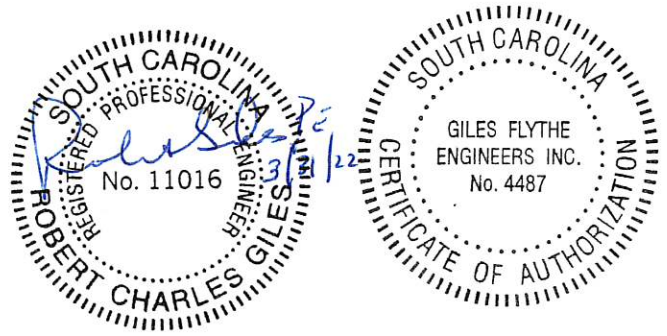


PREPARED FOR:

**THE WATERFALL PROPERTY
OWNERS ASSOCIATION
LITTLE RIVER, SC**

**MANAGED BY:
COASTAL ASSOCIATION MANAGEMENT**



MARCH 31, 2022

FULL RESERVE STUDY

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INTRODUCTIONS

The Waterfall Property Owners Association authorized Giles Flythe Engineers to perform a Reserve Study for the Waterfall community located in Little River, SC. The purpose of the reserve study is to assist the association in planning for future capital repair expenses. A reserve study is an important tool for an association to adequately fund capital reserve accounts through regular annual reserve contributions. Adequately funded capital reserve accounts reduce the need to defer capital repairs, collect special assessments or borrow funds for capital repair projects.

A community association typically has certain responsibilities as described in the association governing documents. These responsibilities often include maintaining common areas and other components. An association, as a non-profit organization, will typically have two general asset cash accounts including an operating account and a reserve account. The operating account is funded from regular budgeted assessments and is used to fund routine operating expenses that occur on a predictable cycle, typically monthly or up to annually. The reserve account is funded from regular contributions and is primarily used to fund non-annual capital repair expenses.

The focus of the reserve study is on the reserve account. We have projected capital repair expenses over a term of twenty years. The capital repair expenses are limited to those components for which the association is responsible for maintaining. Capital repair expense estimates include an expected useful life and remaining useful life of the components to develop a projected schedule for capital repairs over the term. After developing a schedule of capital repairs over the term, we completed a cash flow analysis forecasting reserve account balances over the term and provided funding recommendations as needed. Capital repair expense estimates and funding estimates are most reliable in the first portion of the term. Updating a reserve study every three to five years will mitigate the impacts of variation in repair costs, component wear, inflation and reserve funding over time.

Capital reserve funding recommendations are provided to address funding principles including providing sufficient funds required, a stable reserve contribution rate over the term, an equitable contribution rate over the term and fiscally responsible. The reserve study is intended to assist the association in developing budgeted reserve contributions.

The report includes a narrative section which describes the scope of the reserve study, a discussion of observations and capital repair allocations, a general description of capital repairs and a description of our cash flow analysis and funding recommendations. The report appendices include the capital reserve analysis with tables detailing an itemized list of capital repair expenses, an itemized list of expenses by year and our cash flow analysis. A photo log is provided and includes a representative sample of our observations. The report includes multiple sections with information presented in various forms and should, therefore, be read in its entirety.

EXECUTIVE SUMMARY

The Waterfall community is comprised of 138 single-family homes with road/site construction beginning in approximately 2003. Note that the community is nearing complete buildout of single-family homes. The Association is responsible for the repair and maintenance of the interior and exterior finishes of the amenity center, the small guard house, the swimming pool and its associated equipment and other site improvements. The most significant site improvements include the approximately 9.15-acre lake with two fountains, stormwater drainage system and entrance features.

The community streets, the parking areas, boat ramp and associated concrete walkways at the amenity center are maintained by the POA. A painted masonry wall surrounds the swimming pool area. Site entrance features also include EIFS covered stone veneer walls, signage, fountains, lighting and entrance gates.

The building, common areas and site improvements are in fair-to-good condition with some site/building improvements requiring repair. **Note that based on our cash flow analysis, maintaining the current funding level is not projected to maintain a positive balance over the next 20 years.**

We have provided two alternative recommendations for the annual reserve contribution schedule that provide sufficient funding to meet capital expenditure requirements in the next twenty years, in summary as follows:

- **Alternative 1:** Beginning in 2023, increase the annual reserve fund contribution to \$80,000. Then increase the reserve fund contribution by 10% annually through 2028. In 2031, our projections show the contribution to reserves can be reduced to \$75,000 annually through the remainder of the term. This alternative is projected to maintain a positive balance through the term of this study.
- **Alternative 2:** Beginning in 2023, increase the annual reserve fund contribution to \$85,000. Then beginning in 2024, increase the reserve fund contribution \$15,000 every other year through 2028. In 2030, our projections show the contribution to reserves can be reduced to \$85,000 annually through the remainder of the term. This alternative is projected to maintain a positive balance through the term of this study.

A more detailed analysis of the reserve fund has been provided in Appendix A.

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PURPOSE & SCOPE

We have completed this study to estimate capital repair expenses the association is responsible for over the term of the study and provide a cash flow analysis and capital reserve funding plan. This study is intended to assist the association in determining the allocation requirements into the reserve fund which are projected to meet future anticipated capital expenditures for the community.

This report estimates capital repair expenses for the community twenty years into the future. Variations in capital repair expense forecasts due to the quality of maintenance, weather and other events may occur. Over time, age, premature deterioration, or other factors may necessitate the addition of assets into the reserve study. Additionally, fluctuations in material and labor costs beyond assumed inflation rates may also affect the accuracy of the forecasts. Therefore, a reserve study should be routinely updated, typically on a three to five-year cycle to provide the most accurate assessment of needs and financial obligations of the community.

This study has been performed according to the scope as generally defined by The Waterfall Property Owners Association, Giles Flythe Engineers Inc., and the standards of the Community Associations Institute. The findings and recommendations are based on interviews with the community's management personnel; a review of available documents; and a limited visual inspection of the components maintained by the association.

The Cash Flow Method of calculating reserves has been utilized, whereby contributions to the reserve fund are designed to offset the variable annual expenditures. Funding alternates are recommended which are designed to achieve at minimum a Baseline Funding goal by maintaining a positive balance for the term of the study. We have also included a threshold funding goal which provides a minimum reserve account over the term. The minimum balance is typically calculated by determining the total over term forecasted expenses and dividing by the length of the term in years. This minimum threshold balance will help offset the risk of fluctuations in labor and material costs and component wear.

To determine which components should be included in this analysis, we used the following guidelines:

- The component must be maintained by the association.
- The component must have an estimated remaining useful life within the term of this study.
- The funding for the repair should be from the reserve account, not through an annual operating budget or other maintenance contracts.
- The cost of the capital repair must be significant enough to not be reasonably funded from an annual operating budget.

What is a reserve study?

A reserve study is a long-term capital budget planning tool which compares the current reserve fund of an organization to future capital repairs and replacements.

A reserve study is a tool to help identify and prepare for major repair and replacement projects for a community.

It is recommended that a reserve study be performed every five years to ensure that communities are saving the necessary funds for capital repairs and improvements.

Our process for completing the reserve study includes:

1. Reviewing information provided including governing documents, association financial statements, and information on previous or planned capital repairs.
2. Reviewing available information on the property as needed. This may include plat maps, tax records, historical aerial photographs, available site, and building plans.
3. Conducting a visual inspection of the property. This may include interviewing association representatives during the inspection.
4. Developing an inventory of components to be included in the reserve study.
5. Predicting their remaining service life and, approximating how frequently they will require repair or replacement.
6. Estimating repair or replacement costs (in 2022 dollars) for each capital item.
7. Develop a cash flow analysis adjusting for inflation and return on invested monies to determine the adequacy of current reserve funding plans.
8. Develop funding recommendations with specific reserve contribution recommendations for each year of the term.

The statements in this report are opinions about the present condition of the areas inspected within the community. Our inspection is limited to a visual ground level inspection and we did not remove any surface materials, perform any testing, or move any furnishings. This study is not an exhaustive technical evaluation or building code compliance review. For additional limitations, see Conclusion and Limitations.

Standards of Reference

The following definitions are provided as a standard of reference:

Excellent: Component or system is in “as new” condition, requiring no rehabilitation and should perform in accordance with expected performance.

Good: Component or system is sound and performing its function, although it may show signs of normal wear and tear. Some minor rehabilitation work may be required.

Fair: Component or system falls into one or more of the following categories: a) Evidence of previous repairs not in compliance with commonly accepted practice, b) Workmanship not in compliance with commonly accepted standards, c) Component or system is obsolete, d) Component or system approaching the end of expected performance. Repair or replacement is required to prevent further deterioration or to prolong expected life.

Poor: Component or system has either failed or cannot be relied upon to continue performing its original function as a result of having exceeded its expected performance, excessive deferred maintenance, or state of disrepair. The resent condition could contribute to or cause the deterioration of other adjoining elements or systems. Repair or replacement is required.

Adequate: A component or system is of a capacity that is defined as enough for what is required, sufficient, suitable, and/or conforms to standard construction practices.

SOURCES OF INFORMATION

Date of Inspection

Onsite inspection of the property occurred on January 20, 2022.

Interviews

We interviewed the following people in connection with this study:

- Ms. Theresa Korovich, Coastal Association Management, Property Supervisor
- Ms. Cora Badagliacca, POA Board Member
- Mr. Dick Hurney, POA Board Member

Documents

The following documents were made available to us and reviewed:

- Information on previous large capital repair projects
- Association financial statements
- Horry County Property/Tax records

Cost Estimates

- Our internal data files on similar projects
- Local contractor estimates for similar projects
- R.S. Means Construction Cost Estimating Data

DESCRIPTION

The Waterfall community is comprised of 138 single-family homes with road/site construction beginning in approximately 2003. Note that the community is nearing complete buildout of single-family homes. The Association is responsible for the repair and maintenance of the interior and exterior finishes of the amenity center, the small guard house, the swimming pool and its associated equipment and other site improvements. The most significant site improvements include the approximately 9.15-acre lake with two fountains, stormwater drainage system and entrance features.

The community streets, the parking areas, boat ramp and associated concrete walkways at the amenity center are maintained by the POA. A painted masonry wall surrounds the swimming pool area. Site entrance features also include EIFS covered stone veneer walls, signage, fountains, lighting and entrance gates.

The amenity center interior includes a large open area, separate restrooms and kitchen equipment. Additionally, the 2nd floor of the building includes fitness equipment and separate developer-maintained offices and restroom.

The amenity center building is a two-story, brick and EIFS clad building with roof covered with asphaltic fiberglass architectural grade shingles. The building is constructed on a concrete slab-on-grade and likely wood-framed. A smaller guard house is also constructed on a slab-on-grade foundation.

OBSERVATIONS

The following key observations were made about the current condition of the more significant and costly common elements of the property.

Parking Lot/Flatwork

The asphalt-paved parking lot at the amenity center and the asphalt-paved streets within the community are maintained by the Association. The paved areas are in fair-to-good condition with some longitudinal cracking and limited fatigue cracking noted. Additionally, we observed some water ponding in the amenity center parking lot, some areas of the streets are poorly drained and previous repairs to the street asphalt have been completed. We were advised by the Board that only 2-inches of asphalt were originally installed in the streets.

To help prolong the useful life of the paving, we have included funds for periodic street sealing/crack repair and parking lot sealing, striping and crack repair on a 7-year schedule beginning in 2024. At that time, we have also allocated funds for full depth repairs in the poorly drained areas of the streets. The asphalt paving is generally expected to last approximately 25 years, after which time we recommend resurfacing the pavement. Resurfacing would include some milling of the old pavement, repairs to inadequate areas of subgrade, re-sloping as needed to minimize water ponding and the installation of an approximately 1½ -inch thick layer of new asphalt. We have included funds for resurfacing the parking lot and the private streets in 2028.

The streets and parking areas are surrounded by a combination of concrete valley gutter with some curbing in areas. The valley gutters and curbing are in relatively good condition with only minor cracking observed. We have allocated funds for periodic replacement of curb and gutter sections in anticipation of future cracks, heaving and/or settling that are common in concrete construction. We have assumed 2% of the concrete gutters and curbing will require improvement every 10 years beginning in 2028.

Most of the flatwork surrounding the amenity center is brick and appeared to be in relatively good condition. We have assumed minor repairs to brick or concrete flatwork will be funded from the Maintenance budget. No sidewalks are installed adjacent to the private streets. The limited street sign poles appeared to be in relatively good condition and we have assumed repairs/replacement to these signs and poles will be funded from the Maintenance budget.

Site Improvements

Stormwater drainage systems in the community consist of graded swales and standard catch basins along the curbs and in the landscaped areas which are connected to an underground piping network. The stormwater from the site is typically routed to the large onsite lake. We observed some areas of soil erosion at select locations, particularly at areas along the lake. Swales tend to accumulate sediment over time, and piping systems can clog, leading to poor drainage and ponding water. Future repairs will likely include retrenching of swales to improve flow, stabilizing steep or bare slopes, installation and repair of rip-rap armoring,

installing French drains or other types of subsurface drainage systems. We have allocated funds for these repairs beginning in 2027 and on an 8-year cycle.

The underground piping system directs the flow of stormwater to the lake located at the center of the community. The system appeared to be functioning as intended; however, in order for the lake to continue functioning properly, the pond will require regular cleaning and maintenance. We have assumed these maintenance costs including nuisance control, debris and litter removal, inlet and outlet maintenance and inspections are to be taken from the general Maintenance budget.

The HOA should ensure that the storm water management devices conform to all applicable regulations at all times. In addition to regular yearly maintenance, we anticipate that more significant pond repair work and/or south end cove dredging will be required periodically. We have allocated funds for dredging and/or significant lake erosion repair/replacing riprap reinforcement in 2029 and on a fifteen (15) year cycle. We also recommend that the Board consider hiring a lake management company to perform sediment mapping of the bottom of this lake to determine the existing topography and sediment depths as a baseline case. Depending on the sediment that has already accumulated, the lake management company should repeat the procedure to investigate the volume of accumulated sediment, and the translocation of sediments within the pond.

A small waterfall feature over rip rap with well pump has been installed in the south end cove for algae control. We have allocated funds for well pump replacement in 2028 and on a 10-year cycle.

Two small entrance metal gates are installed at the pool area. These gates are subject to significant wear and we have allocated funds to repair/replace the gates in 2032.

The main entrance into the community includes stone masonry monuments/walls with EIFS and trim and metal lettering signage. Significant deterioration noted to the EIFS; however, the stone monuments/walls appeared to be in good condition and no major replacement of the walls is anticipated during the term of this study. To help maintain a pleasant aesthetic appearance of these prominent site elements, we have allocated funds to repair and repaint EIFS and repair/replace signs as required in 2022 and on a 10-year cycle.

The main entrance also incorporates two entrance/exit gates with operators and a DKS call box entrance system. The gates and operators are worn and only work intermittently and we have allocated funds to replace both the gates/operators and call box system in 2022 and on a 10-year cycle. Light fixtures are installed at the guard house and entrance walls/monuments and funds are allocated to replace these fixtures in 2027 and on a 15-year cycle.

We were advised by the Board that Santee Cooper currently leases the street lighting posts and fixtures to the community. Santee Cooper is developing a program to buy back the street lights. Funds are allocated for purchase of the street lighting system in 5 years (2027).

A small overlook feature with composite decking installed at the west end of the lake. We anticipate replacement of the decking and railings and other small repairs will be required to this feature with funds allocated in 2030.

An emergency exit to Nail Bender Road at the northwest end of the community is required. At this time, the area is not completely secured and the Board has advised that a new emergency egress control system will be installed. Funds are allocated for installation of this system in 2023 and this system should have a 20+-year life with limited usage.

A relatively small allocation for buried utility repair (primarily buried waste line replacement) is provided in 2037. Waste piping from the common areas to utility tie-ins are Association responsibility and typically some waste piping failures will begin to occur after 30-years of service. We were advised by the Board that the utility company is responsible for sewage line replacement under the private streets.

Common Building Exteriors

The Association is responsible for maintaining the exterior of the amenity center building and guard house building including the roofing, gutters and downspouts, siding, trim, doors and windows.

The pitched roof surfaces over the buildings are covered in asphaltic-fiberglass shingles which are original to building construction. We are not aware of any major roofing issues to date. Typically, this type of architectural grade shingle will last approximately 20-25 years. We strongly recommend that any re-roofing project closely follow procedures outlined by the National Roofing Contractors Association's Roofing and Waterproofing Manual. A re-roofing sequence should include removal of the existing roofing material, replacement of any inadequate roof sheathing, damaged flashing and drip edge components. We anticipate the roof will be replaced in 2030 and funds are allocated for replacement in that year. It is likely that minor roofing repairs will be required in the interim including replacement of exhaust vent boots and minor flashing repairs. We have assumed these types of repairs will be funded from a general operating budget.

Repairs/replacement of the guardhouse roof are included in guardhouse repairs discussed below.

The exterior of the amenity center building is comprised of brick with EIFS -covered columns and other trim finishes. We did observe deterioration to some painted EIFS surfaces at columns and other areas and believe the building painted surfaces should be repainted soon (including any minor trim/soffit repairs). The Board provided an estimate for painting the building and CMU wall surround the pool area behind the building. We have allocated funds for repainting the exterior siding and the CMU wall on a 10-year schedule beginning in 2022.

The clad windows and exterior doors appeared to be in fair condition and we observed some fogging between the glass panes on some windows. These type windows generally have an expected useful life of approximately 30 years; however, it appears some of the units are beginning to age prematurely. We have

allocated funds in 2032 to replace all the amenity center windows, but recognize that windows will be replaced as the seals fail or other damage to windows is observed.

The wood front entrance door is showing signs of wear and we understand the glass and other minor repairs to the door will be completed in 2022. Funds are allocated for replacement of this large door in 2027. The other large triple patio doors installed at the front and rear of the building have an expected life of 30-40 years and we have allocated funds to replace these doors in 2037. Exterior locking mechanisms and door hardware often develop corrosion and become difficult to operate over time. We assume these components will be replaced as needed in the interim and funded from the maintenance budget.

Exterior lighting fixtures are installed near all the amenity center doors and these fixtures have an expected life of approximately 20 years. The fixtures appeared to be in adequate condition and funds are allocated to replace these fixtures in 2027.

The guardhouse is not in use, but doors are difficult to open and the roof will require replacement in the future. We have allocated funds for general guardhouse repairs in 2023 which should also include any desired interior repairs until the Board makes a decision on future use of this small structure.

Amenity Center Building Interior

The amenity center interior is generally finished with painted gypsum board walls and ceilings. The 1st floor includes ceramic tile, the stairs and portion of the 2nd floor are carpeted and the existing office area includes laminate flooring. Generally, interior surfaces require repainting on an 8-10-year cycle, depending upon the frequency of use and changes in interior decor. We observed paint scuffs; however, the paint appeared to be in relatively good condition. We have allocated funds to repaint the interior walls/trim on a 10-year schedule beginning in 2027. The ceilings in the amenity center appeared to be in relatively good condition and should not require painting in the near term. Spot painting as required should be funded from the Maintenance budget.

The carpeted floor on the steps and in the fitness area appeared to be in adequate condition but showing some signs of uneven wear. We have allocated funds to replace the carpet on a 12-year cycle beginning in 2027. We did not inspect the laminate flooring (office area locked), but have allocated funds to replace the laminate flooring in 2030. Based on the limited use of the facility, we do not anticipate the tiled floors will require replacement or significant maintenance during the term of this study.

The large open area on the 1st floor of the amenity center includes chairs, couches, tables, flat screen, other furnishings and an audio system. We were advised that some chairs have been recently replaced (2021), but generally the furniture was in relatively good condition and functional. We have provided an allowance for furniture/audio system replacement/upgrades in 2027 and on a 10-year cycle. The amenity center kitchen was in relatively good condition and according to the Board has limited use. We have allocated funds for the replacement of kitchen appliances (stainless steel refrigerator, range, two dishwashers, microwave) in 2032. We do not anticipate replacement of the cabinetry/countertops will be required during the term as long as usage is minimal.

The restroom facilities of the amenity center were in relatively good condition and the facilities are not heavily used. Generally, plumbing fixtures and partitions are replaced on a 20-25 year schedule, and we have allocated funds for restroom upgrades beginning in 2032 due to limited use.

Mechanical

The interior of the amenity center is conditioned by (2) split system electric heat pumps. The equipment appeared to be operating correctly at the time of the site inspection and one of the units appears to be original to amenity center construction (approximately 2007). The other HVAC unit was replaced in 2015. This type of equipment generally has an expected useful life of approximately 15-years, but this timeframe is highly dependent on usage. We have allocated funds to replace the original unit on a 15-year cycle beginning in 2024 after the Declarant moves out and the newer unit on the same cycle in 2030.

The center is served by an electric water heater located in a 1st floor storage room. This type of equipment generally has an expected useful life of approximately 15 years and we have allocated funds to replace this original electric water heater in 2023 and on a 15-year cycle.

A small drinking water fountain is located inside the amenity center and this fountain is not frequently used. Repairs/replacement of this fountain should be funded from the Maintenance account.

The lake includes two large fountains that were operational at the time of inspection. We were advised by the Board that some components of the center area fountain were replaced as recently as 2018 and no significant repairs have been required to the newer fountain installed in 2009. This equipment has an expected life of approximately 6-8 years and funds are allocated for full replacement of the fountains and associated controllers/electrical components on a 7-year cycle beginning in 2024.

Inoperable fountains are also installed at the entrance sign feature and additional fountains that were operational at the time of inspection located within the entrance wall systems on each side of the entrance. We were advised that the entrance sign feature may be modified (possible planter box) and funds are provided for this modification in 2023. An allowance is provided for entrance wall fountain repair/replacement in 2025 and on a 10-year cycle.

The amenity facility is fitted with an access control system and security system that includes (fobs) and cameras. We understand recent upgrades to the system have been completed. The system will require periodic upgrades and component replacement (and likely additional cameras), and we have allocated funds for this work on a 10-year schedule beginning in 2028.

Amenities

Amenities owned and maintained by the Association include the swimming pool with associated furnishings and equipment. Additionally, fitness equipment is installed on the 2nd floor of the amenity center building.

The swimming pool surfaces appeared to be in fair condition and we understand the pool has not been resurfaced since original construction. Note the pool was filled with water at the time of inspection and we could not closely inspect pool surfaces, but we observed deterioration in waterline tile. Typically, pools should be drained, cracks repaired, and resurfaced (typically quartz type finish) on an approximate 12-year schedule. We have budgeted funds for this work along with waterline tile repair/replacement in 2022 and on a 12-year cycle.

The pool is surrounded by a concrete pool deck which is in relatively good condition with no major trip hazards or upheaval observed. The Board has advised they will recoat the deck periodically and we have allocated funds for recoating on a five-year cycle beginning in 2025.

The pump and filtration equipment including pump, sand filter, piping, valves and electrical panel serving the swimming pool is located in the equipment room of the pool building. The equipment appeared to be functional during the inspection and we understand some components have been replaced. It is likely that major components of the system will require repair or replacement on an estimated 3-year cycle and we have allocated funds for replacement of individual components beginning in 2024 and every 3 years. We also recommend inspecting the electrical panel and system components for the pool annually as these components are subject to corrosion in the pool area environment.

The pool furniture is comprised of sitting chairs, lounge chairs, tables with some soft furniture also noted. The furniture generally appeared to be in fair-to-good condition, with some deterioration observed. In an effort to maintain the furniture in good usable and aesthetic condition, we have allocated funds for to replace 1/3 of the furniture pieces on a 3-year schedule beginning in 2022. A gas grill was also observed in the pool area and we understand this grill is used frequently. Funds are allocated to replace the grill in 2024 and on a 5-year cycle.

We observed a treadmill, elliptical, stationary bike, leg machine, whole-body machine and various weights in the fitness area on the 2nd floor of the amenity center. The condition of this equipment varied and we understand some equipment has been previously replaced. This expected life of this equipment varies widely according to usage, but typically treadmills, ellipticals and stationary bikes require replacement more frequently than other equipment. Funds are allocated to replace the treadmill in 2025 and every 8 years, the elliptical and stationary bike in 2025 and every 10 years, the whole-body machine in 2034 and the leg machine in 2030 and every 10 years. Replacement of the weights and other equipment as required should be funded from the Maintenance account

RESERVE FUND ANALYSIS

We have performed a cash flow analysis projecting balances in the reserve account over the term of this study. We have included estimated capital repair expenses detailed in the first several pages of Appendix A. We have included tables and graphs depicting current funding levels along with recommended funding alternatives.

The financial projections include an assumed inflation rate of 4% and an assumed average return on invested funds of 1.5%. The inflation rate adjustment is noted at the bottom of the annual expense page and the return on invested funds is noted in the existing funding level and funding alternative cash flow tables.

The software utilized to analyze the reserve funds was developed by Giles Flythe Engineers, Inc. in cooperation with a technology consultancy. The software and our analysis system have been extensively reviewed by leading community association and non-profit certified public accountants.

The capital repairs listed were derived from the initial request for proposal, discussions with association representatives, our informal review of governing documents and our site inspection. The association should confirm that the items listed are, in fact, the responsibility of the association and appropriate to fund from the reserve account.

Appendix A includes the following for the Waterfall Property Owners Association.

1. The Project Summary page that lists pertinent details specific to the association, the terms of the analysis and summarizes total over term expenses and recommended threshold balance.
2. The Expense Projection page that itemizes the capital repairs by category, illustrates our cost estimating by unit and provides estimated useful life and remaining useful life of each item.
3. The Annual Expense Projection pages that populate the capital repairs over the term of the study. This page includes a total adjusted for inflation at the bottom of the pages.
4. The Itemized Funding Analysis page provides a summary of the capital expenditures over the term and a graph breaking down the portion of the capital repairs into each category – Site Improvements, Building Exterior, Building Interior, Mechanical/Electrical/Plumbing Systems and Amenities.
5. The Current Funding Projection page provides a table and graph illustrating our cash flow analysis assuming the association maintains the current level of reserve contributions over the term of this study. The table includes projected reserve account balances, contributions, return on invested funds and capital repair expenses for each year of the term of this study.
6. The Funding Alternative pages each provide a table and graph illustrating our cash flow analysis assuming the association implements one of our funding recommendations detailed below.

Current Reserve Funding Rate:	\$31,635 per year
January 2022 Reserve Balance:	\$189,206.63

Note that based on our cash flow analysis, maintaining the current funding level is not projected to maintain a positive balance over the term.

We have provided two alternative recommendations for the annual reserve contribution schedule that provide sufficient funding to meet capital expenditure requirements in the next twenty years, in summary as follows:

- **Alternative 1:** Beginning in 2023, increase the annual reserve fund contribution to \$80,000. Then increase the reserve fund contribution by 10% annually through 2028. In 2031, our projections show the contribution to reserves can be reduced to \$75,000 annually through the remainder of the term. This alternative is projected to maintain a positive balance through the term of this study.
- **Alternative 2:** Beginning in 2023, increase the annual reserve fund contribution to \$85,000. Then beginning in 2024, increase the reserve fund contribution \$15,000 every other year through 2028. In 2030, our projections show the contribution to reserves can be reduced to \$85,000 annually through the remainder of the term. This alternative is projected to maintain a positive balance through the term of this study.

The reserve study is focused on the capital reserve account and budgeted contributions to reserves. The recommendations above are solely attributed to the annual reserve contributions. The association likely has many line items in the annual operating budget that should also be periodically adjusted as part of an annual budgeting process.

The capital repair/replacement cost estimates we have developed are based on 2022 dollars. Our reserve study does include an adjustment for inflation and an assumed rate of return on invested funds.

CONCLUSION & LIMITATIONS

We have provided reserve funding recommendations based on our analysis of the association-maintained components, estimated capital repair costs over the term and the current funding levels. Further detail of the reserve fund analysis is provided in Appendix A.

The physical analysis portion of this reserve study was completed through a limited visual inspection. The visual inspection was completed from ground level unless otherwise specified. The visual inspection is generally limited to readily accessible and visible common areas that would likely require capital repair activities over the term. Note that this inspection does not include removing surface materials, excavation or any testing. The inspection does not include riparian buffers or other protected common areas. Buried utility components and other concealed components were not inspected as part of this analysis and we cannot be responsible for the condition of components not inspected.

The observations described in this study are valid on the date of the investigation and have been made under the conditions noted in the report. We prepared this study for the exclusive use of the Waterfall Property Owners Association. No other party should rely on the information in this report without consent. If another individual or party relies on this study, they shall indemnify and hold Giles Flythe Engineers Inc. harmless for any damages, losses, or expenses they may incur as a result of its use. This study is not to be considered a warranty of condition, and no warranty is implied. The appendices are an integral part of this report and must be included in any review.

Members of the Giles Flythe Engineers team working on this reserve study are not members of, or otherwise associated with the association. Giles Flythe Engineers has disclosed any other involvement with the association that could result in conflicts of interest.

Information provided by the representatives of the association regarding financial, physical, quantity, or historical issues, will be deemed reliable by Giles Flythe Engineers. The reserve balance presented in the Reserve Study is based upon information provided and was not audited. Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection. Giles Flythe Engineers is not aware of any additional material issues which, if not disclosed, would cause a distortion of the association's situation.

This reserve study is partially a reflection of information provided to us. The reserve study is assembled for the association's use and is not intended to be used for the purpose of performing an audit, quality/forensic analyses or background checks of historical records. Further, this study should not be considered a building code compliance analysis. The purpose of this study is to provide the association with a financial tool and is not to be considered an exhaustive technical or engineering evaluation which would consist of a broader scope of work.

We have provided estimated costs of capital repairs. These costs are based on our general knowledge of the construction industry. We have relied on standard sources as needed, such as Means Building Construction

Cost Data and estimates reviewed by Giles Flythe Engineers on similar projects. We have performed no design work or other engineering analysis as part of this study, nor have we obtained competitive quotations or estimates from contractors. Actual repair costs can vary due to a variety of factors. We cannot be responsible for the specific cost estimates provided.

If you have any questions about this reserve study, please feel free to contact us. Thank you for the opportunity to serve you.

Respectfully submitted,

Robert C. Giles, PE, RS
Principal Engineer
Giles Flythe Engineers, Inc.

APPENDIX A: RESERVE FUND PROJECTIONS

Waterfall Property Owners Association

City/state location:	Little River, SC
Date of inspection:	1/20/2022
Number of units:	138
Term of study (years):	20
Beginning Year of Term	2022
Estimated starting reserve account balance:	\$189,207
Current annual reserve contribution rate:	\$31,635
Assumed inflation rate:	4.00%
Assumed rate of return on invested funds:	1.50%
Total over term capital expenditure (un-inflated):	\$1,173,950
Total over term capital expenditure with inflation:	\$1,601,285
Recommended threshold reserve balance:	\$80,064
(Average annual capital expenditure)	

EXPENSE ESTIMATES

Capital Item Description	Quantity	Unit	Unit Cost	Total Cost Per Cycle	Estimated Useful Life (years)	Estimated Remaining Life (years)	Notes
Site Improvements							
Crack fill, seal coat asphalt streets	18,700	SY	\$1.50	\$28,050	7	2	
Asphalt paving repairs	1,500	SY	\$30.00	\$45,000	25	2	
Mill & resurface asphalt streets	18,700	SY	\$14.00	\$261,800	25	6	1.5-inch overlay (large increase to 2020 proposal)
Crack fill, seal coat, stripe asphalt parking lot	2,250	SY	\$2.00	\$4,500	7	2	Includes boat ramp
Mill & resurface asphalt parking lot	2,250	SY	\$25.00	\$56,250	25	6	Includes boat ramp
Curb and gutter replacement	300	LF	\$45.00	\$13,500	10	6	Approx. 2% every 10 years
Common area drainage improvements	1	LS	\$10,000.00	\$10,000	8	5	
Dredge/major repairs to lake	1	SYS	\$20,000.00	\$20,000	15	7	Dredge south end cove
Replace waterfall pump system	1	SYS	\$3,000.00	\$3,000	10	6	
Repair/replace pool area entrance gates	2	EA	\$750.00	\$1,500	20	10	
Paint/repair signs and EIFS entrance walls	1	SYS	\$20,000.00	\$20,000	10	0	
Replace main entrance gates & operators	2	SYS	\$10,000.00	\$20,000	10	0	
Replace DKS call box/access control	1	EA	\$5,000.00	\$5,000	10	0	
Replace light fixtures at entrance	10	EA	\$250.00	\$2,500	15	5	
Install new site lighting	37	EA	\$1,000.00	\$37,000	20	5	Current Santee Cooper
Replace composite decking (lake overlook)	180	SF	\$25.00	\$4,500	25	8	
Install new emergency access control	1	sys	\$10,000.00	\$10,000	25	1	Nail Bender Road
Allocation for buried utility repair	1	LS	\$10,000.00	\$10,000	30	15	
Building Exterior							
Replace amenity center roof and gutters	37	SQ	\$400.00	\$14,800	25	8	
Paint/repair building exterior	1	SYS	\$6,700.00	\$6,700	10	0	Includes rear masonry wall
Replace amenity center windows	46	EA	\$1,000.00	\$46,000	30	10	Includes circular windows
Replace amenity center triple patio doors	4	EA	\$7,500.00	\$30,000	35	15	
Replace front entrance door	1	EA	\$7,500.00	\$7,500	25	5	
Replace amenity center exterior light fixtures	14	EA	\$250.00	\$3,500	15	5	
Guardhouse repairs and roof replacement	1	SYS	\$6,000.00	\$6,000	10	1	Windows/doors/roof
Building Interior							
Paint amenity center interior	1	SYS	\$10,000.00	\$10,000	10	5	
Replace upstairs carpet	600	SF	\$6.00	\$3,600	12	5	Includes stairs
Replace amenity center furniture (Allowance)	1	SYS	\$10,000.00	\$10,000	10	5	
Replace upstairs office laminate	1	SYS	\$3,000.00	\$3,000	15	8	
Replace kitchen appliances	1	SYS	\$4,000.00	\$4,000	20	10	Fridge, range, 2 DW, micro
Upgrade restrooms	3	SYS	\$7,500.00	\$22,500	25	10	Includes 2nd floor

SY: Square Yard SF: Square Feet LF: Linear Feet SQ: Roofing Square

EA: Each LS: Lump Sum SYS: System

EXPENSE ESTIMATES

Capital Item Description	Quantity	Unit	Unit Cost	Total Cost Per Cycle	Estimated Useful Life (years)	Estimated Remaining Life (years)	Notes
Mechanical							
Replace older HVAC unit	1	EA	\$8,000.00	\$8,000	15	2	
Replace newer HVAC unit	1	EA	\$7,500.00	\$7,500	15	8	
Replace water heater	1	EA	\$1,500.00	\$1,500	15	1	electric
Replace lake fountains	2	EA	\$7,000.00	\$14,000	7	2	Includes electrical/controls
Replace entrance sign feature	1	SYS	\$5,000.00	\$5,000	10	1	
Replace entrance wall fountains	2	EA	\$10,000.00	\$20,000	10	3	
Upgrade camera/security system	1	SYS	\$8,000.00	\$8,000	10	6	
Amenities							
Repair, resurface swimming pool	1	sys	\$25,000.00	\$25,000	12	0	Quote-Includes waterline tile
Recoat pool deck	1,400	SF	\$4.00	\$5,600	5	3	
Repair pool pump and filtration equipment	1	LS	\$3,500.00	\$3,500	3	2	Component replacement
Replace portions of pool furniture	1	SYS	\$3,000.00	\$3,000	3	0	Approx. 1/3rd every 3 years
Replace gas grill at swimming pool	1	LS	\$1,000.00	\$1,000	5	2	
Replace treadmill	1	EA	\$7,500.00	\$7,500	8	3	
Replace elliptical and stationary bike	2	EA	\$5,000.00	\$10,000	10	3	
Replace whole body machine	1	EA	\$12,000.00	\$12,000	20	12	
Replace leg machine	1	EA	\$3,000.00	\$3,000	10	8	

ANNUAL EXPENSE PROJECTION

Description	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Site Improvements										
Crack fill, seal coat asphalt streets			\$28,050							
Asphalt paving repairs			\$45,000							
Mill & resurface asphalt streets							\$261,800			
Crack fill, seal coat, stripe asphalt parking lot			\$4,500							
Mill & resurface asphalt parking lot							\$56,250			
Curb and gutter replacement							\$13,500			
Common area drainage improvements						\$10,000				
Dredge/major repairs to lake								\$20,000		
Replace waterfall pump system							\$3,000			
Repair/replace pool area entrance gates										
Paint/repair signs and EIFS entrance walls	\$20,000									
Replace main entrance gates & operators	\$20,000									
Replace DKS call box/access control	\$5,000									
Replace light fixtures at entrance						\$2,500				
Install new site lighting						\$37,000				
Replace composite decking (lake overlook)									\$4,500	
Install new emergency access control		\$10,000								
Allocation for buried utility repair										
Building Exterior										
Replace amenity center roof and gutters									\$14,800	
Paint/repair building exterior	\$6,700									
Replace amenity center windows										
Replace amenity center triple patio doors										
Replace front entrance door						\$7,500				
Replace amenity center exterior light fixtures						\$3,500				
Guardhouse repairs and roof replacement		\$6,000								
Building Interior										
Paint amenity center interior						\$10,000				
Replace upstairs carpet						\$3,600				
Replace amenity center furniture (Allowance)						\$10,000				
Replace upstairs office laminate									\$3,000	
Replace kitchen appliances										
Upgrade restrooms										

ANNUAL EXPENSE PROJECTION

Description	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Mechanical										
Replace older HVAC unit			\$8,000							
Replace newer HVAC unit									\$7,500	
Replace water heater		\$1,500								
Replace lake fountains			\$14,000							\$14,000
Replace entrance sign feature		\$5,000								
Replace entrance wall fountains				\$20,000						
Upgrade camera/security system							\$8,000			
Amenities										
Repair, resurface swimming pool	\$25,000									
Recoat pool deck				\$5,600					\$5,600	
Repair pool pump and filtration equipment			\$3,500			\$3,500			\$3,500	
Replace portions of pool furniture	\$3,000			\$3,000			\$3,000			\$3,000
Replace gas grill at swimming pool			\$1,000					\$1,000		
Replace treadmill				\$7,500						
Replace elliptical and stationary bike				\$10,000						
Replace whole body machine										
Replace leg machine									\$3,000	
Totals	\$79,700	\$22,500	\$104,050	\$46,100	\$0	\$87,600	\$345,550	\$21,000	\$41,900	\$17,000
Totals including inflation:	\$79,700	\$23,400	\$112,540	\$51,856	\$0	\$106,579	\$437,231	\$27,635	\$57,343	\$24,196

ANNUAL EXPENSE PROJECTION

Description	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Site Improvements										
Crack fill, seal coat asphalt streets				\$28,050						
Asphalt paving repairs										
Mill & resurface asphalt streets										
Crack fill, seal coat, stripe asphalt parking lot				\$4,500						
Mill & resurface asphalt parking lot										
Curb and gutter replacement							\$13,500			
Common area drainage improvements				\$10,000						
Dredge/major repairs to lake										
Replace waterfall pump system							\$3,000			
Repair/replace pool area entrance gates	\$1,500									
Paint/repair signs and EIFS entrance walls	\$20,000									
Replace main entrance gates & operators	\$20,000									
Replace DKS call box/access control	\$5,000									
Replace light fixtures at entrance										
Install new site lighting										
Replace composite decking (lake overlook)										
Install new emergency access control										
Allocation for buried utility repair							\$10,000			
Building Exterior										
Replace amenity center roof and gutters										
Paint/repair building exterior	\$6,700									
Replace amenity center windows	\$46,000									
Replace amenity center triple patio doors							\$30,000			
Replace front entrance door										
Replace amenity center exterior light fixtures										
Guardhouse repairs and roof replacement		\$6,000								
Building Interior										
Paint amenity center interior							\$10,000			
Replace upstairs carpet								\$3,600		
Replace amenity center furniture (Allowance)							\$10,000			
Replace upstairs office laminate										
Replace kitchen appliances	\$4,000									
Upgrade restrooms	\$22,500									

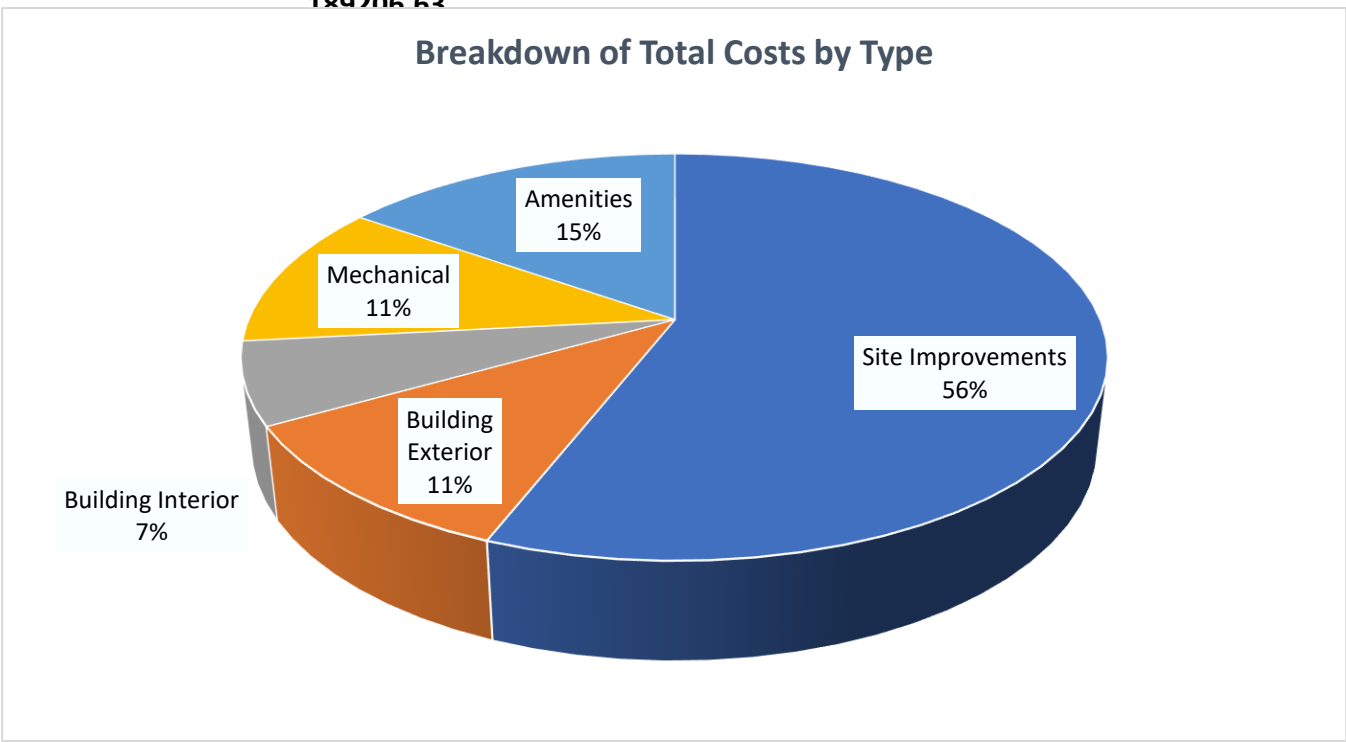
ANNUAL EXPENSE PROJECTION

Description	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Mechanical										
Replace older HVAC unit								\$8,000		
Replace newer HVAC unit										
Replace water heater							\$1,500			
Replace lake fountains							\$14,000			
Replace entrance sign feature		\$5,000								
Replace entrance wall fountains				\$20,000						
Upgrade camera/security system							\$8,000			
Amenities										
Repair, resurface swimming pool			\$25,000							
Recoat pool deck				\$5,600					\$5,600	
Repair pool pump and filtration equipment		\$3,500			\$3,500			\$3,500		
Replace portions of pool furniture			\$3,000			\$3,000			\$3,000	
Replace gas grill at swimming pool			\$1,000					\$1,000		
Replace treadmill		\$7,500								\$7,500
Replace elliptical and stationary bike				\$10,000						
Replace whole body machine			\$12,000							
Replace leg machine									\$3,000	
Totals	\$125,700	\$22,000	\$41,000	\$78,150	\$3,500	\$63,000	\$40,000	\$16,100	\$11,600	\$7,500
Totals including inflation:	\$186,067	\$33,868	\$65,642	\$130,125	\$6,061	\$113,459	\$74,919	\$31,361	\$23,499	\$15,801

EXPENSE SUMMARY

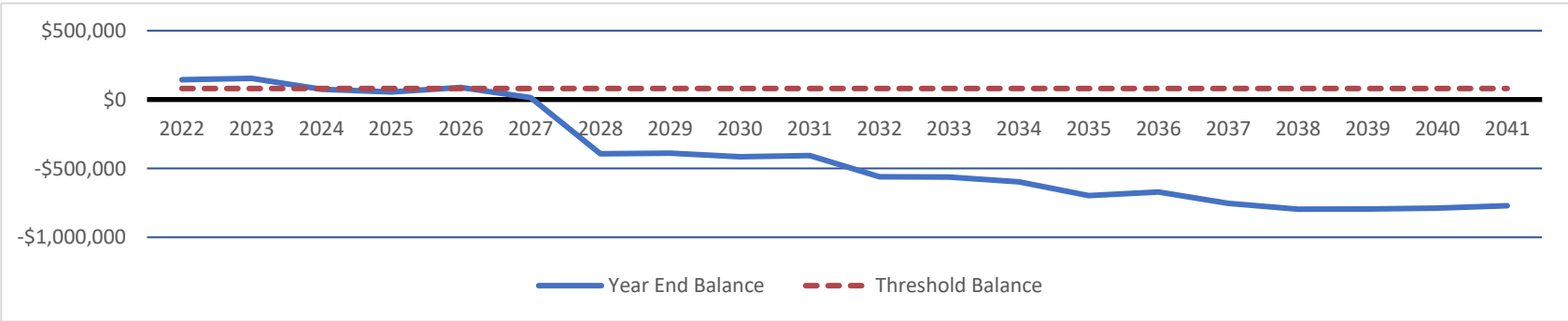


Total over term capital expenditure (un-inflated)	\$1,173,950
Total over term capital expenditure with inflation:	\$1,601,285
Average estimated annual capital expenditure with inflation:	\$80,064
Current Reserve Account Balance	\$189,207
Full Funding Balance	\$578,746
Percent Funded	32.69%



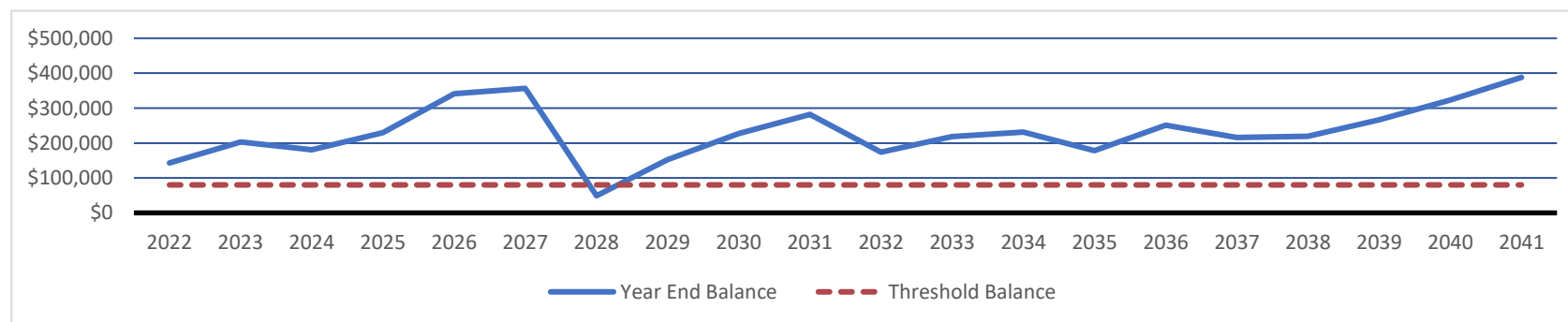
Current Funding Analysis

Year	Starting Balance	Reserve Account Contribution	Average Per Unit/Month	Return on Investments	Repair Expenses	Special Assessments	Year End Balance
2022	\$189,207	\$31,635	\$19.10	\$2,117	\$79,700	\$0	\$143,259
2023	\$143,259	\$31,635	\$19.10	\$2,272	\$23,400	0	\$153,766
2024	\$153,766	\$31,635	\$19.10	\$1,093	\$112,540	0	\$73,954
2025	\$73,954	\$31,635	\$19.10	\$806	\$51,856	0	\$54,538
2026	\$54,538	\$31,635	\$19.10	\$1,293	\$0	0	\$87,466
2027	\$87,466	\$31,635	\$19.10	\$188	\$106,579	0	\$12,710
2028	\$12,710	\$31,635	\$19.10	\$0	\$437,231	0	-\$392,886
2029	-\$392,886	\$31,635	\$19.10	\$0	\$27,635	0	-\$388,886
2030	-\$388,886	\$31,635	\$19.10	\$0	\$57,343	0	-\$414,594
2031	-\$414,594	\$31,635	\$19.10	\$0	\$24,196	0	-\$407,155
2032	-\$407,155	\$31,635	\$19.10	\$0	\$186,067	0	-\$561,587
2033	-\$561,587	\$31,635	\$19.10	\$0	\$33,868	0	-\$563,820
2034	-\$563,820	\$31,635	\$19.10	\$0	\$65,642	0	-\$597,827
2035	-\$597,827	\$31,635	\$19.10	\$0	\$130,125	0	-\$696,317
2036	-\$696,317	\$31,635	\$19.10	\$0	\$6,061	0	-\$670,743
2037	-\$670,743	\$31,635	\$19.10	\$0	\$113,459	0	-\$752,568
2038	-\$752,568	\$31,635	\$19.10	\$0	\$74,919	0	-\$795,852
2039	-\$795,852	\$31,635	\$19.10	\$0	\$31,361	0	-\$795,578
2040	-\$795,578	\$31,635	\$19.10	\$0	\$23,499	0	-\$787,443
2041	-\$787,443	\$31,635	\$19.10	\$0	\$15,801	0	-\$771,609



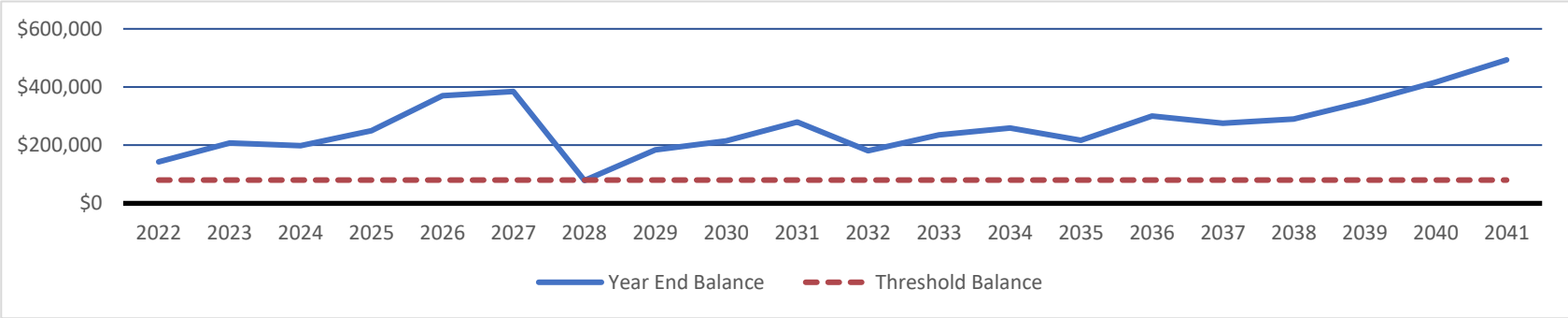
Funding Alternative 1

Year	Starting Balance	Reserve Account Contribution	Average Per Unit/Month	Return on Investments	Repair Expenses	Special Assessments	Year End Balance
2022	\$189,207	\$31,635	\$19.10	\$2,117	\$79,700	\$0	\$143,259
2023	\$143,259	\$80,000	\$48.31	\$2,998	\$23,400	\$0	\$202,857
2024	\$202,857	\$88,000	\$53.14	\$2,675	\$112,540	\$0	\$180,991
2025	\$180,991	\$96,800	\$58.45	\$3,389	\$51,856	\$0	\$229,324
2026	\$229,324	\$106,480	\$64.30	\$5,037	\$0	\$0	\$340,841
2027	\$340,841	\$117,128	\$70.73	\$5,271	\$106,579	\$0	\$356,661
2028	\$356,661	\$128,841	\$77.80	\$724	\$437,231	\$0	\$48,995
2029	\$48,995	\$128,841	\$77.80	\$2,253	\$27,635	\$0	\$152,454
2030	\$152,454	\$128,841	\$77.80	\$3,359	\$57,343	\$0	\$227,311
2031	\$227,311	\$75,000	\$45.29	\$4,172	\$24,196	\$0	\$282,286
2032	\$282,286	\$75,000	\$45.29	\$2,568	\$186,067	\$0	\$173,788
2033	\$173,788	\$75,000	\$45.29	\$3,224	\$33,868	\$0	\$218,144
2034	\$218,144	\$75,000	\$45.29	\$3,413	\$65,642	\$0	\$230,914
2035	\$230,914	\$75,000	\$45.29	\$2,637	\$130,125	\$0	\$178,425
2036	\$178,425	\$75,000	\$45.29	\$3,710	\$6,061	\$0	\$251,075
2037	\$251,075	\$75,000	\$45.29	\$3,189	\$113,459	\$0	\$215,805
2038	\$215,805	\$75,000	\$45.29	\$3,238	\$74,919	\$0	\$219,124
2039	\$219,124	\$75,000	\$45.29	\$3,941	\$31,361	\$0	\$266,704
2040	\$266,704	\$75,000	\$45.29	\$4,773	\$23,499	\$0	\$322,978
2041	\$322,978	\$75,000	\$45.29	\$5,733	\$15,801	\$0	\$387,909



Funding Alternative 2

Year	Starting Balance	Reserve Account Contribution	Average Per Unit/Month	Return on Investments	Repair Expenses	Special Assessments	Year End Balance
2022	\$189,207	\$31,635	\$19.10	\$2,117	\$79,700	\$0	\$143,259
2023	\$143,259	\$85,000	\$51.33	\$3,073	\$23,400	\$0	\$207,932
2024	\$207,932	\$100,000	\$60.39	\$2,931	\$112,540	\$0	\$198,322
2025	\$198,322	\$100,000	\$60.39	\$3,697	\$51,856	\$0	\$250,163
2026	\$250,163	\$115,000	\$69.44	\$5,477	\$0	\$0	\$370,640
2027	\$370,640	\$115,000	\$69.44	\$5,686	\$106,579	\$0	\$384,747
2028	\$384,747	\$130,000	\$78.50	\$1,163	\$437,231	\$0	\$78,679
2029	\$78,679	\$130,000	\$78.50	\$2,716	\$27,635	\$0	\$183,760
2030	\$183,760	\$85,000	\$51.33	\$3,171	\$57,343	\$0	\$214,588
2031	\$214,588	\$85,000	\$51.33	\$4,131	\$24,196	\$0	\$279,523
2032	\$279,523	\$85,000	\$51.33	\$2,677	\$186,067	\$0	\$181,133
2033	\$181,133	\$85,000	\$51.33	\$3,484	\$33,868	\$0	\$235,749
2034	\$235,749	\$85,000	\$51.33	\$3,827	\$65,642	\$0	\$258,933
2035	\$258,933	\$85,000	\$51.33	\$3,207	\$130,125	\$0	\$217,015
2036	\$217,015	\$85,000	\$51.33	\$4,439	\$6,061	\$0	\$300,393
2037	\$300,393	\$85,000	\$51.33	\$4,079	\$113,459	\$0	\$276,013
2038	\$276,013	\$85,000	\$51.33	\$4,291	\$74,919	\$0	\$290,385
2039	\$290,385	\$85,000	\$51.33	\$5,160	\$31,361	\$0	\$349,184
2040	\$349,184	\$85,000	\$51.33	\$6,160	\$23,499	\$0	\$416,845
2041	\$416,845	\$85,000	\$51.33	\$7,291	\$15,801	\$0	\$493,334



APPENDIX B: PROJECT PHOTOGRAPHS

Description

Front elevation of
amenity center building



Photo No.
1

Description

North side elevation of
amenity center building



Photo No.
2

Description

Rear elevation of
amenity center building

Photo No.
3



Description

South side elevation of
amenity center building

Photo No.
4



Description

Closeup view of roofing
shingles



Photo No.
5

Description

Another view of roof
shingles and upper level
brick veneer



Photo No.
6

Description

Close-up view of brick veneer and inset circular windows

Photo No.
7



Description

Electric meter and pool equipment room door

Photo No.
8



Description

Deterioration in EIFS at
rear column



Photo No.
9

Description

Close-up view of
damaged EIFS system



Photo No.
10

Description

View of interior meeting
area ceiling and trim

Photo No.
11



Description

Kitchen appliances and
cabinetry

Photo No.
12



Description

Stairway and carpeting

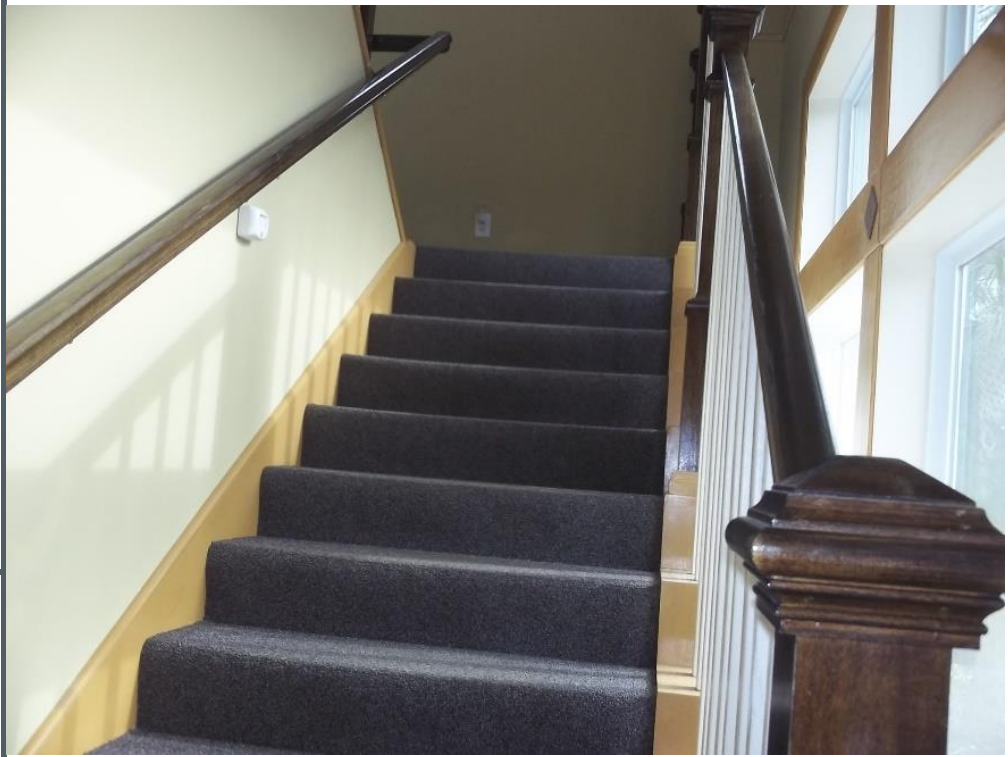


Photo No.
13

Description

Fitness area and
equipment

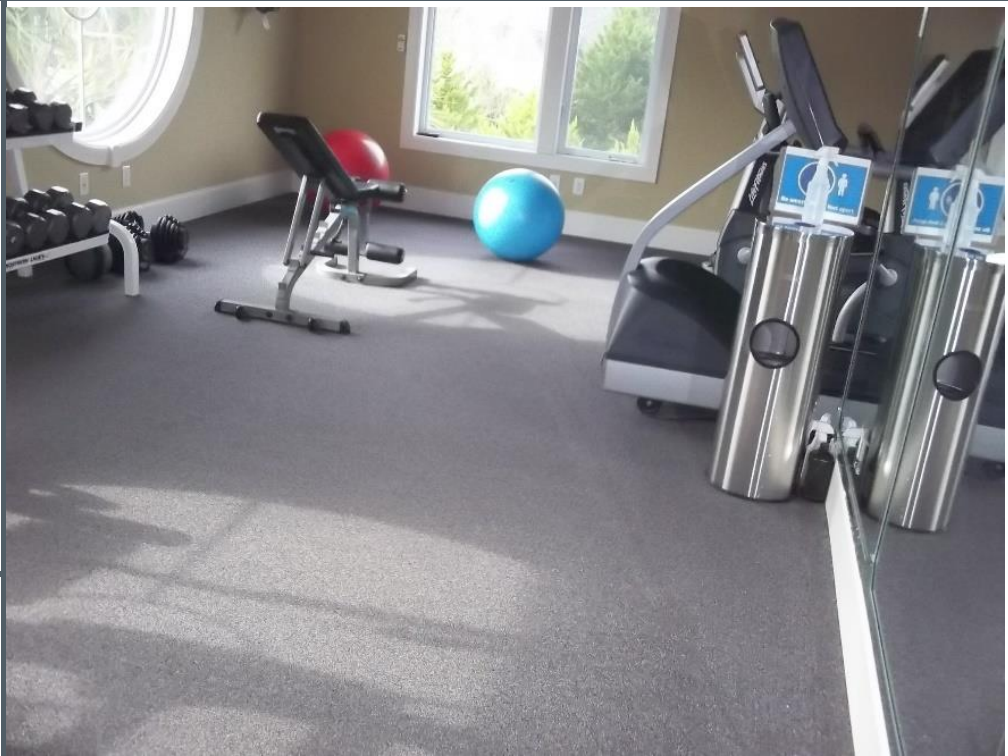


Photo No.
14

Description

View of total body machine and interior view of window

Photo No.
15



Description

Swimming pool filled with water

Photo No.
16



Description

Note some cracking in
concrete pool deck



Photo No.
17

Description

Pool area furniture



Photo No.
18

Description

Soft chairs/sofa at pool
area



Photo No.
19

Description

Two HVAC condenser
units



Photo No.
20

Description

Pool filtration equipment

Photo No.
21



Description

Painted masonry wall
surrounding pool area
and gate

Photo No.
22



Description

View of cracking in
masonry wall shown
above

Photo No.
23



Description

Paved boat ramp to lake

Photo No.
24



Description

Faded parking lot
striping



Photo No.
25

Description

Typical crack in amenity
center parking lot



Photo No.
26

Description

View of amenity center
parking lot and water
ponding



Photo No.
27

Description

Waterfall area at south
end of lake



Photo No.
28

Description

Cove at south end of lake



Photo No.
29

Description

View of rip rap at boat ramp



Photo No.
30

Description

View of lake looking
north



Photo No.
31

Description

Composite decking on
observation platform



Photo No.
32

Description

View of operational
fountain in lake



Photo No.
33

Description

Fountain controls



Photo No.
34

Description

Slight erosion on lake embankment (typical of other areas)

Photo No.
35



Description

Entrance signage and monument/wall

Photo No.
36



Description

Equipment/piping for
entrance fountain

Photo No.
37



Description

Deterioration in EIFS
monument cap

Photo No.
38



Description

View of entrance area
gate and operator

Photo No.
39



Description

Another view of gate
and operator

Photo No.
40



Description

View of guard house
near entrance to
community

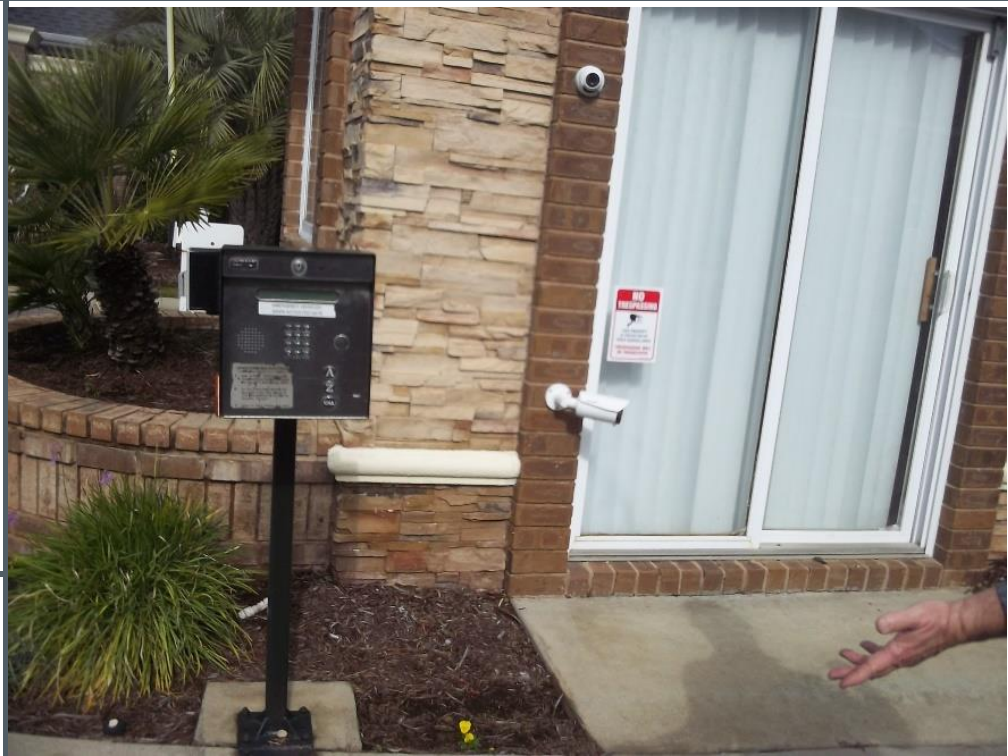
Photo No.
41



Description

Outdated sliding glass
door to guard house and
DKS gate entry system

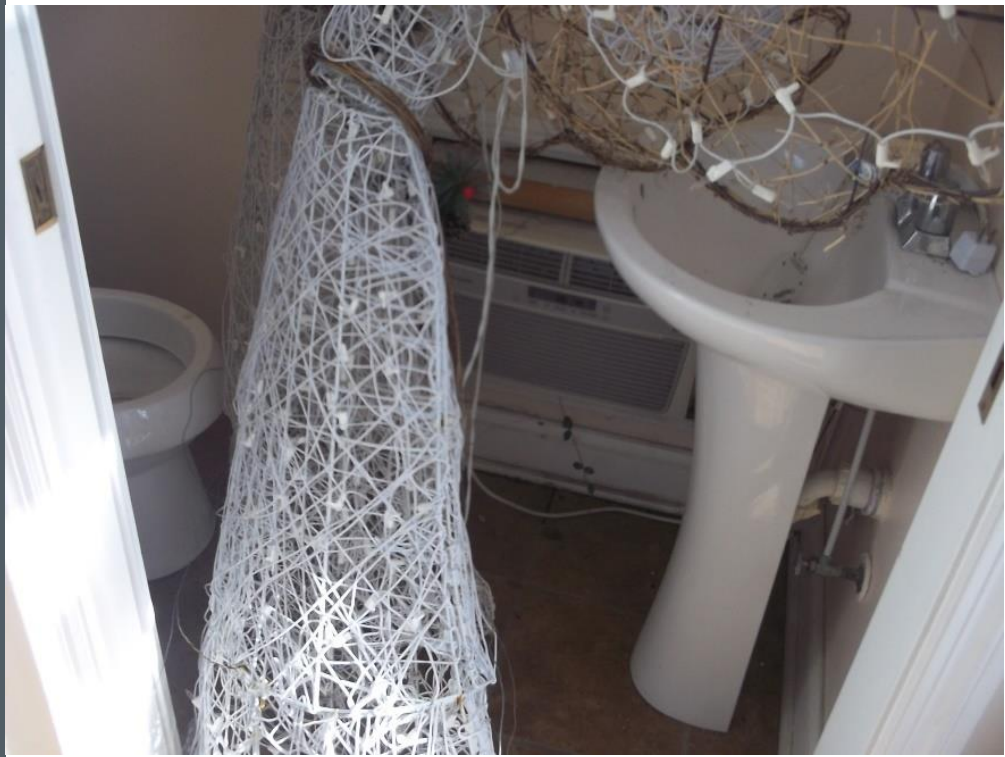
Photo No.
42



Description

Restroom in guard house

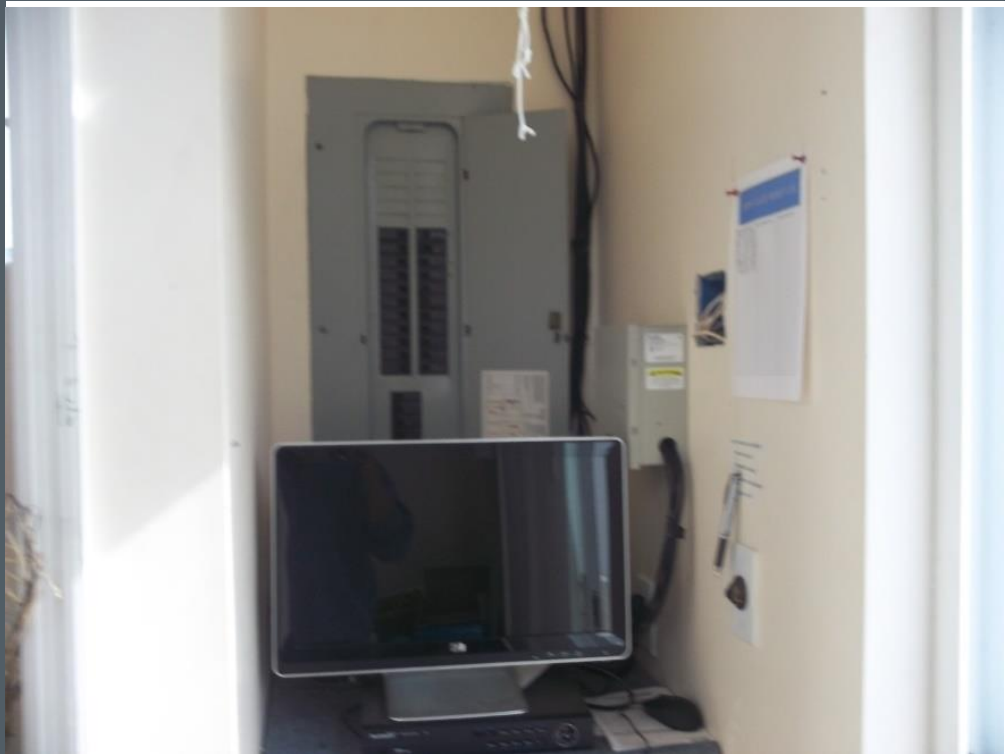
Photo No.
43



Description

Electrical panel and
monitor in guard house

Photo No.
44



Description

Typical light fixture on
entrance monument



Photo No.
45

Description

Brick wall with fountain
(typical of two) at
entrance



Photo No.
46

Description

View of fountain at
entrance wall



Photo No.
47

Description

Typical sealed crack in
private street



Photo No.
48

Description

View of previous repairs
to asphalt street



Photo No.
49

Description

Close-up view of
previous asphalt patches



Photo No.
50

Description

View of street section
with minimal cracking
noted



Photo No.
51

Description

View of typical valley
gutter



Photo No.
52

Description

Northwest exit to Nail
Bender Road



Photo No.
53

Description

View of unpaved Nail
Bender Road at
northwest end of
community



Photo No.
54