

Serving Florida & the Southeast USA  
110 E. Broward Blvd., Suite 1700  
Fort Lauderdale, FL 33301

Tel : (954) 210-7925  
Fax : (954) 210-7926  
www.reservestudy.com



**ASSOCIATION  
RESERVES™**

*Planning For The Inevitable™*

**Regional Offices**

Arizona  
California  
Colorado  
Florida  
Hawaii  
Nevada  
North Carolina  
Texas  
Washington

## "Full" Reserve Study



### **Sunflower Condominium Association, Inc. Boca Raton, FL**

**Report #: 39848-0**  
**For Period Beginning: January 1, 2021**  
**Expires: December 31, 2021**

**Date Prepared: September 10, 2020**



---

**Hello, and welcome to your Reserve Study!**

**T**his 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.

**W**ith 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](http://www.ReserveStudy.com) or call us at:

**954-210-7925**



**ASSOCIATION  
RESERVES™**

---

## Table of Contents

<b>3-Minute Executive Summary</b>	<b>1</b>
Reserve Study Summary	1
Executive Summary (Component List)	3
<b>Introduction, Objectives, and Methodology</b>	<b>4</b>
Which Physical Assets are Funded by Reserves?	5
How do we establish Useful Life and Remaining Useful Life estimates?	5
How do we establish Current Repair/Replacement Cost Estimates?	5
How much Reserves are enough?	6
How much should we contribute?	7
What is our Recommended Funding Goal?	7
<b>Site Inspection Notes</b>	<b>8</b>
<b>Projected Expenses</b>	<b>9</b>
Annual Reserve Expenses Graph	9
<b>Reserve Fund Status &amp; Recommended Funding Plan</b>	<b>10</b>
Annual Reserve Funding Graph	10
30-Yr Cash Flow Graph	11
Percent Funded Graph	11
<b>Table Descriptions</b>	<b>12</b>
Reserve Component List Detail	13
Fully Funded Balance	14
30-Year Reserve Plan Summary	15
30-Year Income/Expense Detail	16
<b>Accuracy, Limitations, and Disclosures</b>	<b>23</b>
<b>Terms and Definitions</b>	<b>24</b>
<b>Component Details</b>	<b>25</b>
Roof	25
Painting	27
Paving	28
Other	30

### 3- Minute Executive Summary

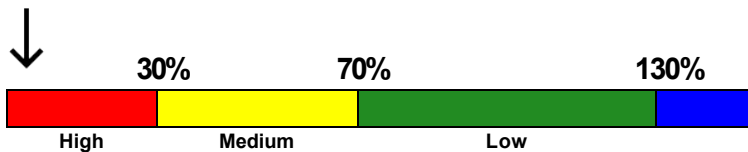
Association: Sunflower Condominium Association, Inc.  
 Location: Boca Raton, FL  
 Report Period: January 1, 2021 through December 31, 2021

Assoc. #: 39848-0  
 # of Units: 174

#### Findings/Recommendations as-of: January 1, 2021

Projected Starting Reserve Balance .....	\$83,474
Projected "Fully Funded" (Ideal) Reserve Balance .....	\$2,464,080
Average Reserve Deficit (Surplus) Per Owner .....	\$13,682
Percent Funded .....	3.4 %
Recommended 2021 "Full Funding" Contributions .....	\$98,200
Recommended 2021 Special Assessments for Reserves .....	\$2,175,000
Most Recent Reserve Contribution Rate .....	\$36,018

Reserves % Funded: 3.4%



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 9/10/2020.

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 3.4 % Funded. Based on this figure, the Client's risk of special assessments & deferred maintenance is currently High. 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 and collect a special assessment in the upcoming fiscal year. Going forward, the contribution rate recommended here should be increased as illustrated on the 30-yr Summary Table.

#### 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 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

39848-0

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Roof				
2383	Roofing (Tile) - Replace	25	3	\$1,808,400
Painting				
2343	Building Exteriors - Seal/Paint	7	1	\$254,800
Paving				
2123	Asphalt - Seal/Repair	4	2	\$22,800
2125	Asphalt - Resurface	20	1	\$202,550
Other				
2150	Fountain Area - Refurbish	10	3	\$6,250
2151	Trash Enclosures - Replace	15	5	\$6,700
2166	Mailboxes (Kiosks) - Replace	20	3	\$17,350
2169	Sign/Monument - Refurbish/Replace	20	5	\$17,500
2170	Directional/Street Signs - Replace	20	5	\$4,200
2175	Site Pole Lights - Replace	20	5	\$62,100
2303	Ext. Lights (Decorative) - Replace	20	5	\$10,900
2307	Awnings (Door/Entry) - Replace	10	5	\$68,750
2326	Balcony Railings - Replace	25	2	\$56,550
2341	Building Exterior - Restoration	7	1	\$60,000
2367	Windows & Doors (Common) - Replace	40	8	\$41,900
2371	Utility Doors (25%) - Partial Repl.	10	2	\$22,000
2522	HVAC (2008) - Replace	15	2	\$5,250
2522	HVAC (2019) - Replace	15	13	\$5,250
2543	Surveillance System-Upgrade/Replace	10	3	\$5,350
2709	Tile Flooring - Replace	20	2	\$33,150
2726	Fitness Equipment (All) - Replace	10	0	\$21,950
2741	Clubhouse - Remodel Allowance	10	2	\$12,500
2746	Kitchen - Remodel	20	2	\$5,000
2749	Bathrooms - Remodel	20	2	\$17,000
2750	Sauna - Refurbish/Restore	20	0	\$8,000
2763	Pool Deck Furniture - Replace	8	2	\$26,000
2769	Pool Decks (Pavers) - Resurface	30	10	\$31,200
2771	Pool Fences - Replace	30	6	\$14,350
2773	Swimming Pools - Resurface	12	2	\$14,450
2781	Pool Heater - Replace	8	2	\$6,000

## 30 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 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?*

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



RESERVE COMPONENT "FOUR-PART TEST"

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 9/10/2020, we started with a brief meeting with Hagan Freeman, Board President. 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.

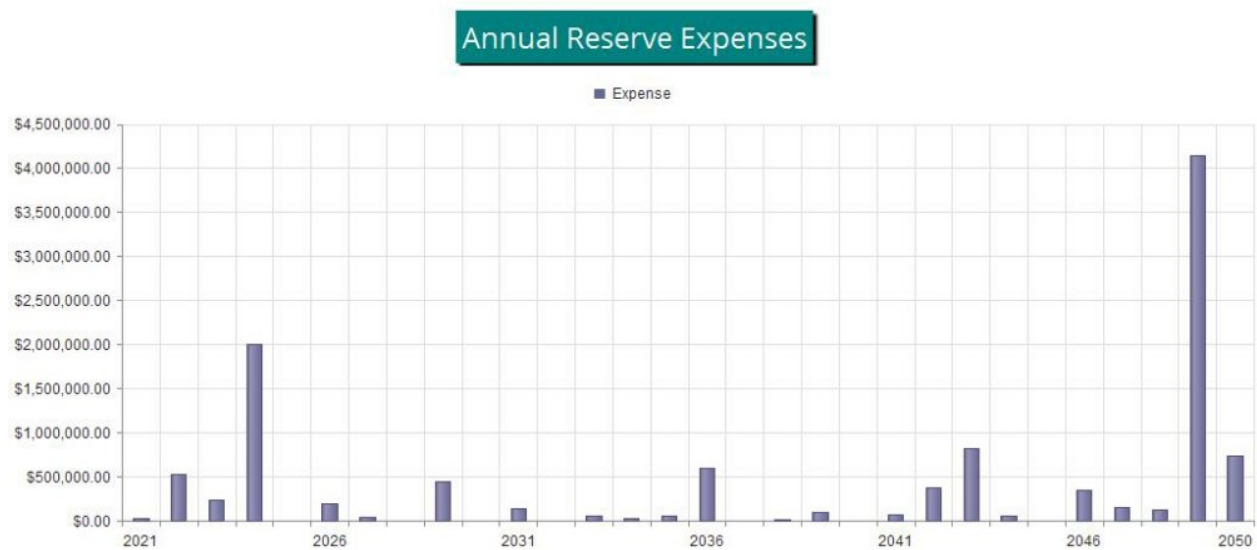


Figure 1

## Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$83,474 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 \$2,464,080. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 3.4 % Funded. In our experience, approximately 58% 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 \$98,200 and a special assessment of \$2,175,000 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.

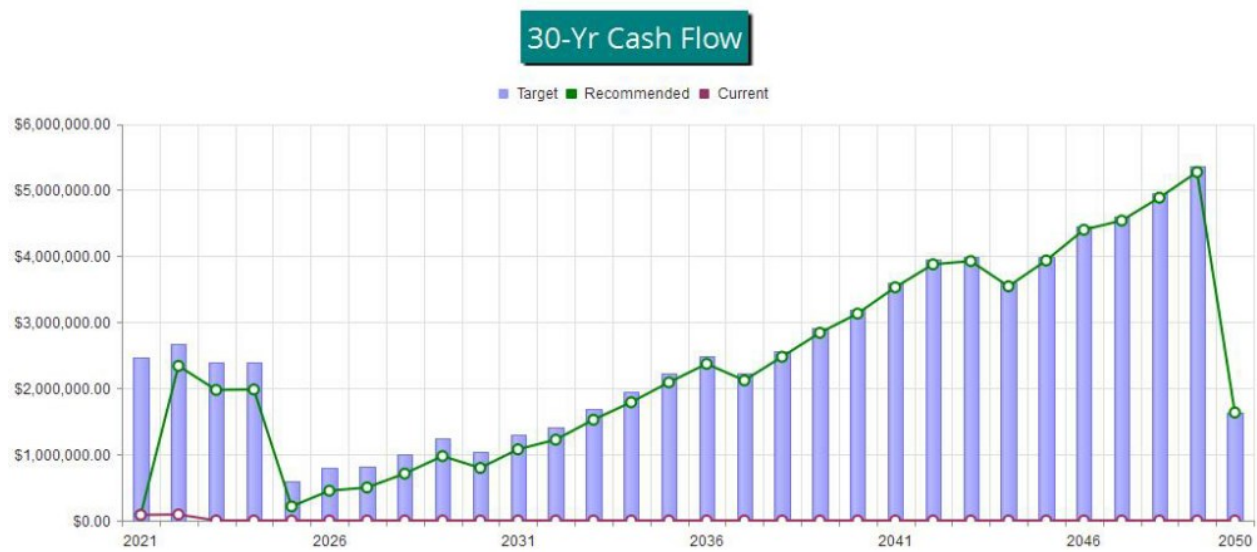


Figure 3

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.

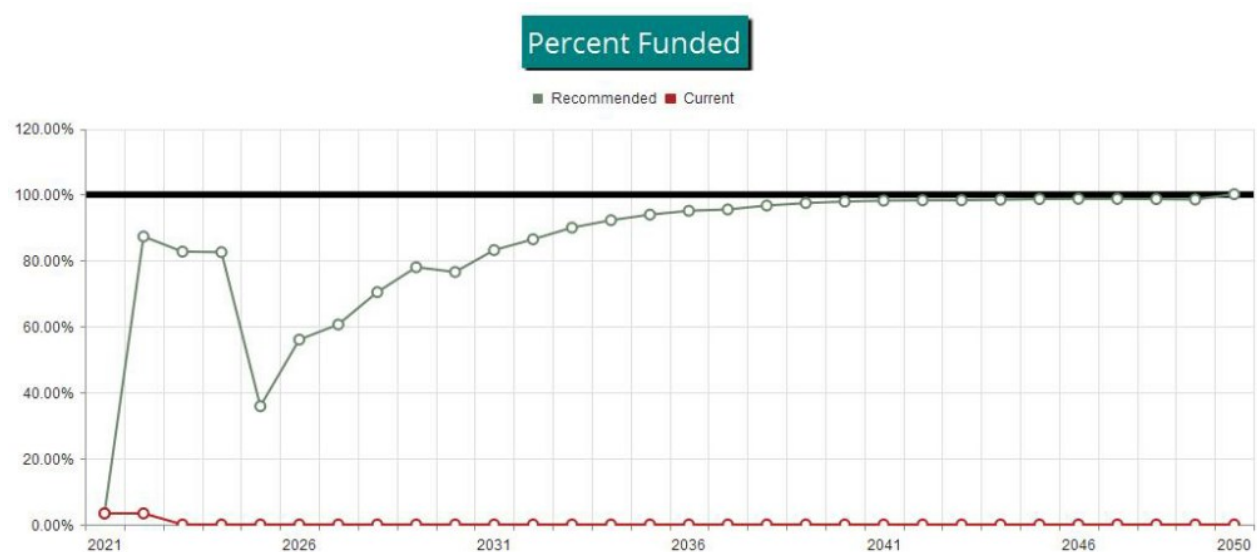


Figure 4

## 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.

# Reserve Component List Detail

39848-0  
Full

#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate	
					Best Case	Worst Case
Roof						
2383	Roofing (Tile) - Replace	Approx 164,000 GSF	25	3	\$1,627,600	\$1,989,200
Painting						
2343	Building Exteriors - Seal/Paint	Approx 182,000 GSF	7	1	\$229,300	\$280,300
Paving						
2123	Asphalt - Seal/Repair	Approx 16,900 GSY	4	2	\$20,500	\$25,100
2125	Asphalt - Resurface	Approx 16,900 GSY	20	1	\$182,300	\$222,800
Other						
2150	Fountain Area - Refurbish	Lump Sum Allowance	10	3	\$5,000	\$7,500
2151	Trash Enclosures - Replace	Approx (13) Enclosures	15	5	\$6,100	\$7,300
2166	Mailboxes (Kiosks) - Replace	Approx (12) Kiosks	20	3	\$15,600	\$19,100
2169	Sign/Monument - Refurbish/Replace	(3) Signs	20	5	\$15,000	\$20,000
2170	Directional/Street Signs - Replace	Approx (8) Signs	20	5	\$3,800	\$4,600
2175	Site Pole Lights - Replace	Approx (46) Lights	20	5	\$55,900	\$68,300
2303	Ext. Lights (Decorative) - Replace	Approx (174) Lights	20	5	\$9,800	\$12,000
2307	Awnings (Door/Entry) - Replace	Approx (175) Awnings	10	5	\$61,900	\$75,600
2326	Balcony Railings - Replace	Approx 580 LF	25	2	\$50,900	\$62,200
2341	Building Exterior - Restoration	Lump Sum Allowance	7	1	\$50,000	\$70,000
2367	Windows & Doors (Common) - Replace	Lump Sum Allowance	40	8	\$37,700	\$46,100
2371	Utility Doors (25%) - Partial Repl.	Approx (43) Utility Doors	10	2	\$19,800	\$24,200
2522	HVAC (2008) - Replace	(1) System	15	2	\$4,500	\$6,000
2522	HVAC (2019) - Replace	(1) System	15	13	\$4,500	\$6,000
2543	Surveillance System-Upgrade/Replace	(5) Cameras	10	3	\$4,800	\$5,900
2709	Tile Flooring - Replace	Approx 3,900 GSF	20	2	\$29,800	\$36,500
2726	Fitness Equipment (All) - Replace	(8) Pieces	10	0	\$19,700	\$24,200
2741	Clubhouse - Remodel Allowance	Lump Sum Allowance	10	2	\$10,000	\$15,000
2746	Kitchen - Remodel	Lump Sum Allowance	20	2	\$4,000	\$6,000
2749	Bathrooms - Remodel	(2) Bathrooms	20	2	\$14,000	\$20,000
2750	Sauna - Refurbish/Restore	(2) Saunas	20	0	\$6,000	\$10,000
2763	Pool Deck Furniture - Replace	Approx (52) Pieces	8	2	\$24,000	\$28,000
2769	Pool Decks (Pavers) - Resurface	Approx 6,240 GSF	30	10	\$28,100	\$34,300
2771	Pool Fences - Replace	Approx 380 LF	30	6	\$12,800	\$15,900
2773	Swimming Pools - Resurface	(2) Pools	12	2	\$12,900	\$16,000
2781	Pool Heater - Replace	(1) Heater	8	2	\$5,000	\$7,000

30 Total Funded Components

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Roof								
2383	Roofing (Tile) - Replace	\$1,808,400	X	22	/	25	=	\$1,591,392
Painting								
2343	Building Exteriors - Seal/Paint	\$254,800	X	6	/	7	=	\$218,400
Paving								
2123	Asphalt - Seal/Repair	\$22,800	X	2	/	4	=	\$11,400
2125	Asphalt - Resurface	\$202,550	X	19	/	20	=	\$192,423
Other								
2150	Fountain Area - Refurbish	\$6,250	X	7	/	10	=	\$4,375
2151	Trash Enclosures - Replace	\$6,700	X	10	/	15	=	\$4,467
2166	Mailboxes (Kiosks) - Replace	\$17,350	X	17	/	20	=	\$14,748
2169	Sign/Monument - Refurbish/Replace	\$17,500	X	15	/	20	=	\$13,125
2170	Directional/Street Signs - Replace	\$4,200	X	15	/	20	=	\$3,150
2175	Site Pole Lights - Replace	\$62,100	X	15	/	20	=	\$46,575
2303	Ext. Lights (Decorative) - Replace	\$10,900	X	15	/	20	=	\$8,175
2307	Awnings (Door/Entry) - Replace	\$68,750	X	5	/	10	=	\$34,375
2326	Balcony Railings - Replace	\$56,550	X	23	/	25	=	\$52,026
2341	Building Exterior - Restoration	\$60,000	X	6	/	7	=	\$51,429
2367	Windows & Doors (Common) - Replace	\$41,900	X	32	/	40	=	\$33,520
2371	Utility Doors (25%) - Partial Repl.	\$22,000	X	8	/	10	=	\$17,600
2522	HVAC (2008) - Replace	\$5,250	X	13	/	15	=	\$4,550
2522	HVAC (2019) - Replace	\$5,250	X	2	/	15	=	\$700
2543	Surveillance System-Upgrade/Replace	\$5,350	X	7	/	10	=	\$3,745
2709	Tile Flooring - Replace	\$33,150	X	18	/	20	=	\$29,835
2726	Fitness Equipment (All) - Replace	\$21,950	X	10	/	10	=	\$21,950
2741	Clubhouse - Remodel Allowance	\$12,500	X	8	/	10	=	\$10,000
2746	Kitchen - Remodel	\$5,000	X	18	/	20	=	\$4,500
2749	Bathrooms - Remodel	\$17,000	X	18	/	20	=	\$15,300
2750	Sauna - Refurbish/Restore	\$8,000	X	20	/	20	=	\$8,000
2763	Pool Deck Furniture - Replace	\$26,000	X	6	/	8	=	\$19,500
2769	Pool Decks (Pavers) - Resurface	\$31,200	X	20	/	30	=	\$20,800
2771	Pool Fences - Replace	\$14,350	X	24	/	30	=	\$11,480
2773	Swimming Pools - Resurface	\$14,450	X	10	/	12	=	\$12,042
2781	Pool Heater - Replace	\$6,000	X	6	/	8	=	\$4,500
								\$2,464,080

# 30-Year Reserve Plan Summary

39848-0  
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				
					% Increase				
	Starting	Fully		Special	In Annual		Loan or		
Year	Reserve Balance	Funded Balance	Percent Funded	Assmt Risk	Reserve Contribs.	Reserve Contribs.	Special Assmts	Interest Income	Reserve Expenses
2021	\$83,474	\$2,464,080	3.4 %	High	172.64 %	\$98,200	\$2,175,000	\$12,106	\$29,950
2022	\$2,338,830	\$2,678,910	87.3 %	Low	50.00 %	\$147,300	\$0	\$21,559	\$532,871
2023	\$1,974,819	\$2,387,330	82.7 %	Low	50.00 %	\$220,950	\$0	\$19,773	\$234,141
2024	\$1,981,401	\$2,400,001	82.6 %	Low	3.00 %	\$227,579	\$0	\$10,963	\$2,007,722
2025	\$212,221	\$591,730	35.9 %	Medium	3.00 %	\$234,406	\$0	\$3,309	\$0
2026	\$449,936	\$802,795	56.0 %	Medium	3.00 %	\$241,438	\$0	\$4,742	\$197,250
2027	\$498,866	\$822,823	60.6 %	Medium	3.00 %	\$248,681	\$0	\$6,038	\$44,359
2028	\$709,226	\$1,006,904	70.4 %	Low	3.00 %	\$256,142	\$0	\$8,411	\$0
2029	\$973,779	\$1,248,350	78.0 %	Low	3.00 %	\$263,826	\$0	\$8,838	\$451,857
2030	\$794,586	\$1,037,963	76.6 %	Low	3.00 %	\$271,741	\$0	\$9,347	\$0
2031	\$1,075,674	\$1,293,205	83.2 %	Low	3.00 %	\$279,893	\$0	\$11,483	\$145,076
2032	\$1,221,974	\$1,413,399	86.5 %	Low	3.00 %	\$288,290	\$0	\$13,724	\$0
2033	\$1,523,988	\$1,693,552	90.0 %	Low	3.00 %	\$296,938	\$0	\$16,554	\$49,189
2034	\$1,788,292	\$1,938,577	92.2 %	Low	3.00 %	\$305,846	\$0	\$19,377	\$24,745
2035	\$2,088,771	\$2,223,477	93.9 %	Low	3.00 %	\$315,022	\$0	\$22,283	\$56,344
2036	\$2,369,732	\$2,491,944	95.1 %	Low	3.00 %	\$324,473	\$0	\$22,435	\$597,558
2037	\$2,119,080	\$2,218,807	95.5 %	Low	3.00 %	\$334,207	\$0	\$22,967	\$0
2038	\$2,476,254	\$2,560,990	96.7 %	Low	3.00 %	\$344,233	\$0	\$26,562	\$8,677
2039	\$2,838,371	\$2,912,769	97.4 %	Low	3.00 %	\$354,560	\$0	\$29,827	\$93,293
2040	\$3,129,464	\$3,196,463	97.9 %	Low	3.00 %	\$365,197	\$0	\$33,273	\$0
2041	\$3,527,934	\$3,593,532	98.2 %	Low	3.00 %	\$376,153	\$0	\$36,998	\$66,194
2042	\$3,874,891	\$3,943,369	98.3 %	Low	3.00 %	\$387,437	\$0	\$38,980	\$376,803
2043	\$3,924,506	\$3,993,081	98.3 %	Low	3.00 %	\$399,060	\$0	\$37,318	\$818,655
2044	\$3,542,229	\$3,598,761	98.4 %	Low	3.00 %	\$411,032	\$0	\$37,363	\$57,135
2045	\$3,933,488	\$3,986,850	98.7 %	Low	3.00 %	\$423,363	\$0	\$41,642	\$0
2046	\$4,398,493	\$4,455,601	98.7 %	Low	3.00 %	\$436,064	\$0	\$44,658	\$342,228
2047	\$4,536,988	\$4,596,393	98.7 %	Low	3.00 %	\$449,146	\$0	\$47,084	\$149,344
2048	\$4,883,874	\$4,950,869	98.6 %	Low	3.00 %	\$462,620	\$0	\$50,756	\$125,614
2049	\$5,271,636	\$5,351,533	98.5 %	Low	3.00 %	\$476,499	\$0	\$34,509	\$4,149,500
2050	\$1,633,144	\$1,631,060	100.1 %	Low	3.00 %	\$490,794	\$0	\$15,145	\$741,847

# 30-Year Income/Expense Detail

39848-0  
Full

Fiscal Year	2021	2022	2023	2024	2025
Starting Reserve Balance	\$83,474	\$2,338,830	\$1,974,819	\$1,981,401	\$212,221
Annual Reserve Contribution	\$98,200	\$147,300	\$220,950	\$227,579	\$234,406
Recommended Special Assessments	\$2,175,000	\$0	\$0	\$0	\$0
Interest Earnings	\$12,106	\$21,559	\$19,773	\$10,963	\$3,309
Total Income	\$2,368,780	\$2,507,689	\$2,215,542	\$2,219,943	\$449,936
# Component					
<b>Roof</b>					
2383 Roofing (Tile) - Replace	\$0	\$0	\$0	\$1,976,088	\$0
<b>Painting</b>					
2343 Building Exteriors - Seal/Paint	\$0	\$262,444	\$0	\$0	\$0
<b>Paving</b>					
2123 Asphalt - Seal/Repair	\$0	\$0	\$24,189	\$0	\$0
2125 Asphalt - Resurface	\$0	\$208,627	\$0	\$0	\$0
<b>Other</b>					
2150 Fountain Area - Refurbish	\$0	\$0	\$0	\$6,830	\$0
2151 Trash Enclosures - Replace	\$0	\$0	\$0	\$0	\$0
2166 Mailboxes (Kiosks) - Replace	\$0	\$0	\$0	\$18,959	\$0
2169 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
2170 Directional/Street Signs - Replace	\$0	\$0	\$0	\$0	\$0
2175 Site Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
2303 Ext. Lights (Decorative) - Replace	\$0	\$0	\$0	\$0	\$0
2307 Awnings (Door/Entry) - Replace	\$0	\$0	\$0	\$0	\$0
2326 Balcony Railings - Replace	\$0	\$0	\$59,994	\$0	\$0
2341 Building Exterior - Restoration	\$0	\$61,800	\$0	\$0	\$0
2367 Windows & Doors (Common) - Replace	\$0	\$0	\$0	\$0	\$0
2371 Utility Doors (25%) - Partial Repl.	\$0	\$0	\$23,340	\$0	\$0
2522 HVAC (2008) - Replace	\$0	\$0	\$5,570	\$0	\$0
2522 HVAC (2019) - Replace	\$0	\$0	\$0	\$0	\$0
2543 Surveillance System-Upgrade/Replace	\$0	\$0	\$0	\$5,846	\$0
2709 Tile Flooring - Replace	\$0	\$0	\$35,169	\$0	\$0
2726 Fitness Equipment (All) - Replace	\$21,950	\$0	\$0	\$0	\$0
2741 Clubhouse - Remodel Allowance	\$0	\$0	\$13,261	\$0	\$0
2746 Kitchen - Remodel	\$0	\$0	\$5,305	\$0	\$0
2749 Bathrooms - Remodel	\$0	\$0	\$18,035	\$0	\$0
2750 Sauna - Refurbish/Restore	\$8,000	\$0	\$0	\$0	\$0
2763 Pool Deck Furniture - Replace	\$0	\$0	\$27,583	\$0	\$0
2769 Pool Decks (Pavers) - Resurface	\$0	\$0	\$0	\$0	\$0
2771 Pool Fences - Replace	\$0	\$0	\$0	\$0	\$0
2773 Swimming Pools - Resurface	\$0	\$0	\$15,330	\$0	\$0
2781 Pool Heater - Replace	\$0	\$0	\$6,365	\$0	\$0
Total Expenses	\$29,950	\$532,871	\$234,141	\$2,007,722	\$0
Ending Reserve Balance	\$2,338,830	\$1,974,819	\$1,981,401	\$212,221	\$449,936

<b>Fiscal Year</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Starting Reserve Balance	\$449,936	\$498,866	\$709,226	\$973,779	\$794,586
Annual Reserve Contribution	\$241,438	\$248,681	\$256,142	\$263,826	\$271,741
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$4,742	\$6,038	\$8,411	\$8,838	\$9,347
Total Income	\$696,116	\$753,585	\$973,779	\$1,246,443	\$1,075,674
# Component					
<b>Roof</b>					
2383 Roofing (Tile) - Replace	\$0	\$0	\$0	\$0	\$0
<b>Painting</b>					
2343 Building Exteriors - Seal/Paint	\$0	\$0	\$0	\$322,773	\$0
<b>Paving</b>					
2123 Asphalt - Seal/Repair	\$0	\$27,224	\$0	\$0	\$0
2125 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
<b>Other</b>					
2150 Fountain Area - Refurbish	\$0	\$0	\$0	\$0	\$0
2151 Trash Enclosures - Replace	\$7,767	\$0	\$0	\$0	\$0
2166 Mailboxes (Kiosks) - Replace	\$0	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$20,287	\$0	\$0	\$0	\$0
2170 Directional/Street Signs - Replace	\$4,869	\$0	\$0	\$0	\$0
2175 Site Pole Lights - Replace	\$71,991	\$0	\$0	\$0	\$0
2303 Ext. Lights (Decorative) - Replace	\$12,636	\$0	\$0	\$0	\$0
2307 Awnings (Door/Entry) - Replace	\$79,700	\$0	\$0	\$0	\$0
2326 Balcony Railings - Replace	\$0	\$0	\$0	\$0	\$0
2341 Building Exterior - Restoration	\$0	\$0	\$0	\$76,006	\$0
2367 Windows & Doors (Common) - Replace	\$0	\$0	\$0	\$53,078	\$0
2371 Utility Doors (25%) - Partial Repl.	\$0	\$0	\$0	\$0	\$0
2522 HVAC (2008) - Replace	\$0	\$0	\$0	\$0	\$0
2522 HVAC (2019) - Replace	\$0	\$0	\$0	\$0	\$0
2543 Surveillance System-Upgrade/Replace	\$0	\$0	\$0	\$0	\$0
2709 Tile Flooring - Replace	\$0	\$0	\$0	\$0	\$0
2726 Fitness Equipment (All) - Replace	\$0	\$0	\$0	\$0	\$0
2741 Clubhouse - Remodel Allowance	\$0	\$0	\$0	\$0	\$0
2746 Kitchen - Remodel	\$0	\$0	\$0	\$0	\$0
2749 Bathrooms - Remodel	\$0	\$0	\$0	\$0	\$0
2750 Sauna - Refurbish/Restore	\$0	\$0	\$0	\$0	\$0
2763 Pool Deck Furniture - Replace	\$0	\$0	\$0	\$0	\$0
2769 Pool Decks (Pavers) - Resurface	\$0	\$0	\$0	\$0	\$0
2771 Pool Fences - Replace	\$0	\$17,135	\$0	\$0	\$0
2773 Swimming Pools - Resurface	\$0	\$0	\$0	\$0	\$0
2781 Pool Heater - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$197,250	\$44,359	\$0	\$451,857	\$0
Ending Reserve Balance	\$498,866	\$709,226	\$973,779	\$794,586	\$1,075,674

<b>Fiscal Year</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>
Starting Reserve Balance	\$1,075,674	\$1,221,974	\$1,523,988	\$1,788,292	\$2,088,771
Annual Reserve Contribution	\$279,893	\$288,290	\$296,938	\$305,846	\$315,022
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$11,483	\$13,724	\$16,554	\$19,377	\$22,283
Total Income	\$1,367,050	\$1,523,988	\$1,837,481	\$2,113,515	\$2,426,076
# Component					
<b>Roof</b>					
2383 Roofing (Tile) - Replace	\$0	\$0	\$0	\$0	\$0
<b>Painting</b>					
2343 Building Exteriors - Seal/Paint	\$0	\$0	\$0	\$0	\$0
<b>Paving</b>					
2123 Asphalt - Seal/Repair	\$30,641	\$0	\$0	\$0	\$34,487
2125 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
<b>Other</b>					
2150 Fountain Area - Refurbish	\$0	\$0	\$0	\$9,178	\$0
2151 Trash Enclosures - Replace	\$0	\$0	\$0	\$0	\$0
2166 Mailboxes (Kiosks) - Replace	\$0	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
2170 Directional/Street Signs - Replace	\$0	\$0	\$0	\$0	\$0
2175 Site Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
2303 Ext. Lights (Decorative) - Replace	\$0	\$0	\$0	\$0	\$0
2307 Awnings (Door/Entry) - Replace	\$0	\$0	\$0	\$0	\$0
2326 Balcony Railings - Replace	\$0	\$0	\$0	\$0	\$0
2341 Building Exterior - Restoration	\$0	\$0	\$0	\$0	\$0
2367 Windows & Doors (Common) - Replace	\$0	\$0	\$0	\$0	\$0
2371 Utility Doors (25%) - Partial Repl.	\$0	\$0	\$31,367	\$0	\$0
2522 HVAC (2008) - Replace	\$0	\$0	\$0	\$0	\$0
2522 HVAC (2019) - Replace	\$0	\$0	\$0	\$7,710	\$0
2543 Surveillance System-Upgrade/Replace	\$0	\$0	\$0	\$7,857	\$0
2709 Tile Flooring - Replace	\$0	\$0	\$0	\$0	\$0
2726 Fitness Equipment (All) - Replace	\$29,499	\$0	\$0	\$0	\$0
2741 Clubhouse - Remodel Allowance	\$0	\$0	\$17,822	\$0	\$0
2746 Kitchen - Remodel	\$0	\$0	\$0	\$0	\$0
2749 Bathrooms - Remodel	\$0	\$0	\$0	\$0	\$0
2750 Sauna - Refurbish/Restore	\$0	\$0	\$0	\$0	\$0
2763 Pool Deck Furniture - Replace	\$34,942	\$0	\$0	\$0	\$0
2769 Pool Decks (Pavers) - Resurface	\$41,930	\$0	\$0	\$0	\$0
2771 Pool Fences - Replace	\$0	\$0	\$0	\$0	\$0
2773 Swimming Pools - Resurface	\$0	\$0	\$0	\$0	\$21,857
2781 Pool Heater - Replace	\$8,063	\$0	\$0	\$0	\$0
Total Expenses	\$145,076	\$0	\$49,189	\$24,745	\$56,344
Ending Reserve Balance	\$1,221,974	\$1,523,988	\$1,788,292	\$2,088,771	\$2,369,732

<b>Fiscal Year</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Starting Reserve Balance	\$2,369,732	\$2,119,080	\$2,476,254	\$2,838,371	\$3,129,464
Annual Reserve Contribution	\$324,473	\$334,207	\$344,233	\$354,560	\$365,197
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$22,435	\$22,967	\$26,562	\$29,827	\$33,273
Total Income	\$2,716,639	\$2,476,254	\$2,847,049	\$3,222,758	\$3,527,934
# Component					
<b>Roof</b>					
2383 Roofing (Tile) - Replace	\$0	\$0	\$0	\$0	\$0
<b>Painting</b>					
2343 Building Exteriors - Seal/Paint	\$396,970	\$0	\$0	\$0	\$0
<b>Paving</b>					
2123 Asphalt - Seal/Repair	\$0	\$0	\$0	\$38,815	\$0
2125 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
<b>Other</b>					
2150 Fountain Area - Refurbish	\$0	\$0	\$0	\$0	\$0
2151 Trash Enclosures - Replace	\$0	\$0	\$0	\$0	\$0
2166 Mailboxes (Kiosks) - Replace	\$0	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
2170 Directional/Street Signs - Replace	\$0	\$0	\$0	\$0	\$0
2175 Site Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
2303 Ext. Lights (Decorative) - Replace	\$0	\$0	\$0	\$0	\$0
2307 Awnings (Door/Entry) - Replace	\$107,110	\$0	\$0	\$0	\$0
2326 Balcony Railings - Replace	\$0	\$0	\$0	\$0	\$0
2341 Building Exterior - Restoration	\$93,478	\$0	\$0	\$0	\$0
2367 Windows & Doors (Common) - Replace	\$0	\$0	\$0	\$0	\$0
2371 Utility Doors (25%) - Partial Repl.	\$0	\$0	\$0	\$0	\$0
2522 HVAC (2008) - Replace	\$0	\$0	\$8,677	\$0	\$0
2522 HVAC (2019) - Replace	\$0	\$0	\$0	\$0	\$0
2543 Surveillance System-Upgrade/Replace	\$0	\$0	\$0	\$0	\$0
2709 Tile Flooring - Replace	\$0	\$0	\$0	\$0	\$0
2726 Fitness Equipment (All) - Replace	\$0	\$0	\$0	\$0	\$0
2741 Clubhouse - Remodel Allowance	\$0	\$0	\$0	\$0	\$0
2746 Kitchen - Remodel	\$0	\$0	\$0	\$0	\$0
2749 Bathrooms - Remodel	\$0	\$0	\$0	\$0	\$0
2750 Sauna - Refurbish/Restore	\$0	\$0	\$0	\$0	\$0
2763 Pool Deck Furniture - Replace	\$0	\$0	\$0	\$44,263	\$0
2769 Pool Decks (Pavers) - Resurface	\$0	\$0	\$0	\$0	\$0
2771 Pool Fences - Replace	\$0	\$0	\$0	\$0	\$0
2773 Swimming Pools - Resurface	\$0	\$0	\$0	\$0	\$0
2781 Pool Heater - Replace	\$0	\$0	\$0	\$10,215	\$0
Total Expenses	\$597,558	\$0	\$8,677	\$93,293	\$0
Ending Reserve Balance	\$2,119,080	\$2,476,254	\$2,838,371	\$3,129,464	\$3,527,934

<b>Fiscal Year</b>	<b>2041</b>	<b>2042</b>	<b>2043</b>	<b>2044</b>	<b>2045</b>
Starting Reserve Balance	\$3,527,934	\$3,874,891	\$3,924,506	\$3,542,229	\$3,933,488
Annual Reserve Contribution	\$376,153	\$387,437	\$399,060	\$411,032	\$423,363
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$36,998	\$38,980	\$37,318	\$37,363	\$41,642
Total Income	\$3,941,085	\$4,301,308	\$4,360,884	\$3,990,623	\$4,398,493
# Component					
<b>Roof</b>					
2383 Roofing (Tile) - Replace	\$0	\$0	\$0	\$0	\$0
<b>Painting</b>					
2343 Building Exteriors - Seal/Paint	\$0	\$0	\$488,223	\$0	\$0
<b>Paving</b>					
2123 Asphalt - Seal/Repair	\$0	\$0	\$43,687	\$0	\$0
2125 Asphalt - Resurface	\$0	\$376,803	\$0	\$0	\$0
<b>Other</b>					
2150 Fountain Area - Refurbish	\$0	\$0	\$0	\$12,335	\$0
2151 Trash Enclosures - Replace	\$12,101	\$0	\$0	\$0	\$0
2166 Mailboxes (Kiosks) - Replace	\$0	\$0	\$0	\$34,242	\$0
2169 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
2170 Directional/Street Signs - Replace	\$0	\$0	\$0	\$0	\$0
2175 Site Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
2303 Ext. Lights (Decorative) - Replace	\$0	\$0	\$0	\$0	\$0
2307 Awnings (Door/Entry) - Replace	\$0	\$0	\$0	\$0	\$0
2326 Balcony Railings - Replace	\$0	\$0	\$0	\$0	\$0
2341 Building Exterior - Restoration	\$0	\$0	\$114,966	\$0	\$0
2367 Windows & Doors (Common) - Replace	\$0	\$0	\$0	\$0	\$0
2371 Utility Doors (25%) - Partial Repl.	\$0	\$0	\$42,154	\$0	\$0
2522 HVAC (2008) - Replace	\$0	\$0	\$0	\$0	\$0
2522 HVAC (2019) - Replace	\$0	\$0	\$0	\$0	\$0
2543 Surveillance System-Upgrade/Replace	\$0	\$0	\$0	\$10,559	\$0
2709 Tile Flooring - Replace	\$0	\$0	\$63,519	\$0	\$0
2726 Fitness Equipment (All) - Replace	\$39,644	\$0	\$0	\$0	\$0
2741 Clubhouse - Remodel Allowance	\$0	\$0	\$23,951	\$0	\$0
2746 Kitchen - Remodel	\$0	\$0	\$9,581	\$0	\$0
2749 Bathrooms - Remodel	\$0	\$0	\$32,574	\$0	\$0
2750 Sauna - Refurbish/Restore	\$14,449	\$0	\$0	\$0	\$0
2763 Pool Deck Furniture - Replace	\$0	\$0	\$0	\$0	\$0
2769 Pool Decks (Pavers) - Resurface	\$0	\$0	\$0	\$0	\$0
2771 Pool Fences - Replace	\$0	\$0	\$0	\$0	\$0
2773 Swimming Pools - Resurface	\$0	\$0	\$0	\$0	\$0
2781 Pool Heater - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$66,194	\$376,803	\$818,655	\$57,135	\$0
Ending Reserve Balance	\$3,874,891	\$3,924,506	\$3,542,229	\$3,933,488	\$4,398,493

<b>Fiscal Year</b>	<b>2046</b>	<b>2047</b>	<b>2048</b>	<b>2049</b>	<b>2050</b>
Starting Reserve Balance	\$4,398,493	\$4,536,988	\$4,883,874	\$5,271,636	\$1,633,144
Annual Reserve Contribution	\$436,064	\$449,146	\$462,620	\$476,499	\$490,794
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$44,658	\$47,084	\$50,756	\$34,509	\$15,145
Total Income	\$4,879,216	\$5,033,218	\$5,397,250	\$5,782,644	\$2,139,083
# Component					
<b>Roof</b>					
2383 Roofing (Tile) - Replace	\$0	\$0	\$0	\$4,137,488	\$0
<b>Painting</b>					
2343 Building Exteriors - Seal/Paint	\$0	\$0	\$0	\$0	\$600,453
<b>Paving</b>					
2123 Asphalt - Seal/Repair	\$0	\$49,170	\$0	\$0	\$0
2125 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
<b>Other</b>					
2150 Fountain Area - Refurbish	\$0	\$0	\$0	\$0	\$0
2151 Trash Enclosures - Replace	\$0	\$0	\$0	\$0	\$0
2166 Mailboxes (Kiosks) - Replace	\$0	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$36,641	\$0	\$0	\$0	\$0
2170 Directional/Street Signs - Replace	\$8,794	\$0	\$0	\$0	\$0
2175 Site Pole Lights - Replace	\$130,024	\$0	\$0	\$0	\$0
2303 Ext. Lights (Decorative) - Replace	\$22,822	\$0	\$0	\$0	\$0
2307 Awnings (Door/Entry) - Replace	\$143,947	\$0	\$0	\$0	\$0
2326 Balcony Railings - Replace	\$0	\$0	\$125,614	\$0	\$0
2341 Building Exterior - Restoration	\$0	\$0	\$0	\$0	\$141,394
2367 Windows & Doors (Common) - Replace	\$0	\$0	\$0	\$0	\$0
2371 Utility Doors (25%) - Partial Repl.	\$0	\$0	\$0	\$0	\$0
2522 HVAC (2008) - Replace	\$0	\$0	\$0	\$0	\$0
2522 HVAC (2019) - Replace	\$0	\$0	\$0	\$12,012	\$0
2543 Surveillance System-Upgrade/Replace	\$0	\$0	\$0	\$0	\$0
2709 Tile Flooring - Replace	\$0	\$0	\$0	\$0	\$0
2726 Fitness Equipment (All) - Replace	\$0	\$0	\$0	\$0	\$0
2741 Clubhouse - Remodel Allowance	\$0	\$0	\$0	\$0	\$0
2746 Kitchen - Remodel	\$0	\$0	\$0	\$0	\$0
2749 Bathrooms - Remodel	\$0	\$0	\$0	\$0	\$0
2750 Sauna - Refurbish/Restore	\$0	\$0	\$0	\$0	\$0
2763 Pool Deck Furniture - Replace	\$0	\$56,071	\$0	\$0	\$0
2769 Pool Decks (Pavers) - Resurface	\$0	\$0	\$0	\$0	\$0
2771 Pool Fences - Replace	\$0	\$0	\$0	\$0	\$0
2773 Swimming Pools - Resurface	\$0	\$31,163	\$0	\$0	\$0
2781 Pool Heater - Replace	\$0	\$12,940	\$0	\$0	\$0
Total Expenses	\$342,228	\$149,344	\$125,614	\$4,149,500	\$741,847
Ending Reserve Balance	\$4,536,988	\$4,883,874	\$5,271,636	\$1,633,144	\$1,397,237

## Component Method (Straight-Line) Funding

Component	Useful Life	Rem. Useful Life	Current		Existing Funds (Group)	Group Fund Allocation	Unfunded Balance	2021 Funding (Component)	2021 Funding (Group)
			Cost (Component)						
Roof									
Roofing (Tile) - Replace	25	3	\$1,808,400		\$12,750	\$12,750	\$1,795,650	\$598,550	\$598,550.00
Painting									
Building Exteriors - Seal/Paint	7	1	\$254,800		\$56,755	\$56,755	\$198,045	\$198,045	\$198,045.00
Paving									
Asphalt - Seal/Repair	4	2	\$22,800		\$13,969	\$1,413.33	\$21,386.67	\$10,693.34	\$200,687.66
Asphalt - Resurface	20	1	\$202,550		\$13,969	\$12,555.67	\$189,994.33	\$189,994.33	
Other									
Fountain Area - Refurbish	10	3	\$6,250		\$0	\$0	\$6,250	\$2,083.33	\$243,733.01
Trash Enclosures - Replace	15	5	\$6,700		\$0	\$0	\$6,700	\$1,340	
Mailboxes (Kiosks) - Replace	20	3	\$17,350		\$0	\$0	\$17,350	\$5,783.33	
Sign/Monument - Refurbish/Replace	20	5	\$17,500		\$0	\$0	\$17,500	\$3,500	
Directional/Street Signs - Replace	20	5	\$4,200		\$0	\$0	\$4,200	\$840	
Site Pole Lights - Replace	20	5	\$62,100		\$0	\$0	\$62,100	\$12,420	
Ext. Lights (Decorative) - Replace	20	5	\$10,900		\$0	\$0	\$10,900	\$2,180	
Awnings (Door/Entry) - Replace	10	5	\$68,750		\$0	\$0	\$68,750	\$13,750	
Balcony Railings - Replace	25	2	\$56,550		\$0	\$0	\$56,550	\$28,275	
Building Exterior - Restoration	7	1	\$60,000		\$0	\$0	\$60,000	\$60,000	
Windows & Doors (Common) - Replace	40	8	\$41,900		\$0	\$0	\$41,900	\$5,237.5	
Utility Doors (25%) - Partial Repl.	10	2	\$22,000		\$0	\$0	\$22,000	\$11,000	
HVAC (2008) - Replace	15	2	\$5,250		\$0	\$0	\$5,250	\$2,625	
HVAC (2019) - Replace	15	13	\$5,250		\$0	\$0	\$5,250	\$403.85	
Surveillance System-Upgrade/Replace	10	3	\$5,350		\$0	\$0	\$5,350	\$1,783.33	
Tile Flooring - Replace	20	2	\$33,150		\$0	\$0	\$33,150	\$16,575	
Fitness Equipment (All) - Replace	10	0	\$21,950		\$0	\$0	\$21,950	\$21,950	
Clubhouse - Remodel Allowance	10	2	\$12,500		\$0	\$0	\$12,500	\$6,250	
Kitchen - Remodel	20	2	\$5,000		\$0	\$0	\$5,000	\$2,500	
Bathrooms - Remodel	20	2	\$17,000		\$0	\$0	\$17,000	\$8,500	
Sauna - Refurbish/Restore	20	0	\$8,000		\$0	\$0	\$8,000	\$8,000	
Pool Deck Furniture - Replace	8	2	\$26,000		\$0	\$0	\$26,000	\$13,000	
Pool Decks (Pavers) - Resurface	30	10	\$31,200		\$0	\$0	\$31,200	\$3,120	
Pool Fences - Replace	30	6	\$14,350		\$0	\$0	\$14,350	\$2,391.67	
Swimming Pools - Resurface	12	2	\$14,450		\$0	\$0	\$14,450	\$7,225	
Pool Heater - Replace	8	2	\$6,000		\$0	\$0	\$6,000	\$3,000	
Grand Total:								\$1,241,015.68	

## 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

<b>BTU</b>	British Thermal Unit (a standard unit of energy)
<b>DIA</b>	Diameter
<b>GSF</b>	Gross Square Feet (area). Equivalent to Square Feet
<b>GSY</b>	Gross Square Yards (area). Equivalent to Square Yards
<b>HP</b>	Horsepower
<b>LF</b>	Linear Feet (length)
<b>Effective Age</b>	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
<b>Fully Funded Balance (FFB)</b>	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.
<b>Inflation</b>	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.
<b>Interest</b>	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.
<b>Percent Funded</b>	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.
<b>Remaining Useful Life (RUL)</b>	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
<b>Useful Life (UL)</b>	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.

## Roof

**Comp #: 2383 Roofing (Tile) - Replace****Quantity: Approx 164,000 GSF**

Location: Building rooftops

Funded?: Yes.

History: Roofs were installed around 1990 per information provided by the client

Comments: Client spent roughly \$100,000 on repairs between 2015-2018, but is reportedly not seeing significant leaks at the time of inspection.

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:  
3 years



Best Case: \$ 1,627,600

Worst Case: \$ 1,989,200

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

## Painting

**Comp #: 2343 Building Exteriors - Seal/Paint****Quantity: Approx 182,000 GSF**

Location: Building exteriors

Funded?: Yes.

History:

Comments: Approximately 182,000 GSF of paint and 27,300 LF of sealants noted at time of inspection.

Poor condition: Painted exterior surfaces determined to be in poor condition typically exhibit clearly noticeable aesthetic concerns such as heavy chalking, staining, fading, inconsistent color and texture, etc. Physically, paint/coatings in poor condition may be peeling and cracking in many locations, may no longer be adhering properly to the painted surface, or otherwise are otherwise no longer providing effective protection to the structure.

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 material surfaces meet, such as window frame to concrete structure junctions. For best results, the client may want to consult with a paint company representative, building envelope specialist and/or structural engineer to specify the types of materials to be used and define complete scope of work before bidding. In our experience, cost estimates for painting and waterproofing can vary widely, even when based on the same prescribed scope of work. Estimates shown here should be updated and revised as needed based on actual bids obtained or project cost history during future Reserve Study updates.

Useful Life:  
7 years

Remaining Life:  
1 years



Best Case: \$ 229,300

Worst Case: \$ 280,300

Lower estimate to seal/repaint

Higher estimate

Cost Source: AR Cost Database

## Paving

**Comp #: 2123 Asphalt - Seal/Repair****Quantity: Approx 16,900 GSY**

Location: Parking lots

Funded?: Yes.

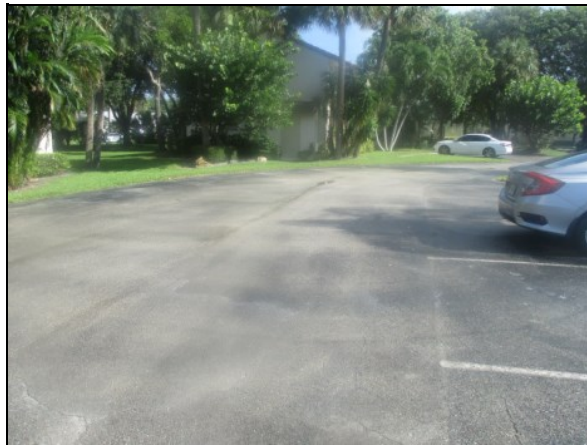
History:

Comments: POST-RESURFACE: Seal-coating is recommended, but only after completion of asphalt resurfacing in order to obtain a good return on investment. Remaining useful life shown here is intended to cycle initial application one year later than remaining useful life shown for asphalt resurfacing as noted elsewhere in this study. Typical vendor and manufacturer recommendations call for initial application roughly 6-12 months following repaving/resurfacing. Asphalt should then be re-sealed at recurring intervals based on the useful life shown for this component.

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:  
2 years



Best Case: \$ 20,500

Worst Case: \$ 25,100

Lower estimate to seal/repair

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2125 Asphalt - Resurface**

**Quantity: Approx 16,900 GSY**

Location: Parking Lots

Funded?: Yes.

History:

Comments: Poor condition: Asphalt pavement determined to be in poor condition typically exhibits more substantial, consistent patterns of wear and age, including longer, wider cracks and/or patterns of cracking. Raveling is more advanced, resulting in dimpled, rougher texture over most (if not all) areas. Color has faded and curb appeal is declining. At this stage, timeline for resurfacing should be discussed and proper scope of work developed.

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:  
1 years



Best Case: \$ 182,300

Worst Case: \$ 222,800

Lower estimate to resurface

Higher estimate

Cost Source: AR Cost Database

## Other

**Comp #: 2107 Concrete Sidewalks - Repair****Quantity: Lump Sum Allowance**

Location: Common area walkways

Funded?: No.

History:

Comments: Repair any trip and fall hazards immediately to ensure safety. As routine maintenance, inspect regularly, pressure wash for appearance and repair promptly as needed to prevent water penetrating into the base and causing further damage. In our experience, larger repair/replacement expenses emerge as the community ages, especially as trees adjacent to sidewalks continue to grow. 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:

**Comp #: 2113 Site Drainage System - Clean/Repair**

**Quantity: Lump Sum Allowance**

Location: Throughout development

Funded?: No.

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:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

---

**Comp #: 2150 Fountain Area - Refurbish**

**Quantity: Lump Sum Allowance**

Location: Behind Clubhouse  
Funded?: Yes.  
History:  
Comments: 5' diameter water fountain with (4) accompanying benches.

Poor condition: Water features determined to be in poor condition typically exhibit more advanced surface wear, possibly including cracks, loose or missing tiles or advanced deterioration to other decorative features. At this stage, features such as lighting, jets and/or fountains may be in need of repair or replacement.

All water features should be inspected routinely for leaks and mechanical problems. This component represents a general allowance for inspection, waterproofing, repair/refurbishment, etc. Interior finishes should be regularly cleaned and sealed to ensure good appearance and watertight surface. Repairs/replacement of drains, lighting, pumps, filters, etc. should be included as needed.

Useful Life:  
10 years

Remaining Life:  
3 years



Best Case: \$ 5,000

Worst Case: \$ 7,500

Lower allowance to maintain/refurbish

Higher allowance

Cost Source: AR Cost Database

**Comp #: 2151 Trash Enclosures - Replace**

**Quantity: Approx (13) Enclosures**

Location: Parking Lots

Funded?: Yes.

History:

Comments: Enclosures are 12' x 12' x 4' with 12 LF of gate and painted stucco sides. Painting of structures is covered under component #2343, "Building Exterior - Seal/Paint. Funding shown here is for replacement of the gates and any minor repairs.

Fair condition: Trash enclosures determined to be in fair condition typically exhibit moderate signs of wear and deterioration. If present, gates and hardware may be in need of repair, or have deteriorated from an aesthetic standpoint.

Trash enclosures should be cleaned and inspected regularly, and repaired as needed to ensure safety and good function. Enclosures left to deteriorate can become an eyesore and will have a negative effect on the aesthetic value in the common areas. Due to exposed location and occasional damage from garbage trucks, trash enclosures generally require replacement at the interval shown here.

Useful Life:  
15 years

Remaining Life:  
5 years



Best Case: \$ 6,100

Worst Case: \$ 7,300

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2166 Mailboxes (Kiosks) - Replace**

**Quantity: Approx (12) Kiosks**

Location: Near Clubhouse

Funded?: Yes.

History:

Comments: (11) Kiosks have (16) boxes and (2) parcel lockers each. There is (1) additional (2) kiosk on site. All appear to be in poor condition.

Awning has been covered under component #2307, "Awnings (Door/Entry) - Replace".

Poor condition: Mailboxes determined to be in poor condition typically exhibit more advanced surface wear, and may no longer be weather-proof. At this stage, appearance has diminished considerably and replacement should be considered (at least) for aesthetic if not physical reasons.

Inspect regularly and clean by wiping down exterior surfaces. If necessary, change lock cylinders, lubricate hinges and repair as an Operating expense. Best to plan for total replacement at roughly the time frame below due to constant exposure, usage and wear over time.

Useful Life:  
20 years

Remaining Life:  
3 years



Best Case: \$ 15,600

Worst Case: \$ 19,100

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2169 Sign/Monument - Refurbish/Replace**

**Quantity: (3) Signs**

Location: Entrances to Community

Funded?: Yes.

History:

Comments: (2) 80 LF structures with heights ranging from 2' - 6'. Structures are stucco with metal lettering and brick trim in overall poor condition. Significant stucco repair needed at cracking areas. (1) Additional 9' x 5' structure in fair condition.

Poor condition: Monument signage determined to be in poor condition typically exhibits poor appearance and aesthetics not up to aesthetic standards for the development. In some cases, determination may be made on physical/structural condition, or based on aesthetics/style alone. At this stage, major refurbishment or complete replacement should be considered.

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: \$ 15,000

Worst Case: \$ 20,000

Lower estimate to refurbish/replace

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2170 Directional/Street Signs - Replace**

**Quantity: Approx (8) Signs**

Location: Adjacent to streets and parking areas

Funded?: Yes.

History:

Comments: Street signs are on 8' fiberglass poles and appear to be in fair condition.

Fair condition: Directional and street signs determined to be in fair condition typically exhibit somewhat faded surface finish and may have minor damage to their supports/posts/hardware. Panels are clean but reflectiveness and contrasting of lettering or symbols may be diminished.

Street signs and posts are generally replaced at longer intervals due to weathering or style changes, or to coincide with other exterior projects such as replacement of entry signage, street lighting, etc. Signs should be inspected regularly to make sure visibility is adequate, including at night. Repair any damaged or leaning posts as needed. Costs for replacement can vary greatly depending on style selected; unless otherwise noted, costs shown here are based on replacement with a comparable type as are currently in place.

Useful Life:  
20 years

Remaining Life:  
5 years



Best Case: \$ 3,800

Worst Case: \$ 4,600

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2172 Informational Signs - Replace****Quantity: (10) Signs**

Location: Miscellaneous common areas

Funded?: No.

History:

Comments: Cost to replace signs is not expected to meet threshold for Reserve funding. Maintain, repair and replace as needed as an Operating expense. 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:

No Photo Available

Best Case:

Worst Case:

Cost Source:

---

**Comp #: 2173 Street Lights - Replace****Quantity: (4) Street Lights**

Location: Adjacent to streets and parking areas

Funded?: No.

History:

Comments: Street lights are reportedly not owned by the Client. No obligation to pay for replacement, so no Reserve funding is required.

Useful Life:  
20 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 2175 Site Pole Lights - Replace****Quantity: Approx (46) Lights**

Location: Adjacent to walkways, Parking Lots

Funded?: Yes.

History:

Comments: Pole lights are 10' fiberglass units in overall fair condition.

Fair condition: Pole lights determined to be in fair condition typically exhibit somewhat faded/worn appearance but overall assembly is sturdy and aging normally. Serviceable physical condition and still appropriate for aesthetic standards.

Observed during daylight hours; assumed to be in functional operating condition. As routine maintenance, inspect, repair/change bulbs as needed. Best to plan for large scale replacement at roughly the time frame below for cost efficiency and consistent quality/appearance throughout development. Replacement costs can vary greatly; estimates shown here are based on replacement with a comparable size and design, unless otherwise noted.

Useful Life:  
20 years

Remaining Life:  
5 years



Best Case: \$ 55,900

Worst Case: \$ 68,300

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

---

**Comp #: 2185 Landscaping - Refurbish****Quantity: Lump Sum Allowance**

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 #: 2303 Ext. Lights (Decorative) - Replace**

**Quantity:   Approx (174) Lights**

Location: Building exterior

Funded?: Yes.

History:

Comments: Fair condition: Exterior lights determined to be in fair condition typically exhibit more moderate signs of wear and age, but are generally believed to be aging normally with no unusual conditions noted.

Observed during daylight hours, but assumed to be in functional operating condition. As routine maintenance, clean by wiping down with an appropriate cleaner, change bulbs and repair as needed. Best practice is to plan for replacement of all lighting together at roughly the time frame below for cost efficiency and consistent quality/appearance throughout development. Should be coordinated with exterior painting projects whenever possible. Individual replacements should be considered an Operating expense. If available, an extra supply of replacement fixtures should be kept on-site to allow for prompt replacement.

Useful Life:  
20 years

Remaining Life:  
5 years



Best Case:   \$ 9,800

Worst Case:   \$ 12,000

Lower allowance to replace

Higher allowance

Cost Source: AR Cost Database

**Comp #: 2307 Awnings (Door/Entry) - Replace**

**Quantity: Approx (175) Awnings**

Location: Unit Entrances

Funded?: Yes.

History: Homeowners were required to use a professional cleaning service to clean the awnings in 2020.

Comments: (1) Awning at each unit entrance and (1) 44' x 9' awning at the mailboxes.

Fair condition: Awnings determined to be in fair condition typically exhibit more moderate signs of age, including noticeable color fading, loose/sagging material or other aesthetic problems. Attachments and hardware remain in serviceable condition.

Fabric/canopy should be washed periodically to maintain appearance. Framing should be repaired and usually painted to prolong life expectancy. In most cases, existing framing can be re-used when new canopy is installed. Ensure that anchor points and hardware are intact and take note of any recommendations for removal during high winds or storms to prevent damage to the awning and/or building structure.

Useful Life:  
10 years

Remaining Life:  
5 years



Best Case: \$ 61,900

Worst Case: \$ 75,600

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2314 Balconies - Owner Responsibility**

**Quantity: Lump Sum Allowance**

Location: Unit balconies

Funded?: No.

History:

Comments: Based on limited review of the Client's governing documents or other information provided to us during this engagement, individual owners are believed to be responsible for any surface on the balconies other than the original concrete balcony deck surface at their units. However, our review is not intended to be a professional legal opinion and we reserve the right to revise this component if the Client is otherwise found to be responsible for maintenance/repair/replacement. No recommendation for Reserve funding at this time. However, the Client should still specify approved finishes and ensure that installation is done properly so as not to compromise the building structure through poor workmanship or inappropriate materials.

Repairs to the balconies themselves are covered under component # 2341 - "Building Exterior - Restoration".

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 2326 Balcony Railings - Replace****Quantity: Approx 580 LF**

Location: Unit balconies

Funded?: Yes.

History:

Comments: Poor condition: Deck railings determined to be in poor condition typically exhibit moderate to advanced physical wear, have become loose or possibly unstable in areas, and/or are otherwise in poor aesthetic condition. Further inspection may be warranted.

Post attachments and hardware should be inspected periodically for corrosion/rust and any waterproofing issues. As routine maintenance, inspect regularly to ensure safety and stability; repair promptly as needed using general operating/maintenance funds. We suggest Reserve funding for regular intervals of total replacement as indicated below. Unless otherwise noted, costs shown are based on replacement with a similar style of railing. However, if the Client chooses to upgrade or replace with a different style, costs may be substantially different. Any new information about changes in style should be incorporated into future Reserve Study updates. For older properties, replacement may also be warranted if pickets are spaced greater than 4" apart, as these are no longer compliant with current building codes for safety reasons.

Useful Life:  
25 years

Remaining Life:  
2 years



Best Case: \$ 50,900

Worst Case: \$ 62,200

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

---

**Comp #: 2326 Lanai Screen Enclosures - Replace****Quantity: Lump Sum Allowance**

Location: Rear of units

Funded?: No.

History:

Comments: Per information provided by client, individual unit owners are responsible for replacement of Lanai Screen Enclosures. No recommendation for funding at this time.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 2341 Building Exterior - Restoration****Quantity: Lump Sum Allowance**

Location: Building exterior

Funded?: Yes.

History:

Comments: Water intrusion through cracks, gaps or other surface penetrations of the concrete structure can cause significant deterioration and damage if not quickly corrected. If left untreated, small problems can develop into major issues over a relatively short amount of time. In advanced cases, concrete spalling may occur, which results from rusting and subsequent expansion of the rebar inside the concrete structure. Most buildings, but especially those in coastal areas, will experience some level of deterioration on an ongoing basis. Proper cycles of good painting/waterproofing is essential to preventing and limiting the spread of damage. Without further inspection, the extent and severity of damage is fairly unpredictable, and therefore cost estimates for restoration can vary greatly. Our inspection is visual only and is not intended to be comprehensive or forensic in nature. We strongly recommend having the building inspected by a qualified engineer to thoroughly identify and quantify all damaged and deteriorated areas in need of repair. All structural elements should be inspected (as applicable), including but not limited to the following: exterior walls, elevated balcony/walkway decks, concrete railings, window and door thresholds, overhead slabs, planters, columns, beams, pool decks, garage structures, etc. If more comprehensive evaluations are performed, the resulting recommendations should be incorporated into future Reserve Study updates. An allowance for restoration is recommended here based on our experience working with other properties.

Useful Life:  
7 years

Remaining Life:  
1 years



Best Case: \$ 50,000

Worst Case: \$ 70,000

Lower allowance for partial restoration

Higher allowance

Cost Source: AR Cost Database

**Comp #: 2363 Windows & Doors (Unit) - Replace**

**Quantity: Lump Sum Allowance**

Location: At Units

Funded?: No.

History:

Comments: Based on information provided (governing documents and/or other input from the Client), individual owners are believed to be responsible for window and door replacement at their units. However, our review is not intended to be a professional legal opinion and we reserve the right to revise this component if the Client is otherwise found to be responsible for replacement. No recommendation for Reserve funding at this time.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

---

**Comp #: 2367 Windows & Doors (Common) - Replace**

**Quantity: Lump Sum Allowance**

Location: Windows and doors at common areas

Funded?: Yes.

History:

Comments: Approx 350 GSF of window glass, (1) metal and glass door, and (4) sliding glass doors. All appear to be in fair condition.

Fair condition: Windows and doors determined to be in fair condition typically exhibit normal signs of wear for their age, including more surface wear to framework and hardware, but no advanced corrosion or other concerns. At this stage, windows and doors are believed to be functional and aging normally, but more advanced technology may be available.

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:  
8 years



Best Case: \$ 37,700

Worst Case: \$ 46,100

Higher estimate

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2371 Utility Doors (25%) - Partial Repl.**

**Quantity: Approx (43) Utility Doors**

Location: Common Buildings, Electrical Closets

Funded?: Yes.

History:

Comments: Funding shown here for replacement of (10) - (11) doors every 10 years.

Fair condition: Utility doors determined to be in fair condition typically exhibit more signs of wear and tear, and noticeable aesthetic decline. Doors are still functional. At this stage, framework sometimes has issues with rust and expansion, causing doors to stick.

Utility doors should have a very long useful life expectancy in most cases. However, occasional replacements may be required, especially for doors located in more exposed areas. Inspect periodically and repair as needed to maintain appearance, security and operation with maintenance funds. Should be painted along with building exteriors or other painting/waterproofing projects to preserve appearance and prolong useful life. Based on our experience with comparable properties, we recommend planning for ongoing partial replacements at the approximate interval shown here.

Useful Life:  
10 years

Remaining Life:  
2 years



Best Case: \$ 19,800

Worst Case: \$ 24,200

Lower allowance to replace

Higher allowance

Cost Source: AR Cost Database

**Comp #: 2522 HVAC (2008) - Replace**

**Quantity: (1) System**

Location: Clubhouse

Funded?: Yes.

History:

Comments: (1) Rheem 3.5 ton unit showing 2018 manufacture date.

We recommend that routine repairs and maintenance such as filter replacements, system flushing, etc. be budgeted as an Operating expense. Useful life can often be extended with proactive service and maintenance. Unless otherwise noted, funding for system with same size/capacity as the current system. For split systems, we recommend budgeting to replace the entire system (condensing unit and air handler) together in order to obtain better unit pricing and ensure maximum efficiency, refrigerant compatibility, etc. If additional costs are expected during replacement, such as for system reconfiguration or expansion, ductwork repairs, electrical work, etc. costs should be re-evaluated and adjusted as needed 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:  
15 years

Remaining Life:  
2 years



Best Case: \$ 4,500

Worst Case: \$ 6,000

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2522 HVAC (2019) - Replace**

**Quantity: (1) System**

Location: Clubhouse

Funded?: Yes.

History:

Comments: Unit is a 2019 3.5 ton model.

We recommend that routine repairs and maintenance such as filter replacements, system flushing, etc. be budgeted as an Operating expense. Useful life can often be extended with proactive service and maintenance. Unless otherwise noted, funding for system with same size/capacity as the current system. For split systems, we recommend budgeting to replace the entire system (condensing unit and air handler) together in order to obtain better unit pricing and ensure maximum efficiency, refrigerant compatibility, etc. If additional costs are expected during replacement, such as for system reconfiguration or expansion, ductwork repairs, electrical work, etc. costs should be re-evaluated and adjusted as needed 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:  
15 years

Remaining Life:  
13 years



Best Case: \$ 4,500

Worst Case: \$ 6,000

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2543 Surveillance System-Upgrade/Replace**

**Quantity: (5) Cameras**

Location: Central recording station, cameras in common areas

Funded?: Yes.

History: Client is considering adding more cameras due to recent vandalism, though no current project.

Comments: 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:  
3 years



Best Case: \$ 4,800

Worst Case: \$ 5,900

Lower allowance to upgrade/replace

Higher allowance

Cost Source: AR Cost Database

**Comp #: 2551 Electrical System - Repair**

**Quantity: (174) Units**

Location: Throughout development

Funded?: No.

History:

Comments: Detailed analysis of electrical infrastructure is not included within the scope of this Reserve Study. Some electrical system components used historically have been found to be life-limited, but even when component failures occur, the predictability of such failures in terms of frequency and scope is very difficult to determine. Manufacturing defects may become apparent from time to time and certain site conditions can contribute to premature deterioration of system components. Typically, if installed per architectural specifications and local building codes, there is no predictable time frame for large scale repair/replacement expenses within the scope of our report. In our experience working with similar clients, service life typically lasts well beyond rated life of components. Treat minor repairs as ongoing maintenance expense. Periodic inspections of distribution system by qualified electrician are wise to clean and tighten, exercise breakers, etc. Some clients employ infrared or other testing methodologies to identify trouble spots and potential hazards. Funding may be incorporated into future Reserve Study updates if conditions dictate. Keep track of any relevant expenses and include information during future Reserve Study updates as necessary. No basis for Reserve funding at this time.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

---

**Comp #: 2579 Plumbing System - Repair/Replace**

**Quantity: (174) Units**

Location: Residential buildings

Funded?: No.

History:

Comments: Analysis of plumbing system(s) beyond visual inspection of visible piping is not within the scope of a Reserve Study. Some types of piping used historically are known to be life limited. Manufacturing defects may become apparent from time to time and certain site conditions can contribute to premature deterioration of system components. Typically, if installed per architectural specifications and local building codes, there is no predictable time frame for large scale repair/replacement expenses within the scope of our report. If leaks, poor flow, sediments, defective material and/or installation become evident, have qualified plumber and/or engineer evaluate in more detail and develop scope of any repair/replacement needed; funding for even one time projects can be incorporated within Reserve Study updates if warranted. Treat minor local repairs as ongoing maintenance expense. If patterns of significant repair costs emerge, funding may be incorporated into future Reserve Study updates to supplement the Operating budget. No basis for Reserve funding at this time.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 2709 Tile Flooring - Replace**

**Quantity: Approx 3,900 GSF**

Location: Throughout Building

Funded?: Yes.

History: Client plans to clean and re-seal the floor in 2020 out of operating.

Comments: Poor condition: Interior tile flooring determined to be in poor condition typically exhibits moderate to advanced signs of deterioration such as a higher prevalence of cracked or loose tiles and/or heavily stained or deteriorated grout. Condition may also be determined by aesthetics, if the tile is outdated and should be replaced with more current design.

As part of ongoing maintenance program, inspect regularly and repair or replace damaged sections as needed. If available, best practice is to keep a collection of replacement tiles on hand for partial replacements. With ordinary care and maintenance, tile in interior locations can last for an extended period of time, but replacement is often warranted eventually to enhance and restore aesthetic appeal in the common areas. Replacement costs can vary greatly depending on size and type of tiles selected. Our recommendation is to replace at the approximate schedule shown here.

Useful Life:  
20 years

Remaining Life:  
2 years



Best Case: \$ 29,800

Worst Case: \$ 36,500

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2725 Fitness Room - Remodel**

**Quantity: Lump Sum Allowance**

Location: Fitness room interior

Funded?: No.

History:

Comments: Flooring to be covered under component #2709, "Tile Flooring - Replace". Room has approximately 190 GSF of mirrors and 35' of wooden trim.

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:

---

**Comp #: 2726 Fitness Equipment (All) - Replace**

**Quantity: (8) Pieces**

Location: Fitness room

Funded?: Yes.

History:

Comments: (4) single-exercise stations, (1) multi-exercise station, (2) benches, and (1) dumbbell set.

Poor condition: Fitness equipment determined to be in poor condition typically exhibits more advanced signs of wear and usage, such as rusting on exposed surfaces, deterioration at handgrips, malfunctioning electronics, etc. If equipment is still in usable physical condition, replacement may still be warranted in order to upgrade to more modern technology that would be more appropriate for the property.

Equipment was not tested at time of inspection and our observations do not make any judgement about safety of the equipment. In our experience, cardio equipment tends to have a shorter useful life overall than strength equipment due to reliance on more electronic components, more moving parts, and obsolescence due to advancements in technology. Inspect regularly, clean for appearance, maintain and repair promptly as needed from Operating budget to ensure safety. Best practice is to coordinate replacement of all equipment together to obtain better pricing and achieve consistent style and quality. Unless otherwise noted, costs are based on replacement with similar quality standard and quantity/types of equipment.

Useful Life:  
10 years

Remaining Life:  
0 years



Best Case: \$ 19,700

Worst Case: \$ 24,200

Lower allowance to replace

Higher allowance

Cost Source: AR Cost Database

**Comp #: 2741 Clubhouse - Remodel Allowance**

**Quantity: Lump Sum Allowance**

Location: Clubhouse interiors

Funded?: Yes.

History: Client plans to refurbish over 2020-2022 including painting, some furniture replacement, addition of a RV, and cabinet restoration.

Comments: Clubhouse had (43) chairs, (8) tables, (2) couches, (1) pool table, (6) fans,(17) lights, and various wall art.

Poor condition: Clubhouse interiors determined to be in poor condition typically exhibit noticeably outdated style of furnishings, fixtures and equipment (FF&E). While components may still be serviceable/functional, replacement should be considered to restore an updated, welcoming aesthetic for residents and guests.

Clubhouse interiors should be periodically remodeled/rejuvenated to maintain good property values. Funding amounts shown here are not based on complete replacement of all finishes, fixtures and furnishings at one time. Rather, an allowance for partial replacements and other aesthetic changes is recommended here, which may include but are not limited to painting, flooring replacements, replacement or upgrade of assets such as furniture, artwork, window treatments, misc. decorative items, etc. Costs can vary greatly depending on the type and scope of projects anticipated. Recommendation shown below is based on our experience with similar properties.

Useful Life:  
10 years

Remaining Life:  
2 years



Best Case: \$ 10,000

Worst Case: \$ 15,000

Lower allowance for misc. remodeling/update projects

Higher allowance

Cost Source: AR Cost Database

**Comp #: 2746 Kitchen - Remodel**

**Quantity: Lump Sum Allowance**

Location: Clubhouse interior

Funded?: Yes.

History:

Comments: 6 LF of cabinetry, 16 LF of granite countertop, (1) oven, (1) dishwasher, (1) microwave, and (1) refrigerator noted at time of inspection.

Poor condition: Kitchens determined to be in poor condition typically exhibit more advanced wear and tear depending on level of use, and/or finishes and fixtures have become outdated. Appliances may still be functional but are no longer in keeping with the general design/style of the kitchen.

Kitchen materials typically have an extended useful life. However, many clients choose to refurbish the kitchen periodically for aesthetic updating. This may include replacement (or addition) of appliances, refurbishment/refinishing of cabinets and countertops, replacement of sinks and fixtures, installation/replacement of under-cabinet lighting, etc. Best practice is to coordinate this project with other amenity areas, such as bathrooms or other amenity rooms.

Useful Life:  
20 years

Remaining Life:  
2 years



Best Case: \$ 4,000

Worst Case: \$ 6,000

Lower allowance to renovate/remodel

Higher allowance

Cost Source: AR Cost Database

**Comp #: 2749 Bathrooms - Remodel**

**Quantity: (2) Bathrooms**

Location: Clubhouse interior

Funded?: Yes.

History:

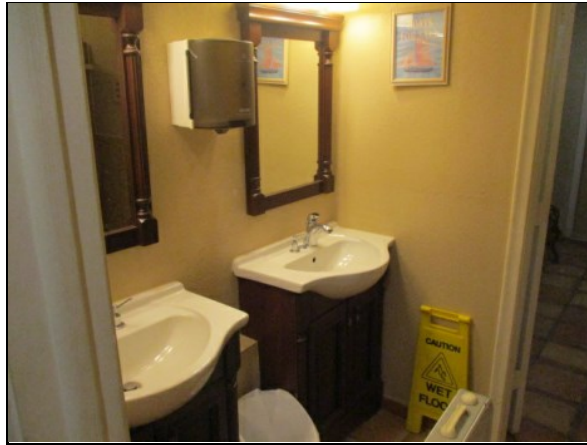
Comments: Men's bathroom observed to have (2) sinks, (1) toilet, (1) urinal, (2) showers, and (1) bench.

Poor condition: Bathrooms determined to be in poor condition typically exhibit more advanced wear and tear. In other cases, even if bathroom is clean and serviceable, remodeling may be warranted if finishes and fixtures have become outdated or are otherwise not up to the aesthetic standards of the community.

As routine maintenance, inspect regularly and perform any needed repairs promptly utilizing general Operating funds. Typical remodeling project can include some or all of the following: replacement of plumbing fixtures, partitions, countertops, lighting, flooring, ventilation fans, accessories, décor, etc. Costs can vary greatly depending on scope of work involved. Unless otherwise noted, estimates shown are based primarily on light to moderate cosmetic remodeling, not complete "gut" remodel projects.

Useful Life:  
20 years

Remaining Life:  
2 years



Best Case: \$ 14,000

Worst Case: \$ 20,000

Lower allowance to remodel

Higher allowance

Cost Source: AR Cost Database

**Comp #: 2750 Sauna - Refurbish/Restore**

**Quantity: (2) Saunas**

Location: Bathrooms

Funded?: Yes.

History:

Comments: Poor condition: Sauna rooms determined to be in poor condition typically exhibit more advanced deterioration to wood surfaces, sometimes including splintering or water damage. At this stage, appearance may be uninviting and refurbishment should be considered for aesthetic reasons.

Clean, inspect and repair as needed as an Operating expense. Life expectancy can vary greatly depending on level of use and aesthetic preferences. Funding recommendation shown here is based on our experience with similar properties. Timing of remodeling is ultimately subjective. Best practice is to coordinate remodeling with other amenities, such as bathrooms or other facilities.

Useful Life:  
20 years

Remaining Life:  
0 years



Best Case: \$ 6,000

Worst Case: \$ 10,000

Lower allowance to remodel

Higher allowance

Cost Source: AR Cost Database

**Comp #: 2763 Pool Deck Furniture - Replace**

**Quantity: Approx (52) Pieces**

Location: Clubhouse Pool Deck, East Pool Deck

Funded?: Yes.

History:

Comments: Clubhouse Approximately (12) lounge chairs, (4) tables, (4) drink tables, and (8) chairs noted at time of inspection. Some of the furniture was put away as COVID-19 precaution.

East pool deck has Approx (6) lounge chairs, (2) tables, and (8) chairs noted at time of inspection.

Poor condition: Pool deck furniture determined to be in poor condition typically exhibits more advanced physical wear and tear, and/or is inconsistent and outdated, no longer acceptable for the standards of the property.

We recommend regular inspections and repair or replacement of any damaged pieces promptly to ensure safety. Protected storage of furniture when not in use can help to extend useful life. Best practice is to replace all pieces together in order to maintain consistent style and quality in the pool/recreation area. Individual pieces can be replaced as needed each year as an Operating expense. Costs can vary greatly based on quantity and type of pieces selected for replacement. Funding recommendation shown here is based on replacement with comparable number and quality of pieces.

Useful Life:  
8 years

Remaining Life:  
2 years



Best Case: \$ 24,000

Worst Case: \$ 28,000

Lower allowance to replace

Higher allowance

Cost Source: Estimate Provided by Client

**Comp #: 2769 Pool Decks (Pavers) - Resurface**

**Quantity: Approx 6,240 GSF**

Location: Pool decks

Funded?: Yes.

History:

Comments: Fair condition: Paver pool decks determined to be in fair condition typically exhibit some amount of minor displacement, lifting and tripping hazards, most often in high-traffic areas. Signs of wear and age are evident, but not advanced. Overall appear to be aging normally.

Paver decks should have a long useful life under normal circumstances. Should be pressure-washed as needed to preserve appearance and remove stains, chemical residue, etc. Replacement costs can vary depending on style of pavers chosen, configuration of deck, etc. We recommend budgeting for replacement at the approximate interval shown here.

Useful Life:  
30 years

Remaining Life:  
10 years



Best Case: \$ 28,100

Worst Case: \$ 34,300

Lower estimate to resurface

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2771 Pool Fences - Replace**

**Quantity: Approx 380 LF**

Location: Perimeter of pool areas

Funded?: Yes.

History:

Comments: Pool fences range from 4' - 5' aluminum and are in declining condition. Fences are shown here to be replaced at same time as pool resurfacing.

Poor condition: Pool fencing determined to be in poor condition typically exhibits more advanced or extensive surface wear and other signs of age, which may include damaged or vandalized sections, loose or missing hardware and other obvious concerns. At this stage, fencing is often an eyesore and replacement from an aesthetic standpoint should be considered, even if fencing is still technically upright and intact.

As a routine maintenance item, fence should be inspected regularly and repaired as-needed to ensure safety. Periodically clean with an appropriate cleaner and touch up paint as needed in between regular paint cycles. When evaluating replacements, be sure to comply with any applicable building codes. Gates and locks should be inspected to make sure they close and lock properly. Faulty perimeter around a pool area can expose the Client to significant liability risk. When possible, replacement should be coordinated with other projects, such as pool deck projects, other fencing/railing work, etc.

Useful Life:  
30 years

Remaining Life:  
6 years



Best Case: \$ 12,800

Worst Case: \$ 15,900

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2773 Swimming Pools - Resurface**

**Quantity: (2) Pools**

Location: Interior finishes of pools

Funded?: Yes.

History:

Comments: Clubhouse pool has approximately 716 GSF footprint area with 105' waterline/perimeter length. Depth ranges from 3 FT' 0 IN" to 6 FT' 0 IN".

East Pool has approximately 135 GSF footprint area with 88' waterline/perimeter length. Depth ranges from 3 FT' 0 IN" to 6 FT' 0 IN".

Fair condition: Swimming pools determined to be in fair condition typically exhibit some color fade/discoloration, and roughening of the surface, often more noticeable in the shallow areas and/or at steps. Waterline tiles are in fair condition. Generally believed to be aging normally.

Pool resurfacing will restore the aesthetic quality of the pool while protecting the actual concrete shell of the pool from deterioration. While drained for resurfacing, any other repairs to lighting, handrails, stairs, ladders, etc. should be conducted as needed. This type of project is best suited for slow/offseason to minimize downtime during periods when pool is used heavily. Should be expected at the approximate interval shown below; in some cases, schedule may need to be accelerated due to improper chemical balances or aesthetic preferences of the Client.

Useful Life:  
12 years

Remaining Life:  
2 years



Best Case: \$ 12,900

Worst Case: \$ 16,000

Lower estimate to resurface

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2781 Pool Heater - Replace**

**Quantity: (1) Heater**

Location: Exposed location adjacent to clubhouse pool deck

Funded?: Yes.

History:

Comments: Pool vendor should inspect heater regularly to ensure proper function, identify any required repairs, etc. Internal components were not analyzed during our site inspection. Many clients choose not to heat their pools year-round, which can prolong the life of the heater while reducing energy costs. When replacement models are being evaluated, we recommend considering high efficiency models which may have a higher initial cost but will ultimately be less expensive due to reduced energy usage. Minimal or no subjective/aesthetic value for pool and spa equipment. 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:  
8 years

Remaining Life:  
2 years



Best Case: \$ 5,000

Worst Case: \$ 7,000

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

**Comp #: 2787 Pool Equipment - Maintain/Replace**

**Quantity: Lump Sum Allowance**

Location: Enclosure adjacent to pool decks

Funded?: No.

History:

Comments: (1) pump and (1) filter at each of the (2) pools.

Pool and spa pumps, filters, chemical feeders, and other miscellaneous equipment can be repaired or replaced for relatively low cost in most cases. However, if multiple repairs or replacements are required at the same time, then it may be warranted to use Reserve funds for these expenses. An allowance for ongoing projects is recommended here based on our experience with other properties. Minimal or no subjective/aesthetic value for pool and spa equipment. 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:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

### **Reserve Study: Supplemental Analysis**

It is our recent understanding that the Florida Division of Condominiums, Timeshares and Mobile Homes ("the Division") has required that a community association's reserve funding plan must be presented without any increases in the recommended contribution rate. This is requested in order to satisfy the Division's requirement as noted in Florida Administrative Code rule 61B-22.005(3)(b), which states:

*"If the association maintains a pooled account of two or more of the required reserve assets, the amount of the contribution to the pooled reserve account as disclosed on the proposed budget shall be not less than that required to ensure that the balance on hand at the beginning of the period for which the budget will go into effect plus the projected annual cash inflows over the remaining estimated useful lives of all of the assets that make up the reserve pool are equal to or greater than the projected annual cash outflows over the remaining estimated useful lives of all of the assets that make up the reserve pool, based on the current reserve analysis. The projected annual cash inflows may include estimated earnings from investment of principal. The reserve funding formula shall not include any type of balloon payments."*

It is our understanding that the Division has interpreted the last sentence in this statement to mean that any annual increase in the projected contribution rate is not acceptable. As such, in order to assist the Association with its budgeting and reporting process, we have prepared this supplemental analysis which includes the following assumptions:

1. No inflationary increases to the component cost estimates over the course of the forecast.
2. No interest earned on invested Reserve funds.
3. A level Reserve contribution rate with no increases following the initial fiscal year of the plan.
4. To satisfy the minimum requirements of Florida legislation, the funding plan has been designed to recommend the minimum contribution rate required in order to ensure a positive (greater than zero) cash balance throughout the forecast presented, a strategy sometimes known as "Baseline" funding.

It should be understood that this analysis is presented solely to satisfy the requirements of the Division as reported to us. We strongly encourage the Association to carefully examine the underlying assumptions presented within this analysis when deciding on a prudent budgeting strategy. In our opinion, excluding inflationary increases is unrealistic when making long-term financial forecasts. Furthermore, although it is considered "sufficient" by the state of Florida, baseline funding is widely regarded as the riskiest strategy an Association can employ and will incur significantly higher risks of future loans and/or special assessments. Please contact our office with any questions or requests for clarification.

Fiscal Year Start: 2021					Interest: 0.00%		Inflation: 0.00%			
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)					Projected Reserve Balance Changes					
					% Increase					
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded		Special Assmt Risk	In Annual Reserve Contribs.	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2021	\$83,474	\$2,464,080	3.4%		High	316.46%	\$150,000	\$2,175,000	\$0	\$29,950
2022	\$2,378,524	\$2,600,884	91.5%		Low	0.00%	\$150,000	\$0	\$0	\$517,350
2023	\$2,011,174	\$2,250,287	89.4%		Low	0.00%	\$150,000	\$0	\$0	\$220,700
2024	\$1,940,474	\$2,196,341	88.4%		Low	0.00%	\$150,000	\$0	\$0	\$1,837,350
2025	\$253,124	\$525,744	48.1%		Medium	0.00%	\$150,000	\$0	\$0	\$0
2026	\$403,124	\$692,498	58.2%		Medium	0.00%	\$150,000	\$0	\$0	\$170,150
2027	\$382,974	\$689,101	55.6%		Medium	0.00%	\$150,000	\$0	\$0	\$37,150
2028	\$495,824	\$818,705	60.6%		Medium	0.00%	\$150,000	\$0	\$0	\$0
2029	\$645,824	\$985,459	65.5%		Medium	0.00%	\$150,000	\$0	\$0	\$356,700
2030	\$439,124	\$795,512	55.2%		Medium	0.00%	\$150,000	\$0	\$0	\$0
2031	\$589,124	\$962,266	61.2%		Medium	0.00%	\$150,000	\$0	\$0	\$107,950
2032	\$631,174	\$1,021,069	61.8%		Medium	0.00%	\$150,000	\$0	\$0	\$0
2033	\$781,174	\$1,187,823	65.8%		Medium	0.00%	\$150,000	\$0	\$0	\$34,500
2034	\$896,674	\$1,320,077	67.9%		Medium	0.00%	\$150,000	\$0	\$0	\$16,850
2035	\$1,029,824	\$1,469,980	70.1%		Low	0.00%	\$150,000	\$0	\$0	\$37,250
2036	\$1,142,574	\$1,599,484	71.4%		Low	0.00%	\$150,000	\$0	\$0	\$383,550
2037	\$909,024	\$1,382,687	65.7%		Medium	0.00%	\$150,000	\$0	\$0	\$0
2038	\$1,059,024	\$1,549,441	68.3%		Medium	0.00%	\$150,000	\$0	\$0	\$5,250
2039	\$1,203,774	\$1,710,945	70.4%		Low	0.00%	\$150,000	\$0	\$0	\$54,800
2040	\$1,298,974	\$1,822,898	71.3%		Low	0.00%	\$150,000	\$0	\$0	\$0
2041	\$1,448,974	\$1,989,652	72.8%		Low	0.00%	\$150,000	\$0	\$0	\$36,650
2042	\$1,562,324	\$2,119,755	73.7%		Low	0.00%	\$150,000	\$0	\$0	\$202,550
2043	\$1,509,774	\$2,083,959	72.4%		Low	0.00%	\$150,000	\$0	\$0	\$427,250
2044	\$1,232,524	\$1,823,463	67.6%		Medium	0.00%	\$150,000	\$0	\$0	\$28,950
2045	\$1,353,574	\$1,961,266	69.0%		Medium	0.00%	\$150,000	\$0	\$0	\$0
2046	\$1,503,574	\$2,128,020	70.7%		Low	0.00%	\$150,000	\$0	\$0	\$163,450
2047	\$1,490,124	\$2,131,323	69.9%		Medium	0.00%	\$150,000	\$0	\$0	\$69,250
2048	\$1,570,874	\$2,228,827	70.5%		Low	0.00%	\$150,000	\$0	\$0	\$56,550
2049	\$1,664,324	\$2,339,031	71.2%		Low	0.00%	\$150,000	\$0	\$0	\$1,813,650
2050	\$674	\$692,134	0.1%		High	0.00%	\$150,000	\$0	\$0	\$314,800