



Sonnenberg & Company, CPAs

A Professional Corporation

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Leonard C. Sonnenberg, CPA

**West Point Loma
Owners Association, Inc.
RESERVE STUDY
December 31, 2026**





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<u>Section</u>	<u>Page</u>
RESERVE STUDY EXECUTIVE SUMMARY	1-2
ASSESSMENT AND RESERVE FUNDING DISCLOSURE SUMMARY	3
(These 3 pages should be distributed to owners as part of annual budget package)	
RESERVE STUDY REPORT	
Accountant's Report	4
Reserve Analysis Worksheets	5-6
Funding Projection Options	7
Chart Relating to Projections	8
Notes & Assumptions	9-10

Reserve Study Executive Summary

Association Name: **West Point Loma Owners Association, Inc.**
 Location: **4532-4578 West Point Loma Blvd., San Diego, CA**
 No. of Units: **24** Built: **1980** Fiscal Year Ending: **December 31, 2026**
 Level of Study: **Level II: Update with On-Site Inspection** Date of Physical Inspection: **September 29, 2026**

CURRENT FISCAL YEAR END SUMMARY OF RESERVE COMPONENTS

(See Reserve Analysis Worksheet, pg. 5, for breakdown of all components individual lives, current costs, and projected future replacement costs)

Reserve Component Groups	Estimated Useful Life	Estimated Remaining Life	Estimated Replacement Cost	Annual Funding Requirement	Accumulated Funding Requirement	Allocation of Fund Balance	Percent of Fund Balance
ROOFING/DECKS	9 - 35	1 - 19	\$ 198,800	\$ 11,256	\$ 154,716	\$ 130,152	36.3%
PAINTING/REPAIRS	6 - 25	1 - 25	120,363	9,265	85,188	71,663	20.0%
FENCING/RAILS/GATES/SECURITY	10 - 35	1 - 25	81,236	4,212	47,881	40,279	11.2%
PAVED SURFACES	5 - 20	3 - 7	55,520	4,701	30,493	25,652	7.2%
SPA	5 - 30	1 - 15	24,192	2,345	18,047	15,182	4.2%
LANDSCAPING & IRRIGATION	5 - 25	1 - 25	26,500	1,620	8,960	7,537	2.1%
LIGHTING & ELECTRICAL	6 - 9	2 - 5	4,872	656	2,626	2,209	0.6%
MISCELLANEOUS	5 - 35	1 - 11	73,640	3,770	58,178	48,941	13.6%
CONTINGENCY (5%)			29,256	1,891	20,304	17,081	4.8%
TOTALS			\$ 614,379	\$ 39,716	\$ 426,392	\$ 358,696	

CURRENT FISCAL YEAR RESERVE FUNDS

Current Budgeted Annual Reserve Allocation	\$ 24,600
Reserve Fund Balance as of: September 30, 2026	\$ 356,846
Interest Income accrued through Year End	1,850
Anticipated Funding to Year End	-
Anticipated Expenditures to Year End	-
Cash Projected at Year End December 31, 2026	<u>\$ 358,696</u>
Accumulated Funding Requirement (Fully Funded)	\$ 426,392
Percentage Funded at the end of this Fiscal Year	84.1%
Accumulated Deficiency for Current Fiscal Year	\$ 67,696
Deferred repair/replacement of any major component with a remaining life of 30 years or less?	Per Unit \$ 2,821 NO

RESERVE FUNDING OPTIONS FOR THE FISCAL YEAR ENDING: 2027

	per unit per month	per year
<i>funding options assume a 3% increase, unless otherwise noted</i>		
Annual Requirement Funding:	\$ 142	\$ 40,907
Current Budgeted Funding:	88	25,338
Recommended Funding:	99	28,536
Special Assessment/s Recommended?		NO

For funding option details please see Reserve Study Summary page 2

We present this summary of the repair and replacement funding program of the Association as of December 31, 2026, and the related reserve funding projection for the 30-year period from 2027 to 2056, based on information provided by management and based upon the consultant's estimates of the most probable reserve component replacement costs, conditions, and lives. The annual requirement is based on the cost of each component divided by its total useful life. The accumulated requirement is the annual requirement multiplied by the number of years each component has been in service. The difference between accumulated requirement total and the actual cash balance may indicate a deficit which would be expressed in the percentage funded.

The above information is a condensed summary of the reserve study, in compliance with CA Civil Codes 5300, 5550, and 5600, and is intended to be included in the annual budget package to be provided to owners not less than 30 nor more than 90 days prior to the Association fiscal year end. CACC 5550 requires an on-site inspection every 3 years, and the study to be reviewed annually. Assumptions have been made about costs, conditions, and future events that may occur. Some of these assumptions may not materialize; and unanticipated events and circumstances may occur subsequent to the date of this report. Therefore, the actual replacement costs and lives may vary from this report and the variations may be material.

The compilation of this reserve funding analysis and projection is based on representations of management and the consultant's estimates. We have not audited or reviewed the accompanying analysis and projections and, accordingly, do not express an opinion or any other form of assurance on them. We assume no responsibility to update this report for events occurring after the date of issuance of this report.



October 12, 2026

Sonnenberg & Company, CPAs

West Point Loma Owners Association, Inc.
Level II: Update with On-Site Inspection
December 31, 2026

Inflation and Interest Earned on Reserves:

As an industry standard, provision has been made in the funding projections for inflation, computed at three percent (3%), and an assumed 1% net interest on the reserve balance has been added to the reserve funds. As costs increase in the future, the annual reserve reports should be revised accordingly.

Reserve Calculations:

Based on estimated current replacement costs of \$614,379 and estimated normal and remaining useful lives as determined by the independent consultant, the annual funding requirement is calculated to be \$39,716.

The accumulated funding requirement is calculated to be \$426,392.

As of December 31, 2026, the Association may have \$358,696 in accounts designated as reserve funds.

Therefore, a deficit of \$67,696 has been calculated, with a funding percentage of 84.1%. A portion of the annual reserve requirement may be provided for in the operating budget.

Industry Standard Measure of Funding Strength:

0% - 30% = WEAK At this level of funding, Special Assessments and deferred maintenance are likely.

31% - 70% = FAIR At this level of funding Special Assessment and deferred maintenance are less likely, but could still pose a concern. Efforts should be taken to increase to a healthier level of funding.

>70% = STRONG At this level of funding the Association should be well covered, with hopefully no need for deferred maintenance or Special Assessments.

Funding Calculations:

There are a variety of methods by which the Association can approach the desired level of funding. The Board is responsible for determining the optimum funding program. We have calculated three options:

Option 1: Annual Requirement Funding: This option assumes that the Association will maintain the annual funding requirement as calculated on page 5, without regard to any funding deficiency.

Currently the annual requirement allocation is \$40,907 or \$142 per unit per month (based on annual funding requirement, plus 3% inflation increase) beginning next fiscal year.

Strong level of funding in FY 2027.

Future overfunding is likely.

Option 2: Current Funding: The current budgeted funding level is projected over the 30-year period, including 3% inflation annual increase, as compared to option 1 and 3.

Currently, with the 3% increase, \$25,338 or \$88 per unit per month will be allocated to reserves next fiscal year.

Reserves are currently funded at the Strong level of funding.

Reserves could fall to the Fair level of funding beginning FY 2027 and deficits could occur beginning FY 2037.

Option 3: Recommended Funding: This option is intended to calculate the amount of funding that would be the most sufficient for the Association over the next 30 years. The Current Budgeted Funding, and the Annual Requirement Funding are both taken into consideration while creating a Recommended Funding that is hopefully achievable by the Association. The 3% inflation annual increase is assumed, unless otherwise noted.

Recommended funding is, \$28,536 or \$99 per unit per month.

To avoid deficits which could occur beginning FY 2037 and to keep reserves funded at a stronger level of funding, the regular reserve allocation could be increased 16% annually in FY's 2027 through 2031.

To avoid possible future overfunding, the regular reserve allocation could be decreased to equal \$48,000 annually in FY 2039.

Reserves could maintain the Strong level of funding beginning FY 2028.

West Point Loma Owners Association, Inc.
Assessment and Reserve Funding Disclosure Summary
December 31, 2026

(1) Regular Assessments -

Assessments to members are averaged at \$550 per unit per month for the year ending December 31, 2026.

* If assessments vary by the size or type of unit, the applicable assessment rates may be found in the Association's accompanying Annual Budget and /or can be provided by the Association/management agent.

(2) Special Assessments - Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, which have been approved by the Board and/or members:

Date assessment is due:	Amount/ unit/month	Purpose of this assessment is to fund or supplement the replacement costs of:
N/A		

(3) Reserve Account Balances -

Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the Association's obligation for repair/and or replacement of major components during the next 30 years?

Yes

No

X

(4) Additional Assessments -

If the answer to #3 is No, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board of directors or the members?

Recommended Funding: To avoid deficits which could occur beginning FY 2037 and to keep reserves funded at a stronger level of funding, the regular reserve allocation could be increased 16% annually in FY's 2027 through 2031. To avoid possible future overfunding, the regular reserve allocation could be decreased to equal \$48,000 annually in FY 2039. Reserves could maintain the Strong level of funding beginning FY 2028.

(5) Major Components -

All major components are included in the reserve study and are included in its calculations.

(6) Current Funding Comparison -

As of the current reserve study or update, the balance in the reserve fund is projected to be \$358,696.

Based on the method of calculation in paragraph 4 of subdivision (b) of Section 5570 the estimated accumulated funding requirement is \$426,392. The percentage funded is: 84.1%

(7) Funding over next 5 Budget Years -

Based on the method of calculation in paragraph 4 of subdivision (b) of Section 5570 the estimated amount required in the reserve fund at the end of each of the next five budget years is projected to be:

\$243,177	\$272,213	\$286,389	\$323,270	\$346,779
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The projected reserve fund cash balance at the end of each of those years is projected to be, taking into account only assessments already approved and other known revenues, as follows:

\$164,690	\$180,564	\$181,328	\$204,420	\$214,010
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% Funded	67.7%	66.3%	63.3%	63.2%	61.7%
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If the recommended reserve funding plan is approved by the Association and implemented, the projected reserve fund cash balance at the end of each of those years would be:

\$167,888	\$190,798	\$203,181	\$243,345	\$276,475
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% Funded	69.0%	70.1%	70.9%	75.3%	79.7%
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The law does not require the Association to fund reserves in accordance with these calculations.

The financial representations set forth in this summary are based on best estimates of the consultant at the time. These estimates regarding costs, lives and conditions are subject to change.

An assumed long-term inflation rate to be applied to major component repair and replacement costs was 3% per year.

An assumed long-term net interest rate earned on reserve funds is 1% per year.

Per CACC 5550, the Association is required to adopt a reserve funding plan.

October 12, 2026



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Leonard C. Sonnenberg, CPA

October 12, 2026

**West Point Loma
Owners Association, Inc.
Reserve Study Report
December 31, 2026**

Board of Directors and Owners:

We have compiled the accompanying Reserve Study Report of the West Point Loma Owners Association, Inc. as of December 31, 2026, the reserve funding projections for the thirty-year period from 2027 through 2056, and the related Reserve Study Summary Sheet and the Assessment and Reserve Funding Disclosure Summary for distribution to owners.

Our report is based on information provided by management and an independent consultant's judgment and estimates, based on circumstances at the time of the inspection, of the most probable reserve component replacement costs, normal and remaining useful lives as described in the accompanying consultant's report.

Assumptions have been made about costs, conditions, and future events and circumstances that may occur. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this report. Therefore, the actual replacement costs and remaining lives may vary from this report and the variations could be material.

This report is designed to help your Association comply with California Civil Code 5300 and should not be used for any other purpose. This study is required to be updated and distributed to each owner-member within 90 days (and not less than 30 days) prior to the beginning of each fiscal year along with the operating budget and a statement regarding assessment collection policies.

We have not audited or reviewed the accompanying analysis and projection and, accordingly, do not express an opinion or any form of assurance on them. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

Sonnenberg & Company, CPAs

Consultant's Report:

(source key: C = Consultant; M = Management/Board of Directors; V = Vendor; A = Actual Cost)

Accountant's Program:

COMPONENT		Units Measured	Unit Cost	Src	Cond	Current Replcmt Cost	Estimated Life: Usfl	Rmg	Inspection Notes	Annual Funding Reqrmnt	Accumitd Funding Reqrmnt	Cash In Reserves	Deficit	2027 Disb	2028 Disb	2029 Disb	2030 Disb	2031 Disb
														1	2	3	4	5
ROOFING/DECKS																		
Fiberglass Composition Shingles		192	sq		C/M	n/a	\$	112,896	25	6	Have roofer check, no access	4,516	85,801	72,179	(13,622)			
Skylights, Replace		16	ea		C/M	n/a		13,888	35	3	Most appear to be in good shape	397	12,698	10,682	(2,016)		14,721	
Chimney Caps			Total		C/M	n/a		10,584	35	6	Have roofer check, no access	302	8,770	7,377	(1,392)			
Roof Ridge Vents			Total		M/A/C	n/a		11,032	25	19	Have roofer check, no access	441	2,648	2,227	(420)			
Entry Decks/Landings- Repair/Resurface			Allowance		C	P-F-n/a		28,000	9	1	Some serious cracking	3,111	24,889	20,937	(3,951)	28,000		
Unit Privacy Decks-Resurface		1,344	sf		C/M	n/a		22,400	9	1	No access, have contractor check	2,489	19,911	16,750	(3,161)	22,400		
Exterior Elevated Elements - Inspection & Report		Per the Board of Directors, no inspection is required. We recommend confirming with legal counsel.																
Subtotal							\$	198,800										
PAINTING/REPAIRS																		
Building Stucco		39,600	sf		C/M	P-F	\$	62,093	20	1	Discoloration and oxidation	3,105	58,988	49,623	(9,365)	62,093		
Perimeter Wall		3,120	sf		C/M	P-F		3,494	10	1	Discoloration and oxidation	349	3,145	2,646	(499)	3,494		
Exterior Wood/Misc.		8,600	sf		Total	C/M/A		13,720	6	1	Some of the wood needs painting after repair	2,287	11,433	9,618	(1,815)	13,720		
Wood Replacements			Allowance		C/M	F		3,250	6	1	Significant termite, i.e. front/rear of 4534	542	2,708	2,278	(430)	3,250		
Wrought Iron Spa Fence					SHOULD BE PAINTED ANNUALLY-OPERATING BUDGET													
All Steel Tube Fencing & Gates		388	lf		C/M	P		4,563	6	1	Oxidation evident	760	3,802	3,199	(604)	4,563		
Unit Entry Doors, Varnished		24	ea		C/M	G		1,747	8	7		218	218	184	(35)			
Entry Deck Topcoating-Units		562	sf		C/M	P		1,731	6	1	Cracks will let water dry rot wood	288	1,442	1,213	(229)	1,731		
Unit Privacy Deck Topcoating		1,344	sf		C/M	n/a		4,140	6	1	Cracks will let water dry rot wood, no access	690	3,450	2,902	(548)	4,140		
Balcony and Landing Repairs			Total		M/V			25,625	25	25	Also includes front lower patio 4544	1,025	-	-	-			
Subtotal							\$	120,363										
FENCING/RAILS/GATES/SECURITY																		
Entry Deck & Patio Walls			Allowance		C/M	F-P	\$	7,840	10	2	Some termite damage	784	6,272	5,276	(996)		8,075	
Wrought Iron Spa Fence		40	lf		C/M	F		4,040	30	5	Appears stable	135	3,367	2,832	(535)			4,525
Steel Tube Fencing-Front Perimeter		348	lf		Total	C/M		28,000	25	11	No serious rust evident	1,120	15,680	13,191	(2,489)			
Metal Tubular Pedestrian Gates		6	ea		Allowance	C/M		8,400	20	6	Some repairs needed	420	5,880	4,946	(934)			
Pedestrian Gate Lock Systems		6	ea		Total	C/M		2,744	12	1	Some repairs needed	229	2,515	2,116	(399)	2,744		
Wood Gates - Spa Equipment					OPERATING BUDGET													
Steel Hand Rail at Entry					Entry steps at some units have no hand rail. Check with contractor.													
Wrought Iron Vehicular Gate - West		1	ea		5,600.00	C/M	F-P	5,600	25	4	Some damage, appears plumb & square	224	4,704	3,957	(747)			
Wrought Iron Vehicular Gate - East		1	ea		5,600.00	C/M	F	5,600	25	16	Appears stable	224	2,016	1,696	(320)			
Vehicular Gate Motor - Exit		1	ea		6,004.00	M/V	n/a	6,004	15	15	Done by Select A System	400	-	-	-			
Vehicular Gate Motor - East		1	ea		4,368.00	C/M	n/a	4,368	15	6	No internal access, have technician check	291	2,621	2,205	(416)			
Entry Phone (DoorKing)		1	ea		3,640.00	C/M	n/a	3,640	15	1	No internal access, have technician check	243	3,397	2,858	(539)	3,640		
Masonry Perimeter/Retaining Walls			Allowance		C	n/a		5,000	35	25	Painting will extend life	143	1,429	1,202	(227)			
Subtotal							\$	81,236										
PAVED SURFACES																		
Asphalt Reseal/Restripe/Crack Seal		9,192	sf		M/V	G	\$	6,670	5	5		1,334	-	-	-			7,470
Asphalt Repairs			Allowance		C/M	n/a		7,280	10	6	Repair as needed	728	2,912	2,450	(462)			
Asphalt Overlay		9,192	sf		C/M	F		30,370	20	7	Overlay when cracks severe	1,519	19,741	16,607	(3,134)			
Concrete Paving			Allowance		C/M	F		11,200	10	3	Replace when fractured or shifted	1,120	7,840	6,595	(1,245)		11,872	
Subtotal							\$	55,520										
SPA																		
Replaster Spa		1	ea		9,520.00	C/M	P	\$	9,520	10	1	Significant discoloration & chipping	952	8,568	7,208	(1,360)	9,520	
Concrete Decking			Allowance		C/M	F		2,800	10	5	Some cracking	280	1,400	1,178	(222)			3,136
Coping Tiles		40	lf		38.08	C/M	P-F	1,523	30	5	Appear stable	51	1,269	1,068	(202)			1,706
Decoseal Joint Caulk		40	lf		9.52	C/M	P	381	5	1	Behind coping needs caulking	76	305	256	(48)	381		
Heater		1	ea		3,640.00	C/M	n/a	3,640	10	1	No access, have pool contractor check	364	3,276	2,756	(520)	3,640		

Consultant's Report:

(source key: C = Consultant; M = Management/Board of Directors; V = Vendor; A = Actual Cost)

Accountant's Program:

COMPONENT		Units Measured	Unit Cost	Src	Cond	Current Replcmt Cost	Estimated Life: Usfl	Rmg	Inspection Notes	Annual Funding Reqrmnt	Accumtld Funding Reqrmnt	Cash In Reserves	Deficit	2027 Disb	2028 Disb	2029 Disb	2030 Disb	2031 Disb	
Filter		1	ea	2,464.00	M/V	n/a	2,464	15	15		164	-	-	1	2	3	4	5	
Pumps/Motors		2	ea	Allowance	C/M	n/a	1,064	6	2	No access, have pool contractor check	177	709	597	(113)		1,096			
Spa Lights/Skimmers/Rails/Etc.				Allowance	C/M	n/a	2,800	10	1	No access, have pool contractor check	280	2,520	2,120	(400)	2,800				
Subtotal							\$ 24,192												
LANDSCAPING & IRRIGATION																			
Irrigation System Renovation			Allowance		C/M	n/a	\$ 2,800	5	1	No information	560	2,240	1,884	(356)	2,800				
Landscape Renovation			Allowance		C/M	n/a	11,200	20	8	Consult landscaper	560	6,720	5,653	(1,067)					
Backflow Valve (Caged)		1	ea	12,500.00	M/V	n/a	12,500	25	25		500	-	-	-					
Tree Trim/Removal				OPERATING BUDGET (M)															
Subtotal							\$ 26,500												
LIGHTING & ELECTRICAL																			
All Ext. Lights except post globes			Allowance		C/M	n/a	\$ 2,072	6	2	Have handyman check	345	1,381	1,162	(219)		2,134			
Post Mounted Globes		12	ea	Allowance	C/M	n/a	2,800	9	5	Have handyman check	311	1,244	1,047	(198)				3,136	
Subtotal							\$ 4,872												
MISCELLANEOUS																			
Mailboxes-6x Vert., Surface Mount		4	ea	840.00	C/M	F	\$ 3,360	25	8	Appear stable	134	2,285	1,922	(363)					
Entry Steps, Replace			Operating Budget																
Termite Treatments			Allowance		C/M	n/a	5,600	5	1	Have termite company check	1,120	4,480	3,769	(711)	5,600				
Window Repairs @ Units			Allowance		C/M	n/a	5,040	10	1	Have contractor check, no access	504	4,536	3,816	(720)	5,040				
Utility Doors, Replace		24	ea	1,120.00	C/M	P	26,880	25	11	Current doors do no close water tight	1,075	15,053	12,663	(2,390)					
Underground Utility Line Replace			Total		C/M	n/a	13,720	35	1		392	13,328	11,212	(2,116)	13,720				
Electric Switchgear Panels			Total		C/M	n/a	19,040	35	1	Very significant rust on breaker panels	544	18,496	15,559	(2,937)	19,040				
Subtotal							\$ 73,640												
Utility doors do not keep water away from steel breaker boxes. Use flashing near top and replace doors with something more sturdy.																			
CONTINGENCY (5%)							29,256			Unforeseen exp & cost overrun	1,891	20,304	17,081	(3,224)	10,616	565	1,330	305	999
TOTALS							\$ 614,379				39,716	426,392	358,696	(67,696)	222,931	11,871	27,923	6,409	20,972

Accumulated Funding Requirement ->

426,392

243,177

272,213

286,389

323,270

346,779

Major Repairs and Replacements Funding Requirements Following Six to Thirty Year Projection

	Estimated																		
COMPONENT	Usfl/Remg	Life	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2051	2056
			Disb	Disb	Disb	Disb	Disb	Disb	Disb	Disb	Disb	Disb	Disb	Disb	Disb	Disb	Disb	Disb	Disb
			6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	25	30
ROOFING/DECKS																			
Fiberglass Composition Shingles	25	6	129,830																
Skylights, Replace	35	3																	
Chimney Caps	35	6	12,172																
Roof Ridge Vents	25	19																	
Entry Decks/Landings-Repair/Resurface	9	1																	
			35,560																
			43,120																
Unit Privacy Decks-Resurface	9	1																	
Exterior Elevated Elements - Inspection & Report			28,448																
			34,496																
PAINTING/REPAIRS																			
Building Stucco	20	1																	
Perimeter Wall	10	1	4,543																
Exterior Wood/Misc.	6	1	16,190																
			18,659																
			21,129																
			23,598																
Wood Replacements	6	1	3,835																
Wrought Iron Spa Fence			4,420																
			5,005																
			5,590																
All Steel Tube Fencing & Gates	6	1	5,384																
Unit Entry Doors, Varnished	8	7	2,062																
Entry Deck Topcoating-Units	6	1	2,043																
Unit Privacy Deck Topcoating	6	1	4,885																
			2,354																
			5,630																
			2,666																
			6,375																
			7,120																
Balcony and Landing Repairs	25	25																	
			44,075																
FENCING/RAILS/GATES/SECURITY																			
Entry Deck & Patio Walls	10	2	10,427																
Wrought Iron Spa Fence	30	5																	
Steel Tube Fencing-Front Perimeter	25	11	36,400																
Metal Tubular Pedestrian Gates	20	6	9,660																
Pedestrian Gate Lock Systems	12	1																	
Wood Gates - Spa Equipment			3,732																
Steel Hand Rail at Entry			4,720																
Wrought Iron Vehicular Gate - West	25	4																	
Wrought Iron Vehicular Gate - East	25	16																	
Vehicular Gate Motor - Exit	15	15	8,526																
Vehicular Gate Motor - East	15	6	5,023																
Entry Phone (DoorKing)	15	1	5,278																
Masonry Perimeter/Retaining Walls	35	25																	
			8,600																
PAVED SURFACES																			
Asphalt Reseal/Restripe/Crack Seal	5	5	8,471																
Asphalt Repairs	10	6	8,372																
Asphalt Overlay	20	7	35,837																
Concrete Paving	10	3	15,232																
			9,471																
			10,556																
			10,472																
			11,472																
			12,473																
SPA																			
Replaster Spa	10	1	12,376																
Concrete Decking	10	5	3,976																
Coping Tiles	30	5	4,816																
Decoseal Joint Caulk	5	1	438																
Heater	10	1	495																
			4,732																

West Point Loma Owners Association, Inc.
24 Units; Built 1980

Major Repairs and Replacements Funding Requirements
Following Six to Thirty Year Projection

COMPONENT	Estimated Usfl/Remg Life		2032 Disb	2033 Disb	2034 Disb	2035 Disb	2036 Disb	2037 Disb	2038 Disb	2039 Disb	2040 Disb	2041 Disb	2042 Disb	2043 Disb	2044 Disb	2045 Disb	2046 Disb	2051 Disb	2056 Disb
Filter	15	15	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	25	30
Pumps/Motors	6	2			1,287						1,479	3,499					1,670		4,608
Spa Lights/Skimers/Rails/Etc.	10	1						3,640											
LANDSCAPING & IRRIGATION																			
Irrigation System Renovation	5	1	3,220					3,640					4,060						
Landscape Renovation	20	8			13,552														
Backflow Valve (Caged)	25	25																21,500	
Tree Trim/Removal																			
LIGHTING & ELECTRICAL																			
All Ext. Lights except post globes	6	2			2,507						2,880						3,253		
Post Mounted Globes	9	5									3,892								
MISCELLANEOUS																			
Mailboxes-6x Vert., Surface Mount	25	8			4,066														
Entry Steps, Replace																			
Termite Treatments	5	1	6,440					7,280					8,120						
Window Repairs @ Units	10	1						6,552											
Utility Doors, Replace	25	11						34,944											
Underground Utility Line Replace	35	1																	
Electric Switchgear Panels	35	1																	
CONTINGENCY (5%)			8,758	3,512	1,071	-	3,624	5,730	521	2,812	413	1,398	1,834	-	-	6,840	770	7,116	1,415
TOTALS			183,913	73,746	22,483	-	76,103	120,332	10,949	59,044	8,664	29,351	38,520	-	-	143,647	16,165	149,433	29,723

Accumulated Funding Requirement ->

208,540 181,658 207,231 256,478 230,814 162,113 203,986 198,955 245,497 272,542 291,609 350,389 410,359 327,875 374,063 345,848 440,190

Prepared by Sonnenberg & Company CPAs

See Accountant's Letter and the Accompanying Notes and Assumptions

Reserve Analysis Worksheets, Page 6

**West Point Loma Owners Association, Inc.
24 Units; Built 1980**

December 31, 2026

30-Year Cash Projections

30-Year Cash Projections:

Fiscal Year Ended -----> Number of Years----->	2027 1	2028 2	2029 3	2030 4	2031 5	2032 6	2033 7	2034 8	2035 9	2036 10	2037 11	2038 12	2039 13	2040 14	2041 15	2046 20	2051 25	2056 30
Option 1 - Annual Requirement Funding: Strong level of funding in FY 2027. Future overfunding is likely.																		
Reserve Allocation - Unit/Mth	142	146	151	155	160	165	170	175	180	185	191	197	203	209	215	249	289	335
Beginning Cash	358696																	
Annual Funding w/3% incrs (includes 3% annual increase)	40907	42134	43398	44700	46041	47423	48845	50311	51820	53375	54976	56625	58324	60074	61876	71731	83156	96400
Net Interest On Balance (1%)	3587	1803	2123	2299	2705	2983	1648	1415	1708	2243	2038	1405	1876	1887	2420	3754	5520	6356
Annual Disbursements	222931	11871	27923	6409	20972	183913	73746	22483	0	76103	120332	10949	59044	8664	29351	16165	149433	29723
Ending Cash Reserve - Option 1	180259	212325	229924	270514	298289	164782	141528	170771	224299	203814	140496	187577	188733	242030	276976	434765	491269	708647

Option 2 - Current Budgeted Funding: Reserves are currently funded at the Strong level of funding. Reserves could fall to the Fair level of funding beginning FY 2027 and deficits could occur beginning FY 2037.

Reserve Allocation - Unit/Mth	88	91	93	96	99	102	105	108	111	115	118	122	125	129	133	154	179	207
Beginning Cash	358696																	
Current Funding w/3% incrs (includes 3% annual increase)	25338	26098	26881	27688	28518	29374	30255	31163	32097	33060	34052	35074	36126	37210	38326	44430	51507	59711
Net Interest On Balance (1%)	3587	1647	1806	1813	2044	2140	616	187	276	600	175	0	0	0	0	0	0	0
Annual Disbursements	222931	11871	27923	6409	20972	183913	73746	22483	0	76103	120332	10949	59044	8664	29351	16165	149433	29723
Ending Cash Reserve - Option 2	164690	180564	181328	204420	214010	61611	18736	27603	59976	17534	(68571)	(44446)	(67364)	(38818)	(29842)	(17937)	(132828)	(116252)

Option 3 - Recommended Funding: To avoid deficits which could occur beginning FY 2037 and to keep reserves funded at a stronger level of funding, the regular reserve allocation could be increased 16% annually in FY's 2027 through 2031. To avoid possible future overfunding, the regular reserve allocation could be decreased to equal \$48,000 annually in FY 2039. Reserves could maintain the Strong level of funding beginning FY 2028.

Reserve Allocation - Unit/Mth	99	115	133	155	179	185	190	196	202	208	214	221	167	172	177	205	238	275
Beginning Cash	358696																	
Recommended Funding (inclds 3% annl incrs unless noted)	28536	33102	38398	44542	51668	53218	54815	56459	58153	59898	61695	63546	DECREASE 48000	49440	50923	59034	68437	79337
Net Interest On Balance (1%)	3587	1679	1908	2032	2433	2765	1485	1311	1664	2262	2123	1557	2099	2010	2437	3180	4229	4202
Annual Disbursements	222931	11871	27923	6409	20972	183913	73746	22483	0	76103	120332	10949	59044	8664	29351	16165	149433	29723
Ending Cash Reserve - Option 3	167888	190798	203181	243345	276475	148546	131100	166387	226205	212262	155747	209902	200957	243743	267753	364005	346106	474010

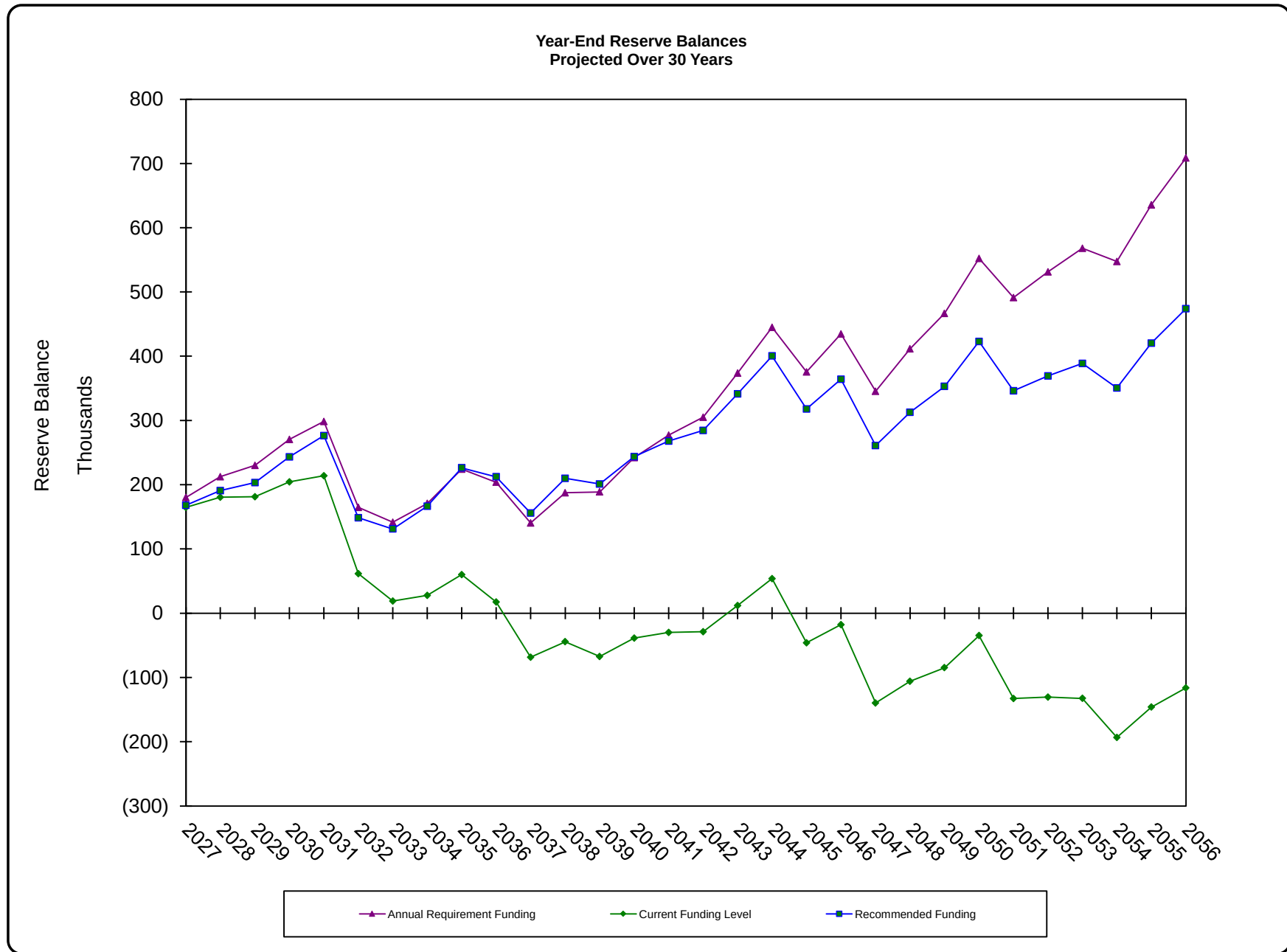
Projected Total Replacement Cost - 1449935
Projected Funding to Cost Ratio - 33%

Percent of Accumulated Reserve Requirement Funded: 84.1%

Cash at End of Fiscal Year:

Cash at September 30, 2026 356,846
Interest Income accrued through Year End 1,850
Monthly Allocations through Year End -
Anticipated Expenditures through Year End -

Cash Projected at Year End December 31, 2026 358,696



West Point Loma Owners Association, Inc.

Notes and Assumptions

December 31, 2026

Note A Key to Reserve Funding Program:

These definitions correspond to the column headings on the Major Repair and Replacement Funding

Consultant's Estimate Section, page 5:

Component - Each major repair or replacement item considered by the Board of Directors and Consultant to require reserve funding.

Units Measured - The quantity in terms of area or item count as determined by actual measure, bids/invoices, DRE budget or other sources.

Unit Cost - The current replacement cost per unit of measure.

Source - Indicates where data was derived. C = Consultant's database/previous study; M = Management or Board of Directors information; V = Vendor (pool/landscape/roofer/elevator/etc) information; A = Actual cost; NA = No Access or data Not Available.

Condition - The physical condition from the consultant's visual inspection and other sources. Code: N = New or nearly new, G = Good, F = Fair, P = Poor condition, needs to be replaced soon.

Current Replacement Cost - The present cost of repairing or replacing the reserve components as estimated by the independent consultant or current bids/invoices. However, replacement costs will inevitably increase.

Estimated Useful Life - The estimated life of reserve components when they were new, and prior to any aging process.

Estimated Remaining Life - The remaining useful life for reserve components. As per CC 5550 only components with remaining lives of 30 years or less are included here. Repair, replacement or refurbishment will be necessary at the end of the component's remaining life.

Funding Projection Section - pages 5-6:

Annual Funding Requirement - This is the amount that should be set aside annually, exclusive of any reserve deficit or inflation, and is the method established by CC 5550. This requirement is computed by dividing the current replacement cost by the estimated useful life.

Accumulated Funding Requirement - This is the amount of reserve savings which should be on hand, according to the consultant's current replacement cost estimates, as of the date of this reserve report. This amount is computed by multiplying the difference between the estimated useful and remaining life times the annual reserve requirement.

West Point Loma Owners Association, Inc.

Notes and Assumptions

December 31, 2026

Funding Projection Section - pages 5-6 (continued):

Cash in Reserves - The amount of actual reserve savings on hand that have been accumulated for replacement of reserve components.

Deficit - That amount which is computed by subtracting the accumulated reserve requirement from the amount of cash on hand. This is the combined shortage, if any, of reserve savings for all of the reserve components. The opposite would be a Surplus.

Cost Projections by Year - The amounts of the estimated future replacement cost cash expenditures projected for each year. Some major repair expenditures may be spread over two or three years. Five years disbursements are shown on page 5 and the following 25 years are shown on pages 6.

30-year Cash Projections, page 7:

With every funding plan the projections start with the current reserve cash balance, and include the annual disbursements as projected on pages 5 through 6. All funding amounts are increased for inflation at three percent (3%) per year.

Option 1 - Annual Funding - This funding plan is to set aside the specific minimum amount of reserves required by CC 5550. These annual amounts are computed on page 5 and inserted as annual contributions to the reserves into the cash projections (adjusted for inflation). Any funding deficit is not considered in this method.

Option 2 - Current Budgeted Funding - As a comparison to Options 1 and 3, this option represents the *current* reserve budget projected over thirty years using an inflation factor of three percent (3%) per year.

Option 3 - Recommended Funding - This funding goal is to keep the year-end balance above zero during the 30-year cash projection while maintaining a reasonable contribution rate. First this funding option is calculated so that there is no deficit in the projected 30-year reserve balance. Then to create sufficient funding for the Association over the next 30 years, contributions in years 2 through 30 may be raised or lowered, and/or special assessments may be levied.