

3- Minute Executive Summary

Association: Kalapana Seaview Estates Assoc. #: 23159-0
Location: Pahoa, HI 96778
of Units: 450
Report Period: January 1, 2012 through December 31, 2012

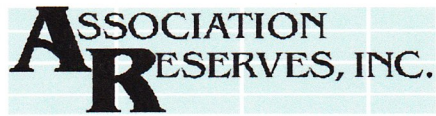
Results as-of 1/1/2012:

Projected Starting Reserve Balance:	\$44,536
Fully Funded Reserve Balance:	\$56,288
Average Reserve Deficit (Surplus) Per Unit:.....	\$26
Percent Funded:	79.1%
Recommended 2012 Annual Reserve Contribution:	\$8,060
Recommended 2012 Special Assessment for Reserves:	\$0
Most Recent Reserve Contribution Rate:.....	\$0

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves..... 0.00%
Annual Inflation Rate..... 3.50%

- This is a "Full" Reserve Study (original, created "from scratch").
- The information in this Reserve Study is based on our site inspection on January 5, 2012.
- This Reserve Study was prepared by, or under the supervision of, a credentialed Reserve Specialist (RS).
- Because your Reserve Fund is (above 70%) at 79.1% Funded, this represents a strong position. In perspective, reserve strength typified by absence of special assessments and other cash flow problems is typically found in associations above the 70% Funded Level. Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions.
- No assets appropriate for Reserve designation were excluded.



Analysis File V3.6, 3/10

Starting Information:

Client #:	23159-0		
Name:	Kalapana Seaview Estates		
Location:	Pahoa, HI 96778		
# Units:	450		
Base Yr:	2012		
Period Start:	1/1/2012		
Period End:	12/31/2012		
Site Inspection Date:	1/5/2012		
Total Assessmts.	\$27,800.83	Per Unit:	\$61.78
Res Contribs.	\$0.00	Per Unit:	\$0.00
Starting Reserve Bal:	\$44,536		
Interest:	0.00%		
Inflation:	3.50%		

Status:

Proportional FFB:	\$56,288
Percent Funded:	79.1%
Swain Factor:	1.031%

Recommendation:

Res Contrib.	\$8,060	Per Unit:	\$17.91
Annual Increase:	3.00%		
# of Years:	30		
Secondary Increase:	0.00%		
# of Years:	30		
1st Yr S.A.:	\$0	Per Unit:	\$0.00
2nd Yr S.A.:	\$0	Per Unit:	\$0.00
3rd Yr S.A.:	\$0	Per Unit:	\$0.00
4th Yr S.A.:	\$0	Per Unit:	\$0.00
5th Yr S.A.:	\$0	Per Unit:	\$0.00

Minimum Balance:	\$15,810.53
Min Margin:	43.0%

System Defaults:

Current Annual Increase:	3.00%
Budget Cycles Per Year:	1
Text Budget Cycles:	Monthly (Monthly/Annual/Quarterly)

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
103	Concrete Deck/Walk - Partial Repr	10	2	\$500	\$536
305	Security Cameras - Replace	12	11	\$2,000	\$2,920
314	Catchment Tank - Rebuild	10	3	\$2,750	\$3,049
315	Catchment Tank - Replace	30	15	\$5,000	\$8,377
330	Meter Panel - Replace	20	19	\$1,350	\$2,595
403	Mailboxes - Partial Repl	10	5	\$5,150	\$6,117
404	Pavilion Furniture - Partial Repl	1	0	\$410	\$424
405	Play Equipment - Replace	10	7	\$3,000	\$3,817
501	Rock Wall - Repair	8	7	\$550	\$700
515	Wood Damage - Repairs	1	0	\$1,150	\$1,190
517	Ohia Posts - Partial Repl	5	0	\$2,300	\$2,732
603	Tile Floor - Replace	20	19	\$3,300	\$6,344
702	Utility Doors - Replace	15	14	\$6,000	\$9,712
909	Park Bathrooms - Refurbish	1	0	\$425	\$440
911	Office Furn. & Equip - Replace	2	1	\$700	\$725
1308	Metal Roofs - Replace	20	10	\$15,145	\$21,364
1308	Office Metal Roof - Replace	20	19	\$2,145	\$4,124
1308	Wood Shingle Roof - Replace	20	2	\$1,950	\$2,089
1310	Gutters/Downspouts - Repair	20	10	\$1,100	\$1,552
1402	Signage - Replace	20	0	\$2,500	\$4,974
1900	Office Building - Install	N/A	0	\$20,000	\$0
1901	Septic Tank - Install	N/A	0	\$10,000	\$0
22	Total Funded Components				

Note 1: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: highlighted line items are expected to require attention in the initial year