



2059 Camden Ave. Suite 151, San Jose, CA 95124

Dear Board,

I wish to thank you for considering SMA Reserves for the preparation of your community's 2018 Reserve Study Update.

Enclosed you will find the Reserve Study Update Agreement for your project. SMA Reserves will prepare a reserve study update including the necessary Assessment and Reserve Funding Disclosure Summary to comply with civil code 5570.

Scope of Work

The Reserve Study update is designed to provide the board with an updated reserve funding plan and disclosure documents based on the component list set forth in the most recent reserve study. The update will adjust unit costs based on standard inflation and will adjust the remaining useful life of previously determined major components. Because there will be no visual inspection to the major components, the adequacy of data presented in the reserve update will be dependent on the adequacy of data provided in the most recent reserve study.

The updated reserve funding plan will include a financial analysis of the association's reserve fund balance, evaluation of the adequacy of the reserve fund, and a recommendation for future reserve funding.

Services will be provided for a fee of \$375

Payment is due at time of signed contract

Note: Additional cost centers requiring a separate report are an additional \$125 per cost center/report. If you have questions about what level is needed, please contact me.

Please review the enclosed agreement and reserve study update checklist. SMA Reserves will begin preparation of your community's reserve study update upon receipt of the signed agreement, and documents necessary for the completion of your reserve study. Please forward these documents to my attention at your earliest convenience.

If you have any questions, please do not hesitate to ask.

Kindest regards,

David Hodges

APPROVAL

Association: _____

Approved by: _____

Signature: x _____

Date: _____

RESERVE STUDY UPDATE CHECKLIST

The following documents will assist us in preparing a more accurate and concise reserve study update for your community. The more information we have, the better the update will be.

Please provide us with a copy of the following information:

Document Checklist

- | | |
|---|-----------------|
| <input type="checkbox"/> Signed Reserve Study Agreement | * Required |
| <input type="checkbox"/> Previous Reserve Study or Update (if not done by SMA Reserves) | * Required |
| <input type="checkbox"/> Current Balance Sheet showing Reserve Fund Balance | * Required |
| <input type="checkbox"/> Current Budget – Indicating the Annual Reserve Contribution | * Required |
| <input type="checkbox"/> Project Deferral Statement by Board | * If Applicable |

Reserve Project Information

Please list any reserve components that have been completed since the last reserve study/update by their component name from the previous reserve study:

Component / Work Performed: _____

Cost of Project: _____

Component / Work Performed: _____

Cost of Project: _____

Component / Work Performed: _____

Cost of Project: _____

Component / Work Performed: _____

Cost of Project: _____

Component / Work Performed: _____

Cost of Project: _____

Component / Work Performed: _____

Cost of Project: _____

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Cost of Project: _____
