



September 25, 2015

This is a summary of the Reserve Study that has been performed for Summerlin West Community Association, (the "Association"). 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 prepared this Full Study for the January 1, 2016 - December 31, 2016 fiscal year.

Summerlin West Community Association is a Planned Community with a total of 4,988 Units.

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 nor does it address funding level adequacy, and 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.

During the 2015 reserve site visit, the association was under construction. Continuing construction activity may alter the projections presented in this study. If construction does alter the projections within this study, a new component inventory and funding plan will be required. The board of directors does not anticipate any special assessment will be required to repair, replace, maintain or restore any major component or to provide adequate reserves.

Summerlin West Community Association
Nevada Member Summary
Second Draft
Prepared for the 2016 Fiscal Year

<i>Reserve Component</i>	<i>Current Replacement Cost</i>	<i>Useful Life</i>	<i>Remaining Life</i>	<i>2015 Fully Funded Balance</i>	<i>2016 Fully Funded Balance</i>	<i>2016 Line Item Contribution based on Cash Flow Method</i>
02000 - Concrete	47,400	25-25	13-13	22,752	25,264	0
03000 - Painting: Exterior	353,739	5-10	2-6	150,628	195,333	0
04000 - Structural Repairs	125,194	25-30	13-18	52,317	58,093	0
18000 - Landscaping	170,137	5-20	0-23	120,024	117,655	0
19000 - Fencing	1,015,818	10-30	6-18	406,327	486,389	0
19500 - Retaining Wall	16,432	5-5	5-5	2,739	3,369	0
20000 - Lighting	219,800	20-20	8-8	131,880	146,442	0
21000 - Signage	74,045	7-30	3-18	30,629	40,762	0
26000 - Outdoor Equipment	186,627	1-30	0-18	108,957	122,867	0
Totals	\$2,209,191			\$1,026,253	\$1,196,174	\$0
Estimated Ending Balance				\$1,235,392	\$1,266,277	\$0.00
Percent Funded				120.4%	105.9%	/Unit/month @ 4,988