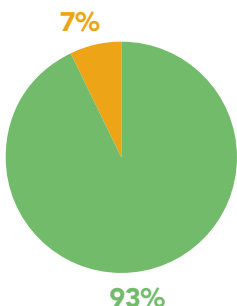


snap survey

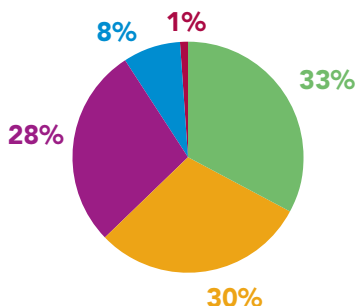
SEPTEMBER 2013

Does your association have a formal reserve fund for the future repair and replacement of major common elements in the community?



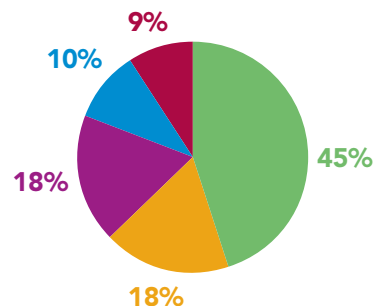
■ Yes
■ No

How frequently is the study updated or scheduled to be updated?



■ Every five years
■ Every three years
■ Every year
■ Every two years
■ Never

How does the association determine how much to keep in the reserve fund?



■ Full/proportional funding based on the recommendations of a professional Reserve Specialist
■ Threshold funding based on the recommendations of a professional Reserve Specialist
■ What the association can afford to set aside, which you do NOT believe is adequate
■ Baseline fund based on the recommendations of a professional Reserve Specialist
■ What the association can afford to set aside, which you DO believe is sufficient

» **ASSESSMENTS:** 33% of respondents say their association has increased assessments during the previous 4–5 years to pay for major repairs and replacements that would have been funded with sufficient reserves.

» **SPECIAL ASSESSMENTS:** 20% of respondents say their association has used a special assessment during the past 4–5 years to fund major repairs and replacements.

Data based on responses from almost 400 community managers.

“It’s a lack of understanding as to what a reserve study is. The board simply doesn’t know that (reserves) are part of the financial obligation.”

“Our homeowners understand the risks of large repairs and prefer the steady building of reserves over the possibility of large special assessments. Part of that is due to our efforts to educate them.”

“Board members do not want to pay too much for roofs that will not be a direct benefit to them. Some do not comprehend the importance of adequate reserves despite attempts to educate.”

