

RESERVE STUDY

PREPARED FOR:

Ocean's Grand Owners' Association, Inc.

Daytona Beach Shores, FL



For The Period Beginning January 1, 2025

PREPARED BY:



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Attention: **Board of Directors**
Property: Ocean's Grand Owners' Association, Inc., Daytona Beach Shores, Florida
Service: Traditional Reserve Study
Period: Beginning January 1, 2025

Dear Board of Directors of Ocean's Grand Owners' Association, Inc. :

At the direction of the Board and management of Ocean's Grand Owners' Association, Inc. ,

Stone Building Solutions has completed a Traditional Reserve Study for the Ocean's Grand Owners' Association, Inc. Association. Enclosed is our report for the Board's review and consideration.

This study is based on an on-site analysis. The on-site analysis of Ocean's Grand Owners' Association, Inc. upon which this study is based was performed by of Stone Building Solutions.

The effective date of this report is the date of inspection, January 10, 2024

This Reserve Study meets or exceeds all requirements set forth in Florida Statute 718.112 and the Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a "Level I Reserve Study."

If you have any questions or would like to direct any follow-up service, please don't hesitate to contact us.

Respectfully submitted,

Stone Building Solutions

William T. Fortunato

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Reserve Analyst

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Executive Summary

The purpose of this Reserve Study is to produce a reserve funding plan that will project future contributions and expenditures to assure that reserve funds are available as needed.

Stone Building Solutions was responsible for the physical evaluation. Stone Building Solutions provided analysis on key building components, their condition and evaluation. Stone Building Solutions has received this information 'as is' and our opinions are based on the observations of the engineering analysis. Stone Building Solutions is using this information to create a financial evaluation for budgeting purposes.

Ocean's Grand Owners' Association, Inc. has 189. This study is for the fiscal year starting January 1, 2025, and ending December 31, 2025.

Note- For the purpose of this study we have allocated 50% of the available Reserve balance as the starting balance of the Traditional Reserve budget.

As of January 1, 2025, the estimated unaudited reserve fund balance is \$525,000

The estimated *current replacement* cost of the reserve items is \$3,933,200

The estimated *inflated replacement* cost of the reserve items is \$7,228,893

30 Year Pooled Cash Flow Funding Analysis Summary - (Future Cost):

The 30-Year Funding Plan is an approach to determine reserve contributions in a way that balances the annual expenses from the reserve fund. This analysis takes into account future replacement costs for reserve components as they come due for replacement, acknowledges construction cost increases, and considers interest income generated by reserve accounts. By pooling funds from initial balances, a yearly contribution rate is calculated to ensure a positive cash flow throughout the analysis period. This funding plan requires level contributions to Reserves over the projected period.

The recommendations for the initial year are based on the 30-Year Pooled Cash Flow Funding Plan.

Recommended annual contribution:	\$317,000
Recommended annual contribution per unit:	\$1,677
Recommended monthly contribution per unit:	\$140

Cost Evaluation

The cost estimates identified are based upon approximate quantities, costs and published information, and they include labor, material, design fees, and appropriate overhead, general conditions and profit. The estimated costs to repair, replace or upgrade the improvements are considered typical for the marketplace.

No contractors have been contacted for actual bids or price quotes, and the actual cost of repairs may vary from our estimates. These opinions of probable costs are for components or systems exhibiting material deferred maintenance, and for existing physical deficiencies requiring major repairs or replacement.

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Expenditures

Individual Elements

NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
Access Control, Enterphone Panel: Common	01/01/2027	12y	12y	2y	\$6,662.50	1 Ea	\$6,662
Access Control, Swing Gate Operators: Common	01/01/2038	15y	15y	13y	\$3,859.125	2 Ea	\$7,718
Access Control, Swing Gates, Ornamental: Common	01/01/2030	25y	24y	5y	\$78.925	144 SF	\$11,365
Asphalt Pavement, Mill & Overlay: Common	01/01/2049	25y	25y	24y	\$13.838	1,642 SY	\$22,722
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	01/01/2029	5y	5y	4y	\$0.236	14,778 SF	\$3,488
Elevator Cabs, Refurbish: Common	01/01/2041	20y	20y	16y	\$12,812.50	3 Ea	\$38,438
Elevators, 21-Stop, Traction, Modernization : Phase 1	01/01/2036	30y	30y	11y	\$416,150.00	1 Ea	\$416,150
Elevators, 21-Stop, Traction, Modernization : Phase 2	01/01/2037	30y	31y	12y	\$416,150.00	1 Ea	\$416,150
Elevators, 21-Stop, Traction, Modernization : Phase 3	01/01/2038	30y	32y	13y	\$416,150.00	1 Ea	\$416,150
Fitness Equipment: Common	01/01/2029	12y	12y	4y	\$30,750.00	1 Allow	\$30,750
Flooring, Carpet: Card room	01/01/2036	10y	15y	11y	\$56.375	83 SY	\$4,679
Flooring, Carpet: Game room	01/01/2036	10y	15y	11y	\$56.375	83 SY	\$4,679
Flooring, Carpet: Hallway Phase 1	01/01/2026	10y	10y	1y	\$56.375	469 SY	\$26,440
Flooring, Carpet: Hallway Phase 2	01/01/2029	10y	10y	4y	\$56.375	938 SY	\$52,880
Flooring, Carpet: Hallway Phase 3	01/01/2029	10y	9y	4y	\$56.375	938 SY	\$52,880
Flooring, Carpet: Hallway Phase 4	01/01/2029	10y	9y	4y	\$56.375	938 SY	\$52,880
Flooring, Carpet: Hallway Phase 5	01/01/2029	10y	8y	4y	\$56.375	938 SY	\$52,880

NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
Flooring, Carpet: Lobby Hall	01/01/2026	10y	10y	1y	\$56.375	117 SY	\$6,596
Flooring, Tile: Common	01/01/2041	35y	35y	16y	\$15.97	1,570 SF	\$25,073
Heat Exchanger System : Common	01/01/2041	35y	35y	16y	\$145,550.00	2 Ea	\$291,100
Heat Pumps: Common	01/01/2026	20y	20y	1y	\$76,875.00	1 Allow	\$76,875
HVAC Pump/Motor/Drive (25hp): Common	01/01/2031	25y	25y	6y	\$23,134.25	3 Ea	\$69,403
HVAC Pump/Motor/Drive (60hp): Common	01/01/2031	25y	25y	6y	\$40,508.00	3 Ea	\$121,524
HVAC, Cooling Tower: Common	01/01/2032	26y	26y	7y	\$553,500.00	1 Ea	\$553,500
HVAC, Rooftop 105-TON: Outside Air Unit Hallways	01/01/2037	30y	15y	12y	\$256,250.00	1 Ea	\$256,250
Interior Finishes, Hallways, Walls & Door : Common	01/01/2025	15y	17y	0y	\$230,625.00	1 Allow	\$230,625
Interior Renovation, Card Room: Common	01/01/2035	15y	15y	10y	\$12,812.50	1 Allow	\$12,812
Interior Renovation, Game Room: Common	01/01/2035	15y	15y	10y	\$12,812.50	1 Allow	\$12,812
Interior Renovation, Kitchen: Common	01/01/2031	25y	25y	6y	\$25,625.00	1 Allow	\$25,625
Interior Renovation, Lobby: Common	01/01/2035	15y	15y	10y	\$56,375.00	1 Allow	\$56,375
Interior Renovation, Lobby Restrooms: Common	01/01/2031	25y	25y	6y	\$18,962.50	2 Allow	\$37,925
Interior Renovation, Office: Common	01/01/2036	20y	20y	11y	\$7,687.50	1 Allow	\$7,688
Interior Renovation, Pool/Gym Restrooms : Common	01/01/2031	25y	25y	6y	\$15,887.50	2 Allow	\$31,775
Interior Renovation, Social Room: Common	01/01/2036	15y	15y	11y	\$45,100.00	1 Allow	\$45,100
Light Fixtures, Interior, Ceiling Mount: Common	01/01/2026	20y	20y	1y	\$132.225	172 Ea	\$22,743
Light Fixtures, Post & Single Globe: Common	01/01/2036	20y	20y	11y	\$1,153.125	27 Ea	\$31,134
Pool Collector Tank & Equipment (Vak-Pak): Common	01/01/2046	40y	40y	21y	\$35,875.00	2 Ea	\$71,750
Pool Deck, Concrete Pavers: Common	01/01/2036	25y	30y	11y	\$15.375	4,600 SF	\$70,725
Pool Deck, Pavers, Clean, Sand & Seal: Common	01/01/2028	4y	4y	3y	\$1.281	4,600 SF	\$5,893
Pool Furniture: Common	01/01/2030	12y	12y	5y	\$6,662.50	1 Allow	\$6,662
Pool/Spa Finish & Border Tiles: Pool	01/01/2030	12y	12y	5y	\$16.81	3,240 LS	\$54,464
Pool/Spa Finish & Border Tiles: Spa	01/01/2030	12y	12y	5y	\$16.81	200 LS	\$3,362
Pool/Spa Heater, Electric Heat Pump: Common	01/01/2033	10y	10y	8y	\$8,712.50	2 Ea	\$17,425
Pool/Spa Heater, Gas: Common	01/01/2030	10y	10y	5y	\$6,662.50	2 Ea	\$13,325

NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
Rubberized Flooring, Fitness Areas: Common	01/01/2032	10y	15y	7y	\$10,250.00	1 Allow	\$10,250
Sauna, Interior: Common	01/01/2036	30y	30y	11y	\$8,712.50	2 Ea	\$17,425
Signage: Common	01/01/2026	21y	21y	1y	\$13,837.50	1 Allow	\$13,838
Surveillance System, Upgrades: Common	01/01/2028	15y	12y	3y	\$41,000.00	1 Allow	\$41,000
Trash Chute, Stainless Doors: Common	01/01/2041	35y	35y	16y	\$2,460.00	21 Flr	\$51,660
Trash Compactor: Common	01/01/2036	30y	30y	11y	\$23,575.00	1 Flr	\$23,575

\$3,933,200

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Critical Expenditure Planning (3-Year Outlook)

LOCATION RESERVE ITEM	2025	2026	2027
Building Service Components			
Heat Pumps: Common		\$78,797	
Total Building Service Components		\$78,797	
Interior Building Components			
Flooring, Carpet: Hallway Phase 1		\$27,101	
Flooring, Carpet: Lobby Hall		\$6,761	
Interior Finishes, Hallways, Walls & Door : Common	\$230,625		
Light Fixtures, Interior, Ceiling Mount: Common		\$23,311	
Total Interior Building Components	\$230,625	\$57,173	
Pool Facility Components			
Total Pool Facility Components			
Property Site Components			
Access Control, Enterphone Panel: Common			\$7,000
Signage: Common		\$14,183	
Total Property Site Components		\$14,183	\$7,000
Total	\$230,625	\$150,153	\$7,000

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Expenditures (By Year)

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2025 (Year 1)					
Interior Finishes, Hallways, Walls & Door : Common	\$230,625.00	1 Allow	\$230,625	17y	2040
2025 (Year 1) Total			\$230,625		
2026 (Year 2)					
Flooring, Carpet: Hallway Phase 1	\$57.784	469 SY	\$27,101	10y	2029
Flooring, Carpet: Lobby Hall	\$57.784	117 SY	\$6,761	10y	2029
Heat Pumps: Common	\$78,796.88	1 Allow	\$78,797	20y	2046
Light Fixtures, Interior, Ceiling Mount: Common	\$135.531	172 Ea	\$23,311	20y	2046
Signage: Common	\$14,183.44	1 Allow	\$14,183	21y	2047
2026 (Year 2) Total			\$150,153		
2027 (Year 3)					
Access Control, Enterphone Panel: Common	\$6,999.79	1 Ea	\$7,000	12y	2039
2027 (Year 3) Total			\$7,000		
2028 (Year 4)					
Pool Deck, Pavers, Clean, Sand & Seal: Common	\$1.379	4,600 SF	\$6,343	4y	2032
Surveillance System, Upgrades: Common	\$44,152.52	1 Allow	\$44,153	15y	2043
2028 (Year 4) Total			\$50,496		
2029 (Year 5)					

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.26	14,778 SF	\$3,842	5y	2034
Fitness Equipment: Common	\$33,942.25	1 Allow	\$33,942	12y	2041
Flooring, Carpet: Hallway Phase 2	\$62.227	938 SY	\$58,369	10y	2036
Flooring, Carpet: Hallway Phase 3	\$62.227	938 SY	\$58,369	10y	2036
Flooring, Carpet: Hallway Phase 4	\$62.227	938 SY	\$58,369	10y	2036
Flooring, Carpet: Hallway Phase 5	\$62.227	938 SY	\$58,369	10y	2036
2029 (Year 5) Total			\$271,260		
2030 (Year 6)					
Access Control, Swing Gates, Ornamental: Common	\$89.296	144 SF	\$12,859	25y	N/A
Pool Furniture: Common	\$7,538.01	1 Allow	\$7,538	12y	2042
Pool/Spa Finish & Border Tiles: Pool	\$19.019	3,240 LS	\$61,622	12y	2042
Pool/Spa Finish & Border Tiles: Spa	\$19.019	200 LS	\$3,804	12y	2042
Pool/Spa Heater, Gas: Common	\$7,538.005	2 Ea	\$15,076	10y	2040
2030 (Year 6) Total			\$100,898		
2031 (Year 7)					
HVAC Pump/Motor/Drive (25hp): Common	\$26,828.637	3 Ea	\$80,486	25y	N/A
HVAC Pump/Motor/Drive (60hp): Common	\$46,976.86	3 Ea	\$140,931	25y	N/A
Interior Renovation, Kitchen: Common	\$29,717.14	1 Allow	\$29,717	25y	N/A
Interior Renovation, Lobby Restrooms: Common	\$21,990.685	2 Allow	\$43,981	25y	N/A
Interior Renovation, Pool/Gym Restrooms : Common	\$18,424.63	2 Allow	\$36,849	25y	N/A
2031 (Year 7) Total			\$331,964		
2032 (Year 8)					
HVAC, Cooling Tower: Common	\$657,937.56	1 Ea	\$657,938	26y	N/A
Pool Deck, Pavers, Clean, Sand & Seal: Common	\$1.523	4,600 SF	\$7,006	4y	2036

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Rubberized Flooring, Fitness Areas: Common	\$12,184.03	1 Allow	\$12,184	10y	2042
2032 (Year 8) Total			\$677,127		
2033 (Year 9)					
Pool/Spa Heater, Electric Heat Pump: Common	\$10,615.335	2 Ea	\$21,231	10y	2043
2033 (Year 9) Total			\$21,231		
2034 (Year 10)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.295	14,778 SF	\$4,360	5y	2039
2034 (Year 10) Total			\$4,360		
2035 (Year 11)					
Interior Renovation, Card Room: Common	\$16,401.08	1 Allow	\$16,401	15y	2050
Interior Renovation, Game Room: Common	\$16,401.08	1 Allow	\$16,401	15y	2050
Interior Renovation, Lobby: Common	\$72,164.77	1 Allow	\$72,165	15y	2050
2035 (Year 11) Total			\$104,967		
2036 (Year 12)					
Elevators, 21-Stop, Traction, Modernization : Phase 1	\$546,024.86	1 Ea	\$546,025	30y	2037
Flooring, Carpet: Card room	\$73.969	83 SY	\$6,139	10y	2039
Flooring, Carpet: Game room	\$73.969	83 SY	\$6,139	10y	2039
Flooring, Carpet: Hallway Phase 1	\$73.969	469 SY	\$34,691	10y	2039
Flooring, Carpet: Lobby Hall	\$73.969	117 SY	\$8,654	10y	2039
Interior Renovation, Office: Common	\$10,086.67	1 Allow	\$10,087	20y	N/A
Interior Renovation, Social Room: Common	\$59,175.11	1 Allow	\$59,175	15y	2051
Light Fixtures, Post & Single Globe: Common	\$1,513.00	27 Ea	\$40,851	20y	N/A
Pool Deck, Concrete Pavers: Common	\$20.173	4,600 SF	\$92,796	25y	N/A
Pool Deck, Pavers, Clean, Sand & Seal: Common	\$1.681	4,600 SF	\$7,733	4y	2040

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Sauna, Interior: Common	\$11,431.555	2 Ea	\$22,863	30y	N/A
Trash Compactor: Common	\$30,932.44	1 Flr	\$30,932	30y	N/A
2036 (Year 12) Total			\$866,086		
2037 (Year 13)					
Elevators, 21-Stop, Traction, Modernization : Phase 2	\$559,675.48	1 Ea	\$559,675	30y	2038
HVAC, Rooftop 105-TON: Outside Air Unit Hallways	\$344,627.76	1 Ea	\$344,628	30y	N/A
2037 (Year 13) Total			\$904,303		
2038 (Year 14)					
Access Control, Swing Gate Operators: Common	\$5,319.845	2 Ea	\$10,640	15y	2053
Elevators, 21-Stop, Traction, Modernization : Phase 3	\$573,667.37	1 Ea	\$573,667	30y	N/A
2038 (Year 14) Total			\$584,307		
2039 (Year 15)					
Access Control, Enterphone Panel: Common	\$9,413.94	1 Ea	\$9,414	12y	2051
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.333	14,778 SF	\$4,921	5y	2044
Flooring, Carpet: Hallway Phase 2	\$79.656	938 SY	\$74,717	10y	2046
Flooring, Carpet: Hallway Phase 3	\$79.656	938 SY	\$74,717	10y	2046
Flooring, Carpet: Hallway Phase 4	\$79.656	938 SY	\$74,717	10y	2046
Flooring, Carpet: Hallway Phase 5	\$79.656	938 SY	\$74,717	10y	2046
2039 (Year 15) Total			\$313,204		
2040 (Year 16)					
Interior Finishes, Hallways, Walls & Door : Common	\$334,013.76	1 Allow	\$334,014	15y	N/A
Pool Deck, Pavers, Clean, Sand & Seal: Common	\$1.855	4,600 SF	\$8,533	4y	2044
Pool/Spa Heater, Gas: Common	\$9,649.285	2 Ea	\$19,299	10y	2050
2040 (Year 16) Total			\$361,845		

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2041 (Year 17)					
Elevator Cabs, Refurbish: Common	\$19,020.227	3 Ea	\$57,061	20y	N/A
Fitness Equipment: Common	\$45,648.55	1 Allow	\$45,649	12y	2053
Flooring, Tile: Common	\$23.708	1,570 SF	\$37,222	35y	N/A
Heat Exchanger System : Common	\$216,069.795	2 Ea	\$432,140	35y	N/A
Trash Chute, Stainless Doors: Common	\$3,651.884	21 Flr	\$76,690	35y	N/A
2041 (Year 17) Total			\$648,760		
2042 (Year 18)					
Pool Furniture: Common	\$10,137.78	1 Allow	\$10,138	12y	2054
Pool/Spa Finish & Border Tiles: Pool	\$25.578	3,240 LS	\$82,873	12y	2054
Pool/Spa Finish & Border Tiles: Spa	\$25.578	200 LS	\$5,116	12y	2054
Rubberized Flooring, Fitness Areas: Common	\$15,596.59	1 Allow	\$15,597	10y	2052
2042 (Year 18) Total			\$113,723		
2043 (Year 19)					
Pool/Spa Heater, Electric Heat Pump: Common	\$13,588.525	2 Ea	\$27,177	10y	2053
Surveillance System, Upgrades: Common	\$63,946.01	1 Allow	\$63,946	15y	N/A
2043 (Year 19) Total			\$91,123		
2044 (Year 20)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.377	14,778 SF	\$5,571	5y	2049
Pool Deck, Pavers, Clean, Sand & Seal: Common	\$2.048	4,600 SF	\$9,421	4y	2048
2044 (Year 20) Total			\$14,992		
2045 (Year 21)					
2045 (Year 21) Total			\$0		
2046 (Year 22)					
Flooring, Carpet: Card room	\$94.686	83 SY	\$7,859	10y	2049
Flooring, Carpet: Game room	\$94.686	83 SY	\$7,859	10y	2049

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Flooring, Carpet: Hallway Phase 1	\$94.686	469 SY	\$44,408	10y	2049
Flooring, Carpet: Lobby Hall	\$94.686	117 SY	\$11,078	10y	2049
Heat Pumps: Common	\$129,117.86	1 Allow	\$129,118	20y	N/A
Light Fixtures, Interior, Ceiling Mount: Common	\$222.083	172 Ea	\$38,198	20y	N/A
Pool Collector Tank & Equipment (Vak-Pak): Common	\$60,255.00	2 Ea	\$120,510	40y	N/A
2046 (Year 22) Total			\$359,030		
2047 (Year 23)					
Signage: Common	\$23,822.24	1 Allow	\$23,822	21y	N/A
2047 (Year 23) Total			\$23,822		
2048 (Year 24)					
Pool Deck, Pavers, Clean, Sand & Seal: Common	\$2.26	4,600 SF	\$10,396	4y	2052
2048 (Year 24) Total			\$10,396		
2049 (Year 25)					
Asphalt Pavement, Mill & Overlay: Common	\$25.029	1,642 SY	\$41,098	25y	N/A
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.427	14,778 SF	\$6,310	5y	2054
Flooring, Carpet: Hallway Phase 2	\$101.967	938 SY	\$95,645	10y	N/A
Flooring, Carpet: Hallway Phase 3	\$101.967	938 SY	\$95,645	10y	N/A
Flooring, Carpet: Hallway Phase 4	\$101.967	938 SY	\$95,645	10y	N/A
Flooring, Carpet: Hallway Phase 5	\$101.967	938 SY	\$95,645	10y	N/A
2049 (Year 25) Total			\$429,988		
2050 (Year 26)					
Interior Renovation, Card Room: Common	\$23,753.66	1 Allow	\$23,754	15y	N/A
Interior Renovation, Game Room: Common	\$23,753.66	1 Allow	\$23,754	15y	N/A
Interior Renovation, Lobby: Common	\$104,516.10	1 Allow	\$104,516	15y	N/A
Pool/Spa Heater, Gas: Common	\$12,351.905	2 Ea	\$24,704	10y	N/A

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2050 (Year 26) Total			\$176,727		
2051 (Year 27)					
Access Control, Enterphone Panel: Common	\$12,660.70	1 Ea	\$12,661	12y	N/A
Interior Renovation, Social Room: Common	\$85,703.20	1 Allow	\$85,703	15y	N/A
2051 (Year 27) Total			\$98,364		
2052 (Year 28)					
Pool Deck, Pavers, Clean, Sand & Seal: Common	\$2.495	4,600 SF	\$11,477	4y	N/A
Rubberized Flooring, Fitness Areas: Common	\$19,964.95	1 Allow	\$19,965	10y	N/A
2052 (Year 28) Total			\$31,442		
2053 (Year 29)					
Access Control, Swing Gate Operators: Common	\$7,704.725	2 Ea	\$15,409	15y	N/A
Fitness Equipment: Common	\$61,392.22	1 Allow	\$61,392	12y	N/A
Pool/Spa Heater, Electric Heat Pump: Common	\$17,394.465	2 Ea	\$34,789	10y	N/A
2053 (Year 29) Total			\$111,591		
2054 (Year 30)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.483	14,778 SF	\$7,138	5y	N/A
Pool Furniture: Common	\$13,634.19	1 Allow	\$13,634	12y	N/A
Pool/Spa Finish & Border Tiles: Pool	\$34.40	3,240 LS	\$111,456	12y	N/A
Pool/Spa Finish & Border Tiles: Spa	\$34.40	200 LS	\$6,880	12y	N/A
2054 (Year 30) Total			\$139,108		

Parameters & Assumptions

The 30-year "Pooled" Cash-Flow funding plan utilizes the following assumptions:

- Annual Contribution Increases - *0.00%*
- Interest Earned - *1.00%*
- Taxation - *0.00%*
- Inflation on Reserve Items - *2.50%*

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"Pooled" / "Cash-Flow" Funding (30-Year Projection)

This part of the Reserve Study introduces an alternative approach to funding compared to the Component Funding Analysis (Straight-Line).

This method entails computing the yearly Reserve contribution based on a 30-year positive cash flow projection. Known as the 30 Year "Pooled" or "Cash Flow" Funding Plan, it involves determining Reserve contributions aimed at balancing out the fluctuating annual expenses from the Reserve fund. By consolidating funds from initial balances, a yearly contribution rate is computed to ensure a consistent positive cash flow over the analysis period.

This methodology is a widely accepted, logical, factual and mathematical basis of calculating Reserve contributions where the Reserve fund total balance at any one point in the projection is able to offset the expected annual expenditures from the Reserve fund, in perpetuity, on a year-over-year basis.

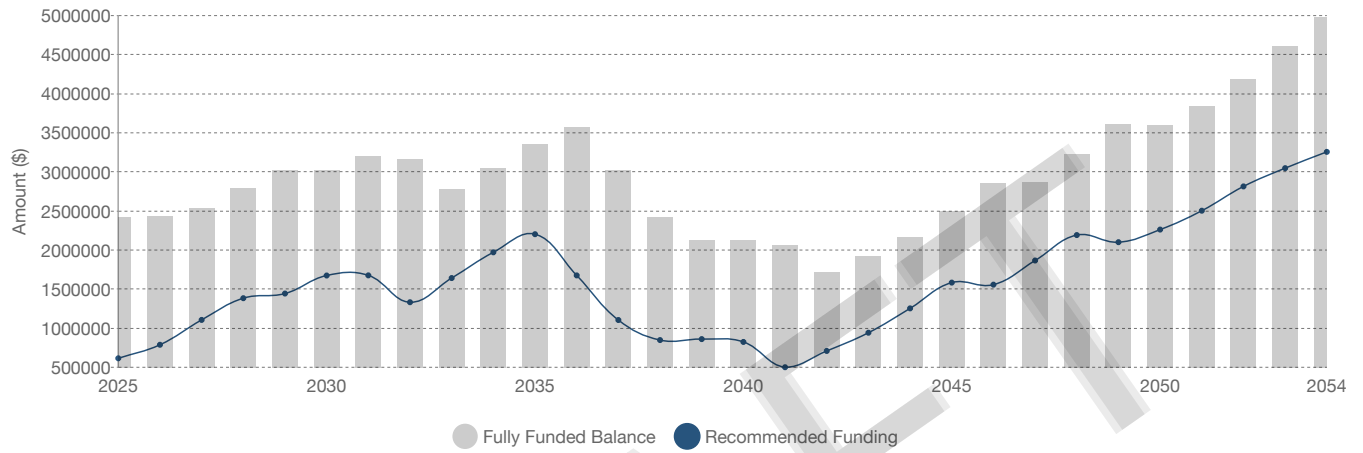
In this methodology Reserve funds can only be collectively allocated (used) for purposes authorized under the categorical nature of the components identified within the pool as they become due.

Cash-Flow Recommended Funding

Inflation: 2.50% | Calc: Inflation-Adjusted

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDITIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2025	\$525,000	\$317,000	N/A	\$5,250	\$0	\$0	\$230,625	\$616,625	25.49%	\$2,418,763
2026	\$616,625	\$317,000	0.00%	\$6,166	\$0	\$0	\$150,153	\$789,638	32.44%	\$2,434,324
2027	\$789,638	\$317,000	0.00%	\$7,896	\$0	\$0	\$7,000	\$1,107,535	43.65%	\$2,537,544
2028	\$1,107,535	\$317,000	0.00%	\$11,075	\$0	\$0	\$50,496	\$1,385,114	49.56%	\$2,794,984
2029	\$1,385,114	\$317,000	0.00%	\$13,851	\$0	\$0	\$271,260	\$1,444,705	47.86%	\$3,018,548
2030	\$1,444,705	\$317,000	0.00%	\$14,447	\$0	\$0	\$100,898	\$1,675,254	55.40%	\$3,023,723
2031	\$1,675,254	\$317,000	0.00%	\$16,753	\$0	\$0	\$331,964	\$1,677,042	52.26%	\$3,208,830
2032	\$1,677,042	\$317,000	0.00%	\$16,770	\$0	\$0	\$677,127	\$1,333,685	42.11%	\$3,167,045
2033	\$1,333,685	\$317,000	0.00%	\$13,337	\$0	\$0	\$21,231	\$1,642,792	59.17%	\$2,776,297
2034	\$1,642,792	\$317,000	0.00%	\$16,428	\$0	\$0	\$4,360	\$1,971,860	64.57%	\$3,053,677
2035	\$1,971,860	\$317,000	0.00%	\$19,719	\$0	\$0	\$104,967	\$2,203,612	65.56%	\$3,361,031
2036	\$2,203,612	\$317,000	0.00%	\$22,036	\$0	\$0	\$866,086	\$1,676,562	46.85%	\$3,578,830

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDITIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2037	\$1,676,562	\$317,000	0.00%	\$16,766	\$0	\$0	\$904,303	\$1,106,024	36.51%	\$3,029,013
2038	\$1,106,024	\$317,000	0.00%	\$11,060	\$0	\$0	\$584,307	\$849,777	35.10%	\$2,421,332
2039	\$849,777	\$317,000	0.00%	\$8,498	\$0	\$0	\$313,204	\$862,071	40.40%	\$2,133,768
2040	\$862,071	\$317,000	0.00%	\$8,621	\$0	\$0	\$361,845	\$825,846	38.90%	\$2,123,157
2041	\$825,846	\$317,000	0.00%	\$8,258	\$0	\$0	\$648,760	\$502,344	24.28%	\$2,068,859
2042	\$502,344	\$317,000	0.00%	\$5,023	\$0	\$0	\$113,723	\$710,645	41.18%	\$1,725,705
2043	\$710,645	\$317,000	0.00%	\$7,106	\$0	\$0	\$91,123	\$943,629	48.91%	\$1,929,136
2044	\$943,629	\$317,000	0.00%	\$9,436	\$0	\$0	\$14,992	\$1,255,073	57.90%	\$2,167,740
2045	\$1,255,073	\$317,000	0.00%	\$12,551	\$0	\$0	\$0	\$1,584,623	63.45%	\$2,497,435
2046	\$1,584,623	\$317,000	0.00%	\$15,846	\$0	\$0	\$359,030	\$1,558,440	54.53%	\$2,858,014
2047	\$1,558,440	\$317,000	0.00%	\$15,584	\$0	\$0	\$23,822	\$1,867,202	65.13%	\$2,867,055
2048	\$1,867,202	\$317,000	0.00%	\$18,672	\$0	\$0	\$10,396	\$2,192,478	67.93%	\$3,227,550
2049	\$2,192,478	\$317,000	0.00%	\$21,925	\$0	\$0	\$429,988	\$2,101,415	58.07%	\$3,618,648
2050	\$2,101,415	\$317,000	0.00%	\$21,014	\$0	\$0	\$176,727	\$2,262,702	62.90%	\$3,597,473
2051	\$2,262,702	\$317,000	0.00%	\$22,627	\$0	\$0	\$98,364	\$2,503,965	65.15%	\$3,843,586
2052	\$2,503,965	\$317,000	0.00%	\$25,040	\$0	\$0	\$31,442	\$2,814,562	67.26%	\$4,184,608
2053	\$2,814,562	\$317,000	0.00%	\$28,146	\$0	\$0	\$111,591	\$3,048,117	66.10%	\$4,611,393
2054	\$3,048,117	\$317,000	0.00%	\$30,481	\$0	\$0	\$139,108	\$3,256,491	65.45%	\$4,975,556



Funding Options

Significant expenses for repair or replacement of reserve components are expected within a community. When these expenses occur there are essentially four funding options available for addressing the expenditure:

- The ***First and most logical option*** for the Board of Directors is to ensure the association's ability to maintain the obligated assets by assessing an adequate level of reserves as part of the regular membership fees. This approach allows for the cost of replacements to be uniformly distributed among all members, both present and future. It is important for the board to avoid adopting a calculation method or funding plan that unfairly burdens future members to compensate for past reserve deficits. The board has a fiduciary responsibility to the entire community and should act in their best interest. By setting aside reserves over the lifespan of the asset, such as a roof, the association has ample time to accumulate the necessary funds. Additionally, these contributions would be evenly distributed among all members and could earn interest.
- The ***Second option*** is for the association to secure a loan from a lending institution to finance any immediately required repairs. In many cases, banks are willing to lend to associations using future homeowner assessments as collateral. However, this method commits the association's future assets and incurs additional expenses in the form of interest fees. For instance, in the case of a \$150,000 roofing replacement, the association may be required to repay the loan over a period of three to five years, along with the accrued interest.
- The ***Third option*** is to pass a "special assessment" to the membership, requiring each member to contribute an amount necessary to cover the expenditure. When a special assessment is implemented, the association has the authority and responsibility to collect the assessments, even through foreclosure if necessary. However, it is important to note that there is no guarantee that an assessment will be passed when it is needed. Therefore, the association cannot ensure its ability to perform the required repairs or replacements for major components when the need arises. Furthermore, as communities age, the need for major reserve expenditures increases. Associations that are 12 to 15 years old or older often encounter numerous components reaching the end of their useful lives. If these required expenditures coincide, they can have a detrimental impact on the association's overall budget.
- The ***Fourth option***, although not recommended, is to defer the necessary repair or replacement. This approach can lead to declining property values due to an expanding list of deferred maintenance items. The association may struggle to keep up with the natural aging process of common area components. Consequently, this can make it difficult, or even impossible, for potential buyers to obtain financing from lenders. Lending institutions are increasingly requesting copies of the association's most recent reserve study before granting loans, whether to the association itself, a prospective purchaser, or an individual within the association.

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Reserve Components

In this section of the report, we provide a comprehensive examination of the Reserve Study's physical analysis, encompassing a thorough inventory of the significant components within the association's "common" areas. This includes "Limited Common Elements" or (LCE).

Each Reserve Component has been assessed based on its physical condition during the inspection. A determination was made regarding the following:

- *Installation date*
- *Estimated market expected lifespan*
- *Subjective remaining lifespan*
- *Unit current cost*
- *Unit projected future cost*

Component List - Full Detail

Access Control, Enterphone Panel

Basic Info

Type of Cost:	Replacement
Location:	Property Site Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2015
Est. Useful Life:	12y
Remaining Useful Life:	2y
Next Activity Date:	01/01/2027

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per Ea:	\$6,500.00
Total Quantity:	1 Ea
Total Current Cost:	\$6,662
Inflation Rate:	2.50%
Total Expenditures:	\$29,074



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Access Control, Swing Gate Operators

Basic Info

Type of Cost:	Replacement
Location:	Property Site Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2023
Est. Useful Life:	15y
Remaining Useful Life:	13y
Next Activity Date:	01/01/2038

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per Ea:	\$3,765.00
Total Quantity:	2 Ea
Total Current Cost:	\$7,718
Inflation Rate:	2.50%
Total Expenditures:	\$26,049



Access Control, Swing Gates, Ornamental

Basic Info

Type of Cost:	Replacement
Location:	Property Site Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	25y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2030

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per SF:	\$77.00
Total Quantity:	144 SF
Total Current Cost:	\$11,365
Inflation Rate:	2.50%
Total Expenditures:	\$12,859

Asphalt Pavement, Mill & Overlay

Basic Info

Type of Cost:	Replacement
Location:	Property Site Components
Category:	Ground Surfaces
Condition:	Good

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	25y
Remaining Useful Life:	24y
Next Activity Date:	01/01/2049

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per SY:	\$13.50
Total Quantity:	1,642 SY
Total Current Cost:	\$22,722
Inflation Rate:	2.50%
Total Expenditures:	\$41,098



Asphalt Pavement, Patch, Stripe & Sealcoat

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Property Site Components
Category:	Ground Surfaces
Condition:	Good

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	5y
Remaining Useful Life:	4y
Next Activity Date:	01/01/2029

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per SF:	\$0.23
Total Quantity:	14,778 SF
Total Current Cost:	\$3,488
Inflation Rate:	2.50%
Total Expenditures:	\$32,142



Elevator Cabs, Refurbish

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Interior Building Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	20y
Remaining Useful Life:	16y
Next Activity Date:	01/01/2041

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Ea:	\$12,500.00
Total Quantity:	3 Ea
Total Current Cost:	\$38,438
Inflation Rate:	2.50%
Total Expenditures:	\$57,061



Elevators, 21-Stop, Traction, Modernization

Basic Info

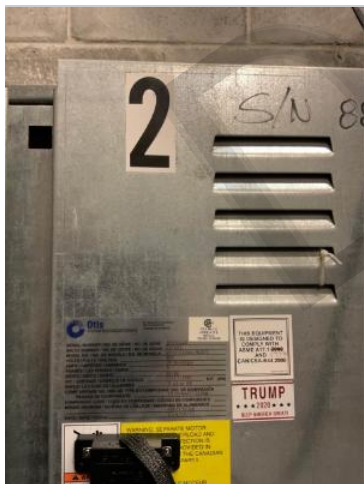
Type of Cost:	Repairs & Maintenance
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	30y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2036

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per Ea:	\$406,000.00
Total Quantity:	3 Ea
Total Current Cost:	\$1,248,450
Inflation Rate:	2.50%
Total Expenditures:	\$1,679,368



Fitness Equipment

Basic Info

Type of Cost:	Replacement
Location:	Interior Building Components
Category:	Fitness Equipment
Condition:	Good

Useful Life

Last Activity Date:	01/01/2017
Est. Useful Life:	12y
Remaining Useful Life:	4y
Next Activity Date:	01/01/2029

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local
Cost Per Allow:	\$30,000.00
Total Quantity:	1 Allow
Total Current Cost:	\$30,750
Inflation Rate:	2.50%
Total Expenditures:	\$140,983



Flooring, Carpet

Basic Info

Type of Cost:	Replacement
Location:	Interior Building Components
Category:	Flooring
Condition:	Good

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	10y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2036

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per SY:	\$55.00
Total Quantity:	4,504 SY
Total Current Cost:	\$253,914
Inflation Rate:	2.50%
Total Expenditures:	\$1,075,615



Flooring, Tile

Basic Info

Type of Cost:	Replacement
Location:	Interior Building Components
Category:	Flooring
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	35y
Remaining Useful Life:	16y
Next Activity Date:	01/01/2041

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per SF:	\$15.58
Total Quantity:	1,570 SF
Total Current Cost:	\$25,073
Inflation Rate:	2.50%
Total Expenditures:	\$37,222



Heat Exchanger System

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	35y
Remaining Useful Life:	16y
Next Activity Date:	01/01/2041

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Ea:	\$142,000.00
Total Quantity:	2 Ea
Total Current Cost:	\$291,100
Inflation Rate:	2.50%
Total Expenditures:	\$432,140



Heat Pumps

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	20y
Remaining Useful Life:	1y
Next Activity Date:	01/01/2026

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per Allow:	\$75,000.00
Total Quantity:	1 Allow
Total Current Cost:	\$76,875
Inflation Rate:	2.50%
Total Expenditures:	\$207,915



HVAC Pump/Motor/Drive (25hp)

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	25y
Remaining Useful Life:	6y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Ea:	\$22,570.00
Total Quantity:	3 Ea
Total Current Cost:	\$69,403
Inflation Rate:	2.50%
Total Expenditures:	\$80,486



HVAC Pump/Motor/Drive (60hp)

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	25y
Remaining Useful Life:	6y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Ea:	\$39,520.00
Total Quantity:	3 Ea
Total Current Cost:	\$121,524
Inflation Rate:	2.50%
Total Expenditures:	\$140,931



HVAC, Cooling Tower

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	26y
Remaining Useful Life:	7y
Next Activity Date:	01/01/2032

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Ea:	\$540,000.00
Total Quantity:	1 Ea
Total Current Cost:	\$553,500
Inflation Rate:	2.50%
Total Expenditures:	\$657,938



HVAC, Rooftop 105-TON

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2022
Est. Useful Life:	30y
Remaining Useful Life:	12y
Next Activity Date:	01/01/2037

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Ea:	\$250,000.00
Total Quantity:	1 Ea
Total Current Cost:	\$256,250
Inflation Rate:	2.50%
Total Expenditures:	\$344,628



Interior Finishes, Hallways, Walls & Door

Basic Info

Type of Cost:	Replacement
Location:	Interior Building Components
Category:	Wall Surfaces
Condition:	Good

Useful Life

Last Activity Date:	01/01/2008
Est. Useful Life:	15y
Remaining Useful Life:	0y
Next Activity Date:	01/01/2025

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Association Provided
Cost Per Allow:	\$225,000.00
Total Quantity:	1 Allow
Total Current Cost:	\$230,625
Inflation Rate:	2.50%
Total Expenditures:	\$564,639



Interior Renovation, Card Room

Basic Info

Type of Cost:	Improvement
Location:	Interior Building Components
Category:	Recreation
Condition:	Good

Useful Life

Last Activity Date:	01/01/2020
Est. Useful Life:	15y
Remaining Useful Life:	10y
Next Activity Date:	01/01/2035

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$12,500.00
Total Quantity:	1 Allow
Total Current Cost:	\$12,812
Inflation Rate:	2.50%
Total Expenditures:	\$40,155



Interior Renovation, Game Room

Basic Info

Type of Cost:	Improvement
Location:	Interior Building Components
Category:	Recreation
Condition:	Good

Useful Life

Last Activity Date:	01/01/2020
Est. Useful Life:	15y
Remaining Useful Life:	10y
Next Activity Date:	01/01/2035

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$12,500.00
Total Quantity:	1 Allow
Total Current Cost:	\$12,812
Inflation Rate:	2.50%
Total Expenditures:	\$40,155



Interior Renovation, Kitchen

Basic Info

Type of Cost:	Improvement
Location:	Interior Building Components
Category:	Common Areas
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	25y
Remaining Useful Life:	6y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$25,000.00
Total Quantity:	1 Allow
Total Current Cost:	\$25,625
Inflation Rate:	2.50%
Total Expenditures:	\$29,717



Interior Renovation, Lobby

Basic Info

Type of Cost:	Improvement
Location:	Interior Building Components
Category:	Common Areas
Condition:	Good

Useful Life

Last Activity Date:	01/01/2020
Est. Useful Life:	15y
Remaining Useful Life:	10y
Next Activity Date:	01/01/2035

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$55,000.00
Total Quantity:	1 Allow
Total Current Cost:	\$56,375
Inflation Rate:	2.50%
Total Expenditures:	\$176,681



Interior Renovation, Lobby Restrooms

Basic Info

Type of Cost:	Improvement
Location:	Interior Building Components
Category:	Restrooms
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	25y
Remaining Useful Life:	6y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$18,500.00
Total Quantity:	2 Allow
Total Current Cost:	\$37,925
Inflation Rate:	2.50%
Total Expenditures:	\$43,981



Interior Renovation, Office

Basic Info

Type of Cost:	Improvement
Location:	Interior Building Components
Category:	Common Areas
Condition:	Good

Useful Life

Last Activity Date:	01/01/2016
Est. Useful Life:	20y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2036

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$7,500.00
Total Quantity:	1 Allow
Total Current Cost:	\$7,688
Inflation Rate:	2.50%
Total Expenditures:	\$10,087



Interior Renovation, Pool/Gym Restrooms

Basic Info

Type of Cost:	Improvement
Location:	Interior Building Components
Category:	Restrooms
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	25y
Remaining Useful Life:	6y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$15,500.00
Total Quantity:	2 Allow
Total Current Cost:	\$31,775
Inflation Rate:	2.50%
Total Expenditures:	\$36,849



Interior Renovation, Social Room

Basic Info

Type of Cost:	Improvement
Location:	Interior Building Components
Category:	Recreation
Condition:	Good

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	15y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2036

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$44,000.00
Total Quantity:	1 Allow
Total Current Cost:	\$45,100
Inflation Rate:	2.50%
Total Expenditures:	\$144,878



Light Fixtures, Interior, Ceiling Mount

Basic Info

Type of Cost:	Replacement
Location:	Interior Building Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	20y
Remaining Useful Life:	1y
Next Activity Date:	01/01/2026

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per Ea:	\$129.00
Total Quantity:	172 Ea
Total Current Cost:	\$22,743
Inflation Rate:	2.50%
Total Expenditures:	\$61,510



Light Fixtures, Post & Single Globe

Basic Info

Type of Cost:	Replacement
Location:	Property Site Components
Category:	Lighting
Condition:	Good

Useful Life

Last Activity Date:	01/01/2016
Est. Useful Life:	20y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2036

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per Ea:	\$1,125.00
Total Quantity:	27 Ea
Total Current Cost:	\$31,134
Inflation Rate:	2.50%
Total Expenditures:	\$40,851



Pool Collector Tank & Equipment (Vak-Pak)

Basic Info

Type of Cost:	Replacement
Location:	Pool Facility Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	40y
Remaining Useful Life:	21y
Next Activity Date:	01/01/2046

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Ea:	\$35,000.00
Total Quantity:	2 Ea
Total Current Cost:	\$71,750
Inflation Rate:	2.50%
Total Expenditures:	\$120,510



Pool Deck, Concrete Pavers

Basic Info

Type of Cost:	Replacement
Location:	Pool Facility Components
Category:	Ground Surfaces
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	25y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2036

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	\$15.00
Total Quantity:	4,600 SF
Total Current Cost:	\$70,725
Inflation Rate:	2.50%
Total Expenditures:	\$92,796



Pool Deck, Pavers, Clean, Sand & Seal

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Pool Facility Components
Category:	Ground Surfaces
Condition:	Good

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	4y
Remaining Useful Life:	3y
Next Activity Date:	01/01/2028

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	\$1.25
Total Quantity:	4,600 SF
Total Current Cost:	\$5,893
Inflation Rate:	2.50%
Total Expenditures:	\$60,909



Pool Furniture

Basic Info

Type of Cost:	Replacement
Location:	Pool Facility Components
Category:	Furniture
Condition:	Good

Useful Life

Last Activity Date:	01/01/2018
Est. Useful Life:	12y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2030

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$6,500.00
Total Quantity:	1 Allow
Total Current Cost:	\$6,662
Inflation Rate:	2.50%
Total Expenditures:	\$31,310



Pool/Spa Finish & Border Tiles

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Pool Facility Components
Category:	Ground Surfaces
Condition:	Good

Useful Life

Last Activity Date:	01/01/2018
Est. Useful Life:	12y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2030

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per LS:	\$16.40
Total Quantity:	3,440 LS
Total Current Cost:	\$57,826
Inflation Rate:	2.50%
Total Expenditures:	\$271,750



Pool/Spa Heater, Electric Heat Pump

Basic Info

Type of Cost:	Replacement
Location:	Pool Facility Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2023
Est. Useful Life:	10y
Remaining Useful Life:	8y
Next Activity Date:	01/01/2033

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Ea:	\$8,500.00
Total Quantity:	2 Ea
Total Current Cost:	\$17,425
Inflation Rate:	2.50%
Total Expenditures:	\$83,197



Pool/Spa Heater, Gas

Basic Info

Type of Cost:	Replacement
Location:	Pool Facility Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2020
Est. Useful Life:	10y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2030

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractor
Cost Per Ea:	\$6,500.00
Total Quantity:	2 Ea
Total Current Cost:	\$13,325
Inflation Rate:	2.50%
Total Expenditures:	\$59,078



Rubberized Flooring, Fitness Areas

Basic Info

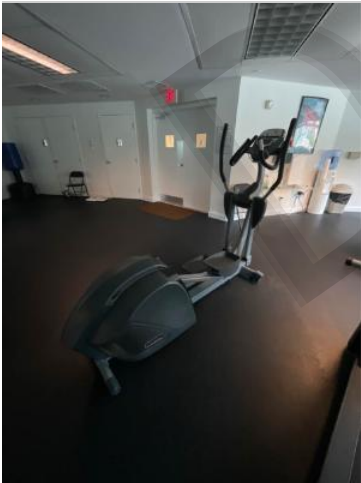
Type of Cost:	Replacement
Location:	Interior Building Components
Category:	Flooring
Condition:	Good

Useful Life

Last Activity Date:	01/01/2017
Est. Useful Life:	10y
Remaining Useful Life:	7y
Next Activity Date:	01/01/2032

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local
Cost Per Allow:	\$10,000.00
Total Quantity:	1 Allow
Total Current Cost:	\$10,250
Inflation Rate:	2.50%
Total Expenditures:	\$47,746



Sauna, Interior

Basic Info

Type of Cost:	Replacement
Location:	Interior Building Components
Category:	Recreation
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	30y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2036

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per Ea:	\$8,500.00
Total Quantity:	2 Ea
Total Current Cost:	\$17,425
Inflation Rate:	2.50%
Total Expenditures:	\$22,863



Signage

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Property Site Components
Category:	Signage
Condition:	Good

Useful Life

Last Activity Date:	01/01/2005
Est. Useful Life:	21y
Remaining Useful Life:	1y
Next Activity Date:	01/01/2026

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$13,500.00
Total Quantity:	1 Allow
Total Current Cost:	\$13,838
Inflation Rate:	2.50%
Total Expenditures:	\$38,006



Surveillance System, Upgrades

Basic Info

Type of Cost:	Improvement
Location:	Property Site Components
Category:	Access Controls
Condition:	Good

Useful Life

Last Activity Date:	01/01/2016
Est. Useful Life:	15y
Remaining Useful Life:	3y
Next Activity Date:	01/01/2028

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Allow:	\$40,000.00
Total Quantity:	1 Allow
Total Current Cost:	\$41,000
Inflation Rate:	2.50%
Total Expenditures:	\$108,099



Trash Chute, Stainless Doors

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	35y
Remaining Useful Life:	16y
Next Activity Date:	01/01/2041

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Flr:	\$2,400.00
Total Quantity:	21 Flr
Total Current Cost:	\$51,660
Inflation Rate:	2.50%
Total Expenditures:	\$76,690

Trash Compactor

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	30y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2036

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Flr:	\$23,000.00
Total Quantity:	1 Flr
Total Current Cost:	\$23,575
Inflation Rate:	2.50%
Total Expenditures:	\$30,932



Useful Definitions

Adjustment to Useful Life: The estimated useful life may be adjusted, up or down, by this separate figure for the current cycle of replacement. This allows for a current period adjustment without affecting the estimated replacement cycles for future replacements.

Annual Assessment Increase: This represents the percentage rate at which the association will increase its assessment to reserves at the end of each year. It ensures the accumulation of the desired amount over a specific timeframe.

Annual Fixed Reserves: An optional figure that, if used, will override the normal process of allocating reserves to each asset.

Budget Year Beginning/Ending: The fiscal year for which the report is prepared. Monthly contribution figures indicated are for the 12-month period beginning on January 1st and ending on December 31st of a specific year for associations with a fiscal year ending on December 31st.

Component: A specific item or element that is part of the association's common area assets and requires reserve funding.

Component Inventory: The process of selecting and qualifying reserve components. This can be done through on-site visual inspections, reviewing association documents, considering established precedents, and consulting with relevant association representatives.

Cost per Unit: The estimated cost to replace a reserve component per unit of measurement.

Current Replacement Cost: The estimated cost of replacing the asset at the beginning of the fiscal year for which the report is prepared.

Estimated Remaining Life: A calculation based on the report's fiscal year date and the asset's placed-in-service date to determine the remaining life of the asset.

Estimated Useful Life: The anticipated lifespan of an asset based on industry standards, manufacturer specifications, visual inspection, location, usage, association standards, and prior history.

Future Replacement Cost: The estimated cost to repair or replace the asset at the end of its estimated useful life, based on the current replacement cost and inflation.

Group and Category: The report may be prepared and sorted either by group (location, building, phase, etc.) or by category (roofing, painting, etc.). The standard report printing format is by category.

Inflation: A figure used to estimate the future cost of repairing or replacing each component. The current cost of each component is compounded annually based on the number of remaining years to replacement, and the total is used to calculate the monthly reserve contribution needed to accumulate the required funds in time for replacement.

Interest Contribution (After Taxes): The interest that should be earned on the reserves, net of taxes, based on their

beginning reserve balance and monthly contributions for one year. This figure is averaged for budgeting purposes.



Investment Yield Before Taxes: The average interest rate anticipated by the association based on its current investment practices.

Number of Units and/or Phases: If applicable, the number of units and/or phases included in the report.

Percent Fully Funded: The ratio, at the beginning of the fiscal year, of the actual (or projected) reserve balance to the calculated fully funded balance, expressed as a percentage.

Phase Increment Detail and/or Age: Comments regarding the aging of the components based on the construction date or date of acceptance by the association.

Placed-In-Service Date: The month and year when the asset was placed in service, which could be the construction date, first escrow closure date in a phase, or the date of the last servicing or replacement.

Projected Reserve Balance: The anticipated reserve balance on the first day of the fiscal year for which this report has been prepared. This is based on the provided information and is not audited.

Quantity: The amount or number of each reserve component element.

Replacement Year: The year when the asset is scheduled to be replaced. The necessary funds will be available by the first day of the fiscal year for which replacement is anticipated.

Reserves: Funds set aside for projected repairs and/or replacements of the association's common elements.

Salvage Value: The salvage value of the asset at the time of replacement, if applicable.

Total Monthly Allocation: The sum of the monthly assessment and interest contribution figures.

Units: The unit of measurement used for each quantity.

Estimated Replacement Cost: The estimated cost to repair or replace the asset at the end of its estimated useful life based on the current replacement cost and inflation.

Monthly Assessment: The assessment to reserves required by the association each month.

Taxes on Interest Yield: The estimated percentage of interest income that will be set aside to pay income taxes on the earned interest.

Total Monthly Allocation: The sum of the monthly assessment and interest contribution figures.

Unit Abbreviations:

Sq Ft - Square Feet	Sq Yds - Square Yards	Ln Ft - Linear Feet
Cu Ft - Cubic Feet	Cu Yds - Cubic Yards	Opngs - Openings (elevators)
Lp Sm - Lump Sum	Allow - Allowance	Hp - Horsepower

Units - Units

Ct - Court

Bldg- Building

Ea - Each

Kw - Kilowatts

Sq - Squares (1 Sq = 100 sq ft)

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Disclosures

Ocean's Grand Owners' Association, Inc. contracted with Stone Building Solutions to conduct a Reserve Study. Stone Building Solutions completed the site review and has conducted interviews with the building engineer, ownership group and property manager in an attempt to evaluate the physical condition of the various components and their maintenance schedules, as well as to obtain information related to any previous defects that may exist and any repairs that have been performed.

Stone Building Solutions has no present or prospective interest in the subject property of this report and also has no personal interest with respect to parties involved. Our assignment was not contingent upon producing or reporting predetermined results and our compensation is not contingent on any action or event resulting from this report.

The calculations, projections and reports in this reserve study were generated using our state-of-the-art Reserve Study software. Our software has received a Quality Assurance Evaluation from a Certified Public Accounting firm verifying the system for accuracy and compliance with the American Institute of CPAs Audit and Accounting Guide for Common Interest Realty Associations, cash flow projections, and tax calculations consistent with IRS guidelines for 1120c and 1120h corporations.

This reserve analysis study and the parameters under which it has been completed are based upon information provided to us in part by representatives of the association, its contractors, assorted vendors, specialist and independent contractors, the Community Association Institute, and various construction pricing and scheduling manuals including, but not limited to: Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, RS Means Repair & Remodeling Cost Data, National Construction Estimator, National Repair & Remodel Estimator, Dodge Cost Manual and McGraw-Hill Professional. Additionally, costs are obtained from numerous vendor catalogs, actual quotations or historical costs, and our own experience in the field of replacement cost valuation, insurance adjusting and reserve study preparation.

This reserve analysis study is provided as an aid for planning purposes and not as an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described.



Annual Update Requirements

Due to variations in inflation, labor rates, material availability, taxes, insurance cost & asset lives we recommend updating this report on a **3-year** basis, in-line with the Structural Integrity Reserve Study (if applicable), for the most accurate and up-to-date outlook for your communities future financial planning.

To order and updated study, please contact us at (800) 892-1116, or email us at info@stonebldg.com.

