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"Full" Reserve Study

Cypress Creek Property Owners' Association, Inc.
Boynton Beach, FL

Report #: 40239-0
For Period Beginning: January 1, 2021
Expires: December 31, 2021

Date Prepared: September 25, 2020

ABE EL-MASRI
CAI-RS
00368
DESIGNATION
RESERVE SPECIALIST

Hello, and welcome to your Reserve Study!

This Report is a valuable budget planning tool, for with it you control the future of your association. It contains all the fundamental information needed to understand your current and future Reserve obligations, the most significant expenditures your association will face.

With respect to Reserves, this Report will tell you "where you are," and "where to go from here."

In this Report, you will find...

1) A List of What you're Reserving For

2) An Evaluation of your Reserve Fund Size and Strength

3) A Recommended Multi-Year Reserve Funding Plan

More Questions?

Visit our website at www.ReserveStudy.com or call us at:

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ASSOCIATION RESERVES™

Table of Contents

3- Minute Executive Summary

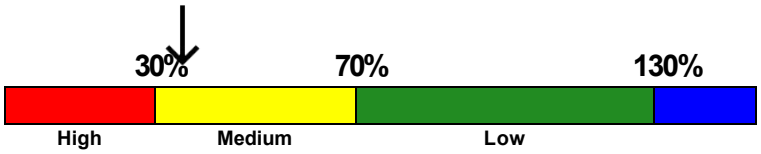
Association: Cypress Creek Property Owners' Association, Inc. **Assoc. #: 40239-0**
Location: Boynton Beach, FL **# of Units: 400**
Report Period: January 1, 2021 through December 31, 2021

Findings/Recommendations as-of: January 1, 2021

Projected Starting Reserve Balance	$211,000
Projected "Fully Funded" (Ideal) Reserve Balance	$592,352
Average Reserve Deficit (Surplus) Per Owner	$953
Percent Funded	35.6 %
Recommended 2021 "Full Funding" Contributions	$104,000
Recommended 2021 Special Assessments for Reserves	$0
Most Recent Reserve Contribution Rate	$75,222

Reserves % Funded: 35.6%

Special Assessment Risk:



Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	1.00 %
Annual Inflation Rate	3.00 %

This document is a "Full" Reserve Study (original, created "from scratch"), based on our site inspection on 9/3/2020.

This Reserve Study was prepared or overseen by a credentialed Reserve Specialist (RS). No assets appropriate for Reserve designation were excluded. As of the start of the initial fiscal year shown in this study, your Reserve fund is determined to be 35.6 % Funded. Based on this figure, the Client's risk of special assessments & deferred maintenance is currently Medium. The objective of your multi-year Funding Plan is to Fully Fund your Reserves, where clients enjoy a low risk of such Reserve cash flow problems.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions in the upcoming fiscal year. Going forward, the contribution rate recommended here should be increased as illustrated on the 30-yr Summary Table.

Note: Per information provided to us, Association is currently paying off a bank loan (valued at $65,000/year), with two remaining payments (ie. year 2021 and 2022). To account for these expenses, we have included two separate components ("Loan Payment 2021" and "Loan Payment 2022"), each valued at $65,000. As of 2023, bank loan would have been fully paid off, and both components are removed from the reserve funding plan.

Reserve Funding Goals and Methodology:

This Reserve Study has been prepared using the "pooled" method of Reserve funding (also known as the cash flow method).

A supplemental analysis ("Appendix A") has been added to the end of the document which provides an alternative version of the funding plan as required by Florida legislation. Please refer to that appendix for more information.

The terms "full funding" and/or "fully funding" as used in this Reserve Study are based on the National Reserve Study Standards definition of full funding: "setting a Reserve funding goal to attain and maintain Reserves at or near 100 percent funded." (The definition and means of calculating percent-funded are addressed later in this report.)

In some jurisdictions, the minimum amount of Reserve contributions required when using the pooled method of funding may be less than the amount recommended in this study. For example, in Florida, state requirements require that, at minimum: "the current year contribution should not be less than that required to ensure that the balance on hand at the beginning of the period when the budget will go into effect plus the projected annual cash inflows over the estimated remaining lives of the items in the pool are greater than the estimated cash outflows over the estimated remaining lives of the items in the pool." In other words, the required contribution must be at least enough to ensure that the total Reserve fund balance does not fall below $0 at any point in the foreseeable future, based on the current projections. The National Reserve Study Standards label this funding goal as "baseline funding."

In our opinion, the National Reserve Study Standards definition of fully funding is more likely to provide an adequate "cushion" of accumulated funds, which will help mitigate financial risks in the event of higher-than-expected component costs, reduced component life expectancies, or other unforeseen negative circumstances. In our experience, Clients that choose to fund their Reserves using a baseline (or threshold) funding goal are significantly more likely to experience special assessments and deferred maintenance in the event of these circumstances.

For Clients currently using the "straight-line" method of Reserve funding (also known as the component method), an additional table has been be added to the Reserve Study to provide alternate recommendations calculated using this method. By nature, the straight-line method may only be used to generate recommended contribution rates for one fiscal year at a time, and does not include any assumptions for interest earnings or inflationary cost increases. When using this method, the required contribution for each component is calculated by estimating the replacement cost for the component, subtracting any available funds already collected, and dividing the resulting difference (herein labeled as the "unfunded balance," measured in dollars) by the remaining useful life of the component, measured in years. The resulting figure is the required amount to fund that component. For groups of like components (i.e. multiple individual roof components, all falling within a 'roof reserve'), the individual contribution amounts are added together to determine the total amount required to fund the group as a whole.

For additional questions or to request more information about reserve funding goals and methods, please contact our office.

Executive Summary 40239-0

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
	Loan			
9999	Loan Payment (2021)	0	0	$65,000
9999	Loan Payment (2022)	0	1	$65,000
	Site and Grounds			
2113	Site Drainage System - Clean/Repair	10	5	$25,000
2123	Asphalt - Seal/Repair	4	0	$80,000
2125	Asphalt - Resurface	20	12	$678,500
2137	Site Fencing (Metal) - Replace	25	10	$8,100
2143	Site Fencing (Chain Link) - Replace	30	5	$36,600
2157	Perimeter Walls - Repair/Paint	7	5	$25,800
2169	Sign/Monument - Refurbish/Replace	20	5	$5,000
2171	Flag Poles - Replace	30	10	$7,550
2199	Guardhouses - Refurbish	10	5	$6,000
2367	Windows/Doors (Guardhouses) - Repl.	40	39	$12,350
2383	Guardhouse Roofs (Tile) - Replace	25	24	$7,800
2543	Surveillance System-Upgrade/Replace	10	10	$12,500
	East Gate			
2145	Entry/Exit Gates - Replace	25	10	$9,700
2508	RFID Sensor - Replace	15	5	$6,550
2509	Gate Operator (2015) - Replace	15	9	$3,750
2509	Gate Operators (Older) - Replace	15	1	$7,550
2511	Barrier Arm Opt. (1999) - Replace	15	1	$4,250
2511	Barrier Arm Opt. (2013) - Replace	15	7	$4,250
2511	Barrier Arm Opt. (2016) - Replace	15	10	$4,250
	West Gate			
2145	Entry/Exit Gates - Replace	25	10	$13,000
2508	RFID Sensor - Replace	15	8	$6,550
2509	Gate Operator (2015) - Replace	15	9	$3,750
2509	Gate Operators (Older) - Replace	15	1	$7,550
2511	Barrier Arm Opt. (2000) - Replace	15	1	$4,250
2511	Barrier Arm Opt. (2013) - Replace	15	7	$4,250
2511	Barrier Arm Opt. (2017) - Replace	15	11	$4,250
	Palo Verde Gate			
2145	Entry/Exit Gates - Replace	25	10	$8,650
2508	RFID Sensor - Replace	15	7	$6,550
2509	Gate Operator (2004) - Replace	15	1	$3,750
2509	Gate Operator (2011) - Replace	15	5	$3,750
2511	Barrier Arm Opt. (Older) - Replace	15	1	$8,550
33	**Total Funded Components**			

Note 1: Yellow highlighted line items are expected to require attention in this initial year, green highlighted items are expected to occur within the first-five years.

Introduction

A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.

RESERVE STUDY RESULTS

Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology

For this Full Reserve Study, we started with a review of your Governing Documents, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents. We performed an on-site inspection to quantify and evaluate your common areas, creating your Reserve Component List *from scratch*.

Which Physical Assets are Funded by Reserves?

RESERVE COMPONENT "FOUR-PART TEST"

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

How do we establish Useful Life and Remaining Useful Life estimates?

1) Visual Inspection (observed wear and age)
2) Association Reserves database of experience
3) Client History (install dates & previous life cycle information)
4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

1) Actual client cost history, or current proposals
2) Comparison to Association Reserves database of work done at similar associations
3) Vendor Recommendations
4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
2) Compare that to the Reserve Fund Balance, and express as a percentage.

Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

How much should we contribute?

RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*

FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Site Inspection Notes

During our site visit on 9/3/2020, we started with a brief meeting with Mr Mikel Kline. We thank him for his assistance and input during this process. During our inspection, we visually inspected all common areas, amenities, and other components that are the responsibility of the Client. Please refer to the Component Details section at the end of this document for additional photos, observations and other information regarding each component.

Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses as defined by your Reserve Component List. A summary of these components are shown in the Component Details table, while a summary of the expenses themselves are shown in the 30-yr Cash Flow Detail table.

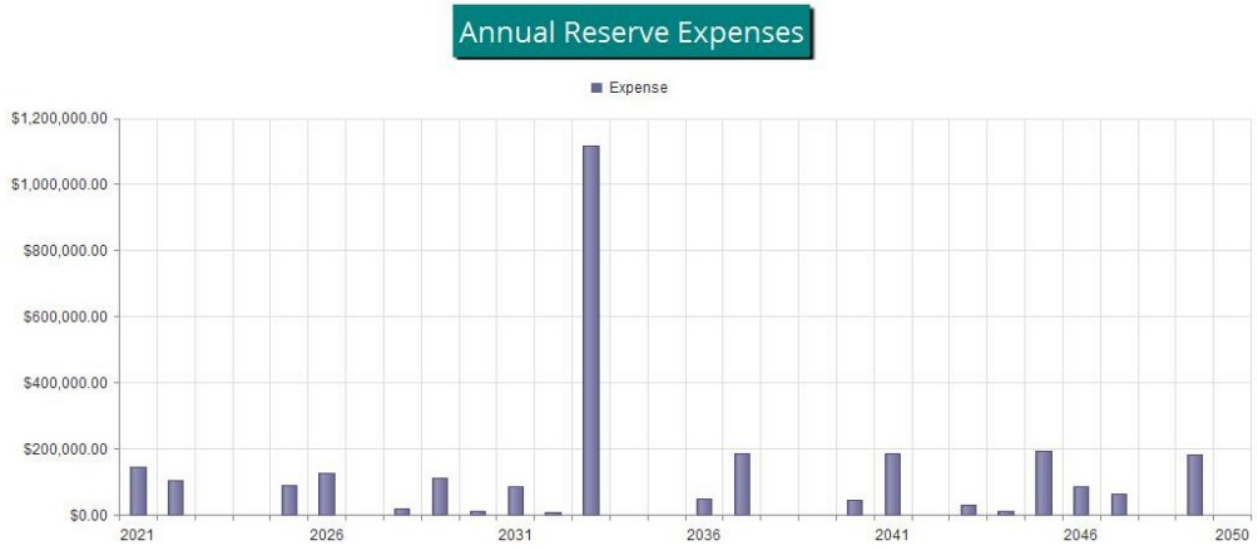


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be $211,000 as-of the start of your Fiscal Year on 1/1/2021. This is based either on information provided directly to us, or using your most recent available Reserve account balance, plus any budgeted contributions and less any planned expenses through the end of your Fiscal Year. As of your Fiscal Year Start, your Fully Funded Balance is computed to be $592,352. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 35.6 % Funded. In our experience, approximately 20% of Clients funded in this range require special assessments as part of their recommended Reserve funding plans.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of $104,000 this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

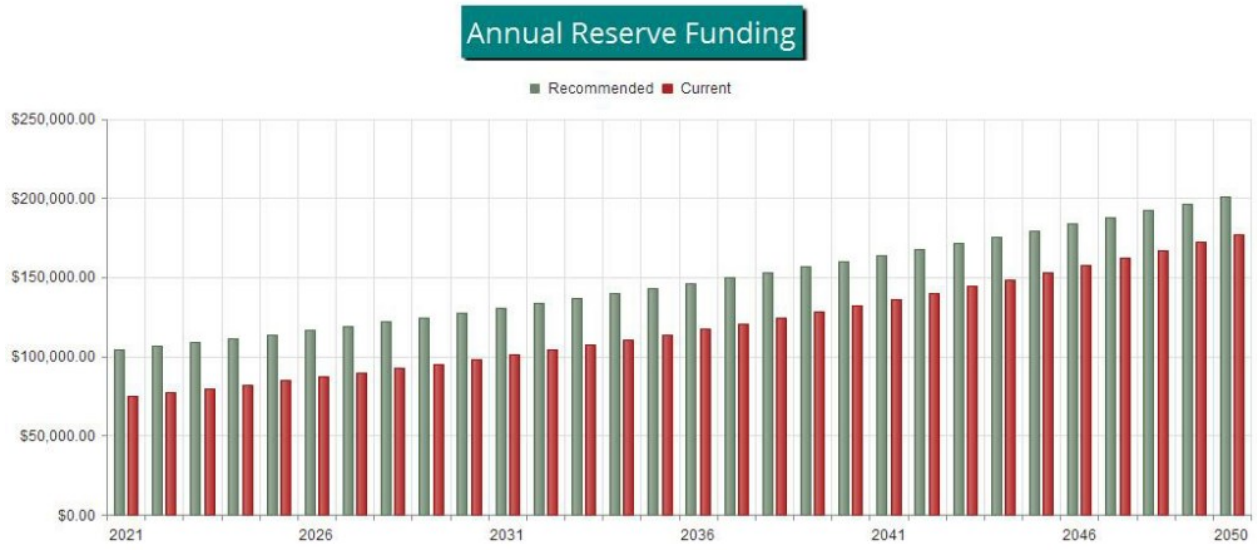


Figure 2

The following chart shows your Reserve balance under our recommended Full Funding Plan and at your current budgeted contribution rate, compared to your always-changing Fully Funded Balance target. Note that the "current" contribution rate as shown here is based on the most recent Reserve contribution rate as reported to us, and assumes an annual increase of 3% to that rate going forward. This rate is included here for comparison purposes only, to illustrate what might happen if the Client were to continue budgeting for Reserves at the same rate as it has most recently done, assuming routine, consistent annual increases.

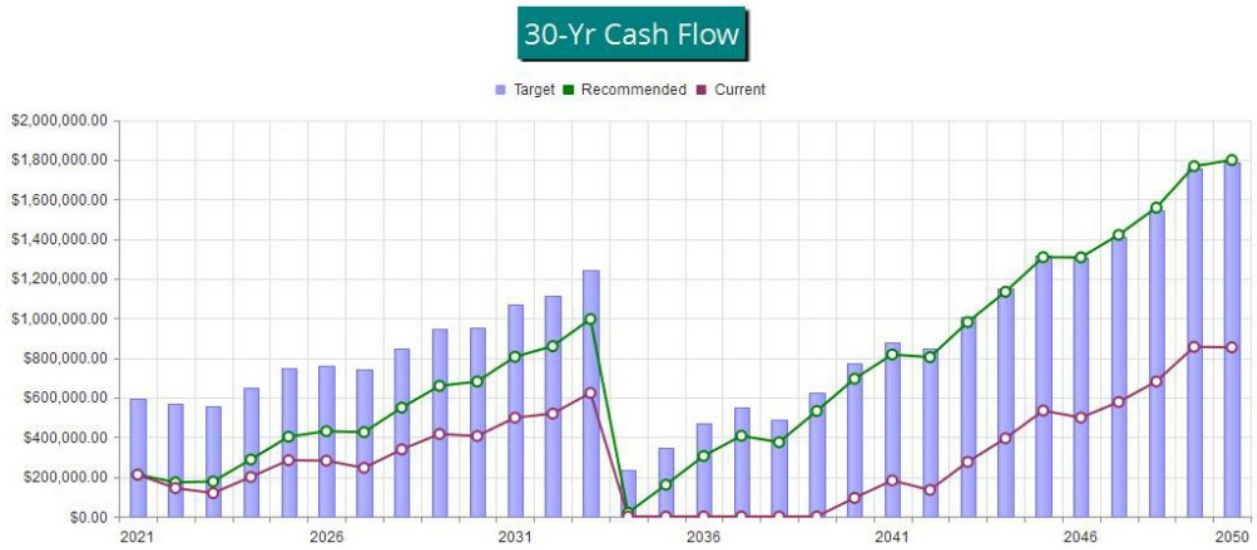


Figure 3

This figure shows the same information described above, but plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan.

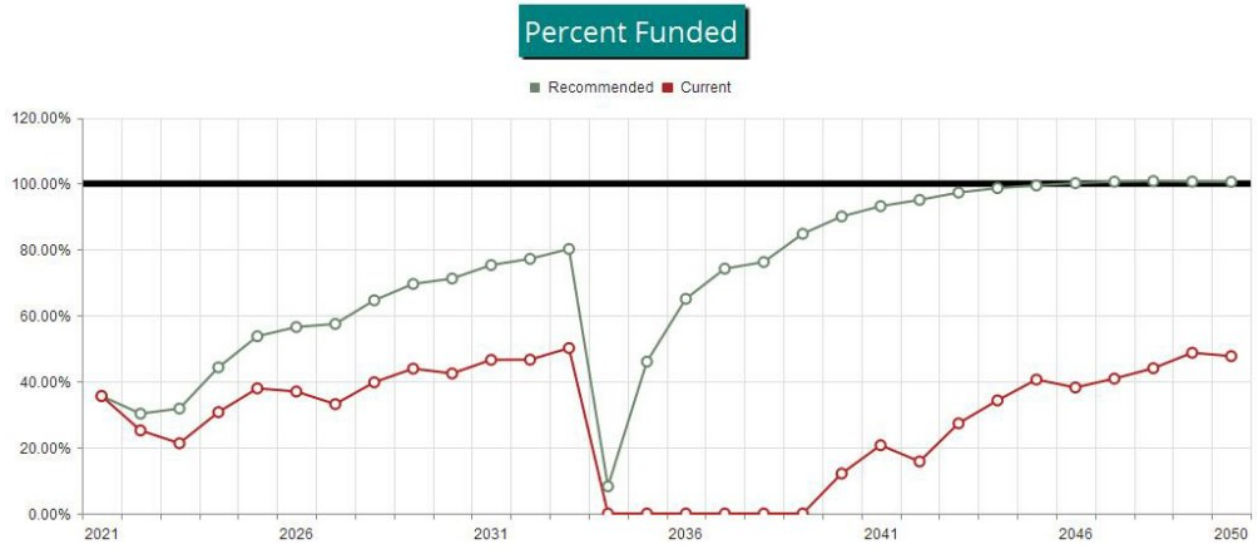


Figure 4

Table Descriptions

Executive Summary is a summary of your Reserve Components

Reserve Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the property total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate Best Case	Current Cost Estimate Worst Case
	Loan					
9999	Loan Payment (2021)	Lump Sum Allowance	0	0	$65,000	$65,000
9999	Loan Payment (2022)	Lump Sum Allowance	0	1	$65,000	$65,000
	Site and Grounds					
2113	Site Drainage System - Clean/Repair	(1) Large System	10	5	$20,000	$30,000
2123	Asphalt - Seal/Repair	Approx 66,200 GSY	4	0	$70,000	$90,000
2125	Asphalt - Resurface	Approx 66,200 GSY	20	12	$611,000	$746,000
2137	Site Fencing (Metal) - Replace	Approx 180 LF	25	10	$7,300	$8,900
2143	Site Fencing (Chain Link) - Replace	Approx 2,440 LF	30	5	$32,900	$40,300
2157	Perimeter Walls - Repair/Paint	~ 3,440 LF / 41,300 GSF	7	5	$23,200	$28,400
2169	Sign/Monument - Refurbish/Replace	(4) Signs	20	5	$4,000	$6,000
2171	Flag Poles - Replace	(2) Flag Poles	30	10	$6,800	$8,300
2199	Guardhouses - Refurbish	(2) Guardhouses	10	5	$5,000	$7,000
2367	Windows/Doors (Guardhouses) - Repl.	Lump Sum Allowance	40	39	$11,100	$13,600
2383	Guardhouse Roofs (Tile) - Replace	Approx 600 GSF	25	24	$7,500	$8,100
2543	Surveillance System-Upgrade/Replace	(15) Cameras	10	10	$10,000	$15,000
	East Gate					
2145	Entry/Exit Gates - Replace	(3) Single Gates	25	10	$8,700	$10,700
2508	RFID Sensor - Replace	(1) Sensor	15	5	$5,900	$7,200
2509	Gate Operator (2015) - Replace	(1) Operator	15	9	$3,400	$4,100
2509	Gate Operators (Older) - Replace	(2) Operators	15	1	$6,800	$8,300
2511	Barrier Arm Opt. (1999) - Replace	(1) Operator	15	1	$3,800	$4,700
2511	Barrier Arm Opt. (2013) - Replace	(1) Operator	15	7	$3,800	$4,700
2511	Barrier Arm Opt. (2016) - Replace	(1) Operator	15	10	$3,800	$4,700
	West Gate					
2145	Entry/Exit Gates - Replace	(4) Single Gates	25	10	$11,700	$14,300
2508	RFID Sensor - Replace	(1) Sensor	15	8	$5,900	$7,200
2509	Gate Operator (2015) - Replace	(1) Operator	15	9	$3,400	$4,100
2509	Gate Operators (Older) - Replace	(2) Operators	15	1	$6,800	$8,300
2511	Barrier Arm Opt. (2000) - Replace	(1) Operator	15	1	$3,800	$4,700
2511	Barrier Arm Opt. (2013) - Replace	(1) Operator	15	7	$3,800	$4,700
2511	Barrier Arm Opt. (2017) - Replace	(1) Operator	15	11	$3,800	$4,700
	Palo Verde Gate					
2145	Entry/Exit Gates - Replace	(2) Single Gates	25	10	$7,800	$9,500
2508	RFID Sensor - Replace	(1) Sensor	15	7	$5,900	$7,200
2509	Gate Operator (2004) - Replace	(1) Operator	15	1	$3,400	$4,100
2509	Gate Operator (2011) - Replace	(1) Operator	15	5	$3,400	$4,100
2511	Barrier Arm Opt. (Older) - Replace	(2) Operators	15	1	$7,700	$9,400

33 Total Funded Components

Fully Funded Balance

40239-0 Full

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
	Loan							
9999	Loan Payment (2021)	$65,000	X	0	/	0	=	$65,000
9999	Loan Payment (2022)	$65,000	X	0	/	0	=	$32,500
	Site and Grounds							
2113	Site Drainage System - Clean/Repair	$25,000	X	5	/	10	=	$12,500
2123	Asphalt - Seal/Repair	$80,000	X	4	/	4	=	$80,000
2125	Asphalt - Resurface	$678,500	X	8	/	20	=	$271,400
2137	Site Fencing (Metal) - Replace	$8,100	X	15	/	25	=	$4,860
2143	Site Fencing (Chain Link) - Replace	$36,600	X	25	/	30	=	$30,500
2157	Perimeter Walls - Repair/Paint	$25,800	X	2	/	7	=	$7,371
2169	Sign/Monument - Refurbish/Replace	$5,000	X	15	/	20	=	$3,750
2171	Flag Poles - Replace	$7,550	X	20	/	30	=	$5,033
2199	Guardhouses - Refurbish	$6,000	X	5	/	10	=	$3,000
2367	Windows/Doors (Guardhouses) - Repl.	$12,350	X	1	/	40	=	$309
2383	Guardhouse Roofs (Tile) - Replace	$7,800	X	1	/	25	=	$312
2543	Surveillance System-Upgrade/Replace	$12,500	X	0	/	10	=	$0
	East Gate							
2145	Entry/Exit Gates - Replace	$9,700	X	15	/	25	=	$5,820
2508	RFID Sensor - Replace	$6,550	X	10	/	15	=	$4,367
2509	Gate Operator (2015) - Replace	$3,750	X	6	/	15	=	$1,500
2509	Gate Operators (Older) - Replace	$7,550	X	14	/	15	=	$7,047
2511	Barrier Arm Opt. (1999) - Replace	$4,250	X	14	/	15	=	$3,967
2511	Barrier Arm Opt. (2013) - Replace	$4,250	X	8	/	15	=	$2,267
2511	Barrier Arm Opt. (2016) - Replace	$4,250	X	5	/	15	=	$1,417
	West Gate							
2145	Entry/Exit Gates - Replace	$13,000	X	15	/	25	=	$7,800
2508	RFID Sensor - Replace	$6,550	X	7	/	15	=	$3,057
2509	Gate Operator (2015) - Replace	$3,750	X	6	/	15	=	$1,500
2509	Gate Operators (Older) - Replace	$7,550	X	14	/	15	=	$7,047
2511	Barrier Arm Opt. (2000) - Replace	$4,250	X	14	/	15	=	$3,967
2511	Barrier Arm Opt. (2013) - Replace	$4,250	X	8	/	15	=	$2,267
2511	Barrier Arm Opt. (2017) - Replace	$4,250	X	4	/	15	=	$1,133
	Palo Verde Gate							
2145	Entry/Exit Gates - Replace	$8,650	X	15	/	25	=	$5,190
2508	RFID Sensor - Replace	$6,550	X	8	/	15	=	$3,493
2509	Gate Operator (2004) - Replace	$3,750	X	14	/	15	=	$3,500
2509	Gate Operator (2011) - Replace	$3,750	X	10	/	15	=	$2,500
2511	Barrier Arm Opt. (Older) - Replace	$8,550	X	14	/	15	=	$7,980
								$592,352

30-Year Reserve Plan Summary

40239-0
Full

Fiscal Year Start: 2021	Interest: 1.00 %	Inflation: 3.00 %

Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)	Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase In Annual Reserve Contribs.	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2021	$211,000	$592,352	35.6 %	Medium	38.26 %	$104,000	$0	$1,914	$145,000
2022	$171,914	$567,860	30.3 %	Medium	2.30 %	$106,392	$0	$1,739	$103,927
2023	$176,118	$553,671	31.8 %	Medium	2.30 %	$108,839	$0	$2,316	$0
2024	$287,273	$648,376	44.3 %	Medium	2.30 %	$111,342	$0	$3,445	$0
2025	$402,061	$748,265	53.7 %	Medium	2.30 %	$113,903	$0	$4,159	$90,041
2026	$430,082	$760,821	56.5 %	Medium	2.30 %	$116,523	$0	$4,273	$126,013
2027	$424,865	$739,189	57.5 %	Medium	2.30 %	$119,203	$0	$4,867	$0
2028	$548,935	$849,261	64.6 %	Medium	2.30 %	$121,945	$0	$6,034	$18,510
2029	$658,404	$946,207	69.6 %	Medium	2.30 %	$124,749	$0	$6,690	$109,639
2030	$680,205	$954,914	71.2 %	Low	2.30 %	$127,619	$0	$7,425	$9,786
2031	$805,463	$1,069,529	75.3 %	Low	2.30 %	$130,554	$0	$8,317	$85,675
2032	$858,659	$1,112,298	77.2 %	Low	2.30 %	$133,557	$0	$9,267	$5,883
2033	$995,600	$1,241,504	80.2 %	Low	2.30 %	$136,628	$0	$5,071	$1,118,224
2034	$19,075	$231,931	8.2 %	High	2.30 %	$139,771	$0	$894	$0
2035	$159,740	$346,990	46.0 %	Medium	2.30 %	$142,986	$0	$2,323	$0
2036	$305,048	$468,744	65.1 %	Medium	2.30 %	$146,274	$0	$3,557	$48,297
2037	$406,582	$547,746	74.2 %	Low	2.30 %	$149,639	$0	$3,902	$185,985
2038	$374,137	$490,738	76.2 %	Low	2.30 %	$153,080	$0	$4,527	$0
2039	$531,745	$627,130	84.8 %	Low	2.30 %	$156,601	$0	$6,128	$0
2040	$694,474	$771,263	90.0 %	Low	2.30 %	$160,203	$0	$7,554	$45,240
2041	$816,991	$876,882	93.2 %	Low	2.30 %	$163,888	$0	$8,098	$185,668
2042	$803,308	$844,901	95.1 %	Low	2.30 %	$167,657	$0	$8,912	$0
2043	$979,878	$1,007,188	97.3 %	Low	2.30 %	$171,513	$0	$10,560	$28,837
2044	$1,133,114	$1,148,749	98.6 %	Low	2.30 %	$175,458	$0	$12,200	$12,927
2045	$1,307,844	$1,315,176	99.4 %	Low	2.30 %	$179,493	$0	$13,067	$193,725
2046	$1,306,679	$1,304,732	100.1 %	Low	2.30 %	$183,622	$0	$13,626	$84,275
2047	$1,419,653	$1,411,198	100.6 %	Low	2.30 %	$187,845	$0	$14,880	$64,806
2048	$1,557,572	$1,545,534	100.8 %	Low	2.30 %	$192,166	$0	$16,613	$0
2049	$1,766,350	$1,755,414	100.6 %	Low	2.30 %	$196,585	$0	$17,813	$183,034
2050	$1,797,714	$1,787,969	100.5 %	Low	2.30 %	$201,107	$0	$19,070	$0

	Fiscal Year	2021	2022	2023	2024	2025
	Starting Reserve Balance	$211,000	$171,914	$176,118	$287,273	$402,061
	Annual Reserve Contribution	$104,000	$106,392	$108,839	$111,342	$113,903
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$1,914	$1,739	$2,316	$3,445	$4,159
	Total Income	$316,914	$280,045	$287,273	$402,061	$520,123
#	Component					
	Loan					
9999	Loan Payment (2021)	$65,000	$0	$0	$0	$0
9999	Loan Payment (2022)	$0	$66,950	$0	$0	$0
	Site and Grounds					
2113	Site Drainage System - Clean/Repair	$0	$0	$0	$0	$0
2123	Asphalt - Seal/Repair	$80,000	$0	$0	$0	$90,041
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2137	Site Fencing (Metal) - Replace	$0	$0	$0	$0	$0
2143	Site Fencing (Chain Link) - Replace	$0	$0	$0	$0	$0
2157	Perimeter Walls - Repair/Paint	$0	$0	$0	$0	$0
2169	Sign/Monument - Refurbish/Replace	$0	$0	$0	$0	$0
2171	Flag Poles - Replace	$0	$0	$0	$0	$0
2199	Guardhouses - Refurbish	$0	$0	$0	$0	$0
2367	Windows/Doors (Guardhouses) - Repl.	$0	$0	$0	$0	$0
2383	Guardhouse Roofs (Tile) - Replace	$0	$0	$0	$0	$0
2543	Surveillance System-Upgrade/Replace	$0	$0	$0	$0	$0
	East Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$0
2509	Gate Operators (Older) - Replace	$0	$7,777	$0	$0	$0
2511	Barrier Arm Opt. (1999) - Replace	$0	$4,378	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2016) - Replace	$0	$0	$0	$0	$0
	West Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$0
2509	Gate Operators (Older) - Replace	$0	$7,777	$0	$0	$0
2511	Barrier Arm Opt. (2000) - Replace	$0	$4,378	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2017) - Replace	$0	$0	$0	$0	$0
	Palo Verde Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2004) - Replace	$0	$3,863	$0	$0	$0
2509	Gate Operator (2011) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (Older) - Replace	$0	$8,807	$0	$0	$0
	Total Expenses	$145,000	$103,927	$0	$0	$90,041
	Ending Reserve Balance	$171,914	$176,118	$287,273	$402,061	$430,082

	Fiscal Year	2026	2027	2028	2029	2030
	Starting Reserve Balance	$430,082	$424,865	$548,935	$658,404	$680,205
	Annual Reserve Contribution	$116,523	$119,203	$121,945	$124,749	$127,619
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$4,273	$4,867	$6,034	$6,690	$7,425
	Total Income	$550,878	$548,935	$676,914	$789,844	$815,248
#	Component					
	Loan					
9999	Loan Payment (2021)	$0	$0	$0	$0	$0
9999	Loan Payment (2022)	$0	$0	$0	$0	$0
	Site and Grounds					
2113	Site Drainage System - Clean/Repair	$28,982	$0	$0	$0	$0
2123	Asphalt - Seal/Repair	$0	$0	$0	$101,342	$0
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2137	Site Fencing (Metal) - Replace	$0	$0	$0	$0	$0
2143	Site Fencing (Chain Link) - Replace	$42,429	$0	$0	$0	$0
2157	Perimeter Walls - Repair/Paint	$29,909	$0	$0	$0	$0
2169	Sign/Monument - Refurbish/Replace	$5,796	$0	$0	$0	$0
2171	Flag Poles - Replace	$0	$0	$0	$0	$0
2199	Guardhouses - Refurbish	$6,956	$0	$0	$0	$0
2367	Windows/Doors (Guardhouses) - Repl.	$0	$0	$0	$0	$0
2383	Guardhouse Roofs (Tile) - Replace	$0	$0	$0	$0	$0
2543	Surveillance System-Upgrade/Replace	$0	$0	$0	$0	$0
	East Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$7,593	$0	$0	$0	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$4,893
2509	Gate Operators (Older) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (1999) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$5,227	$0	$0
2511	Barrier Arm Opt. (2016) - Replace	$0	$0	$0	$0	$0
	West Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$8,297	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$4,893
2509	Gate Operators (Older) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2000) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$5,227	$0	$0
2511	Barrier Arm Opt. (2017) - Replace	$0	$0	$0	$0	$0
	Palo Verde Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$8,056	$0	$0
2509	Gate Operator (2004) - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2011) - Replace	$4,347	$0	$0	$0	$0
2511	Barrier Arm Opt. (Older) - Replace	$0	$0	$0	$0	$0
	Total Expenses	$126,013	$0	$18,510	$109,639	$9,786
	Ending Reserve Balance	$424,865	$548,935	$658,404	$680,205	$805,463

	Fiscal Year	2031	2032	2033	2034	2035
	Starting Reserve Balance	$805,463	$858,659	$995,600	$19,075	$159,740
	Annual Reserve Contribution	$130,554	$133,557	$136,628	$139,771	$142,986
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$8,317	$9,267	$5,071	$894	$2,323
	Total Income	$944,334	$1,001,483	$1,137,299	$159,740	$305,048
#	Component					
	Loan					
9999	Loan Payment (2021)	$0	$0	$0	$0	$0
9999	Loan Payment (2022)	$0	$0	$0	$0	$0
	Site and Grounds					
2113	Site Drainage System - Clean/Repair	$0	$0	$0	$0	$0
2123	Asphalt - Seal/Repair	$0	$0	$114,061	$0	$0
2125	Asphalt - Resurface	$0	$0	$967,379	$0	$0
2137	Site Fencing (Metal) - Replace	$10,886	$0	$0	$0	$0
2143	Site Fencing (Chain Link) - Replace	$0	$0	$0	$0	$0
2157	Perimeter Walls - Repair/Paint	$0	$0	$36,785	$0	$0
2169	Sign/Monument - Refurbish/Replace	$0	$0	$0	$0	$0
2171	Flag Poles - Replace	$10,147	$0	$0	$0	$0
2199	Guardhouses - Refurbish	$0	$0	$0	$0	$0
2367	Windows/Doors (Guardhouses) - Repl.	$0	$0	$0	$0	$0
2383	Guardhouse Roofs (Tile) - Replace	$0	$0	$0	$0	$0
2543	Surveillance System-Upgrade/Replace	$16,799	$0	$0	$0	$0
	East Gate					
2145	Entry/Exit Gates - Replace	$13,036	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$0
2509	Gate Operators (Older) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (1999) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2016) - Replace	$5,712	$0	$0	$0	$0
	West Gate					
2145	Entry/Exit Gates - Replace	$17,471	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$0
2509	Gate Operators (Older) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2000) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2017) - Replace	$0	$5,883	$0	$0	$0
	Palo Verde Gate					
2145	Entry/Exit Gates - Replace	$11,625	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2004) - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2011) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (Older) - Replace	$0	$0	$0	$0	$0
	Total Expenses	$85,675	$5,883	$1,118,224	$0	$0
	Ending Reserve Balance	$858,659	$995,600	$19,075	$159,740	$305,048

	Fiscal Year	2036	2037	2038	2039	2040
	Starting Reserve Balance	$305,048	$406,582	$374,137	$531,745	$694,474
	Annual Reserve Contribution	$146,274	$149,639	$153,080	$156,601	$160,203
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$3,557	$3,902	$4,527	$6,128	$7,554
	Total Income	$454,879	$560,123	$531,745	$694,474	$862,231
#	Component					
	Loan					
9999	Loan Payment (2021)	$0	$0	$0	$0	$0
9999	Loan Payment (2022)	$0	$0	$0	$0	$0
	Site and Grounds					
2113	Site Drainage System - Clean/Repair	$38,949	$0	$0	$0	$0
2123	Asphalt - Seal/Repair	$0	$128,377	$0	$0	$0
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2137	Site Fencing (Metal) - Replace	$0	$0	$0	$0	$0
2143	Site Fencing (Chain Link) - Replace	$0	$0	$0	$0	$0
2157	Perimeter Walls - Repair/Paint	$0	$0	$0	$0	$45,240
2169	Sign/Monument - Refurbish/Replace	$0	$0	$0	$0	$0
2171	Flag Poles - Replace	$0	$0	$0	$0	$0
2199	Guardhouses - Refurbish	$9,348	$0	$0	$0	$0
2367	Windows/Doors (Guardhouses) - Repl.	$0	$0	$0	$0	$0
2383	Guardhouse Roofs (Tile) - Replace	$0	$0	$0	$0	$0
2543	Surveillance System-Upgrade/Replace	$0	$0	$0	$0	$0
	East Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$0
2509	Gate Operators (Older) - Replace	$0	$12,116	$0	$0	$0
2511	Barrier Arm Opt. (1999) - Replace	$0	$6,820	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2016) - Replace	$0	$0	$0	$0	$0
	West Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$0
2509	Gate Operators (Older) - Replace	$0	$12,116	$0	$0	$0
2511	Barrier Arm Opt. (2000) - Replace	$0	$6,820	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2017) - Replace	$0	$0	$0	$0	$0
	Palo Verde Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2004) - Replace	$0	$6,018	$0	$0	$0
2509	Gate Operator (2011) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (Older) - Replace	$0	$13,720	$0	$0	$0
	Total Expenses	$48,297	$185,985	$0	$0	$45,240
	Ending Reserve Balance	$406,582	$374,137	$531,745	$694,474	$816,991

	Fiscal Year	2041	2042	2043	2044	2045
	Starting Reserve Balance	$816,991	$803,308	$979,878	$1,133,114	$1,307,844
	Annual Reserve Contribution	$163,888	$167,657	$171,513	$175,458	$179,493
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$8,098	$8,912	$10,560	$12,200	$13,067
	Total Income	$988,977	$979,878	$1,161,951	$1,320,771	$1,500,405
#	Component					
	Loan					
9999	Loan Payment (2021)	$0	$0	$0	$0	$0
9999	Loan Payment (2022)	$0	$0	$0	$0	$0
	Site and Grounds					
2113	Site Drainage System - Clean/Repair	$0	$0	$0	$0	$0
2123	Asphalt - Seal/Repair	$144,489	$0	$0	$0	$162,624
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2137	Site Fencing (Metal) - Replace	$0	$0	$0	$0	$0
2143	Site Fencing (Chain Link) - Replace	$0	$0	$0	$0	$0
2157	Perimeter Walls - Repair/Paint	$0	$0	$0	$0	$0
2169	Sign/Monument - Refurbish/Replace	$0	$0	$0	$0	$0
2171	Flag Poles - Replace	$0	$0	$0	$0	$0
2199	Guardhouses - Refurbish	$0	$0	$0	$0	$0
2367	Windows/Doors (Guardhouses) - Repl.	$0	$0	$0	$0	$0
2383	Guardhouse Roofs (Tile) - Replace	$0	$0	$0	$0	$15,856
2543	Surveillance System-Upgrade/Replace	$22,576	$0	$0	$0	$0
	East Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$11,830	$0	$0	$0	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$7,623
2509	Gate Operators (Older) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (1999) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$8,143	$0	$0
2511	Barrier Arm Opt. (2016) - Replace	$0	$0	$0	$0	$0
	West Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$12,927	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$7,623
2509	Gate Operators (Older) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2000) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$8,143	$0	$0
2511	Barrier Arm Opt. (2017) - Replace	$0	$0	$0	$0	$0
	Palo Verde Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$12,550	$0	$0
2509	Gate Operator (2004) - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2011) - Replace	$6,773	$0	$0	$0	$0
2511	Barrier Arm Opt. (Older) - Replace	$0	$0	$0	$0	$0
	Total Expenses	$185,668	$0	$28,837	$12,927	$193,725
	Ending Reserve Balance	$803,308	$979,878	$1,133,114	$1,307,844	$1,306,679

	Fiscal Year	2046	2047	2048	2049	2050
	Starting Reserve Balance	$1,306,679	$1,419,653	$1,557,572	$1,766,350	$1,797,714
	Annual Reserve Contribution	$183,622	$187,845	$192,166	$196,585	$201,107
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$13,626	$14,880	$16,613	$17,813	$19,070
	Total Income	$1,503,927	$1,622,377	$1,766,350	$1,980,748	$2,017,890
#	Component					
	Loan					
9999	Loan Payment (2021)	$0	$0	$0	$0	$0
9999	Loan Payment (2022)	$0	$0	$0	$0	$0
	Site and Grounds					
2113	Site Drainage System - Clean/Repair	$52,344	$0	$0	$0	$0
2123	Asphalt - Seal/Repair	$0	$0	$0	$183,034	$0
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2137	Site Fencing (Metal) - Replace	$0	$0	$0	$0	$0
2143	Site Fencing (Chain Link) - Replace	$0	$0	$0	$0	$0
2157	Perimeter Walls - Repair/Paint	$0	$55,640	$0	$0	$0
2169	Sign/Monument - Refurbish/Replace	$10,469	$0	$0	$0	$0
2171	Flag Poles - Replace	$0	$0	$0	$0	$0
2199	Guardhouses - Refurbish	$12,563	$0	$0	$0	$0
2367	Windows/Doors (Guardhouses) - Repl.	$0	$0	$0	$0	$0
2383	Guardhouse Roofs (Tile) - Replace	$0	$0	$0	$0	$0
2543	Surveillance System-Upgrade/Replace	$0	$0	$0	$0	$0
	East Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$0
2509	Gate Operators (Older) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (1999) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2016) - Replace	$8,899	$0	$0	$0	$0
	West Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2015) - Replace	$0	$0	$0	$0	$0
2509	Gate Operators (Older) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2000) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2013) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (2017) - Replace	$0	$9,166	$0	$0	$0
	Palo Verde Gate					
2145	Entry/Exit Gates - Replace	$0	$0	$0	$0	$0
2508	RFID Sensor - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2004) - Replace	$0	$0	$0	$0	$0
2509	Gate Operator (2011) - Replace	$0	$0	$0	$0	$0
2511	Barrier Arm Opt. (Older) - Replace	$0	$0	$0	$0	$0
	Total Expenses	$84,275	$64,806	$0	$183,034	$0
	Ending Reserve Balance	$1,419,653	$1,557,572	$1,766,350	$1,797,714	$2,017,890

Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. William G. Simons, RS is the President of Association Reserves – Florida, LLC and is a credentialed Reserve Specialist (#190). All work done by Association Reserves – Florida, LLC is performed under his Responsible Charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

In accordance with National Reserve Study Standards, information provided by the official representative(s) of the client regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable for use in preparing the Reserve Study, and is not intended to be used for the purpose of performing any type of audit, quality/forensic analysis, or background checks of historical records.

For "Full" Reserve Study levels of service, we attempt to establish measurements and component quantities within 5% accuracy through a combination of on-site measurements and observations, review of any available building plans or drawings, and/or any other reliable means. For "Update, With Site Visit" and "Update, No Site Visit" Reserve Study levels of service, the client is considered to have deemed previously developed component quantities as accurate and reliable, including quantities that may have been established by other individuals/firms.

The scope of work for this Reserve Study includes visual inspection of accessible areas and components, and does not include any destructive or other means of testing. We do not inspect or investigate for construction defects, hazardous materials, or hidden issues such as plumbing or electrical problems, or problems with sub-surface drainage system components. Information provided to us about historical or upcoming projects, including information provided by the client's vendors and suppliers, will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection. Our opinions of component useful life, remaining useful life, and cost estimates assume proper original installation/construction, adherence to recommended preventive maintenance guidelines and best practices, a stable economic environment and do not consider the frequency or severity of natural disasters. Our opinions of component useful life, remaining useful life and current and future cost estimates are not a warranty or guarantee of the actual costs and timing of any component repairs or replacements.

The actual or projected total Reserve account balance(s) presented in the Reserve Study is/are based upon information provided and was/were not audited. Because the physical condition of the client's components, the client's Reserve balance, the economic environment, and the legislative environment change each year, this Reserve Study is by nature a "one-year" document. Reality often differs from even the best assumptions due to the changing economy, physical factors including weather and usage, client financial decisions, legislation, or owner expectations. It is only because a long-term perspective improves the accuracy of near-term planning that this Reserve Study projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of these expense projections, and the funding necessary to prepare for those estimated expenses. Because we have no control over future events, we do not expect that all the events we anticipate will occur as planned. We expect that inflationary trends will continue, and we expect Reserve funds to continue to earn interest, so we believe that reasonable estimates for these figures are much more accurate than ignoring these economic realities.

The Funding Plan in this Report was developed using the cash-flow methodology to achieve the specified Funding Objective. Compensation for this Reserve Study is not contingent upon client's agreement with our conclusions or recommendations, and Association Reserves' liability in any matter involving this Reserve Study is limited to our Fees for services rendered.

Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)
Effective Age	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
Fully Funded Balance (FFB)	The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.
Inflation	Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on the "30-yr Income/Expense Detail" table.
Interest	Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.
Percent Funded	The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life (RUL)	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
Useful Life (UL)	The estimated time, in years, that a common area component can be expected to serve its intended function.

Component Details

The following pages contain a great deal of detailed observations, photos, and commentary related to each component included in the Reserve Study. All components are included as necessary and appropriate, consistent with Florida Statutes and National Reserve Study Standards.

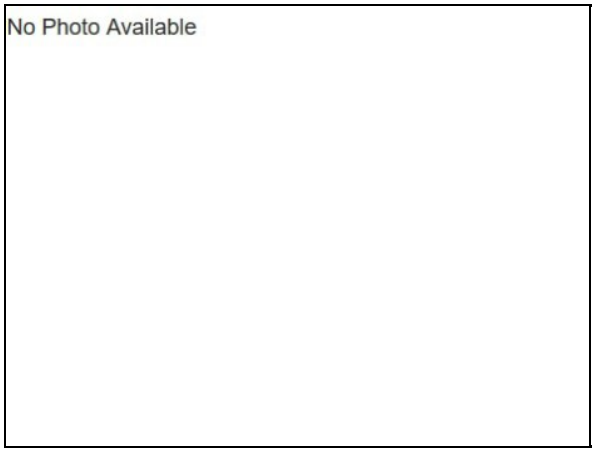
Inspecting for construction defects, performing destructive testing to search for hidden issues (such as plumbing or electrical problems), environmental hazards (asbestos, radon, lead, etc.), or accounting for unpredictable acts of nature are all outside our scope of work and such components are not included herein unless otherwise noted.

Loan

Comp #: 9999 Loan Payment (2021) **Quantity: Lump Sum Allowance**
Location:
Funded?: Yes.
History:
Comments: Per information provided to us, Association is currently paying off a bank loan (valued at $65,000/year), with two remaining payments (ie. year 2021 and 2022). To account for these expenses, we have included this component, valued at $65,000 for year 2021. As of 2023, bank loan would have been fully paid off, and both components are removed from the reserve funding plan.

Useful Life:
0 years

Remaining Life:
0 years



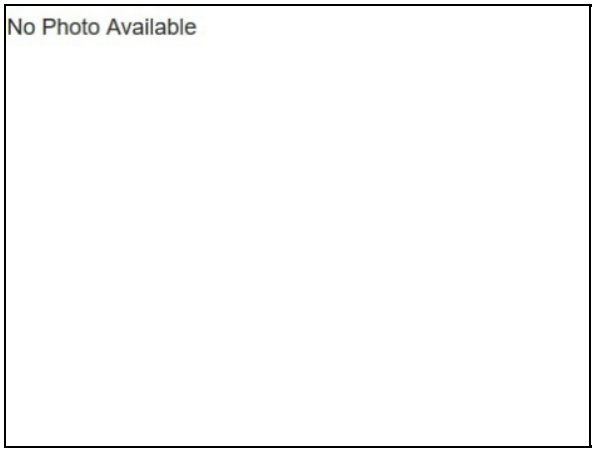
Best Case: $ 65,000 Worst Case: $ 65,000

Cost Source: Estimate Provided by Client

Comp #: 9999 Loan Payment (2022) **Quantity: Lump Sum Allowance**
Location:
Funded?: Yes.
History:
Comments: Per information provided to us, Association is currently paying off a bank loan (valued at $65,000/year), with two remaining payments (ie. year 2021 and 2022). To account for these expenses, we have included this component, valued at $65,000 for year 2022. As of 2023, bank loan would have been fully paid off, and both components are removed from the reserve funding plan.

Useful Life:
0 years

Remaining Life:
1 years



Best Case: $ 65,000 Worst Case: $ 65,000

Cost Source: Estimate Provided by Client

Site and Grounds

Comp #: 2113 Site Drainage System - Clean/Repair **Quantity: (1) Large System**
Location: Throughout development
Funded?: Yes.
History:
Comments: No access to inspect in-ground drainage infrastructure. Annual preventive maintenance work is typically performed as part of a Client's general maintenance/operating fund. Under normal circumstances, site drainage components are constructed of very durable materials which should have a very long useful life (often assumed to be 50 years or more). Repairs may occasionally be required, but timing and scope of work is too unpredictable for Reserve funding in accordance with National Reserve Study Standards. If there are specific, known concerns with drainage system, we recommend further investigation using cameras or other means to document and identify conditions. Some clients consult with civil and/or geotechnical engineers in order to develop scopes of work for repair/replacement. If more comprehensive analysis becomes available, findings should be incorporated into Reserve Study updates as appropriate.

Useful Life:
10 years

Remaining Life:
5 years

Best Case:	$ 20,000	Worst Case:	$ 30,000
	Lower allowance to clean/repair		Higher allowance

Cost Source: AR Cost Database

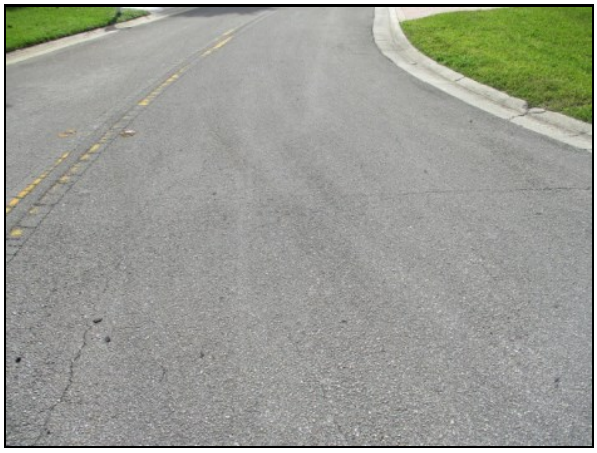
Comp #: 2123 Asphalt - Seal/Repair **Quantity: Approx 66,200 GSY**

Location: Asphalt throughout development
Funded?: Yes.
History:
Comments: Poor condition: Asphalt seal-coat determined to be in poor condition is typically not uniform, and may be very light in color, especially in higher-traffic areas. Traffic markings do not contrast well with pavement and are faded and worn.

Regular cycles of seal coating (along with any needed repair) has proven to be the best program in our opinion for the long term care of asphalt pavement. The primary reason to seal coat asphalt pavement is to protect the pavement from the deteriorating effects of sun and water. When asphalt pavement is exposed, the asphalt oxidizes, or hardens which causes the pavement to become more brittle. As a result, the pavement will be more likely to crack because it is unable to bend and flex when subjected to traffic and temperature changes. A seal coat combats this situation by providing a water-resistant membrane, which not only slows down the oxidation process but also helps the pavement to shed water, preventing it from entering the base material. Seal coating also provides uniform appearance, concealing the inevitable patching and repairs which accumulate over time. Seal coating ultimately can extend the useful life of asphalt, postponing the need for asphalt resurfacing. If asphalt is already cracked, raveled and otherwise deteriorated, seal-coating will not provide much physical benefit, but still may have aesthetic benefits for curb appeal.

Useful Life:
4 years

Remaining Life:
0 years



Best Case: $ 70,000 Worst Case: $ 90,000

Lower estimate to seal/repair Higher estimate

Cost Source: Estimate Provided by Client

Comp #: 2125 Asphalt - Resurface **Quantity: Approx 66,200 GSY**

Location: Asphalt throughout development

Funded?: Yes.

History: Per records provided, asphalt repairs/patching recently completed in 2019 for ~ $14,000

Comments: Fair condition: Asphalt pavement determined to be in fair condition typically exhibits a mostly uniform surface but with minor to moderate raveling and surface wear. If present, crack patterns are normal for the age of the asphalt and not extreme, and there are no signs of advanced deterioration, such as large block cracking patterns, “alligatoring” or potholes. Overall appears to be aging normally and still up to an appropriate aesthetic standard.

As routine maintenance, keep roadway clean, free of debris and well drained; fill/seal cracks to prevent water from penetrating into the sub-base and accelerating damage. Even with ordinary care and maintenance, plan for eventual large scale resurface (milling and overlay of all asphalt surfaces is recommended here, unless otherwise noted) at roughly the time frame below. Take note of any areas of ponding water or other drainage concerns, and incorporate repairs into scope of work for resurfacing. Our inspection is visual only and does not incorporate any core sampling or other testing, which may be advisable when asphalt is nearing end of useful life. Some communities choose to work with independent paving consultants or engineering firms in order to identify any hidden concerns and develop scope of work prior to bidding. If more comprehensive analysis becomes available, incorporate findings into future Reserve Study updates as appropriate.

Useful Life:
20 years

Remaining Life:
12 years

Best Case: $ 611,000 Worst Case: $ 746,000

Lower estimate to resurface Higher estimate

Cost Source: AR Cost Database

Comp #: 2137 Site Fencing (Metal) - Replace **Quantity: Approx 180 LF**

Location: East/West/Palo Verde entrances

Funded?: Yes.

History:

Comments: Fair condition: Metal fencing determined to be in fair condition typically exhibits some minor to moderate amounts of surface wear and other signs of age, which may include corrosion, loose or unstable pieces/sections or hardware, and/or overgrowth by surrounding vegetation. Overall, appears to be in serviceable but declining condition.

In our experience, metal fencing will typically eventually break down due to a combination of sun and weather exposure, which is sometimes exacerbated by other factors such as irrigation overspray, abuse and lack of preventive maintenance. For some types of fencing, complete replacement is advisable over minor repairs paired with recoating or refinishing due to relatively short lifespan of coatings and consideration of total life-cycle cost.

Useful Life:
25 years

Remaining Life:
10 years

Best Case: $ 7,300 Worst Case: $ 8,900

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2143 Site Fencing (Chain Link) - Replace **Quantity: Approx 2,440 LF**
Location: Lawrence Drive
Funded?: Yes.
History:
Comments: Poor condition: Chain-link site fencing determined to be in poor condition typically exhibits more advanced signs of surface wear, including rust or corrosion across most surfaces. In some cases, fabric has required repair, and posts may be leaning or bent. Generally unsightly appearance.

Chain link fencing generally has lower aesthetic value than other materials, so remaining useful life is mostly based on structural conditions, although appearance is also considered. Inspect regularly; clean and repair locally as needed as part of general maintenance/Operating funds. Assuming ordinary care and maintenance, plan to replace this fence as shown below.

Useful Life:
30 years

Remaining Life:
5 years

Best Case: $ 32,900 Worst Case: $ 40,300

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2157 Perimeter Walls - Repair/Paint **Quantity: ~ 3,440 LF / 41,300 GSF**
Location: Old Boynton Road
Funded?: Yes.
History:
Comments: Fair condition: Perimeter walls determined to be in fair condition typically exhibit more moderate staining and/or wear. Coloring is fading but consistent. Still in keeping with overall aesthetic standards of the development.

Perimeter site walls should be inspected periodically to identify and weakened/leaning sections which may need to be stabilized. Expect to repair as needed and paint at roughly the interval shown here in order to maintain a good, consistent appearance in the common areas. If designed and constructed properly, perimeter walls should not have a predictable need for complete replacement. If settling, major deterioration or damage become evident over time, this component should be re-evaluated during future Reserve Study updates and funding recommendations for complete replacement added as appropriate.

Useful Life:
7 years

Remaining Life:
5 years

Best Case:	$ 23,200	Worst Case:	$ 28,400
	Lower estimate to repair/paint		Higher estimate

Cost Source: AR Cost Database

Comp #: 2169 Sign/Monument - Refurbish/Replace **Quantity: (4) Signs**
Location: East/West entrances
Funded?: Yes.
History:
Comments: Fair condition: Monument signage determined to be in fair condition typically exhibits acceptable appearance and aesthetics in keeping with local area, but with more weathering and wear showing on surfaces. If present, landscaping and lighting are still in serviceable condition. At this stage, signage may be becoming more dated and diminishing in appeal.

As routine maintenance, inspect regularly, clean/touch-up and repair as an Operating expense. Plan to refurbish or replace at the interval below. Timing and scope of refurbishing or replacement projects is subjective but should always be scheduled in order to maintain good curb appeal. In our experience, most clients choose to refurbish or replace signage periodically in order to maintain good appearance and aesthetics in keeping with local area, often before signage is in poor physical condition. If present, concrete walls are expected to be painted and repaired as part of refurbishing, but not fully replaced unless otherwise noted. Costs can vary significantly depending on style/type desired, and may include additional costs for design work, landscaping, lighting, water features, etc. Reserve Study updates should incorporate any estimates or information collected regarding potential projects.

Useful Life:
20 years

Remaining Life:
5 years

Best Case: $ 4,000 Worst Case: $ 6,000

Lower estimate to refurbish/replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2170 Directional/Street Signs - Replace **Quantity: Numerous Signs**
Location: Adjacent to streets and parking areas
Funded?: No.
History: Per information provided, signs are replaced as needed
Comments: Signs should be inspected regularly to make sure visibility is adequate, including at night. Repair any damaged or leaning posts as needed. At this time, costs related to this component are expected to be included in the Client's Operating budget. No recommendation for Reserve funding at this time. However, any repair and maintenance or other related expenditures should be tracked, and this component should be re-evaluated during future Reserve Study updates based on most recent information and data available at that time. If deemed appropriate for Reserve funding, component can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 2171 Flag Poles - Replace **Quantity: (2) Flag Poles**
Location: East/West entrances
Funded?: Yes.
History:
Comments: Fair condition: Flag poles determined to be in fair condition typically exhibit some fading to their surface finish but are upright and stable. Appearance is acceptable. Generally believed to be aging normally.

Flag poles should have a very long useful life with minimal maintenance required. Inspect and repair as needed as an Operating expense, and plan to replace at the approximate interval shown below. Unless otherwise noted, costs to replace are based on replacing with a comparable size and style.

Useful Life:
30 years

Remaining Life:
10 years

Best Case: $ 6,800 Worst Case: $ 8,300

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2173 Street Lights - Replace **Quantity: Numerous Lights**
Location: Throughout development
Funded?: No.
History:
Comments: Street lights are not owned by the Client. No obligation to pay for replacement, so no Reserve funding is required.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 2185 Landscaping - Refurbish **Quantity: Numerous Areas**
Location: Landscaped common areas
Funded?: No.
History:
Comments: Landscaping costs are expected to be included in the Client's annual Operating budget. No recommendation for Reserve funding at this time. Monitor and include funding in Reserve Study updates if needed.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 2199 Guardhouses - Refurbish **Quantity: (2) Guardhouses**

Location: East/West entrances

Funded?: Yes.

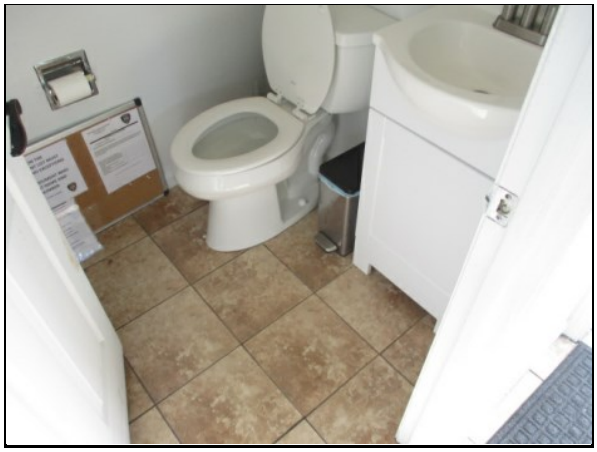
History:

Comments: Approximately 50 GSF of tile flooring and (1) bathroom per guardhouse. Fair condition: Guardhouses determined to be in fair condition typically exhibit normal signs of wear and tear, and curb appeal may be affected at this stage. All building envelope and mechanical components are believed to be in serviceable condition. If present, interior furnishings may be dated or inadequate.

This component represents an allowance for maintaining the guardhouse. Guardhouse should be inspected, cleaned and small maintenance projects made as an Operating expense. Typical Reserve-funded projects may include: exterior painting, roof repairs/replacement, new windows and doors, lighting, signage, air conditioning, plumbing or electrical repairs, etc. For smaller guardhouses, any single project may not individually meet the threshold for Reserve funding, but combinations of projects done together may become significant. Guardhouses have significant aesthetic value in terms of curb appeal and first impressions and should be maintained to a high standard.

Useful Life:
10 years

Remaining Life:
5 years



Best Case: $ 5,000 Worst Case: $ 7,000

Lower allowance for repairs/maintenance/renovation projects — Higher allowance

Cost Source: AR Cost Database

Comp #: 2343 Guardhouses - Seal/Paint **Quantity: Approx 1,000 GSF**

Location: Guardhouse exteriors

Funded?: No.

History:

Comments: There are two important reasons for painting and waterproofing a building: to protect the structure from damage caused by exposure to the elements, and to restore or maintain good aesthetic standards for curb appeal. As routine maintenance, we recommend that regular inspections, spot repairs and touch-up painting be included in the operating budget. Typical paint cycles can vary greatly depending upon many factors including; type of material painted, surface preparations, quality of material, application methods, weather conditions during application, moisture beneath paint, and exposure to weather conditions. During our inspection, we attempted to measure/quantify sealant around window and door frames, but additional sealants may be present in the building envelop which should be replaced at time of painting/waterproofing project. Proper sealant/caulking at window and door perimeters and other "gaps" in the building structure are critical to preventing water intrusion and resulting damage. The general rule of thumb is that sealant/caulking should be in place wherever two dissimilar building surfaces meet, such as window frame to concrete structure junctions. Currently, costs related to this component are expected to be included in the Client's Operating budget. No recommendation for Reserve funding at this time. However, any repair and maintenance or other related expenditures should be tracked, and this component should be re-evaluated during future Reserve Study updates based on most recent information and data available at that time. If deemed appropriate for Reserve funding, component can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 2367 Windows/Doors (Guardhouses) - Repl. **Quantity: Lump Sum Allowance**
Location: East and West guardhouses
Funded?: Yes.
History: Per information provided, windows/doors are reportedly original but will be replaced before end of 2020 for ~ $5,000 (reportedly obtained a discount price). On this basis, the remaining useful life has been extended.
Comments: Approximately 52 GSF of windows and (4) single wood/glass doors noted at guardhouses. Per information provided, Association plans to replace existing windows/doors at guardhouse via operating funds, but future replacement will be via reserve monies. With this information, we have included funding for future replacement based on current market costs.

Poor condition: Windows and doors determined to be in poor condition typically exhibit moderate to advanced wear to the frames and hardware. In the case of dual-pane windows, seals may have failed allowing for fogging between the panes. Even if windows and doors are still in serviceable physical condition, replacement may be warranted with modern replacements for better storm protection and energy efficiency. At this stage, curb appeal may also be suffering and replacement for aesthetic reasons should also be considered.

Unless otherwise noted, this component refers only to exterior windows and doors. All are assumed to have been compliant with applicable building codes at time of installation. Inspect regularly for leaks and cracks around frame and repair as needed. For operable windows, clean tracks and ensure hardware is functional to prevent accidental damage during opening/closing. With ordinary care and maintenance, useful life is typically long but often difficult to predict. Many factors affect useful life including quality of window currently installed, waterproofing details, exposure to wind and rain, etc. Individual windows and doors should be replaced as an Operating expense if damaged or broken. Plan for comprehensive replacement of all areas (unless otherwise noted) at the approximate interval shown here. Costs are based on replacement with good quality, impact-resistant models.

Useful Life:
40 years

Remaining Life:
39 years

Best Case: $ 11,100 Worst Case: $ 13,600

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2383 Guardhouse Roofs (Tile) - Replace **Quantity: Approx 600 GSF**

Location: Guardhouses

Funded?: Yes.

History: Per information provided, tile roofs replaced in 2020 for $7,800

Comments: The timeline for tile roof replacement is generally estimated based on the age of the roof. Remaining useful life can also be adjusted based on inspection of any accessible areas, looking for any cracked, slipping or missing tiles, as well as consultation with the client about history of repairs and preventive maintenance. Typical replacement includes removal and replacement of tiles and underlayment, with repairs to any damaged substrate made as needed. Tile roofing is typically a long-lived component assuming it was properly installed and is properly maintained. The primary reason to replace tile roofs is not based on the condition of the tiles themselves, whose main purpose is to provide a barrier for the underlayment which is the actual waterproofing layer of the roof system. As routine maintenance, many manufacturers recommend inspections at least twice annually and after large storm events. Promptly replace any damaged/missing sections or conduct any other repair needed to ensure waterproof integrity of roof. We recommend having roof inspected in greater detail (including conditions of sub-surface materials) by an independent roofing consultant prior to replacement. There is a wealth of information available through organizations such as the Roof Consultant Institute http://www.rci-online.org/ and the National Roofing Contractors Association (NRCA) http://www.nrca.net/. If the roof has a warranty, be sure to review terms and conduct proper inspections/repairs as needed to keep warranty in force.

Useful Life:
25 years

Remaining Life:
24 years

Best Case: $ 7,500 Worst Case: $ 8,100

Lower estimate to replace Higher estimate

Cost Source: Client Cost History

Comp #: 2543 Surveillance System-Upgrade/Replace **Quantity: (15) Cameras**
Location: Central recording station, cameras in common areas
Funded?: Yes.
History:
Comments: Number of Cameras: 15

Per information provided, (7) cameras at west gate, (5) cameras at east gate, and (3) at Palo Verde gate. Per information provided, Association plans to upgrade existing surveillance system (before end of 2020) for an initial cost of $7,728.39, followed by $441 monthly subscriptions. On this basis, the remaining useful life has been extended. It has been reported that this current upgrade cost will be handled via operating funds, but future replacement will be via reserve monies. With this information, we have included funding for future replacement.

Security/surveillance systems should be monitored closely to ensure proper function. Whenever possible, camera locations should be protected and isolated to prevent tampering and/or theft. Typical modernization projects may include addition and/or replacement of cameras, recording equipment, monitors, software, etc. Unless otherwise noted, costs assume that existing wiring can be re-used and only the actual cameras and other equipment will be replaced. In many cases, replacement or modernization is warranted due to advancement in technology, not necessarily due to functional failure of the existing system. Keep track of any partial replacements and include cost history during future Reserve Study updates. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
10 years

Remaining Life:
10 years

Best Case: $ 10,000 Worst Case: $ 15,000

Lower allowance to upgrade/replace Higher allowance

Cost Source: AR Cost Database

Comp #: 2585 Irrigation Pumps - Replace **Quantity: (2) Pumps**

Location: Adjacent to guardhouses

Funded?: No.

History:

Comments: Total of (2) pumps 1.5 HP and 2 HP), replaced on as needed basis. In general, costs related to this component are expected to be included in the Client's Operating budget. No recommendation for Reserve funding at this time. However, any repair and maintenance or other related expenditures should be tracked, and this component should be re-evaluated during future Reserve Study updates based on most recent information and data available at that time. If deemed appropriate for Reserve funding, component can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

East Gate

Comp #: 2145 Entry/Exit Gates - Replace **Quantity: (3) Single Gates**
Location: East gate entrance
Funded?: Yes.
History:
Comments: Total of (3) gates, each ~ 12' x 6' tall, noted in fair condition. Gates determined to be in fair condition typically exhibit minor to moderate corrosion or rust; hardware may show some wear and corrosion but gates operate properly and connections and supports appear to be secure. Fair appearance overall.

We strongly recommend regular inspections, maintenance and repairs to help extend useful life cycles. Clean for appearance and paint/touch-up as needed within general maintenance/Operating funds. Although metal gates are typically durable, we recommend setting aside funding for regular intervals of replacement due to constant wear/usage, exposure and vehicle damage. Replacement can also be warranted for aesthetic changes over time. Plan to replace at roughly the time frame shown below.

Useful Life:
25 years

Remaining Life:
10 years

Best Case:	$ 8,700	Worst Case:	$ 10,700
	Lower estimate to replace		Higher estimate

Cost Source: AR Cost Database

Comp #: 2508 RFID Sensor - Replace **Quantity: (1) Sensor**
Location: East gate entrance
Funded?: Yes.
History:
Comments: Manufacturer: Procyon

Should be evaluated and repaired as needed by servicing vendor to ensure proper function. For best pricing and to minimize downtime, best practice is to replace with other similar components, such as gate operators or barrier arms. Cost shown is for the device itself; RFID devices for vehicles are assumed to be paid for by unit/homeowners. Plan on replacing at the approximate interval shown here. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive

Useful Life:
15 years

Remaining Life:
5 years

Best Case: $ 5,900 Worst Case: $ 7,200

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2509 Gate Operator (2015) - Replace **Quantity: (1) Operator**
Location: East gate entrance
Funded?: Yes.
History:
Comments: Manufacturer: Viking
Manufacture Date: 2015

We recommend regular inspections (including service and repair as needed) be paid through the Operating budget. Even with ongoing maintenance, plan for replacement at typical life expectancy indicated below. Useful life can vary greatly depending on level of use, exposure to the elements, etc. Monitor actual expenses closely for future Reserve Study updates. Unless otherwise noted, funding to replace with similar units. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
9 years

Best Case: $ 3,400 Worst Case: $ 4,100

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2509 Gate Operators (Older) - Replace **Quantity: (2) Operators**

Location: East gate entrance

Funded?: Yes.

History: Reportedly function at time of inspection

Comments: We recommend regular inspections (including service and repair as needed) be paid through the Operating budget. Even with ongoing maintenance, plan for replacement at typical life expectancy indicated below. Useful life can vary greatly depending on level of use, exposure to the elements, etc. Monitor actual expenses closely for future Reserve Study updates. Unless otherwise noted, funding to replace with similar units. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
1 years

Best Case: $ 6,800 Worst Case: $ 8,300

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2511 Barrier Arm Opt. (1999) - Replace **Quantity: (1) Operator**
Location: East gate entrance
Funded?: Yes.
History: Reportedly function at time of inspection
Comments: Manufacture Date: 1999

Funding recommendation is primarily for the motor/mechanical unit, not the arm itself, which is generally replaced as an Operating/maintenance expense as needed. Life expectancy can vary based on level of use, exposure to the elements, level of preventive maintenance, etc. Should be inspected and repaired as needed by servicing vendor to attain full life expectancy. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
1 years

Best Case: $ 3,800 Worst Case: $ 4,700

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2511 Barrier Arm Opt. (2013) - Replace **Quantity: (1) Operator**
Location: East gate entrance
Funded?: Yes.
History:
Comments: Manufacture Date: 2013

Funding recommendation is primarily for the motor/mechanical unit, not the arm itself, which is generally replaced as an Operating/maintenance expense as needed. Life expectancy can vary based on level of use, exposure to the elements, level of preventive maintenance, etc. Should be inspected and repaired as needed by servicing vendor to attain full life expectancy. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
7 years

Best Case:	$ 3,800	Worst Case:	$ 4,700
	Lower estimate to replace		Higher estimate

Cost Source: AR Cost Database

Comp #: 2511 Barrier Arm Opt. (2016) - Replace **Quantity: (1) Operator**
Location: East gate entrance
Funded?: Yes.
History:
Comments: Manufacture Date: 2016

Funding recommendation is primarily for the motor/mechanical unit, not the arm itself, which is generally replaced as an Operating/maintenance expense as needed. Life expectancy can vary based on level of use, exposure to the elements, level of preventive maintenance, etc. Should be inspected and repaired as needed by servicing vendor to attain full life expectancy. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
10 years

Best Case: $ 3,800 Worst Case: $ 4,700

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2522 HVAC (East Guardhouse) - Replace **Quantity: (1) System**
Location: East gate entrance
Funded?: No.
History:
Comments: In general, costs related to this component are expected to be included in the Client's Operating budget. No recommendation for Reserve funding at this time. However, any repair and maintenance or other related expenditures should be tracked, and this component should be re-evaluated during future Reserve Study updates based on most recent information and data available at that time. If deemed appropriate for Reserve funding, component can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

West Gate

Comp #: 2145 Entry/Exit Gates - Replace **Quantity: (4) Single Gates**
Location: West gate entrance
Funded?: Yes.
History:
Comments: Total of (4) gates, each ~ 12' x 6' tall, noted in fair condition. Gates determined to be in fair condition typically exhibit minor to moderate corrosion or rust; hardware may show some wear and corrosion but gates operate properly and connections and supports appear to be secure. Fair appearance overall.

We strongly recommend regular inspections, maintenance and repairs to help extend useful life cycles. Clean for appearance and paint/touch-up as needed within general maintenance/Operating funds. Although metal gates are typically durable, we recommend setting aside funding for regular intervals of replacement due to constant wear/usage, exposure and vehicle damage. Replacement can also be warranted for aesthetic changes over time. Plan to replace at roughly the time frame shown below.

Useful Life:
25 years

Remaining Life:
10 years

Best Case: $ 11,700 Worst Case: $ 14,300

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2508 RFID Sensor - Replace **Quantity: (1) Sensor**
Location: West gate entrance
Funded?: Yes.
History:
Comments: Manufacturer: 3M
Manufacture Date: 2014

Should be evaluated and repaired as needed by servicing vendor to ensure proper function. For best pricing and to minimize downtime, best practice is to replace with other similar components, such as gate operators or barrier arms. Cost shown is for the device itself; RFID devices for vehicles are assumed to be paid for by unit/homeowners. Plan on replacing at the approximate interval shown here. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive

Useful Life:
15 years

Remaining Life:
8 years

Best Case:	$ 5,900	Worst Case:	$ 7,200
	Lower estimate to replace		Higher estimate

Cost Source: AR Cost Database

Comp #: 2509 Gate Operator (2015) - Replace **Quantity: (1) Operator**

Location: West gate entrance
Funded?: Yes.
History:
Comments: Manufacturer: Viking
Manufacture Date: 2015

We recommend regular inspections (including service and repair as needed) be paid through the Operating budget. Even with ongoing maintenance, plan for replacement at typical life expectancy indicated below. Useful life can vary greatly depending on level of use, exposure to the elements, etc. Monitor actual expenses closely for future Reserve Study updates. Unless otherwise noted, funding to replace with similar units. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
9 years

Best Case: $ 3,400 Worst Case: $ 4,100

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2509 Gate Operators (Older) - Replace **Quantity: (2) Operators**
Location: West gate entrance
Funded?: Yes.
History: Reportedly functional at time of inspection
Comments: Manufacturer: Elite

We recommend regular inspections (including service and repair as needed) be paid through the Operating budget. Even with ongoing maintenance, plan for replacement at typical life expectancy indicated below. Useful life can vary greatly depending on level of use, exposure to the elements, etc. Monitor actual expenses closely for future Reserve Study updates. Unless otherwise noted, funding to replace with similar units. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
1 years

Best Case:	$ 6,800	Worst Case:	$ 8,300
	Lower estimate to replace		Higher estimate

Cost Source: AR Cost Database

Comp #: 2511 Barrier Arm Opt. (2000) - Replace **Quantity: (1) Operator**
Location: West gate entrance
Funded?: Yes.
History: Reportedly functional at time of inspection
Comments: Manufacture Date: 2000

Funding recommendation is primarily for the motor/mechanical unit, not the arm itself, which is generally replaced as an Operating/maintenance expense as needed. Life expectancy can vary based on level of use, exposure to the elements, level of preventive maintenance, etc. Should be inspected and repaired as needed by servicing vendor to attain full life expectancy. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
1 years

Best Case:	$ 3,800	Worst Case:	$ 4,700
	Lower estimate to replace		Higher estimate

Cost Source: AR Cost Database

Comp #: 2511 Barrier Arm Opt. (2013) - Replace **Quantity: (1) Operator**
Location: West gate entrance
Funded?: Yes.
History:
Comments: Manufacture Date: 2013

Please refer to the prior component in this series for more general information. Useful life, remaining useful life and cost ranges for this specific component are provided below.

Useful Life:
15 years

Remaining Life:
7 years

Best Case: $ 3,800 Worst Case: $ 4,700

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2511 Barrier Arm Opt. (2017) - Replace **Quantity: (1) Operator**
Location: West gate entrance
Funded?: Yes.
History:
Comments: Manufacture Date: 2017

Please refer to the prior component in this series for more general information. Useful life, remaining useful life and cost ranges for this specific component are provided below.

Useful Life:
15 years

Remaining Life:
11 years

Best Case: $ 3,800 Worst Case: $ 4,700

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2522 HVAC (West Guardhouse) - Replace **Quantity: (1) System**

Location: West gate entrance

Funded?: No.

History: Per information provided, HVAC replaced in 2020

Comments: In general, costs related to this component are expected to be included in the Client's Operating budget. No recommendation for Reserve funding at this time. However, any repair and maintenance or other related expenditures should be tracked, and this component should be re-evaluated during future Reserve Study updates based on most recent information and data available at that time. If deemed appropriate for Reserve funding, component can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Palo Verde Gate

Comp #: 2145 Entry/Exit Gates - Replace **Quantity: (2) Single Gates**
Location: Palo Verde gate
Funded?: Yes.
History:
Comments: Total of (2) gates, each ~ 16' x 6' tall, noted in fair condition. Gates determined to be in fair condition typically exhibit minor to moderate corrosion or rust; hardware may show some wear and corrosion but gates operate properly and connections and supports appear to be secure. Fair appearance overall.

We strongly recommend regular inspections, maintenance and repairs to help extend useful life cycles. Clean for appearance and paint/touch-up as needed within general maintenance/Operating funds. Although metal gates are typically durable, we recommend setting aside funding for regular intervals of replacement due to constant wear/usage, exposure and vehicle damage. Replacement can also be warranted for aesthetic changes over time. Plan to replace at roughly the time frame shown below.

Useful Life:
25 years

Remaining Life:
10 years

Best Case: $ 7,800 Worst Case: $ 9,500

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2508 RFID Sensor - Replace **Quantity: (1) Sensor**
Location: Palo Verde gate
Funded?: Yes.
History:
Comments: Manufacturer: Sirit
Model: IDentity 4100
Manufacture Date: 2013

Should be evaluated and repaired as needed by servicing vendor to ensure proper function. For best pricing and to minimize downtime, best practice is to replace with other similar components, such as gate operators or barrier arms. Cost shown is for the device itself; RFID devices for vehicles are assumed to be paid for by unit/homeowners. Plan on replacing at the approximate interval shown here. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive

Useful Life:
15 years

Remaining Life:
7 years

Best Case: $ 5,900 Worst Case: $ 7,200

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2509 Gate Operator (2004) - Replace **Quantity: (1) Operator**
Location: Palo Verde gate
Funded?: Yes.
History: Reportedly functional at time of inspection
Comments: Manufacture Date: 2004

We recommend regular inspections (including service and repair as needed) be paid through the Operating budget. Even with ongoing maintenance, plan for replacement at typical life expectancy indicated below. Useful life can vary greatly depending on level of use, exposure to the elements, etc. Monitor actual expenses closely for future Reserve Study updates. Unless otherwise noted, funding to replace with similar units. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
1 years

Best Case: $ 3,400 Worst Case: $ 4,100

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2509 Gate Operator (2011) - Replace **Quantity: (1) Operator**
Location: Palo Verde gate
Funded?: Yes.
History:
Comments: Manufacture Date: 2011

We recommend regular inspections (including service and repair as needed) be paid through the Operating budget. Even with ongoing maintenance, plan for replacement at typical life expectancy indicated below. Useful life can vary greatly depending on level of use, exposure to the elements, etc. Monitor actual expenses closely for future Reserve Study updates. Unless otherwise noted, funding to replace with similar units. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
5 years

Best Case: $ 3,400 Worst Case: $ 4,100

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2511 Barrier Arm Opt. (Older) - Replace **Quantity: (2) Operators**

Location: Palo Verde gate

Funded?: Yes.

History: Reportedly functional at time of inspection

Comments: Funding recommendation is primarily for the motor/mechanical unit, not the arm itself, which is generally replaced as an Operating/maintenance expense as needed. Life expectancy can vary based on level of use, exposure to the elements, level of preventive maintenance, etc. Should be inspected and repaired as needed by servicing vendor to attain full life expectancy. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Useful Life:
15 years

Remaining Life:
1 years

Best Case: $ 7,700 Worst Case: $ 9,400

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database