

R-Ranch Property Owners Association
Reserve Study Summary
Reserves for January 1, 2025-December 31, 2025

Current Reserve Balance: \$61,246.85

Total Reserves Necessary to be Fully Funded: \$1,696,008

Percent Currently Funded: 3.61%

Annual Contribution to Reserve Account: \$22,919.40

The procedures used to complete this reserve study included: on-site inspection, reviewing the previous R-Ranch reserve study for 2024, referring to online construction formulas, searching online for current average sales prices of the components, utilizing depreciation charts and online searching to determine useful life of components, and inputting all data into the FJ Strategic Reserve Study Software. The average remaining years of asset life were based on each asset's current condition or last time it was replaced or repaired compared to industry standards. Costs for repairs were based on the assumption that we would handle most work in-house. An average cost of living increase of 3% was used to calculate the expected replacement cost of each component for 30 years into the future, ending with the year 2054. There is currently \$61,246.85 in the reserve account, which is significantly below the estimated amount needed to meet future repair and maintenance needs. Based on this reserve study, the replacement/repair costs would be \$1,696,008 in 2025, \$896,561 in 2026, and \$996,720 in 2027. The total estimated amount that should be set aside in 2025 for future needs, many of which are immediate, would be \$1,696,008. The current reserve is 3.61% of next year's estimated requirement. Please keep in mind that although many of our components are technically beyond their useful life, they are still functioning adequately so their replacement during 2025 is not anticipated.

At this time the Board does not anticipate the need for a special assessment in 2025.

The full reserve study review is available in the member portal of www.r-ranchca.com, or by written request submitted to Headquarters.