. Using data developed in Steps 1, 2 and 3 to project Capital Reserve balances for Years 1 through 20.

The statements in this report are opinions about the present condition of the subject community. They are based on visual evidence available during a diligent investigation of all reasonably accessible areas falling under the responsibility of the Association. We did not remove any surface materials, perform any destructive testing, or move any furnishings. This study is not an exhaustive technical evaluation. Such an evaluation would entail a significantly larger scope than this effort. For additional limitations, see Section 8.0.

3.3 Sources of Information

Onsite inspections of the property occurred on the following date:

- March 21, 2016

The following people were interviewed during our study:

- Jessica Vest, Community Manager, CAS, Inc.
- Board and committee member representatives

The following documents were made available to us and reviewed:

- Brunswick County tax records
- 2016 HOA budget and financials
- Civil design plans

We based our cost estimates on some or all of the following:

- R.S. Means

- Our data files on similar projects
- Local contractor estimates

For your reference, the following definitions may be helpful:

Excellent: Component or system is in "as new" condition, requiring no rehabilitation and should perform in accordance with expected performance.

Good: Component or system is sound and performing its function, although it may show signs of normal wear and tear. Some minor rehabilitation work may be required.

Fair: Component or system falls into one or more of the following categories: a) Evidence of previous repairs not in compliance with commonly accepted practice, b) Workmanship not in compliance with commonly accepted standards, c) Component or system is obsolete, d) Component or system approaching end of expected performance. Repair or replacement is required to prevent further deterioration or to prolong expected life.

Poor: Component or system has either failed or cannot be relied upon to continue performing its original function as a result of having exceeded its expected performance, excessive deferred maintenance, or state of disrepair. Present condition could contribute to or cause the deterioration of other adjoining elements or systems. Repair or replacement is required.

Adequate: A component or system is of a capacity that is defined as enough for what is required, sufficient, suitable, and/or conforms to standard construction practices.

All ratings are determined by comparison to other buildings of similar age and construction type. Further, some details of workmanship and materials will be examined more closely in higher quality buildings where such details typically become more relevant.

All directions (left, right, rear, etc.), when used, are taken from the viewpoint of an observer standing in front of a building and facing it.

Repair/Replacement Reserves - Non-annual maintenance items that will require significant expenditure over the life of the buildings. Included are items that will reach the end of their estimated useful life during the course of this forecast, or, in the opinion of the investigator, will require attention during that time.

4.0 DESCRIPTION

Devaun Park is a community south of Calabash located off Devaun Park Boulevard near Beach Drive. The Master association consists of 260 single family lots, of which approximately 225 are vacant. The construction of the community was completed in the early-2000s, with the clubhouse and amenity center constructed in 2006 according to Brunswick County real estate data.

The association has responsibility for the maintenance of the roofs, gutters, siding and trim on the clubhouse, and the interior furnishings and finishes, as well as various site improvements. The most significant maintenance items include the asphalt parking lot and streets, concrete flatwork and curbing, drainage and irrigation systems, common area site fencing, wood boardwalks, several gazebos/shelters, and 2 small ponds with fountains. Amenities include a pool, and associated mechanical systems and furniture. Per discussion with the Board, buildings and amenities along the Calabash River front are owned by the bank and not the responsibility of the Association.

The clubhouse building appears to be of wood frame construction on a poured concrete slab on grade foundation. Exterior surfaces are primarily comprised of fiber cement siding and trim with sections of wood and aluminum trim.

The building roofs are clad with architectural-grade asphalt shingles on the clubhouse with wood shingles on the pool building. Aluminum gutters and downspouts discharge stormwater to grade.

Site drainage is provided via landscaped swales and catch basins in the paved and landscaped areas. Currently, the pipe infrastructure generally discharge into swales which run off site. However, the plans show that the runoff will eventually discharge into constructed wetlands or a series of underground storage devices which will pump into infiltration trenches. Areas around the wet ponds discharge into the ponds.

5.0 OBSERVATIONS

The following key observations were made about the current condition of the more significant and costly common elements of the property.

Site and Grounds

The streets throughout the community are asphalt paved and are maintained by the Association per our understanding. A portion of the community west of Devaun Park Boulevard and Village Square remains unpaved and has not been included in this reserve study. The streets generally appear to be in good condition for the given age. We noted several areas of linear cracking and limited areas of fatigue cracking, with no previous repairs noted. Over time, as the pavement oxidizes and traffic increases, cracking will accelerate and require full depth asphalt patching. This would include saw cutting and removing sections of failed asphalt, repairing base course/sub-grade as needed and installing new 2" to 4" thick asphalt paving. We have provided funds for making asphalt patching every 5 years beginning in 2022.

Asphalt pavements in a residential setting has a typical expected useful life of approximately 25 years. The asphalt cracking and deterioration observed matches a pavement of 10+ years. We have included funds for resurfacing in two phases, beginning in 2032 and continuing in 2035. As part of resurfacing, we have included funds to mill and replace the top 1-1/2" of pavement and install a new surface course of the same thickness.

Concrete curbing consist of standard curb and gutter and rolled curbing along the streets in the community. In addition, there are concrete wheel paths along the alleys behind rows of housing providing access. The concrete curbing and wheel paths generally appear to be in good condition with limited cracking and minor vertical displacement. It is likely that due to differential settlement, cracking will continue to develop and sections of the concrete curb will require replacement on an approximately 8 year cycle. We have allocated funds to repair roughly 2% of the total amount of concrete curbing every 8 years, beginning in 2022.

The association is responsible for maintaining the concrete sidewalks along the streets, pool deck, and concrete walkways in the common areas around the amenity center and at the shelters. The concrete flatwork generally appears to be in good condition. Cracking was noted in the pool deck and in the sidewalks with evidence of previous crack repairs as well as replacement of sections of sidewalks. We have included funds for replacement of sections of concrete flatwork every 8 years beginning in 2022, assuming approximately 2% of the total area is replaced during each cycle.

Note: per discussion with the Board, the stormwater permit for all of Devaun Park is owned by the bank. As such, the bank is responsible for all stormwater related issues, infrastructure upgrades, etc.

Drainage systems consist of runoff from the building roofs as well as the streets and landscaped areas toward catch basins and pipe networks. Currently, these pipes discharge generally toward open ditches and into the adjacent streams, except for the areas directly adjacent to the 2 existing ponds. Per our review of the civil/site plans, there are 10 stormwater drainage areas with 9 stormwater control measures (SCMs). One of the SCMs appears to serve only the sales center at Devaun Pointe, and is assumed to be maintained by the bank and not the responsibility of the Association. Following construction, the plans call for 4 locations of underground storage with a duplex grinder pump station that discharges into infiltration trenches and level spreaders. Two constructed wetlands will be installed, while the two wet ponds exist on the site currently. Over time, the wet ponds will need to be dredged of excess sediment and the riser structure repaired. We have included funds to dredge and make significant repairs to the wet ponds on a 20 year cycle beginning in 2028.

Once installed, the underground storage systems will need to have the pumps replaced and the sediment removed from the storage compartments. We have included funds to replace the pumps, clean out the sediment, and make other major repairs every 8 years beginning in 2025.

Once installed, the constructed wetlands will also require the removal of accumulated silt and sediments, and the riser structure may require major repairs. We have included funds to remove the sediment from the wetlands every 15 years beginning in 2032, and have included surplus funds to replace dead plantings as needed over the term.

The other drainage infrastructure, such as the catch basins, piping, and

swales will also require periodic repairs. The swales tend to accumulate sediment that settles out during storm events and will need to be periodically removed and re-graded. The pipe networks need to be periodically flushed/repared. We have allocated funds to repair the drainage systems, including minor pond repairs, on a 4 year cycle beginning in 2020. Repairs will likely include retrenching of swales to improve flow, adding rip rap or vegetation to stabilize exposed or steep areas (mostly in the areas of the detention ponds), installing french drains or other types of minor drainage systems.

We have included funds to replace the 3 pond fountains every 6 years beginning in 2020.

Painted wood picket fence is located along Devaun Park Boulevard, and painted wood privacy fence is located along the eastern property line adjoining neighboring areas. Painted wood fence is also located at the clubhouse. Per discussion with the Board, the Association paints the fence as needed. We have provided an allowance for continued painting as required every 3 years beginning in 2020, assuming roughly 1/3 of the fence is painted during each cycle. If painting continues, replacement of the fence will likely be required for sections of the fence approximately every 15 years. We have included funds to replace about 1/2 of the fencing beginning in 2030. Replacement of individual boards will likely be required over the term, and should be funded from the general operating budget.

The pool is surrounded by vinyl coated chain link fence. This fence should not require replacement during the term.

We noted 2 separate areas of entrance signage, at Shady Forest Drive and at Ocean Harbour Golf Club Drive. The entrances include painted wood posts and arbors, and painted signs. Lighting is provided. We have included funds to paint and make repairs to the entrance signage every 5 years beginning in 2020, with surplus funds to replace the lighting every 15 years.

Though an irrigation map was not available, we noted irrigation in several areas, including the entrances and clubhouse. We have included funds to replace the controllers, timers, and limited sections of sprinkler heads and tubing every 8 years beginning in 2021.

Four total gazebos/open air shelters were noted in the community, at Shady Forest, Devaun Lake, Whisper Park, and Devaun Pointe. They are wood framed and painted or stained, with wood shingle roofs except the Devaun Pointe shelter has a standing seam, metal roof. Two pergolas were noted at Riverside Park and include a swing. These structures will require painting and minor repairs, approximately every 5 years. We have provided an allowance for this beginning in 2019. We have assumed the wood shingle roofs will be replaced with standard asphalt shingles. We expect the replacement beginning in 2025 and every 20 years thereafter.

Wood boardwalks are located at both of the ponds, and include stained or painted wood rails and decking. The structure appears to be in good

condition, though the paint/stain finish has worn and is actively peeling. We have included an allowance to paint and make interim repairs to deck boards and rails/balusters every 5 years, beginning in 2019. We have included funds to replace the complete boardwalks every 25 years beginning in 2032.

Common Building Exteriors

The wood-framed clubhouse and pool building exteriors are primarily clad in fiber cement (Hardiplank) siding and trim with sections of wood and aluminum trim. The building exterior is generally in fair condition, with no known previous painting. The caulking is cracked in several areas, and the paint is faded. We have included funds to paint the building exterior of both buildings every 7 years beginning in 2018.

The predominant pitched roof surfaces over the buildings are covered in asphaltic fiberglass architectural-grade shingles for the clubhouse and wood shingles on the pool building. Roof surfacing is applied over plywood roof sheathing, and appears to be in good condition. Typically, this type of roofing surface will last approximately twenty to twenty-five years. We strongly recommend that any re-roofing project closely follow procedures outlined by the National Roofing Contractors Association's *Roofing and Waterproofing Manual*, Fourth Edition. A re-roofing sequence should include removal of the existing roofing material, replacement of any inadequate roof sheathing, replacement of any damaged flashing, and replacement of drip edge components. From our understanding, the Board plans to replace the wood shingles with standard asphalt shingles when the time comes. Re-roofing of the existing buildings is projected to be completed in 2026.

Gutters and downspouts are in generally good condition and should not require replacement until the time of roof replacement, as this component typically provides twenty years of relatively trouble free service. Funds for replacement of sections of the gutters is included at the time of roof replacement

It is likely that minor roofing repairs will be required in the interim. Repairs would likely include replacing exhaust vent boots and flashing repairs. We have assumed that these minor repairs would be funded from a general operating budget.

Vinyl, thermal pane, glass windows and doors are located on the clubhouse. We expect that these doors and windows will provide approximately 25-30 years of useful life and will likely need to be replaced due to failed seals, fogging, etc. We have included funds to replace them in 2031.

The exterior perimeter of the clubhouse below the overhang is provided with a ceramic tile flooring. Exterior tile flooring has a tendency to require repairs after becoming dislodged, though none were observed during the inspection. These minor repairs should be repaired out of a general operating budget. However, replacement of the tile flooring will likely be required approximately every 20 years, beginning in 2027.

Common Clubhouse Interior

The clubhouse building includes a multi-purpose room, kitchen, storage closet, meeting areas, fitness center, and men's/women's bathrooms. The second floor includes another kitchen, multipurpose room, and bathroom. A restroom is also provided at the adjacent pool building. The restrooms include standard plumbing fixtures. Ceramic tile flooring is located in the bathrooms and kitchen, while commercial carpeting is located in the remaining areas.

The carpet appears to be original to construction and is in fair condition with some stains noted. We have included funds for replacement beginning in 2017 and every 8 years thereafter.

The ceramic tile is in good condition, with some minor cracking in the joints noted in the kitchen. Updating will likely be required every 20 years, beginning in 2026. We have assumed only ½ will be replaced at any given time.

In order to maintain a fresh appearance, the interior walls of the clubhouse will need periodic painting and spot repairs. We have included funds for full re-painting on a 10 year cycle in 2022.

A pool table, two upholstered love seats, 1 chaise, a wooden tables and 10 chairs, are located in the first floor multipurpose room. A wood table and 4 chairs, 2 upholstered chairs and 1 sofa, and desk are located in the 2nd floor multipurpose room. The first floor kitchen includes wood cabinetry with granite countertops, tile backsplash, and a stainless steel sink. Built-in cabinetry is located in the first floor multipurpose room. The second floor kitchen includes painted wood cabinetry and solid surface countertops. Various artwork and window treatments are located along the walls. We have allocated funds to refurbish the light fixtures, replace furniture, and update window treatments and artwork on a 20 year cycle beginning in 2022.

The bathrooms fixtures and cabinetry will need to be refurbished approximately every 25 years. We have included funds for this beginning in 2032.

Mechanical

The pool pump and filtration room includes a 5-horsepower pump and (2) Pentair Triton II TC-140C sand filters. The pump will require major repairs in the near term per the pool maintenance company. These items are typically replaced as they fail, and we have provided funds to allow for the replacement of components of the pump and filtration system upon failure on a 4 year cycle beginning in 2017.

There is a 50-gallon electric water heater located in the attic in the 2nd floor attic area and a 46-gallon electric water heater located in the pool building serving the restroom. The each have an expected useful life of approximately 15 years; We have provided funds to replace 1 water heater

every 8 years beginning in 2023.

The clubhouse is served by Lennox 3.0-ton (top floor, assumed due to unreadable tag) and 5.0-ton (bottom floor) split-system HVAC units manufactured in 2006. We have provided funds to replace the HVAC systems on a 15-year cycle beginning in 2021.

A secured access control system is provided at the clubhouse doors and pool. A video surveillance system with DVR and multiple cameras is located around the clubhouse, and is in fair working condition from our understanding. We have provided funding to replace/upgrade these systems on a 12-year cycle beginning in 2023.

The clubhouse is served by a fire alarm system. The fire alarm control panel is assumed to be original to construction and is generally replaced approximately every 15-20 years. We have included funds to replace the FACP in 2026. We counted 20 fire alarm pulls, strobes, smoke alarms, etc., that should be replaced approximately every 20-25 years. We have included funds for this in 2031.

The kitchen appliances by GE Profile, Kenmore and Kitchen Aid include a side by side refrigerator, dishwasher, microwave, and range on the first floor and dishwasher and ice maker on the second floor. These have an expected useful life of 12-15 years, and provided an allowance for replacement of appliances in 2021.

The Association is responsible for the mechanical and electrical piping and wiring throughout the building. Though failure and replacement is not expected during the term, we have provided funds as a contingency for major repairs due to unforeseen problems at the end of the term.

Amenities

Amenities maintained by the Association include the pool and associated furnishings as well as the fitness equipment.

The pool was most recently resurfaced in 2013 per discussions with the Board. Typically, pools should be drained, minor cracks repaired, and recoated (possibly quartz plaster) on an approximately 10-12 year cycle. We have budgeted funds for full resurfacing and tile repairs on a 10-year cycle, projected to begin in 2023.

Pool and outdoor furniture consisted of metal-framed, outdoor fabric chairs and chaise lounges and tables with umbrellas. Due to the unpredictability of the lifespan of these items, we have budgeted for replacement of approximately 1/3rd of the furniture every four years beginning in 2020. The fund allocation would also include replacing the pool ladders and rails.

Within the clubhouse fitness room there are several pieces of equipment, including the following:

- 2-Station Body Craft weight machine

- 1-LifeFitness Model 95xi elliptical
- 1-Landice Model L7 treadmill
- Small set of dumbbells

From discussions with the Board, the equipment is owned by the developer. We have included funds to replace the treadmill and elliptical every 8 years beginning in 2020.

6.0 RESERVE FUND ANALYSIS

Using software developed by Criterium Engineers and KPMG Peat Marwick, we have analyzed capital reserves draw-down for the projected capital expenditures to determine the amount needed. The following is a projected reserve fund analysis for non-annual items as discussed in the report. This projection takes into consideration a reasonable return on invested moneys and inflation. Please review this thoroughly and let us know of any changes that may be desired.

The intent of this reserve fund projection is to help the Association develop a reserve fund to provide for anticipated repair or replacements of various system components during the next twenty years.

The capital items listed are those that are typically the responsibility of the Association and are derived from a list provided the Association with several items added as a result of the inspection. However, the developer owns all common elements in Devaun Park, and therefore, which components are the responsibilities of the owner and which are the responsibilities of the Association can vary. The Association should confirm that the items listed should be financed by the reserve fund.

This projection provides the following:

- An input sheet that defines all the criteria used for the financial alternatives, including the assumed inflation rate of 3% annually and rate of return on deposited reserve funds of 0.5% annually.
- A table that lists anticipated replacement and/or repair items complete with estimated remaining life expectancies, projected costs of replacement and/or repair, a frequency in years of when these items require replacement and/or repair, and a projection based on this frequency.
- A table and graph that represent end of year balances versus capital expenditures based on your current funding program and reserve balances, and alternatives to your current program. The provided graphs illustrate what effects the funding methods will have over the presented twenty-year period versus the anticipated capital expenditures.
- Note that based on our developed list of capital items and taking inflation into account; the current funding level is not adequate.
- The Association should bear in mind that unanticipated expenditures can always arise and maintenance of a significant reserve fund balance

can be viewed as a way to avoid special assessments.

We have included alternatives to your current reserve funding program and recommend that the board adopt an alternative that best reflects the objectives of the community. In summary they are as follows:

Current Reserve Funding Rate: \$28,857/year; (\$9.25/unit/month)

Current Reserve Balance: \$78,247 (projected January 2017 balance)

- **Alternative 1:** In 2017, increase the annual contributions to capital reserve to \$36,000/year (\$11.54unit/month). Then, increase the annual contribution every other year for the next 16 years. The amount of the annual increase should be \$19,200 (\$6.15/unit/month). This alternative is projected to maintain a positive balance through the term of this study.
- **Alternative 2:** In 2017, increase the annual contributions to capital reserve to \$48,000/year (\$15.38/unit/month). Then, increase the annual contribution by 10% every year for the next 13 years. This alternative is projected to maintain a positive balance through the term of this study.
- **Alternative 3:** In 2017, increase the annual contributions to capital reserve to \$66,000/year (\$21.15/unit/month). Then, increase the annual contribution by 6% every year for the remainder of the 20 year term. This alternative is projected to maintain a positive balance through the term of this study.

Please note that the reserve fund study does not include typical annual maintenance items. Our assumption is that you already have an annual operating budget that provides for these typical, repetitive items. This includes miscellaneous repairs, lawn and grounds maintenance, routine minor painting, etc. We have focused on those significant, non-annual items where careful financial planning is important.

Finally, please note that the estimates we have developed are based on 2016 dollars. Our reserve fund study does adjust for an estimated annual inflation and a given return on investment assuming that the indicated fund balances are maintained.

7.0 CONCLUSION

The alternatives provided above will provide sufficient funding to meet estimated capital expenditures during the next twenty years. Further detail of the reserve fund analysis is provided in Appendix A.

8.0 LIMITATIONS

The observations described in this study are valid on the date of the investigation and have been made under the conditions noted in the report. We prepared this study for the exclusive use of the Devaun Park Community Association. Criterium-Giles Engineers Inc. does not intend any other individual or party to rely upon this study without our express

written consent. If another individual or party relies on this study, they shall indemnify and hold Criterium-Giles Engineers Inc. harmless for any damages, losses, or expenses they may incur as a result of its use.

This study is limited to the visual observations made during our inspection. We did not remove surface materials, conduct any destructive or invasive testing, move furnishings or equipment, or undertake any digging or excavation. Accordingly, we cannot comment on the condition of systems that we could not see, such as buried structures and utilities, nor are we responsible for conditions that could not be seen or were not within the scope of our services at the time of the investigation. We did not undertake to completely assess the stability of the buildings or the underlying foundation soil since this effort would require excavation and destructive testing. Likewise, this is not a seismic assessment.

We did not investigate the following areas:

- Buried utilities or infrastructure
- Concealed structural members or systems
- Unit interiors

We do not render an opinion on uninvestigated portions of the community.

We did not perform any computations or other engineering analysis as part of this evaluation, nor did we conduct a comprehensive code compliance investigation. This study is not to be considered a warranty of condition, and no warranty is implied. The appendices are an integral part of this report and must be included in any review.

Members of the Criterium-Giles Engineers team working on this reserve study are not members of, or otherwise associated with the association. Criterium-Giles Engineers has disclosed any other involvement with the association that could result in conflicts of interest.

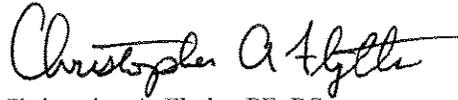
Information provided by the official representative of the association regarding financial, physical, quantity, or historical issues, will be deemed reliable by Criterium-Giles Engineers. The reserve balance presented in the Reserve Study is based upon information provided and was not audited. Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection. Criterium-Giles Engineers is not aware of any additional material issues which, if not disclosed, would cause a distortion of the association's situation.

In our Reserve Fund Analysis, we have provided estimated costs. These costs are based on our general knowledge of building systems and the contracting and construction industry. When appropriate, we have relied on standard sources, such as Means Building Construction Cost Data, to develop estimates. However, for items that we have developed costs (e.g.: structural repairs), no standard guide for developing such costs exists. Actual costs can vary significantly, based on the availability of qualified contractors to do the work, as well as many other variables. We cannot be responsible for the specific cost estimates provided.

We have performed no design work as part of this study, nor have we obtained competitive quotations or estimates from contractors as this also is beyond the scope of the project. The actual cost to remedy deficiencies and deferred maintenance items that we have identified may vary significantly from estimates and competitive quotations from contractors.

If you have any questions about this study or the reserve fund analysis, please feel free to contact us. Thank-you for the opportunity to be of assistance to you.

Respectfully submitted,

A handwritten signature in black ink that reads "Christopher A. Flythe". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Christopher A. Flythe, PE, RS
Project Manager
Criterium-Giles Engineers Inc

Appendix A: RESERVE FUND PROJECTIONS

Itemized Worksheet

Capital Item To Be Replaced	Quantity	Unit cost	Reserve Requirement (*)	Beginning Balance	Frequency (yrs**)	Remaining Life (yrs)	Information Source
Site							
asphalt pavement patching	500 SY	\$42.00	\$21,000.00	\$0.00	5	5	
resurface asphalt-phase 1	21,750 SY	\$12.00	\$261,000.00	\$20,371.90	25	15	
resurface asphalt-phase 2	21,750 SY	\$12.00	\$261,000.00	\$14,260.33	25	18	
replace sections of concrete curbing	1,000 LF	\$38.00	\$38,000.00	\$2,780.65	8	5 approx. 2% every 8 years	
concrete flatwork repairs	250 SY	\$95.00	\$23,750.00	\$1,737.90	8	5 approx. 2% every 8 years	
dredge and repair wet ponds	2 LS	\$30,000.00	\$60,000.00	\$5,268.59	20	11	
repair underground stormwater storage systems	4 sys	\$4,500.00	\$18,000.00	\$0.00	8	8 not yet built	
repair/dredge constructed wetlands	2 sys	\$12,500.00	\$25,000.00	\$0.00	15	15 not yet built	
repair storm drainage infrastructure and swales	1 LS	\$20,000.00	\$20,000.00	\$975.67	4	3	
replace pond fountains	3 EA	\$5,200.00	\$15,600.00	\$1,522.04	6	3	
paint and repair wood fence	1,500 LF	\$10.00	\$15,000.00	\$0.00	3	3 Approximately 1/3	
replace wood fence	2,400 LF	\$33.00	\$79,200.00	\$5,409.09	20	13 Approximately 1/2	
paint and repair entrance signage/lighting	2 EA	\$700.00	\$1,400.00	\$109.27	5	3	
repair/replace components of irrigation system	1 sys	\$9,000.00	\$9,000.00	\$878.10	8	4	
paint and repair shelters/gazebos/pergolas	1 LS	\$4,500.00	\$4,500.00	\$526.86	5	2	
replace gazebo roofs	3 EA	\$1,500.00	\$4,500.00	\$526.86	20	8	
paint and repair boardwalks/dock	600 SF	\$5.00	\$3,000.00	\$351.24	5	2	
replace boardwalks/dock	600 SF	\$43.00	\$25,800.00	\$2,013.77	25	15	
Building Exterior							
paint and repair siding and trim-building exterior	1 LS	\$4,500.00	\$4,500.00	\$752.66	7	1	
replace building roofs	70 SQ	\$270.00	\$18,900.00	\$2,028.41	20	9	
replace windows	34 EA	\$450.00	\$15,300.00	\$1,313.64	25	14	
replace exterior tile	1,750 SF	\$18.00	\$31,500.00	\$3,073.35	20	10	
Building Interior							
replace carpet	1,750 SF	\$4.00	\$7,000.00	\$1,365.93	8	0	
replace ceramic tile floors and walls	800 SF	\$18.00	\$14,400.00	\$1,545.45	20	9 Replace 1/2	
paint and repair drywall and trim	1 LS	\$3,000.00	\$3,000.00	\$292.70	10	5	
refurbish cabinetry, furnishings	1 sys	\$27,000.00	\$27,000.00	\$1,317.15	20	15	
refurbish bathrooms	3 sys	\$3,000.00	\$9,000.00	\$702.48	25	15	
Mechanical							
replace components-pump and filtration system	1 LS	\$3,500.00	\$3,500.00	\$682.97	4	0	
replace water heater	1 EA	\$950.00	\$950.00	\$46.34	8	6	
replace HVAC units	8 TON	\$2,000.00	\$16,000.00	\$2,289.56	15	4	
replace/upgrade access control and surveillance	1 sys	\$11,000.00	\$11,000.00	\$1,073.23	12	6	
replace FACP	1 sys	\$2,500.00	\$2,500.00	\$268.31	20	9	
replace fire alarm pulls, strobes	20 EA	\$175.00	\$3,500.00	\$300.51	25	14	
replace appliances	1 LS	\$6,500.00	\$6,500.00	\$930.13	15	4	
mechanical/electrical system repairs	1 cont.	\$10,000.00	\$10,000.00	\$97.57	20	19	
Amenities							
resurface pool	2,100 SF	\$15.00	\$31,500.00	\$2,458.68	10	6	
replace portion of pool furnishings	1 LS	\$4,500.00	\$4,500.00	\$219.52	4	3	
replace treadmill	1 EA	\$3,700.00	\$3,700.00	\$451.25	8	3	
replace elliptical	1 EA	\$2,500.00	\$2,500.00	\$304.90	8	3	
Other							
			Totals	\$1,112,500.00	\$78,247.00		
			Total Over Term	\$1,592,500.00			

* Costs are typically 10%±

CRITERIUM ENGINEERS this study is based on a 20 year projection of non-annual maintenance

Reserve Study Worksheet

General Information:

- 1 Organization: **Devaun Park**
 2 Address: **Devaun Park Boulevard**
Calabash, NC

3	Number of Units	260
4	Age of Building (in years)	10
5a	Study Period (in years)	20
5b	Normal Fiscal Year starts:	January 1, 2017
5c	Partial Fiscal Year starts:	January 1, 2017
5d	Partial Year Length:	12 months
6	Site Inspection Date	March 21, 2016
7	Reserve Funds at start	\$78,247
8	Rate of Return on invested Reserve Funds (%)	0.5%
9	Inflation Rate (%)	3.0%

10 Current Funding Levels

Existing Funding Levels				
	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Reserve Fund Contribution	\$2,405	\$28,857	\$9.25	\$110.99
	Years Out	Total Annual	Per Unit	
Planned Special Assessment	0	\$0	\$0	
Balance Computed	(\$1,684,687)			

11 Alternative Reserve Fund Contribution

Alternative 1 Level Funding with Steps				
	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Monthly Amount, (First Year)	\$3,000	\$36,000	\$11.54	\$138.46
Monthly Amount, (Last Year)	\$15,800	\$189,600	\$60.77	\$729.23
Balance Required Final Year	\$117,149			
Special Assessments:	Years Out	Total/Year	Per Unit	
First Assessment	0	\$0	\$0	
Second Assessment	0	\$0	\$0	
Balance Computed	\$172,867			

Alternative 2 Escalating Funding at 10% per Year				
	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Monthly Amount, (First Year)	\$4,000	\$48,000	\$15.38	\$184.62
Monthly Amount, (Last Year)	\$13,809	\$165,709	\$53.11	\$637.34
Balance Required Final Year	\$117,149			
Base Escalation %	10.00%			
Special Assessments:	Years Out	Total/Year	Per Unit	
First Assessment	0	\$0	\$0	
Second Assessment	0	\$0	\$0	
Balance Computed	\$101,834			

Alternative 3 Escalating Funding with Special Assessments				
	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Monthly Amount, (First Year)	\$5,500	\$66,000	\$21.15	\$253.85
Monthly Amount, (Last Year)	\$16,641	\$199,690	\$64.00	\$768.04
Balance Required Final Year	\$117,149			
Base Escalation %	6.00%			
Special Assessments:	Years Out	Total/Year	Per Unit	
First Assessment	0	\$0	\$0	
Second Assessment	0	\$0	\$0	
Balance Computed	\$199,482			

Reserve Fund Worksheet



Fiscal Years:

Normal: Jan 2017	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Partial: Jan 2017 (12 months)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

Existing Funding Levels

Beginning Reserve Fund Balance:	\$78,247	\$97,087	\$121,916	\$143,530	\$104,392	\$94,326	\$23,894	(\$17,041)	(\$27,540)	(\$47,961)	(\$105,741)	(\$147,439)	(\$244,132)	(\$265,177)	(\$445,366)	(\$446,382)
Revenue:	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857	\$28,857
Special Assessments:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$483	\$607	\$714	\$519	\$469	\$119	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Expenditures:	\$10,500	\$4,635	\$7,957	\$68,514	\$39,393	\$99,408	\$69,792	\$39,356	\$49,277	\$86,637	\$70,556	\$125,550	\$49,902	\$209,046	\$29,874	\$672,107
Ending Reserve Balance:	\$97,087	\$121,916	\$143,530	\$104,392	\$94,326	\$23,894	(\$17,041)	(\$27,540)	(\$47,961)	(\$105,741)	(\$147,439)	(\$244,132)	(\$265,177)	(\$445,366)	(\$446,382)	(\$1,089,633)

Alternative 1, Level Funding with Steps

Average Cap. Expenditure \$117,149

Beginning Reserve Fund Balance:	\$78,247	\$104,266	\$136,309	\$184,470	\$172,012	\$208,054	\$183,961	\$208,808	\$264,367	\$329,529	\$357,471	\$421,010	\$429,597	\$533,550	\$478,083	\$621,702
Revenue:	\$36,000	\$36,000	\$55,200	\$55,200	\$74,400	\$74,400	\$93,600	\$93,600	\$112,800	\$112,800	\$132,000	\$132,000	\$151,200	\$151,200	\$170,400	\$170,400
Special Assessment #1:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Special Assessment #2:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$519	\$678	\$918	\$856	\$1,035	\$915	\$1,039	\$1,315	\$1,639	\$1,778	\$2,095	\$2,137	\$2,654	\$2,379	\$3,093	\$600
Capital Expenditures:	\$10,500	\$4,635	\$7,957	\$68,514	\$39,393	\$99,408	\$69,792	\$39,356	\$49,277	\$86,637	\$70,556	\$125,550	\$49,902	\$209,046	\$29,874	\$672,107
Ending Reserve Balance:	\$104,266	\$136,309	\$184,470	\$172,012	\$208,054	\$183,961	\$208,808	\$264,367	\$329,529	\$357,471	\$421,010	\$429,597	\$533,550	\$478,083	\$621,702	\$120,595

Alternative 2, Escalating Funding at 10% per Year

Beginning Reserve Fund Balance:	\$78,247	\$116,326	\$165,313	\$216,514	\$212,947	\$245,050	\$224,062	\$240,501	\$296,157	\$351,520	\$379,955	\$436,069	\$449,706	\$553,201	\$512,413	\$651,490
Revenue:	\$48,000	\$52,800	\$58,080	\$63,888	\$70,277	\$77,304	\$85,035	\$93,538	\$102,892	\$113,181	\$124,500	\$136,950	\$150,645	\$165,709	\$165,709	\$165,709
Special Assessment #1:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Special Assessment #2:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$579	\$822	\$1,077	\$1,059	\$1,219	\$1,115	\$1,197	\$1,473	\$1,749	\$1,890	\$2,169	\$2,237	\$2,752	\$2,549	\$3,241	\$725
Capital Expenditures:	\$10,500	\$4,635	\$7,957	\$68,514	\$39,393	\$99,408	\$69,792	\$39,356	\$49,277	\$86,637	\$70,556	\$125,550	\$49,902	\$209,046	\$29,874	\$672,107
Ending Reserve Balance:	\$116,326	\$165,313	\$216,514	\$212,947	\$245,050	\$224,062	\$240,501	\$296,157	\$351,520	\$379,955	\$436,069	\$449,706	\$553,201	\$512,413	\$651,490	\$145,817

Alternative 3, Escalating Funding with Special Assessments

Beginning Reserve Fund Balance:	\$78,247	\$134,416	\$200,739	\$268,275	\$279,760	\$325,309	\$315,795	\$341,323	\$403,213	\$461,425	\$488,725	\$539,048	\$541,479	\$627,504	\$562,028	\$684,781
Revenue:	\$66,000	\$69,960	\$74,158	\$78,607	\$83,323	\$88,323	\$93,622	\$99,240	\$105,194	\$111,506	\$118,196	\$125,288	\$132,805	\$140,773	\$149,220	\$158,173
Special Assessment #1:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Special Assessment #2:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$669	\$999	\$1,335	\$1,392	\$1,618	\$1,571	\$1,698	\$2,006	\$2,296	\$2,431	\$2,682	\$2,694	\$3,122	\$2,796	\$3,407	\$854
Capital Expenditures:	\$10,500	\$4,635	\$7,957	\$68,514	\$39,393	\$99,408	\$69,792	\$39,356	\$49,277	\$86,637	\$70,556	\$125,550	\$49,902	\$209,046	\$29,874	\$672,107
Ending Reserve Balance:	\$134,416	\$200,739	\$268,275	\$279,760	\$325,309	\$315,795	\$341,323	\$403,213	\$461,425	\$488,725	\$539,048	\$541,479	\$627,504	\$562,028	\$684,781	\$171,701

Reserve Fund Worksheet

Fiscal Years:				
Normal: Jan 2017	2033	2034	2035	2036
Partial: Jan 2017 (12 months)	17	18	19	20

Existing Funding Levels

Beginning Reserve Fund Balance:	(\$1,089,633)	(\$1,157,058)	(\$1,140,597)	(\$1,602,722)
Revenue:	\$28,857	\$28,857	\$28,857	\$28,857
Special Assessments:	\$0	\$0	\$0	\$0
Investment Earnings:	\$0	\$0	\$0	\$0
Capital Expenditures:	\$96,282	\$12,396	\$490,982	\$110,822
Ending Reserve Balance:	(\$1,157,058)	(\$1,140,597)	(\$1,602,722)	(\$1,684,687)

Alternative 1, Level Funding w

Beginning Reserve Fund Balance:	\$120,595	\$214,982	\$394,147	\$93,229
Revenue:	\$189,600	\$189,600	\$189,600	\$189,600
Special Assessment #1:	\$0	\$0	\$0	\$0
Special Assessment #2:	\$0	\$0	\$0	\$0
Investment Earnings:	\$1,070	\$1,961	\$464	\$860
Capital Expenditures:	\$96,282	\$12,396	\$490,982	\$110,822
Ending Reserve Balance:	\$214,982	\$394,147	\$93,229	\$172,867

Alternative 2, Escalating Fundi

Beginning Reserve Fund Balance:	\$145,817	\$216,320	\$371,481	\$46,439
Revenue:	\$165,709	\$165,709	\$165,709	\$165,709
Special Assessment #1:	\$0	\$0	\$0	\$0
Special Assessment #2:	\$0	\$0	\$0	\$0
Investment Earnings:	\$1,076	\$1,848	\$231	\$507
Capital Expenditures:	\$96,282	\$12,396	\$490,982	\$110,822
Ending Reserve Balance:	\$216,320	\$371,481	\$46,439	\$101,834

Alternative 3, Escalating Fundi

Beginning Reserve Fund Balance:	\$171,701	\$244,297	\$411,672	\$109,622
Revenue:	\$167,663	\$177,723	\$188,386	\$199,690
Special Assessment #1:	\$0	\$0	\$0	\$0
Special Assessment #2:	\$0	\$0	\$0	\$0
Investment Earnings:	\$1,215	\$2,048	\$545	\$992
Capital Expenditures:	\$96,282	\$12,396	\$490,982	\$110,822
Ending Reserve Balance:	\$244,297	\$411,672	\$109,622	\$199,482

Annual Expense By Year

Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Site																				
asphalt pavement patching	0	0	0	0	0	21,000	0	0	0	0	21,000	0	0	0	0	21,000	0	0	0	0
resurface asphalt-phase 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	261,000	0	0	0	0
resurface asphalt-phase 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	261,000	0
replace sections of concrete curbing	0	0	0	0	0	38,000	0	0	0	0	0	0	0	38,000	0	0	0	0	0	0
concrete flatwork repairs	0	0	0	0	0	23,750	0	0	0	0	0	0	0	23,750	0	0	0	0	0	0
dredge and repair wet ponds	0	0	0	0	0	0	0	0	0	0	0	60,000	0	0	0	0	0	0	0	0
repair underground stormwater storage systems	0	0	0	0	0	0	0	0	18,000	0	0	0	0	0	0	0	18,000	0	0	0
repair/dredge constructed wetlands	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	25,000	0	0	0	0
repair storm drainage infrastructure and swales	0	0	0	20,000	0	0	0	20,000	0	0	0	20,000	0	0	0	20,000	0	0	0	20,000
replace pond fountains	0	0	0	15,600	0	0	0	0	0	15,600	0	0	0	0	0	15,600	0	0	0	0
paint and repair wood fence	0	0	0	15,000	0	0	15,000	0	0	15,000	0	0	15,000	0	0	15,000	0	0	15,000	0
replace wood fence	0	0	0	0	0	0	0	0	0	0	0	0	0	79,200	0	0	0	0	0	0
paint and repair entrance signage/lighting	0	0	0	1,400	0	0	0	0	1,400	0	0	0	0	1,400	0	0	0	0	1,400	0
repair/replace components of irrigation system	0	0	0	0	9,000	0	0	0	0	0	0	0	9,000	0	0	0	0	0	0	0
paint and repair shelters/gazebos/pergolas	0	0	4,500	0	0	0	0	4,500	0	0	0	0	4,500	0	0	0	0	4,500	0	0
replace gazebo roofs	0	0	0	0	0	0	0	0	4,500	0	0	0	0	0	0	0	0	0	0	0
paint and repair boardwalks/dock	0	0	3,000	0	0	0	0	3,000	0	0	0	0	3,000	0	0	0	0	3,000	0	0
replace boardwalks/dock	0	0	0	0	0	0	0	0	0	0	0	0	0	0	25,800	0	0	0	0	0
Building Exterior																				
paint and repair siding and trim-building exterior	0	4,500	0	0	0	0	0	0	4,500	0	0	0	0	0	0	4,500	0	0	0	0
replace building roofs	0	0	0	0	0	0	0	0	0	18,900	0	0	0	0	0	0	0	0	0	0
replace windows	0	0	0	0	0	0	0	0	0	0	0	0	0	15,300	0	0	0	0	0	0
replace exterior tile	0	0	0	0	0	0	0	0	0	0	31,500	0	0	0	0	0	0	0	0	0
Building Interior																				
replace carpet	7,000	0	0	0	0	0	0	0	7,000	0	0	0	0	0	0	0	7,000	0	0	0
replace ceramic tile floors and walls	0	0	0	0	0	0	0	0	0	14,400	0	0	0	0	0	0	0	0	0	0
paint and repair drywall and trim	0	0	0	0	0	3,000	0	0	0	0	0	0	0	0	0	3,000	0	0	0	0
refurbish cabinetry, furnishings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	27,000	0	0	0	0
refurbish bathrooms	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,000	0	0	0	0	0
Mechanical																				
replace components-pump and filtration system	3,500	0	0	0	3,500	0	0	0	3,500	0	0	0	3,500	0	0	0	3,500	0	0	0
replace water heater	0	0	0	0	0	950	0	0	0	0	0	0	0	0	950	0	0	0	0	0
replace HVAC units	0	0	0	0	16,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16,000
replace/upgrade access control and surveillance	0	0	0	0	0	0	11,000	0	0	0	0	0	0	0	0	0	0	0	11,000	0
replace FACP	0	0	0	0	0	0	0	0	0	2,500	0	0	0	0	0	0	0	0	0	0
replace fire alarm pulls, strobes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,500	0	0	0	0	0
replace appliances	0	0	0	0	6,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,500
mechanical/electrical system repairs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,000
Amenities																				
resurface pool	0	0	0	0	0	0	31,500	0	0	0	0	0	0	0	0	0	31,500	0	0	0
replace portion of pool furnishings	0	0	0	4,500	0	0	0	4,500	0	0	0	4,500	0	0	0	4,500	0	0	0	4,500
replace treadmill	0	0	0	3,700	0	0	0	0	0	0	0	3,700	0	0	0	0	0	0	0	3,700
replace elliptical	0	0	0	2,500	0	0	0	0	0	0	0	2,500	0	0	0	0	0	0	0	2,500
Other																				
Total Costs	10,500	4,500	7,500	62,700	35,000	85,750	58,450	32,000	38,900	66,400	52,500	90,700	35,000	142,350	19,750	431,400	60,000	7,500	288,400	63,200
Total Costs Adjusted For 3% Inflation	10,500	4,635	7,957	68,514	39,393	99,408	69,792	39,356	49,277	86,637	70,556	125,550	49,902	209,046	29,874	672,107	96,282	12,396	490,982	110,822

Existing Funding Levels

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments	Investment Earnings	Capital Expenditures	Ending Balance
2017	1	\$78,247	\$28,857	\$0	\$483	\$10,500	\$97,087
2018	2	\$97,087	\$28,857	\$0	\$607	\$4,635	\$121,916
2019	3	\$121,916	\$28,857	\$0	\$714	\$7,957	\$143,530
2020	4	\$143,530	\$28,857	\$0	\$519	\$68,514	\$104,392
2021	5	\$104,392	\$28,857	\$0	\$469	\$39,393	\$94,326
2022	6	\$94,326	\$28,857	\$0	\$119	\$99,408	\$23,894
2023	7	\$23,894	\$28,857	\$0	\$0	\$69,792	(\$17,041)
2024	8	(\$17,041)	\$28,857	\$0	\$0	\$39,356	(\$27,540)
2025	9	(\$27,540)	\$28,857	\$0	\$0	\$49,277	(\$47,961)
2026	10	(\$47,961)	\$28,857	\$0	\$0	\$86,637	(\$105,741)
2027	11	(\$105,741)	\$28,857	\$0	\$0	\$70,556	(\$147,439)
2028	12	(\$147,439)	\$28,857	\$0	\$0	\$125,550	(\$244,132)
2029	13	(\$244,132)	\$28,857	\$0	\$0	\$49,902	(\$265,177)
2030	14	(\$265,177)	\$28,857	\$0	\$0	\$209,046	(\$445,366)
2031	15	(\$445,366)	\$28,857	\$0	\$0	\$29,874	(\$446,382)
2032	16	(\$446,382)	\$28,857	\$0	\$0	\$672,107	(\$1,089,633)
2033	17	(\$1,089,633)	\$28,857	\$0	\$0	\$96,282	(\$1,157,058)
2034	18	(\$1,157,058)	\$28,857	\$0	\$0	\$12,396	(\$1,140,597)
2035	19	(\$1,140,597)	\$28,857	\$0	\$0	\$490,982	(\$1,602,722)
2036	20	(\$1,602,722)	\$28,857	\$0	\$0	\$110,822	(\$1,684,687)

Existing Funding Levels

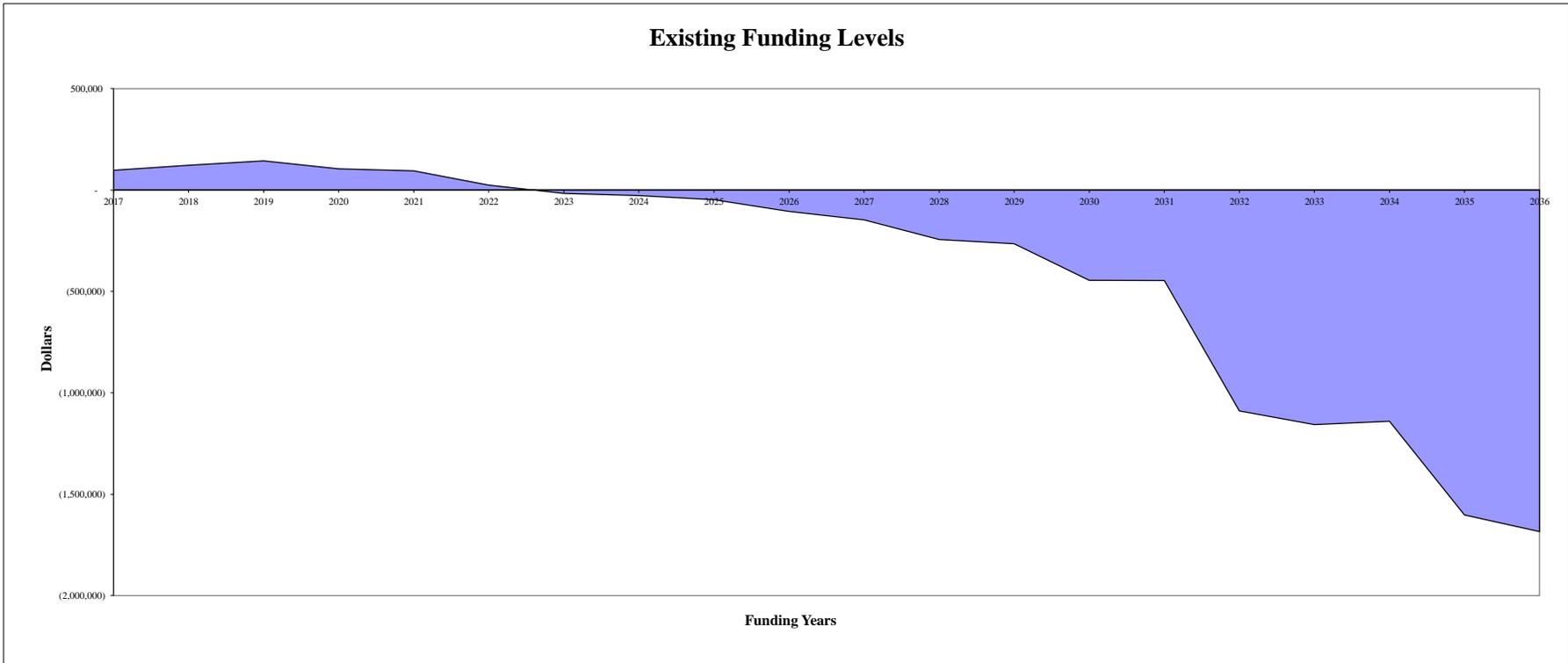
Beginning Balance as of start of year beginning Jan 2017: \$78,247

CONTRIBUTIONS	
AMOUNT	
\$28,857.00	per year
\$110.99	per unit per year
\$2,404.75	per month
\$9.25	per unit per month

SPECIAL ASSESSMENTS			
Totals			
Per Year	\$0	Per Unit	\$0

Projected Annual Funding and Expenditures:

Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	97,087	121,916	143,530	104,392	94,326	23,894	(17,041)	(27,540)	(47,961)	(105,741)	(147,439)	(244,132)	(265,177)	(445,366)	(446,382)
Capital Expenditures:	10,500	4,635	7,957	68,514	39,393	99,408	69,792	39,356	49,277	86,637	70,556	125,550	49,902	209,046	29,874
Total Revenue (all sources)	29,340	29,464	29,571	29,376	29,326	28,976	28,857	28,857	28,857	28,857	28,857	28,857	28,857	28,857	28,857
Year:	2032	2033	2034	2035	2036										
Year Number:	16	17	18	19	20										
End of Year Reserve Fund Balance	(1,089,633)	(1,157,058)	(1,140,597)	(1,602,722)	(1,684,687)										
Capital Expenditures:	672,107	96,282	12,396	490,982	110,822										
Total Revenue (all sources)	28,857	28,857	28,857	28,857	28,857										



Alternative 1: Level Funding with Steps



Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2017	1	\$78,247	\$36,000	\$0	\$0	\$519	\$10,500	\$104,266
2018	2	\$104,266	\$36,000	\$0	\$0	\$678	\$4,635	\$136,309
2019	3	\$136,309	\$55,200	\$0	\$0	\$918	\$7,957	\$184,470
2020	4	\$184,470	\$55,200	\$0	\$0	\$856	\$68,514	\$172,012
2021	5	\$172,012	\$74,400	\$0	\$0	\$1,035	\$39,393	\$208,054
2022	6	\$208,054	\$74,400	\$0	\$0	\$915	\$99,408	\$183,961
2023	7	\$183,961	\$93,600	\$0	\$0	\$1,039	\$69,792	\$208,808
2024	8	\$208,808	\$93,600	\$0	\$0	\$1,315	\$39,356	\$264,367
2025	9	\$264,367	\$112,800	\$0	\$0	\$1,639	\$49,277	\$329,529
2026	10	\$329,529	\$112,800	\$0	\$0	\$1,778	\$86,637	\$357,471
2027	11	\$357,471	\$132,000	\$0	\$0	\$2,095	\$70,556	\$421,010
2028	12	\$421,010	\$132,000	\$0	\$0	\$2,137	\$125,550	\$429,597
2029	13	\$429,597	\$151,200	\$0	\$0	\$2,654	\$49,902	\$533,550
2030	14	\$533,550	\$151,200	\$0	\$0	\$2,379	\$209,046	\$478,083
2031	15	\$478,083	\$170,400	\$0	\$0	\$3,093	\$29,874	\$621,702
2032	16	\$621,702	\$170,400	\$0	\$0	\$600	\$672,107	\$120,595
2033	17	\$120,595	\$189,600	\$0	\$0	\$1,070	\$96,282	\$214,982
2034	18	\$214,982	\$189,600	\$0	\$0	\$1,961	\$12,396	\$394,147
2035	19	\$394,147	\$189,600	\$0	\$0	\$464	\$490,982	\$93,229
2036	20	\$93,229	\$189,600	\$0	\$0	\$860	\$110,822	\$172,867

Alternative 1: Level Funding with Steps

Beginning Balance as of start of year beginning Jan 2017: \$78,247

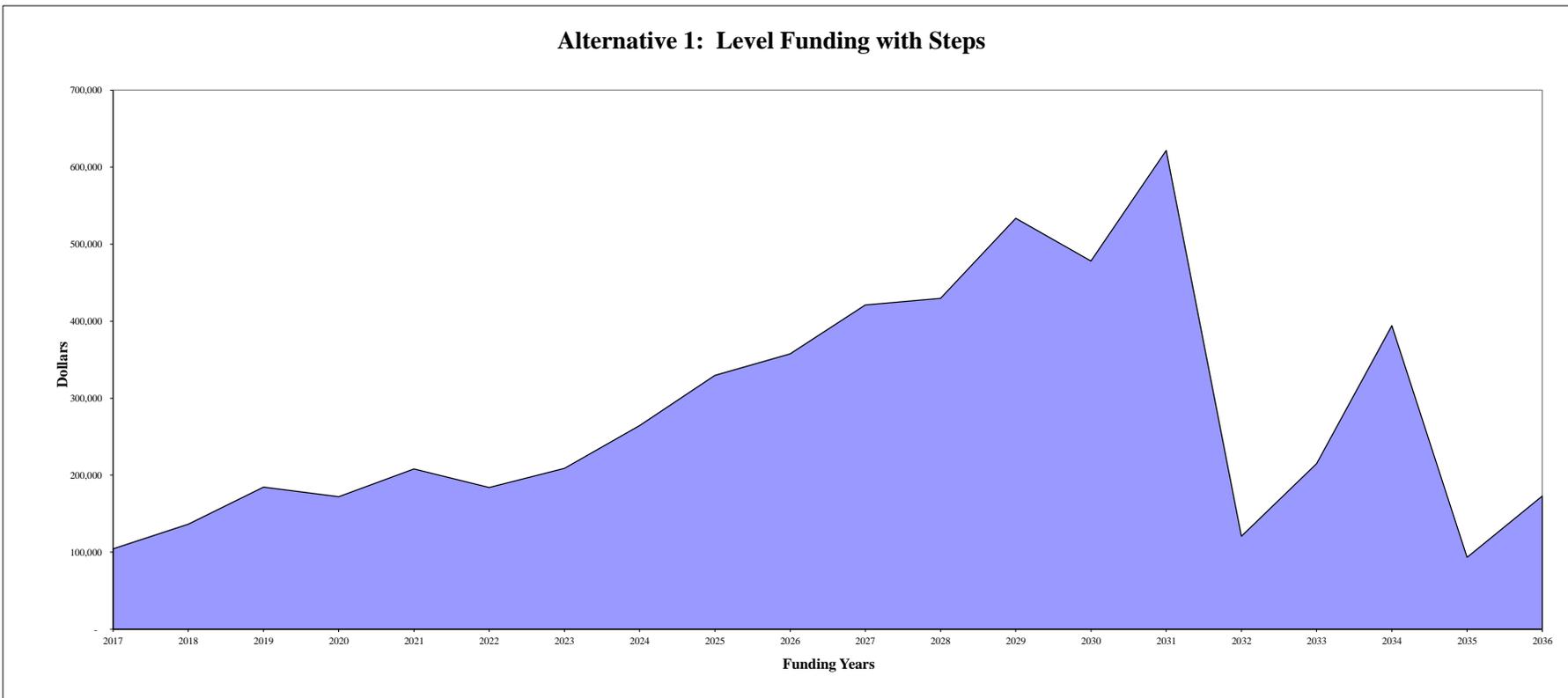
CONTRIBUTIONS		
FIRST YR	LAST YR	
\$36,000.00	\$189,600.00	per year
\$138.46	\$729.23	per unit per year
\$3,000.00	\$15,800.00	per month
\$11.54	\$60.77	per unit per month

SPECIAL ASSESSMENTS			
First Second	Per Year Per Year	Totals	
		\$0 \$0	Per Unit Per Unit
		\$0	\$0
		\$0	\$0

SETTINGS (analyzed by year)			
Starting amount (\$):	3000		
Increment by (\$):	1600		
Every	2	year	
Frequency:	8	time	

Projected Annual Funding and Expenditures:

Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	104,266	136,309	184,470	172,012	208,054	183,961	208,808	264,367	329,529	357,471	421,010	429,597	533,550	478,083	621,702
Capital Expenditures:	10,500	4,635	7,957	68,514	39,393	99,408	69,792	39,356	49,277	86,637	70,556	125,550	49,902	209,046	29,874
Total Revenue (all sources)	36,519	36,678	56,118	56,056	75,435	75,315	94,639	94,915	114,439	114,578	134,095	134,137	153,854	153,579	173,493
Year:	2032	2033	2034	2035	2036										
Year Number:	16	17	18	19	20										
End of Year Reserve Fund Balance	120,595	214,982	394,147	93,229	172,867										
Capital Expenditures:	672,107	96,282	12,396	490,982	110,822										
Total Revenue (all sources)	171,000	190,670	191,561	190,064	190,460										



Alternative 2: Escalating Funding at 10% per Year

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2017	1	\$78,247	\$48,000	\$0	\$0	\$579	\$10,500	\$116,326
2018	2	\$116,326	\$52,800	\$0	\$0	\$822	\$4,635	\$165,313
2019	3	\$165,313	\$58,080	\$0	\$0	\$1,077	\$7,957	\$216,514
2020	4	\$216,514	\$63,888	\$0	\$0	\$1,059	\$68,514	\$212,947
2021	5	\$212,947	\$70,277	\$0	\$0	\$1,219	\$39,393	\$245,050
2022	6	\$245,050	\$77,304	\$0	\$0	\$1,115	\$99,408	\$224,062
2023	7	\$224,062	\$85,035	\$0	\$0	\$1,197	\$69,792	\$240,501
2024	8	\$240,501	\$93,538	\$0	\$0	\$1,473	\$39,356	\$296,157
2025	9	\$296,157	\$102,892	\$0	\$0	\$1,749	\$49,277	\$351,520
2026	10	\$351,520	\$113,181	\$0	\$0	\$1,890	\$86,637	\$379,955
2027	11	\$379,955	\$124,500	\$0	\$0	\$2,169	\$70,556	\$436,069
2028	12	\$436,069	\$136,950	\$0	\$0	\$2,237	\$125,550	\$449,706
2029	13	\$449,706	\$150,645	\$0	\$0	\$2,752	\$49,902	\$553,201
2030	14	\$553,201	\$165,709	\$0	\$0	\$2,549	\$209,046	\$512,413
2031	15	\$512,413	\$165,709	\$0	\$0	\$3,241	\$29,874	\$651,490
2032	16	\$651,490	\$165,709	\$0	\$0	\$725	\$672,107	\$145,817
2033	17	\$145,817	\$165,709	\$0	\$0	\$1,076	\$96,282	\$216,320
2034	18	\$216,320	\$165,709	\$0	\$0	\$1,848	\$12,396	\$371,481
2035	19	\$371,481	\$165,709	\$0	\$0	\$231	\$490,982	\$46,439
2036	20	\$46,439	\$165,709	\$0	\$0	\$507	\$110,822	\$101,834

Alternative 2: Escalating Funding at 10% per Year

Beginning Balance as of start of year beginning Jan 2017: \$78,247

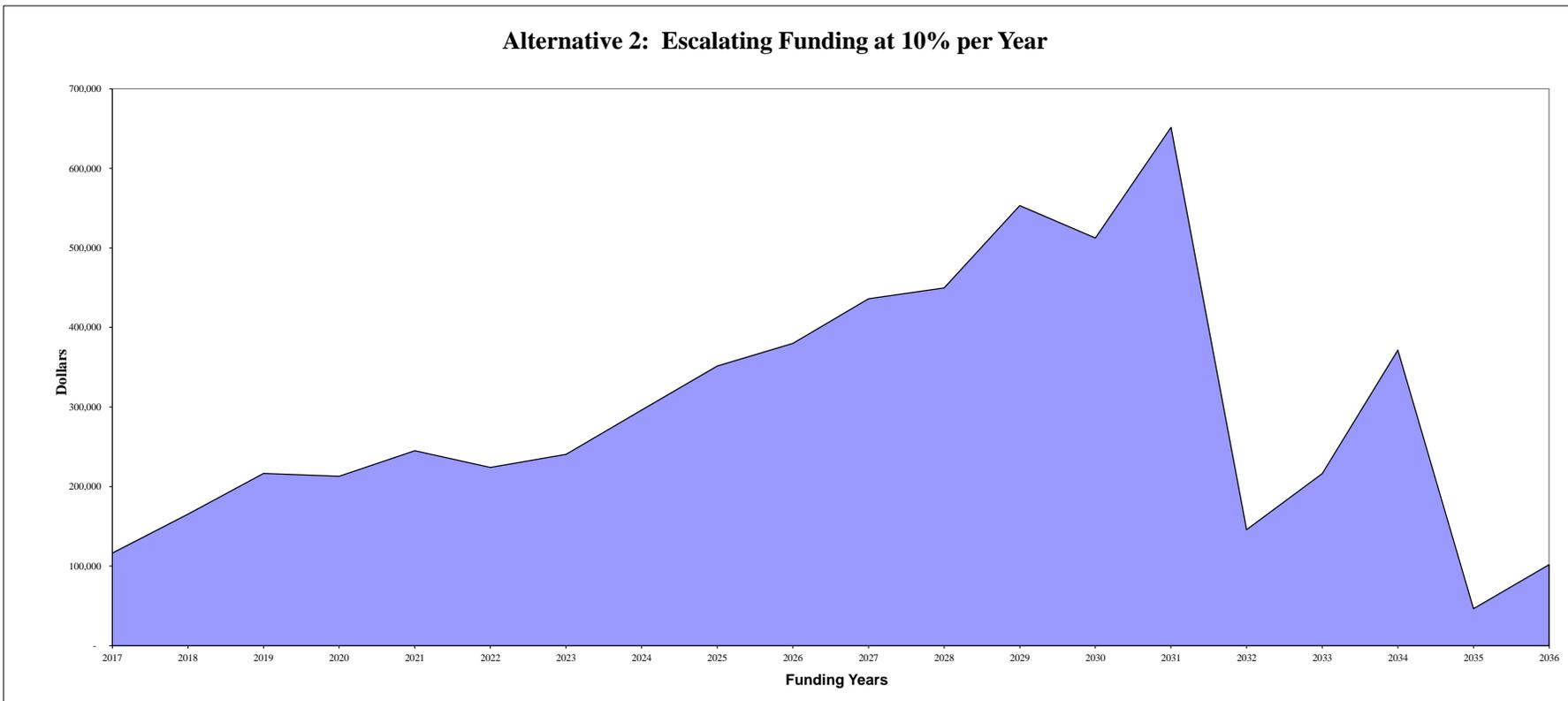
CONTRIBUTIONS	
FIRST YR	LAST YR
\$48,000.00	\$165,709.02
\$184.62	\$637.34
\$4,000.00	\$13,809.08
\$15.38	\$53.11
	per year
	per unit per year
	per month
	per unit per month

SPECIAL ASSESSMENTS				
First	Second	Totals		
		Per Year	Per Unit	\$0
		\$0	\$0	\$0
		\$0	\$0	\$0

SETTINGS (analyzed by year)		
Starting amount (\$):	4000	
Increment by (%):	10	
Step (%):		
Every	1	year
Frequency:	13	time

Projected Annual Funding and Expenditures:

Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	116,326	165,313	216,514	212,947	245,050	224,062	240,501	296,157	351,520	379,955	436,069	449,706	553,201	512,413	651,490
Capital Expenditures:	10,500	4,635	7,957	68,514	39,393	99,408	69,792	39,356	49,277	86,637	70,556	125,550	49,902	209,046	29,874
Total Revenue (all sources)	48,579	53,622	59,157	64,947	71,496	78,419	86,231	95,012	104,641	115,072	126,669	139,187	153,397	168,258	168,950
Year:	2032	2033	2034	2035	2036										
Year Number:	16	17	18	19	20										
End of Year Reserve Fund Balance	145,817	216,320	371,481	46,439	101,834										
Capital Expenditures:	672,107	96,282	12,396	490,982	110,822										
Total Revenue (all sources)	166,434	166,785	167,557	165,940	166,216										



Alternative 3: Escalating Funding with Special Assessments

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2017	1	\$78,247	\$66,000	\$0	\$0	\$669	\$10,500	\$134,416
2018	2	\$134,416	\$69,960	\$0	\$0	\$999	\$4,635	\$200,739
2019	3	\$200,739	\$74,158	\$0	\$0	\$1,335	\$7,957	\$268,275
2020	4	\$268,275	\$78,607	\$0	\$0	\$1,392	\$68,514	\$279,760
2021	5	\$279,760	\$83,323	\$0	\$0	\$1,618	\$39,393	\$325,309
2022	6	\$325,309	\$88,323	\$0	\$0	\$1,571	\$99,408	\$315,795
2023	7	\$315,795	\$93,622	\$0	\$0	\$1,698	\$69,792	\$341,323
2024	8	\$341,323	\$99,240	\$0	\$0	\$2,006	\$39,356	\$403,213
2025	9	\$403,213	\$105,194	\$0	\$0	\$2,296	\$49,277	\$461,425
2026	10	\$461,425	\$111,506	\$0	\$0	\$2,431	\$86,637	\$488,725
2027	11	\$488,725	\$118,196	\$0	\$0	\$2,682	\$70,556	\$539,048
2028	12	\$539,048	\$125,288	\$0	\$0	\$2,694	\$125,550	\$541,479
2029	13	\$541,479	\$132,805	\$0	\$0	\$3,122	\$49,902	\$627,504
2030	14	\$627,504	\$140,773	\$0	\$0	\$2,796	\$209,046	\$562,028
2031	15	\$562,028	\$149,220	\$0	\$0	\$3,407	\$29,874	\$684,781
2032	16	\$684,781	\$158,173	\$0	\$0	\$854	\$672,107	\$171,701
2033	17	\$171,701	\$167,663	\$0	\$0	\$1,215	\$96,282	\$244,297
2034	18	\$244,297	\$177,723	\$0	\$0	\$2,048	\$12,396	\$411,672
2035	19	\$411,672	\$188,386	\$0	\$0	\$545	\$490,982	\$109,622
2036	20	\$109,622	\$199,690	\$0	\$0	\$992	\$110,822	\$199,482

Alternative 3: Escalating Funding with Special Assessments

Beginning Balance as of start of year beginning Jan 2017: \$78,247

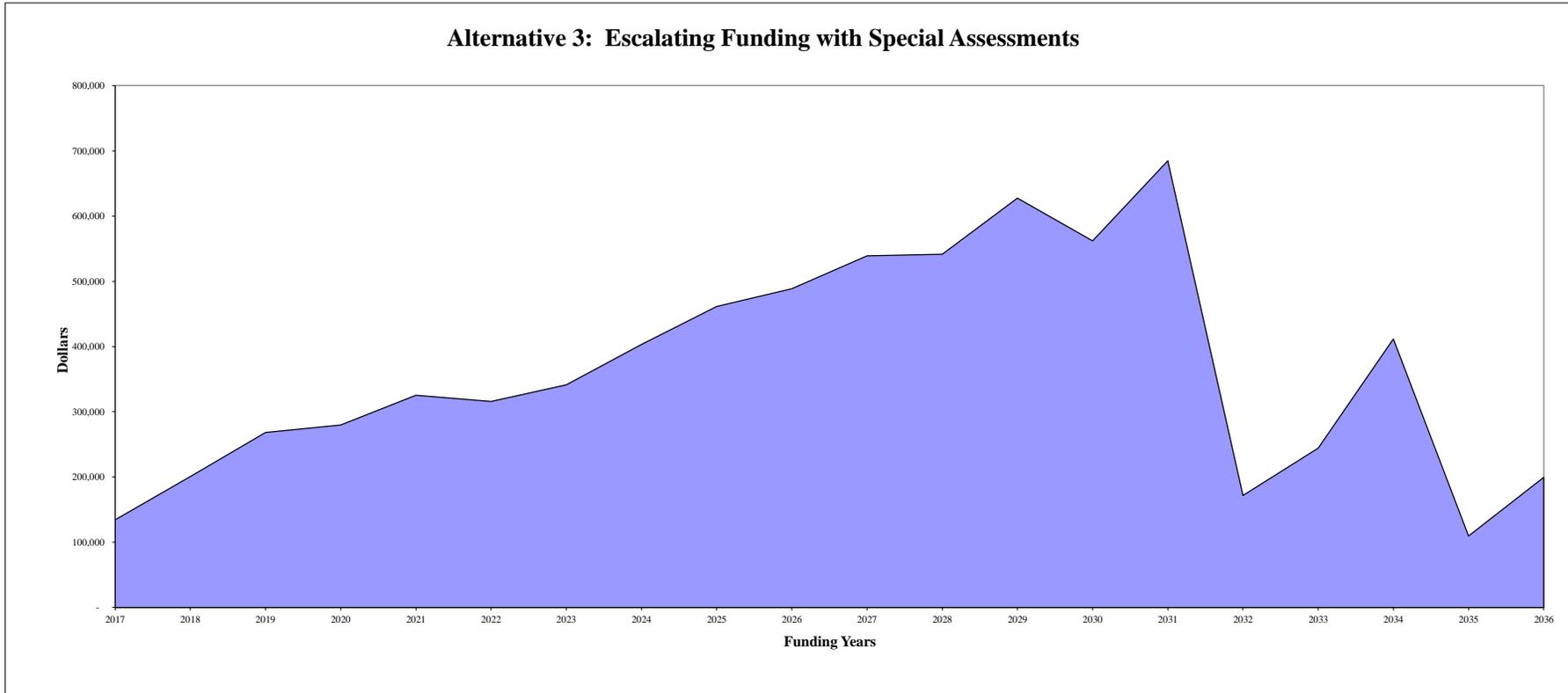
CONTRIBUTIONS	
FIRST YR	LAST YR
\$66,000.00	\$199,689.57
\$253.85	\$768.04
\$5,500.00	\$16,640.80
\$21.15	\$64.00
	per year
	per unit per year
	per month
	per unit per month

SPECIAL ASSESSMENTS				
First	Second	Totals		
		Per Year	\$0	Per Unit
		\$0		\$0
		\$0		\$0

SETTINGS (analyzed by year)	
Starting amount (\$):	5500
Increment by (%):	6
Step (%):	0
Every	3 year
Frequency:	3 time

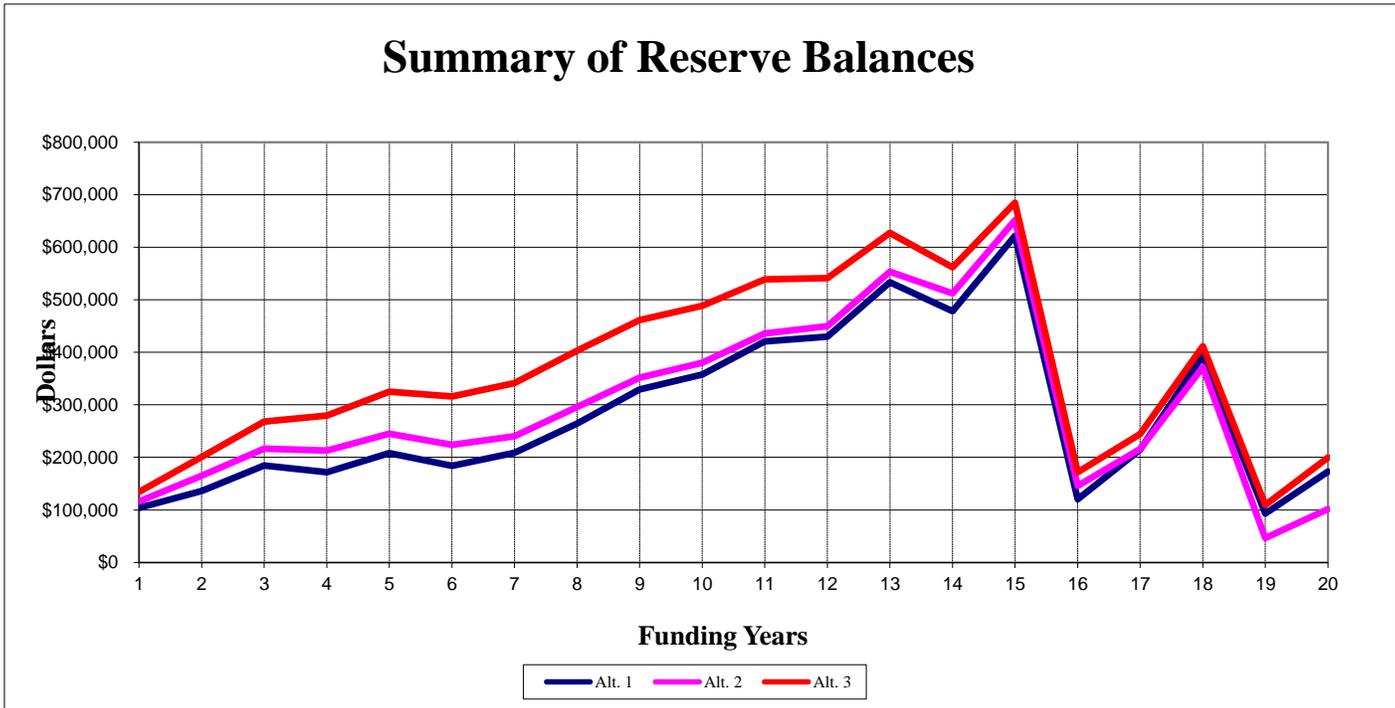
Projected Annual Funding and Expenditures:

Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	134,416	200,739	268,275	279,760	325,309	315,795	341,323	403,213	461,425	488,725	539,048	541,479	627,504	562,028	684,781
Capital Expenditures:	10,500	4,635	7,957	68,514	39,393	99,408	69,792	39,356	49,277	86,637	70,556	125,550	49,902	209,046	29,874
Total Revenue (all sources)	66,669	70,959	75,492	79,999	84,942	89,894	95,320	101,246	107,490	113,937	120,878	127,982	135,927	143,569	152,627
Year:	2032	2033	2034	2035	2036										
Year Number:	16	17	18	19	20										
End of Year Reserve Fund Balance	171,701	244,297	411,672	109,622	199,482										
Capital Expenditures:	672,107	96,282	12,396	490,982	110,822										
Total Revenue (all sources)	159,027	168,879	179,771	188,932	200,682										



Summary of Reserve Balances

<u>Year</u>	<u>Year Number</u>	<u>Yearly Expenditures</u>	<u>Alt. 1</u>	<u>Alt. 2</u>	<u>Alt. 3</u>
2017	1	\$10,500	\$104,266	\$116,326	\$134,416
2018	2	\$4,635	\$136,309	\$165,313	\$200,739
2019	3	\$7,957	\$184,470	\$216,514	\$268,275
2020	4	\$68,514	\$172,012	\$212,947	\$279,760
2021	5	\$39,393	\$208,054	\$245,050	\$325,309
2022	6	\$99,408	\$183,961	\$224,062	\$315,795
2023	7	\$69,792	\$208,808	\$240,501	\$341,323
2024	8	\$39,356	\$264,367	\$296,157	\$403,213
2025	9	\$49,277	\$329,529	\$351,520	\$461,425
2026	10	\$86,637	\$357,471	\$379,955	\$488,725
2027	11	\$70,556	\$421,010	\$436,069	\$539,048
2028	12	\$125,550	\$429,597	\$449,706	\$541,479
2029	13	\$49,902	\$533,550	\$553,201	\$627,504
2030	14	\$209,046	\$478,083	\$512,413	\$562,028
2031	15	\$29,874	\$621,702	\$651,490	\$684,781
2032	16	\$672,107	\$120,595	\$145,817	\$171,701
2033	17	\$96,282	\$214,982	\$216,320	\$244,297
2034	18	\$12,396	\$394,147	\$371,481	\$411,672
2035	19	\$490,982	\$93,229	\$46,439	\$109,622
2036	20	\$110,822	\$172,867	\$101,834	\$199,482



Appendix B: PROJECT PHOTOGRAPHS

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Entrance signage,
typical

Photo Number
1



Description:
Irrigation at
entrance

Photo Number
2

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Typical shelter

Photo Number
3



Description:
Typical asphalt
cracking

Photo Number
4

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Painted picket
fence

Photo Number
5



Description:
Moderate
deterioration at
wood fence

Photo Number
6

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Small dock
adjacent to
clubhouse

Photo Number
7



Description:
Irrigation
controller

Photo Number
8

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Rip rap erosion
control

Photo Number
9



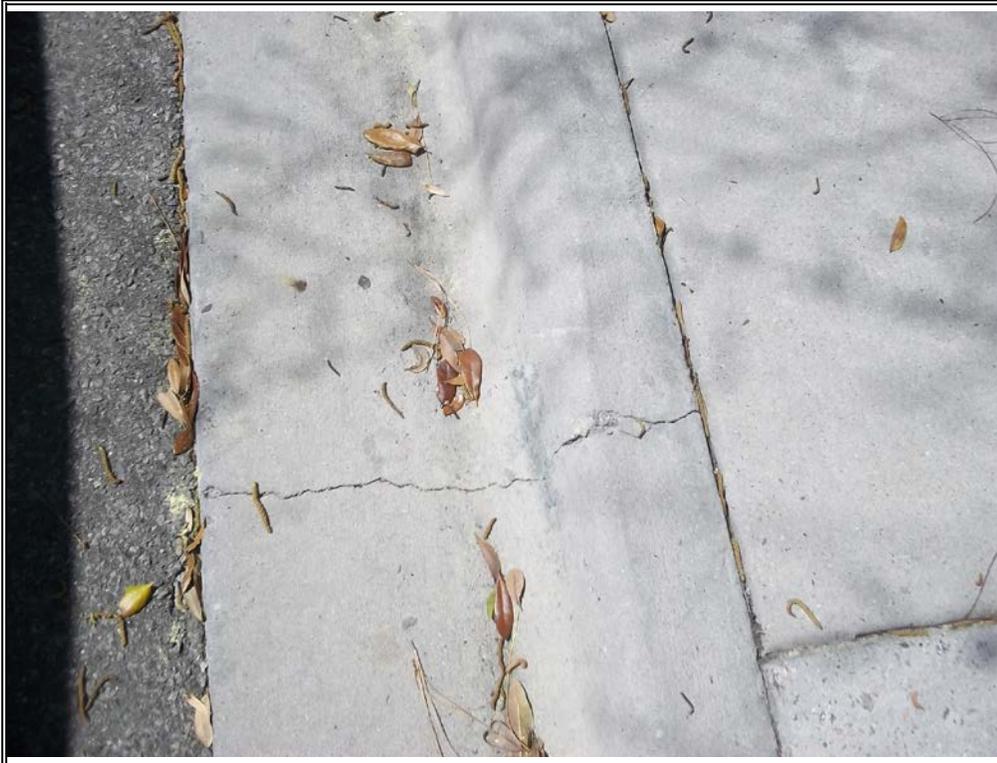
Description:
Previously
repaired section of
concrete flatwork

Photo Number
10

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Minor cracking in
concrete curbing

Photo Number
11



Description:
Concrete flatwork
leading to concrete
wheel paths in
alleys behind units

Photo Number
12

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Typical shelter

Photo Number
13



Description:
Water ponding in
roadway

Photo Number
14

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Minor
deterioration in
shelter

Photo Number
15



Description:
Asphalt depression

Photo Number
16

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Concrete curbing
deterioration

Photo Number
17



Description:
Seepage from
uphill areas
through curb

Photo Number
18

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Ponding in
roadway, typical

Photo Number
19



Description:
Typical drop inlet

Photo Number
20

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Small amounts of
fatigue cracking in
asphalt

Photo Number
21



Description:
Discharge from
outlet pipe; future
location of
underground
storage

Photo Number
22

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Whisper Park

Photo Number
23



Description:
Small fountain

Photo Number
24

Location:
Devaun Park
Calabash, NC

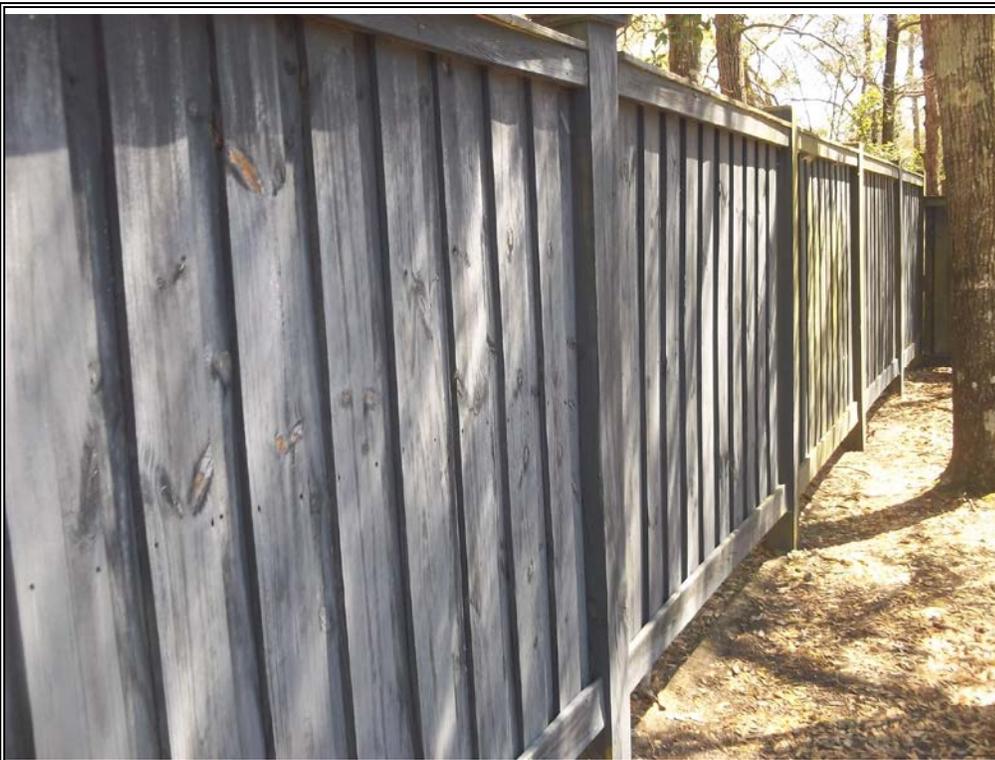
Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Association
maintained fence
along property
line; minor
warping and
deterioration of
boards

Photo Number
25



Description:
Typical fence

Photo Number
26

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Ponding adjacent
to roadway

Photo Number
27



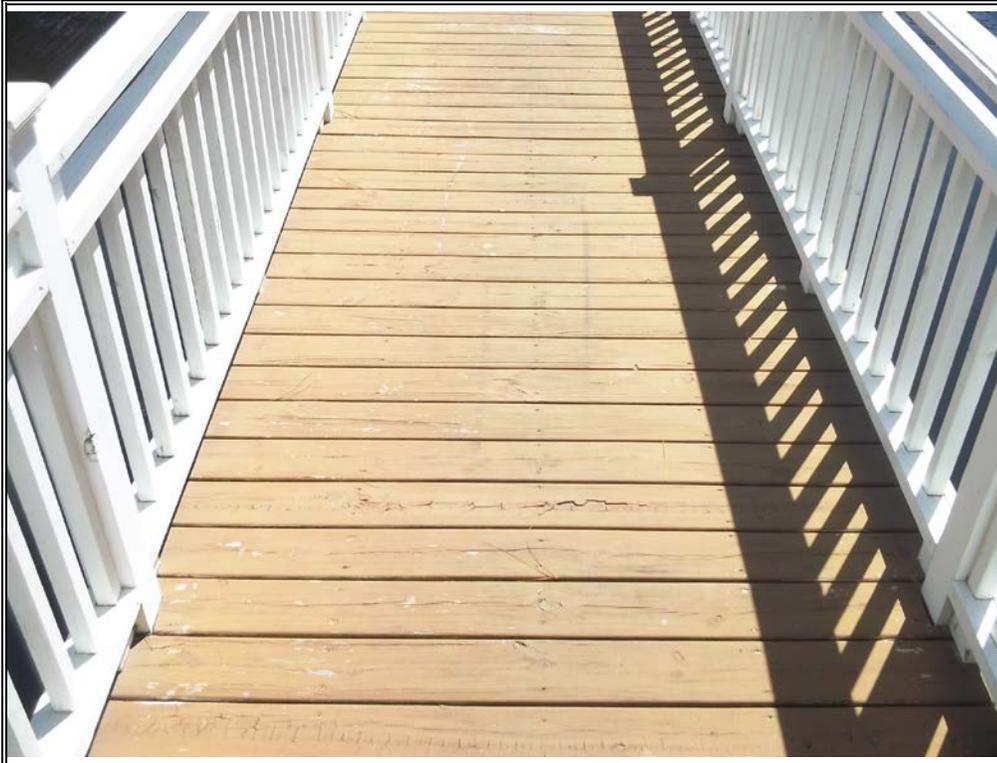
Description:
Devaun Lake

Photo Number
28

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Typical boardwalk

Photo Number
29



Description:
Typical
gazebo/shelter

Photo Number
30

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Seepage through
asphalt

Photo Number
31



Description:
Typical roadway

Photo Number
32

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Deterioration due
to lack of use of
majority of area

Photo Number
33



Description:
Typical swale in
community

Photo Number
34

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Clubhouse

Photo Number
35



Description:
Rear elevation

Photo Number
36

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Pool building

Photo Number
37



Description:
Pool

Photo Number
38

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Minor cracking at
surface

Photo Number
39



Description:
Crack repairs
noted

Photo Number
40

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Pool building
restroom

Photo Number
41



Description:
Pool pump and
filtration
equipment

Photo Number
42

Location:
Devaun Park
Calabash, NC

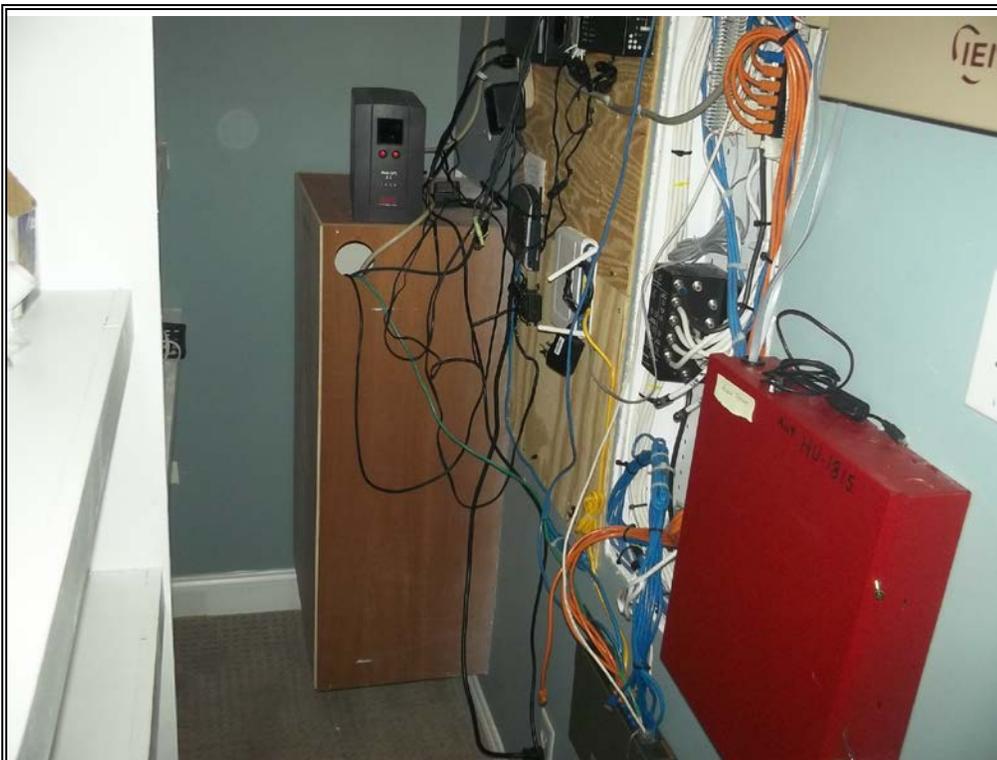
Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Upstairs
multipurpose room
and kitchen

Photo Number
43



Description:
Fire alarm control
panel and access
control system

Photo Number
44

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Fitness center

Photo Number
45



Description:
Multipurpose room

Photo Number
46

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:

1st floor
multipurpose room

Photo Number

47



Description:

1st floor kitchen

Photo Number

48

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:

Minor cracking in
tile floor

Photo Number

49



Description:

Fire alarm controls
and fire pull

Photo Number

50

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Typical bathroom

Photo Number
51



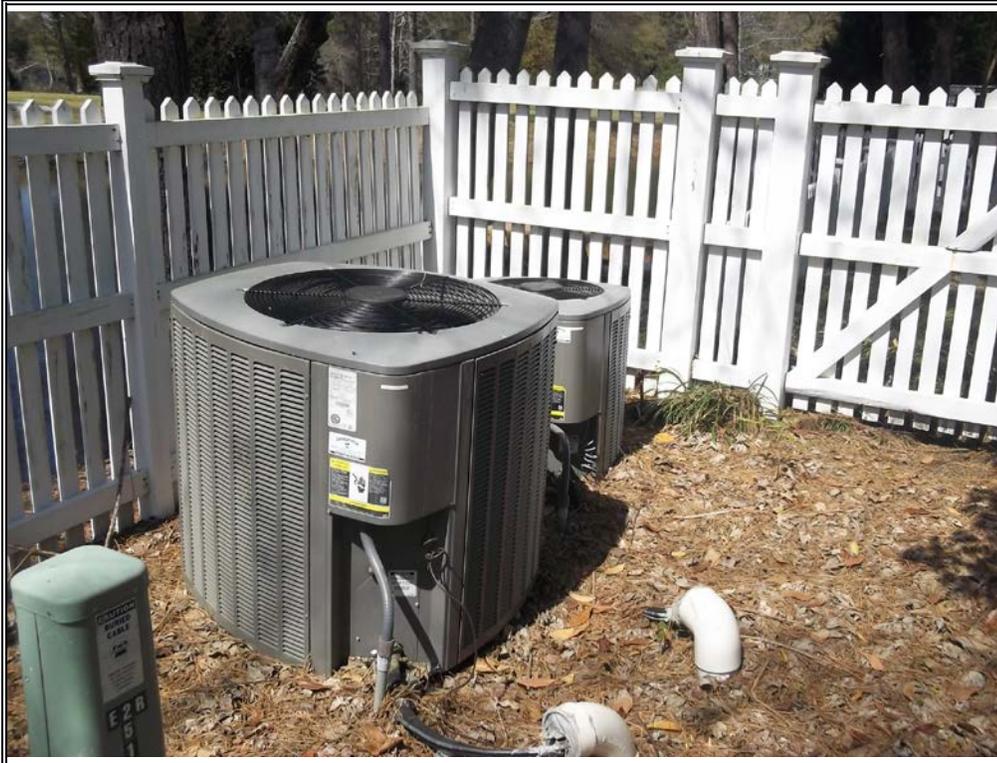
Description:
Water heater

Photo Number
52

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
HVAC units

Photo Number
53



Description:
Exterior of
clubhouse under
porch

Photo Number
54

Location:
Devaun Park
Calabash, NC

Photo Taken by:
Christopher A. Flythe, PE

Date:
March 21, 2016



Description:
Surveillance
system

Photo Number
55



Description:
Typical pool
furnishings

Photo Number
56