



RESERVE STUDY

Member Distribution Materials

Caughlin Creek / Deer Creek

Update w/o Site Visit Review

2024 Update

Published - June 03, 2024

Prepared for the 2025 Fiscal Year

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June 03, 2024

This is a summary of the Reserve Study that has been performed for Caughlin Creek / Deer Creek, (the "Association") which is a Planned Community with a total of 178 Units. This study was conducted in compliance with Nevada *NRS 116.31151 and NRS 116.31152* and is being provided to you as a member of the Association. A full copy is available (through the Association) for review by members of the Association.

The intention of the Reserve Study is to forecast the Association's ability to repair or replace major components as they wear out in future years. This is done utilizing the "Cash Flow Method." This is a method of developing a reserve funding plan where the contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund.

Browning Reserve Group, LLC prepared this Update w/o Site Visit Review for the January 1, 2025 - December 31, 2025 fiscal year. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 2.50% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2.50% per year.

The Reserve Study is not an engineering report, and no destructive testing was performed. The costs outlined in the study are for budgetary and planning purposes only, and actual bid costs would depend upon the defined scope of work at the time repairs are made. Also, any latent defects are excluded from this report.

This reserve study was produced under the responsible charge of Robert W Browning who, pursuant to Nevada regulation R145-06, is a Nevada Reserve Study Specialist (RSS #5).

Funding Assessment

Based on the 30 year cash flow projection, the Association's reserves appear adequately funded as the reserve fund ending balances remain positive throughout the replacement of all major components during the next 30 years.

Nevada statute imposes no reserve funding level requirements. Although one or more of the reserve fund percentages expressed in this report may be less than one hundred percent, those percentages do not necessarily indicate that the Association's reserves are inadequately funded.

The board of directors does not anticipate any special reserve assessment will be required during the current 30-year life of the reserve study to repair, replace, maintain or restore any major component or to provide adequate reserves. (*NAC 116.430 8*)

Caughlin Creek / Deer Creek
Nevada Member Summary
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<i>Reserve Component</i>	<i>Current Replacement Cost</i>	<i>Useful Life</i>	<i>Remaining Life</i>	<i>2024 Fully Funded Balance</i>	<i>2025 Fully Funded Balance</i>	<i>2025 Line Item Contribution based on Cash Flow Method</i>
01000 - Paving	1,085,376	2-27	0-21	472,766	449,085	47,213
02000 - Concrete	187,028	5-30	4-29	15,902	24,525	8,587
04000 - Structural Repairs	2,518	20-20	15-15	629	774	112
11000 - Gate Equipment	137,528	1-12	0-8	83,966	35,464	6,299
18500 - Lakes / Ponds	7,034	1-1	1-1	3,517	7,210	2,209
20000 - Lighting	46,687	20-40	3-17	35,095	37,293	991
21000 - Signage	12,120	15-20	0-14	10,888	734	407
24600 - Safety / Access	9,122	1-6	0-1	7,663	8,974	916
31000 - Reserve Study	3,603	5-5	0-4	2,347	2,632	461
Totals	\$1,491,016			\$632,773	\$566,691	\$67,195
Estimated Ending Balance				\$242,513	\$290,287	\$31.46
Percent Funded				38.3%	51.2%	/Unit/month @ 178

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Beginning Balance	328,944	242,513	290,287	366,532	440,254	162,804	219,941	325,222	239,323	304,760
Inflated Expenditures @ 2.5%	150,431	25,999	11,154	29,800	395,298	59,426	14,742	207,634	57,537	29,489
Reserve Contribution	56,945	67,195	79,290	93,562	110,403	111,838	113,292	114,765	116,257	117,768
<i>Units/month @ 178</i>	26.66	31.46	37.12	43.80	51.69	52.36	53.04	53.73	54.43	55.13
<i>Percentage Increase</i>	18.0%	18.0%	18.0%	18.0%	18.0%	1.3%	1.3%	1.3%	1.3%	1.3%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	7,055	6,578	8,109	9,960	7,445	4,725	6,730	6,970	6,717	8,722
Ending Balance	242,513	290,287	366,532	440,254	162,804	219,941	325,222	239,323	304,760	401,762

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Beginning Balance	401,762	517,434	628,399	752,089	659,823	771,060	869,209	955,264	1,067,013	1,215,683
Inflated Expenditures @ 2.5%	14,975	24,031	15,774	233,709	32,052	49,358	65,380	43,805	11,797	817,983
Reserve Contribution	119,299	120,850	122,421	124,012	125,624	127,257	128,911	130,587	132,285	134,005
<i>Units/month @ 178</i>	55.85	56.58	57.31	58.06	58.81	59.58	60.35	61.14	61.93	62.74
<i>Percentage Increase</i>	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	11,348	14,146	17,043	17,431	17,665	20,250	22,524	24,966	28,181	21,842
Ending Balance	517,434	628,399	752,089	659,823	771,060	869,209	955,264	1,067,013	1,215,683	553,547

	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Beginning Balance	553,547	674,412	777,488	924,782	1,016,753	495,418	593,576	583,078	683,863	838,075
Inflated Expenditures @ 2.5%	30,042	52,360	13,022	73,110	682,949	60,089	171,710	63,448	15,101	258,840
Reserve Contribution	135,747	137,512	139,300	141,111	142,945	144,803	146,685	148,592	150,524	152,481
<i>Units/month @ 178</i>	63.55	64.38	65.22	66.06	66.92	67.79	68.67	69.57	70.47	71.39
<i>Percentage Increase</i>	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	15,160	17,925	21,016	23,970	18,669	13,444	14,527	15,641	18,789	19,622
Ending Balance	674,412	777,488	924,782	1,016,753	495,418	593,576	583,078	683,863	838,075	751,338