



July 18, 2016

Board of Directors  
Park Place Condominiums Owners Association  
Julie Hamby, Homeowner Association Manager  
c/o Grand Teton Property Management  
P. O. 2282  
610 West Broadway, Suite 203  
Jackson Hole, Wyoming 83001

**RE: PARK PLACE CONDOMINIUMS OWNERS ASSOCIATION**  
*Full Study - 2016*  
***Proposed Contract***

Dear Board Members:

We are pleased to provide this proposal to prepare a full reserve study with site visit for the above-referenced Association.

### **Physical Inspection**

Browning Reserve Group will conduct a physical inspection of those major components that the Association is required to maintain. For the purposes of this study, the following components will be determined to be major components to be included in the study:

1. Those components which, as of the date of the study, have a remaining useful life of less than 30 years, and a value greater than \$1,000; and
2. Those additional components, if any, which are designated as major components by the Association's Board of Directors.

It is important to note that for component categories having multiple items (e.g., separate roofs, roads, parking lots, etc.) Browning Reserve Group will be looking at each separate item individually. We will not make suppositions on all such items based on the inspection of selected items which may, or may not, be typical of the condition and remaining useful life of all such items.

Selected photographs to illustrate typical situations, and physical inspection field notes in narrative form, will be provided to the Board of Directors as part of the final report. Supplemental information to the physical inspection will be obtained from the following sources:

1. Project plans, if available;
2. Maintenance records of the reserve components, if available; and
3. Association Board Members, management and staff.

### **Reserve Fund Balance Computation**

In order to ensure that the full reserve study will enable the Association to comply with technical requirements of existing statutes, the study will be prepared as of the last day of the Association's prior fiscal year.

1. Identification of each major component.
2. An estimate, as of the date of the study, for each identified major component, of that component's total useful life, and its probable remaining useful life.
3. An estimate of the replacement cost of each major component, both at current cost levels and at projected cost levels when the projected repair and/or replacement costs are projected to occur.
4. Information provided by the Association as to: (i) the amount of cash reserves actually available as of the end of its prior fiscal year to repair, replace, restore, or maintain the reserve components; and (ii) the amount of cash reserves which the Association estimates it will have on hand for such purposes as of the end of its current fiscal year.
5. An estimate of the total annual contribution needed, after deducting total reserve funds reported by the Association as being on hand as of the date of the study, to meet the projected reserve expenditures for the major components at the end of their projected useful lives.

### **Reserve Study Purpose – Disclaimer**

The intention of the full reserve study is to forecast the Association's ability to repair or replace major components as they wear out in future years, and to provide the Association's Board with the information necessary to make the reserve projection disclosures required by law. The full reserve study is not an engineering report.

The costs to be outlined in the study are for budgetary and planning purposes only. Actual bid costs would depend upon the defined scope of work at the time repairs are made, and on actual price levels prevailing at the time that the future repairs must be done. The estimates of future repair costs in the report will be good faith estimates and projections, based upon estimated future inflation rates which may or may not prove accurate. Browning Reserve Group submits that the probability that it may project in its report, or that the Board could project in its disclosures, future costs or actual future remaining useful lives of components having useful lives extending beyond one year with precision is the functional equivalent of winning a lottery (while it may happen in rare instances by chance, one may not reasonably expect it to happen). As a result, Browning Reserve Group cannot, and does not, guaranty its projections. Assumptions on future costs should be reviewed and adjusted on an annualized basis, as future cost projections become less uncertain.

Any latent defects will be excluded from the report. Should Browning Reserve Group find signs of possible latent defects or problems not within the scope of the study, the Association will be notified immediately so that the proper experts can be retained by the Association. However, the study will not be designed to uncover all possible latent defects, and the absence of any indications to such effect will not be, and should not be construed to be, an indication that there are no defects not so noted, or that Browning Reserve Group warrants the absence of any such defects.

## **Scope of Report**

The statutory requirements as to what the Association must disclose annually to its members, based on its most recent reserve study, can be poorly drafted, both as to the actual language used and in the lack of consistency between the Association's disclosure requirements and the required elements of a reserve study. The full reserve study prepared by Browning Reserve Group will go beyond the minimum statutory requirements for a reserve study in order to provide the Association with information to enable the Association to disclose to its members all information required by statute, and additional information which will place the required statutory disclosure in a context which is neither misleading nor unduly alarming.

## **Indemnification**

Park Place Condominiums Owners Association shall defend, indemnify and hold harmless Browning Reserve Group, its principals, partners, employees, agents, contractors and vendors (individually and collectively, (the "Indemnities") from and against all liability, claims, suits, damages, judgments, costs and expenses of whatever nature, including but not limited to construction defect, mold or other claims, attorneys' fees and disbursements to which the Indemnities may become subject by reason of or arising out of any injury to or death of any person(s), damage to the Property, loss of use of any property, or otherwise in connection with the performance or nonperformance of BRG's obligations under this Agreement as related to claims by third parties. The Association shall promptly reimburse the Indemnities for all amounts, including attorneys' fees and disbursements, which the Indemnities are required to pay in connection with or in defense of any of the matters in which the Indemnities are entitled to indemnification as set forth in this Paragraph.

## **Compensation**

Browning Reserve Group will provide the services outlined in this proposal for a fee of \$1,500. Fifty Percent (50%) of this fee is due upon acceptance of this proposal. The balance is due upon acceptance of the final draft or 30 days after delivery of the first draft, whichever occurs first. It is anticipated that it will take 60 days from physical inspection to deliver the first draft to the Board of Directors.

This proposal will remain binding on Browning Reserve Group for 180 days, after which date it will lapse. Should the Board desire Browning Reserve Group to perform a full reserve study for the Association on the foregoing terms, please execute and return one of the duplicate originals of this proposal to Browning Reserve Group on or before such date.

## Attorneys' Fees and Costs

In the event a dispute arises under, or is related to, this contract and whether or not a lawsuit is filed or commenced, the prevailing party shall be entitled to all fees and costs, including attorneys' fees, incurred to enforce the terms of this contract.

## Insurance

BRG shall procure and maintain, at its cost and expense, the following insurance policies: Commercial General Liability Insurance and Automotive Liability Insurance. Proof of the preceding insurance coverage will be provided to the Association's Board of Directors upon request by the Association to BRG.

## Miscellaneous

**Modification.** No modification of this contract shall be made or effective unless, and until, such modification is executed in writing by BRG and the Association.


**Complete Agreement.** This contract, including all exhibits referenced and attached hereto, represents the complete understanding of BRG and the Association with respect to its subject matter.

**Headings.** The headings in this contract are for reference purposes only and shall not affect, in any way, the meaning or interpretation of this contract.

**Choice of Law.** This contract shall be interpreted and enforced in accordance with the laws of Wyoming.

Should you have any questions, please feel free to contact this office anytime and thank you for giving Browning Reserve Group an opportunity to bid on this project.

Sincerely,



N. Anthony Dann, RS  
President, BRG Northwest

I have reviewed the proposal as outlined above and approve the terms set forth.

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_

ASSOCIATION NAME: \_\_\_\_\_ DATE: \_\_\_\_\_

*Please answer the following:*

Directions to Project (or provide one address within the project.) [ N/A ]  
Type of Development: Condominium [ X ] Planned Development [    ] Apartment [    ]  
Number of Units: [ 2 ] Number of Buildings: [ 5 ]  
Year Amenities Completed: [ 2005 ] Number of Phases: [    ]  
Year Phases Completed: Phase 1 [    ] Phase 2 [    ] Phase 3 [    ] Phase 4 [    ]  
Number of Floors: [    ] Fiscal Year: [ 12/31 ] Assoc. Zip Code: [ 83422 ]  
Name of qualified individual from the project who may contact BRG \_\_\_\_\_

*Please provide the following:*

- Signed Proposal
- Previous Reserve Study (if available)
- Blueprints (if available - as-builts preferred)
- Site Map (8½" x 11" preferred)
- CC&R's
- Current Budget [Which clearly indicates the RESERVE CONTRIBUTION.]
- Current Financial Statement (including Balance Sheet & Income Statement)
- Last Year-End Audit or Review [Or year-end balance sheet if no audit. We MUST have a starting balance for the reserve fund for this year!]
- Common Area Keys: Pool, Pool Equipment Area, Etc.
- Security Code for Access to Project: [ \_\_\_\_\_ ]
- Retainer Fee Per Proposal in Amount of: [ \$ 750 ] **Please make check payable to BRG Northwest, LLC**

*Please list association contractors: Name \_\_\_\_\_ Phone Number \_\_\_\_\_*

- Pool: \_\_\_\_\_
- Landscaping: \_\_\_\_\_
- Roofing: \_\_\_\_\_
- Staining: \_\_\_\_\_
- Paving: \_\_\_\_\_
- Elevator: \_\_\_\_\_
- Fencing: \_\_\_\_\_
- Ponds: \_\_\_\_\_
- Vehicle Gates: \_\_\_\_\_
- Other: Any other vendors providing services to the association

*Please list plans for any work to be done on reserve Components this fiscal year:*

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