EXPERT Reserve Services, Inc.

Traditional Reserve Studies - Replacement Cost Valuations
Structural Integrity Reserve Studies - Milestone Inspections

Structural Integrity Reserve Study

Bent Palm Club

Level I Reserve Study with On-Site Analysis

Prepared for Fiscal Year 2025 Draft Date: August 30, 2024

EXPERT Reserve Services, Inc.

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Annual Update Program

Expert Reserve Services is pleased to offer our clients a program to provide annual updates on their reserve studies for the next five years for a guaranteed fee.

The Update Program is valid only if there are no changes to the property such as additions, major upgrades, etc. Replacement of existing components would not be considered major upgrades. Changes to the property during the contracted period would require a site visit at a higher fee.

Benefits:

- Annual Reserve Study updates on the property provide a written validation of reserve study needs in an ever-changing economy.
- Demonstrates due diligence and impartiality on the part of the property manager and board members by the involvement of a credentialed third-party professional.
- Update costs are steady and can be budgeted easily.
- Provides peace of mind to members of the community with a fresh report every year that is contracted.

If you have not already chosen to accept the Annual Update Program and would like to do so, please contact our bid proposal specialist at (386)-356-2065 or email her at Kim@expertreserveservices. We will be please to provide you with a quote for the program.

Thank you,

Anastasia Kolodzik, President

PRA, RS, CAM

Assumptions

The parameters and assumptions under which this study was completed, is based on information provided by the association/client, its representatives, its management company (as applicable), its contractors, other contractors, specialists and independent consultants, the Department of Business and Professional Regulation (or other state agency, as applicable), the Community Associations Institute (CAI), construction pricing and estimating manuals, and the preparer's own experience gained in the preparation of reserve study reports.

The reserve funding program reflects assumptions about future events. Some may not materialize, and unanticipated events/circumstances may develop. Therefore, the actual component cost and/or remaining life of a reserve component may vary from the reserve funding program. The preparer of this report does not express an opinion on the probability that actual item cost and/or remaining life may or may not approximate the reserve funding program.

It is assumed, unless otherwise indicated to the preparer, that all reserve items have been constructed properly, and that each estimated useful life will approximate that of the norm per industry standards and manufacturers specifications. Arbitrary estimates may have been used on reserve components with an indeterminable but potential liability to the association. The decision for the inclusion of these reserve components, and other assets considered or not, is ultimately left to the association/client.

The remaining life of the reserve components does not have a variance factor for unusual weather or natural disasters. It is assumed that a reasonable schedule of maintenance/repair will be conducted. The level of maintenance/repair any particular component receives may serve to prolong or shorten that components useful life. The actual life of any given component may vary due to quality of construction, original design, workmanship, intensity of use, maintenance/repair, and unusual weather. This study only addresses the maintenance and replacement of those reserve components listed, the associated costs/lives, and a reserve funding program.

Various percentage rate factors are generally used in the Cash Flow/Threshold Analysis. The annual inflation rate is normally determined using the local "CPI", the Consumer Price Index for consumers in the region of which the association is located. Because it is difficult to accurately predict these factors over time, it is vital to update them annually.

Bent Palm Club

935 Ocean Shore Blvd., Ormond Beach, FL 32176

Reserve Study Year 2025

August 30, 2024

As authorized, a reserve study report has been prepared for Bent Palm Club Condominium Association located at 935 Ocean Shore Blvd., Ormond Beach, FL 32176. Built-in 1972 containing 40 units with components including but not limited to, items listed in this report.

Your report has been divided into sections for easier referencing. The first section contains all general information including definitions, accounting formulas, statutory requirements, etc. An index of sections and components can be found at the end of the Detail Report by Category pages.

In this report, we have taken both approved accounting formulas as outlined by The State of Florida, the Threshold, and the Component Method. These schedules will give you the recommended contribution per unit for the reporting year 2025.

This report contains information to act as a guideline to assist in budget preparation and in no way constitutes a complete budget or any opinion regarding the implication of such and consists of suggested contributions for Reserves only and in no way affects the operating budget.

It is the opinion of Expert Reserve Services, Inc. that the Condominium Association's reserve schedule is adequate for risk management, State requirements, and budget planning provided the suggested contribution in this report is adopted based on the association's appropriate funding method.

This report identifies the major assets maintained by the Association and provides estimates on useful life, remaining life, scheduled replacement date, and future replacement cost. This information was derived from a combination of market standards, cost databases, historical and provided information, local vendor estimates, and experience with similar properties.

FINANCIAL SUMMARY

Fiscal Year 2025

STRUCTURAL (SIRS)

Projected Beginning Balance as of 12/31/2024:	$228,671
Projected Expenditures (2025):	$55,000
Threshold Model - Full Funding (1/1/2026):	$291,958
Annual Contribution (2025):	$116,000
Annual Contribution per Unit (2025):	$2,900

Based on all the components stated above and our inspection, it is our opinion, that Bent Palm Club Condominium Association is of average maintenance and most components are in well-maintained condition unless otherwise noted.

As with many associations of this age, environmental elements and construction techniques play a large part in the useful life and remaining life of components. Fluctuations in construction costs, disasters, and insurance policy limitations cannot be foretold in a specific form to regulate guaranteed results, and therefore, we reserve the right to amend this statement upon future events and information provided. Future updates can be obtained on an annual basis and are highly recommended in this uncertain economy.

This report is being prepared as a budget tool to assist the association in its long-range financial planning. Its use for any other purpose is not appropriate. The visual observations made do NOT constitute an "Engineering Inspection" and are not detailed enough to be relied upon, nor should they be relied upon, to determine violations of jurisdictional requirements (building ordinances, codes, etc.) relating to the safety, soundness, structural integrity, or habitability of the project's buildings or any individual component.

This report has been prepared for the sole benefit of the client. Any unauthorized use without our permission shall result in no liability or legal exposure to Expert Reserve Services, Inc.

Thank you for allowing Expert Reserve Services, Inc. the opportunity to serve your Association. Upon your review of this report, please do not hesitate to contact us with any questions that may arise.

Anastasia Kolodzik

Expert Reserve Services, Inc.
RS, PRA # 2294, CAM 52338

Please note: Once a report is finalized, any adjustments will incur a seperate charge

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Preface

This comprehensive reserve study report was produced using specialized web-based software powered by HomeRun IQ.

The individual responsible for report preparation and/or oversight is Anastasia Kolodzik.

Information contained in the report is considered reliable, but is not guaranteed. The report does not warrant against the contingency of unforseen conditions or circumstances, unreliable information, or an unpredictable inflationary or deflationary spiral. The report is not intended to predict precise expenditures, but rather to chart the expenditures that a reasonable person might anticipate in planning for the fiscal future. The scope of this report is expressly limited to the components described herein.

It is strongly recommended by the Reserve Study Industry to have this reserve study report updated on an annual basis to ensure the security of a long-term funding plan. These necessary updates provide statutory compliance (as applicable) and allow for adjustments due to actual year-end inflation rate, actual year-end reserve balance and the unpredictable nature of the lives of many of the reserve components under consideration.

Expert Reserve Services, Inc. is committed to conducting reserve studies with the highest standards of integrity and professionalism. We ensure that all recommendations and decisions are made solely in the best interests of our clients, free from any financial, personal, or business relationships that could influence our judgment. Any potential conflicts of interest will be disclosed to the client promptly. We do not accept referral fees, commissions, or compensation from third parties for recommending products or services. Our employees undergo regular training on ethical standards, and compliance with these policies is mandatory. We are dedicated to maintaining client trust by conducting all work in an unbiased and transparent manner.

Reserve Disclosures

Profile

Name	Bent Palm Club
Location	Ormond Beach, FL 32176
Units / General Type	40 / Condominium
Base Year / Age	1972 / 53
Fiscal Year Ends	Dec 31

Parameters

Level of Service	Level I Reserve Study with On-Site Analysis
Prepared for Fiscal Year (FY)	2025
Most Recent On-Site Inspection Date	July 22, 2024
Allocation Increase Rate (Avg)	4.00%
Inflation Rate	3.00%
Interest Rate	1.00%
Current Reserve Allocation	N/A per year
Current Reserve Balance	$228,671 as of [starting balance date]
Funding Plan - Method / Goal	Threshold Model

Summary

FY Start Balance	**$228,671**	*(projected to current FY end/next FY start)*		
Fully Funded Balance	**$291,958**			
Percent Funded	115.19%			
Proposed Budget	***per year***	***per month***	***per unit per month***	
Reserve Allocation	**$116,000**	**$9,667**	**$242**	

Association management/members need to understand that Percent Funded is a general indication of reserve strength and that the parameter fluctuates from year to year due to the Disbursement Schedule.

The Reserve Allocation was determined using the Funding Plan indicated above under the Parameters section. This allocation should be increased annually using the Allocation Increase Rate found in the Cash Flow/Threshold Analysis.

Association management should budget the Reserve Allocation amount toward reserves for next fiscal year, to ensure the availability of reserves to fund future reserve component expenditures. This amount reflects an increase of N/A from the Current Reserve Allocation. The Reserve Allocation must be reviewed and adjusted for inflation (and other vital factors) in succeeding years to ensure the security of a successful plan!

First Five Years

PROPERTY								OWNER (PER UNIT)	
YEAR	STARTING BALANCE	CONTRIBUTIONS	SPECIAL ASSMNT	ADDT'L CAPITAL	INTEREST	RESERVE EXPENSES	ENDING BALANCE	MONTHLY CONTRIB	SPECIAL ASSMNT
2025	$228,671	$116,000	$0	$0	$2,287	$55,000	$291,958	$242	$0
2026	$291,958	$120,640	$0	$0	$2,920	$56,650	$358,867	$251	$0
2027	$358,867	$125,466	$0	$0	$3,589	$58,350	$429,572	$261	$0
2028	$429,572	$130,484	$0	$0	$4,296	$60,100	$504,252	$272	$0
2029	$504,252	$135,704	$0	$0	$5,043	$61,903	$583,095	$283	$0

Financial Summary

ASSOCIATION	FIRST YEAR (2025)	5 YEARS (2029)	10 YEARS (2034)	30 YEARS (2054)
Starting Balance	$228,671	$228,671	$228,671	$228,671
Contributions	$116,000	$628,293	$1,392,708	$6,505,853
Special Assessments	$0	$0	$0	$0
Additional Capital	$0	$0	$0	$0
Interest / Inv Returns	$2,287	$18,133	$46,007	$177,427
Reserve Expenses	($55,000)	($292,002)	($962,795)	($6,571,410)
Reserves Balance	**$291,958**	**$583,095**	**$704,592**	**$340,541**
# of Special Assessments	0	0	0	0
Owner				
Avg Contributions (/unit/month)	$242	$262	$290	$452
Special Assessments				
Avg Total Amount (/unit)	$0	$0	$0	$0
Avg Assessment Amount (/unit)	$0	$0	$0	$0

Reserve Disclosures

	Reserve Component	*Current Cost*	*Useful Life*	*Remaining Life*
Building 1 Structural				
1.01	Unit Building Roof	$330,048	20y	19y 11m
2.01	Shingle Mansard	$47,628	40y	20y 11m
3.01	Unit Building Exterior Paint	$278,280	7y	6y 11m
4.01	Fire Prevention Allowance	$2,500	1y	0y 11m
5.01	Building Restoration Allowance	$369,152	15y	14y 11m
5.02	Plumbing Allowance	$50,000	1y	0y 11m
5.03	Electrical Allowance	$2,500	1y	0y 11m
6.01	Common Area Windows Allowance	$21,120	35y	34y 11m
6.02	Common Area Door Allowance	$18,688	35y	34y 11m
7.01	Hardie Board Siding Replacement Allowance	$51,500	50y	49y 11m
Building 1 Structural Total		$1,171,416		
Grand Total	10	$1,171,416		

Cash Flow/Threshold Analysis

Fiscal Year	FY Starting Balance	Interest Earned	Reserve Allocation	Allocation Increase Rate	Special Assessment	Disbursement	FY End Balance	Fully Funded Balance	Percent Funded
2025	$228,671	$2,287	$116,000	N/A	$0	$55,000	$291,958	$253,456	115.19%
2026	$291,958	$2,920	$120,640	4.00%	$0	$56,650	$358,867	$350,413	102.41%
2027	$358,867	$3,589	$125,466	4.00%	$0	$58,350	$429,572	$452,962	94.84%
2028	$429,572	$4,296	$130,484	4.00%	$0	$60,100	$504,252	$561,345	89.83%
2029	$504,252	$5,043	$135,704	4.00%	$0	$61,903	$583,095	$675,826	86.28%
2030	$583,095	$5,831	$141,132	4.00%	$0	$63,760	$666,298	$796,670	83.64%
2031	$666,298	$6,663	$146,777	4.00%	$0	$397,954	$421,783	$581,907	72.48%
2032	$421,783	$4,218	$152,648	4.00%	$0	$67,643	$511,006	$706,058	72.37%
2033	$511,006	$5,110	$158,754	4.00%	$0	$69,672	$605,198	$837,133	72.29%
2034	$605,198	$6,052	$165,104	4.00%	$0	$71,763	$704,592	$975,439	72.23%
2035	$704,592	$7,046	$171,708	4.00%	$0	$73,915	$809,430	$1,121,288	72.19%
2036	$809,430	$8,094	$178,577	4.00%	$0	$76,133	$919,969	$1,275,011	72.15%
2037	$919,969	$9,200	$185,720	4.00%	$0	$78,417	$1,036,471	$1,436,949	72.13%
2038	$1,036,471	$10,365	$193,149	4.00%	$0	$489,433	$750,551	$1,186,530	63.26%
2039	$750,551	$7,506	$200,874	4.00%	$0	$641,569	$317,362	$778,220	40.78%
2040	$317,362	$3,174	$208,909	4.00%	$0	$85,688	$443,757	$936,723	47.37%
2041	$443,757	$4,438	$217,266	4.00%	$0	$88,259	$577,202	$1,104,036	52.28%
2042	$577,202	$5,772	$225,956	4.00%	$0	$90,907	$718,024	$1,280,544	56.07%
2043	$718,024	$7,180	$234,995	4.00%	$0	$93,634	$866,565	$1,466,649	59.08%
2044	$866,565	$8,666	$244,394	4.00%	$0	$675,184	$444,441	$1,066,664	41.67%
2045	$444,441	$4,444	$254,170	4.00%	$0	$687,963	$15,093	$649,064	2.33%
2046	$15,093	$151	$264,337	4.00%	$0	$102,316	$177,264	$829,917	21.36%
2047	$177,264	$1,773	$274,911	4.00%	$0	$105,386	$348,562	$1,021,042	34.14%
2048	$348,562	$3,486	$285,907	4.00%	$0	$108,547	$529,407	$1,222,885	43.29%
2049	$529,407	$5,294	$297,343	4.00%	$0	$111,804	$720,241	$1,435,918	50.16%
2050	$720,241	$7,202	$309,237	4.00%	$0	$115,158	$921,523	$1,660,636	55.49%
2051	$921,523	$9,215	$321,606	4.00%	$0	$118,613	$1,133,732	$1,897,543	59.75%
2052	$1,133,732	$11,337	$334,471	4.00%	$0	$740,312	$739,228	$1,510,485	48.94%
2053	$739,228	$7,392	$347,850	4.00%	$0	$125,836	$968,634	$1,754,281	55.22%
2054	$968,634	$9,686	$361,764	4.00%	$0	$999,543	$340,541	$1,115,314	30.53%

1.00% - Interest Rate		Min FY End Balance:	$15,093	Min % Funded:	2.33%
3.00% - Inflation		Avg FY End Balance:	$595,154	Avg % Funded:	61.33%

Disbursement By Year

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2025 (Year 1)						
5.03	Electrical Allowance	$2,500.00	1 Allow	$2,500	1y	2026
4.01	Fire Prevention Allowance	$2,500.00	1 Allow	$2,500	1y	2026
5.02	Plumbing Allowance	$50,000.00	1 Allow	$50,000	1y	2026
2025 (Year 1) Total				**$55,000**		
2026 (Year 2)						
5.03	Electrical Allowance	$2,575.00	1 Allow	$2,575	1y	2027
4.01	Fire Prevention Allowance	$2,575.00	1 Allow	$2,575	1y	2027
5.02	Plumbing Allowance	$51,500.00	1 Allow	$51,500	1y	2027
2026 (Year 2) Total				**$56,650**		
2027 (Year 3)						
5.03	Electrical Allowance	$2,652.25	1 Allow	$2,652	1y	2028
4.01	Fire Prevention Allowance	$2,652.25	1 Allow	$2,652	1y	2028
5.02	Plumbing Allowance	$53,045.00	1 Allow	$53,045	1y	2028
2027 (Year 3) Total				**$58,350**		
2028 (Year 4)						
5.03	Electrical Allowance	$2,731.82	1 Allow	$2,732	1y	2029
4.01	Fire Prevention Allowance	$2,731.82	1 Allow	$2,732	1y	2029
5.02	Plumbing Allowance	$54,636.35	1 Allow	$54,636	1y	2029
2028 (Year 4) Total				**$60,100**		
2029 (Year 5)						
5.03	Electrical Allowance	$2,813.77	1 Allow	$2,814	1y	2030
4.01	Fire Prevention Allowance	$2,813.77	1 Allow	$2,814	1y	2030
5.02	Plumbing Allowance	$56,275.44	1 Allow	$56,275	1y	2030
2029 (Year 5) Total				**$61,903**		

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2030 (Year 6)						
5.03	Electrical Allowance	$2,898.18	1 Allow	$2,898	1y	2031
4.01	Fire Prevention Allowance	$2,898.18	1 Allow	$2,898	1y	2031
5.02	Plumbing Allowance	$57,963.70	1 Allow	$57,964	1y	2031
2030 (Year 6) Total				**$63,760**		
2031 (Year 7)						
5.03	Electrical Allowance	$2,985.13	1 Allow	$2,985	1y	2032
4.01	Fire Prevention Allowance	$2,985.13	1 Allow	$2,985	1y	2032
5.02	Plumbing Allowance	$59,702.62	1 Allow	$59,703	1y	2032
3.01	Unit Building Exterior Paint	$332,281.30	1 LS	$332,281	7y	2038
2031 (Year 7) Total				**$397,954**		
2032 (Year 8)						
5.03	Electrical Allowance	$3,074.68	1 Allow	$3,075	1y	2033
4.01	Fire Prevention Allowance	$3,074.68	1 Allow	$3,075	1y	2033
5.02	Plumbing Allowance	$61,493.69	1 Allow	$61,494	1y	2033
2032 (Year 8) Total				**$67,643**		
2033 (Year 9)						
5.03	Electrical Allowance	$3,166.92	1 Allow	$3,167	1y	2034
4.01	Fire Prevention Allowance	$3,166.92	1 Allow	$3,167	1y	2034
5.02	Plumbing Allowance	$63,338.50	1 Allow	$63,338	1y	2034
2033 (Year 9) Total				**$69,672**		
2034 (Year 10)						
5.03	Electrical Allowance	$3,261.93	1 Allow	$3,262	1y	2035
4.01	Fire Prevention Allowance	$3,261.93	1 Allow	$3,262	1y	2035
5.02	Plumbing Allowance	$65,238.66	1 Allow	$65,239	1y	2035
2034 (Year 10) Total				**$71,763**		
2035 (Year 11)						
5.03	Electrical Allowance	$3,359.79	1 Allow	$3,360	1y	2036
4.01	Fire Prevention Allowance	$3,359.79	1 Allow	$3,360	1y	2036

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
5.02	Plumbing Allowance	$67,195.82	1 Allow	$67,196	1y	2036
2035 (Year 11) Total				$73,915		
2036 (Year 12)						
5.03	Electrical Allowance	$3,460.58	1 Allow	$3,461	1y	2037
4.01	Fire Prevention Allowance	$3,460.58	1 Allow	$3,461	1y	2037
5.02	Plumbing Allowance	$69,211.69	1 Allow	$69,212	1y	2037
2036 (Year 12) Total				$76,133		
2037 (Year 13)						
5.03	Electrical Allowance	$3,564.40	1 Allow	$3,564	1y	2038
4.01	Fire Prevention Allowance	$3,564.40	1 Allow	$3,564	1y	2038
5.02	Plumbing Allowance	$71,288.04	1 Allow	$71,288	1y	2038
2037 (Year 13) Total				$78,417		
2038 (Year 14)						
5.03	Electrical Allowance	$3,671.33	1 Allow	$3,671	1y	2039
4.01	Fire Prevention Allowance	$3,671.33	1 Allow	$3,671	1y	2039
5.02	Plumbing Allowance	$73,426.69	1 Allow	$73,427	1y	2039
3.01	Unit Building Exterior Paint	$408,664.09	1 LS	$408,664	7y	2045
2038 (Year 14) Total				$489,433		
2039 (Year 15)						
5.01	Building Restoration Allowance	$558,376.13	1 Allow	$558,376	15y	2054
5.03	Electrical Allowance	$3,781.47	1 Allow	$3,781	1y	2040
4.01	Fire Prevention Allowance	$3,781.47	1 Allow	$3,781	1y	2040
5.02	Plumbing Allowance	$75,629.49	1 Allow	$75,629	1y	2040
2039 (Year 15) Total				$641,569		
2040 (Year 16)						
5.03	Electrical Allowance	$3,894.92	1 Allow	$3,895	1y	2041
4.01	Fire Prevention Allowance	$3,894.92	1 Allow	$3,895	1y	2041
5.02	Plumbing Allowance	$77,898.37	1 Allow	$77,898	1y	2041
2040 (Year 16) Total				$85,688		

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2041 (Year 17)						
5.03	Electrical Allowance	$4,011.77	1 Allow	$4,012	1y	2042
4.01	Fire Prevention Allowance	$4,011.77	1 Allow	$4,012	1y	2042
5.02	Plumbing Allowance	$80,235.32	1 Allow	$80,235	1y	2042
2041 (Year 17) Total				$88,259		
2042 (Year 18)						
5.03	Electrical Allowance	$4,132.12	1 Allow	$4,132	1y	2043
4.01	Fire Prevention Allowance	$4,132.12	1 Allow	$4,132	1y	2043
5.02	Plumbing Allowance	$82,642.38	1 Allow	$82,642	1y	2043
2042 (Year 18) Total				$90,907		
2043 (Year 19)						
5.03	Electrical Allowance	$4,256.08	1 Allow	$4,256	1y	2044
4.01	Fire Prevention Allowance	$4,256.08	1 Allow	$4,256	1y	2044
5.02	Plumbing Allowance	$85,121.65	1 Allow	$85,122	1y	2044
2043 (Year 19) Total				$93,634		
2044 (Year 20)						
5.03	Electrical Allowance	$4,383.76	1 Allow	$4,384	1y	2045
4.01	Fire Prevention Allowance	$4,383.76	1 Allow	$4,384	1y	2045
5.02	Plumbing Allowance	$87,675.30	1 Allow	$87,675	1y	2045
1.01	Unit Building Roof	$578,741.17	1 LS	$578,741	20y	N/A
2044 (Year 20) Total				$675,184		
2045 (Year 21)						
5.03	Electrical Allowance	$4,515.28	1 Allow	$4,515	1y	2046
4.01	Fire Prevention Allowance	$4,515.28	1 Allow	$4,515	1y	2046
5.02	Plumbing Allowance	$90,305.56	1 Allow	$90,306	1y	2046
2.01	Shingle Mansard	$86,021.47	1 LS	$86,021	40y	N/A
3.01	Unit Building Exterior Paint	$502,605.28	1 LS	$502,605	7y	2052
2045 (Year 21) Total				$687,963		
2046 (Year 22)						

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
5.03	Electrical Allowance	$4,650.74	1 Allow	$4,651	1y	2047
4.01	Fire Prevention Allowance	$4,650.74	1 Allow	$4,651	1y	2047
5.02	Plumbing Allowance	$93,014.73	1 Allow	$93,015	1y	2047
2046 (Year 22) Total				$102,316		
2047 (Year 23)						
5.03	Electrical Allowance	$4,790.26	1 Allow	$4,790	1y	2048
4.01	Fire Prevention Allowance	$4,790.26	1 Allow	$4,790	1y	2048
5.02	Plumbing Allowance	$95,805.17	1 Allow	$95,805	1y	2048
2047 (Year 23) Total				$105,386		
2048 (Year 24)						
5.03	Electrical Allowance	$4,933.97	1 Allow	$4,934	1y	2049
4.01	Fire Prevention Allowance	$4,933.97	1 Allow	$4,934	1y	2049
5.02	Plumbing Allowance	$98,679.33	1 Allow	$98,679	1y	2049
2048 (Year 24) Total				$108,547		
2049 (Year 25)						
5.03	Electrical Allowance	$5,081.98	1 Allow	$5,082	1y	2050
4.01	Fire Prevention Allowance	$5,081.98	1 Allow	$5,082	1y	2050
5.02	Plumbing Allowance	$101,639.70	1 Allow	$101,640	1y	2050
2049 (Year 25) Total				$111,804		
2050 (Year 26)						
5.03	Electrical Allowance	$5,234.44	1 Allow	$5,234	1y	2051
4.01	Fire Prevention Allowance	$5,234.44	1 Allow	$5,234	1y	2051
5.02	Plumbing Allowance	$104,688.90	1 Allow	$104,689	1y	2051
2050 (Year 26) Total				$115,158		
2051 (Year 27)						
5.03	Electrical Allowance	$5,391.48	1 Allow	$5,391	1y	2052
4.01	Fire Prevention Allowance	$5,391.48	1 Allow	$5,391	1y	2052
5.02	Plumbing Allowance	$107,829.56	1 Allow	$107,830	1y	2052
2051 (Year 27) Total				$118,613		

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2052 (Year 28)						
5.03	Electrical Allowance	$5,553.22	1 Allow	$5,553	1y	2053
4.01	Fire Prevention Allowance	$5,553.22	1 Allow	$5,553	1y	2053
5.02	Plumbing Allowance	$111,064.45	1 Allow	$111,064	1y	2053
3.01	Unit Building Exterior Paint	$618,141.10	1 LS	$618,141	7y	N/A
2052 (Year 28) Total				**$740,312**		
2053 (Year 29)						
5.03	Electrical Allowance	$5,719.82	1 Allow	$5,720	1y	2054
4.01	Fire Prevention Allowance	$5,719.82	1 Allow	$5,720	1y	2054
5.02	Plumbing Allowance	$114,396.38	1 Allow	$114,396	1y	2054
2053 (Year 29) Total				**$125,836**		
2054 (Year 30)						
5.01	Building Restoration Allowance	$869,931.81	1 Allow	$869,932	15y	N/A
5.03	Electrical Allowance	$5,891.41	1 Allow	$5,891	1y	N/A
4.01	Fire Prevention Allowance	$5,891.41	1 Allow	$5,891	1y	N/A
5.02	Plumbing Allowance	$117,828.28	1 Allow	$117,828	1y	N/A
2054 (Year 30) Total				**$999,543**		

Component Details

	Reserve Component	*UL*	*RL*	*Quantity*	*Unit Cost*	*Rplc %*	*Extended Cost*
Building 1 Structural							
1.01	Unit Building Roof	20y	19y 11m	1 LS	$330,048.00	100%	$330,048
2.01	Shingle Mansard	40y	20y 11m	1 LS	$47,628.00	100%	$47,628
3.01	Unit Building Exterior Paint	7y	6y 11m	1 LS	$278,280.36	100%	$278,280
4.01	Fire Prevention Allowance	1y	0y 11m	1 Allow	$2,500.00	100%	$2,500
5.01	Building Restoration Allowance	15y	14y 11m	1 Allow	$369,152.40	100%	$369,152
5.02	Plumbing Allowance	1y	0y 11m	1 Allow	$50,000.00	100%	$50,000
5.03	Electrical Allowance	1y	0y 11m	1 Allow	$2,500.00	100%	$2,500
6.01	Common Area Windows Allowance	35y	34y 11m	1 Allow	$21,120.00	100%	$21,120
6.02	Common Area Door Allowance	35y	34y 11m	1 Allow	$18,688.32	100%	$18,688
7.01	Hardie Board Siding Replacement Allowance	50y	49y 11m	1 Allow	$50,000.00	100%	$51,500

Grand Total: 10

Appendices

Calculations

1) Allocation % =

Reserve Allocation (Component Method) / Total Reserve Allocation (Component Method) x 100

2) Current Cost =

Extended Cost (for a component without subcomponents)

-or-

Sum of subcomponent Extended Costs (for a component with subcomponents)

3) Extended Cost =

Quantity x Unit Cost x Replacement % x (1+Contingency Rate)

4) Fully Funded Balance =

Current Cost / Useful Life x (Useful Life - Remaining Life)

5) FY End Balance (same as Next FY Start Balance) =

Initial or current fiscal year-

Current Reserve Balance + Interest Earned + Reserve Allocation to Fund + Special Assessment to Fund + Funds Due from Operating - Approved Funds to Disburse - Disbursements

Subsequent fiscal years-

FY Start Balance + Interest Earned + (Reserve Allocation (from previous year) x (1 + Reserve Allocation Rate)) - Disbursements

6) Interest Earned=

Initial fiscal year-

Current Reserve Balance x (Interest Rate (net effective)/12 x Number of funding months remaining in current fiscal year)

Subsequent fiscal years-

FY Start Balance x Interest Rate (net effective)

7) Percent Funded =

(FY Start Balance / Fully Funded Balance) x 100

8) Reserve Allocation (Component Method) =

Current Cost / Useful Life

Definitions

Abbreviations

bldgs = *buildings*	lf or lin ft = *linear feet*	sy or sq yd = *square yard*
ea = *each*	RL = *remaining life*	UL = *useful life*
FY = *fiscal year*	sf or sq ft = *square feet* (100 sq ft = 1 square)	% = *percent*

1) Age

The approximate age of the complex. This parameter is provided for information only.

2) Allocation %

A percentage of the total Reserve Allocation. See Calculations- APPENDIX B.

3) Allocation Increase Rate

Expressed as a percentage rate that reflects the increase of a given year's Reserve Allocation over the previous year's Reserve Allocation and utilized only in the Cash Flow/Threshold Analysis.

4) Base Year

The year in which the governing documents were recorded and/or the buildings constructed (average year may be used for phases built over a period of time), and utilized to determine the approximate complex age. This parameter is provided for information only.

5) Common Interest Development (CID)

Defined by shared property and restrictions in the deed on use of the property. A CID is governed by a mandatory Association of homeowners which administers the property and enforces its restrictions. The Association Board is responsible for repairing, replacing, or maintaining the common areas, other than the exclusive use common areas, and the owner of each separate interest is responsible for maintaining that separate interest and any exclusive use common area appurtenant to the separate interest. The following are two typical CID subdivision types:

A) Condominium- In general, the recorded owner has title to the unit (or airspace). They are typically responsible for the interior of their individual unit/garage, all utilities that service their unit and any exclusive use common area associated with their unit (e.g. balcony, doors/windows, patio yard, etc.).

B) Planned Development- In general, the recorded owner has title to the lot. They are typically responsible for the maintenance and repair of any structure or improvement located on their respective lot.

Note- CIDs & subdivision types are general and may not apply or may vary, based on your local.

6) Component Inventory

The task of selecting and quantifying reserve items. This task can be accomplished through on-site visual observations, review of association design and organizational documents, review of established association precedents, and discussion with appropriate association representatives.

7) Contingency Rate

Expressed as a percentage rate that reflects a factor added to the unit cost to prepare for an event that is liable to occur, but not with certainty.

8) Current Cost

The current fiscal year's estimated cost to maintain, replace, repair, or restore a reserve component to its original functional condition. Sources utilized to obtain estimates may include: the association, its contractors, other contractors, specialists and independent consultants, the State department of Real Estate (or other state department as applicable), construction pricing and estimating manuals, and the preparer's own experience and/or database of costs formulated in the preparation of other reserve study reports. See Calculations- APPENDIX B.

9) Disbursement

The funds expected to be paid or expended from the Reserve Balance.

10) Extended Cost

See Calculations- APPENDIX B.

11) Fiscal Year (FY)

A 12-month period for which an organization plans the use of its funds. There are two distinct types:

A) Calendar Fiscal Year (ends December 31)

B) Non-Calendar Fiscal Year (does not end December 31)

12) Full Funded Balance (FFB)

Total Accrued Depreciation. An indicator against which the FY Start Balance can be compared. The balance that is in direct proportion to the fraction of life "used up" of the cost.

See Calculations- APPENDIX B.

13) Funding Goal

Independent of methodology utilized, the following represents the basic categories of funding plan goals:

A) Baseline Funding- Maintaining a Net Reserve Balance at or near zero.

B) Full Funding- Maintaining a Reserve Balance at or near Percent Funded of 100%.

C) Statutory Funding- Maintaining a specified Reserve Balance/Percent Funded per statutes.

D) Threshold Funding- Establishing and maintaining a set Net Reserve Balance or Percent Funded.

14) Funding Method (or Funding Plan)

An association's plan to provide income to the reserve fund to offset expected disbursements from that fund. The following represents two (2) basic methodologies used to fund reserves:

A) Cash Flow/Threshold Method- A method of developing a reserve funding plan where allocations to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

B) Component Method- A method of developing a reserve funding plan where the total reserve allocation is based

on the sum of allocations for individual components.

15) Funding Plan

The combined Funding Method & Funding Goal.

16) FY End Balance (same as next FY Start Balance)

The balance in reserves at end of applicable fiscal year. See Calculations- Appendix B.

17) FY Start Balance (same as prior year FY End Balance)

The balance in reserves at start of applicable fiscal year.

18) Inflation Rate

Expressed as a percentage rate that reflects the increase of this year's costs over the previous year's costs. Also known as a 'cost increase factor'.

19) Interest Earned

The annual earning of reserve funds that have been deposited in certificates of deposit (CDs), money market accounts or other investment vehicles. See Calculations- Appendix B.

20) Interest Rate

The ratio of the gain received from an investment and the investment over a period of time (usually one year), prior to any federal or state imposed taxes.

21) Interest Rate (net effective)

The ratio of the gain received from an investment and the investment over a period of time (usually one year), after any federal or state imposed taxes.

22) Levels of Service

A) Level 1 Reserve Study (Full or Comprehensive)- A Reserve Study in which the following five Reserve Study tasks are performed:

a) Component Inventory
b) Life and Valuation Estimates
c) Fund Status
d) Funding Plan

B) Level 2 Reserve Study (Update, With-Site-Visit/On-Site Review)- A Reserve Study update in which the following five tasks are performed:

a) Component Inventory
b) Life and Valuation Estimates
c) Fund Status
d) Funding Plan
*Note- Updates are reliant on the validity of prior Reserve Studies.

C) Level 3 Reserve Study (Update, No-Site-Visit/Off-Site Review)- A Reserve Study update with no on-site visual observations in which the following three tasks are performed:

a) Life and Valuation Estimates

b) Fund Status
c) Funding Plan
*Note- Updates are reliant on the validity of prior Reserve Studies.

23) Percent Funded

A comparison of the Fully Funded Balance to the FY Start Balance expressed as a percentage, and used to provide a 'general indication' of reserve strength. See Calculations- APPENDIX B.

24) Quantity

The number or amount of a particular reserve component or subcomponent.

25) Remaining Life (RL)

The estimated time, in years, that a reserve component can be expected to continue to serve its intended function. Projects anticipated to occur in the current fiscal year (but have not been approved) have a remaining life of "zero".

26) Replacement %

A percentage of the total replacement for a particular reserve component or subcomponent. This parameter is normally 100%.

27) Reserve Allocation

The amount to be annually budgeted towards reserves based on a Funding Plan.

28) Reserve Component (or subcomponent)

The individual line items in the reserve study, developed or updated in the physical analysis that form the building blocks of the reserve study. They typically are:

A) association responsibility,
B) with limited useful life expectancies,
C) predictable remaining useful life expectancies,
D) above a minimum threshold cost,
E) and, as required by statutes.

29) Restoration

Defined as to bring back to an unimpaired or improved condition. General types follow:

A) Building- In general, funding utilized to defray the cost (in whole or part) of major building components that are not necessarily included as line items and may include termite treatment.
B) Irrigation System- In general, funding utilized to defray the cost (in whole or part) of sectional irrigation system areas including modernization to improve water management.
C) Landscape- In general, funding utilized to defray the cost (in whole or part) of sectional landscape areas including modernization to improve water conservation & drainage.

30) Risk Factor

The associated risk of the availability of reserves to fund expenditures by interpreting the Percent Funded parameter as follows:

A) 70% and above- LOW
B) 31% to 69%- MODERATE
C) 30% and below- HIGH

31) Unit Cost

The current fiscal year's estimated cost to maintain, replace, repair, or restore an individual "unit of measure" of a reserve component or subcomponent to its original functional condition.

32) Unit of Measure

A system of units used in measuring a reserve component or subcomponent (i.e. each, lineal feet, square feet, etc.).

33) Useful Life (UL)

Total Useful Life or Depreciable Life. The estimated time, in years, that a reserve item can be expected to serve its intended function if properly constructed and maintained in its present application or installation.

Unit Building Roof

Basic Info

Type of Cost:	Replacement
Category:	Building 1 Structural
Useful Life:	20y
Inflation Rate:	3.00%

Cost Data

Unit Cost (01/01/2025):	$330,048.00
Total Qty to Maintain (100% of Total):	1 LS
Total Current Cost:	$330,048

Comments

Included for the replacement of Bitumen Roofing

Items

Item	In-Service Date	Next Replacement Date	Quantity	Total Current Cost
Unit Building Roof	12/31/2024	12/31/2044	1 LS	$330,048
Total			1 LS	$330,048

Photos

Shingle Mansard

Basic Info

Type of Cost:	Replacement
Category:	Building 1 Structural
Useful Life:	40y
Inflation Rate:	3.00%

Cost Data

Unit Cost (01/01/2025):	$47,628.00
Total Qty to Maintain (100% of Total):	1 LS
Total Current Cost:	$47,628

Comments

Included for the replacement of Shingle Mansard

Items

Item	In-Service Date	Next Replacement Date	Quantity	Total Current Cost
Shingle Mansard	12/31/2005	12/31/2045	1 LS	$47,628
Total			1 LS	$47,628

Photos

Unit Building Exterior Paint

Basic Info

Type of Cost:	Replacement
Category:	Building 1 Structural
Useful Life:	7y
Inflation Rate:	3.00%

Cost Data

Unit Cost (01/01/2025):	$278,280.36
Total Qty to Maintain (100% of Total):	1 LS
Total Current Cost:	$278,280

Comments

Included for Waterproofing/Painting at 7-10 year intervals

Items

Item	In-Service Date	Next Replacement Date	Quantity	Total Current Cost
Unit Building Exterior Paint	12/31/2024	12/31/2031	1 LS	$278,280
Total			1 LS	$278,280

Photos

Fire Prevention Allowance

Basic Info

Type of Cost:	Replacement
Category:	Building 1 Structural
Useful Life:	1y
Inflation Rate:	3.00%

Cost Data

Unit Cost (01/01/2025):	$2,500.00
Total Qty to Maintain (100% of Total):	1 Allow
Total Current Cost:	$2,500

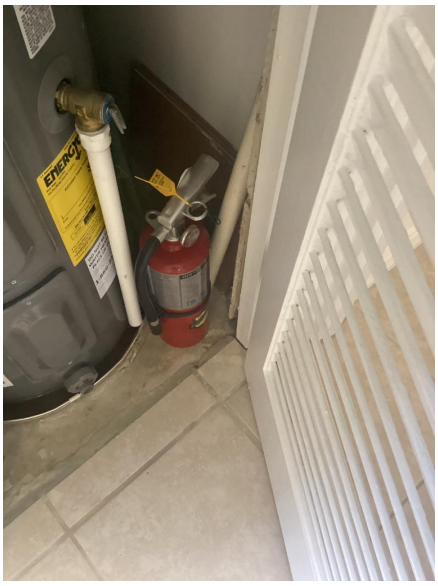
Comments

Included for replacements of smaller items, such as fire hydrants, pull switches, alarms and sprinkler heads. This allowance can also be applied to any Fire Prevention components not specifically listed in this report.

Items

Item	In-Service Date	Next Replacement Date	Quantity	Total Current Cost
Fire Prevention Allowance	12/31/2024	12/31/2025	1 Allow	$2,500
Total			1 Allow	$2,500

Photos



Building Restoration Allowance

Basic Info

Type of Cost:	Repairs & Maintenance
Category:	Building 1 Structural
Useful Life:	15y
Inflation Rate:	3.00%

Cost Data

Unit Cost (01/01/2025):	$369,152.40
Total Qty to Maintain (100% of Total):	1 Allow
Total Current Cost:	$369,152

Comments

Included for repair to exterior concrete, walkways, balconies, slab floors, foundation, and internal load bearing walls

Items

Item	In-Service Date	Next Replacement Date	Quantity	Total Current Cost
Building Restoration Allowance	12/31/2024	12/31/2039	1 Allow	$369,152
Total			1 Allow	$369,152

Photos

Plumbing Allowance

Basic Info

Type of Cost:	Replacement
Category:	Building 1 Structural
Useful Life:	1y
Inflation Rate:	3.00%

Cost Data

Unit Cost (01/01/2025):	$50,000.00
Total Qty to Maintain (100% of Total):	1 Allow
Total Current Cost:	$50,000

Comments

Included for replacement and refurbishment of Association owned Plumbing lines that deliver water between Units within the Residential Structure

Items

Item	In-Service Date	Next Replacement Date	Quantity	Total Current Cost
Plumbing Allowance	12/31/2024	12/31/2025	1 Allow	$50,000
Total			1 Allow	$50,000

Photos

Electrical Allowance

Basic Info

Type of Cost:	Replacement
Category:	Building 1 Structural
Useful Life:	1y
Inflation Rate:	3.00%

Cost Data

Unit Cost (01/01/2025):	$2,500.00
Total Qty to Maintain (100% of Total):	1 Allow
Total Current Cost:	$2,500

Comments

Included for replacement and refurbishment of Association owned wiring that delivers Electricity to components hroughout the Residential Building. This does NOT include the components themselves, which either have their own line-item or are the responsibility of Unit Owners

Items

Item	In-Service Date	Next Replacement Date	Quantity	Total Current Cost
Electrical Allowance	12/31/2024	12/31/2025	1 Allow	$2,500
Total			1 Allow	$2,500

Photos

Common Area Windows Allowance

Basic Info

Type of Cost:	Replacement
Category:	Building 1 Structural
Useful Life:	35y
Inflation Rate:	3.00%

Cost Data

Unit Cost (01/01/2025):	$21,120.00
Total Qty to Maintain (100% of Total):	1 Allow
Total Current Cost:	$21,120

Comments

Included for the replacement of Common Area Windows

Items

Item	In-Service Date	Next Replacement Date	Quantity	Total Current Cost
Common Area Windows Allowance	12/31/2024	12/31/2059	1 Allow	$21,120
Total			1 Allow	$21,120

Photos

Common Area Door Allowance

Basic Info

Type of Cost:	Replacement
Category:	Building 1 Structural
Useful Life:	35y
Inflation Rate:	3.00%

Cost Data

Unit Cost (01/01/2025):	$18,688.32
Total Qty to Maintain (100% of Total):	1 Allow
Total Current Cost:	$18,688

Comments

Included for the as needed replacement of Common Area Steel Doors. The useful life of Steel Doors will vary based on their location within the Structure. As such, it is accepted that Association's will not do a full, one-time replacement of all Steel Doors. This Allowance funds for as needed replacement, as well as any restorative work the Association may do to reasonably extend the Useful life of their Steel Doors and Frames. This accounts for multiple door types including but not limited to steel, fiberglass, and glass doors.

Items

Item	In-Service Date	Next Replacement Date	Quantity	Total Current Cost
Common Area Door Allowance	12/31/2024	12/31/2059	1 Allow	$18,688
Total			1 Allow	$18,688

Photos

Hardie Board Siding Replacement Allowance

Basic Info

Type of Cost:	Repairs & Maintenance
Category:	Building 1 Structural
Useful Life:	50y
Inflation Rate:	3.00%

Cost Data

Unit Cost (08/30/2024):	$50,000.00
Total Qty to Maintain (100% of Total):	1 Allow
Total Current Cost:	$51,500

Comments

Included for as-needed replacement/ refurbishment of Hardie Board Siding. Historically the association has replaced the hardie board in sections or individual boards based on wear.

Items

Item	In-Service Date	Next Replacement Date	Quantity	Total Current Cost
Hardie Board Siding Replacement Allowance	12/31/2024	12/31/2074	1 Allow	$51,500
Total			1 Allow	$51,500

Photos